

To: Members of the Governance, Audit and Scrutiny Committee	Enquiries to: Rob Close Email: committeemanager@humbersidefire.gov.uk Tel. Direct: (01482) 393899 Date: 24 August 2023
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Dear Member

I hereby give notice that a meeting of the **GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE** of Humberside Fire Authority will be held on **MONDAY 4 SEPTEMBER 2023 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

Enc.

AGENDA

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 3 July 2023 and Action Schedule	(pages 3 - 8)	Chairperson	To approve
4. Management Accounts Period ending 30 June 2023	(pages 9 - 26)	Joint Deputy Chief Finance Officer & Deputy S.151 Officer	To consider and make any recommendations to the HFA
5. Internal Audit Reports	(pages 27 - 32)	Internal Audit (TIAA)	To consider and make any recommendations to the HFA
6. External Audit Completion Report	(pages 33 - 66)	Mazars	To consider and make any recommendations to the HFA
7. Annual Statement of Accounts 2022/23 (Audited)	(pages 67 - 154)	Joint Deputy Chief Finance Officer & Deputy S.151 Officer	To consider and make any recommendations to the HFA

Business	Page Number	Lead	Primary Action Requested
8. Scrutiny Item: Dignity Works Scheme	(pages 155 - 182)	Head of Fleet & Estates	To consider and make any recommendations to the HFA
9. GAS Committee Scrutiny Programme 2023/24	(pages 183 - 186)	Monitoring Officer/ Secretary	To approve

HUMBERSIDE FIRE AUTHORITY
GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE

3 JULY 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, Steve Duffield – Area Manager of Service Improvement, Christine Cooper – Executive Director of People and Development, Jon Henderson – Area Manager of Prevention, Protection, Fleet and Estates, Jason Kirby – Area Manager of Emergency Response, Jamie Morris – Designate Head of Corporate Assurance, Martyn Ransom – Joint Deputy Chief Finance Officer & Deputy S.151 Officer, Gareth Naidoo – Senior Corporate Assurance Officer, Anne Scott – Head of Human Resources, Andy McCulloch – Internal Audit (TIAA), Lisa Nicholson – Monitoring Officer/Secretary, 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.

35/23 APOLOGIES FOR ABSENCE – Apologies for absence were received from Gerry Wareham.

36/23 DECLARATIONS OF INTEREST – No declarations of interest were made with respect to any items on the agenda.

37/23 MINUTES – *Resolved* – That the minutes of the meeting held on 12 June 2023 be confirmed as a correct record.

38/23 TREASURY MANAGEMENT ANNUAL REPORT 2022/23 – The Committee received a report of the Deputy Joint Chief Finance Officer and Deputy Section 151 Officer detailing the final outturn report. The Committee was advised that the interest earned from the Authority's temporary investments was significantly higher than anything earned before as a result of interest rate increases. Long term debt was falling, and no new debt was accrued. Prudential indicator two showed that that Authority was slightly under borrowed, indicators four and five showed that the operational boundaries for external debts had not been breached, capital financing costs ranged from three to four per cent, and the maturity profile for debts was spread and none were breached.

It was clarified that all debts were set at fixed low rates agreed during periods of the most favourable interest rates.

The interest earned from the Authority's temporary investments would form part of the outturn position and contributed to the Authority's underspend. There was an ongoing review of the capital programme that would be presented to the Committee before the end of the year.

Resolved - That the update be noted.

39/23 INTERNAL AUDIT REPORTS – The Committee received a report of TIAA, the Authority's internal auditors, detailing the internal audit reports. The Committee was advised that the internal auditors were exploring new ways of working to continuously improve the efficiency, effectiveness, and quality of the work. Work was being done to use data analytics

to test against full data sets, spot hidden risks, to target test and to provide 'proof in total' assurance adding credibility and value to reports.

A more detailed update as to how data analytics would be integrated into the internal audit process would be provided to the Committee at a later date.

Resolved - *That the update be noted.*

34/23 SCRUTINY ITEM: GRIEVANCE – PROCEDURES – The Committee received a report of the Head of Human Resources detailing the Authority's policy and procedure for staff grievances. Grievances were defined as a work concern, problem or issue raised by an employee. The aim of the policy was to enable any single employee or group of employees to voice any concerns they may have and to have confidence that their concerns would be dealt with in a fair, consistent, timely and transparent manner.

There were three stages of employee grievance starting with informal grievances made directly to the employee's line manager before an informal discussion. Secondly, a formal hearing would take place, conducted by an appointed hearing manager of a more senior level than the individual's line manager and supported by HR. The individual also had the right to be accompanied by a work colleague or represented by a Trade Union representative. Finally, when an employee remained dissatisfied with the outcome at stage two, they had the right to appeal with a different hearing manager more senior than those involved in stages one and two. The manager would be supported by HR and the individual had the right to be accompanied by a work colleague or represented by a Trade Union representative. Once the appeal hearing had taken place, the process was concluded and there was no further right of appeal.

During the reporting period 1 April 2022 to 31 March 2023 there were 15 grievances raised. Promotion procedures and terms and conditions were the two highest areas by staff using the grievance Policy and procedure. The highest proportion of the grievances raised came from operational staff, most of whom were in a leadership position. More men than women raised grievances, and all but one, who preferred not to say, were white/white other.

The Committee then considered the following aspects:

- **Consultation** – The consultation on the policy review was engaging with the Authority's senior leadership team, trade unions, staff forums and the wider workforce.
- **Areas of Grievance** – Resulting from the majority of grievances citing issues with internal recruitment, work was done to increase transparency through recruitment briefings.
- **Resolutions** – The ratio of grievances being upheld was considered appropriate by HR professionals. Moreover, all staff who made grievances were signposted towards occupational health. It was considered that, while the overall number of appeals were high, it was expected that employees would take the opportunity to exhaust the process to its conclusion.
- **Freedom to Speak Up Guardian** – The Committee was supportive of the Freedom to Speak Up Guardian however suggested the Authority may want to consider offering the position to the wider Authority staff. Additionally, it was suggested that the National Guardian's Office could further support with training.
- **Appeal Hearings** – While the current appeal hearing panel of two was operational, the Committee suggested a third member should be on the panel, and, for Stage 3 hearings, could include a Member of the HFA, particularly, in instances of senior leadership disputes.

- **Reporting** – The Authority felt that the overall low number of grievances was indicative of a well-functioning organisation. Moreover, alternative avenues to engage with senior leadership and HR likely alleviated some disquiet in the workforce. The Committee expressed an interest in seeing how the Authority's reporting compared to that of neighbouring Fire and Rescue Services and its own figures from previous years.
- **Equality Impact Analysis (EIA)** – It was suggested that it might be timely for the EIA on the Grievance Policy to be reviewed.

Resolved – (a) *That the Committee endorse the Authority's grievance procedure;*

(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 2 hearing, and

(d) that Officers consider reviewing the Grievance Policy Equality Impact Analysis (EIA) to held inform the Policy

35/23 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	3 July 2023	Scrutiny Item: Grievance Procedures		<p>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.</p>	Head of HR	<p>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.</p> <p>(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.</p> <p>(d) Reviewed, revised and published.</p>
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	<p>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.</p>	Committee Manager	<p>(b) Complete – Placed on Member Day Programme for 2023/24</p> <p>(c) Complete – in process of being arranged</p>
GAS Committee	5 September 2022	GAS Committee Scrutiny Programme 2022/23	69/22	Resolved - That the item titled 'Emergency Response Business Continuity' be deferred with a view to consider it at a later date.	Committee Manager	Complete

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

1. SUMMARY

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

2. MATTERS FOR CONSIDERATION

- 2.1 The Committee may wish to take assurance of the Authority’s financial position for the period ending 30 June 2023.

3. BACKGROUND

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

4. PERIOD ENDING 30 JUNE 2023

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

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

- 4.2 This is the first set of Management Accounts for the 2023/24 financial year and updates will be brought to the GAS Committee based on the periods ending 30/09/23, 31/12/23 and 28/02/24.
- 4.3 Further details on all of these areas are available electronically alongside the agenda papers on the Fire Authority’s website at www.humbersidefire.gov.uk/fire-authority.

5. EQUALITY IMPLICATIONS

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

6. CONCLUSION

- 6.1 That Members take assurance from this report and the Authority’s financial position for the period ending 30 June 2023.

Officer Contact

Martyn Ransom – Joint Deputy Chief Finance Officer/Deputy S151 Officer

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Background Papers

2023/24 Management Accounts working papers



Management Accounts for the period ending 30 June 2023



HUMBERSIDE
Fire & Rescue Service

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Key To Traffic Light System

The elements of the Traffic Light system being used in the report to highlight significant outturn variances / issues are as follows:-

Status Column - indicates, using a colour reference whether an issue is:-

Red Potentially detrimental to the finances of the Authority

Green In line with budget or potentially advantageous to the finances of the Authority.

HUMBERSIDE FIRE & RESCUE SERVICE
COMMENTARY ON THE MANAGEMENT ACCOUNTS
For the period 1 April 2021 to 30 June 2023

The following statements represent a summary of the financial activity of the Service for the period stated above.

Each statement is accompanied with notes, referenced to specific lines on that statement where significant variances have been forecasted or where further explanation of information shown is necessary.

Revenue Statements

These statements show the actual and committed revenue expenditure, in summary subjective heading format (Table 1) as at 30 June 2023 compared to the profiled 2023/24 budget for the same period. The report also shows the forecasted outturn for the full year based on current levels of income and expenditure and any known variations to the end of the financial year.

Table 1

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING SUMMARY STATEMENT 2023/24
1 April 2023 to 30 June 2023 (Period 03)

	Original Budget £'000	Revised Budget £'000	30 June 2023		Projection £'000	Full Year		Status	Note
			Profile £'000	Actual & Committed £'000		Variance			
						£'000	%		
Employees									
Wholtime Firefighters	27,716	27,716	6,929	6,905	27,716	-	-	Green	
On-Call Firefighters	5,408	5,408	1,310	1,212	5,408	-	-	Green	
Non-Operational	8,165	8,165	2,041	1,875	8,240	75	0.92	Red	1
Other Employee Expenses (Training, Occ Health, Insurance)	1,999	1,999	564	341	2,049	50	2.50	Red	2
Total Pay & Pensions	43,288	43,288	10,844	10,333	43,413	125	0.29		
Premises	3,678	3,678	1,069	1,216	3,653	(25)	(0.68)	Green	3
Transport	1,842	1,842	461	395	1,842	-	-	Green	
Supplies & Services	4,483	4,483	1,122	742	4,233	(250)	(5.58)	Green	4
Support Services	210	210	52	66	210	-	-	Green	
Non Pay Efficiency Savings	(280)	(280)	(70)	-	(280)	-	-	Green	
Total Expenditure	53,221	53,221	13,478	12,752	53,071	(150)	(0.28)		
Income	(3,992)	(3,992)	(2,910)	(2,970)	(3,992)	-	-	Green	
Net Expenditure (Ex Capital Charges)	49,229	49,229	10,568	9,782	49,079	(150)	(0.30)		
Interest Payable	710	710	-	-	710	-	-	Green	
Interest Receivable	(200)	(200)	(50)	(78)	(300)	(100)	50.00	Green	5
Accounting Adjustments	2,955	2,955	-	-	2,910	(45)	(1.52)	Green	6
Contributions to / (from) Reserves	(567)	(567)	-	-	(567)	-	-	Green	
Net Budget Requirement	52,127	52,127	10,518	9,704	51,832	(295)	(0.57)	Green	
Financed By									
Business Rates	(6,187)	(6,187)	(1,547)	(1,534)	(6,187)	-	-		
National Non Domestic Rates	(18,514)	(18,514)	(6,544)	(6,544)	(18,514)	-	-		
Precepts	(27,426)	(27,426)	(7,134)	(7,126)	(27,426)	-	-		
	-	-	(4,707)	(5,500)	(295)	(295)	-		

Notes

1. This projected overspend is due to the potential higher than budgeted for pay award.
2. This projected overspend is due to legislation around DBS checks that has been introduced in Fire and Rescue Services nationally.
3. This projected underspend is due to lower Business Rate charges following a review of the rateable values of our premises.
4. This projected underspend is due to lower ICT costs than expected.
5. Higher interest rates on our investments has resulted in this variance.
6. This projected underspend is due to a lower Minimum Revenue Provision charge following a lower Capital spend during 2022/23.

Capital Statement

This report shows the actual and committed capital expenditure as at 30 June 2023 compared with the adjusted profiled 2023/24 budget for the same period. This report also shows the forecasted outturn for the full year based on current levels of expenditure and any known variations to the end of the financial year.

Table 2

HUMBERSIDE FIRE & RESCUE SERVICE
CAPITAL MONITORING STATEMENT 2023/24
1 April 2023 to 30 June 2023 (Period 03)

	Original Budget £'000	Revised Budget £'000	30 June 2023		Projection £'000	Full Year		Traffic Light Status	Note
			Profile	Actual & Committed		Variance			
			£'000	£'000		£'000	%		
SCHEME									
Building Works									
Invest to Save	-	42	11	-	42	-	-	Green	
Goole	143	636	159	164	636	-	-	Green	
Bridlington	150	150	38	-	150	-	-	Green	
Fire Station External Works	100	262	66	-	262	-	-	Green	
Driffield	55	257	64	-	257	-	-	Green	
Training Infrastructure	-	200	50	-	200	-	-	Green	
Furniture and Equipment	-	11	3	-	11	-	-	Green	
Electric Vehicle Charging Points	40	40	10	-	40	-	-	Green	
Dignity Works									
Withernsea	50	50	13	-	50	-	-	Green	
Winterton	-	199	50	-	199	-	-	Green	
Pocklington	-	150	38	-	150	-	-	Green	
Immingham East	-	297	74	-	297	-	-	Green	
Grimsby - Cromwell Road	-	430	108	-	430	-	-	Green	
Crowle	50	200	50	-	200	-	-	Green	
	588	2,924	734	164	2,924	-	-		
Vehicles									
Operational Vehicles	1,400	1,400	350	108	1,400	-	-	Green	
Support Vehicles	624	1,085	271	-	1,085	-	-	Green	
Equipment									
	363	790	198	41	790	-	-	Green	
Information Technology									
	600	1,275	319	83	1,275	-	-	Green	
	3,575	7,474	1,872	396	7,474	-	-		

Pensions Account Statement

The Authority has a revised budgeted deficit of £13.79m on this account for 2023/24.

The deficit on this account is financed through the Pensions Top-up Grant given by the Home Office, of which 80% of the grant is due in July of this financial year. The Authority has to stand any cash flow losses until the balance of the grant is paid in full in July 2024.

Table 3

HUMBERSIDE FIRE & RESCUE SERVICE
PENSIONS ACCOUNT STATEMENT 2023/24
 1 April 2023 to 30 June 2023 (Period 03)

	Revised Budget £'000	30 June 2023		Projection £'000	Full Year		Note
		Profile £'000	Actual £'000		Variance		
					£'000	%	
<u>Expenditure</u>							
Pension payments	19,804	6,601	6,579	19,804	-	-	
Commutations	2,480	620	240	2,480	-	-	
Transfer Values	100	25	45	100	-	-	
Total Pensions Expenditure	22,384	7,246	6,864	22,384	-	-	
<u>Income</u>							
Contributions							
Ill Health	(123)	(31)	-	(123)	-	-	
Employee's	(2,623)	(656)	(643)	(2,623)	-	-	
Employer's	(5,746)	(1,437)	(1,426)	(5,746)	-	-	
	(8,492)	(2,124)	(2,069)	(8,492)	-	-	
Transfer Values	(100)	(25)	(90)	(100)	-	-	
Total Pensions Income	(8,592)	(2,149)	(2,159)	(8,592)	-	-	
Net Pensions Deficit/(Surplus) To be financed by HO grant	13,792	5,097	4,705	13,792	-	-	

Treasury Management

Borrowing & Lending Activity

This statement shows the borrowing and lending activities undertaken by the Corporate Finance section of Hull City Council, on behalf of the Service, for the period 1 April 2023 to 30 June 2023 under the terms of the SLA. It also shows any variation between the actual interest received from the temporary investment of surplus monies and the budgeted interest.

Table 4

HUMBERSIDE FIRE & RESCUE SERVICE
BORROWING AND LENDING ACTIVITY STATEMENT
For the Period Ending 30 June 2023

Ref.	Company	Investment £	From	To	%	Returned	
						Interest £	Investment £
MMF	Deutsche Managed Sterling Fund	2,000,000.00					
MMF	Aberdeen (SL) Liquidity Fund	2,000,000.00					
MMF	Goldman Sachs Liquid Reserve Fund	990,000.00					
301786	DMO	4,000,000.00	31/03/2023	03/04/2023	4.05	1,331.51	4,000,000.00
301787	DMO	6,800,000.00	03/04/2023	04/04/2023	4.05	754.52	6,800,000.00
301784	LB Barking & Dagenham	2,000,000.00	21/03/2023	21/04/2023	4.50	7,643.84	2,000,000.00
301788	DMO	3,800,000.00	04/04/2023	28/04/2023	4.06	10,131.95	3,800,000.00
301791	DMO	1,400,000.00	22/05/2023	26/05/2023	4.38	672.00	1,400,000.00
301790	DMO	1,300,000.00	02/05/2023	31/05/2023	4.26	4,394.89	1,300,000.00
301789	LB Barking & Dagenham	2,000,000.00	21/04/2023	21/06/2023	4.27	14,272.33	2,000,000.00
301794	DMO	2,000,000.00	21/06/2023	30/06/2023	4.60	2,266.03	2,000,000.00
301792	Derbyshire County Council	2,000,000.00	20/06/2023	20/09/2023	4.76	23,995.62	-
301793	LB Barking & Dagenham	2,000,000.00	21/06/2023	21/09/2023	4.84	24,398.90	-
301795	Nationwide	2,000,000.00	26/06/2023	26/09/2023	5.09	25,659.18	-
						<u>115,520.75</u>	
Total Investments at 30 June 2023		<u><u>10,990,000.00</u></u>					

Summary of Interest Receipts

		Projection	Actual	Variance under/(over)	%
		£	£	£	
Accumulated interest on Investments to :	30/06/2023	50,001	78,216	(28,215)	(56.43)

Temporary Loans

Investment £	From	To	%	Interest £
-				-

The total amount temporarily invested at 30 June 2023 is £10.99m.

Movement in Revenue Reserves

This statement shows the movements on the revenue reserves for the period 1 April 2023 to 30 June 2023.

This statement also gives a projected value of revenue reserves at 31 March 2024 based on the projections in Table 1.

Table 5

**HUMBERSIDE FIRE & RESCUE SERVICE
MOVEMENT IN REVENUE RESERVES
as at 30 June 2023**

	As at 1 April 2023 £'000	In Year Movements £'000	Projected Balance at 31 March 2024 £'000
General Reserve	6,946	(272) *	6,674
Earmarked Reserves			
Insurance	500	-	500
The Ark - National Flood Resilience Centre	1,000	-	1,000
Capital Programme	3,410	-	3,410
Business Continuity Reserve	500	-	500
ESMCP	215	-	215
Grenfell and Protection	110	(110)	-
East Coast & Hertfordshire Control Room Consortium	1,000	-	1,000
Pay and Prices	600	-	600
Strategic Transformation Fund	500	-	500
Environmental Reserve	30	-	30
	14,811	(382)	14,429

*In year contribution to the General Reserve is based on the budgeted contribution to the reserve plus any estimated under/overspend as at 30 June 2023.

Budget Virements (transfer between lines) Processed

There were no budget virements processed during the period to 30 June 2023.

Prudential Indicators as at 30 June 2023**Indicator 1 - Capital Expenditure**

The actual capital expenditure for the current year compared to the original estimate and revised budget, together with estimates of expenditure to be incurred in future years are shown below:

	2022/23	2023/24	2023/24	2024/25	2025/26	2026/27
	Actual	Budget	Revised	Estimate	Estimate	Estimate
	£k	£k	£k	£k	£k	£k
Total Capital expenditure	3,238	7,474	7,474	2,847	3,707	3,565

Indicator 2 - Capital Financing Requirement

The capital financing requirement for 2023/24 and estimates for future years are as follows:

	Actual	Estimate	Estimate	Estimate	Estimate
	31/03/23	31/03/24	31/03/25	31/03/26	31/03/27
	£k	£k	£k	£k	£k
Capital Financing Requirement	18,399	22,980	22,786	23,374	23,607
Lease - Integrated Care Centre	1,013	996	977	956	933
Total CFR	19,412	23,976	23,763	24,330	24,540

The capital financing requirement measures the Authority's need to borrow for capital purposes. In accordance with best professional practice, the Humberside Fire Authority does not associate borrowing with particular items or types of expenditure. The Authority has, at any point in time, a number of cash flows both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with its approved Strategy. In day to day cash management, no distinction can be made between revenue cash and capital cash. External borrowing arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. In contrast, the capital financing requirement reflects the Authority's underlying need to borrow for a capital purpose.

A key indicator of prudence under the Prudential Code is: -

"In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years".

The S151 Officer reports that the Authority has had no difficulty meeting this requirement during the course of this financial year and no difficulties are envisaged in future years. This takes into account current commitments, existing plans and the proposals contained in the Medium Term-Financial Plan.

Indicator 3 – Core Funds and Expected Investment Balances

The table below shows the estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

	2023/24 Original £k	2023/24 Revised £k	2024/25 Estimate £k	2025/26 Estimate £k	2026/27 Estimate £k
Total Core Funds	13,624	14,841	12,542	12,362	13,240
Expected Investments	5,858	7,075	5,084	4,488	5,134

The actual total investments held as at 30th June 2023 is £11.0m. This is higher than the expected investments due to cash flow fluctuations through the year.

Indicator 4 - Operational Boundary for External Debt

The proposed operational boundary for external debt is based on the same estimates as the authorised limit but reflects directly the S151 Officer's estimate of the most likely, prudent but not worst case scenario, without the additional headroom included within the authorised limit to allow for example for unusual cash movements, and equates to the maximum of external debt projected by this estimate. The operational boundary represents a key management tool for in year monitoring by the S151 Officer.

	2023/24 Boundary £k	Actual As at 30/06/23 £k	2024/25 Boundary £k	2025/26 Boundary £k	2026/27 Boundary £k
Borrowing	25,000	18,169	25,000	25,000	25,000
Other Long-Term Liabilities	3,500	996	3,500	3,500	3,500
	28,500	19,165	28,500	28,500	28,500

The S151 Officer confirms that borrowing in the year has not exceeded the operational boundary at any point within the year to date and is not expected to do so over the course of the next period based on information currently available.

Indicator 5 - Authorised Limit for External Debt

The table below shows the Authorised limit for External Debt for 2023/24 and subsequent three-year period as approved by Members, compared to the actual level of borrowing as at 30 June 2023.

	2023/24	Actual as at 30/06/23	2024/25	2025/26	2026/27
	Limit £k	£k	Limit £k	Limit £k	Limit £k
Borrowing	31,000	18,169	31,000	31,000	31,000
Other Long-Term Liabilities	3,500	996	3,500	3,500	3,500
	<u>34,500</u>	<u>19,165</u>	<u>34,500</u>	<u>34,500</u>	<u>34,500</u>

The Authorised Limit reflects the Authority's projected long- and short-term borrowing requirements, together with any other long-term liabilities it may have. The figures are based on the estimate of most likely, prudent but not worst-case scenario, with sufficient headroom over and above this to allow for operational management of, for example unusual cash movements.

The S151 Officer confirms that the Authorised Limit has not been approached at any point during the first three months of the year, nor is it likely to during the remaining nine months of 2023/24.

Indicator 6 - Ratio of Capital Financing Costs to Net Revenue Stream

The ratio of financing costs to net revenue stream for the current year and estimates for future years are as follows: -

	2022/23	2023/24	2023/24	2024/25	2025/26	2026/27
	Actual	Original	Revised	Estimate	Estimate	Estimate
	%	%	%	%	%	%
Ratio of Financial Costs to Net Revenue Stream	<u>3.03</u>	<u>2.81</u>	<u>2.62</u>	<u>3.75</u>	<u>3.84</u>	<u>4.07</u>

These ratios indicate the proportion of the net budget of the Authority that is required to finance the costs of capital expenditure in any year. Estimates of financing costs include current commitments and the proposals contained in the capital programme of the Authority.

In calculating the ratio, Net Revenue Streams in any year have been taken to exclude any element of the net budget requirement that is intended to provide reserves for the Authority.

The projected increase in the ratio over the period reflects the increase in capital financing costs resulting from the capital allocations approved as part of the medium-term financial plan.

Indicator 7 – Upper and Lower Limits for the maturity structure of borrowings

This indicator seeks to ensure the Authority controls its exposure to the risk of interest rate changes by limiting the proportion of debt maturing in any single period. Ordinarily debt is replaced on maturity and therefore it is important that the Authority is not forced to replace a large proportion of loans at a time of relatively high interest rates.

“The Authority will set for the forthcoming financial year both upper and lower limits with respect to the maturity structure of its borrowings. The prudential indicators will be referred to as the upper and lower limits respectively for the maturity structure of borrowing and shall be calculated as follows:

Amount of projected borrowing that is fixed rate maturing in each period expressed as a percentage of total projected borrowing that is fixed rate;

Where the periods in question are:

- Under 12 months
- 12 months and within 24 months
- 24 months and within 5 years
- 5 years and within 10 years
- 10 years and above”

	Actual as at 30/06/23	Upper Limit	Lower Limit
	%	%	%
Under 12 Months	8.26	15	0
12 months and within 24 months	4.63	15	0
24 months and within 5 years	21.07	30	0
5 years and within 10 years	38.53	60	0
10 years and above	27.52	80	0

The S151. Officer confirms that the maturity structure of external debt as at 30/06/23 is within the upper and lower limits approved by the Authority.

Contracts Awarded Outside of the Constitution

The following contracts have been awarded outside the process detailed within part 4 section E of the constitution during the period up to 30th June 2023:

Contract Description	Justification	Responsible Officer	Contract End Date	Value £'000
MDT SDR Communications Link	Airwave are the only supplier of the secure Emergency Service Radio network supplied to all emergency services and used to connect all critical equipment	Head of ICT	31 st March 2024	17
Clean Cab Retrofit	Work undertaken by the original contractor that build the bodywork and have the mechanical and technical drawings readily available	Head of Fleet and Estates	31 st March 2024	112
Incident Command Courses	Availability to deliver courses within set timeframe and accredit candidates as well as the ability to provide the courses within Humberside	Head of Training	30 th September 2023	55



Humberside Fire and Rescue Service

Summary Internal Controls Assurance (SICA) Report

2023/24

Internal Audit

FINAL

August 2023

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 21st August 2023.

Future of Internal Audit (IA)- Digital drivers

Use of Data analytics by TIAA

2. TIAA is always adopting new ways of working and methodologies including innovative approaches for delivering internal audits. This is part of our continuous improvement programme which facilitates improvements in efficiency, effectiveness, and the quality of the work we deliver. We currently use data analytics as part of our work in relevant areas to test against full data sets, spot hidden risks, to target our testing and to provide ‘proof in total’ assurance; this adds credibility and value to the reports we produce. Data Analytics helps us to analyse large volumes of data to identify trends, patterns, and anomalies that may indicate potential risks or opportunities for improvement.

How will Artificial Intelligence (AI) enhance the delivery Internal Audit of the future?

3. We believe that the way internal audits are delivered will change significantly in the next 3 to 5 years through the use of AI, through the use of auditing tools which contribute towards a process of continuous audit assurance, a wider use of predictive analytics to allow auditors to provide reports that are far more forward looking, and robotic process automation which will help remove much of the manual data collection work, thereby allowing Internal Audit more time to provide value-added analysis. Another branch of AI, Natural Language Processing (NLP), has the potential of also enabling auditors to analyse text in a large number of documents.
4. In addition to the use of Data Analytics, TIAA is actively exploring, as part of our vision for the future, the use of AI, automation and other digital tools to streamline the audit process, inform planning, reduce manual effort, and enhance the quality of audit results. Automated data collection and analysis will help reduce the time required to complete audits and improve the accuracy and consistency of audit results. Innovative ways of using and integrating artificial Intelligence in the delivery of audits in response to the exponential growth in data, and how it is analysed and used in the context of Internal Audit, is part of TIAA’s innovation strategy. We will also as part of our strategy be investigating more opportunities to not only use AI, but also to develop the capabilities to audit AI and the associated ethical considerations.

Audits completed since the last SICA report to the GAS Committee

5. The table below sets out details of audits finalised since the previous meeting of the GAS Committee.

Audits completed since previous SICA report

Review	Evaluation	Key Dates			Number of Recommendations			
		Draft issued	Responses Received	Final issued	1	2	3	OEM
No final reports have been issued since the last GAS Committee meeting.								

Progress against the 2023/24 Annual Plan

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

Frauds/Irregularities

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

Changes to the Annual Plan 2023/24

8. Management have requested an additional audit of the procurement arrangements to be undertaken. This has been planned for w/c 4th December 2023.

Other Matters

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

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	Field work completed	
Mobile Data Terminals (Performance)	2	Draft report issued	
Mid-year follow up	2	Draft report issued	
Effectiveness of systems (used to learn from operational incidents)	2	Confirmed 21 st - 24 th August 2023	
Staff Development	2	Confirmed 4 th - 7 th September 2023	
Service Absolutes / Heat Maps	2	Confirmed 18 th - 21 st September 2023	
National Occupational Guidance	3	Confirmed 11 th - 13 th October 2023	
Enforcement Powers & Priorities	3	Confirmed 20 th & 23 rd – 25 th October 2023	
ICT Management Controls	3	Confirmed 20 th - 22 nd November 2023	
Procurement	3	Confirmed 3 rd – 6 th December 2023	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
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Briefings on developments in Governance, Risk and Control

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

Summary of recent Client Briefing Notes (CBNs)

CBN Ref	Subject	Status	TIAA Comments
CBN – 23009	Guidance issued by HMRC on tax avoidance scheme		<p>Action Required Raise the profile of tax avoidance across networks and communication channels.</p>

Agenda Item No. **6**
Report by Mazars
(External Auditors)

Audit Completion Report

Humberside Fire Authority Year ended 31
March 2023

August 2023



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

[Appendix B: Draft audit report](#)

[Appendix C: Independence](#)

[Appendix D: Other communications](#)

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

Humberside Fire Authority and Governance, Audit and Scrutiny Committee

Humberside Fire and Rescue Service Headquarters

Summergroves Way

Hull HU4 7BB

22 August 2023

Dear Committee Members

Audit Completion Report – Year ended 31 March 2023

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

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

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

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

Yours faithfully

Gavin Barker

Gavin Barker

Mazars LLP

Mazars LLP

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

01

Section 01:

Executive summary

1. Executive summary

Principal conclusions and significant findings

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

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

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

Misstatements and internal control recommendations

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

Status and audit opinion

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

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

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



Audit opinion

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



Value for Money

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



Whole of Government Accounts (WGA)

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



Wider powers

The 2014 Act requires us to give an elector, or any representative of the elector, the opportunity to question us about the accounting records of the Authority and to consider any objection made to the accounts. No questions or objections were received in respect of the Authority's 2022/23 accounts.








02




Section 02:

Status of the audit

2. Status of the audit

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

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

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

03

Section 03: **Audit approach**

3. Audit approach

Changes to our audit approach

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

Materiality

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

Use of experts

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

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

Service organisations

The table below summarises the service organisations used by the Authority and our audit approach.

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

04

Section 04: **Significant findings**

4. Significant findings

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

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

Significant risks

Management override of controls	Description of the risk
	<p>In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.</p>
	<p>How we addressed this risk</p> <p>We addressed this risk through performing audit work over:</p> <ul style="list-style-type: none"> • Accounting estimates impacting amounts included in the financial statements; • Consideration of identified significant transactions outside the normal course of business; and • Journals recorded in the general ledger and other adjustments made in preparation of the financial statements.
	<p>Audit conclusion</p> <p>Our audit work has provided the assurance we sought and has not identified any material issues to bring to your attention. There is no indication of management override of controls.</p>

4. Significant findings

The Valuation of the Defined Benefit Pension Liability / Asset	Description of the risk
	<p>The financial statements contain material pension entries in respect of retirement benefits. The calculation of these pension figures, both assets and liabilities, can be subject to significant volatility and includes estimates based upon a complex interaction of actuarial assumptions. Moreover, in 2022/23 the actuary undertook a triennial revaluation of the local government pension fund and the net valuation moved from a net liability to a net asset for the first time. This results in an increased risk of material misstatement.</p>
	How we addressed this risk
	<p>We discussed with key contacts any significant changes to the pension estimates. In addition to our standard programme of work in this area, we evaluated the management controls you have in place to assess the reasonableness of the figures provided by the Actuary and consider the reasonableness of the Actuary's output, referring to an expert's report on all actuaries nationally.</p>
	<p>We reviewed the appropriateness of the key assumptions included within the valuations, compared them to expected ranges and reviewed the methodology applied in the valuation. We considered the adequacy of disclosures in the financial statements.</p>
	<p>We will also seek assurance from the audit of East Riding Pension Fund when the pension fund audit is substantially complete.</p>
	Audit conclusion
	<p>Subject to the completion of outstanding work, our work has provided the assurance sought. At this stage we have not identified any errors in respect of the valuation of pensions, although some errors in the pension disclosure notes have been identified and corrected.</p>

Valuation of land and buildings	Description of the risk
	<p>The financial statements contain material entries on the Balance Sheet as well as material disclosure notes in relation to the Authority's holding of land and buildings. Although the Authority uses a valuation expert to provide information on valuations, there remains a high degree of estimation uncertainty associated with the revaluation of land and buildings due to the significant judgements and number of variables involved in providing revaluations. In addition, in 2021/22 the Authority extended the scope of the valuation after discovering material errors that required a prior period adjustment in the accounts. We have therefore identified the valuation of land and buildings to be an area of significant risk.</p>
	How we addressed this risk
	<p>We addressed this risk by considering the Authority's arrangements for ensuring that land and building values are reasonable and we used data on valuation trends and relevant indices to assess the reasonableness of the valuations provided by the external valuer. We also assessed the competence, skills and experience of the valuer.</p>
	<p>We discussed methods used with the valuer and tested their calculations. We used indices provided by NAO's valuation expert (Montagu Evans) to confirm the assets not revalued were unlikely to have materially changed in value.</p>
	<p>We tested the revaluations in year to valuation reports and supporting calculation sheets and ensure that the calculations were correct and source data agreed with floor plans and indices.</p>
	Audit conclusion
	<p>We have not identified any 2022/23 valuation issues to bring to your attention. In 2021/22 two calculation errors were identified in respect of professional fees. There was a partially offsetting error in respect of the prior period adjustment. The posting of revaluation movements between the revaluation reserve and not cost of services was also incorrect. These misstatements are disclosed as adjusted misstatements on page 17 as management are planning to correct.</p>

4. Significant findings

Qualitative aspects of the Authority's accounting practices

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

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

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

Significant difficulties during the audit

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

Wider responsibilities

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

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

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

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

05

Section 05:

Internal control recommendations

5. Internal control recommendations

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

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

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

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

06

Section 06:

Summary of misstatements

6. Summary of misstatements

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

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

Adjusted misstatements

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

6. Summary of misstatements

Disclosure amendments

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

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

07

Section 07: **Value for Money**

7. Value for Money

Approach to Value for Money

We are required to consider whether the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The NAO issues guidance to auditors that underpins the work we are required to carry out and sets out the reporting criteria that we are required to consider. The reporting criteria are:

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

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

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

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

Status of our work

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

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

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

Appendices

A: Draft management representation letter

B: Draft audit report

C: Independence

D: Other communications

Appendix A: Draft management representation letter

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

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

Date: TBC

Humberside Fire Authority - audit for year ended 31 March 2023

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

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

My responsibility for the statement of accounts and accounting information

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

My responsibility to provide and disclose relevant information

I have provided you with:

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



Appendix A: Draft management representation letter

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

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

Accounting records

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

Accounting policies

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

Accounting estimates, including those measured at fair value

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

Contingencies

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

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

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

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

Laws and regulations

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

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



Appendix A: Draft management representation letter

Fraud and error

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

I have disclosed to you:

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

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

Related party transactions

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

Impairment review

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

Charges on assets

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

Future commitments

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

Subsequent events

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

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



Appendix A: Draft management representation letter

Going concern

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

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

Global Banking Challenges

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

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

Unadjusted misstatements

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

Yours sincerely

Executive Director of Finance

Date.....



Appendix B: Draft audit report

Independent auditor's report to the members of Humberside Fire Authority

Report on the audit of the financial statements

Opinion on the financial statements

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

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Appendix B: Draft audit report

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

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

Other information

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

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

We have nothing to report in this regard.

Responsibilities of the Executive Director of Finance for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Appendix B: Draft audit report

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

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

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

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

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

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

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

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

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

Appendix B: Draft audit report

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

Matter on which we are required to report by exception

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

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

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

Responsibilities of the Accounting Officer

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

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

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

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

Use of the audit report

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

Appendix B: Draft audit report

Delay in certification of completion of the audit

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

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

[Signature]

Gavin Barker
For and on behalf of Mazars LLP

The Corner
Bank Chambers
26 Mosley Street
Newcastle





Date

Appendix C: Independence



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

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

Appendix D: Other communications

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

Appendix D: Other communications

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

Gavin Barker, Director and Engagement Lead

Mazars

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

Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

*where permitted under applicable country laws.

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Agenda Item No. **7**

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

2022/23



HUMBERSIDE
Fire & Rescue Service

**Humberside Fire Authority Annual
Accounts 2022/23**
(Subject to Audit - updated)

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

Introduction

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

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

Organisational Summary

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

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

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

Humberside

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

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

Service Statistics

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

Structure and Fire Station Locations

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



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

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

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

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

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

The work of HFRS

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

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

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

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

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

Response Standards

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

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

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

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

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

Service Performance Summary 2022/23

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

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

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

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

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

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

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

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

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

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

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

2022/23 Financial Year

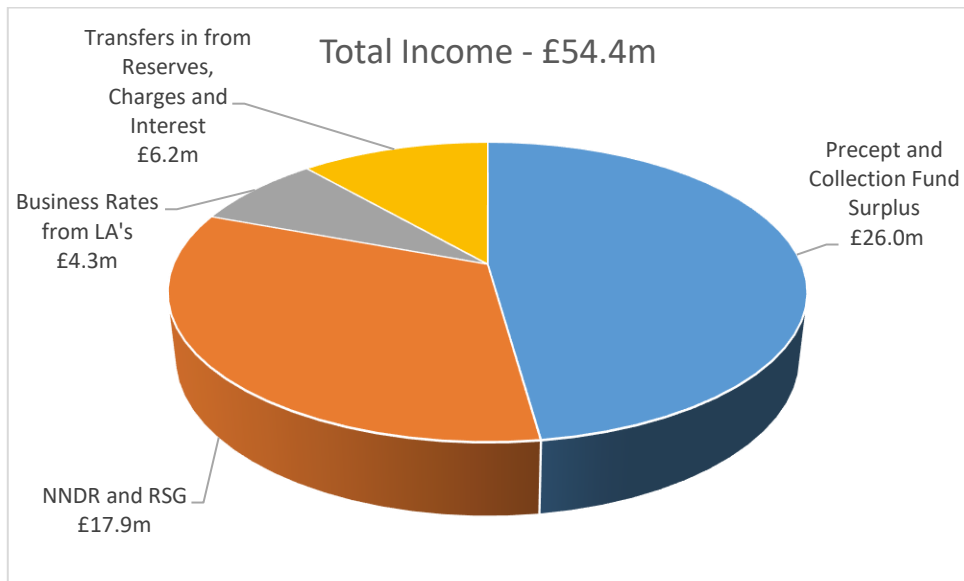
Since 2011/12 the Authority has suffered a circa 40% reduction in external funding which equates to approximately £11.5m.

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

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

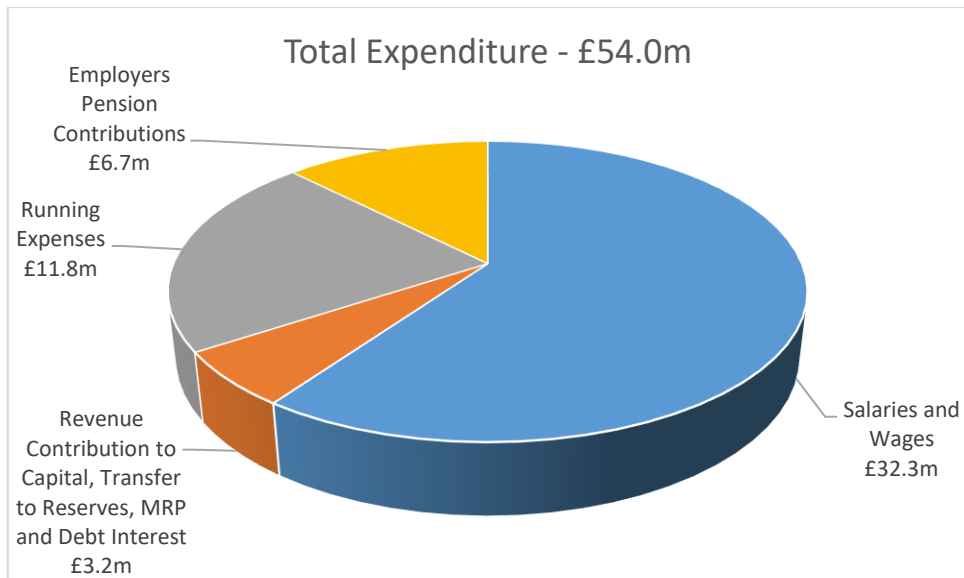
The Authority's position over the medium-term is sound, but will be kept under continuous review particularly with regard to any cost pressures arising and also pay awards that may be agreed over the next 2 to 3 years against a backdrop of higher levels of general inflation and tight financial settlements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

Income



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

Expenditure



Budget Outturn Position

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

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

Non-Pay Variances

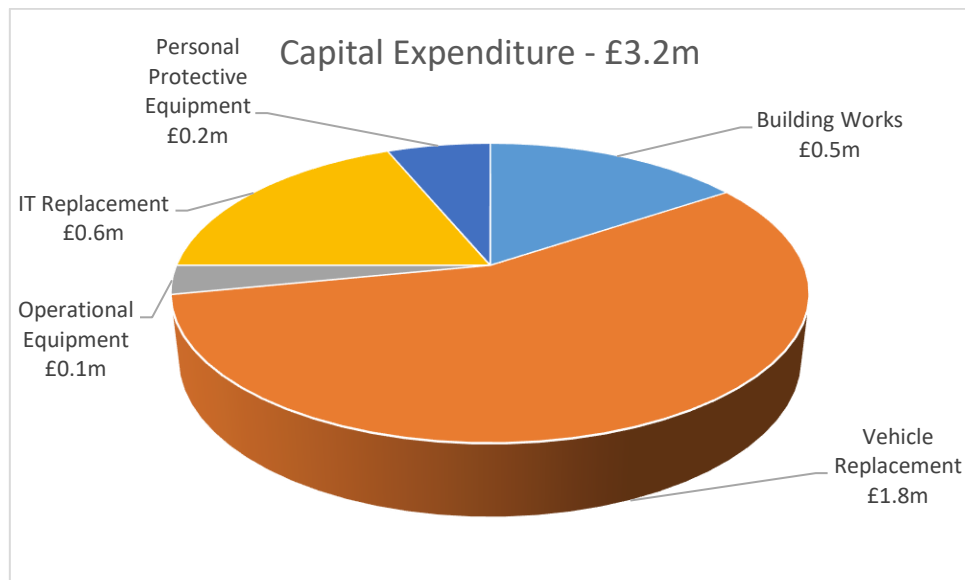
During 2022/23, the overall variance across all non-pay budgets was an underspend of £375k. This was primarily due to receiving a higher level of interest on our investments as well as a lower Minimum Revenue Provision charge following a lower Capital spend during 2021/22.

Income

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

Capital Expenditure

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



Financing of Capital Expenditure

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

Humberside Fire Authority Reserves

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

Future Spending Plans

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

International Accounting Standard 19 (IAS 19)

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

Humberside Fire Authority Pension Fund Account

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

Change in Statutory Function

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

Significant Change in Accounting Policies

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

Material Events after 31 March

There are no material events after 31 March to disclose.

Going Concern

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

Further Information

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

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

Acknowledgment

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

Kevin J Wilson BSc Econ (Hons), FCPFA

Executive Director of Finance/Section 151 Officer – May 2023

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Statement of Responsibilities for the Statement of Accounts

The Authority’s Responsibilities

The Authority is required:

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

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

Signed	Date
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Executive Director of Finance and Section 151 Officer Responsibilities

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


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

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

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

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

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

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

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

2022/23

	Earmarked Reserves	General Fund Balance	Usable Capital Receipts Reserve	Total Usable Reserves	Pensions Reserve	Capital Adjustment Account	Revaluation Reserve	Collection Fund Adjustment Account	Accumulated Absences Account	Total Authority Reserves
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Note(s)	6	2			4	6	6			
Balance at 31 March 2022	7,516	7,438	29	14,984	(710,764)	19,549	23,190	605	(420)	(652,855)
Surplus or (Deficit) on Provision of Services (accounting basis)		(27,343)		(27,343)						(27,343)
Other Comprehensive Income and Expenditure				-	230,214		919			231,133
Total Comprehensive Income and Expenditure	-	(27,343)	-	(27,343)	230,214	-	919	-	-	203,790
Adjustments between Accounting Basis & Funding Basis under Regulations (Note 10)		27,553	(29)	27,524	(24,235)	(2,875)	(406)	12	(20)	-
Net Increase / (Decrease) before transfers to Earmarked Reserves	-	210	(29)	181	205,979	(2,875)	513	12	(20)	203,790
Transfers to / (from) Earmarked Reserves	1,303	(1,303)		-						-
Increase / (Decrease) in Year	1,303	(1,093)	(29)	181	205,979	(2,875)	513	12	(20)	203,790
Balance at 31 March 2023	8,819	6,345	-	15,165	(504,785)	16,673	23,703	617	(440)	(449,065)

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
Note(s)	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2021	6 7,363	2 6,373	-	13,737	4 (719,022)	6 20,377	6 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	Community Fire Safety	3,524	(318)	3,206
37,855	(675)	37,180	Fire Fighting & Rescue Operations *	39,291	(565)	38,726
16,627	(1,606)	15,022	Management and Support	18,913	(1,343)	17,570
132		132	Corporate and Democratic Core	132		132
15		15	Corporate Management	38		38
			- Non Distributed Cost/(Income)			-
57,977	(2,727)	55,251	Cost of Services	61,898	(2,226)	59,672
193	(29)	164	Other Operating Expenditure	224	(49)	175
15,094	(16)	15,078	Financing and Investment Income and Expenditure	19,444	(335)	19,109
	(48,002)	(48,002)	Taxation and Non-Specific Grant Income		(51,614)	(51,614)
		22,491	(Surplus) or Deficit on Provision of Services			27,343
		(14,329)	(Surplus) or Deficit on Revaluation of Non Current Assets			(919)
		(31,479)	Remeasurement of the net defined liability / (asset)			(230,214)
		(45,808)	Other Comprehensive Income and Expenditure (Surplus)/Deficit			(231,133)
		(23,317)	Total Comprehensive Income and Expenditure (Surplus)/Deficit			(203,790)

* 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	61,306
25 Intangible Assets	5	15
- Other Long-Term Assets	4	8,225
62,953 Long-Term Assets		69,546
406 Inventories		489
11,005 Short-Term Investments	7	8,974
11,032 Short-Term Debtors	8	10,750
149 Cash and Cash Equivalents	16	112
22,593 Current Assets		20,325
(7,305) Short-Term Creditors	8	(6,349)
(143) Short-Term Provisions		(313)
(1,006) Short-Term Borrowing	7	(1,599)
(8,454) Current Liabilities		(8,261)
(18,170) Long-Term Borrowing	7	(16,669)
(711,777) Other Long-Term Liabilities	4/7	(514,006)
(729,947) Long-Term Liabilities		(530,675)
<u>(652,855) Net Assets/(Liabilities)</u>		<u>(449,065)</u>
14,984 Usable Reserves	2/6	15,165
(667,839) Unusable Reserves	4/6	(464,230)
<u>(652,855) Total Reserves</u>		<u>(449,065)</u>

The accompanying notes form part of these Financial Statements.

CASH FLOW STATEMENT

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

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

The accompanying notes form part of these Financial Statements.

Notes to the Financial Statements

1. Accounting Policies

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

Accounting Convention

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

Acquisitions and Discontinued Operations

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

Going Concern

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

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

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

Critical Judgements in Applying Accounting Policies

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

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

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

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

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

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

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

Key Sources of Estimation Uncertainty

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

Pensions Liability and Reserve

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

Valuation and Depreciation Charges

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

Revenue

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

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

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

Accruals of Income and Expenditure

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

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

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

Overheads and Support Services

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

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

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

Agency Income

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

Employee Benefits

Benefits Payable during Employment

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

Termination Benefits

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

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

Retirement Benefits

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

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

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

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

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

Service cost comprising:

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

Remeasurements comprising:

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

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

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

Other Expenses

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

Property, Plant and Equipment

Recognition

Property, plant and equipment is capitalised if:

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

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

Valuation

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

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

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

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

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

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

Subsequent Expenditure

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

Disposals

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

Intangible Assets Recognition

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

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

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

Measurement

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

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

Depreciation, Amortisation and Impairments

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

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

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

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

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

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

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

Government Grants

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

Non-Current Assets Held for Sale

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

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

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

Leases

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

The Authority As A Lessee

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

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

Inventories

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

Cash and Cash Equivalents

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

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

Provisions

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

Contingencies

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

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

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

Reserves

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

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

The Authority has three capital reserves:

- Capital Adjustment Account
- Revaluation Reserve
- Capital Receipts Reserve

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

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

Financial Assets

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

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

Loans and Receivables

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

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

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

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

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

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

Financial Liabilities

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

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

Foreign Currencies

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

Joint Operations

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

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

- IFRS 16 Leases

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

Accounting Standards Issued That Have Been Adopted Early

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

Exceptional Items

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

Prior Period Adjustments

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

Events After The Reporting Period

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

Group Accounts

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

VAT

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

2. Expenditure and Funding Analysis

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

Year ended 31 March 2022

Year ended 31 March 2023

£'000	£'000	£'000			£'000	£'000	£'000
Net Expenditure Chargeable to the General Fund	Adjustments between the funding and accounting basis	Net Expenditure in the Comprehensive Income and Expenditure Statement		Note	Net Expenditure Chargeable to the General Fund	Adjustments between the funding and accounting basis	Net Expenditure in the Comprehensive Income and Expenditure Statement
2,310	(592)	2,902	Community Fire Safety	10	2,690	(516)	3,206
27,646	(9,534)	37,180	Fire Fighting & Rescue Operations	10	30,132	(8,594)	38,726
12,853	(2,169)	15,022	Management and Support	10	15,573	(1,997)	17,570
132	-	132	Corporate and Democratic Core	10	132	-	132
15	-	15	Corporate Management	10	38	-	38
42,956	(12,295)	55,251	Net Cost of Services		48,566	(11,107)	59,672
(44,021)	(11,260)	(32,761)	Other Income and Expenditure	10	(47,473)	(15,143)	(32,330)
(1,065)	(23,555)	22,490	(Surplus) or Deficit		1,093	(26,250)	27,343
6,373			Opening General Fund Balance		7,438		
(1,065)			Less/Plus (Surplus) or Deficit on the General Fund in the Year		1,093		
7,438			Closing General Fund Balance at 31 March		6,345		

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%	8.5% to 12.5%	11% to 17%	11% to 14.5%	5.5% to 12.5%
	37.3%	27.4%	37.3%	28.8%	18.5%
	5.2%	3.2%			
Benefits <ul style="list-style-type: none"> • maximum pension • minimum lump sum 	2/3 final salary	½ final salary		CARE Scheme	Varies Nil or 3/80ths
Maximum pensionable service	30 years	None	30 years	None	None
Normal retirement age	55 years	60 years	55 Years	60 years	68 years
Accrual rate	1/60 th for 20 years 2/60 th for 20+ years up to a maximum of 30 years	1/60 th	1/45 th	1/59.7 th	1/49 th

Transactions Relating to Retirement Benefits

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

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

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

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

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

Actuarial gains and losses comprise:

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

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

Assets and Liabilities in Relation to Retirement Benefits

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

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

Period ended 31 March

	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
Fair value of employer assets					-	-					-	-
Present value of funded liabilities					-	-					-	-
Present value of unfunded liabilities			(32,640)	(33,030)	(32,640)	(33,030)			(65,160)	(47,200)	(65,160)	(47,200)
Opening Position as at 31 March	-	-	(32,640)	(33,030)	(32,640)	(33,030)	-	-	(65,160)	(47,200)	(65,160)	(47,200)
Service Cost												
Current Service Cost			(80)	(160)	(80)	(160)			(9,090)	(11,500)	(9,090)	(11,500)
Past Service Cost (inc curtailments)			(1,850)		(1,850)	-			16,170		16,170	-
Effect of Settlements					-	-					-	-
Total Service Cost	-	-	(1,930)	(160)	(1,930)	(160)	-	-	7,080	(11,500)	7,080	(11,500)
Net Interest												
Interest income on plan assets					-	-					-	-
Interest cost on defined benefit obligation			(890)	(660)	(890)	(660)			(1,610)	(1,070)	(1,610)	(1,070)
Impact of asset ceiling on net interest					-	-					-	-
Total net interest	-	-	(890)	(660)	(890)	(660)	-	-	(1,610)	(1,070)	(1,610)	(1,070)
Total defined benefit cost recognised in Income and Expenditure	-	-	(2,820)	(820)	(2,820)	(820)	-	-	5,470	(12,570)	5,470	(12,570)
Cashflows												
Plan participants' contributions				(140)	-	-	2,540	2,180	(2,740)	(2,180)	(200)	-
Employer Contributions	52	190			52	190	5,524	4,812			5,524	4,812
Contributions in respect of unfunded benefits					-	-					-	-
Benefits paid	(260)	(410)	260	410	-	-	(4,580)	(900)	4,580	900	-	-
Unfunded benefits paid					-	-					-	-
Expected closing position	(208)	(80)	(35,200)	(33,580)	(35,408)	(33,660)	3,484	6,092	(57,850)	(61,050)	(54,366)	(54,958)
Remeasurements												
Changes in demographic assumptions			1,170	-	1,170	-			8,510		8,510	-
Changes in financial assumptions	208	80	12,260	470	12,468	550	(3,484)	(6,092)	31,520	1,130	28,036	(4,962)
Other experience			(1,380)	470	(1,380)	470			(690)	(5,240)	(690)	(5,240)
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	208	80	12,050	940	12,258	1,020	(3,484)	(6,092)	39,340	(4,110)	35,856	(10,202)
Exchange differences												
Effect of business combinations and disposals												
Fair Value of employer assets												
Present value of funded liabilities												
Present value of unfunded liabilities	-	-	(23,150)	(32,640)	(23,150)	(32,640)	-	-	(18,510)	(65,160)	(18,510)	(65,160)
Closing position as at 31 March	-	-	(23,150)	(32,640)	(23,150)	(32,640)	-	-	(18,510)	(65,160)	(18,510)	(65,160)

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

	Local Government Pension Scheme		Local Government Pension Scheme		Local Government Pension Scheme	
	Assets		Liability		Net (Obligation) / Surplus	
	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000	2022/23 £'000	2021/22 £'000
Fair value of employer assets	50,475	45,707			50,475	45,707
Present value of funded liabilities			(59,812)	(61,232)	(59,812)	(61,232)
Present value of unfunded liabilities			(37)	(47)	(37)	(47)
Opening Position as at 31 March	50,475	45,707	(59,849)	(61,279)	(9,374)	(15,572)
Service Cost						
Current Service Cost			(2,882)	(3,024)	(2,882)	(3,024)
Past Service Cost (inc curtailments)			-	-	-	-
Effect of Settlements					-	-
Total Service Cost	-	-	(2,882)	(3,024)	(2,882)	(3,024)
Net Interest						
Interest income on plan assets	1,396	943			1,396	943
Interest cost on defined benefit obligation			(1,677)	(1,281)	(1,677)	(1,281)
Impact of asset ceiling on net interest					-	-
Total net interest	1,396	943	(1,677)	(1,281)	(281)	(338)
Total defined benefit cost recognised in Income and Expenditure	1,396	943	(4,559)	(4,305)	(3,163)	(3,362)
Cashflows						
Plan participants' contributions	423	393	(423)	(393)	-	-
Employer Contributions	1,198	1,110			1,198	1,110
Contributions in respect of unfunded benefits	4	4			4	4
Benefits paid	(963)	(883)	963	883	-	-
Unfunded benefits paid	(4)	(4)	4	4	-	-
Expected closing position	52,529	47,270	(63,864)	(65,090)	(11,335)	(17,820)
Remeasurements						
Changes in demographic assumptions			1,686	323	1,686	323
Changes in financial assumptions			25,807	5,049	25,807	5,049
Other experience	474		(3,730)	(131)	(3,256)	(131)
Return on assets excluding amounts included in net interest	(1,411)	3,205			(1,411)	3,205
Changes in asset ceiling	(3,266)				(3,266)	-
Total remeasurements recognised in Other Comprehensive income	(4,203)	3,205	23,763	5,241	19,560	8,446
Exchange differences						
Effect of business combinations and disposals						
Fair Value of employer assets	48,326	50,475			48,326	50,475
Present value of funded liabilities			(40,068)	(59,812)	(40,068)	(59,886)
Present value of unfunded liabilities			(33)	(37)	(33)	37
Closing position as at 31 March	48,326	50,475	(40,101)	(59,849)	8,225	(9,374)

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

Reconciliation of opening and closing surplus/(deficit):

Scheme History

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

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

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

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

Basis for Estimating Assets and Liabilities

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

The principal assumptions used by the actuaries have been:

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

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

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

2022/23

Change in assumption:	Firefighters' Pension Schemes		Local Government Pension Scheme	
	%	£'000	%	£'000
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

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

Assets

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

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

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

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

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

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

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

5. Non-Current Assets

	Operational Assets				Operational Assets (Intangible)	Non-operational Assets		Total Assets £'000
	Land and Buildings	Vehicles	Plant and Equipment	TOTAL	Intangible Assets*	Assets Under Construction	Surplus Assets	
	£'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	482			482				482
Revaluation increases / (decreases) to Comprehensive Income and Expenditure Statement	(21)			(21)				(21)
Derecognition - Disposals		(41)	(671)	(712)	(15)			(727)
Other movements				0		(75)		(75)
At 31 March 2023	49,457	19,544	6,857	75,859	36	0	350	76,245
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*	48,447	8,967	3,409	60,824	15	0	341	61,174

*£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)
	<u>19,412</u>	<u>18,720</u>
Explanation of Movements in Year		
Increase/(Decrease) in the Underlying Need to Borrow Unsupported by Government Financial Assistance	692	(788)
	<u>692</u>	<u>(788)</u>

Valuation of Property carried at Current Value

The following statement shows the progress of the Authority's rolling programme for the revaluation of non-current Assets. The valuation of the building stock is carried out by the 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 £'000
	Other Land & Buildings £'000	Vehicles £'000	Plant & Equipment £'000	Assets Under Construction £'000	Surplus Assets £'000	
	Value as at Historical Cost		8,967	3,409		
Value at Current Value in:						
2022/23	20,630					20,630
2021/22	27,817				341	28,158
Value as at 31 March 2022	48,447	8,967	3,409	-	341	61,164
Nature of asset holding						
Leased	1,682					1,682
Owned	46,765	8,967	3,409	-	341	59,482
	48,447	8,967	3,409	-	341	61,164

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

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	£'000	Source of Finance	£'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 ESM (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	(898)	(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>(513)</u>	<u>(14,271)</u>
Balance Brought Forward 1 April	(23,190)	(8,919)
Balance Carried Forward at 31 March	<u>(23,703)</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.	(406)	(58)
Deferred Grants and Contributions applied	(1,728)	(1,960)
Provision for Repayments of External Loans (MRP)	(818)	(788)
Total Movement on Reserve	<u>2,875</u>	<u>828</u>
Balance Brought Forward 1 April	(19,548)	(20,377)
Balance Carried Forward at 31 March	<u>(16,673)</u>	<u>(19,548)</u>

7. Borrowing and Investments

Long Term Liabilities

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

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

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

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

Source of Loan	Interest Rate Payable %	Amount Outstanding at	
		31 March 2023 £'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
	<u>6,349</u>	<u>7,305</u>

*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
	<u>10,750</u>	<u>11,032</u>

*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			Total	2021/22			Total
	Financial Liabilities	Financial Assets			Financial Liabilities	Financial Assets		
	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	
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	-	-
	<hr/> <hr/> 110	<hr/> <hr/> 80

Liquidity Risk

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

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

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

Market RiskInterest Rate Risk

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

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

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

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

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

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

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

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

Price Risk

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

Foreign Exchange Risk

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

Financial Guarantees

The Authority does not provide any financial guarantees.

10. Note to Expenditure and Fundings Analysis

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

Difference between General Fund
surplus or deficit and
Comprehensive Income and
Expenditure Statement Surplus or
Deficit on the Provision of Services

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 £0.2m (£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 (£36k 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	<u>(930)</u>	<u>2,002</u>

Government Grants

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

2022/23



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)
(7,809)		(8,461)
-	Transfers in from other authorities	(203)
	Benefits payable:	
16,963	Pensions	17,803
4,152	Commutations & lump sum retirement benefits	4,496
21,115		22,299
	Payments to and on account leavers	
-	Transfers out to other authorities	-
13,306	Net amount payable for the year	13,635
(13,306)	Top-up grant receivable to the Firefighters' Pension Fund	(13,635)
-	Fund Account balance	-

Net Assets Statement

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)
-		-
-		-

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

Appendix 3

Glossary of terms

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

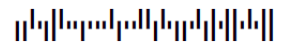
No

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 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

DIGNITY WORKS SCHEME

1. SUMMARY

- 1.1 This report provides an overview of the Service's dignity works scheme, along with a summary of the Service's present and ongoing work relating to the subject.
- 1.2 Since 2011, the Service has been undertaking an improvement programme of dignity works to its Estate.
- 1.3 Further to this in 2018, the Service published its Professional Standards Dignity at Work Policy, the Service has since seen a marked improvement and significant increase in the provision of dignity works, to ensure full compliance with both the Dignity at Work Bill 2001 and the Equality Act 2010.
- 1.4 Works already completed, as well as those being undertaken and still to take place, will ensure and provide that all our employees "shall have a right to dignity at work".

2. MATTER FOR CONSIDERATION

- 2.1 The Committee may wish to consider the Service's current level of Dignity provision and endorse the continuing journey of improvement work being undertaken across the Service to ensure continuing compliance in relation to Dignity at Work Bill 2001 and the Equality Act 2010.

3. BACKGROUND

- 3.1 The Service has always had a reactive approach to Estate management and since 2011/12 the Service has invested just short of £4 million in dignity works across the Estate – see Appendix A for full details.
- 3.2 Following the Service publishing its Professional Standards Dignity at Work Policy, work began to ensure that the Service's Estate was fully compliant and appropriate for use.
- 3.3 Whilst this programme of work was being undertaken, the Service's inspection by the HMICFRS in 2022 highlighted that problem areas still existed, with Page 39 'Promoting the rights values and culture' stating the following: *The dignity improvement scheme is intended to improve the estate across the service to give all staff appropriate facilities, for example in relation to their gender or religion. However, the facilities for women at one of the stations were described to us as cramped and not suitable. The service should review its scheme, including speaking to staff it affects, and put in any further arrangements required as a result of that review.*
- 3.4 Resulting from the above, a full review of the dignity improvement scheme was undertaken, to ensure that every premise owned by the Service provided facilities which were fit for purpose.

4. REPORT DETAIL

- 4.1 As evidenced through prior Fire Authority papers, further funding for Dignity Works was requested and approved, with many such works already completed across multiple locations.

- 4.2 Further works are either already in progress (Goole) or are planned to happen in the very near future (Patrington, Preston, Winterton & Immingham East), these and any further identified works will be completed to ensure that the Service becomes fully compliant.
- 4.3 To enable these works to be planned in a structured way the Service put together a task and finish working group to look into the best way forward, which will not only identify Estate, which is not still fully compliant, but would also revisit work already complete, to ensure it still fully compliant. This group was led by a Service Delivery Manager and included representation from across the Service, ensuring equality, diversity and inclusivity inputs were considered.

Six Facet Survey

- 4.4 To assist in the identification and progress of future work, the Service is adopting an NHS method of Estate inspection and improvement called 'The Six Facet Survey'. This is a structured approach which intelligently assesses Estate in regard to its use and condition compliance. This initial work requires a structured understanding of the status of buildings and facilities, therefore experienced surveyors will work hand in hand with knowledgeable Operational Staff to conduct these surveys and to thoroughly audit each area of our Estate.
- 4.5 The task and finish group formulated, agreed and decided what a compliant Station would include, and to what standard the Service would expect these to achieve, this work enabled the group to come up with an inspection system which would include the mix of Staff on each Station, and the facilities provided for them.
- 4.6 The process covers items such as decontamination areas, operational stowage facilities, gym facilities along with rest facilities, office spaces and internal training facilities, all of which will be both scored and weighted dependant on their importance, this will result in every premise being scored and placed in a 'league table', which in turn can be used to plan works in a more proactive and reactive way.
- 4.7 These surveys will enable the Fleet and Estates section to identify not only Estate which require improvement immediately but will also assist in the prioritisation of how and when any future works are planned accordingly.
- 4.8 The six main headings which make up a Six Facet Survey are:
1. The buildings condition
 2. Its overall functional suitability (this includes Dignity and Welfare, Clean areas, Storage, Security and Gym/Rest areas).
 3. Space utilisation
 4. Quality of its amenities, comfort, and environment
 5. Statutory Compliance items such as Health & Safety, Asbestos and Flood Risks.
 6. The buildings energy ratings
- 4.9 The way this system is used and scored can be found within the attached final agreed document (see Appendix B).
- 4.10 Once the survey work is complete, a full program of performance management and evaluations of all work completed, including those still to done will be formulated, and the resulting learning outcomes undertaken.
It is envisaged that a five-year plan of works, including indicative costs will be formulated and presented annually within the annual Fire Authority report, in a similar vein to how the vehicle replacement forecast is presented.
- 4.11 Communication of works schemes will also be reported onto relevant Staff groups and stakeholders – using highlight reports from the 6 facets working group. This will ensure

engagement with districts is maintained, whilst Staff and end users of works will be kept informed, and their expectations managed.

5. EQUALITY IMPLICATIONS

5.1 It is planned to have an updated Equality Impact Assessment (EIA) carried out following the completion of the Six Facet work, which will no doubt result in a positive impact on a refreshed EIA.

5.1 The last EIA regarding 'Dignity at Work' was completed in November 2020 (see Appendix C). and although there were no identified negative impacts on any protected characteristic groups, the works being undertaken, once completed, will invariably result in many positive impacts becoming highlighted within the same.

6. CONCLUSION

6.1 The work being undertaken will create a safer, healthier, and more diverse working environment, ensuring that premise related aspects are effectively managed.

Jon Henderson
Area Manager for
Prevention, Protection, Fleet & Estates

Officer Contact

Andy Day – Head of Fleet and Estates

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✉ aday@humbersidefire.gov.uk

Background Papers

None

Abbreviations

EIA	Equality Impact Assessment
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Station ID	Name	Recent works	Year	Budget
SHQ	Headquarters	Dignity works	2015/16	£500,000.00
DH01	Central	Dignity works	2016/17	£2,393.00
DH02	Clough	Dignity works	2015/16	£2,723.00
DH03	Calvert	Dignity works	2019/20	£220,000.00
DH04	Beverley	Dignity works	2021/22	£13,000.00
DH05	Brough	Dignity works	2016/17	£2,289.00
DH06	Mkt Weighton	Dignity works	2019/20	£197,000.00
DH09	Bransholme	Dignity works	2017/18	£369,000.00
DH10	Bridlington	Dignity works	2021/22	£440,000.00
DH14	Withernsea	Dignity works	2012/13	£27,000.00
DH15	Patrington	Dignity works	2012/13	£27,000.00
DH16	Preston	Dignity works	2012/13	£27,000.00
DH17	Peaks Lane	Dignity works	2011/12	£697,000.00
DH19	Cleethorpes	Dignity works	2019/20	£50,000.00
DH21	Waltham	Dignity works	2011/12	£193,000.00
DH22	Barton	Dignity works	2019/20	£137,000.00
DH28	Kirton	Dignity works	2018/19	£137,000.00
DH31	Brigg	Dignity works	2015/16	£305,000.00
DH31	Imm West	Dignity works	2016/17	£540,000.00
Total				£3,886,405.00

HFRS ESTATES ASSESSMENT - 6 FACET SURVEY

													Asset Management 3 phase scoring						
Location	FT/OC	Bays	Vehicles	No.of Staff	No.of Female Ops staff	Year built	3 year Total Running Costs	3 year Actual R & M Cost	Total GIA	Average R&M per sqm	Average utilities cost p.a.	Average utilities cost per sqm	1. Condition						
													Structural	Mechanical	Internal (general)	Internal (Kitchen Facilities)	External	1. Condition	
East Riding District																			
Beverley Fire Station	OC	4				1982			1,599	0.00		£0							0
Bridlington Fire Station	WT/OC	4				1960			1,153	0.00		£0							0
Brough Fire Station	OC	3				2016			617	0.00		£0							0
Driffeld Fire Station	OC	3				1964			537	0.00		£0							0
Goole Fire Station	WT/OC	3				1969			896	0.00		£0							0
Hornsea Fire Station	OC	2				1965			333	0.00		£0							0
Howden Fire Station	OC	1				1964			219	0.00		£0							0
Market Weighton Fire Station	OC	2				1967			360	0.00		£0							0
Patrington Fire Station	OC	1				1959			194	0.00		£0							0
Pocklington Fire Station	OC	2				1966			454	0.00		£0							0
Preston Fire Station	OC	1				1957			225	0.00		£0							0
Snaith Fire Station	OC	1				1960			186	0.00		£0							0
Withernsea Fire Station	OC	2				1958			279	0.00		£0							0
							£0	£0	7,051	0.00	£0	£0							
Hull District																			
Bransholme Fire Station	WT	3				1976			1,273	0.00		£0							0
Central Fire Station	WT	2				2016			723	0.00		£0							0
North Hull Fire Station	WT	3				2015			1,031	0.00		£0							0
West Hull Fire Station	WT	4				1962			1,088	0.00		£0							0
Service Headquarters	-	-				1987			6,053	0.00		£0							0
East Hull Fire Station-vacant	-	-				1932			1,288			£0							0
Argyle Street -Stores	-	-							372			£0							0
Integrated Care Centre	-	1				2017			205			£0							0
							£0	£0	12,033	0.00	£0	£0							
North East Lincolnshire																			
Cleethorpes Fire Station	OC	2				1939			362	0.00		£0							0
Cromwell Road Fire Station	WT	2				1974			728	0.00		£0							0
Grimsby Fire Station - Peaks Lan	WT	5				1964			1,991	0.00		£0							0
Waltham Fire Station	OC	1				1970			156	0.00		£0							0
Immingham East Fire Station	WT	2				2002			851	0.00		£0							0
							£0	£0	4,087	0.00	£0	£0							
North Lincolnshire																			
Barton Fire Station	OC	2				1997			263	0.00		£0							0
Brigg Fire Station	OC	1				1973			160	0.00		£0							0
Crowle Fire Station	OC	1				1963			183	0.00		£0							0
Epworth Fire Station	OC	1				1956			228	0.00		£0							0
Kirton Lindsey Fire Station	OC	1				1965			164	0.00		£0							0
Scunthorpe Fire Station	WT/OC	5				1963			1,924	0.00		£0							0
Winterton Fire Station	OC	1				1963			219	0.00		£0							0
Immingham West Fire Station	-	2				2000			1,462	0.00		£0							0
							£0	£0	4,604	0.00	£0	£0							

HFRS ESTATES ASSESSMENT - 6 FACET SURVEY

Asset Management 3 phase scoring

Location	2. Functional Suitability																					2. Overall Functional Suitability			
Dignity & Welfare					Clean/Contaminated Areas					Operational Storage	Gym Facilities			Rest / Training Areas	External Facilities					Security					
Sleeping	Changing	Showers/WC's	Access W/C	Total	Fire Kit storage	Equipment/PPE	Vehicle washing	Drying facilities	Total		Cardio	Resistance	Total		Fuel Pump	Backup Generator	Water Tank	Drill Tower	Total	Gates/Fencing	CCTV		Alarm	Access	Total
East Riding District																									
Beverley Fire Station					0					0														0	0.0
Bridlington Fire Station					0					0														0	0.0
Brough Fire Station					0					0														0	0.0
Driffield Fire Station					0					0														0	0.0
Goole Fire Station					0					0														0	0.0
Hornsea Fire Station					0					0														0	0.0
Howden Fire Station					0					0														0	0.0
Market Weighton Fire Station					0					0														0	0.0
Patrington Fire Station					0					0														0	0.0
Pocklington Fire Station					0					0														0	0.0
Preston Fire Station					0					0														0	0.0
Snaith Fire Station					0					0														0	0.0
Withernsea Fire Station					0					0														0	0.0
Hull District																									
Bransholme Fire Station					0					0														0	0.0
Central Fire Station					0					0														0	0.0
North Hull Fire Station					0					0														0	0.0
West Hull Fire Station					0					0														0	0.0
Service Headquarters					0					0														0	0.0
East Hull Fire Station-vacant					0					0														0	0.0
Argyle Street -Stores					0					0														0	0.0
Integrated Care Centre					0					0														0	0.0
North East Lincolnshire																									
Cleethorpes Fire Station					0					0														0	0.0
Cromwell Road Fire Station					0					0														0	0.0
Grimsby Fire Station - Peaks Lane					0					0														0	0.0
Waltham Fire Station					0					0														0	0.0
Immingham East Fire Station					0					0														0	0.0
North Lincolnshire																									
Barton Fire Station					0					0														0	0.0
Brigg Fire Station					0					0														0	0.0
Crowle Fire Station					0					0														0	0.0
Epworth Fire Station					0					0														0	0.0
Kirton Lindsey Fire Station					0					0														0	0.0
Scunthorpe Fire Station					0					0														0	0.0
Winterton Fire Station					0					0														0	0.0
Immingham West Fire Station					0					0														0	0.0

HFRS ESTATES ASSESSMENT - 6 FACET SURVEY

Asset Management 3 phase scoring												
Location	3. Miscellaneous Assessment											Overall (Weighted) Score
	3. Space Utilisation	4. Quality	5. Statutory compliance					6. Energy Rating				
	Over/under utilisation score	Amenities / comfort / environment	FRA	DDA	H&S	Asbestos	Flood risk	Total	DEC rating	Utilities Spend (P.A) per SQM	Overall Energy Score	
East Riding District												
Beverley Fire Station								0		0		0.0
Bridlington Fire Station								0		0		0.0
Brough Fire Station								0		0		0.0
Driffield Fire Station								0		0		0.0
Goole Fire Station								0		0		0.0
Hornsea Fire Station								0		0		0.0
Howden Fire Station								0		0		0.0
Market Weighton Fire Station								0		0		0.0
Patrington Fire Station								0		0		0.0
Pocklington Fire Station								0		0		0.0
Preston Fire Station								0		0		0.0
Snaith Fire Station								0		0		0.0
Withernsea Fire Station								0		0		0.0
Hull District												
Bransholme Fire Station								0		0		0.0
Central Fire Station								0		0		0.0
North Hull Fire Station								0		0		0.0
West Hull Fire Station								0		0		0.0
Service Headquarters								0		0		0.0
East Hull Fire Station-vacant								0		0		0.0
Argyle Street -Stores								0		0		0.0
Integrated Care Centre								0		0		0.0
North East Lincolnshire												
Cleethorpes Fire Station								0		0		0.0
Cromwell Road Fire Station								0		0		0.0
Grimsby Fire Station - Peaks Lane								0		0		0.0
Waltham Fire Station								0		0		0.0
Immingham East Fire Station								0		0		0.0
North Lincolnshire												
Barton Fire Station								0		0		0.0
Brigg Fire Station								0		0		0.0
Crowle Fire Station								0		0		0.0
Epworth Fire Station								0		0		0.0
Kirton Lindsey Fire Station								0		0		0.0
Scunthorpe Fire Station								0		0		0.0
Winterton Fire Station								0		0		0.0
Immingham West Fire Station								0		0		0.0
								0				

Condition scoring

Structural		
Examination of building structure and condition		
Category	Score	Criteria
A	4	Long-term work required outside 5 year period to prevent deterioration of fabric or services
B	3	Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to health and safety and/or remedy a less serious breach of legislation
C	2	Essential work required within 2 years that will prevent serious deterioration of building/services and/or address a medium risk to health & safety and or/remedy a less serious breach of legislation
D	1	Requires urgent works that will prevent closure of site, and / or address an immediate high risk health & safety issue. and / or remedy a serious breach of legislation

Mechanical		
Examination of building infrastructure including heating, ventilation systems		
Category	Score	Criteria
A	4	Long-term work required outside 5 year period to prevent deterioration of fabric or services
B	3	Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to health and safety and/or remedy a less serious breach of legislation
C	2	Essential work required within 2 years that will prevent serious deterioration of building/services and/or address a medium risk to health & safety and or/remedy a less serious breach of legislation
D	1	Requires urgent works that will prevent closure of site, and / or address an immediate high risk health & safety issue. and / or remedy a serious breach of legislation

Internal Fittings (General)		
Examination of fabric and mechanical & electrical installations		
Category	Score	Criteria
A	4	Long-term work required outside 5 year period to prevent deterioration of fabric or services
B	3	Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to health and safety and/or remedy a less serious breach of legislation
C	2	Essential work required within 2 years that will prevent serious deterioration of building/services and/or address a medium risk to health & safety and or/remedy a less serious breach of legislation
D	1	Requires urgent works that will prevent closure of site, and / or address an immediate high risk health & safety issue. and / or remedy a serious breach of legislation

Internal Fittings (Kitchen / Cooking facilities)		
Examination of condition Kitchen / cooking area		
Category	Score	Criteria
A	4	Long-term work required outside 5 year period, planned maintenance to prevent deterioration of fabric or services
B	3	Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to health and safety and/or remedy a less serious breach of legislation
C	2	Essential work required within 2 years that will prevent serious deterioration of building/services and/or address a medium risk to health & safety and or/remedy a less serious breach of legislation
D	1	Requires urgent works that will prevent closure of site, and / or address an immediate high risk health & safety issue. and / or remedy a serious breach of legislation

External Grounds		
Examination of condition of Drill Ground, Drainage, Car Park, Front Facing, Backup Generator, Fuel Pump		
Category	Score	Criteria
A	4	Long-term work required outside 5 year period to prevent deterioration of fabric or services
B	3	Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to health and safety and/or remedy a less serious breach of legislation
C	2	Essential work required within 2 years that will prevent serious deterioration of building/services and/or address a medium risk to health & safety and or/remedy a less serious breach of legislation
D	1	Requires urgent works that will prevent closure of site, and / or address an immediate high risk health & safety issue. and / or remedy a serious breach of legislation

Functional Suitability Scoring

Dignity and Privacy		
Category	Score	Criteria
A	4	Good/very good
B	3	Acceptable/reasonable - no major changes required
C	-25	Below acceptable standards
D	-50	Unacceptable

Full time	On-call	All	Full-time
Sleeping	Changing	Showers/WC's	Access W/C
Individual bedrooms	Separate and sufficient for future demands (unisex changing)	Unisex, individual PODS	Fully compliant WC & Shower
Separate M/F areas, sufficient for medium-term	Separate M/F areas, sufficient for medium-term	Separate M/F showers	Accessible WC
Separate M/F areas, but insufficient for current/near future needs	Separate M/F areas, but insufficient for current/near future needs	Separate M/F but communal showers within	Not applicable do not use
Mixed changing no separation	Mixed changing no separation	No Shower Capability	No provision

Decontamination Areas		
Category	Score	Criteria
A	4	Good/very good
B	3	Acceptable/reasonable - no major changes required
C	2	Below acceptable standards
D	1	Unacceptable

Fire Kit storage	Equipment/PPE Cleaning	Vehicle washing	Drying facilities
Separated storage area. Sufficiently segregated from non-storage area and clean environment	Suitable designated cleaning area and suitable drainage	Designated washing area for vehicles and suitable drainage	Designated purpose built drying room that is segregated from other areas
Separated storage area. Limited segregation from non-storage area and clean environment	Designated Cleaning area with ability to drain in a different suitable area	No designated washing area but suitable on site drainage	Designated non purpose built drying room that is segregated from other areas
No segregation of fire kit and clean environment	No designated cleaning area	No designated washing area	Designated Drying Room that isn't segregated from other areas
Mixing of Fire Kit and Clean	No designated cleaning area and any drainage into surface water drains	Any contaminated waste water entering Surface Water Drainage	No designated drying room and items are mixed with clean/dirty areas

Operational storage		
Category	Score	Criteria
A	4	Good/very good
B	3	Acceptable/reasonable - no major changes required
C	2	Below acceptable standards
D	1	Unacceptable

Full time	On-call
Adequate storage areas and able to be segregated into sufficient categories	Adequate storage areas and able to be segregated into sufficient categories
Adequate overall storage on site	Adequate overall storage on site
Insufficient storage for operational equipment	Insufficient storage for operational equipment
Insufficient storage for essential equipment	Insufficient storage for essential equipment

Gym Facilities		
Category	Score	Criteria
A	4	Good/very good
B	3	Acceptable/reasonable - no major changes required
C	2	Below acceptable standards
D	1	Unacceptable

Full time	On-call
Exceeds minimum equipment for cardio and resistance work (exercise bike, treadmill and a selection of weights), in its own self contained area	Exceeds minimum equipment for cardio and resistance work (exercise bike, treadmill and weights), in its own self contained area
Meets minimum requirements of exercise bike, and treadmill selection of weights	Meets minimum requirements of exercise bike, and treadmill selection of weights
Insufficient space/equipment	Insufficient space/equipment
No or extremely limited provision	No or extremely limited provision

Rest facilities, office space, internal training facilities		
Category	Score	Criteria
A	4	Good/very good
B	3	Acceptable/reasonable - no major changes required
C	2	Below acceptable standards
D	1	Unacceptable

Full-time	On Call
Own personal space/pod including bed for stand down periods, suitable communal area. Internal office areas and lecture room	Suitable and sufficient communal area, Station Office and lecture room
Bed for stand down periods, suitable communal area. Internal office areas and lecture room	Suitable communal area, No office or lecture room or sharing with gym equipment etc.
Insufficient communal area and no personal space allocated. Insufficient office and lecture room	Insufficient communal area, no office or lecture room
No Communal Area and no personal space allocated. No office or lecture room	No communal area, no office or lecture room

External facilities, operational training provisions		
Category	Score	Criteria
A	4	Good/very good
B	3	Acceptable/reasonable - no major changes required
C	2	Below acceptable standards
D	1	Unacceptable

Full time / On Call	Full time / On Call	Full time / On Call	Full time / On Call
Water tank	Training tower	Fuel Pump	Backup Generator
Fit for purpose water tank on site that is regularly tested and maintained	Fit-for purpose training tower/block on site	Exists, tested and working	Exists, tested and working
Access to a fit for purpose water tank that is regularly tested and maintained	Access to fit-for-purpose facilities	No provision	No provision
Access to a fit for purpose water tank that isn't regularly tested and maintained	Adverse impact on training		
No Access to a water tank	No access to Training Tower		

Security		
Category	Score	Criteria
A	4	Good/very good
B	3	Acceptable/reasonable - no major changes required
C	2	Below acceptable standards
D	1	Unacceptable

Full time / On Call			
Gates/fencing	CCTV	Alarm	Access system
Lockable Gate and fencing in good order around the full perimeter of the site.	CCTV Recordable and linked back to SHQ	Security alarm in place, linked back to control	PAXTON system across site
Fencing around the full perimeter of the site	CCTV Recordable	Local Security Alarm in place	Adequate controls, but station key rather than PAXTON
No fencing around the site	Live CCTV Only	No Alarm in place	Some areas are insecure
	No CCTV On site		Critical areas insecure

Space utilisation		
Premises should provide sufficient space to support operational and support activity		
Category	Score	Criteria
A	4	Sufficient (utilisation is within +/- 10% of available area)
B	3	Acceptable, but elements of overcrowding/under use (utilisation within +/- 15% of area)
C	2	Some areas are unacceptable (use +/- 20% of available area)
D	1	Unacceptable utilisation (>+/- 20% of the available area)

Quality of amenities, comfort and environment		
Consider working conditions, sign-posting, lighting, heat/cooling, noise, landscaping etc.		
Category	Score	Criteria
A	4	Good/very good
B	3	Acceptable/reasonable - no major changes required
C	2	Below acceptable standards
D	1	Unacceptable

Statutory Compliance		
FRA / DDA / H&S / Asbestos / Flood Risk		
Category	Score	Criteria
A	4	Long-term work required outside 5 year period to prevent deterioration of fabric or services
B	3	Desirable work required within 3 to 5 years that will prevent deterioration of the fabric or services and/or address a low risk to health and safety and/or remedy a less serious breach of legislation
C	2	Essential work required within 2 years that will prevent serious deterioration of building/services and/or address a medium risk to health & safety and or/remedy a less serious breach of legislation
D	-10	Direct breach of statutory requirements, that needs to be addressed immediately

Energy		
Utilities costs including gas, water and electricity		
Category	Score	Criteria
A	4	£0 -£20/m2
B	3	£20 - £23/m2
C	2	£23 - £26/m2
D	1	
DEC Certificates		
Category	Score	Criteria
A	4	DEC rating A & B
B	3	DEC rating C & D
C	2	DEC rating E & F
D	1	DEC rating G

HFRS Equality Analysis – Dignity at Work Policy

HFRS APPROACH TO EQUALITY ANALYSIS

What is equality Analysis (EA)

Equality analysis (EA) is a systematic way of identifying and recording impacts of organisational activities across the nine protected characteristics of the Equality Act 2010

Undertaking an EA helps managers consider, record, measure and address equality impacts (and risks). It also allows organisations to address adverse impacts in a planned and accountable way.

Public Sector Responsibilities

HFRS as a public sector organisation is ethically and legally required to take due regard of the equality implications of its activities. This can best be done by undertaking equality analysis and reporting, taking action on the findings.

Proportionality

At HFRS we don't EA everything, but bigger strands of work (e.g. things going to HFA) and things which have significant impacts on people, staff or where there is likely to be impacts on people – staff, communities, service users and potential users.

Responsibility

At HFRS EA's are undertaken by SM/Grade 11 and above and sign off by their managers (Heads of Function or Directors). Heads of Function are key to identifying what work to EA in their area and how to use the results.

Information Matters

Managers undertaking EA's will need to source good quality information, including results from consultation with affected groups, and research and HFRS as an organization should help managers with this. Managers will need to source enough information to understand and identify equality impacts on people. The [SharePoint Equality and Inclusion Library](#) can help.

Actions Matter

An EA is of little use if it identifies no adverse impacts, or if mitigating actions are not implemented.

HFRS Equality Analysis – Dignity at Work Policy

Publication

Currently HFRS is publishing all EA's completed on [Sharepoint](#). Once completed EA's are signed off managers should send them to Hibou Drusden or Michelle Steele for publication.

GUIDANCE ON UNDERTAKING EQUALITY ANALYSIS

Managers undertaking significant activities such as policies or procedures, reviews, strategies or plans, etc. which have impacts on staff or service users/communities need to consider the equality implications of the work. For example, both HR policies and work which is reported to the Fire Authority is very likely to have some equality implications and therefore needs an Equality Analysis. An Equality Analysis should allow managers to identify if there are any adverse impacts or breaches of the Equality Act 2010 and identify actions to remove or mitigate these adverse impacts. Managers are responsible for ensuring mitigating actions are implemented. When done well Equality Analysis should enable HFRS to avoid discrimination and promote equality.

Equality Analysis	These used to be called Equality Impact Assessments but were changed to Equality Analysis in the Equality Act 2010. They do the same thing, which is to act as a record of a manager's work to identify any equality implications of their work.
Title	Provide a clear, concise title for the activity that is to be analysed.
Responsible Manager	State the responsible Manager for the activity.
Scope	Provide a summary of the activity to be analysed, including the aims or expected outcome for the activity along with the service and workforce impacts.
Information	Provide details of sources of information, research, data and consultation which you have used to inform this analysis. Identify any gaps in information and how you intend to fill these.

HFRS Equality Analysis – Dignity at Work Policy

<p>Equality Analysis</p>	<p>Consider the potential impact of the activity on each of the protected groups within the Equality Act 2010 individually.</p>
<p>Potential Equality Impacts</p>	<p>Adverse impact: The activity may breach the Equality Act 2010. For instance, when recruiting no reasonable adjustments are made for disabled candidates, or, when a candidate for a post from one sex or race is favoured over another more qualified candidate at the point of selection for a post.</p> <p>Neutral impact: There may be no equality impacts for some activities. But do not tick this if you are not sure of the impact – it is better to put ‘I do not know’.</p> <p>Positive impact: This is where the activity has a positive impact in promoting equality across the protected characteristics. Much of the work carried out by Fire and Rescue Service Community Safety Team’s targets services for vulnerable group’s e.g. disabled and/or elderly people living alone in recognition that they face additional risks from fire. Where Services have very few black and minority ethnic (BME) staff compared to the community which is served, the organisation may advertise specifically to attract more BME candidates for posts.</p>
<p>Protected Characteristic (PC)</p>	<p>The Equality Act 2010 protects all UK citizens from discrimination in relation to nine different aspects. These are called the nine protected characteristics and are;</p> <ul style="list-style-type: none"> RACE/ETHNICITY (R) SEX (S) DISABILITY (D) AGE (A) SEXUAL ORIENTATION (SO) GENDER REASSIGNMENT (GR) RELIGION & BELIEF (RB) PREGNANCY & MATERNITY (PM) MARRIAGE & CIVIL PARTNERSHIP (MCP)

HFRS Equality Analysis – Dignity at Work Policy

Mitigating actions	Detail the actions required to remove any adverse impact the activity may cause in respect of each of the protected characteristics.
Is there any residual disproportionate adverse impact?	Indicate if there is any residual disproportionate adverse impact by marking ‘Yes’ or ‘No’ with an ‘x’. Also consider the legality of such actions. If you need more advice discuss with your authorising manager or, for workforce issues, HR.
What is the justification for the residual impact?	Outline any justification you have for continuing with the activity despite a disproportionate negative impact on a protected characteristic group.
Summary of adverse impacts and actions	Provide a summary of mitigating actions. Identify which PC it relates to using the code above e.g. (S) for Sex. State clearly when a mitigating action will be implemented, and by whom.
How will the impact be monitored and reviewed?	When will the activity be monitored for the impact? How often, by whom and reported where, etc.?
Signed by....	The Equality Assessment must be signed off by the senior manager with overall responsibility for the area of activity. Where a report is going to Humberside Fire Authority (HFA) this is the CMT member taking the Report to the HFA. This Manager has overall responsibility for the quality of the Equality Analysis.

HFRS Equality Analysis – Dignity at Work Policy

EQUALITY ANALYSIS FORM

Title (i.e. policy, procedure, project, etc.)
Dignity at Work Policy – November 2020

Responsible Manager
Head of HR

Scope
<p>This Policy provides guidance for managers and staff on bullying and harassment (B&H) at HFRS. The Dignity at Work Policy – Bullying and Harassment Procedure has been developed to enable members of staff who believe they have been the subject of bullying and harassment to take action, obtain support and to ensure that all staff understand their responsibilities under the policy. It also guides managers involved with cases of bullying and harassment by defining their role and responsibility, the processes to be followed, both informal and formal and the support that is available to staff.</p> <p>It provides:</p> <p>Policy Statement – and links to Grievance and Disciplinary Policies</p> <p>Scope - It covers bullying, harassment, victimisation or discrimination behaviours of or from managers, employees, contractors, agency staff</p> <p>Roles and Responsibilities</p> <p>Role of managers</p> <p>Role of employees including to challenge and report b&h</p>

HFRS Equality Analysis – Dignity at Work Policy

Human Resources Department - states central record of all grievances will be kept in HR
Trade Unions
Right to be accompanied
5. Definitions of Bullying, Harassment and Discrimination
Harassment and the protected characteristics of the Equality Act -examples for harassment
Direct and Indirect discrimination
Bullying
Examples of Inappropriate behaviour
Deciding on a Course of Action
6. Summary of Options for Resolving Issues and Complaints of Bullying and Harassment
Facilitated Conversations – role of managers
Mediation
7. Procedure for Managing bullying and Harassment Complaints
Stage 1 – Informal Procedure
Stage 2 – Formal Procedure
Outcomes
8. Dissatisfaction with the Outcome
Stage 3 Appeal
Appeal Hearing Process
9. Follow Up and Ongoing resolution
Training
Monitoring and Evaluation
10. Further Guidance
Appendix A: Support Contacts
Appendix B: Flowchart: Making a Complaint

Information

Equality Act 2010 – definition of indirect discrimination

HFRS Equality Analysis – Dignity at Work Policy

ACAS <https://archive.acas.org.uk/genderreassignment>

A search and examination of other organisations Dignity at Work Policies EA's

EDI SharePoint Library

EHR Commission Guide to PSED https://www.equalityhumanrights.com/sites/default/files/pсед_essential_guide_-_guidance_for_english_public_bodies.pdf

Mediation and B&H - <http://www.mediationrescue.co.uk/2019/05/07/workplace-bullying/> ;
https://www.researchgate.net/publication/256061583_Practice_Note_Is_Mediation_Suitable_for_Complaints_of_Workplace_Bullying

Consultation with Staff Forums/EDI Steering Group (GAP)

HFRS Community Handbook

HFRS Core Skills Training Requirements on EDI

HFRS Inspection Report

Disability Confident Employer Scheme – HFRS are accredited at level 2

HFRS Equality Analysis – Dignity at Work Policy

1. Equality Analysis: Race/Ethnicity				
Potential equality impact: list below all of the key potential equality impacts on staff and /or service users/communities	Mitigating Actions (where there are adverse impacts)	Adverse impact	Neutral impact	Positive impact
<ul style="list-style-type: none"> The requirements around the Equality Act 2010 are stated in this Policy and makes clear to all staff and managers that HFRS are committed to eradicating bullying and harassment within our workplaces. This policy is intended to protect all staff irrespective of protected characteristics. There is no adverse impact regarding race or ethnicity. 	<p>All employees of HFRS were required to undertake a Dignity at work – awareness of Harassment and Bullying course on PDR Pro in Autumn 2019.</p> <p>Policy details role of managers, definitions and HFRS commitment to dealing with B&H within the organisation, and provides options to pursue complaints via the Dignity at work policy or the Grievance policy.</p> <p>The policy and ‘zero tolerance to bullying’ campaign has also been widely publicised, and continues to be so on screensavers and on posters in every area of the organisation</p>			<p>X</p> <p>X</p> <p>X</p>

HFRS Equality Analysis – Dignity at Work Policy

2. Equality Analysis: Sex				
Potential equality impact: list below all of the key potential equality impacts on staff and /or service users/communities	Mitigating Actions (where there are adverse impacts)	Adverse impact	Neutral impact	Positive impact
<ul style="list-style-type: none"> The requirements around the Equality Act 2010 are stated in this Policy and makes clear to all staff and managers that HFRS are committed to eradicating bullying and harassment within our workplaces. This policy is intended to protect all staff irrespective of protected characteristics. There is no adverse impact regarding gender. 	<p>All employees of HFRS were required to undertake a Dignity at work – awareness of Harassment and Bullying course on PDR Pro in Autumn 2019.</p> <p>Policy details role of managers, definitions and HFRS commitment to dealing with B&H within the organisation, and provides options to pursue complaints via the Dignity at work policy or the Grievance policy.</p> <p>The policy and ‘zero tolerance to bullying’ campaign has also been widely publicised, and continues to be so on screensavers and on posters in every area of the organisation</p>			<p>X</p> <p>X</p> <p>X</p>

HFRS Equality Analysis – Dignity at Work Policy

3. Equality Analysis: Disability				
Potential equality impact: list below all of the key potential equality impacts on staff and /or service users/communities	Mitigating Actions (where there are adverse impacts)	Adverse impact	Neutral impact	Positive impact
<ul style="list-style-type: none"> The requirements around the Equality Act 2010 are stated in this Policy and makes clear to all staff and managers that HFRS are committed to eradicating bullying and harassment within our workplaces. This policy is intended to protect all staff irrespective of protected characteristics. There is no adverse impact regarding disability 	<p>All employees of HFRS were required to undertake a Dignity at work – awareness of Harassment and Bullying course on PDR Pro in Autumn 2019.</p> <p>Policy details role of managers, definitions and HFRS commitment to dealing with B&H within the organisation, and provides options to pursue complaints via the Dignity at work policy or the Grievance policy.</p> <p>The policy and ‘zero tolerance to bullying’ campaign has also been widely publicised, and continues to be so on screensavers and on posters in every area of the organisation</p>			<p>X</p> <p>X</p> <p>X</p>
4. Equality Analysis: Age				
Potential equality impact: list below all of the key potential equality impacts on staff and /or service users/communities	Mitigating Actions (where there are adverse impacts)	Adverse impact	Neutral impact	Positive impact
<ul style="list-style-type: none"> The requirements around the Equality Act 2010 are stated in this Policy and makes clear to all staff and managers that HFRS are committed to eradicating bullying and harassment within our workplaces. 	<p>All employees of HFRS were required to undertake a Dignity at work – awareness of Harassment and Bullying course on PDR Pro in Autumn 2019.</p>			<p>X</p>

HFRS Equality Analysis – Dignity at Work Policy

	The policy and ‘zero tolerance to bullying’ campaign has also been widely publicised, and continues to be so on screensavers and on posters in every area of the organisation			X
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6. Equality Analysis: Gender Re-assignment				
Potential equality impact: list below all of the key potential equality impacts on staff and /or service users/communities	Mitigating Actions (where there are adverse impacts)		Neutral impact	Positive impact
<ul style="list-style-type: none"> The requirements around the Equality Act 2010 are stated in this Policy and makes clear to all staff and managers that HFRS are committed to eradicating bullying and harassment within our workplaces. This policy is intended to protect all staff irrespective of protected characteristics. There is no adverse impact regarding gender reassignment 	<p>All employees of HFRS were required to undertake a Dignity at work – awareness of Harassment and Bullying course on PDR Pro in Autumn 2019.</p> <p>Policy details role of managers, definitions and HFRS commitment to dealing with B&H within the organisation, and provides options to pursue complaints via the Dignity at work policy or the Grievance policy.</p> <p>The policy and ‘zero tolerance to bullying’ campaign has also been widely publicised, and continues to be so on screensavers and on posters in every area of the organisation</p>			<p>X</p> <p>X</p> <p>X</p>

HFRS Equality Analysis – Dignity at Work Policy

7. Equality Analysis: Religion and Belief				
Potential equality impact: list below all of the key potential equality impacts on staff and /or service users/communities	Mitigating Actions (where there are adverse impacts)	Adverse impact	Neutral impact	Positive impact
<ul style="list-style-type: none"> The requirements around the Equality Act 2010 are stated in this Policy and makes clear to all staff and managers that HFRS are committed to eradicating bullying and harassment within our workplaces. This policy is intended to protect all staff irrespective of protected characteristics. There is no adverse impact regarding religion and belief. 	<p>All employees of HFRS were required to undertake a Dignity at work – awareness of Harassment and Bullying course on PDR Pro in Autumn 2019.</p> <p>Policy details role of managers, definitions and HFRS commitment to dealing with B&H within the organisation, and provides options to pursue complaints via the Dignity at work policy or the Grievance policy.</p> <p>The policy and ‘zero tolerance to bullying’ campaign has also been widely publicised, and continues to be so on screensavers and on posters in every area of the organisation</p>			<p>X</p> <p>X</p> <p>X</p>
8. Equality Analysis: Pregnancy and Maternity				
Potential equality impact: list below all of the key potential equality impacts on staff and /or service users/communities	Mitigating Actions (where there are adverse impacts)	Adverse impact	Neutral impact	Positive impact
<ul style="list-style-type: none"> The requirements around the Equality Act 2010 are stated in this Policy and makes clear to all staff and managers that HFRS are 	<p>All employees of HFRS were required to undertake a Dignity at work – awareness</p>			<p>X</p>

HFRS Equality Analysis – Dignity at Work Policy

<p>committed to eradicating bullying and harassment within our workplaces.</p> <ul style="list-style-type: none"> This policy is intended to protect all staff irrespective of protected characteristics. There is no adverse impact regarding pregnancy and maternity 	<p>of Harassment and Bullying course on PDR Pro in Autumn 2019.</p> <p>Policy details role of managers, definitions and HFRS commitment to dealing with B&H within the organisation, and provides options to pursue complaints via the Dignity at work policy or the Grievance policy.</p> <p>The policy and ‘zero tolerance to bullying’ campaign has also been widely publicised, and continues to be so on screensavers and on posters in every area of the organisation</p>			<p>X</p> <p>X</p>
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9. Equality Analysis: Marriage and Civil Partnership				
Potential equality impact: list below all of the key potential equality impacts on staff and /or service users/communities	Mitigating Actions (where there are adverse impacts)	Adverse impact	Neutral impact	Positive impact
<ul style="list-style-type: none"> The requirements around the Equality Act 2010 are stated in this Policy and makes clear to all staff and managers that HFRS are committed to eradicating bullying and harassment within our workplaces. This policy is intended to protect all staff irrespective of protected characteristics. There is no adverse impact regarding marriage and civil partnership 	<p>All employees of HFRS were required to undertake a Dignity at work – awareness of Harassment and Bullying course on PDR Pro in Autumn 2019.</p> <p>Policy details role of managers, definitions and HFRS commitment to dealing with B&H within the organisation, and provides options to pursue complaints via the Dignity at work policy or the Grievance policy.</p>			<p>X</p> <p>X</p>

HFRS Equality Analysis – Dignity at Work Policy

		The policy and 'zero tolerance to bullying' campaign has also been widely publicised, and continues to be so on screensavers and on posters in every area of the organisation			X
Is there any residual disproportionate adverse impact? (mark with an 'x')					
No - N/A					

What is the justification for the residual impact?
N/A

Equality Analysis Action Plan: Title Dignity at work policy Date: November 2020 Manager: Head of HR (provide a summary of the mitigating actions identified, including who will implement these actions, and by when)			
Mitigating actions	PC	Action owner	Date for completion
As above, all already in operation		Head of HR	November 2020

HFRS Equality Analysis – Dignity at Work Policy

How will the impact be monitored and reviewed? (when, frequency, what evidence if required)
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Further review if cases arise that warrant it, otherwise at next review of this policy in November 2023

Signed by Senior Authorising Officer	R Gilmour – Head of HR
Date	November 2020

HFRS Equality Analysis – Dignity at Work Policy

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
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GAS Committee Scrutiny Programme 2023/24

Meeting Date	Responsible Officer	Item and Scope
Monday 3rd July 2023	Head of HR	<p>Grievance Procedures</p> <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	<p>Head of Fleets and Estates</p> <p>Head of Organisational Development</p> <p>Head of Joint Estates</p>	<p>Dignity Works Scheme</p> <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	<p>Head of Training</p> <p>Head of Organisational Development</p> <p>District Manager East Riding</p> <p>District Manager North Lincs</p>	<p>On-call staff learning and development</p> <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
<p align="center">Monday 22nd January 2024</p>	<p align="center">Head of Emergency Preparedness & Control</p> <p align="center">Station Manager (Control)</p>	<p>Fire Control - Exercises and Debrief</p> <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 leaning 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
<p align="center">Monday 19th February 2024</p>	<p align="center">Head of Organisational Development</p>	<p>National Fire Chiefs Council (NFCC) Maturity Model</p> <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
<p align="center">Monday 8th April 2024</p>	<p align="center">TBC</p>	<p>Arising themes from HMICFRS reports or emerging sector requirements</p>

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