

HUMBERSIDE FIRE AUTHORITY
GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE

10 JUNE 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, Andrew McCulloch – Internal Audit (TIAA), Lisa Nicholson – Monitoring Officer/Secretary, and Rob Close – Committee Manager.

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

The Monitoring Officer & Secretary took nominations to appoint a Chair for the ensuing year 2024/25.

21/24 APPOINTMENT OF CHAIRPERSON FOR THIS MEETING – Resolved - That Chris Brown be appointed Chair of the GAS Committee for the year 2024/25.

22/24 APOLOGIES FOR ABSENCE – No apologies for absence were received.

23/24 DECLARATIONS OF INTEREST – No declarations of interest were made with respect to any items on the agenda.

24/24 MINUTES – **Resolved** – That the minutes of the meeting held on 19 February 2024 be confirmed as a correct record.

25/24 DIRECTOR OF AUDIT OPINION AND ANNUAL REPORT 2023/24 AND SUMMARY INTERNAL CONTROLS ASSURANCE (SICA) REPORT – The Committee received a report of TIAA, the Authority's internal auditors, detailing the Director of Audit Opinion and Annual Report 2023/24, the Summary Internal Controls Assurance (SICA) Report and the outstanding internal audit reports into Procurement, IT Management Controls and National Operational Guidance.

TIAA carried out nine reviews during 2023/24, which were designed to ascertain the extent to which the internal controls in the system were adequate to ensure that activities and procedures were operating to achieve the Service's objectives. For each assurance review an assessment of the combined effectiveness of the controls in mitigating the key control risks was provided. The Head of Internal Audit's annual opinion was that TIAA was satisfied that, for the areas reviewed during the year, Humberside Fire and Rescue Service had reasonable and effective risk management, control and governance processes in place.

The Committee was advised that, since the last meeting of the GAS Committee, two Summary Internal Controls Assurance (SICA) audits had been completed on Assurance Review of Key Financial Controls, receiving reasonable assurance, and the Year-End Follow Up Review.

Noting that only three of the six managers responsible for contract management were included in the test sample for the procurement report, the Committee asked if the three not sampled were also aware what Key Performance Indicators (KPIs) were contained within the contract. The internal auditors only had the data from those three managers who made up the testing sample but reiterated that they were assured from their response. Further to this, the

Committee questioned how KPIs were monitored to which they was advised that contract owners were responsible for the tracking of KPIs.

In relation to the ICT Management Controls audit, the Committee did not feel that the good work around the Service's commitment to cyber security was represented within the report, particularly given the certification by the National Cyber Security Centre (NCSC). The Auditor explained that cyber security was not considered as part of the annual ICT Management Controls as TIAA offered a separate, specific cyber security audit. The Committee asked about the Service's arrangements for cyber security training. Officers advised that all staff were subject to mandatory eLearning on the subject. It also formed part of new staff induction. The Committee queried why the completion figure for this eLearning, which currently sat at 96 per cent, was not 100 per cent. It was explained that this was due to staff on long term absence, which would form part of their return to work. Regarding the Group Policy Password Policy, the Committee believed that the option to make 10 invalid logon attempts before an account was locked was too high and should be reviewed.

The Committee sought further clarification on the National Operational Guidance (NOG) mandatory training figures listed as part of the Operational Review of National Operational Guidance audit. Currently, the Service converted the NOG into training materials over three years updated monthly. These figures, reported on monthly, were satisfactory as long as they met a 90 per cent threshold. Staff input was welcome to making the NOG more accessible. Previously, station managers were issued with hard copy laminated flash cards, but these were considered hard to maintain. The current offer of a digital system had so far proved to be easier to maintain while remaining accessible.

Resolved – (a) That the report be received;

(b) That the Committee commend all who contributed to the 2023/24 internal audits.

26/24 ANNUAL GOVERNANCE STATEMENT 2023/24 – The Committee received a report of the Area Manager of Service Improvement summarising the Annual Governance Statement 2023/24 and was advised that it was a requirement of the Fire Authority to publish an Annual Governance Statement on a yearly basis. It was preferred that the Authority should specifically review the Annual Governance Statement separately from the Annual Accounts, although the Annual Governance Statement would form part of the Annual Accounts, the draft of which would be submitted to the Authority in July 2024.

The Committee sought clarity on who's the Annual Governance Statement was and was advised that the Statement was drafted and published by the officers of the Service but was ultimately a statement which indicated the Authority's position on its governance.

Resolved – That the Committee endorse the Annual Governance Statement 2023/24 to the Fire Authority

27/24 ANNUAL STATEMENT OF ASSURANCE 2023/24 – The Committee received a report of the Area Manager of Service Improvement summarising the Annual Statement of Assurance 2023/24. The Fire and Rescue National Framework for England set out a requirement for Fire and Rescue Authorities to provide annual assurance on financial, governance and operational matters and show they had due regard to the expectations set out in their Community Risk Management Plan (CRMP) and the requirements included in the Framework. The Statement of Assurance covered the following areas:

- Financial assurance;
- Governance assurance;
- Operation assurance.

The Committee asked what levels of vetting staff were subject to. It was advised that, upon appointment to the Service, all staff were subject to a basic Disclosure and Barring Service (DBS) check; firefighters and other staff working with the vulnerable were subject to an enhanced and some senior managers underwent a Non-police personnel vetting (NPPV) check. The Service was compliant with the HMICFRS Values and Culture recommendation to review the current background checks arrangements, and make sure that suitable and sufficient background checks were in place to safeguard staff and communities they served.

Resolved – That the Committee endorse the Annual Statement of Assurance 2023/24 to the Fire Authority.

28/24 ANNUAL ANTI-FRAUD AND CORRUPTION STATEMENT 2023/24 – The Committee received a report of the Area Manager of Service Improvement detailing the Annual Anti-Fraud and Corruption Statement 2023/24. The annual Anti-Fraud and Corruption Statement was produced in response to recommendations within an Internal Audit review of Counter Fraud Arrangements conducted during 2016/17. The Statement covered key actions taken throughout the reporting year to provide an assurance of the processes in place.

The Committee sought further clarity on the avenues in which a whistleblower could engage with the process. It was advised that, should a whistleblower wish, they could engage with any members of the Service's Strategic Leadership Team the Chairperson of the Humberside Fire Authority, Chairperson of GAS Committee, the Monitoring Officer & Secretary to Humberside Fire Authority, or the Head of Internal Audit.

Noting the reference to the Service's crime insurance arrangements, the Committee asked about the impact of excess as part of the policy. It was explained that, while some excess would naturally be a factor, as was with any insurance policy, this was at a minimum.

The Chair of GAS Committee confirmed that no further allegations of fraud, bribery or corruption was brought to his attention other than what had been reported.

The Committee sought clarity on the Service's arrangements on professional standards. The Committee was advised that a resource was in place to promote professional standards throughout the workforce, however it was not felt that a dedicated professional standards unit, such as in larger organisations, may be necessary at this time. This arrangement was in its infancy and a further update on this would be provided in the future.

While the Committee commended the limited number of allegations made, it challenged officers on what was being done to prevent future risk of fraud and corruption. It was explained that dashboard trend analysis was under development with the aim of introducing more restorative practices.

Resolved – That the Committee endorse the Annual Anti-Fraud and Corruption Statement 2023/24 to the Fire Authority.

29/24 MANAGEMENT ACCOUNTS PERIOD ENDING 29 FEBRUARY 2024 – The Committee received a report of the Deputy Joint Chief Finance Officer and Deputy Section 151 Officer. The Committee was advised that, as of 29 February 2024, the Authority was £0.296m underspent with £2.089m spent against its £6.719m capital programme and with a £14.366m deficit.

The Committee questioned why the Accounting Adjustments had changed from an original £2.995m to a revised £3.316m. It was advised that this was a result of MRP minimum revenue projections was approved at the Humberside Fire Authority.

Noting the overspend on firefighters, the Committee asked if the Service was comfortable that it had received value for money (VFM). It was advised that, while the interim

detail was not immediately available, it was observed that additional watch managers in training would significantly contribute to capacity need and consideration would be given to the impact of overtime on the shift system.

The Committee asked if the mesothelioma claims were incorporated into the strategic risk register. It was advised that, although the risk of further claims was not listed on the risk register, the Service benefitted from sufficient reserves to fund any further claims. Moreover, the Service had an insurance policy to respond to claims which was in accordance with the nationally agreed 25 per cent target. The claims made against the Service were historic and stations were now designated with pathways that would avoid interaction with contaminants and the Service had much improved health monitoring.

The Committee asked how a five-year budget impacted financial planning. It was advised that the Service was expecting a £1m deficit every year following 2024/25 but was hoping to make savings in the current procurement process for the Control Room system. Any savings that would impact Service would ultimately be taken by the Fire Authority.

Resolved – That the Management Accounts for the period ending 29 February 2024 be received.

30/24 NATIONAL RESILIENCE AUDIT AND ASSURANCE PROGRAMME - ANNUAL UPDATE – The Committee received a report of the Area Manager of Emergency Response detailing the national resilience audit and assurance programme.

The Committee was advised that, in 2004, specialised national capabilities were introduced into Fire and Rescue Services through the 'New Dimensions' implementation, now called national resilience. Consequently, the National Coordination Advisory Framework (NCAF) was established for the management and coordination of the respective capabilities. Throughout England specific capabilities were provided to Fire and Rescue Services, including Humberside Fire and Rescue Service. The Service underwent an annual assurance audit by National Resilience Assurance Team (NRAT) for each National Resilience asset.

Throughout 2023, the Service's Emergency Preparedness and Fire Control (EPFC) National Resilience leads completed five self-assessment assurance reports for the specialist assets/capabilities held by the Service. Those being:

- Chemical, Biological, Radiological and Nuclear Capability – Mass Decontamination.
- Chemical, Biological, Radiological and Nuclear Capability- Detection, Identification and Monitoring.
- Flood Capability- High Volume Pump.
- Flood Rescue Capability- Flood Assets (Boats).
- Marauding Terrorist Attack Specialist Response.

The Service was independently assured by NRAT for the national capabilities within Service. This included five different capabilities with a total of ninety-five areas of assessment. HFRS achieved the following assessment outcomes:

- Zero instances of Inadequate
- Nine instances of Requires Improvement (RI)
- Seventy-nine instances of Good
- Seven instances of Outstanding

Action plans were produced for the nine instances of Requires Improvement. All action plans had been completed and the areas were now compliant.

The Committee noted that the areas rated RI in the audit appeared to be pertinent to the region of Humberside. It was advised that the Service had a very high level of assurance as a result of the action plans.

Resolved – That the National Resilience Audit and Assurance Programme Annual Update be received.