

Fire & Rescue Service Headquarters Summergroves Way Kingston upon Hull HU4 7BB
Telephone 01482 565333

To: Members of the Governance, Audit and Scrutiny Committee	Enquiries to: Rob Close Email: committeemanager@humbersidefire.gov.uk Tel. Direct: (01482) 393899 Date: 12 January 2024
---	--

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 22 JANUARY 2024 at 10.00AM** at HUMBERSIDE FIRE & RESCUE SERVICE HEADQUARTERS, SUMMERGROVES WAY, KINGSTON UPON HULL, HU4 7BB.

The business to be transacted is set out below.

Yours sincerely



for Lisa Nicholson
Monitoring Officer & Secretary to Fire Authority

A G E N D A

Business	Page Number	Lead	Primary Action Requested
1. Apologies for absence	-	Monitoring Officer/ Secretary	To record
2. Declarations of Interest (Members and Officers)	-	Monitoring Officer/ Secretary	To declare and withdraw if pecuniary
3. Minutes of the meeting of 13 November 2023 and Action Schedule	(pages 3 - 8)	Chairperson	To approve
4. Auditor's Annual Report 2022/23	(copy to follow)	External Audit (Mazars)	To consider and make any recommendations to the HFA
5. Annual Accounts 2022/23	(pages 9 -96)	Joint Deputy Chief Finance Officer & Deputy S.151 Officer	To consider and make any recommendations to the HFA
6. Internal Audit Reports	(pages 97 - 112)	Internal Audit (TIAA)	To consider and make any recommendations to the HFA
7. Review of Anti-Fraud Related Policies	(pages 113 - 182)	Head of Corporate Assurance	To consider and make any recommendations to the HFA

Business	Page Number	Lead	Primary Action Requested
8. Scrutiny Item: Control Exercise and Debrief	(pages 183 - 186)	Head of Emergency Preparedness & Control	To consider and make any recommendations to the HFA
9. Scrutiny Item: Update report on Grievance Procedures	(pages 187 - 189)	Head of HR	To consider and make any recommendations to the HFA
10. Members' Allowances	Verbal Update	Executive Director of Finance/S.151 Officer	To note
11. GAS Committee Scrutiny Programme 2023/24	(pages 190 - 193)	Monitoring Officer/ Secretary	To approve

HUMBERSIDE FIRE AUTHORITY
GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE

13 NOVEMBER 2023

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

Officers Present: Matthew Sutcliffe – Assistant Chief Fire Officer & Executive Director of Corporate Services, Christine Cooper – Executive Director of People and Development, Steve Duffield – Area Manager of Service Improvement, Shaun Edwards – Joint Deputy Chief Finance Officer & Deputy S.151 Officer, Jon Henderson – Area Manager of Prevention and Protection, Jason Kirby – Area Manager of Emergency Response, Jamie Morris – Designate Head of Corporate Assurance, Sam O'Connor – Head of Organisational Development, Martyn Ransom – Joint Chief Finance Officer & S.151 Officer, Claire Tait – Head of Operational Training, David Robinson – Internal Audit (TIAA), Andy McCulloch – Internal Audit (TIAA), Lisa Nicholson – Monitoring Officer/Secretary, Alison Finn – Committee Manager and Rob Close – Committee Manager.

Councillor Briggs was also in attendance.

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

47/23 APOLOGIES FOR ABSENCE – Apologies for absence were received from Gerry Wareham.

48/23 DECLARATIONS OF INTEREST – No declarations of interest were made with respect to any items on the agenda.

47/23 MINUTES – *Resolved* – That the minutes of the meeting held on 4 September 2023 be confirmed as a correct record.

48/23 INTERNAL AUDIT REPORTS – The Committee received a report of TIAA, the Authority's internal auditors, detailing internal audit activity. The Committee was advised that, since the last Summary Internal Controls Assurance, six final audits were issued. In the final report, the bullying, harassment & discrimination, mobile data terminals, and effectiveness of systems audits all received reasonable assurance while the staff development and service absolutes received substantial assurance.

A fair sample size of staff were selected as respondents to the audit of bullying, harassment & discrimination, with representation from different levels of management. Moving forwards, there was a view to separate the role of the Freedom to Speak Up Guardian from Human Resources and broaden it to more members of staff.

The recommendations identified as part of the mobile data terminals audit were managed through the service improvement plan. The Service had since withdrawn from the Home Office connectivity in favour of pursuing a bespoke alternative. 4G enabled devices had already been installed and a full hardware replacement was expected by April 2024 while broader reengineering and training continued. While only mandated to share up to 10km of risk data with neighbouring Fire Authorities, Humberside Fire and Rescue opted to share and receive data from the whole area.

The outstanding 15 recommendations, detailed in the Mid-Year Follow Up Review, were largely outside of the Service's control, with one recommendation being superseded by a subsequent recommendation, and internal audit were satisfied that the delays were not unjustified. It was appreciated that some completion dates for recommendations were ambitious.

It was clarified that station managers were expected to display heat maps in stations. The data that informed those heat maps was collected as part of a briefing held monthly looking over the previous period. Officers were satisfied that the Service was both data rich with effective data intelligence.

Resolved – (a) *That the mid year follow up review be scheduled at the most appropriate point in the year to ensure a more timely update on the progression of recommendations;*

(b) *That the update be noted, and the Committee thank TIAA for their assiduous efforts.*

49/23 MANAGEMENT ACCOUNTS PERIOD ENDING 30 SEPTEMBER 2023 – The Committee received a report of the Joint Chief Finance Officer and Deputy Section 151 Officer detailing the final outturn report. The Committee was advised that the £0.394m underspend arose from lower green book pay award and ICT costs. Additional investment income and grant funding led to a capital programme underspend.

Officers were satisfied that the Service was receiving value for money for its staffing pay underspend. The vacant temporary roles underspend was invested into other priority areas and had no impact to the permeant baseline budget. Management of these vacant posts was decided at a senior management team level

Resolved - *That the report be received.*

50/23 TREASURY MANAGEMENT HALF YEAR REPORT 2022/23 – The Committee received a report of Joint Deputy Chief Finance Officer updated the Committee on the treasury management activities for the first half of the financial year 2022/23. The Committee was advised that the Service had not taken any short term borrowing in the first six months of the year and was unlikely to undertake short-term borrowing in the second half of the financial year. Moreover, the Service had not undertaken any new long-term borrowing so far this financial year but this position would be reviewed in the second half of the financial year. During the period April to September 2023, the Service operated wholly within the Prudential limits approved.

Resolved - *That the report be received.*

51/23 SCRUTINY ITEM: ON-CALL STAFF LEARNING AND DEVELOPMENT – The Committee received a report of the Head of Organisational Development detailing the on-call staff learning and development opportunities offered by Humberside Fire and Rescue. The Committee was advised there were a number of challenges for both the Service and On-Call firefighters in achieving and maintaining the required level of competency and standards. These challenges consisted of availability constraints from primary employment and other personal commitments, disruptions from responses demands, maintenance of work life balance, geographical limitations, limited study availability and challenges for promotion.

On call staff were still subject to Performance Development Review (PDR) and Training Needs Analysis (TNA) processes with paid extra hours allowed if sufficient contracted work time was not available. The PDR process included a section on the Core Code of Ethics which was further enhanced through the introduction of a 360-degree feedback tool for all supervisory managers and above. The completion rate for PDR's during 2023 was 94 per cent overall with Emergency Response, including On-Call firefighters, completion rate at 95 per cent. The Service was currently awaiting the results of the RealWorldHR staff survey which might indicate areas of action in relation to on-call personnel and their development or PDR opportunities that could be considered for any further improvements.

The Committee then considered the following aspects:

- **Testing** – Practical testing was the same for both On-Call and Full Time Firefighters which contributed to the Service's ambitions of integration and parity.
- **Development of Training**– Focus groups were held to ensure that the lived experiences of On-Call Firefighters were accommodated into a dedicated work stream develop the training provision of On-Call Firefighters. This resulted in a move towards more localised training sessions planned for appliance training in 2024. Ultimately, the training offer of Humberside Fire and Rescue did not appear to be of detriment to the On-Call Firefighters given its position as the third highest performing Service in the UK on issues of recruitment and retention.
- **Accessibility** – Despite the delays neurodivergence diagnoses from GPs, wherever possible, the Service sought to make reasonable adjustments to the provision of training and the methods of evaluation in the endeavour of equality of opportunity.
- **Availability** – The Service greatly appreciated the dedication of On-Call Firefighters to take time outside of their allotted hours to develop and was exploring opportunities for reward those efforts.

Resolved – *That the Committee endorses the Service's continuing commitment to learning and development for On-Call firefighters.*

52/23 GAS COMMITTEE SCRUTINY PROGRAMME 2023/24 – The Committee Manager submitted a report summarising the Committee's Scrutiny Programme 2023/24.

Resolved - *That the Programme be received.*

ROLLING ACTION SCHEDULE OF FIRE AUTHORITY, GAS COMMITTEE & PENSION BOARD MEETINGS

Meeting	Date	Agenda Item	Minute Number	Resolution/Action	Officer to Action	Complete/Update
GAS Committee	13 November 2023	Internal Audit Reports	48/23	Resolved – (a) That the mid-year follow up review be scheduled at the most appropriate point in the year to ensure a more timely update on the progression of recommendations;	Jamie Morris – Designate Head of Corporate Assurance/ Andrew McCulloch - Internal Audit (TIAA)	Complete – The mid-year follow-up will be scheduled at the most appropriate point in the year in future, based on the audit plan schedule, to ensure a timelier update on the progression of recommendations is made.
GAS Committee	4 September 2023	Minutes & Action Schedule	42/23	Resolved - (b) That the Committee receive an update to the scrutiny item on grievance procedures in January 2024.	Anne Stott - Head of HR	Complete – added to GAS Committee Work Programme for 22 nd January 2024 meeting
GAS Committee	4 September 2023	Internal Audit Reports	44/23	Action - The Committee were interested to know how the field work for the audits was conducted. The internal auditors agreed to give some further detail of this outside of the meeting.	Jamie Morris – Designate Head of Corporate Assurance/ Andrew McCulloch - Internal Audit (TIAA)	Complete – Members sent as a reminder the agreed internal audit plan (attached) as approved and issued in March 2023 (specifically pages 2, 5 & 6) which covers the overarching arrangements and methodology. In addition each Internal Audit report the Committee receives sets out the specific methodology applied for each audit.
GAS Committee	3 July 2023	Scrutiny Item: Grievance Procedures	34/23	Resolved – (b) that Officers consider including an additional Member on the panel for the formal hearing formal stages; (c) that Officers consider the inclusion of a Fire Authority Member on the panel for a Stage 3 hearing, and (d) that Officers consider reviewing the Grievance Policy Equality Impact Analysis (EIA) to help inform the Policy.	Anne Stott - Head of HR	Complete (b) This was fully explored. Regrettably, there are inevitably challenges around availability owing to the shift patterns, etc which if the panel numbers increased, may delay the matter further. In addition, as it is the hearing officer who makes the decision, two hearing officers may be unable to reach an agreed outcome, thus requiring a third hearing officer to ensure a majority decision was able to be taken. Three hearing managers at Station Manager level or above, would be a challenge in terms of availability and in terms of efficient use of senior management time. HR's attendance is to provide guidance on process and policy, it does not offer a view as to the outcome hence is able to provide an objective and impartial view of the procedure which includes the decision-making process. (c) Having considered the matter, it was agreed that as the decision is made by the hearing officer, it may not be possible for two panellists to reach an agreed outcome. This would then necessitate a third panellist, again producing a challenge in terms of availability and efficient use of time.

ROLLING ACTION SCHEDULE OF FIRE AUTHORITY, GAS COMMITTEE & PENSION BOARD MEETINGS

Meeting	Date	Agenda Item	Minute Number	Resolution/Action	Officer to Action	Complete/Update
GAS Committee	20 February 2023	GAS Committee Scrutiny Programme 2022/23	20/23	Resolved - (a) That an item considering Equality, Diversity and Inclusion Staff Forums be brought to the 3 April 2023 meeting of the Committee.	Committee Manager	Complete
GAS Committee	20 February 2023	Scrutiny Item – General Data Protection Regulation (GDPR) Compliance	19/23	Resolved - (b) That a copy of the Data Protection Guide for Staff be circulated to the Committee for information upon publication.	Senior Corporate Assurance Officer	Complete
GAS Committee	20 February 2023	Treasury Management and Capital Expenditure Strategy 2023/24	18/23	Resolved – (b) That an update be given by the Joint Estates Manager on fleet replacement during the next municipal year; (c) That new members of Committee be offered training on Link.	Committee Manager	(b) Complete – Placed on Member Day Programme for 2023/24 (c) Complete – in process of being arranged

Agenda Item No. **5**

Report by Joint Deputy
Chief Finance Officer &
Deputy
S.151 Officer

2022/23



HUMBERSIDE
Fire & Rescue Service

Humberside Fire Authority Annual Accounts 2022/23

Contents

Narrative Report	3
Audit Opinion	11
Statement of Responsibilities for the Statement of Accounts	14
Movement in Reserves Statement	15
Comprehensive Income and Expenditure Statement	17
Balance Sheet	18
Cash Flow Statement	19
Notes to the Financial Statements	
Note 1 – Accounting Policies	20
Note 2 – Expenditure and Funding Analysis	30
Note 3 – Material Risk and Uncertainty	31
Note 4 – Pensions	32
Note 5 – Non Current Assets	41
Note 6 – Reserves held by the Authority	46
Note 7 – Borrowing and Investments	49
Note 8 – Other Creditors and Debtors	50
Note 9 – Financial Instruments	50
Note 10 – Note to Expenditure and Funding Analysis Statement (Adjustments between Accounting basis and Funding basis under Regulation)	55
Note 11 – Other Operating Expenditure, Financing, Investment Income, Taxation and Non-Specific Grants	56
Note 12 – Related Parties	57
Note 13 – Members’ Allowances	58
Note 14 – Officers’ Emoluments	58
Note 15 – Other notes to the Financial Statements	60
Note 16 – Cash Flow notes	61
Firefighters’ Pension Fund Account	63
Certifications	66
Appendix 1 – Revenue Variance Analysis	67
Appendix 2 – Capital Expenditure breakdown and variance analysis	69
Appendix 3 – Glossary of Terms	71
Appendix 4 – Feedback Form	79
Appendix 5 – Annual Governance Statement	81

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

Introduction

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

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

Organisational Summary

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

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

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

Humberside

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

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

Service Statistics

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

Structure and Fire Station Locations

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



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

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

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

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

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

The work of HFRS

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

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

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

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

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

Response Standards

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

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

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

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

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

Service Performance Summary 2022/23

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

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

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

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

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

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

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

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

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

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

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

2022/23 Financial Year

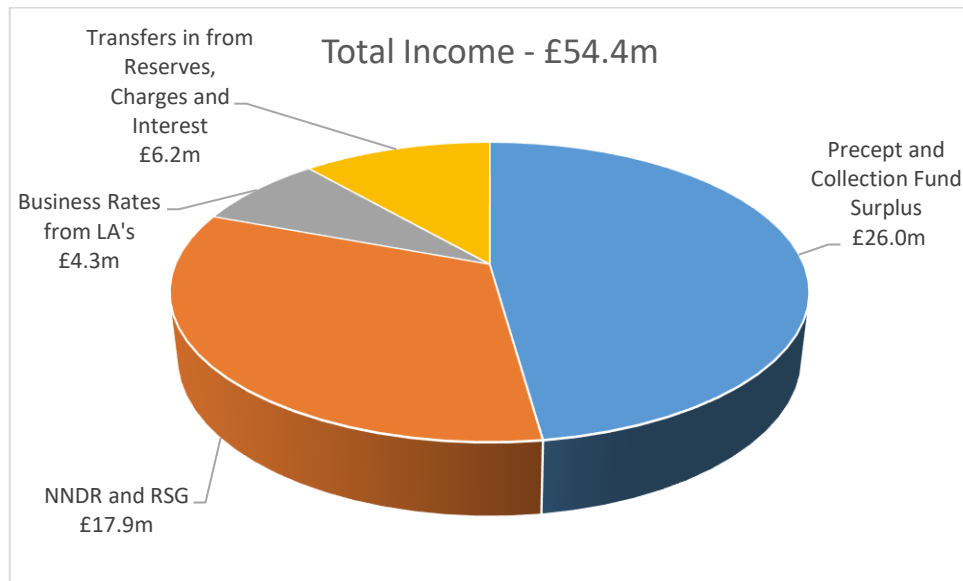
Since 2011/12 the Authority has suffered a circa 40% reduction in external funding which equates to approximately £11.5m.

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

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

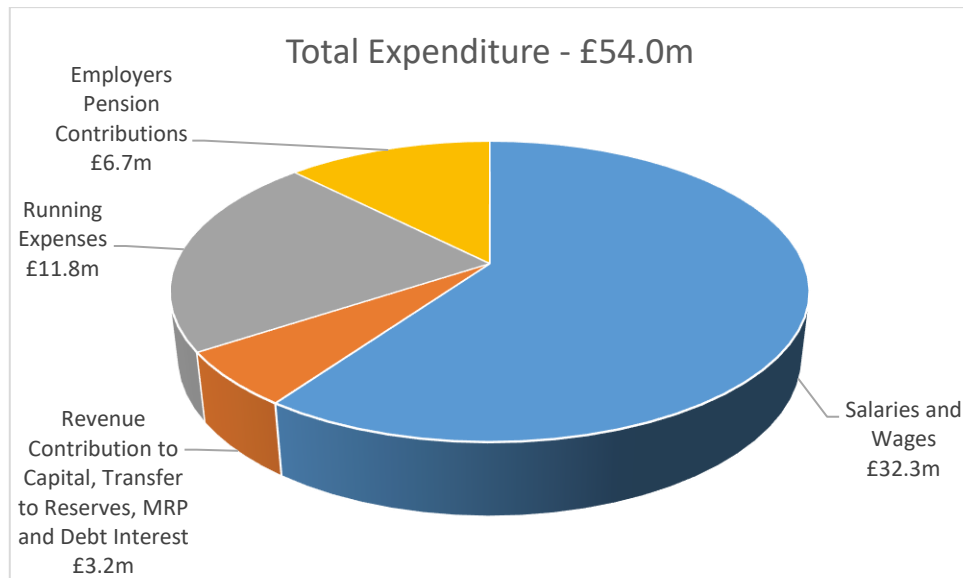
The Authority's position over the medium-term is sound, but will be kept under continuous review particularly with regard to any cost pressures arising and also pay awards that may be agreed over the next 2 to 3 years against a backdrop of higher levels of general inflation and tight financial settlements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

Income



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

Expenditure



Budget Outturn Position

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

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

Non-Pay Variances

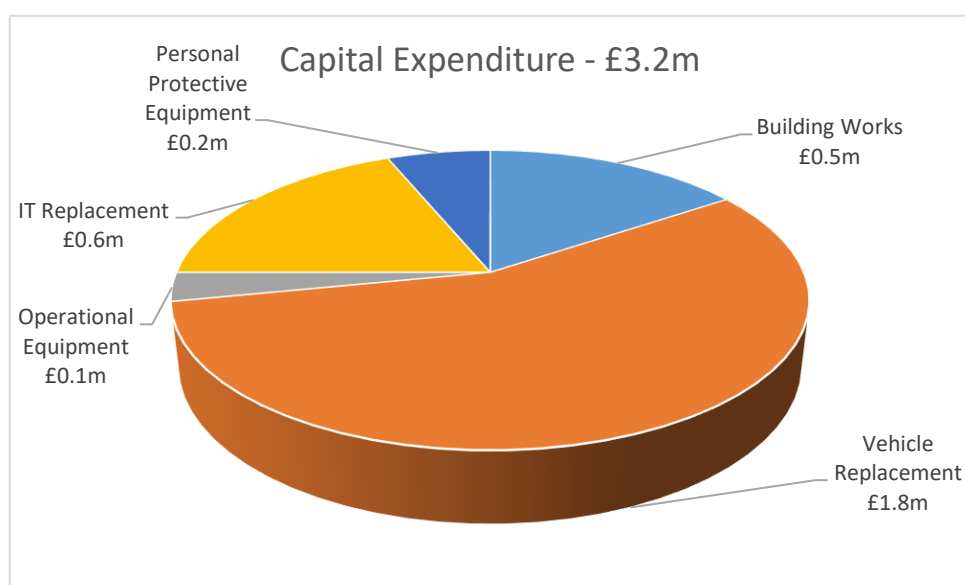
During 2022/23, the overall variance across all non-pay budgets was an underspend of £375k. This was primarily due to receiving a higher level of interest on our investments as well as a lower Minimum Revenue Provision charge following a lower Capital spend during 2021/22.

Income

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

Capital Expenditure

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



Financing of Capital Expenditure

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

Humberside Fire Authority Reserves

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

Future Spending Plans

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

International Accounting Standard 19 (IAS 19)

IAS 19 requires employers to report the full cost of pension benefits as they are earned, regardless of whether they have been paid for. The Local Government Pension Scheme has an asset of £6.939m (2021/22 was a liability of £9.374m) and the liability on the Firefighters' Pension Scheme is £521.980m (2021/22 was £701.390m). The Authority's liability includes the Firefighters' Pension Scheme 1992, the Firefighters' Pension Scheme 2006, Firefighters' Pension Scheme 2015 and the Modified Firefighters' Pension Scheme. It should be noted that IAS 19 does not impact upon the level of balances held by the Authority. (Under IAS19 injury awards are now recognised in the accounts of the Authority).

Humberside Fire Authority Pension Fund Account

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

Change in Statutory Function

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

Significant Change in Accounting Policies

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

Material Events after 31 March

There are no material events after 31 March to disclose.

Going Concern

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

Further Information

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

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

Acknowledgment

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

Kevin J Wilson BSc Econ (Hons), FCPFA

Executive Director of Finance/Section 151 Officer – May 2023

Intentionally left blank for Audit Opinion

Intentionally left blank for Audit Opinion

Intentionally left blank for Audit Opinion


Statement of Responsibilities for the Statement of Accounts

The Authority's Responsibilities

The Authority is required:

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

I confirm that these accounts were approved at the Fire Authority meeting held on 22 September 2023.

Signed 	Date 22 nd September 2023
--	--------------------------------------

Executive Director of Finance and Section 151 Officer Responsibilities

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


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

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

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

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

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

Signed 	Date 30 th May 2023
--	--------------------------------

STATEMENT OF ACCOUNTS
MOVEMENTS IN RESERVES STATEMENT

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

2022/23

	Earmarked Reserves	General Fund Balance	Usable Capital Receipts Reserve	Total Usable Reserves	Pensions Reserve	Capital Adjustment Account	Revaluation Reserve	Collection Fund Adjustment Account	Accumulated Absences Account	Total Authority Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Note(s)	6	2			4	6	6			
Balance at 31 March 2022	7,516	7,438	29	14,984	(710,764)	19,549	23,190	605	(420)	(652,855)
Surplus or (Deficit) on Provision of Services (accounting basis)		(27,343)		(27,343)						(27,343)
Other Comprehensive Income and Expenditure				-	219,958		1,421			221,379
Total Comprehensive Income and Expenditure	-	(27,343)	-	(27,343)	219,958	-	1,421	-	-	194,036
Adjustments between Accounting Basis & Funding Basis under Regulations (Note 10)		27,553	(29)	27,524	(24,235)	(2,409)	(872)	12	(20)	-
Net Increase / (Decrease) before transfers to Earmarked Reserves	-	210	(29)	181	195,723	(2,409)	549	12	(20)	194,036
Transfers to / (from) Earmarked Reserves	1,303	(1,303)		-						-
Increase / (Decrease) in Year	1,303	(1,093)	(29)	181	195,723	(2,409)	549	12	(20)	194,036
Balance at 31 March 2023	8,819	6,345	-	15,165	(515,041)	17,139	23,739	617	(440)	(458,819)

The accompanying notes form part of these Financial Statements.

MOVEMENT IN RESERVES STATEMENT

2021/22

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

The accompanying notes form part of these Financial Statements.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

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

Year ended 31 March 2022			Year ended 31 March 2023		
£'000	£'000	£'000	£'000	£'000	£'000
Gross Expenditure	Gross Income	Net Expenditure	Gross Expenditure	Gross Income	Net Expenditure
3,348	(446)	2,902	3,524	(318)	3,206
37,855	(675)	37,180	39,291	(565)	38,726
16,627	(1,606)	15,022	18,913	(1,343)	17,570
132		132	132		132
15		15	38		38
		- Non Distributed Cost/(Income)			-
57,977	(2,727)	55,251	61,898	(2,226)	59,672
		Cost of Services			
193	(29)	164	224	(49)	175
		Other Operating Expenditure			
15,094	(16)	15,078	19,444	(335)	19,109
		Financing and Investment Income and Expenditure			
	(48,002)	(48,002)		(51,614)	(51,614)
		Taxation and Non-Specific Grant Income			
		22,491			27,343
		(Surplus) or Deficit on Provision of Services			
		(14,329)			(1,421)
		(Surplus) or Deficit on Revaluation of Non Current Assets			
		(31,479)			(219,958)
		Remeasurement of the net defined liability / (asset)			
		(45,808)			(221,379)
		Other Comprehensive Income and Expenditure (Surplus)/Deficit			
		(23,317)			(194,036)
		Total Comprehensive Income and Expenditure (Surplus)/Deficit			

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

The accompanying notes form part of these Financial Statements.

BALANCE SHEET

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

31 March 2022		31 March 2023
£'000	Note(s)	
62,928 Property, Plant & Equipment	5	61,808
25 Intangible Assets	5	15
- Other Long-Term Assets	4	6,939
62,953 Long-Term Assets		68,762
406 Inventories		489
11,005 Short-Term Investments	7	8,974
11,032 Short-Term Debtors	8	10,750
149 Cash and Cash Equivalents	16	112
22,593 Current Assets		20,325
(7,305) Short-Term Creditors	8	(6,349)
(143) Short-Term Provisions		(313)
(1,006) Short-Term Borrowing	7	(1,599)
(8,454) Current Liabilities		(8,261)
(18,170) Long-Term Borrowing	7	(16,669)
(711,777) Other Long-Term Liabilities	4/7	(522,976)
(729,947) Long-Term Liabilities		(539,645)
<u>(652,855) Net Assets/(Liabilities)</u>		<u>(458,819)</u>
14,984 Usable Reserves	2/6	15,165
(667,839) Unusable Reserves	4/6	(473,984)
<u>(652,855) Total Reserves</u>		<u>(458,819)</u>

The accompanying notes form part of these Financial Statements.

CASH FLOW STATEMENT

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

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

The accompanying notes form part of these Financial Statements.

Notes to the Financial Statements

1. Accounting Policies

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

Accounting Convention

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

Acquisitions and Discontinued Operations

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

Going Concern

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

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

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

Critical Judgements in Applying Accounting Policies

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

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

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

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

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

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

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

Key Sources of Estimation Uncertainty

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

Pensions Liability and Reserve

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

Valuation and Depreciation Charges

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

Revenue

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

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

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

Accruals of Income and Expenditure

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

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

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

Overheads and Support Services

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

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

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

Agency Income

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

Employee Benefits

Benefits Payable during Employment

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

Termination Benefits

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

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

Retirement Benefits

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

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

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

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

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

Service cost comprising:

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

Remeasurements comprising:

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

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

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

Other Expenses

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

Property, Plant and Equipment

Recognition

Property, plant and equipment is capitalised if:

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

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

Valuation

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

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

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

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

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

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

Subsequent Expenditure

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

Disposals

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

Intangible Assets Recognition

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

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

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

Measurement

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

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

Depreciation, Amortisation and Impairments

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

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

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

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

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

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

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

Government Grants

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

Non-Current Assets Held for Sale

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

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

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

Leases

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

The Authority As A Lessee

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

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

Inventories

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

Cash and Cash Equivalents

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

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

Provisions

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

Contingencies

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

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

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

Reserves

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

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

The Authority has three capital reserves:

- Capital Adjustment Account
- Revaluation Reserve
- Capital Receipts Reserve

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

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

Financial Assets

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

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

Loans and Receivables

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

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

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

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

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

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

Financial Liabilities

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

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

Foreign Currencies

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

Joint Operations

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

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

- IFRS 16 Leases

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

Accounting Standards Issued That Have Been Adopted Early

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

Exceptional Items

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

Prior Period Adjustments

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

Events After The Reporting Period

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

Group Accounts

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

VAT

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

2. Expenditure and Funding Analysis

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

Year ended 31 March 2022

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

6,373

Opening General Fund Balance

(1,065)

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

7,438

Closing General Fund Balance at 31 March

Year ended 31 March 2023

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

7,438

1,0936,345

3. Material Risk and Uncertainty

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

4. Pensions

Participation in Pension Schemes

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

The Authority participates in five pension schemes:

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

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

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

Transactions Relating to Retirement Benefits

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

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

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

In addition to the recognised gains and losses included in the Comprehensive Income and Expenditure Account (shown in the table above), actuarial gains of £219.958m were included in the Statement of Comprehensive Income and Expenditure (£31.479m for 2021/22).

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

Actuarial gains and losses comprise:

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

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

Assets and Liabilities in Relation to Retirement Benefits

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

Period ended 31 March	Firefighters' 1992 Pension Scheme Assets		Firefighters' 1992 Pension Scheme Obligation		Firefighters' 1992 Pension Scheme Net Obligation		Firefighters' Injury Awards Assets		Firefighters' Injury Awards Obligation		Firefighters' Injury Awards Net Obligation	
	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000
Fair value of employer assets					-	-					-	-
Present value of funded liabilities					-	-					-	-
Present value of unfunded liabilities			(591,350)	(612,130)	(591,350)	(612,130)			(12,230)	(11,090)	(12,230)	(11,090)
Opening Position as at 31 March	-	-	(591,350)	(612,130)	(591,350)	(612,130)	-	-	(12,230)	(11,090)	(12,230)	(11,090)
Service Cost												
Current Service Cost				(340)	-	(340)			(230)	(280)	(230)	(280)
Past Service Cost (inc curtailments)			(14,320)		(14,320)	-					-	-
Effect of Settlements					-	-					-	-
Total Service Cost	-	-	(14,320)	(340)	(14,320)	(340)	-	-	(230)	(280)	(230)	(280)
Net Interest												
Interest income on plan assets					-	-					-	-
Interest cost on defined benefit obligation			(15,630)	(12,050)	(15,630)	(12,050)			(320)	(220)	(320)	(220)
Impact of asset ceiling on net interest					-	-					-	-
Total net interest	-	-	(15,630)	(12,050)	(15,630)	(12,050)	-	-	(320)	(220)	(320)	(220)
Total defined benefit cost recognised in Income and Expenditure	-	-	(29,950)	(12,390)	(29,950)	(12,390)	-	-	(550)	(500)	(550)	(500)
Cashflows												
Plan participants' contributions		110		(110)	-	-					-	-
Employer Contributions		305			-	305					-	-
Contributions in respect of unfunded benefits					-	-					-	-
Benefits paid	(17,460)	(19,800)	17,460	19,800	-	-	(450)	(450)	450	450	-	-
Unfunded benefits paid					-	-					-	-
Expected closing position	(17,460)	(19,385)	(603,840)	(604,830)	(621,300)	(624,215)	(450)	(450)	(12,330)	(11,140)	(12,780)	(11,590)
Remeasurements												
Changes in demographic assumptions			10,820		10,820	-			200		200	-
Changes in financial assumptions	17,460	19,385	160,740	6,490	178,200	25,875	450	450	2,830	120	3,280	570
Other experience			(38,510)	6,990	(38,510)	6,990			(40)	(1,210)	(40)	(1,210)
Return on assets excluding amounts included in net interest					-	-					-	-
Changes in assumptions underlying the present value of the retained settlement					-	-					-	-
Changes in asset ceiling					-	-					-	-
Total remeasurements recognised in Other Comprehensive Income	17,460	19,385	133,050	13,480	150,510	32,865	450	450	2,990	(1,090)	3,440	(640)
Exchange differences												
Effect of business combinations and disposals												
Fair Value of employer assets												
Present value of funded liabilities												
Present value of unfunded liabilities	-	-	(470,790)	(591,350)	(470,790)	(591,350)	-	-	(9,340)	(12,230)	(9,340)	(12,230)
Closing position as at 31 March	-	-	(470,790)	(591,350)	(470,790)	(591,350)	-	-	(9,340)	(12,230)	(9,340)	(12,230)

Period ended 31 March

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

Opening Position as at 31 March

Service Cost

Current Service Cost
Past Service Cost (inc curtailments)
Effect of Settlements

Total Service Cost

Net Interest

Interest income on plan assets
Interest cost on defined benefit obligation
Impact of asset ceiling on net interest

Total net interest

Total defined benefit cost recognised in Income and Expenditure

Cashflows

Plan participants' contributions
Employer Contributions
Contributions in respect of unfunded benefits
Benefits paid
Unfunded benefits paid

Expected closing position

Remeasurements

Changes in demographic assumptions
Changes in financial assumptions
Other experience
Return on assets excluding amounts included in net interest
Changes in assumptions underlying the present value of the retained settlement
Changes in asset ceiling

Total remeasurements recognised in Other Comprehensive Income

Exchange differences

Effect of business combinations and disposals

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

Closing position as at 31 March

Firefighters' 2006 Pension Scheme Assets		Firefighters' 2006 Pension Scheme Obligation		Firefighters' 2006 Pension Scheme Net Obligation		Firefighters' 2015 Pension Scheme Assets		Firefighters' 2015 Pension Scheme Obligation		Firefighters' 2015 Pension Scheme Net Obligation	
2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000
				-	-					-	-
				-	-					-	-
		(32,640)	(33,030)	(32,640)	(33,030)			(65,160)	(47,200)	(65,160)	(47,200)
-	-	(32,640)	(33,030)	(32,640)	(33,030)	-	-	(65,160)	(47,200)	(65,160)	(47,200)
		(80)	(160)	(80)	(160)			(9,090)	(11,500)	(9,090)	(11,500)
		(1,850)		(1,850)	-			16,170		16,170	-
				-	-					-	-
-	-	(1,930)	(160)	(1,930)	(160)	-	-	7,080	(11,500)	7,080	(11,500)
				-	-					-	-
		(890)	(660)	(890)	(660)			(1,610)	(1,070)	(1,610)	(1,070)
				-	-					-	-
-	-	(890)	(660)	(890)	(660)	-	-	(1,610)	(1,070)	(1,610)	(1,070)
-	-	(2,820)	(820)	(2,820)	(820)	-	-	5,470	(12,570)	5,470	(12,570)
	140		(140)	-	-	2,740	2,180	(2,740)	(2,180)	-	-
52	190			52	190	5,524	4,812			5,524	4,812
				-	-					-	-
(260)	(410)	260	410	-	-	(4,580)	(900)	4,580	900	-	-
				-	-					-	-
(208)	(80)	(35,200)	(33,580)	(35,408)	(33,660)	3,684	6,092	(57,850)	(61,050)	(54,166)	(54,958)
		1,170	-	1,170	-			8,510		8,510	-
208	80	12,100	470	12,308	550	(3,684)	(6,092)	31,500	1,130	27,816	(4,962)
		(1,380)	470	(1,380)	470			(690)	(5,240)	(690)	(5,240)
				-	-					-	-
				-	-					-	-
				-	-					-	-
208	80	11,890	940	12,098	1,020	(3,684)	(6,092)	39,320	(4,110)	35,636	(10,202)
-	-	(23,310)	(32,640)	(23,310)	(32,640)	-	-	(18,530)	(65,160)	(18,530)	(65,160)
-	-	(23,310)	(32,640)	(23,310)	(32,640)	-	-	(18,530)	(65,160)	(18,530)	(65,160)

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

Period ended 31 March	Local Government Pension Scheme		Local Government Pension Scheme		Local Government Pension Scheme	
	Assets		Liability		Net (Obligation) / Surplus	
	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000
Fair value of employer assets	50,475	45,707			50,475	45,707
Present value of funded liabilities			(59,812)	(61,232)	(59,812)	(61,232)
Present value of unfunded liabilities			(37)	(47)	(37)	(47)
Opening Position as at 31 March	50,475	45,707	(59,849)	(61,279)	(9,374)	(15,572)
Service Cost						
Current Service Cost			(2,882)	(3,024)	(2,882)	(3,024)
Past Service Cost (inc curtailments)			-	-	-	-
Effect of Settlements					-	-
Total Service Cost	-	-	(2,882)	(3,024)	(2,882)	(3,024)
Net Interest						
Interest income on plan assets	1,396	943			1,396	943
Interest cost on defined benefit obligation			(1,677)	(1,281)	(1,677)	(1,281)
Impact of asset ceiling on net interest					-	-
Total net interest	1,396	943	(1,677)	(1,281)	(281)	(338)
Total defined benefit cost recognised in Income and Expenditure	1,396	943	(4,559)	(4,305)	(3,163)	(3,362)
Cashflows						
Plan participants' contributions	423	393	(423)	(393)	-	-
Employer Contributions	1,198	1,110			1,198	1,110
Contributions in respect of unfunded benefits	4	4			4	4
Benefits paid	(963)	(883)	963	883	-	-
Unfunded benefits paid	(4)	(4)	4	4	-	-
Expected closing position	52,529	47,270	(63,864)	(65,090)	(11,335)	(17,820)
Remeasurements						
Changes in demographic assumptions			1,686	323	1,686	323
Changes in financial assumptions			25,807	5,049	25,807	5,049
Other experience	629		(3,730)	(131)	(3,101)	(131)
Return on assets excluding amounts included in net interest	(1,411)	3,205			(1,411)	3,205
Changes in asset ceiling	(4,707)				(4,707)	-
Total remeasurements recognised in Other Comprehensive income	(5,489)	3,205	23,763	5,241	18,274	8,446
Exchange differences						
Effect of business combinations and disposals						
Fair Value of employer assets	47,040	50,475			47,040	50,475
Present value of funded liabilities			(40,068)	(59,812)	(40,068)	(59,812)
Present value of unfunded liabilities			(33)	(37)	(33)	(37)
Closing position as at 31 March	47,040	50,475	(40,101)	(59,849)	6,939	(9,374)

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

Reconciliation of opening and closing surplus/(deficit):

Scheme History

	2018/19 £'000	2019/20 £'000	2020/21 £'000	2021/22 £'000	2022/23 £'000
Present Value of Liabilities					
Local Government Pension Scheme	(51,544)	(43,897)	(61,279)	(59,849)	(40,101)
Firefighters' 1992 Pension Scheme	(566,870)	(523,400)	(612,130)	(591,350)	(470,800)
Firefighters' Injury Awards	(13,160)	(12,450)	(11,090)	(12,230)	(9,340)
Firefighters' 2006 Pension Scheme	(39,120)	(35,810)	(33,030)	(32,650)	(23,310)
Firefighters' 2015 Pension Scheme	(28,740)	(41,110)	(47,200)	(65,160)	(18,530)
Fair Value of Assets					
Local Government Pension Scheme	41,055	38,278	45,707	50,475	47,040
Firefighters' 1992 Pension Scheme	-	-	-	-	-
Firefighters' Injury Awards	-	-	-	-	-
Firefighters' 2006 Pension Scheme	-	-	-	-	-
Firefighters' 2015 Pension Scheme	-	-	-	-	-
Surplus/(Deficit) in the Scheme					
Local Government Pension Scheme	(10,489)	(5,619)	(15,572)	(9,374)	6,939
Firefighters' 1992 Pension Scheme	(566,870)	(523,400)	(612,130)	(591,350)	(470,800)
Firefighters' Injury Awards	(13,160)	(12,450)	(11,090)	(12,230)	(9,340)
Firefighters' 2006 Pension Scheme	(39,120)	(35,810)	(33,030)	(32,650)	(23,310)
Firefighters' 2015 Pension Scheme	(28,740)	(41,110)	(47,200)	(65,160)	(18,530)
	<u>(658,379)</u>	<u>(618,389)</u>	<u>(719,022)</u>	<u>(710,764)</u>	<u>(515,041)</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 £515.041m (£710.764m in 2021/22) has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet, resulting in a negative overall balance of £458.819m (£652.855m in 2021/22). However, there are statutory provisions (most recently, S13 of the Local Government Act 2003) for funding any Local Authority deficit. In addition, the surplus on the Local Government Scheme will be made good by decreased contributions over the remaining working life of employees as assessed by the scheme actuary.

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

Basis for Estimating Assets and Liabilities

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

The principal assumptions used by the actuaries have been:

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

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

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

2022/23

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

2021/22

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

Assets

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

Asset Category	Period Ended 31 March 2023				Period Ended 31 March 2022			
	Quoted prices in active markets £(000)	Quoted prices not in active markets £(000)	Total £(000)	Percentage of Total Assets	Quoted prices in active markets £(000)	Quoted prices not in active markets £(000)	Total £(000)	Percentage of Total Assets
Equity Securities:								
Consumer			0.0	0%			0.0	0%
Manufacturing			0.0	0%			0.0	0%
Energy and Utilities			0.0	0%			0.0	0%
Financial Institutions			0.0	0%			0.0	0%
Health and Care			0.0	0%			0.0	0%
Information Technology			0.0	0%			0.0	0%
Other	5,214.8		5,214.8	10%	6,054.3		6,054.3	12%
Debt Securities:								
Corporate Bonds (investment grade)			0.0	0%			0.0	0%
Corporate Bonds (non-investment grade)	507.3	2,710.9	3,218.2	6%	159.3	2,159.5	2,318.8	5%
UK Government	881.4		881.4	2%	1,325.3		1,325.3	3%
Other	471.6		471.6	1%	795.6		795.6	2%
Private Equity:								
All	601.6	2,597.4	3,199.0	6%	1,447.4	2,240.0	3,687.4	7%
Real Estate:								
UK Property	562.4	4,122.8	4,685.2	9%	1,822.7	3,929.7	5,752.4	11%
Overseas Property			0.0	0%			0.0	0%
Investment Funds and Unit Trusts:								
Equities	21,340.5		21,340.5	41%	20,297.8		20,297.8	40%
Bonds	3,476.3		3,476.3	7%	4,308.6	89.3	4,397.9	9%
Hedge Funds			0.0	0%			0.0	0%
Commodities			0.0	0%			0.0	0%
Infrastructure	402.8	3,036.9	3,439.7	7%	1,187.4	2,252.0	3,439.4	7%
Other	3,639.1	1,215.2	4,854.3	9%	472.9	1,284.6	1,757.5	3%
Derivatives:								
Inflation			0.0	0%			0.0	0%
Interest Rate			0.0	0%			0.0	0%
Foreign Exchange			0.0	0%			0.0	0%
Other			0.0	0%			0.0	0%
Cash and Cash Equivalents:								
All	965.7		965.7	2%	648.6		648.6	1%
Totals	38,064	13,683	51,747	100.00%	38,520	11,955	50,475	100.00%

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

	2018/19 %	2019/20 %	2020/21 %	2021/22 %	2022/23 %
Local Government Pension Scheme					
Difference between the expected and actual return on assets	4.16	(10.31)	15.30	7.01	(1.86)
Experience gains and (losses) on liabilities	2.33	1.93	2.02	1.54	2.33
Firefighters' Pension Scheme 1992					
Experience gains and (losses) on liabilities	(2.34)	7.25	(18.05)	2.20	22.50
Firefighters' Injury Awards					
Experience gains and (losses) on liabilities	(5.19)	0.06	11.89	(9.83)	24.45
Firefighters' Pension Scheme 2006					
Experience gains and (losses) on liabilities	(2.07)	4.73	10.13	2.85	36.42
Firefighters' Pension Scheme 2015					
Experience gains and (losses) on liabilities	(10.75)	7.83	18.87	(8.71)	60.35

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

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

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

5. Non-Current Assets

	Operational Assets				Operational Assets (Intangible)	Non-operational Assets		
	Land and Buildings	Vehicles	Plant and Equipment	TOTAL	Intangible Assets*	Assets Under Construction	Surplus Assets	Total Assets
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or Valuation								
1 April 2022	48,471	17,759	6,642	72,872	51	75	350	73,348
Additions/Enhancement	525	1,826	886	3,238				3,238
Revaluation increases / (decreases) to Revaluation Reserve	518			518				518
Revaluation increases / (decreases) to Comprehensive Income and Expenditure Statement	445			445				445
Derecognition - Disposals		(41)	(671)	(712)	(15)			(727)
Other movements				0		(75)		(75)
At 31 March 2023	49,959	19,544	6,857	76,361	36	0	350	76,747
Depreciation/Impairment								
1 April 2022	0	7,449	2,972	10,421	26	75	0	10,522
Charge for the year	1,448	3,169	927	5,544	5		9	5,558
Depreciation written out to the Revaluation Reserve	(438)			(438)				(438)
Derecognition - Disposals		(41)	(451)	(492)	(10)	(75)		(577)
At 31 March 2023	1,010	10,577	3,448	15,035	21	0	9	15,065
Net Book Value								
1st April 2022	48,471	10,310	3,670	62,451	25	0	350	62,821
31 March 2023*	48,949	8,967	3,409	61,326	15	0	341	61,676

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

2021/22 Comparatives

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

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

Asset Classes

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

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

Capital Financing Requirement

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

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

Valuation of Property carried at Current Value

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

2022/23

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

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

2021/22

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

Capital Expenditure

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

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

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

Finance Leases

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

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

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

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

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

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

Operating Leases

The Authority does not have any material operating leases.

6. Reserves held by the Authority

Useable Reserves

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Unusable Reserves

The Authority now retains five unusable reserves:-

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

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

Pensions Reserve – Please see Note 4 Pensions.

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

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

Movement on Capital Reserves**Revaluation Reserve**

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

Capital Adjustment Account

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

7. Borrowing and Investments

Long Term Liabilities

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

	2022/23			2021/22		
	Total	Repayable within 12 months	Repayable after 12 months	Total	Repayable within 12 months	Repayable after 12 months
	£'000	£'000	£'000	£'000	£'000	£'000
Public Works Loan Board	18,251	1,582	16,669	19,159	990	18,169
Finance Leases	1,013	17	996	1,029	16	1,013
Pension Liability - Firefighters' Pension Fund	521,980		521,980	701,390		701,390
Pension Liability - Local Government Pension Scheme*	-		-	9,374		9,374
	541,244	1,599	539,645	730,952	1,006	729,946

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

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

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

Loans analysed by maturity are as follows:

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

Short Term Investments

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

8. Other Creditors and Debtors

- Long-Term Creditors

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

- Short-Term Creditors

Analysis of short term creditors is as follows: -

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

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

- Long-Term Debtors

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

- Short-Term Debtors

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

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

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

9. Financial Instruments

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

Amortised Cost

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

Fair Value

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

Compliance

The Authority has complied with the following:

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

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

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

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

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

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

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

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

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

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

Methods and Assumptions in Valuation Technique

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

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

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

The calculations are made with the following assumptions:

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

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

The Fair Values are calculated as follows:

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

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

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

Credit Risk

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

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

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

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

Debtors

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

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

Liquidity Risk

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

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

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

Market 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 2023, if interest rates had been 1% higher with all other variables held constant, the financial effect would be:

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

Price Risk

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

Foreign Exchange Risk

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

Financial Guarantees

The Authority does not provide any financial guarantees.

10. Note to Expenditure and Fundings Analysis

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

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

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

Precepts

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

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

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

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

12. Related Parties

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

Central Government

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

Pensions

See note 4 in the Notes to the Financial Statements.

Members

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

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

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

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

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

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

Officers

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

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

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

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

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

13. Members' Allowances

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

14. Officers' Emoluments

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

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

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

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

Disclosure for 2022/23

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

* This post is shared with Humberside PCC

Disclosure for 2021/22

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

* This post is shared with Humberside PCC

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

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

15. Other Notes To The Financial Statements

Contingent Liabilities

There are no contingent liabilities.

Exceptional Items

There are no exceptional items.

Material Items Of Income and Expenditure

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

Heritage Assets

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

Audit Fees

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

Prior Period Adjustments

There are no prior period adjustments.

Events After The Balance Sheet Date

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

Long Term Commitments

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

16. Cash Flow notes

Movements in Cash and Cash Equivalents

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

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

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

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

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

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

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

Cash Flow Statement – Cash Flows from Investing Activities

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

Cash Flow Statement – Financing Activities

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

Government Grants

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



HUMBERSIDE
Fire & Rescue Service

Humberside Fire Authority Pension Fund Account 2022/23

FIREFIGHTERS' PENSION FUND ACCOUNT

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

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

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

Notes to the Firefighters' Pension Fund Account

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

The Pension Fund is administered by Humberside Fire Authority.

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

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

The Pension Fund is an unfunded scheme, consequently:

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

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

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

The membership for the pensions fund is as follows;

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

Statement of Accounting Policies

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

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

- Estimation of top-up grant receivable

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

CERTIFICATIONS

We, the undersigned, certify that:-

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



.....

Phil Shillito – Chief Fire Officer/Chief Executive



.....

Councillor John Briggs – Chair



.....

Kevin Wilson – Executive Director of Finance/Section 151 Officer

22nd September 2023 (authorised for issue date)

Appendix 1

Revenue Variance Analysis

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

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

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

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

Appendix 2

Capital Expenditure Breakdown and Variance Analysis

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

Analysis of the most significant capital variances:

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

Appendix 3

Glossary of terms

Accounting Date	This is the date at which the Balance Sheet is produced, for this Authority it is 31 March each year.
Accounting Period	The period of time covered by the accounts, normally a period of twelve months commencing on 1 April. The end of the accounting period is the Balance Sheet date.
Accruals	Sums included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31 March.
Actuarial Gains and Losses	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 2022/23 FEEDBACK FORM

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

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

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

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

Local Tax Payer

☐

Local Business

☐

Other, please specify

.....

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

Yes

☐

No

☐

If not why not?

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

Yes

☐

No

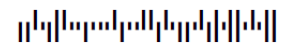
☐

If no, why?

4. Any other comments you have would be welcome:

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

Business Reply
Licence Number
RTRC-GLXU-LCJT



HUMBERSIDE
Fire & Rescue Service



2
||| |||



Humberside Fire Service
Brigade Headquarters
Summergroves Way
Hull
HU4 7BB

Humberside Fire Authority

ANNUAL GOVERNANCE STATEMENT 2022/23

Scope of Responsibility

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

The purpose of the governance framework

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

The Governance Framework 2022/23

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

a) The [Constitution](#) of the Authority which includes:

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

- m) The [Community Risk Management Plan \(CRMP\) 2021-24](#) takes account of the requirements of the 2018 Fire and Rescue National Framework for England, providing a detailed assessment of the risks facing our communities and personnel and the measures taken to mitigate those risks. .
- n) Current [Anti-Fraud and Corruption, Anti-Bribery and Anti-Money Laundering Policies](#). We publish these and other such Policies, associated data and information on the HFRS Website under Data Transparency.
- o) The Authority is committed to the highest possible standards of integrity, openness, fairness, inclusivity, probity and accountability. HFA aims to provide a positive and supportive culture to enable employees to raise their concerns.

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

The Authority has also introduced a 'Freedom to Speak up Guardian' role through the new Wellbeing Manager in Occupational Health, providing another independent reporting route for staff to raise concerns.

- p) A Service Improvement Plan has been developed to ensure that improvement areas across the Service, including any actions arising from His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) Inspection, are documented, evidenced and regularly reviewed.
- q) Member and Officer Development Programmes. During 2022/23 Officers undertook facilitated supportive leadership development. Access to the T2Hub of Management and Leadership Self Development resources, Continual Professional Development through the Leadership Forum and Guest Speakers and Officers completing the Executive Leadership Programme.
- r) Six scheduled Member Days to support Member development and awareness of developing agenda for the Service and across the Sector as a whole.
- s) An approved Treasury Management Policy and Prudential Indicators.
- t) A Protective Marking Scheme (based upon the Her Majesty's Government Security Framework).
- u) Implementation of a [Public Sector Equality Duty \(PSED\) action plan](#) to implement its priorities. Actions within this plan have been fully integrated within the LGA FRS Equality Framework Self-assessment/action planning process and Priorities following consultation.
- v) Aligned service delivery with our four Local Authorities (Hull, East Riding, North Lincolnshire and North East Lincolnshire) through District management teams, is helping partnership work and assists us to be closer and more accountable to local communities.
- w) Bi-Annual Performance Reports to HFA are published on our [website](#).

- x) A Pension Board, as required under The Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015, was formed in 2015 to oversee compliance in the operation of the Firefighters' Pension Scheme (FPS). The Pension Board met twice during 2022/23.
- y) The Executive Director of People and Development chairs a Joint Consultative Committee attended by all Representative Bodies to discuss any matters relating to staff terms and conditions.
- aa) Member Champions continue to support functional areas and are invited to attend local District performance meetings and to meet with Area Managers and Executive Directors.
- bb) Consultation on our Council Tax Precept for 2022/23 drew a significant number of responses from our community (2325). This allowed Fire Authority Members to make an informed decision on this matter.
- cc) In line with legislative requirements HFRS published its [Gender, Ethnicity and Disability Pay Gap Report](#) by the end of March 2023. Any arising actions are included within the Report to HFA.
- dd) Emergency Preparedness for significant events is assured through provision of a fulltime team, established and tested Business Continuity Plans and a lead role within the Humber Local Resilience Forum (LRF).
- ee) Policies relating to compliance, management and administration of information governance, under the General Data Protection Regulation (GDPR) are published on the [website](#).

Review of Effectiveness

11. The HFA has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Authority who have responsibility for the development and maintenance of the governance environment, the head of internal audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
12. The GAS Committee has continued its scrutiny programme during 2022/23, including the scrutiny of:
 - Fire Standards
 - Procurement
 - Equality, Diversity and Inclusion (EDI) - Equality Impact Analysis
 - General Data Protection Regulation (GDPR) Compliance
 - EDI Staff Forums.
13. The induction of new Members and continuing training of all Members (via six Member Days and Member Champion meetings) during 2022/23 has further enabled Members to discharge the functions of the HFA.

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

Governance Update 2022/23

21. There were no significant governance issues during 2022/23.
22. Members are assured that the Service has appropriate arrangements in place should use of the powers under the Regulation of Investigatory Powers Act (RIPA) 2000 be necessary. There was no use of RIPA or requests for covert surveillance during 2022/23.
23. The Police & Crime Act 2017 places a statutory duty upon Fire and Rescue, Police and Ambulance services to collaborate.
24. We continue to proactively identify collaborative opportunities with the Police, Ambulance services and other bodies. This has included:
 - A joint Emergency Service Fleet Management workshop with the Police.
 - A joint Estates (Operational and Strategic) function with Humberside Police.
 - Provision of a medical First Responder scheme in partnership with Yorkshire Ambulance (YAS), East Midlands Ambulance Service (EMAS).
 - A Hull Falls, Intervention Response, Safety Team (F.I.R.S.T) with City Health Care Partnership (CHCP), Humber, Coast and Vale Integrated Care System (ICS) and Hull City Council.
 - An agreement with Yorkshire Ambulance Service (YAS) for them to provide Service wide Clinical Governance.
 - Memorandums of Understanding with Humberside Police and Ambulance Trusts to support response activities including:
 - Fire Investigation
 - Forced Entry for Medical Rescues
 - Drone
 - Bariatric
 - An Integrated Health Centre incorporating a Full-Time fire station, in partnership with Humber, Coast and Vale ICS.
 - A Fire and Police Transformation Board continues to review collaboration opportunities where they are beneficial and practicable.
 - Shared provision of a Health and Safety function with Humberside Police, managed by HFRS.
 - HFRS providing Financial Management support to Humberside PCC.
 - 'Don't Cross the Line' campaign to support stopping attacks on Emergency Service Workers.
25. The Service was last inspected by HMICFRS at the end of 2021 into 2022 and rated the Service as 'Good' across all three pillars (Effectiveness, Efficiency and People). The findings represent an improvement on the last routine inspection in 2018, which suggested the Service needed to do more in how it developed its workforce and increase the diversity of the people it employs. The Service Improvement Plan has been refreshed to address any findings from the inspection and to prepare the Service for its next inspection, due to take place later in 2023/24. Performance monitoring against the Service Improvement Plan is undertaken through a Strategic Leadership Team performance meeting held every other month.

26. The Appointments Committee met three times during 2022/23 to appoint to the following Executive posts:
- Chief Fire Officer and Chief Executive
 - Deputy Chief Fire Officer and Executive Director of Service Delivery
 - Assistant Chief Fire Officer and Executive Director of Corporate Services
27. One Whistleblowing complaint was received internally during 2022/23 and was dealt with in accordance with the Whistleblowing Policy. An investigation is currently in progress.
28. On 18 May 2022 the Secretary of State for the Home Department (Home Secretary) published a White Paper and Consultation outlining a package of proposed reforms for fire and rescue services. The White Paper described proposed areas of reform that are intended to drive change and strengthen fire and rescue services across three principle areas: (i) People, (ii) Professionalism and (iii) Governance. The Consultation closed on 26 July 2022 and the Sector is still awaiting the outcome and Government's response.

Strategic Risk and Opportunity Register

29. The Service has in place a Strategic Risk and Opportunity Register which enables it to understand, monitor and mitigate against the Service's overall risk profile. The Service can use a range of techniques for identifying specific risks that may potentially impact on one or more objectives. The top critical Strategic Risks for 2022/23 were as follows:
- Reduction in external funding
 - Threat of Industrial Action (IA)
 - Mobile Data Terminal (MDT) Failure
 - Emergency Services Network (ESN)

Conclusions

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

Signed



Chair of the Authority



Chief Fire Officer & Chief Executive



S.151 Officer



Secretary & Monitoring Officer



Humberside Fire and Rescue Service

Summary Internal Controls Assurance (SICA) Report

2023/24

January 2024

Summary Internal Controls Assurance

Introduction

1. This summary controls assurance report provides the Governance, Audit and Scrutiny (GAS) 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 as at 9th-10th January 2024.

Tackling and Managing Fraud Risks

2. The Challenge

Everyone is under increasing financial pressure from the escalating costs of goods and services and increasing inflation leading to the current cost-of-living crisis. The knock-on effects of the pandemic, and the increase in remote working practices, linked with the escalating cost of living has increased the risk of opportunistic fraud against organisations. All organisations are at risk and will be targeted where weaknesses are identified. It is at times such as these where organisations have unfilled vacancies, positions filled by temporary employees, or where existing employees may be struggling with financial or emotional wellbeing that all organisations need to be more aware of the risks and take steps to keep their money, people and data safe.

Recently reported data shows that how some organisations in the UK have been affected by fraud over the last year and how they perceive their fraud risk.

58% - think the risk of fraud is going to increase over the next 12 months.	55% - of reported frauds were perpetrated by staff or volunteers.
40% - said hybrid working has increased the risk of fraud.	69% - experienced financial loss due to fraud.

Recommended Actions: To ensure your organisation is addressing this risk and putting in place measures to combat fraud risk, TIAA recommend that several key steps are taken to assess your organisation's exposure, ensure controls are effective and to safeguard should the worst happen.

- **Assign Responsibility:** to a suitably trained employee/Board Member to act as your organisation's Fraud Champion.
- **Train:** Line Managers and Board Members, on fraud risk awareness and managing concerns and, all employees on emerging fraud risk awareness.
- **Govern the risk:** by ensuring your organisation had developed a clearly written Anti-Fraud Policy and Response Plan.
- **Raise Awareness:** with all employees and Members of their responsibilities to protect your organisation's assets.
- **Identify and Record:** the specific types of fraud that are perceived to be a risk to your organisation and what steps are required to manage these.
- **Compliance Test:** at regular intervals, how well your recorded fraud prevention controls are working.
- **Undertake Checks:** on any individual or organisation with whom you have a financial relationship.

TIAA's Proactive Fraud Risk Reviews

TIAA recognises that all sectors and all organisations are susceptible to fraud and is able to provide support in helping ensure your employees are aware of their responsibilities and specific risks facing your organisation. We have also developed a series of reviews that are designed to provide your organisation with external assistance in achieving compliance with our key recommended actions and to provide your Board with assurance over key fraud risk areas.

Audits completed since the last SICA report to the Audit Committee

3. The table below sets out details of audits finalised since the previous meeting of the Audit 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 Powers and Priorities	Substantial	20/11/2023	23/11/2023	28/11/2023	0	0	1	0

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

Progress against the 2023/24 Annual Plan

5. Our progress against the Annual Plan for 2023/24 is set out in Appendix A.

Changes to the Annual Plan 2023/24

6. There are no proposed changes to the Annual Plan.

Progress in actioning priority 1 & 2 recommendations

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

Root Cause Indicators

8. The Root Cause Indicators (RCI) have been developed by TIAA to provide a strategic rolling direction of travel governance, risk and control assessment for Humberside Fire and Rescue Service. Each recommendation made is analysed to establish the underlying cause of the issue giving rise to the recommendation (RCI). The analysis needs to be considered over a sustained period, rather than on an individual quarter basis. Percentages, rather than actual number of reviews/recommendations made permits more effective identification of the direction of travel. A downward arrow signifies a positive reduction in risk in relation to the specific RCI.

RCI – Direction of Travel Assessment

Root Cause Indicator	Qtr 1 (2023/24)	Qtr 2 (2023/24)	Qtr 3 (2023/24)	Qtr 4 (2023/24)	Medium term Direction of Travel	Audit Observation
Directed						
Governance Framework	-	14%				
Risk Mitigation	-	7%				
Control Compliance	-	50%	100%			
Delivery						
Performance Monitoring	-	29%				

Root Cause Indicator	Qtr 1 (2023/24)	Qtr 2 (2023/24)	Qtr 3 (2023/24)	Qtr 4 (2023/24)	Medium term Direction of Travel	Audit Observation
Sustainability	-	0%				
Resilience	-	0%				

Frauds/Irregularities

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

Responsibility/Disclaimer

10. 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
Bullying, harassment & discrimination	1	Final report issued	
Mobile Data Terminals (Performance)	2	Final report issued	
Mid-year follow up	2	Final report issued	
Effectiveness of systems (used to learn from operational incidents)	2	Final report issued	
Staff Development	2	Final report issued	
Service Absolutes / Heat Maps	2	Final report issued	
National Occupational Guidance	3	Draft report issued 1 st November 2023	Awaiting management comments
Enforcement Powers & Priorities	3	Final report issued	
ICT Management Controls	3	Draft report issued 5 th December 2023	Awaiting management comments
Procurement	3	Draft report issued 10 th January 2024	In addition to the approved plan.
Key Financial Controls	4	Confirmed 4 th - 8 th March 2024	
End of year follow up	4	Confirmed 15 th March 2024	

KEY:

	To be commenced		Site work commenced		Draft report issued		Final report issued
--	-----------------	--	---------------------	--	---------------------	--	---------------------



Internal Audit

FINAL







Humberside Fire and Rescue Service

Assurance Review of Enforcement Powers and Priorities

2023/24

November 2023

Executive Summary

OVERALL ASSESSMENT	KEY STRATEGIC FINDINGS			
<div></div>	<div><div><p>Key areas of focus have been identified in order to deliver the Service's Strategic Objectives. These include helping the public and businesses to stay safe and effectively delivering activities to prevent fires and other emergency incidents.</p></div><div><p>Testing identified that the role of enforcement within the Service targets those premises that put communities at risk from fire.</p></div><div><p>Inspectors engage in continuous improvement to enable them to comply with the requirements for enforcement.</p></div><div><p>A significant events notification was not issued for one property where a Prohibition Notice was served.</p></div></div>			
ASSURANCE OVER KEY STRATEGIC RISK / OBJECTIVE	GOOD PRACTICE IDENTIFIED			
<p>ES2/ The service should assure itself that its use of enforcement powers prioritises the highest risks and includes proportionate activity to reduce risk.</p>	<div><div><p>The Risk Based Inspection Programme now contains data on domestic premises. This is, however, only for the common areas not the individual flats.</p></div></div>			
SCOPE	ACTION POINTS			
<p>The review considered the actions taken by the Fire Service in ensuring that enforcement powers prioritise the highest risks and high-risk premises are visited in line with policy.</p>	Urgent	Important	Routine	Operational
	0	0	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	For notices relating to prohibition and alteration, testing confirmed a significant events notification was produced for five of the nine properties tested. One Alteration Notice was withdrawn and so did not require a significant events notification to be produced. In two cases, this was confirmed by Management as too early for one to be produced. There was a lack of supporting evidence to confirm that a significant events notification had been completed for one property where a Prohibition Notice was served.	It be ensured that where a Prohibition or Alteration Notice is issued, the inspector responsible produces a significant events notification in line with the AIDE MEMOIR Protection SDG 1.8 Enforcement, Alterations and Prohibition notices considerations.	3	<i>This will now be addressed by district based managers to reaffirm the process in place whereby a significant event notice is always produced.</i> <i>Additionally we will ensure that the manager signing off the notice formally requests the significant event form.</i>	<i>This will be implemented immediately, at the latest w/c 27th November 2023</i>	<i>Head of Protection</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
No Operational Effectiveness Matters were identified.				

ADVISORY NOTE

Operational Effectiveness Matters need to be considered as part of management review of procedures.

Findings



Directed Risk:

Failure to properly direct the service to ensure compliance with the requirements of the organisation.

Ref	Expected Key Risk Mitigation		Effectiveness of arrangements	Cross Reference to MAP	Cross Reference to OEM
GF	Governance Framework	There is a documented process instruction which accords with the relevant regulatory guidance, Financial Instructions and Scheme of Delegation.	In place	-	-
RM	Risk Mitigation	The documented process aligns with the mitigating arrangements set out in the corporate risk register.	In place	-	-
C	Compliance	Compliance with statutory, regulatory and policy requirements is demonstrated, with action taken in cases of identified non-compliance.	Partially in place	1	-

Other Findings



Section 9 of the Public Safety Policy provides appropriate direction on how public safety activities will be delivered in line with the provision of data and intelligence procedures ensuring targeted approaches to areas or properties that requires Humberside Fire and Rescue Service (HFRS) services, using either the Business Risk Profile or the Domestic Risk Profile. In relation to enforcement, HFRS aims to educate and inform businesses on fire safety and to ensure that actions are taken to keep people and properties safe and to ensure compliance with the fire safety law. Where a responsible person does not rectify any fire safety deficiencies or breaches any issued formal notices, the Service may decide to take legal action through the courts.



The Head of Protection has lead responsibility for ensuring enforcement and prosecution. The Deputy Head of Protection, Protection Managers and Inspectors support this role. The Inspectors carry out the enforcement actions by serving applicable notices to the relevant premises/ business owners in order to ensure compliance with fire safety law. Other members of staff who provide support to this area include the Risk and Intelligence Team.

Other Findings



A review of the latest risk register was undertaken. Whilst there is no direct risk that relates to enforcement powers/actions on highest risks premises within the risk register, testing identified that this risk/area is monitored through the Service Improvement Plan (SIP) as it was highlighted as an area of improvement from the HM Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) inspection report in the year 2021/22. Discussions with the Designate Head of Corporate Assurance confirmed that the recommendations are yet to be fully implemented and work remains ongoing.



The Service conducted an analysis between April 2019 and March 2021 using internal data obtained from incidents as well as data received from other sources in order to identify high risk businesses/premises for inspection by the Service's Protection Team. This included complex buildings. The data collated helped the Service to understand the risk of a fire happening at a property and the consequences of it occurring. Fire risk was calculated for each generic premise type to help the Service understand if one type was more likely to experience a fire than another. The same approach was undertaken for fire severity.

On completion, this data profiling became the permanent model used for the Risk Based Inspection Programme (RBIP). The aim of the RBIP was to highlight areas that present a risk of fire and to relay this information to relevant personnel that can engage with appropriate business owners. To support this analysis, further research was conducted in 2022 looking at the risk of fire-related incidents at commercial premises in the Humberside Region. This was a pro-active measure taken to predict premises that may require emergency services. This was also an initiative taken by the Service to become a more data driven organisation.



Under the Regulatory Reform (Fire Safety) Order 2005 (The Order), where the Enforcing Authority (The Fire Authority) is of the opinion that the responsible person has failed to meet a requirement of The Order, a notice may be served. There are three types of notices that could be served, which are: Enforcement Notice, Alterations Notice and Prohibition Notice. Each notice has specific requirements that must be met in order that the notice may be served. Consultations are also required on each notice served. Where there has been a failure to comply with any requirement or restriction imposed by any of the formal notices issued under the Order, prosecution may be considered. Follow up visits are served on buildings where prohibition and alteration notices have been served. These are to take place at intervals of no longer than six months based on the associated risk or at any time where there is a suspicion that the conditions of the notice are being violated. Management confirmed that enforcement action can only be taken against properties covered under the Fire Safety Order which domestic properties do not generally fall under. The common areas of flats and HMOs are however covered.



In addition to the findings on the Management Action Plan of this report a sample of 15 properties where enforcement actions had been taken in 2023 was selected for reviewed. Six of the notices served were Prohibition Notices, six properties had Enforcement Notices served and three were served with Alteration Notices. Testing identified that not all the properties tested came from the RBIP. The list selected for testing contained partner/public referrals following an incident and data from the RBIP list and all were assigned with different risk scores, with the majority being A1 risk. For three of the properties, the risk could not be ascertained. Management confirmed these three properties are domestic properties and are not on the RBIP, hence no risk has been assigned to them.

In relation to premises where Prohibition Notices and Alteration Notices were served, testing identified, six are not yet due a follow up, two follow ups have been completed and, due to one notice being withdrawn, a follow up was not required. All premises served with a Prohibition Notice and an Alteration Notice were confirmed to be signed by a suitably qualified and experienced member of the Protection Team. All Enforcement Notices served are now compliant and no further action is required.



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	-	-
S	Sustainability	The impact on the organisation's sustainability agenda has been considered.	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



A Prevention and Protection Framework is in place. This directs the Prevention and Protection Delivery Plan by identifying key areas of focus that will be delivered to achieve the Service's Strategic Plan 2021-2024, including the Community Risk Management Plan (CMRP). This also ensures that the Service can deliver its outcomes to support several of its strategic objectives which include, effectively delivering activities to prevent fires and other emergency incidents and protecting the public from fires and other risks by delivering fire regulation, legislation and protection activities.

To measure the effectiveness of the Delivery Plan, the Service reports on the Strategic Performance Indicator (SPI) measures that are set out in the Strategic Plan 2021-24. The measures reported on are;

- The percentage of Home Fire Safety Visits (HFSV) to high-risk dwellings;
- The percentage of HFSV to high-risk dwellings completed on time;
- The percentage of referrals that result in a HFSV;
- The percentage of referrals that result in advice provided;
- The number of high-risk business premises inspections completed;
- The number of RBIP premises crew engagement visits completed;
- The number of inspections that result in further action or enforcement; and
- The number of statutory consultations that are completed within the given timeframes.

Other Findings

A review was undertaken of the most recent report showing performances of the SPIs.

In relation to the number of high-risk business premises inspections completed, this showed 97 visits have been booked in and 658 visits completed against a delivery plan target of 1029. Of the 658 visits, 518 inspection audits have been completed and 140 were unable to complete.

In terms of the number of RBIP premises crew engagements visits completed, 2003 engagements have been completed against a delivery plan target of 2952. Of the 2003 engagements, 1263 had engagements delivered and 740 were unable to be completed. It was further noted that 51% of inspections result in further action or enforcement and 86% of statutory consultations are completed in time (15 working days).

These performance results were confirmed to be discussed at Directorate level and then discussed and shared with the Senior Leadership Team (SLT) and Executive Team.



Discussions with the Risk and Intelligence Team confirmed the RBIP was last refreshed in April 2023 using up to date data. Once refreshed, this was agreed with the Head of Protection and shared with the Executive Team to view the targets. The RBIP is, however, yet to be evaluated. It was confirmed this was previously evaluated, however, data was lost following the cyber-attack incident at the Service during 2022. Management confirmed this will be evaluated once a full year of data sets have been collected. At Protection Team directorate meetings, progress around the risk profiles is discussed with the Area Manager of Service Improvement.



Discussions with the Head of Protection confirmed there are currently 15 inspectors who carry out enforcement actions ensuring that responsible persons comply with regulations. 13 of the 15 are full time equivalent inspectors with two in development. There are two more due to start in November 2023. It was confirmed that this level of resourcing is adequate. The Service has developed a Quality Assurance (QA) framework to ensure good practice, deliver continuous improvement and sustain high quality services through training and development, Continuous Professional Development (CPD) and feedback. All activities by inspectors are observed following a scheduled timetable. Monthly meetings take place on a one-to-one basis with each inspector irrespective of their qualified or development status as this creates an opportunity to discuss any issues and provide support. These monthly meetings are supported by Supervisory Audits, Signatory Levels and CPD.



The QA framework states that "In line with the requirements of the competency framework CPD will need to be completed for any staff with dedicated protection responsibilities". Testing of six inspectors with dedicated protection responsibilities confirmed they have undertaken relevant role related CPD activity and this was seen to be updated on their CPD records. The QA framework further states "As per the competency framework, all Fire Safety Regulators working within high-risk buildings are required to achieve third party accreditation and be registered with a professional body". Discussions with Management confirmed this is more of a recommendation from the NFCC and relates to a National Contextualised Auditors Register, which has not been adapted nationally and is currently being pushed out by NFCC. Management confirmed this will be written into the QA framework.



Discussions with one of the four Protection Mangers confirmed that the Protection and Prevention Team have regular meetings, chaired by the Head of Protection, where enforcement actions are discussed. The Assistant Chief Fire Officer and Area Managers are regularly briefed on enforcement powers/actions by way of the Significant Events Report. The Protection and Prevention Team take a view on whether the report is needed to be shared with the Executive Team as this is undertaken as a matter of course.

A copy of a recent Significant Events Report was obtained and reviewed. The report detailed the actions taken and involvement by the Protection Team and further confirmed that an Alterations Notice was served allowing for works to be completed to a satisfactory standard. It was confirmed, a Prohibition Notice was initially served.



A Position Statement on Principles of Good Enforcement has been developed by the Service. This details the approach that is taken by the Service to ensure that enforcement powers are according to enforcement legislation, ensuring that this is carried out in an un-biased, practical, and consistent manner to help promote a flourishing local and national economy.

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:	31 st July 2023	6 th August 2023
Draft Report:	20 th November 2023	23 rd November 2023
Final Report:	28 th November 2023	

AUDIT PLANNING MEMORANDUM

Appendix B

Client:	Humberside Fire and Rescue Service				
Review:	Enforcement Powers and Priorities				
Type of Review:	Assurance	Audit Lead:	Ade Kosoko		
Outline scope (per Annual Plan):	The review considered the actions taken by the Fire Service in ensuring that enforcement powers prioritise the highest risks and high-risk premises are visited in line with policy.				
Detailed scope will consider:	<div>The review will set out to provide assurance to the Governance, Audit and Scrutiny Committee that the organisation has robust controls in relation to enforcement powers.</div> <div><ul style="list-style-type: none">The policy and procedures are up-to-date, clearly define responsibilities and are available to staff.There is a methodology of approach in prioritising highest risks.Activities have been reviewed in order to reduce risks.Enforcement legislation has been embedded with the relevant policy and practice.Resourcing and competences are effective to comply with the requirements for enforcement.</div>				
Planned Start Date:	20/10/2023	Exit Meeting Date:	25/10/2023	Exit Meeting to be held with:	Dominic Purchon (Head of Protection); Phil Conman (Protection Manager); Lynsey Driver (Protection Manager), Alfi Gozacan (Data Scientist), Mike Lumley-Holmes (Analytics Manager)

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

REVIEW OF ANTI-FRAUD RELATED POLICIES

1. SUMMARY

- 1.1 The report provides an overview of any changes made to the Service's anti-fraud related policies (as set out at Appendix 1 – 4) since the previous annual review report to the Committee on 23 January 2023; the anti-fraud related policies being:

- Anti-Bribery Policy
- Anti-Money Laundering Policy
- Professional Standards Anti-Fraud and Corruption Policy
- Professional Standards Whistleblowing Policy

- 1.2 All the anti-fraud related policies have undergone their cyclical review in the latter part of 2023, resulting in some minor changes to each policy. None of the amendments made to the policies constituted any fundamental changes to their aims, objectives or procedure.

2. MATTERS FOR CONSIDERATION

- 2.1 The Committee should be assured of the review process undertaken for each anti-fraud related policy and consider making any suggested changes to aid effectiveness of the anti-fraud related policies as set out at Appendix 1 – 4.

3. BACKGROUND

- 3.1 Under the Part 2, Article 6, Section 6 of the Fire Authority's Constitution, one of the Committee's functions is:

6.4.1 Governance and Risk

- (f) Reviewing arrangements for the assessment of fraud risks and potential harm from fraud and corruption and monitor the effectiveness of the anti-fraud related policies.

- 3.2 As part of its annual work programme, the Committee therefore receives an annual review of the Service's anti-fraud related policies.

4. REPORT DETAIL

- 4.1 The Service's anti-fraud related policies (as set out at Appendix 1 – 4) are as follows:

- Anti-Bribery Policy
- Anti-Money Laundering Policy
- Professional Standards Anti-Fraud and Corruption Policy
- Professional Standards Whistleblowing Policy

All Service policies are published on the Service's [website](#).

- 4.2 The Anti-Bribery Policy, Anti-Money Laundering Policy and Professional Standards Anti-Fraud & Corruption Policy were all reviewed in December 2023. All reviews resulted in very minor changes to the policies, as set out as follows, and none of which resulted in any fundamental changes to their aims and objectives or procedure.

Policy	Amendments
Anti-Bribery Policy	Owner titled updated from Executive Director of Corporate Services to Executive Director of Finance
Anti-Money Laundering Policy	Reference to 'Corporate Services' replace with 'Finance'
Professional Standards Anti-Fraud and Corruption Policy	Reference to 'Corporate Services' replace with 'Finance'

4.3 The Professional Standards Whistleblowing Policy underwent a review in September 2023, resulting in multiple but minor amendments. Apart from formatting and the correction of typographical errors the main changes were to Section 9 and 14 of the policy:

- Section 9 updated the authorising officer list to reflect the current Strategic Leadership Team structure and set out more clearly their contact details, and
- Section 14 was expanded to reflect the comprehensive internal and external support routes available to staff to access to speak up, raise a concern and get support.

4.4 Policies are reviewed a minimum of once every three years. If consultation on policy change is necessary (ie if substantial and propose changes to the policy's aim, objective and procedure), then a three-week consultation process with all Heads of Functions and above will take place. Union representatives are also invited to contribute to the policy reviews during these consultation periods.

5. EQUALITY IMPLICATIONS

5.1 An equality impact analysis has been completed for each of the anti-fraud related policies and are reviewed when the respective policy is due for renewal or earlier if appropriate.

6. CONCLUSION

6.1 Under its terms of reference the Committee receives an annual review of the Service's anti-fraud related policies.

6.2 All the anti-fraud related policies have undergone their cyclical review in the latter part of 2023, resulting in some minor changes to each policy. None of the amendments made to the policies constituted any fundamental changes to their aims, objectives or procedure.

6.3 The Committee should take assurance of the review process undertaken for each anti-fraud related policy and consider making any suggested changes to aid effectiveness of the anti-fraud related policies.

Jamie Morris
Head of Corporate Assurance

Officer Contact

Gareth Naidoo – Senior Corporate Assurance Officer

☎ 07814 281092

✉ gnaidoo@humbersidfire.gov.uk

Background Papers

None



HUMBERSIDE FIRE AND RESCUE SERVICE

Finance & Procurement

Anti-Bribery Policy

Owner	Executive Director of Finance/S.151 Officer
Responsible Person	Head of Finance
Date Written	July 2016
Date of Last Review	December 2023
Date of next review	December 2025
EIA	December 2021



What we must
do well



How we support our
communities



We value and support
the people we employ



We efficiently manage
the Service

CONTENTS

1. [Introduction](#)
 - [Core Code of Ethics](#)
 - [National Guidance](#)
2. [Equality and Inclusion](#)
3. [Aim and Objectives](#)
4. [Associated Documents](#)
 - [Equality Impact Assessment](#)
 - [Legal References](#)
 - [National Guidance](#)
5. [Scope of this Policy](#)
6. [What is Bribery?](#)
7. [Penalties](#)
8. [Public Contracts and Failure to Prevent Bribery](#)
9. [Policy Statement – Anti-Bribery](#)
10. [Humberside Fire Authority's Commitment to Action](#)
11. [Bribery is not Tolerated](#)
12. [Gifts and Hospitality](#)
13. [Staff Responsibilities](#)
14. [Raising a Concern](#)
15. [Other Relevant Policies](#)
16. [Useful Links](#)
17. [Policy Review](#)

1. INTRODUCTION

This Statement sets out the policy of Humberside Fire Authority (HFA), including Humberside Fire and Rescue Service (HFRS), in relation to bribery.

The HFA takes its responsibilities to protect the public purse very seriously and is fully committed to the highest ethical standards, in order to ensure the proper use and protection of public funds and assets. To achieve the objectives set out within the HFA's Strategic Plan, the HFA needs to maximise the financial resources available to it. In order to do this, the Council has an ongoing commitment to continue to improve its resilience to fraud, corruption (including bribery) and other forms of financial irregularity.

The HFA advocates **strict adherence** to its anti-fraud framework and associated policies. Whilst individual circumstances of each case will be carefully considered, in the majority of cases there will be **a zero-tolerance approach to fraud and corruption (including bribery)** in all of its forms. The HFA will not tolerate fraud or corruption by its Members (which includes Independent Co-opted Members), employees, suppliers, contractors, partners or service users and will take all necessary steps to investigate all allegations of fraud or corruption and pursue sanctions available in each case, including removal from office, disciplinary action, dismissal, civil action for recovery and/or referral to the Police and/or other agencies. The required ethical standards are included in both the Members' Code of Conduct and Officers' Code of Conduct, both documents forming part of the overall Constitution of the Fire Authority.

The HFA fully recognises its responsibility for spending public money and holding public assets. The prevention, and if necessary, the investigation, of fraud and corruption (including bribery) is therefore seen as an important aspect of its duties which it is committed to undertake. The procedures and also the culture of the HFA are recognised as important in ensuring a high standard of public life.

The HFA's general belief and expectation is that those associated with it (employees, Members, service users, contractors and voluntary bodies) will act with honesty and integrity. In particular members and employees are expected to lead by example and will be accountable for their actions.

The HFA will take steps to help ensure high standards of ethical behaviour are adopted in partnerships to which the HFA is a member. This will be done through applying appropriate elements of this document to all partnership working, where it is relevant to do so. With regard to partnership working, responsibility for Codes of Conduct and policies of this nature (and so for enforcement action for breach of those codes or policies) generally lies with the relevant individual organisation in the partnership. Where appropriate, the HFA will draw the attention of the partner organisation to its concerns.

This Anti-Bribery Policy is supplementary to the HFA's wider Anti-Fraud and Corruption Policy, which sets out what actions the HFA proposes to take over the medium-term future to continue to develop its resilience to fraud and corruption. The Policy sets out the key responsibilities with regard to fraud prevention, what to do if fraud is suspected and the action that will be taken by management.

Core Code of Ethics

HFRS has adopted the Core Code of Ethics for Fire and Rescue Services. The Service is committed to the ethical principles of the Code and strives to apply them in all we do, therefore, those principles are reflected in this Policy.

National Guidance

Any National Guidance which has been adopted by HFRS, will be reflected in this Policy.

2. EQUALITY AND INCLUSION

HFRS has a legal responsibility under the Equality Act 2010, and a commitment, to ensure it does not discriminate either directly or indirectly in any of its functions and services nor in its treatment of staff, in relation to race, sex, disability, sexual orientation, age, pregnancy and maternity, religion and belief, gender reassignment or marriage and civil partnership. It also has a duty to make reasonable adjustments for disabled applicants, employees and service users.

3. AIM AND OBJECTIVES

This policy provides a coherent and consistent framework to enable HFA's employees (and other 'relevant persons') to understand and implement arrangements enabling compliance. In conjunction with related policies and key documents it will also enable employees to identify and effectively report a potential breach.

HFA requires that all relevant persons, including those permanently employed, temporary staff, agency staff, consultants, contractors, volunteers, partners and Members:

- Act honestly and with integrity at all times and to safeguard HFA's resources for which they are responsible.
- Comply with the spirit, as well as the letter, of the laws and regulations of all jurisdictions in which HFA operates, in respect of the lawful and responsible conduct of activities.

4. ASSOCIATED DOCUMENTS

- [Equality Impact Analysis](#)
- Legal References
 - [Bribery Act 2010](#)
 - [Public Contracts Regulations 2006](#)
 - [CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption](#)
 - [Local Government Fraud Strategy – Fighting Fraud Locally](#)
- National Guidance

There is no specific national Guidance relating to this policy.

- [Anti-Fraud and Corruption Policy](#)
- [Gifts and Hospitality Policy](#)
- [Whistleblowing Policy](#)
- [Gifts and Hospitality Register](#)

5. SCOPE OF THIS POLICY

This policy applies to all of HFA's activities. For partners, joint ventures and suppliers, it will seek to promote the adoption of policies consistent with the principles set out in this policy.

Responsibility to control the risk of bribery occurring resides at all levels of the organisation. It does not rest solely within assurance functions, but in all business units and corporate functions.

This policy covers all personnel, including all levels and grades, those permanently employed, temporary agency staff, contractors, non-executives, agents, Members, volunteers and consultants.

6. WHAT IS BRIBERY?

Bribery is an inducement or reward offered, promised or provided to gain personal, commercial, regulatory or contractual advantage.

There are four key offences under the Bribery Act 2010:

- Bribery of another person (section 1)
- Accepting a bribe (section 2)
- Bribing a foreign official (section 6)
- Failing to prevent bribery (section 7)

The Bribery Act 2010 makes it an offence to offer, promise or give a bribe (Section 1).

It is also an offence to request, agree to receive, or accept a bribe (Section 3).

Section 6 of the Act creates a separate offence of bribing a foreign public official with the intention of obtaining or retaining business or an advantage in the conduct of business. There is also a corporate offence under Section 7 of failure by a commercial organisation to prevent bribery that is intended to obtain or retain business, or an advantage in the conduct of business, for the organisation. An organisation will have a defence to this corporate offence if it can show that it had in place adequate procedures designed to prevent bribery by or of persons associated with the organisation.

7. PENALTIES

An individual guilty of an offence under sections 1, 2 or 6 is liable:

- On conviction in a magistrate's court for a single offence, to imprisonment for 6 months and/or a fine. A defendant facing two or more offences can be sentenced to a maximum of 12 months imprisonment and/or a fine.
- On conviction in a crown court, to imprisonment for a maximum term of ten years, or to an unlimited fine, or both.
- Organisations are liable for these fines and if guilty of an offence under section 7 are liable to an unlimited fine.

8. PUBLIC CONTRACTS AND FAILURE TO PREVENT BRIBERY

Under the Public Contracts Regulations 2006 (which gives effect to EU law in the UK), a company is automatically debarred from competing for public contracts where it is convicted of a corruption offence, including bribery. The HFA will, in such cases, exclude organisations convicted of any such offences from participating in tenders for public contracts with it.

9. POLICY STATEMENT – ANTI-BRIBERY

Bribery, either directly between two parties or using a third party as a conduit to channel bribes to others, is a criminal offence. Humberside Fire Authority (including Humberside Fire and Rescue Service) does not, and will not, pay bribes or offer an improper inducement to anyone for any purpose, nor does it or will it, accept bribes or improper inducements or engage indirectly in or otherwise encourage bribery. The HFA is committed to the prevention, deterrence and detection of bribery. It has a zero-tolerance approach towards bribery. The HFA aims to maintain anti-bribery compliance "business as usual", rather than as a one-off exercise.

10. HUMBERSIDE FIRE AUTHORITY'S COMMITMENT TO ACTION

The HFA commits to:

- Setting out a clear Anti-Bribery Policy and keeping it up to date.
- Making all employees aware of their responsibilities to adhere strictly to this policy at all times.
- Training all employees so that they can recognise and avoid occurrences of bribery by themselves and others.
- Encouraging its employees to be vigilant and to report any suspicions of bribery, providing them with suitable channels of communication and ensuring sensitive information is treated appropriately.
- Rigorously investigating instances of alleged bribery and assisting police and other appropriate authorities in any resultant prosecution.
- Taking firm and vigorous action against any individual(s) involved in bribery.
- Provide information to all employees to report breaches and suspected

breaches of this policy.

- Include appropriate clauses in contracts to prevent bribery.

11. BRIBERY IS NOT TOLERATED

It is unacceptable to:

- give, promise to give, or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given.
 - give, promise to give, or offer a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure.
 - accept payment from a third party where it is known or suspected that it is offered with the expectation that it will obtain a business advantage for them.
 - accept a gift or hospitality from a third party where it is known or suspected that it is offered or provided with an expectation that a business advantage will be provided by the Council in return.
 - retaliate against or threaten a person who has refused to commit a bribery offence or who has raised concerns under this policy.
- a. engage in activity in breach of this policy.

12. GIFTS AND HOSPITALITY

This policy is not meant to change the requirements of the HFA's Gifts and Hospitality policy. This makes it clear that:

- Nominal gifts and hospitality up to a financial value of £25 are often acceptable, depending upon the circumstances.
- Reasonable, proportionate gifts and hospitality made in good faith and that are not lavish are often acceptable.

In general terms, however, an employee must:

- Treat any offer of a gift or hospitality if it is made to them personally with extreme caution
- Not receive any reward or fee other than their salary
- Never accept monetary gifts of any kind
- Always refuse offers of gifts or services to them (or their family members) from organisations or persons who do, or might, provide work, goods or services, to the HFA or who require a decision from the HFA
- Always report any such offer to their line manager

When deciding whether or not to accept an offer of a gift, the context is very important. An offer from an organisation seeking to do business with or provide services to the

HFA or in the process of applying for permission or some other decision from the HFA is unlikely ever to be acceptable, regardless of the value of the gift.

13. STAFF RESPONSIBILITIES

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for the organisation or under its control. All staff are required to avoid activity that breaches this policy.

As individuals you must:

- ensure that you read, understand and comply with this policy
- raise concerns as soon as possible if you believe or suspect that a conflict with this policy has occurred or may occur in the future.

As well as the possibility of civil legal action and criminal prosecution, staff that breach this policy will face disciplinary action, which could result in dismissal for gross misconduct.

14. RAISING A CONCERN

The HFA is committed to ensuring that there is a safe, reliable, and confidential way of reporting any suspicious activity, and wants each and every member of staff to know how they can raise concerns.

All have a responsibility to help detect, prevent and report instances of bribery. If you have a concern regarding a suspected instance of bribery or corruption, please speak up – your information and assistance will help. The sooner it is brought to attention, the sooner it can be resolved.

There are multiple channels to help raise concerns. Please refer to the HFA's Whistleblowing Policy and Flow Chart and determine the favoured course of action. Preferably the disclosure will be made and resolved internally (e.g. to a line manager or head of department). Secondly, where internal disclosure proves inappropriate, concerns can be raised with the HFAs Monitoring Officer/Secretary), the Executive Director of Finance /Section 151 Officer or the External Auditor (Mazars). Raising concerns in these ways may be more likely to be considered reasonable than making disclosures publicly (e.g. to the media).

Concerns can be anonymous. In the event that an incident of bribery, corruption, or wrongdoing is reported, the HFA will act as soon as possible to evaluate the situation. It has clearly defined procedures for investigating fraud, misconduct and non-compliance issues and these will be followed in an investigation of this kind. This is easier and quicker if concerns raised are not anonymous.

Staff who raise concerns or report wrongdoing, including those staff who reject an offer made to them that could be perceived as bribery, could understandably be worried about the repercussions. The HFA aims to encourage openness and will support anyone who raises a genuine concern in good faith under this policy, even if they turn out to be mistaken.

The HFA is committed to ensuring nobody suffers detrimental treatment through refusing to take part in bribery or corruption, or because of reporting a concern in good faith.

15. OTHER RELEVANT POLICIES

Further information on relevant HFA policy and practice can be found in the following internal documents:

The Constitution includes:

- Financial Procedure Rules,
- Contract Procedure Rules,
- Members' Code of Conduct and
- Officers' Code of Conduct
- Anti-Fraud and Corruption Policy
- Whistleblowing Policy
- Gifts & Hospitality Policy
- Anti-Money Laundering Policy.

16. USEFUL LINKS

- The Bribery Act 2010
- Bribery Act guidance
- CIPFA 's Code of Practice on Managing the Risk of Fraud and Corruption
- Local Government Fraud Strategy – Fighting Fraud Locally

17. POLICY REVIEW

The HFA's Chief Financial Officer (S.151 Officer) and the HFA will ensure the continuous review and amendment of this policy document, to ensure that it remains compliant with good practice national public sector standards, primarily CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption and the Local Government Fraud Strategy – Fighting Fraud Locally and meets the needs of Humberside Fire Authority.

**For further information or guidance on this policy please contact
the Finance and Procurement Section.**



HUMBERSIDE FIRE AND RESCUE SERVICE

Finance & Procurement

Anti-Money Laundering Policy

Owner	Executive Director of Finance/S.151 Officer
Responsible Person	Joint Deputy Chief Finance Officer & Deputy S.151 Officer
Date Written	December 2017
Date of Last Review	December 2023
Date of next review	December 2025
EIA	December 2021



What we must
do well



How we support our
communities



We value and support
the people we employ



We efficiently manage
the Service

CONTENTS

1. Introduction
 - Core Code of Ethics
 - National Guidance
2. Equality and Inclusion
3. Aims and Objectives
4. Associated Documents
 - Equality Impact Assessment
 - Legal References
 - National Guidance
5. What is Money Laundering?
6. Scope of the Policy
7. What are the Obligations on the Humberside Fire Authority?
8. The Money Laundering Reporting Officer
9. Disclosure Procedure
 - Cash Payments
10. Reporting to the Money Laundering Reporting Officer (MILRO)
11. Consideration of the Disclosure by the Money Laundering Reporting Officer
12. Record Keeping
13. Guidance and Training
14. Risk Management and Internal Control
15. Further Information
16. Policy Review
17. Appendix A: Money Laundering Disclosure Form

1. INTRODUCTION

This Statement sets out the policy of Humberside Fire Authority (HFA), including Humberside Fire and Rescue Service (HFRS), to money laundering.

HFA advocates strict adherence to its anti-fraud framework and associated policies. Whilst individual circumstances of each case will be carefully considered, in the majority of cases there will be a zero-tolerance approach to fraud and corruption (including bribery and money laundering) in all of its forms. HFA will not tolerate fraud or corruption by its Members (which includes Independent Co-opted Members), employees, suppliers, contractors, partners or service users and will take all necessary steps to investigate all allegations of fraud or corruption and pursue sanctions available in each case, including removal from office, disciplinary action, dismissal, civil action for recovery and/or referral to the Police and/or other agencies. HFA's general belief and expectation is that those associated with it (employees, members, service users, contractors and voluntary bodies) will act with honesty and integrity.

This Anti-Money Laundering Policy is supplementary to the HFA's wider Anti-Fraud and Corruption Policy which sets out what actions the HFA proposes to take over the medium-term future to continue to develop its resilience to fraud and corruption. The Anti-Fraud and Corruption Policy sets out the key responsibilities with regard to fraud prevention, what to do if fraud is suspected and the action that will be taken by management.

Core Code of Ethics

HFRS has adopted the Core Code of Ethics for Fire and Rescue Services. The Service is committed to the ethical principles of the Code and strives to apply them in all we do, therefore, those principles are reflected in this Policy.

National Guidance

Any National Guidance which has been adopted by HFRS, will be reflected in this Policy.

2. EQUALITY AND INCLUSION

HFRS has a legal responsibility under the Equality Act 2010, and a commitment, to ensure it does not discriminate either directly or indirectly in any of its functions and services nor in its treatment of staff, in relation to race, sex, disability, sexual orientation, age, pregnancy and maternity, religion and belief, gender reassignment or marriage and civil partnership. It also has a duty to make reasonable adjustments for disabled applicants, employees and service users.

3. AIM AND OBJECTIVES

HFA takes its responsibilities to protect the public purse very seriously and is fully committed to the highest ethical standards, in order to ensure the proper use and

protection of public funds and assets. HFA has an ongoing commitment to continue to improve its resilience to fraud, corruption (including bribery and money laundering) and other forms of financial irregularity.

The Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 place obligations on HFA and its employees to establish internal procedures to prevent the use of their services for money laundering.

4. ASSOCIATED DOCUMENTS

- [Equality Impact Analysis](#)
- Legal references
 - Crime Act 2002
 - Terrorism Act 200
 - Money Laundering Regulations 2007
- National Guidance
There is no specific national guidance relating to this policy
- [Anti-Fraud and Corruption Policy](#)
- [Whistleblowing Policy](#)
- Employee Code of Conduct

5. WHAT IS MONEY LAUNDERING?

Money laundering is the term used for a number of offences involving the proceeds of Crime or terrorism funds. The following constitute the act of money laundering:

- Concealing, disguising, converting, transferring criminal property or removing it from the UK (section 327 of the 2002 Act).
- Entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person (section 328).
- Acquiring, using or possessing criminal property (section 329).
- Becoming concerned in an arrangement facilitating concealment, removal from the jurisdiction, transfer to nominees or any other retention or control of terrorist property (section 18 of the Terrorist Act 2000).
- These are the primary money laundering offences and thus prohibited acts under the legislation. There are also two secondary offences: failure to disclose any of the primary offences and tipping off. Tipping off is where someone informs a person or people who are, or are suspected of being involved in money laundering, in such a way as to reduce the likelihood of their being investigated or prejudicing an investigation.
- Potentially any member of staff could be caught by the money laundering provisions if they suspect money laundering and either become involved with it in

some way and/or do nothing about it. This Policy sets out how any concerns should be raised.

- Money laundering is the process of channelling 'bad' money into 'good' money in order to hide the fact the money originated from criminal activity. Money laundering often occurs in three steps:
 - first, cash is introduced into the financial system by some means ("placement").
 - the second involves a financial transaction in order to camouflage the illegal source ("layering").
 - and the final step entails acquiring wealth generated from the transactions of the illicit funds ("integration").
- An example is where illicit cash is used (placed) to pay for the annual non domestic rates on a commercial premises (possibly also a large overpayment), and then within a very short time the property is vacated (layering). A refund is made to the individual from the Authority, 'integrating' the source of the money.
- Most money-laundering offences concern far greater sums of money since the greater the sum of money obtained from a criminal activity, the more difficult it is to make it appear to have originated from a legitimate source or transaction.
- Whilst the risk to HFA of contravening the legislation is low, it is extremely important that all employees are familiar with their legal responsibilities: serious criminal sanctions may be imposed for breaches of the legislation. **A key requirement is for employees to promptly report any suspected money laundering activity to the Money Laundering Reporting Officer (MLRO).**

6. SCOPE OF THE POLICY

This Policy applies to all employees of HFA (including HFRS) and aims to maintain the high standards of conduct which currently exist within HFA by preventing criminal activity through money laundering. The Policy sets out the procedures which must be followed (for example the reporting of suspicions of money laundering activity) to enable HFA to comply with its legal obligations.

The Policy sits alongside HFA's suite of documents governing counter fraud, including the Whistleblowing Policy, Employee Code of Conduct, Members' Code of Conduct and Anti-Fraud and Corruption Policy.

Failure by a member of staff to comply with the procedures set out in this Policy may lead to disciplinary action being taken against them. Any disciplinary action will be dealt with in accordance with the HFA's Disciplinary Policy.

7. WHAT ARE THE OBLIGATIONS ON THE HUMBERSIDE FIRE AUTHORITY?

Organisations conducting "relevant business" must:

- Appoint a Money Laundering Reporting Officer (“MLRO”) to receive disclosures from employees of money laundering activity (their own or anyone else’s).
- Implement a procedure to enable the reporting of suspicions of money laundering.
- Maintain client identification procedures in certain circumstances.
- Maintain record keeping procedures.

Not all of HFA’s business is “relevant” for the purposes of the legislation. It is mainly accountancy and financial; and company and property transactions undertaken by Legal Services. However, the safest way to ensure compliance with the law is to apply it to all areas of work undertaken by the HFA; therefore, all staff are required to comply with the reporting procedure set out in sections 18, 19 and 20 below.

8. THE MONEY LAUNDERING REPORTING OFFICER

The officer nominated to receive disclosures about money laundering activity within HFA is the Joint Deputy Chief Finance Officer & Deputy S.151 Officer, Corporate Finance and Procurement Section, who can be contacted as follows:

Joint Deputy Chief Finance Officer & Deputy
S.151 Officer
Corporate Finance & Procurement Section
Humberside Fire and Rescue Service
Headquarters Summergroves Way
Kingston Upon Hull
HU4 7BB
Email: sedwards@humbersidefire.gov.uk
Telephone: 01482 565333

In the absence of the MLRO, the Head of Finance, is authorised to deputise.
Email: dlofthouse@humbersidefire.gov.uk
Telephone: 01482 565333

9. DISCLOSURE PROCEDURE

Cash Payments

No payment to HFA should automatically be accepted in cash (including notes, coins or traveller’s cheques in any currency) if it exceeds £5,000. This does not, however, mean that cash transactions below this value will be valid and legal and should not arise any suspicion. Professional scepticism should remain at all times.

Staff who collect cash payments are asked to provide the details of any cash transaction over £5,000 to the MLRO so that precautionary checks can be performed.

HFA, in the normal operation of its services, accept payments from individuals and organisations. If an employee has no reason to suspect or know that money laundering activity is taking/has taken place and if the money offered is less than £5,000 in cash as payment or part payment for goods/services offered by the Authority then there is no need to seek guidance from the MLRO.

If a member of staff has reasonable grounds to suspect money laundering activities or proceeds of crime, or is simply suspicious, the matter should still be reported to the MLRO. If the money offered is £5,000 or more in cash, then payment must not be accepted until guidance has been received from the MLRO even if this means the person has to be asked to wait.

Any officer involved in a transaction of this kind should ensure that the person provides satisfactory evidence of their identity personally, through passport/photo driving licence plus one other document providing evidence of current address in the form of a bank statement, credit card statement, mortgage or insurance details or a utility bill. Where the other party is a company, this can be done through company formation documents or business rate bill.

10. REPORTING TO THE MONEY LAUNDERING REPORTING OFFICER (MLRO)

Any employee who becomes concerned that their involvement in a matter may amount to a prohibited act under the legislation, must disclose this promptly to the MLRO or deputy. **The disclosure should be at the earliest opportunity of the information coming to your attention, not weeks or months later. Should you not do so, then you may be liable to prosecution.**

The employee must follow any subsequent directions from the MLRO or deputy and must not make any further enquiries themselves into the matter. Additionally, they must not take any further steps in the transaction without authorisation from the MLRO or deputy.

The employee must not disclose or otherwise indicate their suspicions to the person(s) suspected of money laundering. They must not discuss the matter with others or note on a file that a report has been made to the MLRO in case this results in the suspect becoming aware of the suspicion.

11. CONSIDERATION OF THE DISCLOSURE BY THE MONEY LAUNDERING REPORTING OFFICER

The MLRO or deputy must promptly evaluate any disclosure to determine whether it should be reported to the National Crime Agency (NCA).

The MLRO or deputy must, if they so determine, promptly report the matter to the NCA on their standard report form and in the prescribed manner. Up to date forms can be downloaded from the NCA website at:

- [Main NCA website](#)
- [Direct link to the NCA's electronic referral form](#)

All disclosure reports referred to the MLRO or deputy and reports made to the NCA must be retained by the MLRO in a confidential file kept for that purpose, for a minimum of five years.

The Money Laundering Disclosure Form ([Appendix 1](#)) should be used by the MLRO to facilitate the recording of any action taken.

The MLRO or deputy will commit a criminal offence if they know or suspect, or have reasonable grounds to do so, through a disclosure being made to them, that another person is engaged in money laundering and they do not disclose this as soon as practicable to the NCA.

12. RECORD KEEPING

The MLRO will keep a record of all referrals made to him and of any action taken/ not taken. The precise nature of these records is not set down in law but should be capable of providing an audit trail during any subsequent investigation.

13. GUIDANCE AND TRAINING

In support of this Policy, HFA will:

- Make all staff aware of the requirements and obligations placed on HFA and of themselves as individuals by the anti-money laundering legislation.
- Give targeted training to those most likely to encounter money laundering.

14. RISK MANAGEMENT AND INTERNAL CONTROL

The risk to HFA of contravening the anti-money laundering legislation will be assessed on a periodic basis and the adequacy and effectiveness of the Anti-Money Laundering Policy will be reviewed in light of such assessments.

15. FURTHER INFORMATION

Further information can be obtained from the MLRO and the following sources:

- [National Crime Agency \(NCA\)](#)
- [CIPFA](#)
- [CCAB - Anti-Money Laundering \(Proceeds of Crime and Terrorism\) – Guidance for Accountants](#) (main site) <http://www.ccab.org.uk/documents/> (direct link)
- [The Law Society-Anti-Money Laundering Guidance and Advice](#)

16. POLICY REVIEW

The S.151 Officer and HFA will ensure the continuous review and amendment of this policy document, to ensure that it remains compliant with good practice national

public sector standards, primarily CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption and the Local Government Fraud Strategy – Fighting Fraud Locally and meets the needs of the HFA.

Responsible Officer: Joint Deputy Chief Finance Officer & Deputy S.151 Officer (Money Laundering Reporting Officer).

**For further guidance / information regarding this policy, please contact the
Finance and Procurement Section.**

APPENDIX A: MONEY LAUNDERING DISCLOSURE FORM

THE FOLLOWING PART OF THIS FORM IS FOR COMPLETION BY THE MONEY LAUNDERING REPORTING OFFICER (MLRO)

Date report received:

Date receipt of report acknowledged:

CONSIDERATION OF DISCLOSURE:

Action Plan:

OUTCOME OF CONSIDERATION OF DISCLOSURE:

Are there reasonable grounds for suspecting money laundering activity:

If there are reasonable grounds for suspicion, will a report be made to the NCA?

Yes/No (please select the relevant option)

**If yes, please confirm date of report to the NCA:
and complete the box below:**

Details of liaison with NCA regarding the report:

Notice Period: To

Moratorium Period: To

Is consent required from the NCA to any ongoing or imminent transactions which would otherwise be prohibited acts?

Yes/No (please select the relevant option)

If yes, please enter full details in the box below:

Date consent received from NCA:

Date consent given by you to employee:

If there are reasonable grounds to suspect money laundering but you do not intend to report the matter to NCA, please set out below the reason(s) for non- disclosure:

[Please set out reasons for non-disclosure]

Date consent given by you to employee for any prohibited act transactions to proceed

Other relevant information:

Signed:

Dated:.....

THIS REPORT IS TO BE RETAINED FOR AT LEAST FIVE YEARS.



HUMBERSIDE FIRE AND RESCUE SERVICE

Finance & Procurement

Professional Standards Anti-Fraud and Corruption Policy

Owner	Executive Director of Finance/ S.151 Officer
Responsible Person	Joint Deputy Chief Finance Officer & Deputy S.151 Officer
Date Written	December 2018
Date of Last Review	December 2023
Date of next review	December 2026
EIA	December 2023



What we must
do well



How we support our
communities



We value and support
the people we employ



We efficiently manage
the Service

CONTENTS

PART A: ANTI-FRAUD POLICY

1. Introduction
 - Core Code of Ethics
 - National Guidance
2. Aim and Objectives
3. Equality and Inclusion
4. Associated Documents
 - Equality Impact Assessment
 - Legal References
 - National Guidance
5. Interface within other Policies
6. Who is covered by this Policy?
7. What is Fraud and Corruption?
8. Culture and stance against Fraud and Corruption
9. Corporate Framework and Culture
10. Prevention
 - Generally
 - Employees
 - Members
 - Internal Control
 - Combining with others to prevent and fight Fraud
11. Detection and Investigation
12. Training and Awareness
13. Gifts & Hospitality
14. Assurances for Employees making disclosures under this Policy
15. Anonymous allegations of suspected Fraud or Corruption
16. Confidentiality
17. Untrue allegations of Fraud
18. How To Report a Suspected Fraud
 - Is Proof of Fraud Needed?
19. Allegation Concerning the Chief Fire Officer & Chief Executive
20. How The Authority Will Respond – The Anti-Fraud Response Plan

- 21. [Raising Concerns Externally](#)
- 22. [Further Advice and Guidance](#)
- 23. [Who Can Provide Support or Advice \(To Employees\)](#)
- 24. [Review of Policy](#)
 - [Appendix A: Postal Addresses](#)
 - [Appendix B: Anti-Fraud and Corruption Policy – Flow Chart](#)
 - [Appendix C: Checklist of Do's and Don'ts](#)

25. [PART B: FRAUD RESPONSE PLAN](#)

- 1. [How to report a suspected fraud.](#)
- 2. [What will happen upon disclosure?](#)
- 3. [Investigation Officer](#)
- 4. [Role of the Investigating Officer \(where appointed\)](#)
- 5. [Witnesses](#)
- 6. [Liaison with External Audit and the Police](#)
 - [External Audit](#)
 - [Police](#)
- 7. [Report of Investigating Officer](#)
- 8. [Dealing with the outcome of the investigation](#)
- 9. [Misconduct](#)
 - [Legal Proceedings](#)
 - [If the case is groundless](#)
 - [Governance, Audit and Scrutiny Committee](#)
 - [Communicating the outcome](#)
 - [Learn from past experience](#)
- 10. [Support during and after an investigation](#)
- 11. [Appeal](#)

1. INTRODUCTION

Humberside Fire Authority (HFA) (including Humberside Fire and Rescue Service, (HFRS)) is committed to the highest possible standards of integrity, openness, probity and accountability. The management of the risk of fraud and corruption and ensuring that effective counter fraud arrangements are in place are key elements of Corporate Governance. This document outlines the approach for dealing with the threat of fraud and corruption and makes clear to all concerned that appropriate and decisive action will be taken against those committing or attempting to commit, fraudulent or corrupt acts against the Authority and/or HFRS. A Fraud Response Plan is included (Part B) which gives more detailed guidance on how to deal with allegations of fraud and corruption.

Our communities expect HFA to conduct its affairs with integrity, honesty, openness and to demand the highest standards of conduct from those working for it.

HFA recognises that sound systems of public accountability are vital to effective management and to maintain confidence in the Service and is committed to protecting the public funds entrusted to it. This Anti-Fraud & Corruption Policy outlines HFA's commitment to creating an anti-fraud culture and maintaining high ethical standards in its administration of public funds. A culture of honesty and openness is a key element in tackling fraud.

In order to prevent, discourage and detect fraud, the Authority has in place and will continue to develop appropriate controls and procedures. These are inter-related and are designed to frustrate fraud or corruption. They cover culture, prevention, detection and training.

This Policy should be read in conjunction with HFA's [Constitution](#) and other relevant policies, for example, HFA's Whistleblowing Policy and Anti-Bribery Policy

Core Code of Ethics

HFRS has adopted the Core Code of Ethics for Fire and Rescue Services. The Service is committed to the ethical principles of the Code and strives to apply them in all we do, therefore, those principles are reflected in this Policy.

National Guidance

Any National Guidance which has been adopted by HFRS, will be reflected in this Policy.

2. AIM AND OBJECTIVES

This Policy aims to:

- Avoid the consequences of fraud and corruption, which are costly, time consuming, threaten morale and ultimately damage the standing and reputation of HFA.
- Encourage confidence in raising concerns of fraud or corruption.

- Reassure employees that if they raise any concerns in good faith and reasonably believe them to be true, they will be protected from possible reprisals or victimisation.
- Provide an effective mechanism for members of the public to raise genuine and serious concerns.

3. EQUALITY AND INCLUSION

HFRS has a legal responsibility under the Equality Act 2010 and a commitment to ensure it does not discriminate either directly or indirectly in any of its functions and services nor in its treatment of staff, in relation to race, sex, disability, sexual orientation, age, pregnancy and maternity, religion and belief, gender reassignment or marriage and civil partnership. It also has a duty to make reasonable adjustments for disabled applicants, employees and service users.

4. ASSOCIATED DOCUMENTS

- [Equality Impact Analysis](#)
- Legal References
There are no specific legislative requirements relevant to this policy.
- National Guidance
- There is no specific National Guidance relevant to this policy.

5. INTERFACE WITHIN OTHER POLICIES

Issues of Member Conduct are matters which are dealt with through HFA's Governance, Audit and Scrutiny Committee. Please refer to the Authority's website www.humbersidefire.gov.uk ([Complaints about Members](#)) for further information or speak to HFA's Monitoring Officer on (01482) 393100.

Humberside Fire and Rescue Service operates a Complaints Policy and Procedure. This enables members of the public to raise any questions or make complaints about the performance of the Service. It also has a Whistleblowing Policy which encourages staff to raise concerns in good faith. The Whistleblowing Policy can be found at www.humbersidefire.gov.uk. Members of the public are not precluded from using the Whistleblowing Policy but should only do so where they feel that the Complaints Policy is not appropriate to the concern they wish to raise.

There is significant similarity for employees in respect to the Whistleblowing Policy and this Anti-Fraud and Corruption Policy. The procedure is almost identical, as is the protection afforded to an employee raising a genuine concern in good faith. In essence the Whistleblowing Policy is much broader and relates to significant concerns. Fraud is a protected disclosure under that policy.

6. WHO IS COVERED BY THIS POLICY?

This Policy applies to all employees of HFA, whether temporary or permanent. It also

applies to all Members (including Independent Co-opted Members), Consultants, contractors, agents, partner organisation, suppliers, and the users of our Service.

In addition, HFA also expects our communities to be honest in their dealings with the Authority.

7. WHAT IS FRAUD, CORRUPTION AND BRIBERY?

Fraud is: Theft, willful and quite distinct from accidental error or negligence. For practical purposes, fraud can be defined as dishonest conduct with the intention to make gain, or cause loss or the risk of a loss to another.

Fraud may involve one or several people, whether from within or external to HFRS. Fraud is defined in the Fraud Act 2006.

Examples of fraud include:

- Unlawfully obtaining money or property belonging to HFRS.
- Forgery.
- Falsification of records for personal gain.
- Deliberate falsification of facts or manipulation of management information, including personal expenses.
- Abuse of position.
- Failure to disclose information when there is a legal duty to do so.

Corruption is offering, giving, soliciting or acceptance of an inducement or reward to defraud Humberside Fire and Rescue Service. Corruption normally involves two or more people.

Bribery - The Bribery Act 2010 created four criminal offences:

- A general offence covering offering, promising or giving a bribe.
- A general offence covering requesting, agreeing to receive or accepting a bribe.
- A separate offence of bribing a foreign official to obtain or retain business.
- A strict liability offence for commercial organisations where they fail to prevent bribery of those acting on their behalf (section 7 of the Act).

The Act includes severe penalties; individuals can receive unlimited fines and a ten-year sentence, organisations can receive unlimited fines. Senior officers can also be convicted of an offence where they are deemed to have given their consent or connivance to giving or receiving a bribe or bribing a foreign public official.

The Authority has in place an Anti-Bribery Policy.

8. CULTURE AND STANCE AGAINST FRAUD AND CORRUPTION

Responsibility for an anti-fraud culture is a shared duty of all those involved in giving

political direction, leadership, determining policy and management.

Both Members and Officers will lead by example, ensuring that the adopted Constitution is adhered to. This Policy supports a culture to enable concerns to be raised.

HFA has the Governance, Audit and Scrutiny Committee in place whose monitoring roles are important to the effectiveness of this Policy. The Committee comprises Independent Co-opted Members. More information concerning the Governance, Audit and Scrutiny Committee can be found at www.humbersidefire.gov.uk.

HFA believes that the maintenance of a culture of honesty and openness is a key element in tackling fraud. The Code of Conduct for Members and staff are based on the Nolan Principles of Standards in Public Life which can be viewed on the government website [here](#).

9. CORPORATE FRAMEWORK AND CULTURE

HFA has a range of interrelated policies and procedures that provide a corporate framework to counter fraudulent activity. In addition to this Policy, these have been formulated in line with appropriate legislative requirements, and include:

- Constitution
- Code of Corporate Governance
- Risk Management Policy
- Codes of Conduct for Members and Officers
- Accounting procedures and records
- Sound internal control systems
- Effective internal audit, provided by TIAA
- Effective recruitment and selection procedures
- Disciplinary Procedure
- Whistleblowing Policy
- Anti-Bribery Policy
- Anti-Money Laundering Policy
- The Regulation of Investigatory Powers Act (RIPA) Procedure
- Complaints Procedure
- Training

10. PREVENTION

Generally

HFA recognises that fraud and corruption are costly, both in terms of reputational risk and financial losses. The Authority has a Risk Management Policy and an

established risk management process to identify and assess potential strategic risks. The risk of fraud and corruption must be considered as part of this process and appropriate controls put in place to mitigate the risk. The prevention of fraud is therefore a key objective of the Authority and respective roles and responsibilities are outlined below.

In order to combat fraud and corruption, it should be prevented from happening in the first place. It is essential that there are clear rules and procedures, within which Members, employees and others associated with the Authority and HFRS can work. A number of these are documented in [Section 9](#).

The Authority and HFRS aim to have sound systems and procedures in place, which incorporate efficient and effective controls. Special arrangements will apply where employees are responsible for cash handling or are in charge of financial systems and systems that generate payments. Managers must ensure that relevant training is provided for employees and that formal documented procedures are in place. Suitable levels of internal checks must be included in working procedures and maintained, particularly financial procedures, and it is important that duties are organised so that no one person can carry out a complete transaction without some form of checking process being built into the system (i.e., separation of duties).

Managers must ensure that computer system access is set at the relevant level for each employee.

Fraud and corruption risks should be considered within all new systems, policies and procedures to remove apparent weaknesses.

As part of HFA's overall arrangements to deter the occurrence of financial irregularities Internal Audit will target specific risk areas. In addition, the Internal Audit Strategy provides for regular reviews of system financial controls and specific fraud and corruption tests, where appropriate intelligence led audits are undertaken.

Regularity audits of functions aim to ensure compliance with HFA's Constitution and interrelated policies and procedures. The scope of Internal Audit's work has been extended into governance areas including codes of conduct and policy review procedures.

External Audit (Mazars) is required to give an opinion of the Authority's accounts which involves the assessment of the systems of financial control and the legality of transactions. They have a responsibility to review the Authority's arrangements for preventing and detecting fraud and irregularities, and those which are designed to limit the opportunity for corrupt practices.

Partners and all other stakeholders are expected to have strong Anti-Fraud and Corruption measures in place, with appropriate policies and procedures. They should provide HFA with full access to their financial records and their staff will be required to assist fully with any investigation. Agreements or contracts should include these conditions and appropriate risk assessments should be undertaken before entering into an agreement.

There are confidential lines of communication available for individuals to provide information that may prevent fraud and corruption. These include the Authority's Whistleblowing Policy and the Authority's Complaints Procedure. See the [Fraud Response Plan at Part B](#).

Employees

A key preventative measure in the fight against fraud and corruption is to take effective steps at the recruitment stage. These will be to establish, as far as possible, the previous record of potential staff in terms of their honesty and integrity. In this regard, temporary staff should be treated in the same manner as permanent officers.

Staff recruitment will be undertaken in accordance with HFA's policies for Recruitment and Selection. Whenever possible, written references should be obtained regarding the known honesty and integrity of potential members of staff before formal employment and offers are made.

All staff must abide by HFA's Code of Conduct for Employees, which sets out requirements on personal conduct. All staff are expected to follow the codes of conduct laid down by their respective professional institutes.

HFA recognises that staff are often the first line of defence in preventing fraud. The responsibility for fraud prevention rests with all employees. Staff should therefore be alert to the possibility of fraud and to report any concerns.

HFA has in place disciplinary procedures for all employees. Those found to have committed any acts of impropriety will be dealt with in accordance with these procedures. Where criminal activity is suspected or found, the matter will be referred to the police for investigation and possible prosecution, in accordance with the Criminal Acts Procedure. In addition, restitution will be sought from those who are found to have perpetrated fraudulent acts.

All staff must operate within Section 117 of the Local Government Act 1972, regarding the disclosure of pecuniary interests in contracts relating to the Authority, of the non-acceptance of any fees, gifts, hospitality or any other rewards, other than their proper remuneration. These requirements are set out in HFA's Code of Conduct for Employees. The Monitoring Officer will also seek annual returns from more senior staff in respect to financial dealings.

Members

All Members and Independent Co-opted Members are required to operate within:

- Code of Conduct
- Humberside Fire Authority's [Constitution](#)

These matters and other guidance are specifically brought to the attention of Members at the induction course for new Members and are in each Member's Reference File. They include rules on the declaration and registration with the Monitoring Officer of potential areas of conflict between Members' Fire Authority

duties and responsibilities and any other areas of their personal or professional lives. HFA have adopted an Anti-Fraud and Corruption Policy. Members are expected to play an important role through leading by example and being seen to support it.

All Members are required to give a written undertaking to comply with the Code of Conduct.

Internal Control

HFA has a Constitution, which includes financial regulations, contract regulations and accounting procedures.

The Executive Director of Finance /S.151 Officer is the designated officer having a statutory responsibility under Section 151 of the Local Government Act 1971 to ensure proper arrangements are made for the Authority's financial affairs. In addition, under the Accounts and Audit Regulations 2003, the Authority is required to maintain an adequate and effective internal audit of its financial records and systems of internal control.

HFA Secretary is the designated Monitoring Officer under the Local Government and Housing Act 1989.

The Authority has developed systems and procedures that incorporate effective and efficient internal controls. All the Authority's employees are required to ensure that these controls are properly maintained. In particular, employees are responsible for the maintenance of controls within their own jurisdiction. The Authority's internal and external auditors independently monitor compliance with the overall control environment and advise upon the continuing effectiveness and appropriateness of these controls.

The Authority's formal Annual Governance Statement is a key document which is approved annually and included within its financial accounts.

Combining with others to Prevent and Fight Fraud

There are a variety of arrangements in place which facilitate the regular exchanges of information between HFA and other local authorities and agencies for the purpose of preventing and detecting fraud. These involve national, regional and local networks of investigators such as internal auditors, trading standing officers, housing benefits investigators etc.

HFA operates a Verification Framework; data matching will also be undertaken. This is recognised as an important tool in the prevention and detection of fraud and is used by many other local authorities. The Audit Commission has drawn up a Code of Data Matching Practice for its National Fraud Initiative (NFI), which is recognised by the Information Commissioner as complying with Data Protection legislation.

11. DETECTION AND INVESTIGATION

The Fraud Response Plan provides direction and guidance to employees in dealing with suspected cases of theft, fraud and corruption. It also gives direction to others

wanting to report matters of concern. The Response Plan is set out in Part B of this Policy and should be read in conjunction with this section.

Internal Audit and the Executive Director of Finance have in place liaison arrangements for the sharing of information and joint working where appropriate for investigating irregularities and system weaknesses within HFRS.

All the Authority's control systems have been designed to deter and detect any fraudulent activity, but they can never provide a complete protection against fraud or corruption. It is often the alertness of employees and/or the public that detects fraud or corruption and enables appropriate remedial action to take place. Members and employees must notify an Authorised Officer as soon as possible if fraud or corruption is suspected. This process is covered more fully below and in Part B of this Policy.

All allegations of fraud or corruption will be investigated. The Police will decide upon criminal prosecutions and the Authority's internal disciplinary procedures will be implemented in addition. In appropriate cases, the Authority or its insurers will take civil action to recover losses arising from financial impropriety.

12. TRAINING AND AWARENESS

The Authority recognise that the success and credibility of this Policy will depend largely on how effectively it is communicated throughout the Authority, HFRS and beyond and are committed to raising fraud awareness. It will be provided to Members as part of the Constitution, included on induction programmes and published on the Authority website.

The Authority provides induction and follow-up training for all Members and employees which covers this Policy and the concepts of internal controls. A special emphasis will be placed on employees involved in internal control systems to ensure that their particular responsibilities and duties are regularly highlighted and reinforced.

Where appropriate, Internal Audit and the Executive Director of Finance will publicise the results of any investigation to promote awareness, to deter, and to demonstrate the need for preventative measures.

13. GIFTS & HOSPITALITY

It is important that Members and employees avoid generating the impression or suspicion that they have a conflict of interest. They must not give the impression that they have been or may be influenced by any gift, hospitality or other consideration to show favour or disfavour to any person or organisation while acting in an official capacity. Members and employees must not encourage any gift, reward or benefit from any member of the public or organisation with whom they have been brought into contact through their official duties.

Guidance is issued upon the declaration of gifts and hospitality and registers exist for both Members and employees. Members and employees must always seek advice before accepting any gifts or hospitality.

14. ASSURANCES FOR EMPLOYEES MAKING DISCLOSURES UNDER THIS POLICY

If you do report a suspected fraud, you will **not** be at risk of losing your job or suffering any form of retribution as a result, provided that:

- your disclosure is made in good faith
- you reasonably believe that information, and any allegation contained in it, is substantially true
- you are not acting for personal gain

The Public Interest Disclosure Act 1998 protects employees against detrimental treatment or dismissal. This Policy has been introduced in accordance with the Act. For further information upon the Act please contact the Executive Director of Finance/S151 Officer. Alternatively, please go to Protect, an independent charity at <https://protect-advice.org.uk/>.

15. ANONYMOUS ALLEGATIONS OF SUSPECTED FRAUD OR CORRUPTION

HFA encourage employees to disclose their names when reporting a suspected fraud. Concerns expressed anonymously are much less powerful and are often more difficult to investigate or substantiate. Feedback cannot be provided.

In considering whether to investigate an anonymous allegation, particular consideration will be given to:

- The seriousness of the issues raised
- The credibility of the concern
- The likelihood of substantiation from other sources
- The ability to discover the facts
- The justification for maintaining anonymity

16. CONFIDENTIALITY

HFA will treat all reports of suspected fraud in a confidential and sensitive manner. The identity of the individual may be kept confidential provided this does not hinder or frustrate any investigation. However, there will be occasions where the identity of the individual needs to be revealed. For example, where the individual is required to give a witness statement or give evidence at a formal hearing, where allegations of misconduct or criminal activity are involved. Serious fraud will be referred to the Police for criminal investigation.

17. UNTRUE ALLEGATIONS OF FRAUD

If allegations are made in good faith, but are not confirmed by the investigation, no action will be taken against the complainant. Employees are protected by HFA's Whistleblowing Policy. If, however, malicious, vexatious, mischievous or reckless allegations are made then other action may be considered if the complainant is an

employee.

18. HOW TO REPORT A SUSPECTED FRAUD

As a first step, you should normally raise concerns with your immediate line manager. This depends, however, on the seriousness and sensitivity of the issues involved and any potential conflicts of interest.

Alternatively, you may raise a concern directly with:

- Chief Fire Officer & Chief Executive – tel: (01482) 567417*
- Executive Director of Finance/S.151 Officer - tel: (01482) 567183*
- Director of Service Improvement – tel: (01482) 567416*
- Head of Internal Audit (TIAA) – tel: 0845 300 3333. This is a private, independent organisation who are employed to audit HFA.
- Chairperson of the Fire Authority.
Contact details via the PA to the Chief Fire Officer – tel: (01482) 567417
- Chairperson of the GAS Committee
committeemanager@humbersidefire.gov.uk.
- HFA Monitoring Officer -
committeemanager@humbersidefire.gov.uk. This is the Secretary to the Fire Authority.
- Any Director of HFRS*

*These are Authorised Officers under the Procedure set down in [Part B](#). Your immediate Manager will consult with an Authorised Officer.

Contact may be by telephone or face to face, but serious concerns are better raised in writing. Postal addresses can be found in [Appendix A](#). Those making a report of a suspected fraud are asked to set out the background and history of their concern, giving names, dates and places where possible, and the reason why they are particularly concerned about the situation. The earlier the concern is expressed, the easier it is to take action.

Concerns of a suspected fraud may be put in writing or raised initially orally, and then confirmed in writing. Written allegations should include:

- All relevant background
- The nature of the fraud and corruption that is alleged
- Relevant dates where possible
- The names of individuals against whom the allegations are made
- Any supporting evidence, including documentation

Is Proof of Fraud Needed?

Humberside Fire and Rescue Service
Version 4.2
December 2020

Not Protectively Marked

13 of 24

When raising a concern, you will not be expected to provide proof beyond reasonable doubt of an allegation, but you will need to be able to demonstrate that there are reasonable grounds for your concerns. Where possible notes should be kept of what the individual has seen, heard or felt. Notes should be dated, and copies of all relevant information kept.

19. ALLEGATION CONCERNING THE CHIEF FIRE OFFICER & CHIEF EXECUTIVE

Where an allegation is made concerning the Chief Fire Officer & Chief Executive, then you should raise this with either the Authorised Officers, the Head of Internal Audit or the Chairperson of HFA.

20. HOW THE AUTHORITY WILL RESPOND – THE ANTI-FRAUD RESPONSE PLAN

Please refer to Part B of this Policy which outlines the procedure which will be followed.

21. RAISING CONCERNS EXTERNALLY

You are encouraged to raise any concerns internally. However, in certain circumstances the Public Interest Disclosure Act 1998 provides protection to employees who make certain disclosures outside Humberside Fire Authority. You can find out more information from HFA's Whistleblowing Policy. In brief an employee may consider this route, for example when they have a justifiable concern that their disclosure would not be dealt with properly by the Authority, or that the Authority may be constrained in its statutory powers to address the concern adequately. The protection relates to financial malpractice, impropriety or fraud, a failure to comply with a legal obligation, criminal activity or a miscarriage of justice.

Mazars are the external auditors of the Authority. As such, in the first instance, is the most likely body to be considered in instances of Fraud, Corruption and misuse/abuse of public funds or powers. Their local contact details are:

Mazars
Salvus House
Ayckley Heads
Durham
DH15TS
Tel: 0191 3836300

Any employee who is considering making an external disclosure is encouraged to first take advice to ensure that the disclosure falls within the provisions of the legislation, and that all internal avenues have been fully explored. If an employee does decide to take the matter outside the Authority, they should ensure they do not disclose any confidential information.

22. FURTHER ADVICE AND GUIDANCE

A process flow diagram (Appendix 2) and a check list of Do's and Don'ts is provided as a quick reference for employees at the end of this policy ([Appendix C](#)).

23. WHO CAN PROVIDE SUPPORT OR ADVICE (TO EMPLOYEES)?

We are committed to maintaining a safe and supportive work environment for everyone. Below are internal and external routes staff can use to speak up, raise a concern and get support.

Most speaking up happens through conversations with supervisors and line managers where challenges are raised and resolved quickly. We strive for a culture where that is normal, everyday practice and encourage you to explore this option it may well be the easiest and simplest way of resolving matters. However, you have other options: Station Managers, Group Managers, TLT and SLT member with responsibility for the subject matter you are speaking up about.

Via Your Line Manager

Your line manager is a key point of contact for reporting concerns and seeking support. They are here to listen, provide guidance, and ensure that your concerns are addressed appropriately. Whether you have questions about workplace policies, encounter issues with colleagues, or require assistance with personal matters affecting your work, your line manager is there to support you.

If, for any reason, you feel uncomfortable discussing your concerns with your line manager, we have established multiple channels for reporting concerns anonymously or confidentially.

Through our Policies and our Professional Standards Policies

Various routes are included in our Policies and our Professional Standards Policies listed below:

- Anti-Fraud and Corruption
- Complaints
- Dignity at Work (anti Bullying and Harassment)
- Disciplinary
- Exits From the Service
- Equality and Inclusion
- Grievance
- Menopause
- Mediation
- Personal Relationships at Work Policy
- Safety Event Reporting Recording and Investigation Arrangements
- Whistleblowing

Our Internal Bullying and Harassment Hotline

Bullying will not be tolerated within Humberside Fire and Rescue Service. Our Dignity at Work policy clearly defines bullying and how to report it.

The Service's 'Zero Tolerance' campaign has a very simple strapline - **SUPPORT - CHALLENGE - REPORT** - and we encourage our employees to do just that.

Internal Freedom to Speak Up Routes

The Freedom to Speak Up model was developed in health and has six key elements; we have used the model as the basis for the HFRS process. How we implement 'Valuing' and 'Modelling' Speaking Up within HFRS will be developed from the 'ground up' by listening to staff about how line managers and the organisation can value and model Speaking Up.

Our 'Freedom to Speak Up Guardian' can support you to speak up if you feel unable to do so. The Guardian will ensure that people who speak up are thanked for doing so, that the issues they raise are responded to, and that the person speaking up receives feedback on the actions taken. You can find out more about the guardian role [here](#).

Additional information relating to Freedom to Speak Up Routes can be found [here](#).

Contact HR

You can contact your HR team, in complete confidence, on: 01482 567572.

This number will take you through to one of our HR advisers who will listen to what has caused you to feel the way you do.

You don't need to provide names and you will receive completely confidential advice as to how to manage any issues you raise.

Employee Assistance Programme

As part of an ongoing commitment to employee wellbeing, Humberside Fire and Rescue Service Occupational Health Team are very pleased to offer all employees confidential support, with free access to emotional and practical support through CiC's Confidential Care Service.

The service is provided by CiC, an external organisation, who are entirely independent, so support and advice is completely confidential. You can call the Confidential Care line as often and for as long as you need to discuss any issues you would like support with.

The Confidential Care service is available 24 hours a day, 7 days a week, 365 days a year and is accessed by calling the freephone number: 0800 085 1376.

HMICFRS Independent Reporting Line

The independent reporting line (IRL) form is a tool for fire and rescue service staff to confidentially pass information to HMICFRS, which as an independent body is responsible for inspecting fire and rescue services on their efficiency, effectiveness

and how well they look after their people.

The reporting line can be accessed [here](#).

Independent Speak Up

This service aims to provide a safe space for staff to speak up when something isn't right in the workplace:

- Discrimination, victimisation and harassment (on gender, sexual orientation, disability)
- Misogyny and violence against women and girls
- Health and safety breaches
- Fraud and corruption
- Poor or unsafe working practices

The service is available online or via phone [here](#).

Service users can remain anonymous or can choose to provide their name and contact details which will then be shared for confidential use by the Fire Service

You may also wish to speak to:

- A colleague
- A trade union representative
- The Humberside Fire Authority Counselling Service
- Protect – UK Charity

You may wish to discuss the concern with a colleague or trade union representative first and may find it easier to raise the matter if there are other colleagues who share the same concerns. A trade union representative or work colleague may accompany a member of staff at any meetings or interviews in connection with the concerns raised.

Further guidance is set out under the Whistleblowing Policy.

24. REVIEW OF POLICY

The S.151 Officer and HFA will ensure the continuous review and amendment of this policy document, to ensure that it remains compliant with good practice, national public sector standards, primarily CIPFA's Code of Practice on Managing the Risk of Fraud and Corruption and the Local Government Fraud Strategy – Fighting Fraud Locally and meets the needs of HFA.

If you require any further guidance / information regarding this document, please contact Head of Finance.

APPENDIX A

Postal Addresses for person's listed in [Section 18](#).

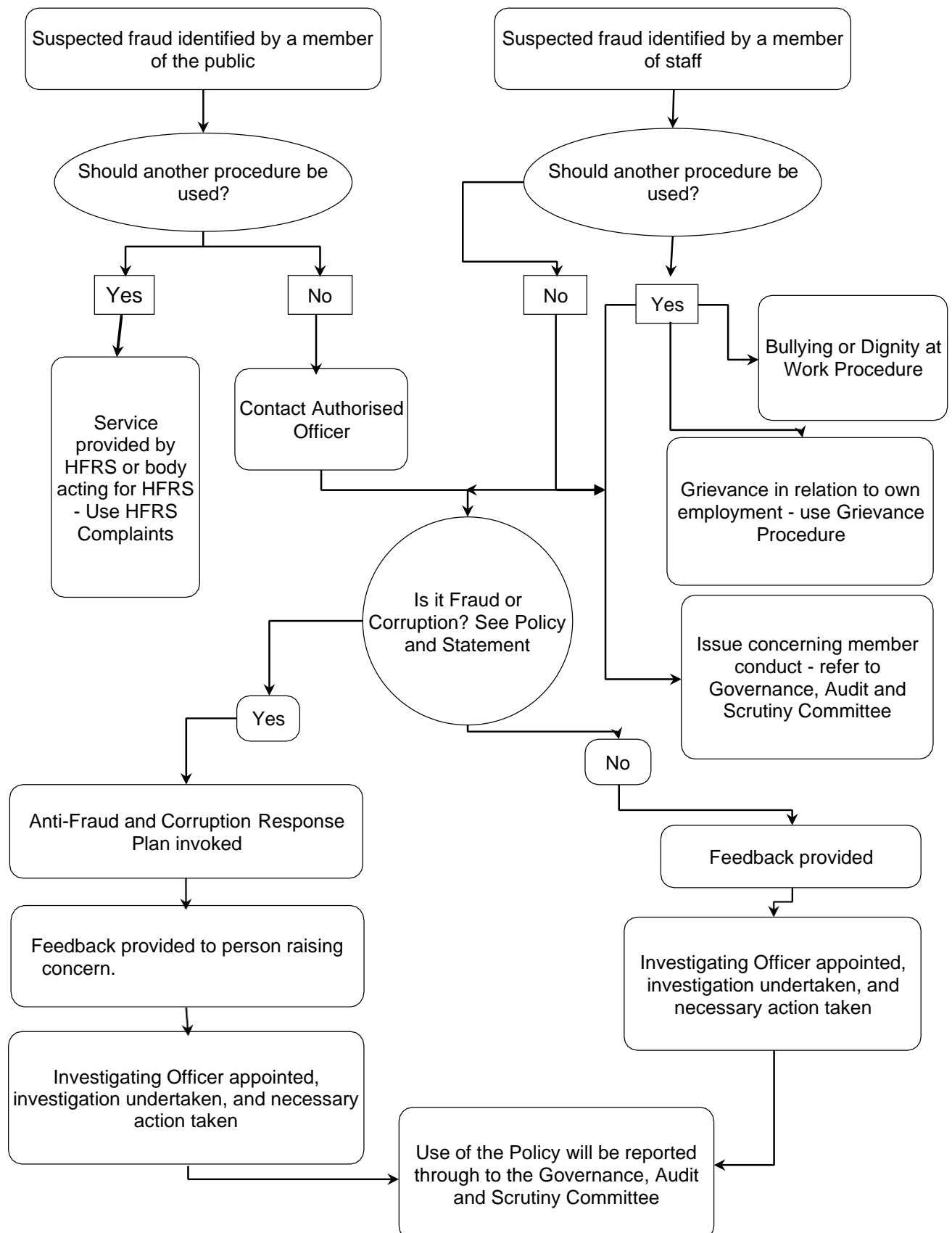
For persons 1-5 (Fire Authority and Service personnel)

Humberside Fire and Rescue
Service Headquarters
Summergroves Way
Hull
East Riding of Yorkshire
HU4 7BB
Tel: 01482 567333

For person 6 (Head of Internal Audit)

TIAA Ltd
Artillery House
Fort Fareham
Newgate Lane
Fareham
PO14 1AH
Tel: 0845 300 3333

APPENDIX B - ANTI-FRAUD AND CORRUPTION POLICY – FLOW CHART



APPENDIX C

CHECKLIST OF DO'S AND DONT'S

Do

- (a) Make dated notes of your concerns and retain them.
- (b) Think about the risks and outcomes before you act.
- (c) Follow the guidance provided and contact the appropriate officer.
- (d) Deal with the matter promptly if you feel your concerns are warranted.

Don' t

- (a) Do nothing.
- (b) Be afraid to raise your concerns.
- (c) Approach or accuse any individuals directly.
- (d) Try to investigate the matter yourself.
- (e) Use the Anti-Fraud and Corruption Policy (or Whistleblowing Policy) to pursue a personal grievance.

PART B

ANTI-FRAUD AND CORRUPTION POLICY (FRAUD RESPONSE PLAN)

1. HOW TO REPORT A SUSPECTED FRAUD

Any suspicion of fraud or corruption will be treated seriously.

Your suspicion should be reported to your Line Manager or Authorised Officer. If you are not an employee, then your suspicion should be reported to an Authorised Officer. Please refer to Part A, particularly [Section 18](#).

Before reporting a suspected fraud, you should read the Anti-Fraud and Corruption Policy (Part A), particularly the guidance and flow chart ([Appendix B](#)).

2. WHAT WILL HAPPEN UPON DISCLOSURE?

The Authorised Officer will:

- Acknowledge receipt in writing within 10 working days.
- Make a record of the details of any oral disclosure and confirm these in writing to the Complainant within 10 days.
- The Authorised Officer will consult Internal Audit (unless the disclosure is made directly to Internal Audit, in which case Internal Audit shall consult with a further Authorised Officer).
- The Authorised Officer may determine that:
 - The disclosure should be investigated by Internal Audit.
 - The disclosure should be progressed under a different Humberside Fire and Rescue Service procedure.
 - The disclosure is of such seriousness to refer to the Police.
 - The disclosure should be referred to the External Auditors
 - The disclosure should be the subject of an inquiry.
 - The disclosure is in accordance with the Anti-Fraud and Corruption Policy.
 - The disclosure can be resolved without investigation
 - The disclosure can be dismissed upon substantive grounds, for example the inability to investigate.
 - The disclosure should be referred to the Humberside Fire Authority's insurers.

3. INVESTIGATING OFFICER

Subject to paragraph 2 above, the Authorised Officer will identify an appropriate person (the Investigating Officer) to carry out any investigation, according to the nature of the issue. This will normally be a member of the Internal Audit Service.

Where, however, the Authorised Officer considers that the suspected fraud is of such seriousness to warrant referral to the Police, then an Investigating Officer may not be appointed.

4. ROLE OF THE INVESTIGATING OFFICER (WHERE APPOINTED)

The Investigating Officer will conduct an investigation into the suspected fraud, which will normally include:

- Hold a formal meeting with the Complainant to discuss the disclosure
- Arrange interviews with relevant witnesses
- Ensure the complainant and any witnesses have the right to be accompanied by a representative/colleague at any meeting
- Establish the facts/obtain statements/collect all evidence
- Maintain detailed records of the investigation process
- Report findings in writing to the Authorised Officer
- Make any recommendations for action
- Act as a witness at any subsequent disciplinary hearing if required

(For complaints involving the Chief Fire Officer & Chief Executive the report will be to the Chairperson of the Humberside Fire Authority)

The Investigating Officer will confirm in writing to the Complainant:

- How the matter will be dealt with.
- The names of any other investigating officers.
- An estimate of the timescale for responding to the concerns raised.
- Whether the Complainant will be required to attend an investigatory interview and the right to be accompanied by a trade union representative or work colleague.
- Any further information or evidence that the discloser is required to provide.
- Details of employee support mechanisms and where further advice on the procedure can be obtained.

5. WITNESSES

Where the investigation involves interviews with any witnesses, it will be the responsibility of the Investigating Officer to write to them confirming details of:

- The allegations under investigation
- The procedure under which the investigation will be conducted
- The right to be accompanied by a trade union representative or colleague at any investigation interview
- Details of employee support mechanisms

Action	Timescale	By Whom
Written acknowledgement of disclosure	10 working days	Authorised Officer
Notice to attend investigation interview	At least 5 working days	Investigating Officer
Investigation interviews	Within 20 working days of receipt of complaint	Investigating Officer
Report of Findings/ Communicate outcome to Complainant	30 days of receipt of complaint	Investigating Officer

Whilst the Investigating Officer will need to adhere to the timescales indicated, the nature of some serious concerns may require the investigation to take longer than a month. Some matters can be dealt with more speedily. The Complainant will be kept informed as to progress.

6. LIAISON WITH EXTERNAL AUDIT AND THE POLICE

External Audit

The Authority has a duty to report all significant frauds to the External Auditors.

Police

Where criminal activity is suspected or known, particularly if it is on a more than petty level, the Police must be involved and dependent on the severity and scale of the offence, will carry out investigations and institute criminal prosecutions. It is the policy of the Police to welcome early notification of suspected fraud. They will also advise on the most appropriate means of investigation. Initial contact with the Police will be undertaken by one of the Authority's statutory or principal officers, as may be appropriate in each individual case. This will be determined by the Chief Fire Officer

& Chief Executive, the S.151 Officer and the Secretary.

If the Police decide that formal investigation is necessary, all Members and employees must co-operate fully with any subsequent requestor recommendations. All contact with the Police will usually be via the Investigating Officer.

Police investigation does not preclude internal disciplinary procedures. Co-ordination is essential to avoid prejudicing either and to optimise use of resources.

7. REPORT OF INVESTIGATING OFFICER

As soon as the initial stage of the investigation has been completed, the Investigating Officer shall report to the Authorised Officer. This may lead to the Authorised Officer taking additional steps under [Section 2](#).

A final report in writing shall be submitted by the Investigating Officer to the Authorised Officer as soon as reasonably practicable. The report shall be confidential and shall set out:

- Background to the allegations
- Key facts established
- Procedure followed
- Key findings and conclusions
- Recommendations

The report will be reviewed by Internal Audit, the Chief Fire Officer & Chief Executive, S.151 Officer and Secretary/Monitoring Officer.

In particular, consideration will be given to appropriate next steps as indicated in paragraphs 8 to 13 below. The report will be kept confidential to the Fire Authority, unless disclosure is required for legal reasons.

8. DEALING WITH THE OUTCOME OF THE INVESTIGATION

Misconduct

Where the investigation concludes that there is a case of misconduct to answer against an employee, then the Disciplinary Procedure shall be invoked.

If the disclosure is found to be malicious and not in good faith, then the Investigating Officer may recommend that the Disciplinary Procedure be invoked.

Legal Proceedings

Where a fraud or corruption is proven, then a likely outcome may be criminal prosecution and/or civil proceedings against the perpetrator(s).

If the Case is Groundless

If it is decided that the disclosure was groundless, the Investigating Officer will explain

this to the person who made the disclosure.

Governance, Audit and Scrutiny Committee

A summary of the findings of all investigations under this process will be reported to the Committee.

Communicating the Outcome

The aim of this Policy is to assure employees that their concerns are properly addressed. The Authorised Officer will inform the person who made the disclosure of the outcome of the investigation, any action taken and their right of appeal.

In addition, actions arising from a Whistleblowing investigation will be made available to all staff in order to further promote and build trust and confidence in the process. Such information will not identify the person who made the disclosure, or the employee concerned.

Learn from Past Experience

Where a fraud has occurred, then arising from the investigation process and an Audit report to Members, there will be an action plan to ensure that the Authority learns from experiences of fraud and corruption.

9. SUPPORT DURING AND AFTER AN INVESTIGATION

Support

Where necessary and appropriate, Humberside Fire Authority will provide support, counselling or mediation to any person affected by an investigation in order to ensure normal working relationships are resumed as effectively as possible.

10. APPEAL

If the person who made the disclosure is dissatisfied with the investigation's outcome, they may request that the Authorised Officer review the findings. This request must be in writing within 10 working days of the notification of the findings being published. The Authorised Officer will consider the request and respond in writing within 10 working days, setting out whether or not sufficient grounds exist for the disclosure to be investigated further.



HUMBERSIDE FIRE AND RESCUE SERVICE

Service Improvement

Professional Standards Whistleblowing Policy

Owner	Executive Director of Corporate Services
Responsible Person	Head of Corporate Assurance
Date Written	July 2016
Date of Review	September 2023
Date of next review	September 2025
EIA Completed	July 2021



What we must
do well



How we support our
communities



We value and support
the people we employ



We efficiently manage
the Service

CONTENTS

1. [Introduction](#)
 - [Core Code of Ethics](#)
 - [National Guidance](#)
2. [Equality & Inclusion](#)
3. [Aim and Objectives](#)
4. [Associated Documents](#)
 - [Equality Impact Analysis](#)
 - [Legal References](#)
 - [National Guidance](#)
5. [Interface within Other Policies and Procedure](#)
6. [Anonymous Allegations](#)
7. [Confidentiality](#)
8. [Untrue Allegations](#)
9. [How to Raise a Concern Under this Policy](#)
10. [Is Proof of Malpractice Needed?](#)
11. [Allegation Concerning Officers Holding Executive Posts](#)
12. [How the Authority Will Respond](#)
13. [Raising Concerns Externally](#)
14. [Who Can Provide Support or Advice](#)
- [Appendix A: Whistleblowing Policy Flow Chart](#)
- [Appendix B: Checklist of Dos and Don'ts](#)
- [Appendix C: Whistleblowing Procedure](#)
 1. [Disclosure](#)
 2. [What will happen upon disclosure](#)
 3. [Investigating Officer](#)
 4. [Role of Investigating Officer](#)
 5. [Witnesses](#)
 6. [Dealing with the Outcome of Investigation](#)
 - [Misconduct](#)
 - [If the case is groundless](#)
 - [Governance Audit and Scrutiny Committee](#)

- Communicating the Outcome

7. Support during and after an Investigation

- Support
- Appeal

1. INTRODUCTION

Employees are often the first to realise that there may be something wrong within the Authority. However, they may decide not to express their concerns because they feel that speaking up would be disloyal to their colleagues, to their representative body or to the Authority. They may also fear harassment, reprisal or victimisation. In these circumstances it may be easier to ignore the concern rather than report what may be only a suspicion of malpractice.

Humberside Fire Authority (HFA) (including Humberside Fire and Rescue Service) is committed to the highest possible standards of integrity, openness, fairness, inclusivity, probity and accountability. HFA aims to provide a positive and supportive culture to enable employees to raise their concerns.

This Whistleblowing Policy is intended to encourage and enable employees to raise serious concerns within HFA without fear of reprisal, rather than tolerating a problem or pursuing their concerns externally. Members of the public are also encouraged to raise genuine serious concerns in accordance with this Policy.

This Policy has been discussed with the relevant representative bodies and has their support.

Core Code of Ethics

HFRS has adopted the Core Code of Ethics for Fire and Rescue Services. The Service is committed to the ethical principles of the Code and strives to apply them in all we do, therefore, those principles are reflected in this Policy.

National Guidance

Any National Guidance which has been adopted by HFRS, will be reflected in this Policy.

2. EQUALITY & INCLUSION

HFRS has a legal responsibility under the Equality Act 2010, and a commitment, to ensure it does not discriminate either directly or indirectly in any of its functions and services nor in its treatment of staff, in relation to race, sex, disability, sexual orientation, age, pregnancy and maternity, religion and belief, gender reassignment or marriage and civil partnership. It also has a duty to make reasonable adjustments for disabled applicants, employees and service users.

3. AIM AND OBJECTIVES

This Policy aims to:

- Encourage employees to feel confident in raising serious concerns.
- Provide ways for employees to raise those concerns and receive feedback on any action taken as a result.

- Reassure employees that if they raise any concerns in good faith and reasonably believe them to be true, they will be protected from possible reprisals or victimisation.
- Provide an effective mechanism for members of the public to raise genuine and serious concerns.

4. ASSOCIATED DOCUMENTS

- [Equality Impact Analysis](#)
- Legal References
There are no specific legislative requirements relevant to this policy.
- National Guidance Reference
There is no specific National Guidance relevant to this policy.

5. INTERFACE WITHIN OTHER POLICIES AND PROCEDURES

If issues are in respect of the conduct of a Member of Humberside Fire Authority, these are dealt with by the Monitoring Officer to the Fire Authority. Please refer to the 'Complaints about Members' section on the [Fire Authority](#) webpage for further information or speak to the Monitoring Officer (see [Section 9 for details](#)).

HFA operates a Complaints Policy and Procedure. This enables members of the public to raise any questions or make complaints about the performance of the Service. Members of the public are not precluded from using this Whistleblowing Policy but should only do so where they feel that the Complaints Policy is not appropriate to the concern that they wish to raise.

There are other avenues for employees to raise concerns, for example through the following Professional Standards Policies: Anti-Fraud and Corruption Policy, Grievance Policy, Dignity at Work Policy, Disciplinary Procedure Policy and Performance and Capability Policy.

Where possible, if a staff member has concerns about their personal working situation or circumstances, the policies and procedures mentioned above should be used in the first instance. However, if the individual feels that their circumstances are exceptional and that they feel unable to use the normal route to raise their personal complaint or issue, the Whistleblowing policy may be used.

This Whistleblowing Policy is not an alternative to other HFA policies or to be used as a mechanism for appealing against the outcome of other procedures.

Who is covered by the Policy?

All employees of HFA, whether temporary or permanent. Members of the public may also make use of this Policy.

What matters does the Policy cover?

The Policy is primarily aimed at encouraging employees to raise major concerns over

any wrong doing, particularly in relation to unlawful or unethical conduct, unfair practices, risk to health and life or financial malpractice. (This list is not exclusive) Members of the public may do so in the same way.

Specific examples of improper conduct or unethical behaviour could include:

- Criminal offence (e.g. fraud, corruption or theft).
- Public funds are being used in an unauthorised manner.
- The Constitution (including the Procurement and Financial Rules).
- Serious conflict of interest without disclosure.
- Serious / sustained harassment of an individual or group.
- Professional malpractice.
- Endangering health and safety of employees or the public or damage to the environment.
- Failure to comply with legal obligation.

Assurances for employees making disclosures under this Policy

If you do raise a concern under this Policy, you will **not** be at risk of losing your job or suffering any form of retribution as a result, provided that:

- your disclosure is made in good faith.
- you reasonably believe that information, and any allegation contained in it, is substantially true.
- you are not acting for personal gain.

The Public Interest Disclosure Act 1998 protects employees against detrimental treatment or dismissal. This Policy has been introduced in accordance with the Act. For further information upon the Act please contact the Executive Director of Finance/S.151 Officer ([see Section 9 for details](#)) or [Protect](#), an independent charity.

Definition of a protected disclosure

The types of **disclosure** that are eligible for protection against detrimental treatment or dismissal are known as '**qualifying disclosures**'. These are where the worker reasonably believes that the **disclosure** is being made in the public interest and at least one 'relevant failure' is currently happening, took place in the past or is likely to happen in the future.

6. ANONYMOUS ALLEGATIONS

HFA encourage employees to disclose their names when raising concerns. Concerns expressed anonymously are much less powerful and are often more difficult to investigate or substantiate. Feedback cannot be provided without contact details.

In considering whether to investigate anonymous allegation, particular consideration will be given to:

- the seriousness of the issues raised
- the credibility of the concern
- the likelihood of substantiation from other sources
- the ability to discover the facts
- the justification for maintaining anonymity

7. CONFIDENTIALITY

HFA will treat all disclosures in a confidential and sensitive manner. The identity of the individual may be kept confidential provided this does not hinder or frustrate any investigation. However, there will be occasions where the identity of the individual needs to be revealed. For example, where the individual is required to give a witness statement or give evidence at a formal hearing, where allegations of misconduct or criminal activity are involved.

8. UNTRUE ALLEGATIONS

If allegations are made in good faith, but are not confirmed by the investigation, no action will be taken against the Complainant. If, however, malicious, vexatious, mischievous or reckless allegations are made then disciplinary action may be taken, if the Complainant is an employee. If the allegation made by a member of public is found to be malicious or vexatious the Service may discontinue, or not enter into any further, correspondence with that individual in line with 'Dealing With Persistent or Unreasonable Complainants' under the Complaints Policy.

9. HOW TO RAISE A CONCERN UNDER THIS POLICY

As a first step, you should normally raise concerns with your immediate manager, who will then consult with an Authorised Officer. This depends, however, on the seriousness and sensitivity of the issues involved and any potential conflicts of interest.

Authorised Officers

Alternatively, you may raise a concern directly with one of the following Authorised Officers:

Authorised Officer	Contact number	Contact email	Address
Chief Fire Officer & Chief Executive	(01482) 567509	Click here	Humberside Fire and Rescue Service, Service Headquarters, Summergroves Way, Kingston
Deputy Chief Fire Officer & Executive Director of Service Delivery	(01482) 567174	Click here	
Assistant Chief Fire Officer & Executive Director of Corporate Services	(01482) 567509	Click here	

Executive Director of Finance & S.151 Officer	(01482) 567509	Click here	upon Hull, HU4 7BB
Executive Director of People & Development	(01482) 567509	Click here	
Area Manager Emergency Response	(01482) 567174	Click here	
Area Manager Prevention, Protection, Fleet & Estates	(01482) 567174	Click here	
Area Manager Service Improvement	(01482) 567174	Click here	

Alternative Contacts

If you feel it inappropriate to contact an Authorised Officer, you may raise a concern directly with one of the following representatives of the Fire Authority:

Alternative Contact	Contact details	Address
Chairperson of Humberside Fire Authority	(01482) 393204 Email committeemanager@humbersidefire.gov.uk	Humberside Fire Authority, Fire and Rescue Service Headquarters, Summergroves Way, Kingston upon Hull, HU4 7BB
Chairperson of Governance, Audit & Scrutiny Committee	(01482) 393899 Email committeemanager@humbersidefire.gov.uk	
Monitoring Officer & Secretary to Humberside Fire Authority	(01482) 393100 Email committeemanager@humbersidefire.gov.uk	
*The Head of Internal Audit	0845 300 3333 Email enquiries@tiaa.co.uk	TIAA, Artillery House, Fort Fareham, Newgate Lane, Fareham, PO14 1AH

* This is a private, independent organisation who are employed to audit HFA.

Contact may be by telephone or face to face, but serious concerns are better raised in writing, whether by post or email. Those making disclosure are asked to set out the background and history of their concern, giving names, dates and places where possible, and the reason why they are particularly concerned about the situation. The earlier the concern is expressed, the easier it is to take action.

10. IS PROOF OF MALPRACTICE NEEDED?

When raising a concern, you will not be expected to provide proof beyond reasonable doubt of an allegation, but you will need to be able to demonstrate that there are reasonable grounds for your concerns. Where possible notes should be kept of what the individual has seen, heard or felt. Notes should be dated, and copies of all relevant information kept.

11. ALLEGATION CONCERNING THE CHIEF FIRE OFFICER & CHIEF EXECUTIVE

Where an allegation is made concerning the Chief Fire Officer & Chief Executive or an Executive Director,, you should raise this with either the HFA Monitoring Officer, Head of Internal Audit or the Chairperson of HFA – see [Section 9](#) for their contact details .

The Monitoring Officer has dispensation to appoint an external party to carry out this role when the allegations impinge on the roles of the key governance monitoring posts.

12. HOW THE AUTHORITY WILL RESPOND

Please refer to [Appendix C - Part B](#) which outlines the procedure to be followed once a disclosure is made in accordance with this Policy.

13. RAISING CONCERNS EXTERNALLY

You are encouraged to raise any concerns internally. However, in certain circumstances the Public Interest Disclosure Act 1998 provides protection to employees who make certain disclosures outside the Humberside Fire Authority. An employee may consider this route, for example when they have a justifiable concern that their disclosure would not be dealt with properly by the Authority, or that the Authority may be constrained in its statutory powers to address the concern adequately. The protection relates to financial malpractice, impropriety or fraud, a failure to comply with a legal obligation, criminal activity or a miscarriage of justice.

You must remember that disclosures must be:

- in good faith
- in the belief that the information shows malpractice
- made to an appropriate regulator with responsibility for the matter raised

Examples of prescribed regulators include the Health and Safety Executive, Environment Agency and External Auditors.

Under the 1998 Act, staff making “protected disclosures” are protected from detrimental action, unfair dismissal and redundancy, and can complain to an employment tribunal.

A full list of persons or bodies which have been prescribed for receiving disclosures on particular matters is set out in the Public Interest Disclosure Act 1998.

Mazars - External Auditor

Mazars are the external auditors of the Authority. As such, in the first instance, is the most likely body to be considered in instances of **fraud, corruption and misuse/abuse of public funds or powers**. Their local contact details are:

Mr Gavin Barker
Mazars,
The Corner
Bank Chambers
26 Mosley Street
Newcastle
NE1 1DF
United Kingdom Tel: 0191 3836300

Any employee who is considering making an external disclosure is encouraged to first take advice to ensure that the disclosure falls within the provisions of the legislation, and that all internal avenues have been fully explored. If an employee does decide to take the matter outside the Authority, they should ensure that they do not disclose any confidential information.

Protect – Independent Charity

Further advice on making a disclosure is available from Protect, an independent charity that provides free advice for employees who wish to express concerns about fraud or other serious malpractice. Their contact details are:

- <https://protect-advice.org.uk/>
- Tel. 020 3117 2520

A process flow diagram ([Appendix A](#)) and a check list of do's and don'ts ([Appendix B](#)) is provided as a quick reference for staff at the end of this policy.

14. WHO CAN PROVIDE SUPPORT OR ADVICE?

We are committed to maintaining a safe and supportive work environment for everyone. Below are internal and external routes staff can use to speak up, raise a concern and get support.

Most speaking up happens through conversations with supervisors and line managers where challenges are raised and resolved quickly. We strive for a culture where that is normal, everyday practice and encourage you to explore this option it may well be the easiest and simplest way of resolving matters. However, you have other options: Station Managers, Group Managers, TLT and SLT member with responsibility for the subject matter you are speaking up about.

Via your line manager

Your line manager is a key point of contact for reporting concerns and seeking support. They are here to listen, provide guidance, and ensure that your concerns are addressed appropriately. Whether you have questions about workplace policies, encounter issues with colleagues, or require assistance with personal matters affecting your work, your line manager is there to support you.

If, for any reason, you feel uncomfortable discussing your concerns with your line

manager, we have established multiple channels for reporting concerns anonymously or confidentially.

Through our Policies and our Professional Standards Policies

Various routes are included in our Professional Standards or other Policies listed below:

- Anti-Fraud and Corruption
- Complaints
- Dignity at Work (anti Bullying and Harassment)
- Disciplinary
- Exits From the Service
- Equality and Inclusion
- Grievance
- Menopause
- Mediation
- Personal Relationships at Work Policy
- Safety Event Reporting Recording and Investigation Arrangements

Independent Speak Up (Powered by Crimestoppers)

This service aims to provide a safe space for staff to speak up when something isn't right in the workplace:

- Discrimination, victimisation and harassment (on gender, sexual orientation, disability)
- Misogyny and violence against women and girls
- Health and safety breaches
- Fraud and corruption
- Poor or unsafe working practices

The service is available online or via phone [here](#).

Service users can remain anonymous or can choose to provide their name and contact details which will then be shared for confidential use by the Fire Service.

Our internal bullying and harassment hotline

Bullying will not be tolerated within Humberside Fire and Rescue Service. Our Dignity at Work policy clearly defines bullying and how to report it.

The Service's 'Zero Tolerance' campaign has a very simple strapline - **SUPPORT - CHALLENGE - REPORT** - and we encourage our employees to do just that.

Contact HR

You can contact your HR team, in complete confidence, on: 01482 567572.

This number will take you through to one of our HR advisers who will listen to what has caused you to feel the way you do.

You don't need to provide names and you will receive completely confidential advice as to how to manage any issues you raise.

HMICFRS Independent reporting line

The independent reporting line (IRL) form is a tool for fire and rescue service staff to confidentially pass information to His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS), which as an independent body is responsible for inspecting fire and rescue services on their efficiency, effectiveness and how well they look after their people.

The reporting line can be accessed [here](#).

Employee Assistance Programme (EAP)

As part of an ongoing commitment to employee wellbeing, Humberside Fire and Rescue Service Occupational Health Team are very pleased to offer all employees confidential support, with free access to emotional and practical support through CiC's Confidential Care Service.

The service is provided by CiC, an external organisation, who are entirely independent, so support and advice is completely confidential. You can call the Confidential Care line as often and for as long as you need to discuss any issues you would like support with.

The Confidential Care service is available 24 hours a day, 7 days a week, 365 days a year and is accessed by calling the freephone number: 0800 085 1376.

Freedom to Speak Up Guardian (Internal Freedom to Speak Up Routes)

The Freedom to Speak Up model was developed in health and has six key elements; we have used the model as the basis for the HFRS process. How we implement 'Valuing' and 'Modelling' Speaking Up within HFRS will be developed from the 'ground up' by listening to staff about how line managers and the organisation can value and model Speaking Up.

Our 'Freedom to Speak Up Guardian' can support you to speak up if you feel unable to do so. The Guardian will ensure that people who speak up are thanked for doing so, that the issues they raise are responded to, and that the person speaking up receives feedback on the actions taken. You can find out more about the guardian role [here](#).

Additional information relating to Freedom to Speak Up Routes can be found [here](#).

You may also wish to speak to:

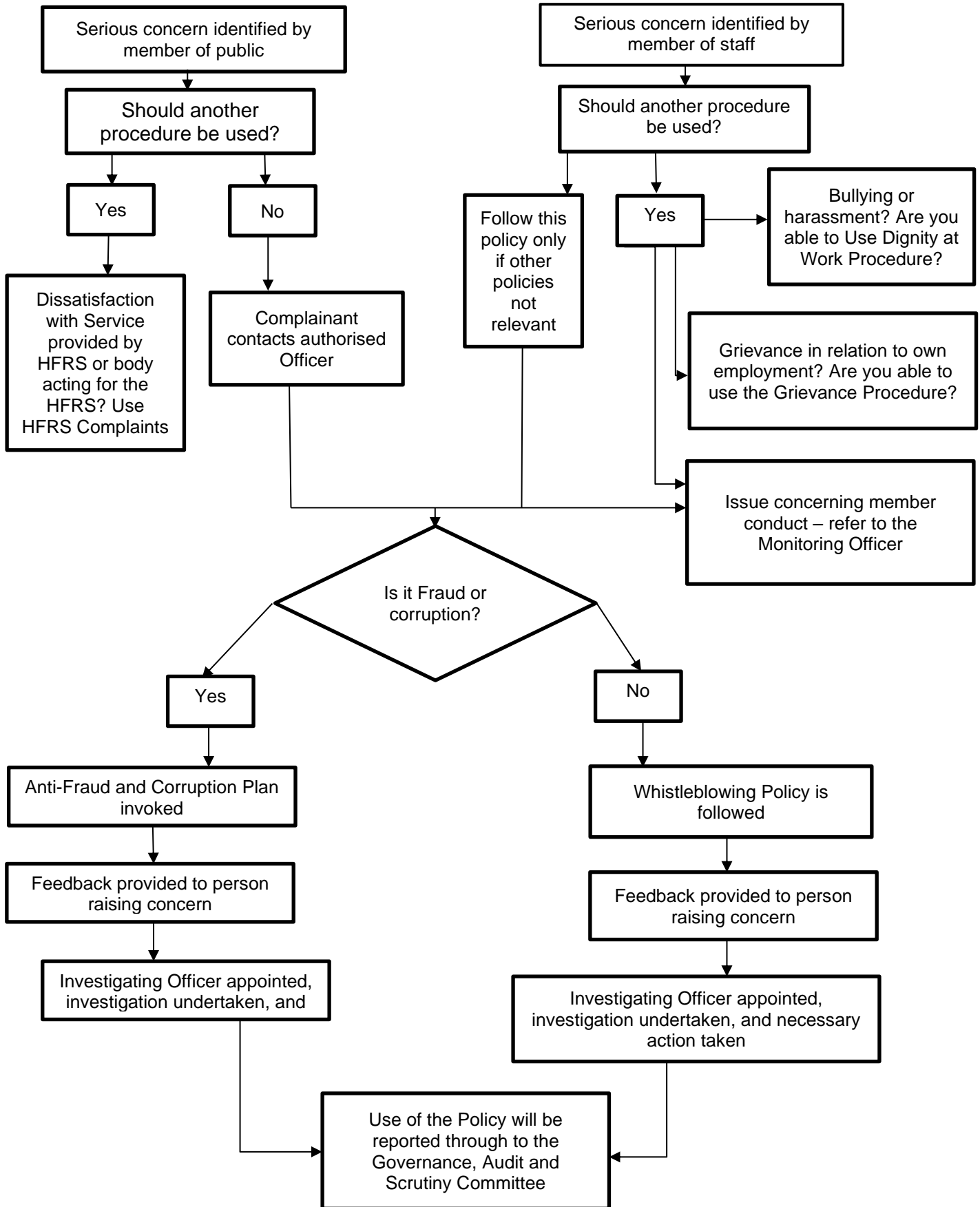
- A colleague
- A trade union representative

- The Humberside Fire Authority Counselling Service

You may wish to discuss the concern with a colleague or trade union representative first and may find it easier to raise the matter if there are other colleagues who share the same concerns. A trade union representative or work colleague may accompany a member of staff at any meetings or interviews in connection with the concerns raised.

**If you require any further guidance / information in relation to this policy,
please contact the Head of Corporate Assurance.**

APPENDIX A - WHISTLEBLOWING POLICY – FLOW CHART



APPENDIX B

CHECKLIST OF DOs AND DON'Ts

Do

- (a) Make dated notes of your concerns and retain them.
- (b) Think about the risks and outcomes before you act.
- (c) Follow the guidance provided and contact the appropriate officer.
- (d) Deal with the matter promptly if you feel your concerns are warranted

Don't

- (a) Do nothing.
- (b) Be afraid to raise your concerns.
- (c) Approach or accuse any individuals directly.
- (d) Try to investigate the matter yourself.
- (e) Use a Whistleblowing procedure to pursue a personal grievance.

APPENDIX C

WHISTLEBLOWING PROCEDURE

Handling a Disclosure under the Whistleblowing Policy

1. DISCLOSURE

The disclosure must be made in accordance with the Whistleblowing Policy.

The Policy sets out to whom disclosure should be made. Please refer to the Policy and act accordingly.

2. WHAT WILL HAPPEN UPON DISCLOSURE?

The Authorised Officer will:

- a. Acknowledge receipt in writing within 10 working days;
- b. Make a record of the details of any oral disclosure and confirm these in writing to the Complainant within 10 working days;
- c. The Authorised Officer will normally consult with a further Authorised Officer and determine whether:
 - The disclosure should be investigated by an Investigating Officer or Internal Audit;
 - The disclosure should be progressed under a different HFRS procedure;
 - The disclosure is of such seriousness to refer to the Police;
 - The disclosure should be referred to External Audit;
 - The disclosure should be the subject of an inquiry;
 - The disclosure is in accordance with the Policy;
 - The disclosure can be resolved without investigation;
 - The disclosure can be dismissed upon substantive grounds, for example the inability to investigate.

3. INVESTIGATING OFFICER

Subject to paragraph 2(c), the Authorised Officer will identify an appropriate person (the Investigating Officer) to carry out any investigation, according to the nature of the issue. This will normally be undertaken by the Authority's Internal Audit Service.

Where, however, the Authorised Officer considers that the suspected fraud is of such seriousness to warrant referral to the Police, then an Investigating Officer may not be appointed.

4. ROLE OF THE INVESTIGATING OFFICER

The Investigating Officer will:

- Hold a formal meeting with the Complainant to discuss the disclosure.
- Arrange interviews with relevant witnesses.
- Ensure the Complainant and any witnesses are given the option to be accompanied by a representative/colleague at any meeting.
- Establish the facts/obtain statements/collect documentary evidence.
- Maintain detailed records of the investigation process.
- Report findings in writing to the Authorised Officer.
(For complaints involving the Chief Fire Officer & Chief Executive the report will be to the Chairperson of the Humberside Fire Authority)
- Make any recommendations for action.
- Act as a witness at any subsequent disciplinary hearing if required.

The Investigating Officer will confirm in writing to the Complainant:

- How the matter will be dealt with.
- The names of any other investigating officers.
- An estimate of the timescale for responding to the concerns raised.
- Whether the complainant will be required to attend an investigatory interview and the right to be accompanied by a trade union representative or work colleague.
- Any further information or evidence that the discloser is required to provide.
- Details of employee support mechanisms and where further advice on the procedure can be obtained.

5. WITNESSES

Where the investigation involves interviews with any witnesses, it will be the responsibility of the Investigating Officer to write to them confirming details of:

- The allegations under investigation.
- The procedure under which the investigation will be conducted.
- The right to be accompanied by a trade union representative or colleague at any investigation interview.
- Details of employee support mechanisms.

Action	Timescale	By Whom
Written acknowledgement of disclosure	Within 10 working days	Authorised Officer
Notice to attend investigation interview	At least 5 working days	Investigating Officer
Investigation interviews	Within 20 working days of receipt of complaint	Investigating Officer
Report of Findings/ Communicate outcome to complainant	30 working days of receipt of complaint	Investigating Officer

Whilst the Investigating Officer will need to adhere to the timescales indicated, the nature of some serious concerns may require the investigation to take longer than a month. Some matters can be dealt with more speedily. The Complainant will be kept informed as to progress.

6. DEALING WITH THE OUTCOME OF THE INVESTIGATION

Misconduct

Where the investigation concludes that there is a case of misconduct to answer against an employee, then the relevant Professional Standards Policy shall be invoked (for example the Disciplinary Procedure Policy or Performance and Capability Policy) by an Authorised Officer.

If the disclosure is found to be malicious and not in good faith, then the Investigating Officer may recommend that the relevant Professional Standards Policy (for example the Disciplinary Procedure Policy) be invoked against the Complainant by an Authorised Officer.

If the case is groundless

If it is decided that the disclosure was groundless, the Investigating Officer will explain this to the person who made the disclosure.

Governance, Audit and Scrutiny Committee

A summary of the findings of all investigations under this process will be reported to the Governance Audit and Scrutiny Committee by an Authorised Officer.

Communicating the Outcome

The aim of this Policy is to assure employees that their concerns are properly addressed. The Authorised Officer will inform the person who made the disclosure of the outcome of the investigation, any action taken and their right of appeal.

In addition, actions arising from a Whistleblowing investigation will be made available to all staff in order to further promote and build trust and confidence in the process.

Such information will not identify the person who made the disclosure, or the employee/s concerned.

7. SUPPORT DURING AND AFTER AN INVESTIGATION

Support

Where necessary Humberside Fire Authority will provide support, counselling or mediation to any person affected by an investigation in order to ensure normal working relationships are resumed as effectively as possible.

Appeal

If the person who made the disclosure is dissatisfied with investigations outcome, they may request that the Authorised Officer review the findings. This request must be made in writing within 10 working days of the notification of the Findings being published. The Authorised Officer will consider the request and respond in writing within 10 working days, setting out whether or not sufficient grounds exist for the disclosure to be investigated further.

NOTE:

Nothing shall prevent the person concerned from making representations to the External Auditors (a prescribed 'person' under the Public Interest Disclosure Act).

CONTROL EXERCISE & DEBRIEF REPORT

1. SUMMARY

- 1.1 The Service is committed to ensuring that areas of improvement highlighted in the 2022 HMICFRS report in relation to Control involvement in the Service's exercising and debriefing processes are fully addressed. Improvements that have been implemented that are included in the scope of this report are:
- Control staff are now embedded in Emergency Preparedness which coordinates engagement with national, regional, and multi-agency exercises.
 - The trial appointment of a Control competent Station Manager within Emergency Preparedness to coordinate operational risk, exercises, interoperability business continuity and multi-agency engagement.
 - The appointment of a Control specific training Watch Manager who has specific responsibility for developing, planning, and implementing Control exercises, development, and learning.
 - Control staff are now able to contribute to and attend operational debriefs including multiagency JESIP debriefs.

2. MATTER FOR CONSIDERATION

- 2.1 The Service's increasing commitment to the involvement of Control in the exercising and debriefing processes both single and multi-agency.
- 2.2 Assurance that restructuring within Control has enabled and developed this integration to take place more easily and be assured that there is genuine commitment to continue to develop and enhance the processes now in place.

3. BACKGROUND

- 3.1 The Service has a well-established process for both exercising and debriefing. However, the emphasis has been on operational response with Control only having limited involvement.
- 3.2 The Services inspection report by HMICFRS in 2022 highlighted *'that the Service's Control staff aren't always included in the Service's exercise and debrief activity. The Service should make sure that fire control staff are routinely invited to attend debriefs and exercises.'*
- 3.3 Furthermore, there are several recommendations from the Manchester Arena Inquiry specifically recommendation 28 stated *'North West Fire Control should take steps to ensure that it is involved in multi-agency exercises, particularly those that test mobilisation and the response to a Major Incident in line with the Joint Emergency Services Interoperability Principles (JESIP).'*
- 3.4 Recommendation 30 stated *'All North West Fire Control staff should be trained on the best practices for responding to a Major Incident, as identified through its participation in exercises. North West Fire Control should ensure that learning is kept under review.'* Both recommendations also pertain to Humberside Control staff.
- 3.5 Also following Tier One National Exercise *Spring Resolve* held at York and participated in by regional partners and HFRS Control and NILOs the following recommendation has been published. *'Recommendation 20: Wherever possible, live play multi-agency*

CT exercises should endeavour to include emergency services control rooms, with staff being placed under realistic pressures as the exercise develops.'

- 3.6 Following re-alignment in 2022 Control was moved from the responsibility of the North East Lincolnshire District to Emergency Preparedness. This allowed Control better integration into the development of policy and procedure, equipment, the management of operational risk and exercising.
- 3.7 As part of this restructure, a Control competent Station Manager was temporarily appointed as a trial within Emergency Preparedness to coordinate operational risk, exercises, interoperability, and multi-agency engagement. The rationale for this trial was that the enhanced awareness of multi-agency working, interoperability and communication would support growth in this traditionally operational role. This has certainly been the case with the trial extended.
- 3.8 Also, the restructure allowed for the introduction of a Watch Manager with responsibility for Control training and development. This has given capacity for assurance processes including participating in debriefs and learning from national and multi-agency incidents through NOL and JOL.

4. REPORT DETAIL

Exercising

- 4.1 The Service Exercise Policy has been reviewed to include Control as an integral part and is currently being consulted upon. This exercise policy includes training schedules which will embed competent and resilient fire control capability, resourced to meet the demand placed upon it. Fire control will be prepared and empowered to manage emergency calls from when they are received, through to the conclusion of incidents and beyond, providing the best possible service to the public. Simulations will exercise fire control employees to gather and share information to make informed and proactive decisions. This will include mobilising resources, provide safety, evacuation, and fire survival guidance to the public and partner agencies in an accessible way, contributing to the effective, safe, and coordinated resolution of local, regional, and national incidents.
- 4.2 These exercises will be aligned to NOG, Multi-agency NOG, CBRN, COMAH, MTA, Spate/Spike and National Resilience (NR) (not exhaustive).
- 4.3 During 2023 Control have introduced their own exercise programme with each watch undertaking Control specific exercises per year including:
- Marauding Terrorism
 - High Rise Incidents
 - Business Continuity
 - Spate Flood Conditions
 - Major Incident/COMAH
 - Hazardous Materials
 - Spate Fire Conditions
 - Fire Survival
 - Water Survival
 - Ships
 - National Resilience
 - CBRN
- 4.4 Exercises include Operational Support Group Watch Managers and when appropriate Group Managers developing their National Inter-Agency Liaison Officer specialism and tactical command role. The exercises are a key element within the Control training plan.

- 4.5 As part of Emergency Preparedness, Control is now involved in the planning and participation in the Service's and Humber Local Resilience Forum's multi-agency, national and regional exercises, and large-scale internal operational exercises.
- 4.6 Control's exercise involvement includes call-handling and mobilising, communications including utilising airwaves, incident support and command and control. These are assessed against national operational guidance (NOG) and operationally assured.
- 4.7 Stations/districts organise exercises and involve Control in the planning to make the learning experience as realistic as possible. Control Watch Managers are able then able to plan Controls involvement in the exercise in advance.
- 4.8 The Control Station Manager has established improved engagement with the Operational Learning Section resulting in better involvement in the Services de-briefing process for exercises and operational incidents bespoke to the team.

Debriefing

- 4.9 As part of the Services de-briefing process Control Watch Managers and the Control Station Manager are now sent de-brief questionnaires by the Operational Learning section. These are completed in relation to exercises and incidents with a view to identifying areas of best practice and areas of improvement.
- 4.10 Subsequent Operational debriefs include invites for the relevant Control watch to attend the debrief. To allow personnel to attend de-briefs staffing in Control is supported by day staff if necessary. Feedback from Control staff and the Operational Learning team is that Controls attendance at debriefs has been very beneficial, allowing Control supervisors to explain their rationale behind decisions that were made during the incident.
- 4.11 Tactical, Strategic, and multi-agency debriefs are attended by the Control Station Manager and members of Emergency Preparedness.
- 4.12 As a forward look in 2024 the Control Station Manager will introduce Control specific Operational Learning in conjunction with the Operational Learning section, the aim being to capture learning points and disseminate to the Control staff and wider organisation.
- 4.13 Examples of recent debriefs attended by Control which resulted in Control related learning include.
 - Incident 4717 of 2023, a fatal house fire in Withernsea in relation Control critical incident welfare which resulted in Control staff being included in the Critical Incident Stress Management process.
 - Incident 4441 of 2023, a fatal house fire in Hull which highlighted operational crews not passing correction of address information, meaning Control could not identify repeat attendances at properties. Operational crews were informed to ensure correct address information is passed for all incidents.
 - Incident 11042 of 2023 a large building fire in Hull identified a difference in attendances to commercial and residential building fires which has now been addressed thus improving firefighter safety.
- 4.14 Control related learning highlighted through either Joint Organisational Learning (JOL), or National Organisational Learning (NOL) are fed to into Control through the Organisational Learning section. The most recent relating to terminology to be used for water rescue incidents.
- 4.15 Identified learning points from exercises and incidents are communicated to watches via email and verbal briefings. Where necessary Control Operating Procedures are updated, and PDRPRO packages produced. The implementation of

learning points is tracked by the Operational Learning team in liaison with the Control Station Manager.

5. EQUALITY IMPLICATIONS

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

6. CONCLUSION

- 6.1 The Service have improved Controls involvement in exercising and de-briefing and learning from their outcomes. Whilst still in the embedding stage due to new roles, the Committee can be assured that there is a commitment to ensuring that Control are fully involved in both exercise planning and the Services de-briefing process. Further enhancements to both processes will continue to be made in 2024 at both Service and Local Resilience Forum levels.

Dan Meeke
Head of Emergency Preparedness
& Control

Officer Contact

Dan Meeke – Head of Emergency Preparedness

☎ 07950 781 785

✉ dmeeke@humbersidefire.gov.uk

Graeme Dickson – Control Station Manager

☎ 07811 244 985

✉ gdickson@humbersidefire.gov.uk

Background Papers

- HFRS Exercise Policy
- Draft Control Training and Development Plan
- Recent debrief reports where Control have taken part:
 - Storm Ciaran
 - Andrew Johnson Knudztton

Glossary/Abbreviations

CBRN	Chemical Biological Radiological and Nuclear.
COMAH	Control of Major Accident Hazards Regulations
JESIP	Joint Emergency Services Interoperability Principles
NOG	National Operational Guidance
NILO	National Inter-agency Liaison Officer
NOL	National Organisational Learning
JOL	Joint Organisational Learning

UPDATE REPORT ON GRIEVANCE PROCEDURES

1. SUMMARY

- 1.1 This report provides a further update on the grievance procedure and in particular updates the Committee on the development and utilisation of the People Dashboard.
- 1.2 Following an HMICFRS Thematic Inspection in November 2023, the subject of which was the handling of misconduct, this report provides a review of the related outcomes and the requirement to now submit data returns to HMICFRS on a bi-annual basis on misconduct statistics.

2. MATTER FOR CONSIDERATION

- 2.1 The Committee may wish to consider the continued development of the People Dashboard, the continued commitment to promoting and maintaining good working relationships with its employees, and to the use of data relating to this matter in support of the same when making any necessary recommendations.

3. BACKGROUND

- 3.1 This report was requested by the Committee at its meeting of 4 September 2023 following the updated action schedule detailing progress made against recommendations of the Committee of 3 July 2023 when receiving the report on Grievance Procedures.

4. REPORT DETAIL

People Dashboard

What is the aim of the People Dashboard?

- 4.1 The aim of the Service's People Dashboard is to provide a comprehensive view of key data related to its employees. It will track, analyse and report on employee relations matters and measure employee satisfaction in terms of the service being provided by Human Resources by gathering subjective employee responses.

What data is collated?

- 4.2 The Dashboard will initially collate key data relating to absence, grievances, disciplinarys, performance and capability and complaints received from external parties. It will also collate data relating to 'soft' HR metrics such as employee satisfaction with the use of 'customer' surveys focussing predominantly at first around the service provided by Human Resources.

What will the Dashboard data be used for?

- 4.4 The Dashboard data will be used to support strategic planning and data-driven decision-making. It will also be used to identify trends and patterns of behaviour which will then influence the learning, training and support provided to managers by the Human Resources team.

What is the current status of the Dashboard?

- 4.5 The Dashboard has been built and is now in the process of having the last three years of data relating to absences, grievances, disciplinarys, performance and complaints uploaded.
- 4.6 Thereafter, data collated from subjective employee matters such as exit interview forms and the recently introduced customer satisfaction surveys and watch exit interview forms, will be uploaded. Finally, data relating to recruitment, talent management, promotion and employee retention will be uploaded.

HMICFRS Thematic Inspection into the Handling of Misconduct

What was the aim of the November 2023 HMICFRS Thematic Inspection?

- 4.7 The aim of the inspection was to examine the steps taken on misconduct and grievance matters, including the consistency applied by the Service, its adherence to its own policies and the confidence of its employees in raising matters of concern.

What were the findings of the HMICFRS Thematic Inspection?

- 4.8 Learnings arising from disciplinary and grievance hearings could be shared across the organisation to promote awareness and avoid repeat behaviours. This was implemented in November 2023 and further consideration is currently being given to the ways in which greater learning could be afforded to the organisation as a whole.
- 4.9 Greater training for the welfare officers assigned to disciplinary and grievance matters was recommended, together with further training for managers undertaking investigations and hearings. A guidance document for the role of the welfare officer is currently being drafted which will then be published and complemented with training provided by the Human Resources team. Further training to managers will also be provided by Human Resources to complement the Service's existing e-learning modules, Trans2 Performance and Chartered Management Institute courses.
- 4.10 It was also suggested that some grievances may have been able to have been resolved hence, in addition to the existing support available in this regard, managers are now being actively supported by HR Service Partners in ensuring they have the confidence to ensure all avenues for resolution are robustly explored under the informal stage of the Grievance Policy.
- 4.11 It was found that the Service has widely promoted its Core Code of Ethics and, as a result, employees were aware of the behaviours expected of them. The majority of employees interviewed felt the Service was a positive environment in which to work and that the culture was improving.
- 4.12 It was recognised that the Service has a number of reporting lines and that its employees were aware of these. The Service was also found to have accessible grievance and disciplinary processes with clearly defined timescales.
- 4.13 The inspectorate team received positive feedback from employees around the support provided by the Human Resources Service Partners per se, and their supportive role in the grievance and disciplinary processes.
- 4.14 The inspectorate team also stated they were "encouraged" by the quarterly meetings held to review the individual cases and identify any trends. It should also be noted that the Head of Human Resources now attends Executive Board meetings on a monthly basis to provide an overview of the status and progress of individual grievance and disciplinary cases.

HMICFRS Fire and Rescue Data Collections

- 4.15 On 13 July 2023, the Home Secretary commissioned HMICFRS to undertake a thematic inspection of the handling of misconduct in fire and rescue services in England. To support this work and its ongoing monitoring of this area, all fire and rescue services must submit bi-annual data returns to HMICFRS relating to misconduct statistics. The Service's People Dashboard data will be used to provide these returns.

5. EQUALITY IMPLICATIONS

- 5.1 There is no requirement to carry out an equality impact analysis as this report does not relate to policy or service delivery change.
- 5.2 The specific equality impact analysis relating to the Grievance Policy was reviewed and revised accordingly, as per the Committee's recommendation of 3 July 2023, and published in October 2023.

6. CONCLUSION

- 6.1 The Committee may wish to endorse the Service's continued commitment to promoting and maintaining good working relationships with its employees and to the use of data relating to this matter in support of the same.

Anne Stott
Head of Human Resources

Officer Contact:

Anne Stott – Head of HR
☎ 07817 587177
✉ astott@humbersidefire.gov.uk

Glossary/Abbreviations

HMICFRS	His Majesty's Inspectorate of Constabulary and Fire & Rescue Services
---------	---

GAS COMMITTEE SCRUTINY PROGRAMME AND WORKSTREAMS 2023/24

1. SUMMARY

- 1.1 This paper summarises the Governance, Audit and Scrutiny (GAS) Committee's Scrutiny Programme and work streams for 2023/24. Each year, the Committee will programme a number of specific, defined scrutiny items complete with scopes in order that relevant officers can focus their reports.
- 1.2 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.

2. MATTER FOR CONSIDERATION

- 2.1 The Committee to receive approve its scrutiny programme as necessary.
- 2.2 The Committee to note it's work streams.

3. BACKGROUND

- 3.1 Public scrutiny is a corporate process undertaken by the Committee, appointed by the Fire Authority for its breadth of professional experience.

4. REPORT DETAIL & OPTIONS/PROPOSALS

- 4.1 Appendix 1 of this report sets out the topics and scopes for consideration and review as necessary.
- 4.1 Appendix 2 to this report sets out a forward plan of items to be considered by the GAS Committee for the year 2023/24.

5. EQUALITY IMPLICATIONS

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

6. CONCLUSION

- 6.1 The Committee is requested to receive any updates and approve changes to its scrutiny programme as necessary.

Lisa Nicholson
Secretary & Monitoring Officer

Officer Contact

Rob Close – Committee Manager
☎ 01482 393899
✉ committeemanager@humbersidefire.gov.uk

Background Papers

None

Glossary/Abbreviations

GAS	Governance, Audit and Scrutiny Committee
-----	--

GAS Committee Scrutiny Programme 2023/24		
Meeting Date	Responsible Officer	Item and Scope
Monday 3rd July 2023	Head of HR	Grievance Procedures <ul style="list-style-type: none"> • Review of grievance policy and its consistency in application • Trend analysis of incoming grievances received • Effectiveness of the training of managers and supervisors in managing related situations • Quality of the communications and engagement with staff to increase understanding and confidence towards the procedures
Monday 4th September 2023	Head of Fleets and Estates Head of Organisational Development Head of Joint Estates	Dignity Works Scheme <ul style="list-style-type: none"> • Review of the scheme, records, monitoring and implementation • Consideration of how EDI is aligned to the scheme including the completion of related Equality Impact Analysis (EIA) for works completed • Review of any identified learning and adjustments resulting from the completed EIA(s) • Performance management and evaluations of work undertaken and the resulting learning outcomes • Communication of works schemes to relevant groups and / stakeholders
Monday 13th November 2023	Head of Training Head of Organisational Development District Manager East Riding District Manager North Lincs	On-call staff learning and development <ul style="list-style-type: none"> • Identification of any differences between opportunities provided for fulltime staff opposed to On-Call • Effectiveness of how the PDR process is applied and managed for On-Call staff • Review of how the agreed outcomes and training, arising from the completed On-Call PDR's, are progressed and completed • Identification of any comments, references and overarching trend analysis arising from completed PDR's, including those relating to the Core Code of Ethics

GAS Committee Scrutiny Programme 2023/24

Meeting Date	Responsible Officer	Item and Scope
Monday 22nd January 2024	Head of Emergency Preparedness & Control Station Manager (Control)	Fire Control - Exercises and Debrief <ul style="list-style-type: none"> Processes and procedures to ensure the inclusion of control room staff in exercise and debrief activities How exercise and debrief activities are recorded to register Fire Controls involvement in the process. Mechanisms in place to capture learning and actions for Fire Control to address, including evidence of their application and learning outcomes. How the outcomes and learning from exercises and debriefs are effectively communicated amongst Fire Control staff and other key stakeholders as applicable. Review of any related policy and / or guidance to demonstrate compliance
Monday 19th February 2024	Head of Organisational Development	National Fire Chiefs Council (NFCC) Maturity Model <ul style="list-style-type: none"> Processes used to manage the completion of the related maturity model subject(s) Assurance and validation of the self-assessment evidence provided Monitoring and review of self-assessment for changes and / or arising issues Review of actions used to address identified GAPs through the self-assessment tool Review of learning and outcomes generated from completed self-assessment(s) As applicable how the outcomes from an independent review of the self-assessment(s) are addressed regarding sharing best practice and addressing areas of needed improvement
Monday 8th April 2024	TBC	Arising themes from HMICFRS reports or emerging sector requirements

GAS Committee Scrutiny Programme 2023/24	
Meeting Date	Item and Scope
Monday 3rd July 2023	<ul style="list-style-type: none"> • Treasury Management Annual Report 2022/23 • Internal Audit Reports • Scrutiny item: Grievance Procedures
Monday 4th September 2023	<ul style="list-style-type: none"> • Management Accounts Period ending 30 June 2023 • Internal Audit Reports • External Audit Completion Report • Annual Statement of Accounts 2022/23 • Scrutiny item: Dignity Works Scheme
Monday 13th November 2023	<ul style="list-style-type: none"> • Internal Audit Reports • Management Accounts Period ending 30 Sep 2023 • Treasury Management Half Year Report 2022/23 • Scrutiny item: On-call staff learning and development
Monday 22nd January 2024	<ul style="list-style-type: none"> • Auditor's Annual Report 2022/23 • Internal Audit Reports • Review of Anti-Fraud Related Policies [verbal] • Scrutiny item: Fire Control - Exercises and Debrief
Monday 19th February 2024	<ul style="list-style-type: none"> • Internal Audit Reports • Internal Audit Plan 2024/25 • Treasury Management and Capital Expenditure Strategy 2024/25 • Scrutiny item: National Fire Chiefs Council (NFCC) Maturity Model