

HUMBERSIDE FIRE AUTHORITY
GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE

19 FEBRUARY 2024

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

Officers Present: Steve Duffield – Area Manager of Service Improvement, Shaun Edwards – Joint Deputy Chief Finance Officer & Deputy S.151 Officer, Jon Henderson – Area Manager of Prevention and Protection, Jason Kirby – Area Manager of Emergency Response, Jamie Morris – Designate Head of Corporate Assurance, Gareth Naidoo – Senior Corporate Assurance Officer, David Robinson – Internal Audit (TIAA), Lisa Nicholson – Monitoring Officer/Secretary, and Rob Close – Committee Manager.

Councillor Briggs was in remote attendance.

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

13/24 APOLOGIES FOR ABSENCE – No apologies for absence were received.

14/24 DECLARATIONS OF INTEREST – No declarations of interest were made with respect to any items on the agenda.

15/24 MINUTES – Resolved – That the minutes of the meeting held on 22 January 2024 be confirmed as a correct record.

16/24 INTERNAL AUDIT REPORTS – The Committee received a report of TIAA, the Authority's internal auditors, detailing the Summary Internal Controls Assurance. The Committee was advised that, since the last meeting of the GAS Committee, three audits had been completed on Procurement, IT Management Controls, and National Operating Guidance, receiving substantial, limited and advisory assurance respectively. Two final further audits were scheduled before the end of the year on Key Financial Controls and the End of Year Follow Up. There were no proposed changes to the plan and no fraud had been reported.

The Committee was verbally updated on the IT Management Controls audit. A system called Fresh Works was used to identify the extent of which IT devices were in operation by the Service.

Resolved – That the recent internal audit reports into Procurement, IT Management Controls and National Operational Guidance be submitted at the next scheduled meeting of the GAS Committee.

17/24 DRAFT INTERNAL AUDIT PLAN 2024/25 – The Committee received a report of TIAA, the Authority's internal auditors, detailing the draft internal audit plan for 2024/25.

The Annual Plan set out the assignments that would be carried out in 2024/25, the planned times and the high-level scopes for each of these assignments. Six topics were proposed as part of the Internal Audit Plan 2024/25:

- (1) Management of Statutory Building and Licensing Consultations;
- (2) Application and Management of Disciplinary Procedures;
- (3) Firefighter Development Pathway (FFDP);
- (4) Staff Forums and EDI Steering Group;
- (5) Application and Management of Tactical Plans;
- (6) Training Records

The draft plan was produced through extensive engagement with the Service's Strategic Leadership Team (SLT). The Plan also included the following standard subjects:

- Key Financial Controls;
- ICT Management Controls;
- Follow-up (Mid-year)
- Year-End Follow Up;
- Annual Planning;
- Annual Report; and
- Audit Management,

Seeking further detail into the rationale of the internal audit topics, the Committee asked how the Service identified proposed areas of audit. Officers responded that the topics proposed were areas identified under the Service Improvement Plan (whether they be formed from past His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) inspection or other report recommendations or from other channels such as the Fire Standards or Maturity Models), to test compliance/effectiveness against specific HMICFRS inspection criteria or other areas that the Service had identified required further improvement. .

Recommended to the Fire Authority – That the Internal Audit Annual Plan 2024/25 be approved.

18/24 TREASURY MANAGEMENT AND CAPITAL EXPENDITURE PRUDENTIAL INDICATORS, TREASURY MANAGEMENT POLICY STATEMENT 2024/25 AND MINIMUM REVENUE PROVISION (MRP) FOR 2024/25 – The Committee received a report of Deputy Joint Chief Finance Officer and Deputy Section 151 Officer detailing the Prudential Indicators for Treasury Management and Capital Expenditure and the Treasury Management Policy Statement proposed for adoption for the financial year 2024/25.

The report also outlined the recommended policy to be adopted in respect of creating the Minimum Revenue Provision (MRP) for 2024/25, in line with the statutory requirements set out in The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 and 2017.

The Committee was advised that indicator one gave a summary of the Authority's capital expenditure plans, indicator two summarised the Authority's Capital Financing Requirement (CFR), the third, and new, prudential indicator for 2024/25 was the Liability Benchmark (LB), the fourth detailed the ongoing impact on investments through core funds and expected investment balances, indicator five demonstrated the limit beyond which external debt was not normally expected to exceed, and indicator six summarised a control on the maximum level of borrowing.

The Committee questioned how these indicators fed into a wider picture on the financial robustness of the Service. Officers explained that the assumptions made in the Medium-Term Resource Strategy (MTRS) were informed by the prudential indicators and, provided those assumptions were reasonably accurate, the Service should operate under appropriate financial management. It was added that officers felt confident that even in instances of unexpected capital costs the Service would continue to operate soundly because of its robust financial management.

Noting the significant increase in capital expenditure from 2023/24 to 2024/25, the Committee questioned the source of this. It was explained that year the 2023/24 financial year operated with a significant surplus in addition to the inclusion of Private Financial Initiative (PFI) arrangements.

While commending the move to a five year plan, the Committee asked how horizon scanning was incorporated into financial planning in such a unpredictable period. Officers

explained that the Service's Community Risk Management Plan (CRMP) took into account changes in risk and new and arising risks, such as flooding and wildfires, and use of Artificial Intelligence (AI) into analytics; incorporating these into the ongoing five year financial plans.

Resolved – That the report be received.

19/24 SCRUTINY ITEM: NATIONAL FIRE CHIEFS COUNCIL (NFCC) MATURITY MODELS – The Committee received a report of the Area Manager of Service Improvement detailing the NFCC Maturity Models. The Committee was advised that the NFCC Workforce Good Practice Framework and Maturity Models were based on the principles of the recognised Deloitte methodology. Each Maturity Model was a diagnostic tool for Fire and Rescue Services to assess and benchmark practice against the following subject themes:

- Leadership
- Learning Organisation
- Performance Management
- Employee Recognition
- Development Recruitment
- Talent Management
- EDI
- Wellbeing
- HR Analytics
- Blended Learning

Management for each of the maturity models was completed through the following measures:

- (i) **Assessment:** Determine the current level of Service maturity for each subject.
- (ii) **Determine:** How far the wishes to develop its maturity through achievable outcomes.
- (iii) **Identify Gaps:** Based on a four-stage model identification of the gaps needed to enable progression.
- (iv) **Create a Development Plan:** Actions needed to address the identified gaps.

Managed by Corporate Assurance, in collaboration with key function stakeholders, an initial assessment of the Service's current level of maturity, for each of the 10 maturity models, was conducted to create an initial benchmark. Based on an initial assessment and gap analysis, a plan was developed to close the gaps and move towards enhanced compliance with the NFCC Maturity Models. This involved implementing new processes and systems, which notably incorporated the following:

- (i) Creation and application of a dedicated portal page to record, publish and monitor progression against each of the Maturity Models;
- (ii) Transition of the Maturity Model format into Excel to improve the management, tracking and evidence gathering of material;
- (iii) Introduction of the Service Improvement Officer in Corporate Assurance to manage the facilitation of evidence gathering, quality assurance and collaboration;
- (iv) Alignment of applicable Maturity Models with related Fire Standard(s) in regard of evidence and compliance;
- (v) Integration of the Maturity model reviews into the 2024-2025 Business Planning framework;
- (vi) Maturity Models subject to independent assessment by the NFFC during 2024-2025.

Monitoring of progress was managed through the Service Improvement Officer within Corporate Assurance ensuring compliance with the NFCC Maturity Models. Maintenance of compliance would be achieved through the Business Planning Framework 2024-2025, including periodic assessments, ongoing training, and continuous improvement efforts aligned to the Service Improvement Plan as applicable.

The Committee then considered the following aspects:

- **Relevance to Staff** – While not immediately of direct relevance to the entire workforce, the maturity models were currently engaged with by staff who owned specific amounts of work in pertinent areas. It was thought increased promotion would extend the buy in across the service and embed the maturity models further by making them relevant in day to day activities. Ultimately, the maturity models were a management tool targeted primarily at heads of function and above..
- **Quantifying Improvement** – While the Service had completed its own self-assessment it would be subject to a peer assessment from the NFCC. Officers believed the self-assessment to be accurate and honest with continuing ongoing reviews to help maintain the baseline and increase its level of maturity in the respected subjects.
- **Red, Amber and Green Ratings** – The Service provided an honest assessment against each maturity model, with each reflecting various levels of maturity through a Red, Amber and Green (RAG) rating. Those that displayed area for improvement and development would be used to inform the internal audit plan.
- **Comparisons with Other Services** – While the Service had adapted the maturity models to an interactive spreadsheet, the standards remained the same. Thus, comparisons to other services were not at any disadvantage. Currently, approximately half of Fire and Rescue Services in England had adopted the maturity models and Humberside Fire and Rescue was encouraging the NFCC to adopt the spreadsheet format.
- **Strategic Leadership Development** – It was noted that a significant amount of support given to staff was not necessarily accounted for within the self-assessment. However, it was officers' opinion that that support offered by the Service likely exceeded the maturity model standard.

Resolved – That the Authority takes assurance that the Service has effectively adopted the Maturity Models and manages their progression through robust evidence gathering and monitoring processes.

20/24 GAS COMMITTEE SCRUTINY PROGRAMME 2023/24 - The Committee Manager submitted a report summarising the Committee's Scrutiny Programme 2023/24.

Resolved - That the scope for the Committee's remaining scrutiny item 'HMICFRS Values and Culture in Fire & Rescue Services' be approved.