

HUMBERSIDE FIRE AUTHORITY
GOVERNANCE, AUDIT AND SCRUTINY COMMITTEE

18 NOVEMBER 2024

PRESENT: Independent Co-opted Members Chris Brown (Chair), Karen Martin Nigel Saxby, and Gerry Wareham.

Officers Present: Martyn Ransom - Executive Director of Finance/Section 151 Officer, Mike Anthony – Area Manager of Service Improvement, Steve Duffield – Area Manager of Emergency Response, Dom Purchon – Area Manager of Prevention, Protection, Fleet and Estates, Shaun Edwards – Head of Finance, Jamie Morris – Head of Corporate Assurance, Anne Stott – Head of HR, Gareth Naidoo – Senior Corporate Assurance Officer, Fiona Roe – Internal Audit (TIAA), Emma Appleton – Deputy Monitoring Officer/Secretary, and Rob Close – Committee Manager.

Rejoice Mapeto (Mazars) and Mark Outterside (Mazars) was in remote attendance.

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

The Chair took to opportunity to welcome Karen Martin as a new independent member of the Governance, Audit and Scrutiny Committee.

46/24 APOLOGIES FOR ABSENCE – Apologies for absence were received from Melissa Dearey.

47/24 DECLARATIONS OF INTEREST – No declarations of interest were made with respect to any items on the agenda.

48/24 MINUTES – Resolved – That the minutes of the meeting held on 9 September 2024 be confirmed as a correct record.

Members requested a cash flow chart to be included as part of the Finance and Procurement update report.

It was confirmed that the annual Audit Strategy Memorandum has been circulated to the Committee in October 2024.

49/24 EXTERNAL AUDIT COMPLETION REPORT – The Committee received a report of Mazars, the Authority's external auditors, detailing the external audit completion report. The Committee was advised that there had been no changes to the materiality levels since the Audit Strategy Memorandum had been circulated to Members in October.

The Committee asked if the Service was allowed to transact with related parties. It was advised that related party transactions were permitted subject to necessary disclosure.

Resolved – That the External Audit Completion Report be received.

50/24 ANNUAL ACCOUNTS 2023/24 – The Committee received a report of the Executive Director of Finance/Section 151 Officer detailing the annual of accounts for 2023/24. The Committee was advised that the accounts would go to the November 2024 meeting of the Humberside Fire Authority for sign off however the audit would remain open until the pension fund settlement had been agreed.

Resolved – That the Annual Accounts 2023/24 be received.

51/24 FINANCE AND PROCUREMENT UPDATE - PERIOD ENDING 30 SEPTEMBER

2024 – The Committee received a report of the Executive Director of Finance/Section 151 Officer summarising the Authority's current financial position based on information to 30 September 2024. It was advised that the revenue budget was £0.387m underspent, the capital programme remained on budget at £6,264m against its £10.921m allocation and the pensions account was £17.363m in deficit, although it was stressed that this deficit was covered by the Home Office.

The Committee asked what the potential impacts from the Chancellor's budget were. It was advised that further detail of these impacts would be provided in the quarter three update. The Service worked on the assumption that some of the public sector employers' National Insurance contribution would be covered by grant funding from central government.

Noting the variance in the profiled budget and the actual and committed budget, the Committee asked why the net budget requirement differed. It was explained that the Service budgeted for all eligible staff to be part of the pension scheme but, in practice, some members of staff opted out, creating an underspend. Moreover, some members of staff still received developmental pay before achieving full competence pay. While this was likely to continue for the immediate future, it was agreed that a piece of work may be beneficial to identify likely development completion and better inform financial planning. Members were also advised that the implementation costs of the new Control system for mobile appliances was reduced due to spending less on fuel and on hydrant maintenance than anticipated. Finally, given the current high interest rates, the Service's increased investment yields had contributed to the projected variance.

It was requested that explanatory commentary be provided in future report updates to accompany the cashflow figures.

Resolved – (a) That the Finance and Procurement Update be received, and

(b) That future report updates provide explanatory commentary to accompany the cashflow figures.

52/24 TREASURY MANAGEMENT HALF YEAR REPORT 2024/25 – The Committee received a report of Joint Deputy Chief Finance Officer updating the Committee on the treasury management activities for the first half of the financial year 2022/23. The Committee was advised that the Service had one instance of short-term borrowing in the first six months of the year for £0.5m taken for two days to cover a temporary shortfall in cash balances. Moreover, the Service had not undertaken any new long-term borrowing so far this financial year but this position would be reviewed in the second half of the financial year.

Resolved – That the Treasury Management report be received.

53/24 INTERNAL AUDIT REPORTS – The Committee received a report of TIAA, the Authority's internal auditors, detailing internal audit activity. The Committee was advised that, since the last meeting of the Committee, two audits had been completed on the Firefighter Development Pathway, and Follow Up Review, both receiving, limited assurance. There were no proposed changes to the plan and no fraud had been reported.

It was also explained that, as part of the Global Audit Standards, the internal auditors were making preparations to use artificial intelligence (AI) as a tool in their audit work. Moreover, as part of the same Standards, there was a view to engage with audit committees at a more informal level. The internal auditors were confident that they were already compliant with any other changes in the Standards.

Resolved – That the Internal Audit Reports be received.

54/24 SCRUTINY ITEM: TRAINING FOR STAFF IN CONDUCTING COMPLAINT AND DISCIPLINARY INVESTIGATIONS

– The Committee received a report of the Head of Human Resources detailing the training for staff in conducting complaint and disciplinary investigations. During 2024, the Human Resources team had undertaken comprehensive face to face training sessions with all managers who may be required to undertake an investigation. Training was provided to the Strategic Leadership Team, Corporate Leadership Team, the Tactical Leadership Group, and all Watch Managers (both full time and on call). Going forward, training would be provided to all newly promoted employees and recorded on the Service's PDRpro (eLearning) system.

From 1 November 2023 to 30 September 2024, there had been 66 disciplinary cases investigated. The Service recognised that 66 cases was an unusually high number and stressed that there was no cause for concern. The matters in January, totalling 55 in number, were successfully managed at the informal stage and arose following a systems issue that had arisen within Fire Service Rota. Of the remaining 11 cases, all but one investigation had been concluded. The average length of time taken to conclude an investigation is 57 days. The 55 investigations in January resulted in a recommendation of no case to answer. The other investigations resulted in one record of informal meeting, one recommendation of a disciplinary hearing at Level 1, eight recommendations of a disciplinary hearing at Level 3 and one investigation had yet to conclude.

Complaint Resolutions – It was stressed that every effort was made to attempt to reduce the time it took for complaints to be resolved, however the Service could not compromise on the due process. The figures for average resolution were indicative of all complaints and did not exclude outliers; it was appreciated that regional and national comparisons may help to contextualise performance.

Disciplinary training and outsourcing – Whilst training had been provided to all of SLT, CLT and TLG (those whose level/rank would be expected to undertake investigations), general disciplinary training for all managers was undertaken through mandatory eLearning on an annual basis. Work was underway to identify an external provider (such as a specialist law firm or HR company) that could support the Service as a third-party specialist where appropriate for further investigative training.

Case Management and reporting on timescales – Weekly meetings were carried out to manage cases with all measures taken to ensure investigations/hearing remained on track. Members felt that some outlier cases (ie those that took extreme lengths of time to complete due to extended illness/absence) could skew the average time taken to complete a case and therefore suggested these not be included when calculating the average time taken to complete disciplinary cases.

Resolved – (a) That the Committee takes assurance from the process of training for staff in conducting complaint and disciplinary investigations;

Recommended - (b) that the Service considers re-calculating the average time for cases to be completed by not including outlier cases that could skew overall figures, and

(c) that consideration be given to including additional explanatory text to set out how each of the Disciplinary Process, Dignity at Work and Grievance policies interact with one another.

55/24 SCRUTINY ITEM: DRAFT ESTATES STRATEGY 2025/26 – 2029/30 – The Committee received a report of the Area Manager of Prevention, Protection, Fleet & Estates that provided an overview of the proposed seven main objectives for the Service's Estates

Strategy 2025/26 – 2029/30, including a summary of the Service's planned estate works over a five year period..

The Estates Strategy set out a framework for managing the Service's building portfolio. The current Strategy document covered the period 2019-2025 and was being redrafted to ensure the objectives reflected the direction of travel for the organisation.

The 2025/26-2029/30 Strategy outlined how the Service would plan and prioritise future demands on the estate, including remodelling and refurbishing current premises and any new buildings.

The Strategy would have seven main objectives;

- Provide a fit for purpose estate;
- Support wellbeing and EDI agendas;
- Establish and use comprehensive building information;
- Optimise efficiency within our estate;
- Improve our response to sustainability;
- Identify opportunities to collaborate and co-locate;
- Establish appropriate levels of investment in the estate.

A key part of the Strategy was built around gaining a full understanding of the Service's current estate. The first round of surveys had been undertaken, and from this a prioritised schedule of works had been drawn up would form the basis of this aspect of the strategy for 2025/26 onwards.

Joint Estate Service – It was explained that a collaboration Agreement was signed in March 2018, for an estates service to be provided to both Humberside Fire & Rescue Service and Humberside Police through the Joint Estates Service (JES) department, provided and managed by Humberside Police.

Impact on Service Delivery – Any works carried out on the estate was done so in a way that ensured no impact on operational response. The contractors used were fully briefed on the operation of the estate with efforts made to limit disruption to staff. The new Estates Strategy would be reactive and informed by the provision of the Service's Community Risk Management Plan (CRMP).

Engagement with Crews – As part the planned works across the estate, staff would be consulted on the development/refurbishment works on their location and provided with the opportunity to feed into and shape architectural plans as they ultimately would know the best use of the buildings, its flow and requirements.

Resolved – (a) That the Committee endorses the proposed seven main objectives for the Service's Estates Strategy 2025/26 – 2029/30 and

Recommended – (b) that the Committee recommends approval of the proposed seven main objectives for the Service's Estates Strategy 2025/26 – 2029/30 to the Fire Authority.

56/24 GAS COMMITTEE SCRUTINY PROGRAMME 2024/25 - The Committee Manager submitted a report summarising the Committee's Scrutiny Programme 2024/25.

Resolved – That the update be received.