

NOTICE OF MEETING

<i>Meeting</i>	Hampshire Fire and Rescue Authority	<i>Clerk to the Hampshire Fire and Rescue Authority</i> John Coughlan CBE
<i>Date and Time</i>	Wednesday, 4th December, 2019 10.30 am	<i>The Castle, Winchester Hampshire SO23 8UJ</i>
<i>Place</i>	Room X - HFRS HQ, Eastleigh	
<i>Enquiries to</i>	<u>members.services@hants.gov.uk</u>	

The Openness of Local Government Bodies Regulations are in force, giving a legal right to members of the public to record (film, photograph and audio-record) and report on proceedings at meetings of the Authority, and its committees and/or its sub-committees. The Authority has a protocol on filming, photographing and audio-recording, and reporting at public meetings of the Authority which is available on our website. At the start of the meeting the Chairman will make an announcement that the meeting may be recorded and reported. Anyone who remains at the meeting after the Chairman's announcement will be deemed to have consented to the broadcast of their image and anything they say.

Agenda

Hampshire Fire and Rescue Authority meeting recordings can be found on the HFRS YouTube channel:
<https://www.youtube.com/user/HampshireFireService>

1 **APOLOGIES FOR ABSENCE**

To receive any apologies for absence.

2 **DECLARATIONS OF INTEREST**

To enable Members to disclose to the meeting any disclosable pecuniary interest they may have in any matter on the agenda for the meeting, where that interest is not already entered in the Authority's register of interests, and any other pecuniary or non-pecuniary interests in any such matter that Members may wish to disclose.

3 **MINUTES OF PREVIOUS MEETING** (Pages 5 - 10)

To confirm the minutes of the previous meeting

4 **DEPUTATIONS**

Pursuant to Standing Order 19, to receive any deputations to this meeting

5 **CHAIRMAN'S ANNOUNCEMENTS**

To receive any announcements the Chairman may wish to make.

6 **MEMBER DEVELOPMENTS**

To receive any updates from Members of the Authority

7 **ANNUAL STATEMENT OF ASSURANCE** (Pages 11 - 34)

To consider a report from the Chief Fire Officer, which asks the Authority to approve the Annual Statement of Assurance for 2018/19.

8 **HAMPSHIRE FIRE AND RESCUE SERVICE AND UNITED KINGDOM INTERNATIONAL SEARCH AND RESCUE (UKISAR)** (Pages 35 - 40)

To consider a report from the Chief Fire Officer, regarding sets out the risks and benefits of HFRS deploying staff to UKISAR.

9 **2020/21 BUDGET UPDATE** (Pages 41 - 64)

To consider a report from the Treasurer, which provides an update of the current financial position for the 2019/20 Revenue Budget and an update on the 2020/21 budget setting process.

10 **MID-YEAR PERFORMANCE REPORT** (Pages 65 - 108)

To consider a report from the Chief Fire Officer, which explores how the Service has performed against a range of operational and corporate health measures, with comparisons made against previous years and to other Fire and Rescues Services or national trends where applicable.

11 **MINUTES FROM STAKEHOLDER COMMITTEE MEETING - 25 SEPTEMBER 2019** (Pages 109 - 110)

To receive the minutes from the Stakeholder Committee meeting, which took place on 25 September 2019.

12 **MINUTES FROM THE STANDARDS AND GOVERNANCE COMMITTEE MEETING - 22 OCTOBER 2019** (Pages 111 - 114)

To receive the minutes from Standards and Governance Committee meeting, which took place on 22 October 2019.

13 EXCLUSION OF PRESS AND PUBLIC

To resolve that the public be excluded from the meeting during the following items of business, as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during these items there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the reports.

14 PROPERTY MATTERS (Pages 115 - 118)

To consider an exempt report from the Chief Fire Officer regarding property matters of Hampshire Fire and Rescue Service.

15 EXEMPT MINUTES FROM STAKEHOLDER COMMITTEE MEETING - 25 SEPTEMBER 2019 (Pages 119 - 120)

To receive the exempt minutes from the Stakeholder Committee meeting, which took place on 25 September 2019.

16 PRINCIPAL OFFICER LOCAL PAY AWARD

To consider an exempt report from the Director of Human Resources regarding the Principal Officer Local Pay Award.

ABOUT THIS AGENDA:

This agenda is available on the Hampshire Fire and Rescue Service website (www.hantsfire.gov.uk) and can be provided, on request, in alternative versions (such as large print, Braille or audio) and in alternative languages.

ABOUT THIS MEETING

The press and public are welcome to attend the public sessions of the meeting. If you have any particular requirements, for example if you require wheelchair access, please contact members.services@hants.gov.uk for assistance.

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Agenda Item 3

AT A MEETING of the Hampshire Fire and Rescue Authority held at SHQ,
Eastleigh on Wednesday 25th September, 2019

Chairman:

* Councillor Christopher Carter

* Councillor Roz Chadd	* Councillor Sharon Mintoff
* Councillor Liz Fairhurst	* Councillor Roger Price
Councillor Jason Fazackarley	* Councillor David Simpson
* Councillor Jonathan Glen	* Councillor Rhydian Vaughan MBE
Councillor Geoffrey Hockley	

*Present

211. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Jason Fazackarley and Councillor Geoff Hockley. Michael Lane, PCC also sent apologies for the meeting.

212. DECLARATIONS OF INTEREST

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

213. MINUTES OF PREVIOUS MEETING

The minutes of the last meeting were reviewed and agreed.

214. DEPUTATIONS

There were no deputations for meeting.

215. CHAIRMAN'S ANNOUNCEMENTS

The Chairman updated Members on the Wholetime Firefighter Graduation on 11 October and also HFRS' support of National Inclusion week, which includes Black History month, launching at St Mary's fire station on 26 September. HFRS also welcomed Saudi Arabia's Civil Defence to SHQ to learn more about the Service and its operations.

The Chairman also announced the planned early retirement of Geoff Howsego. Geoff would continue to lead on work in delivering the Combined Fire Authority (CFA) until May 2020. The Chairman and Chief Fire Officer thanked Geoff for his hard work and lead on the CFA project.

216. **MEMBER DEVELOPMENTS AND COMMENTS**

The Chairman confirmed that LGA Fire Authority training was available to Members on Tuesday 26 November and the Full Authority away day was to take place on Tuesday 1 October.

Councillor Price updated Members on his attendance at the first People Engagement meeting from the National Fire Chief Council. There were discussions regarding apprenticeships within the Fire Service as well as the Service's involvement around building regulations and planning, which at the moment was at a later stage in the planning process and arguably less impactful. Councillor Price also attended the LGA Fire conference a few days previous and felt that too much of the agenda scheduled for the day was overlooked. Further discussions would be had at the Authority Policy Advisory Group (APAG) to update Members.

Councillor Vaughan confirmed his attendance at the Hartley Wintney Fire Service open day, which was very popular and well received by local residents.

Councillor Simpson confirmed his attendance at a Yateley Fire Service charity event that had been a great success and well supported. Councillor Simpson had continued further work as the Retained Firefighters Champion and was pleased to confirm engagement with stakeholders and working groups was assisting progress regarding new ways of working. There was also work being done to improve the accessibility of training with more being done online; where appropriate, as opposed to at Headquarters.

Councillor Mintoff confirmed her attendance at the Princes Trust presentation and recommended Fire Authority Members attend whenever the opportunity arose.

217. **PRESENTATION - OCADO FIRE FEBRUARY 2019**

The Authority received a report and presentation regarding the Ocado Fire that occurred in February 2019 (item 7 in the minute book).

The report and presentation covered experiences and sector learning gained from the incident, which lasted four days. The technology, cause of the fire and how and where it occurred made it the largest scale and most complicated incident that the Service had dealt with in recent history.

Members were taken through the four day period and the steps undertaken at each stage. In total, seven different Fire and Rescue Services were involved, with up to 20 appliances and additional support vehicles at the scene.

As complications with the integrity of the roof and risks around ammonia became apparent on the second day, a major incident was declared and local residents were evacuated from the area. Once the ammonia had been removed and the area had been secured on day three, the severity of the incident was lessened again.

The Authority was shown a map with the resource footprint required for the incident, which extended to beyond the County boundary and the different organisations were thanked again for their support. Over 100 hours of debriefing had taken place since the incident with three key areas of learning being focussed on:

- The importance of developing Firefighter technologies to keep up to date with advancing technology nationally and particularly in the commercial sector;
- The scale and duration of the incident (particularly around water resources) and maintaining a 'business as usual' service throughout; and
- Looking further at discussions around building regulations and earlier consultation with planning considerations.

Members agreed that there was a lot of learning to be taken from the incident and the Chief Fire Officer enforced the importance of finding the right balance with early involvement with planning and building regulations. Ocado had been very cooperative with investigations and due to there not being a change of use when acquiring the building, there had been no requirement for a further inspection.

RESOLVED:

- a) The contents of the report and presentation were noted by Hampshire Fire and Rescue Authority.
- b) The Chief Fire Officer was given delegated authority to share the presentation and further learnings from the Ocado incident with other organisations and interested parties as appropriate.

218. **INTEGRATED RISK MANAGEMENT PLAN CONSULTATION DOCUMENT**

The Authority considered a report from the Chief Fire Officer (item 8 in the minute book) regarding the Integrated Risk Management Plan (IRMP) consultation document, which was seeking approval to create a joint Integrated Risk Management Plan (IRMP) for both Hampshire Fire and Rescue Authority (HFRA) and the Isle of Wight Council (IWC).

It was felt that in anticipation of the Shadow Authority commencing in spring 2020, it was sensible to combine the IRMP's, and this proposal had already been approved by IWC. This was especially important as Delivery Plans going forward would originate from the content within the IRMP.

The proposed timeline on page 28 of the pack was highlighted and Members were encouraged to share the consultation and recommend that constituents take part. Whilst the formal name of the document was not clear to the public, this could be changed to something more relatable once approved in principal.

Members noted that the light grey font in the introduction of the plan was difficult to read and recommended this be altered in the final version. Reference to "March 2019" on Page 114 would also be amended.

RESOLVED:

- a) Following agreement by Isle of Wight Council, Hampshire Fire and Rescue Authority approved Option 1 of the report, namely to consult with relevant stakeholders on the draft joint IRMP for IWC and HFRA attached to this report.
- b) Authority was delegated to the Chief Fire Officer to make any necessary minor amendments to the consultation documentation and to make arrangements for the consultation to take place.

219. **HEALTH AND SAFETY ANNUAL REPORT 2018-19**

The Authority received a report from the Chief Fire Officer (item 9 in the minute book), which asked Members to note the Health and Safety Annual Report.

The health and safety of staff was a primary concern and focus for the Fire Service. It was noted that 'near miss' incidents and 'cause for concern' categories had increased in numbers, meaning that there was more awareness around risks and incidents and in future further work could be done to minimise the risks identified.

Members requested more granulated detail in the report going forward.

RESOLVED:

The Annual Health and Safety Report presented was noted by Hampshire Fire and Rescue Authority.

220. **STRATEGIC RISK REGISTER**

The Authority considered a report from the Chief Fire Officer (item 10 in the minute book) which updated Members on progress against the Strategic Risk Register, as agreed by HFRA on 13 February 2018.

It was confirmed that a revised Risk Register was being proposed to accommodate the new Integrated Risk Management Plan for the Combined Fire Authority, and also set out the context and principles behind the change in risk management policy to be brought forward later in the year.

The highest risks established were around finance and crewing, but there were mitigations already in place and therefore they were not too much of a concern.

RESOLVED:

- a) The update of the Strategic Risk Register was approved by the Hampshire Fire and Rescue Authority;
- b) Hampshire Fire and Rescue Authority requested the Chief Fire Officer to review the current risk management arrangements and to report back to the Fire Authority in February 2020.

221. APPOINTMENT TO HAMPSHIRE FIREFIGHTERS PENSION BOARD

The Authority were asked to consider a recommended appointment to the Hampshire Firefighters Pension Board (item 11 in the minute book).

The Authority was asked to appoint a new scheme member representative to the vacancy that exists for a four-year term, in line with the Board's Terms of Reference.

Members were happy with the report and proposals and had no questions regarding the exempt appendix attached to the report (item 15 in the minute book).

RESOLVED:

The Authority appointed Richard Scarth to the vacant "scheme member" position on the Hampshire Firefighters' Pension Board.

222. MINUTES OF THE STAKEHOLDER COMMITTEE MEETING - 16 JULY 2019

The Authority received the open minutes from the Stakeholder Committee meeting that took place on 16 July 2019 (item 12 in the minute book). The minutes were noted and there were no questions.

223. MINUTES OF THE STANDARDS & GOVERNANCE COMMITTEE MEETING - 23 JULY 2019

The Authority received the open minutes from the Standards and Governance Committee meeting that took place on 23 July 2019 (item 13 in the minute book). The minutes were noted and there were no questions.

224. EXCLUSION OF PRESS AND PUBLIC

It was resolved that the public be excluded from the meeting during the following items of business, as it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items there would be disclosure to them of exempt information within Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the reports.

225. APPOINTMENT TO HAMPSHIRE FIREFIGHTERS PENSION BOARD - EXEMPT APPENDIX

The Authority considered the exempt appendix (item 15 in the minute book) along with item 11 on the agenda. The appendix was approved.

226. STAKEHOLDER COMMITTEE MEETING - 16 JULY 2019 EXEMPT MINUTES

The Authority received the exempt minutes from the Stakeholder Committee meeting that took place on 16 July 2019 (item 16 in the minute book).

The Chairman of the Stakeholder Committee confirmed that the Committee was still getting established and the affects on the budget will become clearer as the Committee and processes are more embedded. New Directors were currently being sought and an update would come to Committee following appointment.

227. HAMPSHIRE FIRE AND RESCUE AUTHORITY - 17 JULY 2019 EXEMPT MINUTES

The Authority received the exempt minute from the Full Authority meeting that took place on 17 July 2019.

Under matters arising it was noted that there was continuing progress around the Station Investment Programme and a further update would go to a future Authority meeting.

Chairman,



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Purpose: Approval

Date: **4 December 2019**

Title: **ANNUAL STATEMENT OF ASSURANCE**

Report of Chief Fire Officer

SUMMARY

1. The Annual Statement of Assurance is a document that is required by the Fire and Rescue National Framework for England (updated in 2018) to provide assurance to local communities and government on financial, governance and operational matters.
2. Hampshire Fire and Rescue Authority publish an Annual Statement of Assurance which is made accessible to all stakeholders to enable transparency of fire and rescue services in Hampshire for the period April 2018 to March 2019.
3. The format of the Annual Statement is not prescribed and therefore it is determined by the Fire and Rescue Service to demonstrate to local communities and partner organisations how it fulfils its statutory obligations and activities to make Hampshire a safer place to live, work and travel.

THE NATIONAL FRAMEWORK

4. The Fire and Rescue National Framework for England (updated in 2018) sets out the reason for each Fire and Rescue Service to produce an Annual Statement of Assurance:

“The statement should outline the way in which the authority and its fire and rescue service has had regard – in the period covered by the document – to this National Framework, the Integrated Risk Management Plan and to any strategic plan (eg the Fire and Rescue Plan – see 4.10 below) prepared by the authority for that period. The authority must also provide assurance to their community and to government on financial, governance and operational matters.”

5. **Appendix A** contains the detailed Annual Statement of Assurance which has been structured, for the reader’s benefit, to follow the Fire and Rescue National Framework structure.

SUPPORTING OUR SERVICE PLAN AND PRIORITIES

6. The Annual Statement of Assurance, through the Fire and Rescue Authority, provides assurance to the public on the Fire and Rescue Service's fulfilment of its duties and activities to make Hampshire safer. This is mirrored in the creation and content of our strategic goals (contained within the Service Plan).

RESOURCE IMPLICATIONS

7. The cost associated with the production of the Annual Statement of Assurance is within existing resource plans.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

8. There are no anticipated positive or negative impacts to the environment or sustainability arising from this report.

LEGAL IMPLICATIONS

9. There are no legal implications arising from this report.

EQUALITY IMPACT ASSESSMENT

10. The contents of this report are considered compatible with the provisions of equality and human rights legislation.

RISK ANALYSIS

11. The scrutiny of the Annual Statement of Assurance by Members is a key aspect of mitigating risks to public safety and communities in Hampshire. It is also necessary to identify and mitigate organisational risks.

CONCLUSION

12. The Annual Statement of Assurance for 2018/19 provides stakeholders with oversight of Hampshire Fire and Rescue Service's ability to deliver its core purpose of making life safer in Hampshire, and therefore meets the requirements of the 2018 National Fire and Rescue Framework.

RECOMMENDATION

13. That the Annual Statement of Assurance for 2018/19 be approved by the Hampshire Fire and Rescue Authority.

Appendices:

Appendix A: Annual Assurance Statement 2018/19

Contact: Shantha Dickinson, Assistant Chief Fire Officer,
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Appendix A



Annual Assurance Statement 2018/19

April 2018 to March 2019

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Introduction

This statement seeks to provide an accessible way in which communities, central government, local authorities and other partners may make a valid assessment of our Fire and Rescue Authority's performance for the financial year 2018/19.

Covering 3,770 square kilometres (1,455 square miles), Hampshire is the largest county in the South East of England and home to a population of more than 1.85 million people. Hampshire is one of the oldest counties in England with history that can be traced back more than 1,000 years. The geography of the county is mixed with both large urban areas, such as Southampton, Portsmouth, and Winchester, and an abundance of countryside.

Rural Hampshire covers 83% of the county with urban areas accounting for the remaining 17%. Not only is Hampshire home to cities and towns, coastal areas and rural landscape it is also home to two airports, two major motorways, two major ports and two national parks.

We are here to make life safer for everyone in Hampshire. We work hard to educate people to take the right action to reduce the risk of fires and other incidents happening. But if they do occur then we ensure we have the best equipment and skilled people available to respond accordingly.

Over the last decade we have successfully driven down the number of fires and fire-related casualties to around half the level of 10 years ago. Despite of this we continue to look for more ways to improve the safety of people in Hampshire as we move towards 2020 and beyond. This is about more than just fire. We are also passionate about collaborating and working ever more closely with our partners to further enhance the safety of the county.

We believe in continuous improvement and constantly look to develop what we do for our communities, as well as ensuring that we provide value for money. To achieve this improvement, we encourage feedback from our communities, staff, partner organisations, and other professionals.

We gather information from members of the public after incidents and undertake a range of audits and assessments, both internally and by external bodies. All of these are used to assist us to understand our strengths and weaknesses and inform our strategic assessment and Service plan.

We are very proud of our past performance; however, we will not stand still and are always developing new initiatives and seeking ways to deliver the best services with greater value for money.

Governance

The Hampshire Fire and Rescue Authority (the Authority) is a combined authority made up of 10 elected members who collaborate and take collective decisions across council boundaries in delivery of the Fire Service Act 2004. Our Fire Authority is made up of 8 Hampshire County Council members, 1 Portsmouth City Council member and 1 Southampton City Council member. The Authority delegates responsibility for a wide range of decisions relating to operational delivery to the Chief Fire Officer (or other officers). Hampshire Fire and Rescue Service (the Service) is the name given to the operational fire and rescue service led by the Chief Fire Officer. The Service staff and officers are employed by the Authority to deliver the day to day operational functions.

To support this, we have a Scheme of Delegation, Contract Standing Orders and Financial Regulations combined into the Authority's Constitution. The Constitution sets out in a single place and in clear language, how the Authority works with the Service and how it makes decisions.

For more details on our Constitution, please see:

<https://www.hantsfire.gov.uk/about-us/who-we-are/hampshire-fire-and-rescue-authority/constitution/>

To support our Constitution, it is essential for us to have an appropriate and robust governance framework. The framework operates with clear reporting lines and streamlines decision making. It also enables us to monitor the achievement of our priorities and to consider whether they have led to the delivery of appropriate, cost effective and efficient services.

As part of the framework we have several boards where decisions are made and performance managed. At the highest level we have the Hampshire Fire and Rescue Authority meeting. This is a public meeting where all high-level decisions are discussed and made by the Authority, with the Authority supported by its Standards & Governance Committee, which includes 5 members and now meets quarterly. Before items are brought to the Authority they are first discussed by the Service in the Executive Group. This meeting is a crucial part of the governance framework and is supported by several sub-committees and group.

The details of our framework are presented in our Annual Governance Statement, which is an essential part of our financial Statement of Accounts. For more details of our Governance Statement, please see: <https://www.hantsfire.gov.uk/how-were-performing/our-performance/budget-accounts-and-regulations/statement-of-accounts/>

Combined Fire Authority (CFA)

In addition to our current combined Fire Authority, we are looking to combine further with the Isle of Wight Fire & Rescue Authority. This was agreed by both Authorities on 24th January 2019 and a combination order request has been submitted to the Home Office. We are anticipating this combination to take place beginning April 2021.

This combination will enhance public safety, support and enable us to make life safer across the geographical areas and work to reduce risk for members of the public. This is the main driver for the initiative, which builds upon an existing partnership which has already delivered benefits across the communities served by both authorities.

There are many benefits that the creation of a new CFA will bring organisationally, both in terms of operational delivery and for the safety of our public.

The new CFA, will be one organisation with a single purpose. Local accountability of the FRS on the Isle of Wight will transfer from the Isle of Wight Council into a larger Combined Fire Authority. This new governing body will have a single focus on fire specific issues for the Isle of Wight (and the other constituent authority areas), rather than a wider range of complex public services for the Council to consider.

A single organisation with a dedicated focus on public safety is better equipped to provide efficient and effective scrutiny around decision-making on fire and rescue related matters.

A new CFA would also create greater resilience, the removal of duplication, enhanced capacity and ensure continuous improvement, whilst enabling a common approach consistently applied across a wider area. Such an approach will offer improved learning opportunities and greater scope for the sharing of specialisms across the area. These would all support improved public safety.

The business case for the proposal has been approved by the Home Secretary. Our expectation is that a Shadow Fire Authority will be established from April 2020, with a view to full implementation and 'Go-Live' of the new Combined Fire Authority for the areas of Hampshire, Isle of Wight, Portsmouth and Southampton in April 2021.

Policy & Planning

Our aim is 'to make life safer'. To deliver on our aim we have a Service Plan that began in 2015 and will run until 2020. This has been supported by several more detailed plans and strategies that have ensured we met our obligations to reduce risk through the delivery of cost-effective services.

Service Plan

Our Service Plan clearly laid out our vision to work smarter, be more efficient, and to make life safer for everyone in Hampshire. We looked to create safer communities through the strengthening of our Service. This was set out into nine overarching priorities:

Safer:

- Building Resilience
- Creating Safer Communities
- Responding to Incidents

Stronger:

- Assets & Money
- Communications & Engagement
- Knowledge
- Our People & Leadership
- Technology
- Working with Partners

For more details please see: <http://www.hantsfire.gov.uk/about-us/plan/>

Under each priority there were a number of key deliverables that had been identified through an assessment of our strengths, weaknesses, opportunities and threats. These were regularly reviewed and annually reported to the Service Management Team now the Executive Group and the Hampshire Fire and Rescue Authority.

For more details on our progress against the key deliverables of the Service Plan, please see: <http://democracy.hants.gov.uk/ieListDocuments.aspx?CId=179&MId=5593&Ver=4>

As this Service Plan comes to an end in March 2020 a new plan will be developed in 2019/20 with a revised methodology. We review risk regularly, so we can work out how to best protect our communities. Our plans and strategies are formed around the large amount of data we collate and analyse. This then informs our Strategic Assessment which adds context and detail to aid our planning process. We will then develop an Integrated Risk Management Plan (IRMP) which identifies potential dangers that could affect communities and how we can address them. Our Service Plan will then give details of how we will achieve the strategy laid out in the IRMP.

Integrated Risk Management Plan

Our new IRMP is being developed in 2019/20 ready for the start of April 2020. This process will involve the new methodology as articulated above and will be undergoing a period of consultation with the public and our own teams, with the IRMP public consultation commencing in the autumn of 2019. This IRMP will be a joint IRMP with the Isle of Wight

Fire & Rescue Service as we establish greater alignment in preparation for the Combined Fire Authority.

The current IRMP, due to end March 2020, sets out our goals to deliver some of the Safer priorities of the Service Plan and how we can best match our resources to the risks that face our communities. This involves:

- Identifying existing and potential risks to the communities within Hampshire;
- Evaluating the effectiveness of current preventative and response arrangements;
- Identifying opportunities for improvements and determine policies and standards for prevention and intervention; and
- Providing the resource requirements needed to meet these policies and standards.

To produce the IRMP for the future, we have, reviewed every angle of our Service including how we respond to incidents, how we can create safer communities and how we can help build community resilience. This extensive piece of work was called the Risk Review project.

This began in February 2014, the Service set out to review all the risks in Hampshire, including population demographics, businesses and crime levels. By September 2014 we had scenarios for change, which were then put to a cross-section of our staff for feedback. After gathering this data, we took this forward into the creation of our initial draft proposals. We looked to members of the Service, and their representative bodies, to give individual feedback and a view to the help shape the proposals going forward to the next phase. In 2015, we again put our proposals back to our staff so that they could understand how the process was developing. It allowed staff a further opportunity to have their say on the vision for the future of their local fire station.

The proposals were then reviewed by the Service Management Team and by our governing body the Hampshire and Fire Rescue Service Authority. Following the review, we entered a 12-week consultation period, beginning in September 2015, which gathered input and opinions from all of our key stakeholder groups from across the county. The consultation closed on 4 December 2015 and the proposals were then amended and approved by Hampshire Fire and Rescue Authority on the 24 February 2016.

In March 2016, the Safer Hampshire consultation was awarded a certificate of best practice from The Consultation Institute
(<https://www.hantsfire.gov.uk/EasySiteWeb/GatewayLink.aspx?allId=12485>)

To view our IRMP please see:

<https://www.hantsfire.gov.uk/EasySiteWeb/GatewayLink.aspx?allId=13820>

Following the outcomes of the Risk Review consultation, we set up a programme to deliver the improvements called the Service Delivery Redesign. This set out a number of work packages required to deliver the proposals. These were managed by an Integrated Delivery Board and regular updates are reported to the Service Management Team and now the Executive Group and the Hampshire Fire and Rescue Authority.

Operations

Whilst our improvement activity is aimed at making life safer, it does so by adjusting the way we deliver our front-line services. Therefore, to ensure successful outcomes for our communities it is extremely important that we deliver the highest quality services.

Prevent & Protect

Our main operational aim is to prevent incidents from occurring and protect people from harm should an incident occur.

In the workplace, this is the responsibility of the business owners, however, to support businesses we have a well-developed 'risk based' inspection programme. Our Risk based inspection programme is aimed at delivering key messages to potentially high-risk business premises. We do this by:

- telling businesses what they need to do to comply with fire safety law;
- helping businesses carry out a fire risk assessment;
- helping businesses identify the general fire precautions they need to have in place;
- challenging all or parts of a fire risk assessment where concerns are identified and;
- taking further action if all the risks aren't considered.

In 2018/19, we carried out 923 fire safety audits of business premise owners fire risk assessments and control measures to ensure compliance with the Fire Safety Order 2005.

In addition to this, we provide business fire safety advice using the Primary Authority scheme. This gives businesses the right to form a statutory partnership with a single local authority. This enables us to deliver robust and reliable advice for a business to standardise fire safety across their sites, through our assured advice and recommendations.

To view more information on keeping safe at work please see:

<https://www.hantsfire.gov.uk/keeping-safe/atwork/>

To help mitigate the risk of fire in homes and the subsequent harm these can cause, our Firefighters, designated Community Safety Officers, Volunteers and partner agencies carry out 'Safe & Well' visits to our targeted risk groups. Recognising that our most vulnerable risk groups align with that of our partners in Health, we have tailored our traditional Home Fire Safety Check to include an intervention on slips, trips and falls as well other potential hazards that may affect our community's wellbeing. Our Safe & Well visits are primarily delivered to individuals who have been referred to us by our partners in Health, however, we also use historic incident data, demographic profiling tools and externally provided data sets to identify those who may benefit from an intervention.

Our Safe & Well Falls Risk Assessment uses National Institute of Health & Care Excellence (NICE) guidelines, go direct to General Practitioners and establishes eligibility for our 'Safety through Education Exercise and Resilience (STEER)' course, by identifying vulnerable people and preventing harm.

Another tool in which we provide home safety advice is through our 'Safe & Sound' survey. This online tool takes individuals through a series of questions to assess potential risks and provide useful information. If an individual is assessed to be at high risk, then a Safe & Well visit may be required.

To view more information on keeping safe at home please see:
<https://www.hantsfire.gov.uk/keeping-safe/loveyourhome/>

We also deliver a range of interventions through our Children and Young People Teams:

- Fire Education within schools;
- Princes Trust programme; and
- Range of children and young people initiatives (including fire cadets)

These initiatives seek to deliver fire safety information but also help build confidence and support wider social issues facing young people today.

We also provide interactive safety messages through our fun and educational website:

<https://www.hantsfire.gov.uk/kidzone-and-schools/>

Furthermore, our Arson Task Force take a lead on investigations post incident, to determine the cause of fires. To help secure convictions we have a full time Police Officer working within our team. This enables us to share timely information and effectively support the investigation through to its conclusion. We also have highly trained dogs who are a vital part of the investigation team and play a pivotal role in securing convictions. To prevent fire setters from reoffending we deliver a Fire Setters programme to educate offenders of the potential dangers and damage that can be caused by reckless behaviour.

Respond

We work hard to keep our communities safe through education and safety measures. However, we accept incidents will still occur and in the event of a call to an emergency, we have effective strategies in place to respond to numerous different types of incidents. We operate from a number of locations including 51 strategically positioned fire stations. Our fire stations are purpose built and located in cities, towns, and villages and are close to residential, commercial and industrial areas. Our frontline resources and fire appliances are spread across these stations according to the local risk factors. The county's fire stations consist of:

- 5 fire stations staffed 24 hours a day, seven days a week, by immediate response firefighters.
- 38 fire stations with around the clock cover provided by on-call firefighters who live or work within four minutes of the station and respond at the time of an incident.
- 8 fire stations with 24-hour coverage, including both immediate and on-call firefighters.

As well as our frontline fire appliances, we also have a number of specialist capabilities which assist us in dealing with a variety of different incidents. Our specialist capability teams provide us with an enhanced range of equipment, skills and knowledge for dealing with a wide range of unusual and complex incidents. They can respond to emergency incidents within our county and, as part of a national mutual assistance arrangement, anywhere in the United Kingdom. Specialist capabilities in Hampshire include:

- Urban Search and Rescue Unit
- Water Rescue Units
- Animal Rescue Units
- Arson Task Force Unit
- Wildfire Units

- Environmental Units
- Marine Response Team
- Hazardous Materials and Detection, Identification and Monitoring Unit
- Water Carriers
- High Volume Pump
- Aerial Ladder Platforms

In 2018/19 we attended 3,398 fires, 9,214 non-fire emergency incidents (such as road traffic collisions) and 7,230 false alarms. Further information on our performance is outlined in our mid-year and annual performance reports to HFRA.

Resilience

Emergency services are facing an increased variety of demanding situations. Major incidents caused by natural disasters, industrial accidents and the threat of terror attacks are challenges that we need to prepare for at a national level. These incidents could potentially have an impact on our daily lives. For this reason, there is a need for high levels of preparedness by the emergency services and our communities, including improved ability to operate effectively together. We hold many assets and deliver a response capability to National incidents that may arise in support of this initiative.

For more information, please see: <http://www.hantsfire.gov.uk/about-us/what-we-do/civil-resilience/>

To support our local communities, we are members of the Local Resilience Forum for Hampshire and the Isle of Wight. The Hampshire and Isle of Wight Local Resilience Forum comprises of local Emergency Service Responders (Police, Fire, Ambulance), Local Authorities, as well as associated businesses, organisations and voluntary sector representatives. Through the Local Resilience Forum, these organisations work together to prepare for, respond to, and recover from emergencies. For the last 5 years we have been the Community Resilience leads. This role includes:

- Strategic co-ordination of all Community Resilience activity in the Local Resilience Forum.
- Maintaining an overview of Community Resilience activity and expected outcomes.
- Coordinating activities and identifying Community Resilience opportunities.
- Ensuring key messages are produced by risk owners and integrated into Community Resilience interactions with individuals and communities.
- Ensuring engagement with communities is risk focused so the Forum is prioritising geographical areas or vulnerable communities by potential impact on them.

For more information on our Local Resilience Forum, please see: www.hampshireprepared.co.uk

As well as supporting our communities prepare for wide spread incidents, we must also ensure we have the necessary arrangements in place to maintain our service delivery. Our Service Resilience Team provide the Contingency Planning and Business Continuity for the Service. This programme of work is achieved through engagement with all internal departments and with our partners in the Local Resilience Forum to:

- Identify and assess risk within Hampshire and the Isle of Wight
- Identify mitigation to the risks in Hampshire and the Isle of Wight (including Community Resilience)
- Produce individual department, service wide and Multi Agency response plans

- Undertake a programme of training and exercising at Operational, Tactical and Strategic levels

This work enables the Service to meet its mission critical activities and still respond to the communities of Hampshire during periods of disruption and high demand.

Collaboration

We work closely, on a day to day basis, with our blue light colleagues from other fire & rescue, police and ambulance services. A formal executive board for blue light collaboration between Hampshire police, South Central Ambulance Service and HFRS coordinates 20 initiatives to deliver greater partnership working (i.e. the coordinated response to high risk missing persons). We also have excellent relationships with our colleagues in Hampshire County Council, Southampton City Council, Portsmouth City Council, Isle of Wight Council. and other local authorities and agencies across Hampshire. We believe that through collaboration we can maximise the benefits of our collective offering to the public and therefore, Working with Partners is a key Service Plan priority for us.

Hampshire borders with Wiltshire, Dorset, Berkshire, Surrey and West Sussex. As incidents arise, we assist other fire and rescue services working across the border and neighbouring fire and rescue services will also assist us. There are standard agreements in place to either support the neighbouring fire & rescue service resolve an incident or to attend the incident on the other fire and rescue service's behalf.

Furthermore, we have come together with three other fire and rescue services to form an innovative partnership that revolutionises the way the best resource for an incident is identified and despatched. Devon & Somerset, Dorset, and Wiltshire Fire and Rescue Services joined Hampshire to form the Networked Fire Control Services Partnership, which means all of the services use the same technology in their Control centres. This allows us to be able to take 999 calls and mobilise appliances for each other, offering greater resilience and saving millions of pounds across the partnership. The integrated system allows the services to work together even more effectively, providing greater protection to the public and enhancing firefighter safety.

In addition to this, we deliver a co-responding scheme which launched in 2004 in partnership with South Central Ambulance Service. Co-responders, are firefighters with training in basic life support including resuscitation and defibrillation, who attend life critical incidents such as cardiac arrest, anaphylactic shock, strokes and asthma attacks. Supporting our ambulance colleagues in this way helps to provide an immediate response to incidents across the county and relieves the pressure on ambulances. In 2018/19 we attended 5,221 medical co-responder calls. We are the first fire service to hold clinical governance framework for our health-related work, which includes Immediate Emergency Care, Emergency Medical Response and falls response.

Our Senior Officers also lead the Isle of Wight Fire and Rescue Service (IWFRS) as their Chief Officers, in a unique partnership arrangement, the first of its kind in the country. We continue to work closely with IWFRS to find new ways of delivering services together more efficiently and support them in dealing with large and complex incidents. One of these ways includes handling 999 calls and mobilising IWFRS appliances through our Control centre. Further alignment will continue under these arrangements until April 2021, when our two Authorities combine.

We also seek to capitalise on our proven ability to reduce deaths and injuries in fires, by applying the same educational and experiential strengths to the road safety agenda as part

of a partnership approach. We are proud to be part of the Hampshire Road Safety Partnership, made up of:

- Hampshire County Council
- Portsmouth City Council
- Southampton City Council
- Hampshire Constabulary
- Hampshire Fire and Rescue Service
- Highways England

For more details please see:

<https://www.hantsfire.gov.uk/keeping-safe/ontheroad/>

We share many of our premises across these partners but most significantly we share our headquarters with Hampshire Constabulary. By co-locating in this way we hope to seek further opportunities for closer working and look to make efficiencies where possible. We also share many of our remote stations with Police and Ambulance colleagues. Making use of our estates in this way helps all partners involved, reduce premise related costs.

Hampshire Fire and Rescue Service's Human Resources, Finance and Procurement functions are delivered by Hampshire Shared Services. Shared Services also delivers services for Hampshire County Council and Hampshire Constabulary through an agreed partnership. The partnership continues to seek new members and grow its capability to increase resilience and deliver high quality services by combining expertise across a broad number of public sector services.

Performance & Assurance

Successful performance management relies on effective monitoring that drives informed decision making. Therefore, we ensure performance is appropriately reported and improvement actions are driven through transparent scrutiny. This starts at a local level with individual performance management supported by a personal development review process. Personal objectives are set against team plans which in turn support the Service Plan priorities.

Performance

Our strategic performance is reported to the Executive Group and to the Hampshire Fire and Rescue Authority twice a year. This report shows our progress against key performance indicators. These measures are made up of the Service-wide impacts, our response standard to critical incidents and other areas, including staff well-being. These measures help us focus our change activity across all our Service Plan priority areas. By 'Strengthening' the organisation we aim to deliver 'Safer' outcomes and the core measures are the impacts of those activities.

For more information on our performance reporting, please see:

<http://democracy.hants.gov.uk/ieListDocuments.aspx?CId=179&MIId=5593&Ver=4>

Inspection

In July 2017, Her Majesty's Inspectorate of Constabulary's (HMIC) remit was extended to include inspections of fire and rescue services in England. It is now called Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) and they were tasked with providing an inspection programme to begin in the financial year 2018/19. To help us prepare for this inspection we employed a Group Manager to operate as our Service Liaison Officer and provided additional support from various teams across the Service.

Our first inspection took place in June 2018. The inspection looked at three overarching pillars which are supported by many diagnostics and more detailed sub-diagnostics. The outcome of the inspection, reported in December 2018, was as follows in terms of ratings:

- Effectiveness - good
- Efficiency - good
- People – requires Improvement

The inspection identified many areas of good practice but also made several recommendations for areas that could be improved. There was one 'cause for concern', which was as follows:

Hampshire Fire and Rescue Service doesn't do enough to be an inclusive employer. We found signs of low morale in the workforce. People have little confidence that they will be treated fairly or that senior leaders have their best interests at heart. By June 2019 the Service should:

1. *Embed a programme to ensure that inclusion, fairness, equalities and professional development are priorities for the service;*
2. *Ensure that its recruitment activities are open and accessible to all of Hampshire's communities;*
3. *Treat employees according to their needs so they feel valued;*

4. *Ensure that each person's potential can be developed so they can perform to their very best;*
5. *Ensure that the chief officer team leads the programme, promoting the values of the organisation; and*
6. *Ensure that everyone knows how they contribute to the values.*

To see the full report, please see:

<https://www.justiceinspectors.gov.uk/hmicfrs/publications/frs-assessment-2018-19-hampshire/>

Following the publication of the report in December 2018, we were required to submit an action plan to address the 'cause for concern' by 30 June 2019. Our action plan, which focused on more than just the 'cause for concern' is monitored at the Executive Group and the Standards & Governance Committee on a regular basis.

Operational Assurance

Our operational activities are supported by clearly defined policies and procedures. An Operational Assurance team work hard to capture lessons of our effectiveness and look to make improvements where possible. They do this using a number of key assurance mechanisms that test the performance of our operational staff but also test the effectiveness of Service policies and procedures.

One of the assurance mechanisms is operational assurance assessments. This is where a Group Manager will visit a Station and run an operational exercise with the crew to assess their performance and address any areas of concern. We also have Station Commander Peer Reviews, where Station Commanders will visit other stations to assess their inventories, vehicles and their personal protective equipment. This is to ensure standards are being met and procedures being followed appropriately. These mechanisms also provide crews with an opportunity to feedback any improvements that could be made to policies and procedures. All this information is then assessed by the Operational Assurance Team and improvements made where required.

To provide assurance at incidents we use Tactical Advisors, which attend critical incidents to support our crews. The role of the Tactical Advisor is to monitor the decisions being made by the Incident Commander and provide assistance if required. We have a post incident a debrief process, which also includes any significant events that could impact on our service delivery. Feedback is gathered from all those involved and the Operational Assurance Team will analyse any trends. This information is then presented back to the individuals involved to highlight any areas of performance and to discuss potential solutions. This leads to improvement actions at a policy level as well as the identification of possible risks that may occur again should similar incidents occur in the future.

Our Operational Assurance Team also support multi-agency exercises as part of our contingency planning and business continuity. By assessing the effectiveness of these exercises, we are able to identify ways of working more effectively with our partners and make the necessary plans to ensure that should a major incident occur, we are able to deal with them accordingly.

We also contribute our learning to the National Operational Learning Group. This Group provide National Operational Guidance to support a common approach across fire and rescue services. We provide our technical expertise to help shape this guidance, which is

regularly reviewed and widely adopted. For more details on the National Operational Learning Group, please see: <https://www.ukfrs.com/>

Audit

Hampshire Fire and Rescue Authority is responsible for establishing and maintaining appropriate risk management processes, control systems, accounting records and governance arrangements. Internal audit plays a vital role in advising Hampshire Fire and Rescue Authority that these arrangements are in place and operating effectively. Our internal audits are carried out by the Southern Internal Audit Partnership who also assist us in the development of future audit plans.

Details of our internal audits are reported to the Authority through our Standards & Governance Committee. This includes the progress of management actions resulting from observations of improvements required, which we monitor closely and also report on internally. Our overall assurance rating for 2018/19 was 'limited'.

For more details please see papers submitted to the Standards & Governance Committee, available at: <https://democracy.hants.gov.uk/mgCommitteeDetails.aspx?ID=178>

Transparency

The Local Government Transparency Code 2014 is designed to ensure greater transparency of local authority data. In compliance with this code, we publish the following public data:

- Expenditure exceeding £500
- Procurement card transactions
- Procurement information:
 - Contracts register
 - Tenders
- Local Authority Land
- Grants to voluntary, community and social enterprise organisations
- Organisation chart
- Trade Union facility time
- Senior salaries
- Constitution
- Pay multiple

We ensure that the publication of any data complies with the Data Protection Act 1998 and future General Data Protection Regulations due to come into effect May 2018.

For more details please see: <http://www.hantsfire.gov.uk/how-we-are-performing/open-data/>

We also facilitate the request for any additional information through a well-managed Freedom of Information request process. For more details on how to make a request for information please see:

<https://www.hantsfire.gov.uk/about-us/contact-us/freedom-of-information-application/>

Feedback

We also encourage feedback from our communities to help us improve our performance. Any issues raised are assigned an investigating officer who carries out a comprehensive investigation to determine the cause and recommend any remedial actions. Learning from this feedback is exceptionally important to us and annual reports are discussed at our Executive Group meeting. For more details regarding feedback, please see: <https://www.hantsfire.gov.uk/about-us/contact-us/get-in-touch/>

People & Organisational Development (POD)

Our People Strategy described what was required of our employees and aimed to meet the changing needs and expectations of society and future opportunities for Hampshire Fire and Rescue Service. The role of the firefighter and indeed of the Service has dramatically changed over the years, we are no longer a one dimensional 'one size fits all' Service. The rate of change has particularly sped up in the last couple of years.

Following the HMICFRS outcomes and in support of the new IRMP and subsequent Service Plans that will begin in April 2020, we are going to develop a new People & Organisational Development Directorate which will be accompanied by a new strategy. This strategy will encompass the following areas:

- Inclusion and Diversity;
- Culture, Values & Behaviours;
- Health and Wellbeing;
- Workforce transformation and engagement;
- Learning and Development;
- Leadership and Management.

People Performance

We strive for excellence through delivering outstanding training and support people to achieve their full potential. Developing a skilled workforce begins with recruitment, training and development programmes, leading into our Maintenance of Competence Scheme. We ensure our staff competencies are regularly assessed and core competencies such as safe working at heights, the use of breathing apparatus and applying incident command are assured at an appropriate competent level.

To ensure all our operational staff are fit to carry out their duties we undertake two fitness assessments every year. This includes an output test and either a multi stage fitness test / bleep test or a Chester treadmill test.

We also monitor staff sickness through regular reporting and national benchmarking at our Resource Management Group. This Group considers all aspects of resource management and staff wellbeing to ensure teams are appropriately supported and to maximise our availability. This includes developing new and innovative ways of recruiting and maintaining on-call staff. In 2018/19 we launched a new campaign called '*Feel the burn*' which is focused around encouraging more females to apply for firefighter roles.

We believe having an inclusive, engaged workforce means better outcomes for our communities. We run annual conferences, staff cultural surveys and focus groups to understand and discuss the issues facing our teams. The results of these help to shape our People Strategy and provide our leaders with crucial insight into how we can better support and equip our teams.

Finance

The Authority has an excellent track record in financial management and in staying ahead of the curve in response to a sustained period of austerity that has had a major impact on the public sector.

Medium Term Financial Planning on a mid to worse case scenario basis has enabled us to put savings plans in place that have not only successfully balanced the budgets over a period of six years but have also provided surplus resources to fund the cost of transformation and improvements in support of the Service Plan deliverables. It also includes funding arrangements for the maintenance of our vehicles, equipment and estates.

Our Medium-Term Financial Plan is regularly updated and reported to the Executive Group and the Hampshire Fire and Rescue Authority. Progress reports monitor the outcomes of any income generation or cost saving improvements and are used to make appropriate adjustments to future budgets.

For more details on our budget for 2019/20, please see:

<https://www.hantsfire.gov.uk/how-were-performing/our-performance/budget-accounts-and-regulations/>

In addition to this, it is important that public money is used well and appropriately managed. We do this by using proper accounting practice within our own set of Financial Regulations. This means that when we plan our budget or require additional funds, there are protocols to give appropriate scrutiny on how public money is to be used and to ensure there is clear justification to do so. This includes policies and procedures in place for the prevention of fraud & corruption and a Register of Interest and a register of Gifts & Hospitality. These robust systems are used for identifying and evaluating all significant financial and operational risks to the Authority on an integrated basis. Performance against this framework is assessed using an Assurance Framework Survey, the recording and investigation of suspected incidents and a review from our Internal Auditors into directorship of external companies that the Hampshire Fire and Rescue Authority has made payments to. Based on these controls, no changes have been made to the strategy, which we have assessed to be working appropriately.

For more details please see: <http://www.hantsfire.gov.uk/how-we-are-performing/our-performance/budget-accounts-and-regulations/financial-regulations/>

Financial Performance

Ensuring that funding is appropriately accounted for is vital for all public sector organisations. Our financial performance is reported to the Executive Group and the Hampshire Fire and Rescue Authority every year:

<http://democracy.hants.gov.uk/ieListDocuments.aspx?CId=179&MId=5594&Ver=4>

Budget management during 2018/19 has allowed an underspend to be achieved at year end which will help to fund the Service priorities and enable the key changes required to make budget reductions at the same time as service improvements. Each year our financial accounts are audited by an external body. Once approved by the external auditor our Statement of Accounts is published and contains more detail regarding our expenditure. For more details of our Statement of Accounts, please see: <https://www.hantsfire.gov.uk/how-were-performing/our-performance/budget-accounts-and-regulations/statement-of-accounts/>

Summary

2018/19 has been a significant year of activity with the introduction of the HMICFRS inspection programme. On the whole the outcomes of our first inspection were good but there were some clear areas of improvement that have been identified including one 'cause for concern'. With our restructured Service, including the new People & Organisational Development (POD) directorate, we continue to respond positively to these issues raised and make the necessary improvements.

Our approach to these improvements has begun at the highest level of the organisation by assigning each diagnostic that requires improvement with a Strategic Lead from our Executive Group. It will be their responsibility with the support of action owners primarily from our Chief Officers Group, to ensure that plans are delivered in a timely and cost-effective manner.

In addition to this, our overall internal audit opinion was 'limited'. This highlighted some concerns regarding some of our risk management controls within different areas of the Service. As part of our planning cycle, we will be implementing a new risk management framework following the delivery of our new Integrated Risk Management Plan (IRMP). We will also further develop our relationship with Internal Audit and make amendments to our controls in order to improve the overall and individual audit assurance ratings.

Our new IRMP, covering both Hampshire and the Isle of Wight, will be developed in 2019/20 to be launched April 2020. This will set our strategic objectives which our subsequent Service Plans will aim to achieve over a five-year period. In addition to developing our new plans, we will also be reflecting back at our Service Plan 2015 to 2020 to see what benefits have been achieved and what lessons need to be carried forward into our new planning cycle.

Another key event in 2018/19 was the approval of a combined Fire Authority with the Isle of Wight by both the Hampshire Fire and Rescue Authority and the Isle of Wight Council. This has now set in motion plans that are being developed to ensure alignment and a smooth transition come April 2021.

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**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Purpose: Approval

Date: **4 December 2019**

Title: **HAMPSHIRE FIRE AND RESCUE SERVICE AND UNITED KINGDOM INTERNATIONAL SEARCH AND RESCUE (UKISAR)**

Report of Chief Fire Officer

SUMMARY

1. UK International Search and Rescue (UKISAR) is a team made up of firefighters from across the UK, who respond to humanitarian crises when requested by a country in distress and on behalf of Her Majesty's Government.
2. Hampshire Fire and Rescue Service (HFRS) has several personnel whom currently are prepared for deployment. There are also a number of personnel who have been deployed to previous international incidents.
3. There are many benefits which HFRS receive from the involvement of staff in such operations. However, there is no statutory duty to deploy, but has powers to do so within the Fire and Rescue Services Act 2004.
4. There are risks with HFRS continuing to deploy staff to UKISAR.
5. The purpose of this report is to set out the risks and benefits of HFRS deploying staff to UKISAR. This report seeks a policy position from Hampshire Fire and Rescue Authority (HFRA).

BACKGROUND

6. The UK Government, through the Department for International Development (DfID), looks to UKISAR to provide international search and rescue to countries overseas who have suffered from natural disasters. Though used infrequently, it gives an instantly reliable, highly professional service when called upon and relieves suffering from those who need foreign aid the most.
7. Formed in 1993, UKISAR is a co-operative of fifteen UK Fire and Rescue Services (FRS). Each Service contributes competent personnel and equipment and provides these resources when requested. The UKISAR Team responds primarily to international disasters on behalf of the UK Government but also carries out activities to support other nations to develop local and national Urban Search and Rescue (USAR) capacity/capability.
8. Merseyside Fire and Rescue Service (MFRS) is the Lead Authority for the co-ordination of FRS response to international disasters. There is a

permanent secondee from UK FRS' who is the Fire and Rescue National Resilience UKISAR National Coordinator. The National Fire Chiefs Council (NFCC) supports UKISAR with strategic and tactical groups.

9. UKISAR is fully prepared to respond to international incidents as outlined in the memorandum of understanding (MOU) entitled 'UK Fire and Rescue Sector Support to Her Majesty's Government for Emergency Response Operations Overseas'.
10. HFRS has been a prominent part of UKISAR since its inception and HFRS continues to develop new capabilities such as the UK Emergency Medical Team, provide specialist logistical support, humanitarian assistance and technical fire safety advice.

CAPABILITY

11. UKISAR is made up of personnel from 15 FRS' from across England, Wales and Scotland. These firefighters are typically those from USAR teams.
12. UKISAR teams are normally deployed to undertake tasks such as:
 - (a) Assessment;
 - (b) Search for deeply trapped victims;
 - (c) Scene stability;
 - (d) Gaining access to structures;
 - (e) Advanced life support;
 - (f) Rescues, including using heavy equipment.
13. UKISAR teams are deployed in most cases for up to 10 days where they are self-sufficient and provide 24 hour operations.
14. Every five years, UKISAR must be reclassified under the International Search and Rescue Advisory Group (INSARAG)¹ to permit the team to be deployed legitimately.
15. Typically, HFRS, amongst other Services, will contribute to the makeup of any UKISAR team.
16. 2019 has seen a widening of the scope of UKISAR operations with an extension of its Emergency Medical Team (EMT) and also Field Hospital capability.

DEPLOYMENTS

17. Following a sudden on-set disaster, UKISAR teams will be put on standby, but only stood up to deploy following a request from the affected country. Security, political and humanitarian impact assessments are required by the Foreign and Commonwealth Office, before the request can be made for a

¹ <https://www.insarag.org/>

team from UKISAR. At this stage a dedicated trained Safety and Security Officer will be appointed prior to all mobilisations.

18. Historically, a deployment from HFRS has been authorised by the Duty Brigade Manager and the welfare of those joining the team has been tracked throughout the deployment.
19. During a UKISAR deployment, costs are recovered by HFRS from Her Majesty's Government.
20. UKISAR supported by HFRS firefighters, has undertaken highly successful search and rescue missions all over the world. The most recent and very high-profile events include disasters in Haiti (2010), Japan (2011), New Zealand (2011), Nepal (2015) and most recently Bangladesh (2017/2019).

FUTURE NEED

21. The DfID continues to develop the UKISAR offer to help in humanitarian crisis areas.
22. Global disaster statistics show that the vast majority of high impact earthquakes occur in less developed countries, and as such, there is a greater need for support and the UK intervention will add significant value.
23. The development of the EMT and field hospital capability includes everything from outpatient treatments to complex lifesaving operations. There is a growing need with this capability for UKISAR to provide logistical support.

SUPPORTING OUR SERVICE PLAN AND PRIORITIES

24. Fire and Rescue Authorities (FRA) are required to develop and maintain a workforce that is professional, resilient, skilled, flexible and diverse, as set out within the national framework document. This is also a strategic objective of the HFRS Plan 2015-2020 *Making Life Safer- Responding to Incidents*.
25. All the skills obtained by HFRS personnel through deployment to UKISAR are fully transferable into their roles at HFRS and will serve to enhance HFRS delivering response and rescue capabilities to the public of Hampshire.
26. Firefighters extending the use of their skills to those in humanitarian crises and in the most need is reported back to Hampshire. This helps to enhance the reputation of HFRS in terms of the skills and experience of staff, and also of their care and compassion for those in most need.

RESOURCE IMPLICATIONS

27. Many of the skills needed for deployment to UKISAR are maintained by staff at HFRS due to their involvement in the USAR capability provided by the UK Government as part of the National Resilience Programme. HFRS team members are recruited in the main from across Hampshire's wholtime stations with the majority being based at Station 32, Eastleigh.

28. Costs associated with operational deployments are reimbursed to HFRS by the Department for International Development and are based upon agreed rates. Costs associated with capacity building, certification and training are reimbursed to HFRS from central funding.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

29. No environmental implications have been identified from this report.

LEGAL IMPLICATIONS

30. HFRS has no statutory duty to respond in emergencies highlighted in this paper, outside of Hampshire.
31. Under Section 11 of the Fire Rescue Services Act (FRSA) 2004, HFRS has legal powers associated with a response to emergencies highlighted in this paper outside of Hampshire.
32. United Nations General Assembly resolution 57/150 states:

“Noting with appreciation, in this respect, the important contribution made by international urban search and rescue teams in the aftermath of disasters, which has helped to reduce loss of life and human suffering”.

“Further urges all States that have the capacity to provide international urban search and rescue assistance to take the necessary measures to ensure that international urban search and rescue teams under their responsibility are deployed and operate in accordance with internationally developed standards...”.

33. HFRS has some indemnity insurance cover from Fire and Rescue Indemnity Company (FRIC). It is stated:

“For declared ISAR teams. Activates 2 optional areas of Public Liability Protection:

i) “United Kingdom International Search and Rescue activities”, £50m per event. Worldwide geographical limits apply.

ii) “Your employees being passengers or involved in winching operations in a rescue helicopter or rescue aircraft”, £5m per event.

Where activated on Public Liability, the risks associated with these activities are also accepted on the Employers Liability section”

EQUALITY IMPACT ASSESSMENT

34. HFRS currently has 18 UKISAR staff members who are trained, inoculated and equipped to mobilise as part of the earthquake response. This number provides HFRS with resilience. Prior to deployment, authority must be given at Brigade Manager level and due consideration is given, at that point, to any adverse impacts on domestic provision for technical rescue and USAR capability for incidents within the county or for national deployments.

OPTIONS

35. There are two clear options that have been identified within this paper:
 - (a) HFRA continues to provide capability for UKISAR operations when requested to do so by Her Majesty's Government;
 - (b) HFRA withdraws the capability of International Search and Rescue and no longer deploys to UKISAR operations.
36. Option (a) is subject to further controls as set out within the Recommendations below.

RISK ANALYSIS

37. **Insecure Environments.** This risk is controlled by the Foreign and Commonwealth Office conducting a full security, political and humanitarian impact assessment prior to decision to deploy. Additionally, a UK national operations room will monitor a deployment of UKISAR 24 hours per day.
38. **Exposure to extreme levels of human trauma and suffering.** Emotional and mental health and wellbeing support is offered to all HFRS personnel through existing schemes such as Trauma Risk Management (TRiM) and Employee Assistance Programme (Health Assured) and professional help through Occupational Health is also offered.
39. **Media exposure regarding the operational decision to deploy.** This exposure can be positive with regards to HFRS' reputation, but can also present a risk if there is national criticism of a deployment. This will be managed by HFRS' Communications team
40. **Environmental Challenges.** These relate to climatic risks, exposure to health risks and cultural risks. All personnel are trained for UKISAR operations by identifying and simulating conditions they are likely to work in. All HFRS staff that are part of UKISAR teams are appropriately inoculated. Her Majesty's Government will chaperone and prepare UKISAR teams on deployment to overcome language and cultural differences.

CONCLUSION

41. Experience indicates that there is a need for a UK International Search and Rescue team. This is endorsed by Her Majesty's Government.
42. HFRS personnel are a key component of UKISAR which is coordinated by the National Fire Chiefs Council and deployed by the Department for International Development.
43. There are risks associated with the continuation of this deployment and support as detailed above. These risks have shown to be manageable.
44. There are significant benefits to be gained from this support as detailed above which is encouraged by UN resolution 57/150. With control measures it is recommended that HFRS continue to support UKISAR.

RECOMMENDATION

45. That Hampshire Fire and Rescue Authority approve option (a) that it continues to provide a capability for UK International Search and Rescue from HFRS when requested to do so by Her Majesty's Government.
46. That Hampshire Fire and Rescue Authority approve maintenance of the appropriate resources to facilitate the required capability to UKISAR.
47. That Hampshire Fire and Rescue Authority approve procedures formed to deploy; which are outside of HFRA's statutory duty, being delegated to the Chief Fire Officer.

Contact:

Stewart Adamson, Assistant Chief Fire Officer, Stew.adamson@hantsfire.gov.uk



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Purpose: Approval

Date **4 December 2019**

Title **2020/21 BUDGET UPDATE**

Report of the Treasurer

EXECUTIVE SUMMARY

1. This report is to provide an update to members of the current financial position for the 2019/20 Revenue Budget and an update on the 2020/21 budget setting process.
2. An underspend of £0.447m is currently forecast against the 2019/20 budget as detailed in paragraphs 15-17 below.
3. No Medium Term Financial Plan (MTFP) has been presented to the HFRA this year, as we were awaiting the results of a multi-year Spending Review that was due to take place over the Summer. Given the national political situation and ongoing Brexit issues only a one year Spending Round was announced and the details of this are reflected in this report.
4. The latest reported forecast for 2020/21 that is available is from the September 2018 MTFP and anticipated a deficit of £1.8m. However, £0.7m of that was found as part of the 2019/20 budget setting process and it is possible that the remaining shortfall will be covered by higher than forecast Government Grant, increases in the Council Tax Base and some reductions in the estimated requirements for inflation.
5. The precept increase was forecast at 1.99%, and this is in line with the limits set out in the Spending Round, albeit that the Government will consult on the referendum limit in due course. Given the continuing uncertain financial future it is recommended that the precept be increased by the maximum allowed in 2020/21.
6. There has also been a favourable change in the funding position for the Hampshire Local Government Pension Scheme (LGPS) which will impact on our forecasts for next year and this report sets out a proposed strategy for dealing with this.
7. Given the ongoing uncertainty about future grant settlements and the fact that detailed figures for next year will not be announced until December, it is proposed that an 'interim' financial plan be brought forward to the Authority when it sets the budget and precept for 2020/21 in February next year.

BACKGROUND

8. The current financial year represents the final year of the current Spending Review period, beyond this time, no grant figures were available, albeit that a Spending Round was expected in Summer of 2019. Given this position, it was decided to delay the production of the Medium Term Financial Plan (MTFP) which is normally reported in September each year, to February when it was expected that we would have a further multi-year settlement with detailed figures for HFRA.
9. Members will be aware that given the national political situation surrounding Brexit, it was decided to do a single year Spending Round for 2020/21 in September 2019, but which provided more financial certainty for the public sector earlier than would normally be the case. The Spending Round was announced on 4 September and whilst there was significant information released for Local Government, there were only a few key messages for Fire:
 - Real terms increase in grant funding (the Home office Departmental Expenditure limit has increased by over 6% but we do not know how much of this will come to Fire);
 - A continuation of the Pension Grant at the same levels as 2019/20 – a significant issue for all Fire Authorities;
 - A core council tax referendum limit of 2%, a reduction from the 3% level that had been allowed over the last two financial years.
10. Whilst this provides some level of certainty for 2020/21 it means that even by February 2020, the Authority will have no visibility of its financial position beyond this time and it may therefore be necessary to consider an 'interim' financial plan to deal with this exceptional position, which will be considered in February next year.
11. Turning to the budget for 2020/21, the plan presented to the HFRA in September 2018 showed a predicted £1.8m funding shortfall for 2020/21. That included a £0.7m deficit carried forward for 2019/20, which was found through the budget setting for 2019/20 and this therefore reduces the on-going deficit to £1.1m.
12. The budget setting process is currently underway, which will review all budget lines with the aim of ensuring that they are valid and accurate and will remove any excess funding that is held within departments.
13. The MTFP included a reduction in grant of around £700,000 in 2020/21 and therefore, even allowing for a 2% increase on the 2019/20 figure would provide additional funding of £840,000 compared to the forecast position. It is anticipated that this change together with other favourable movements in the forecast, will hopefully enable a balanced budget to be set for 2020/21.
14. Budget monitoring is carried out through the year, with quarterly forecasts being presented to Executive Group and the HFRA. The forecast position as at 30th September 2019 is for an underspend of £0.447m.

2019/20 QUARTER 2 BUDGET MONITORING

15. The table below shows the budget monitoring for 2019/20 as at 30 September 2019.

	2019/20 Current Budget Quarter 2 £'000	2019/20 Forecast as at end Quarter 2 £'000	Variance Underspend / (Overspend) £'000
Employee costs	54,134	53,266	868
Premises	5,938	6,031	(92)
Transport	1,545	1,786	(241)
Supplies & services	12,423	12,461	(38)
	74,040	73,543	497
Income	(1,464)	(1,452)	(11)
Specific grant	(2,473)	(2,434)	(39)
Interest payable / (receivable)	578	578	0
	70,682	70,235	447
Cont'n to/(from) Capital Payments Reserve	1,358	1,358	0
Cont'n to/(from) Transformation Reserve	(1,866)	(1,866)	0
Cont'n to/(from) other reserves	438	438	0
Net Cost of Service	70,612	70,165	447

16. The main points to note are:

- (a) There is a significant underspend on employees due to vacant posts following re-structuring. These posts are now being recruited to and this underspend is expected to reduce over coming months.
- (b) There is an overspend of £92,000 on Business Rates, particularly at Basingstoke Fire Station caused by higher than expected increases on the charges, this will be corrected as part of 2020/21 budget setting.
- (c) The £241,000 overspend on Transport is mainly caused by two factors. Firstly, the travel cost of temporary postings for firefighters. This is being addressed and a new process is now in place to reduce this cost. And secondly, an overspend on vehicle maintenance, including the legislative changes for replacement of tyres on appliances which has needed to be brought forward causing higher spend in this year.

17. The current forecast is a lower underspend than in recent years, this is due to the restructures now having been made and the budgets for savings removed. Posts are planned to be filled during the year and the Service should be running in line with the new operational structure.

RESERVE FUNDING

18. One of the key features of the HFRA MTFP has been the ability to build in recurring contributions to reserves at the same time as reducing spend in response to funding reductions. This ensures that funding is available in the future for major spend on capital investment and equipment refresh etc. The reserves that we hold are for specific purposes and are not available to temporarily prop up revenue expenditure unless that is part of a deliberate strategy.
19. An updated Reserves Strategy that explains the purpose of the reserves we hold and their planned usage will be presented alongside the budget report in February. This is an important part of our financial planning and is one of the key reasons that HFRA is in the strong financial position that it is today.
20. In line with this strategy, the budget for 2019/20 includes a contribution of £600k towards equipment replacement, which is due to increase to £750,000 next year and is part of the existing MTFP forecast. This was agreed as a way of planning for the replacement of significant equipment and has made a significant difference to the ability of the Technical Services team to plan for future equipment replacement.
21. As part of the ICT Transformation Project, it was agreed that there would be an annual contribution to reserves to cover future replacement costs. However, no specific amount was approved and contributions are not currently being made. As ICT becomes more important to the operational effectiveness of service, it has become clear that a significant annual contribution to reserves will be needed to allow for future replacement programmes.
22. It is therefore proposed that an annual contribution of £0.5m be made to the ICT Reserve and depending on the overall budget position for next year that this is built into the revenue budget from 2020/21 onwards. If it is only possible to include a smaller amount due to the overall financial position then the intention would be to increase the contribution in future years until we can reach the £0.5m target.

CFA FUNDING

23. The new CFA for Hampshire and the Isle of Wight has been approved by the Home Secretary and is now awaiting ratification of the Statutory Instrument, expected in March 2020, which is later than the previously expected date of September 2019.
24. This has meant a delay to the creation of the new CFA from April 2020 to April 2021. Work has been carried out to assess the effect that this delay will have on the implementation costs. The forecast is that between a further £265,000 and £305,000 of funding will be required as a result of the delay.
25. Most of the additional costs relate to the extension of the programme and project resources employed on the project and additional business readiness activity that will need to be undertaken over the extended timeframes. The Authority is asked to approve up to a maximum of £305,000 of additional project funding to be met from the Transformation Reserve.

FORWARD BUDGET 2020/21

26. An interim financial plan will be presented to the Authority in February 2020 once there is more certainty around the detailed figures for 2020/21, in the meantime, the planning assumptions for the 2020/21 budget are detailed below.

Precept

27. In the September 2018 MTFP, a precept increase of 1.99% had been included within the Forecast. No firm referendum limit has been set for 2020/21 as yet, however, the Spending Round indicated that a core council tax referendum limit of 2% will be consulted upon. Given the uncertain financial future it is recommended that the Authority increase council tax by the maximum amount permissible for 2020/21, albeit that this is subject to final confirmation at the Budget Setting Authority planned for February 2020.
28. The total precept received is also affected by the council tax base, which is the total number of dwellings paying the precept within Hampshire. Due to on-going demands for more housing, this figure has increased year on year for many years, but the increase has varied significantly. An increase of 1.0% had been built into the MTFP, but estimates have now been received from the precepting authorities which indicate a higher increase at around 1.5%. This increase will therefore contribute around £220,000 to any remaining shortfall for 2020/21.

Service Delivery Redesign (SDR)

29. The operational changes were made for the SDR programme ready for April 2019 and the new structure has been in place and working across the Service since that time. Most savings were therefore removed from the 2019/20 budget, however there is a further £404,500 is still to be removed, which will happen as part of 2020/21 budget setting. This will bring the total programme saving for SDR to £4.1m.

Zero Based Budget

30. As part of the budget setting process, a version of zero based budgeting is being carried out across the organisation. This is an annual process and will be on-going, to ensure that all budgets are as accurate and relevant as possible.
31. This process involves all budget lines being reviewed to ensure that they are valid and of an appropriate amount. This can result in individual budget lines being increased, reduced, removed or added, but it is expected that the final result will be an overall reduction or will be used to prop up areas where the budget is not representative of normal activity.

Pay Inflation

32. An inflation rate of 2.5% has been used for both professional services colleagues and firefighters for 2020/21. The 2019 increase for Firefighters was recently agreed at 2%, however, discussions are on-going about future increases, with the Fire Brigades Union pushing hard for significantly higher increases in future years. The impact of the 2019 award is a saving of £192,000 on the budget going forward that will be taken into account as part of the detailed budget preparation.

Hampshire LGPS

33. Members will be aware that non firefighting staff are able to join the Local Government Pension Scheme (LGPS) which in Hampshire is managed by the County Council. Unlike the firefighters pension scheme, the LGPS is funded, in that it is backed by a separate fund that is designed to meet the future liabilities for pension payments through member contributions and investment returns.
34. The fund is re-valued every 3 years and for many years there have been significant deficits in the fund that have required increased contributions from employers to try to close the deficit. In 2019/20 HFRA is paying a future service rate of 16.1% of pay together with an annual deficit contribution of around £760,000.
35. In 2016 the fund was around 81% funded, meaning that there was a deficit that needed to be recovered from employers over an extended period. The initial high level results for the 2019 valuation indicate that for 'scheduled bodies' (of which we are one) the fund is almost 100% funded following an improvement in investment returns over the period and a slow down in the increases in life expectancy.
36. The higher funding level has also enabled the County Council as administering authority to move to individual employer contribution rates rather than a grouped rate which has been a unique feature of the Hampshire Pension Fund for many years, but is no longer fit for purpose given the complexities around pensions generally and the outsourcing of functions across the local government sector.
37. In terms of the financial impact of the funding level, we expect the future service rate for HFRA to be in the region of 16.8% going forward (although this will not be confirmed until later), which will mean that we need to find approximately £135,000 per annum to provide for this increase (other employers have rates of up to 19.5%). However, the higher funding level does provide the opportunity to reduce the past deficit payments that we are currently making. After allowing for the increase in the future service rate, there will be a net saving in the past deficit contribution of around £625,000 per annum.
38. Whilst this is very positive, it must be set against the potential risk that with the uncertainty of Brexit and the wider impact on the national economic climate, the fund could fall back to previous levels by the next triennial valuation in 2022. If the Authority were to take this revenue saving into its baseline funding now, and the fund were to decline over the period it could mean finding extra recurring revenue money at that stage on top of any further savings that are required to balance the overall budget.
39. With this in mind, and considering the lack of information on our financial position past 2020/21, it is recommended that the net saving of £625,000 per annum arising from the favourable 2019 Pension Fund valuation be used to create a Grant Equalisation Reserve in the intervening period, to help smooth any future reductions in grant that may be announced, giving us the time and capacity to implement savings in a planned way. This can obviously be reviewed following the multi-year Spending Review due to take place next year, that will inform our MTFP going forward.

40. On a related item, the move to individual employer contribution rates also provides the opportunity for employers to make pre-payments to the fund to benefit from the additional investment returns that this may yield (which should far exceed the rates available in the market). This report therefore seeks delegated authority for the Treasurer to make pre-payments of contributions (up to three years' worth) and to pay off any residual deficit at the end of this financial year, if it is considered financially beneficial to do so (detailed proposals for pre-payments are due to be released by the fund shortly).

CAPITAL

41. The Capital Programme is currently fully funded through to 2021/22, although in later years the programme makes general assumptions around the level of spend required for vehicle replacement, in line with previous years' requirements.
42. As capital grant is no longer received from government, all funding for capital expenditure must come from capital receipts, borrowing, reserves or directly from revenue (known as Revenue Contributions to Capital Outlay or RCCOs).
43. RCCOs have been increased over recent years in order to bring them to £3.905m, which is the level needed to fund the on-going business as usual requirements of the capital programme (i.e. excluding major investment decisions such as new stations). This figure has therefore now been built into the base budget as RCCO and will become a regular contribution, which will be reviewed in line with future vehicle and property strategies.
44. The table at **Appendix A** shows the expected capital spend and provides the funding plan over the coming years.

TREASURY MANAGEMENT

45. The mid-year Treasury Management Report is attached at **Appendix B**. It provides an update of the Authorities return on investment as at 30 September 2019.
46. In line with the CIPFA code this has to be reported to the Authority.

SUPPORTING OUR SERVICE PLAN AND PRIORITIES

47. Ensuring that funding is appropriately accounted for is vital for all public sector organisations. Good budget management in the past has allowed underspends to be achieved, which will help to fund the Service priorities and enable key changes required to make the budget reductions at the same time as service improvements.

CONSULTATION

48. The Authority undertook a major consultation process during 2015 that sought residents and stakeholders' views about the proposed changes arising from the Risk Review as well as other issues around budgets and council tax levels. The most relevant point to note for this report is that the majority of respondents were happy to see a rise in council tax in order to protect services provided by the Authority.

49. Further consultation is expected to take place with business and Unions as part of the budget setting process for 2020/21.

RESOURCE IMPLICATIONS

50. This report deals with the financial planning and budget setting arrangements for the Authority

LEGAL IMPLICATIONS

51. There is a legal requirement to set a balanced budget and council tax precept each year prior to the 1st March. This report forms part of the planning and governance associated with that decision making process.

EQUALITY IMPACT ASSESSMENT

52. The setting of the overall budget in itself does not have a direct impact on people but where specific proposals (such as savings or new spend) are proposed these will be subject to impact assessments and consultation in line with existing policies.

OPTIONS

53. There are no options for consideration within this report, although budget setting and forecasting by its very nature means that assumptions are made around several variables that can be changed over time.

RISK ANALYSIS

54. The Authority has an established process for planning ahead to meet financial targets. This has helped considerably in managing the reductions in Government grant as set out in this report.
55. The current savings programme has progressed according to plan but development and implementation of a new savings programme will need to be kept under review and will be considered in February next year following the update of the Integrated Risk Management Plan and the announcement of grant figures for 2020/21.
56. The lack of information past 2020/21 is a concern for the Authority and there continues to be a high probability of a budget deficit in future years which will require reductions across the Service and increases in council tax. The Service continues to consider options as to how a shortfall could be overcome, including examining other potential income sources. However, as a backstop position, the Authority has sufficient reserves and makes substantial contributions to reserves each year, thereby mitigating this risk. The creation of a Grant Equalisation Reserve as set out in this report will further mitigate the potential risks faced.

CONCLUSION

57. It is recommended that the Authority approve the assumptions made within this report, which will be used as the basis for 2020/21 budget setting.

RECOMMENDATIONS

58. That Hampshire Fire and Rescue Authority agree with the principle of setting the precept at the maximum level without breaching the referendum limit, subject to final decisions by the Authority in February next year.
59. That the Hampshire Fire and Rescue Authority approve an annual contribution of up to £0.5m into the ICT Reserve dependent on the eventual budget position in February.
60. That additional funding of up to £305,000 be approved from the Transformation Reserve for CFA preparation costs as a consequence of the additional years delay in implementation.
61. That the estimated net annual saving arising from the 2019 Pension Fund valuation be contributed to a new Grant Equalisation Reserve in 2020/21 and future years (subject to review following the Spending Review next year)
62. That the mid-year review of treasury management activities in Appendix B be noted.
63. That delegated Authority be granted to the Treasurer to make pre-payments of contributions (up to three years' worth) into the Hampshire Pension Fund or pay off any residual deficit amount if it is considered financially beneficial to do so.

APPENDICES ATTACHED

64. Appendix A – Capital Expenditure and Funding
65. Appendix B – Treasury Management Mid-Year Report

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Revised Capital Spend Profile 2019/20 - 2023/24

	Approved Spend	2018/19 and previous years	2019/20	2020/21	2021/22	2022/23	2023/24	Latest Estimate	Estimated Balance (Under (-) / Over)
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Spend:									
Basingstoke Fire Station	6,875	6,717	158					6,875	0
Fire control system - (FGP 4/12) NFCSP	729	671	58	0	0	0	0	729	0
Solar photovoltaic panels	1,076	1,059	17	0	0	0	0	1,076	0
Thermal imaging cameras	350	252	72	0	0	0	0	324	-26
Estates Transformation -HQ Phase 2	4,583	4,794	68	0	0	0	0	4,862	279
Vehicles			4,221	7,112	5,293	5,825	3,542	25,993	
Retained Station Replacement Programme	100	0	100	0	0	0	0	100	0
Replacement Fire Training Facility	3,500	0	3,500	0	0	0	0	3,500	0
Total Programme Cost	17,213	13,493	8,194	7,112	5,293	5,825	3,542	43,459	253

Financed by:									
Capital payments reserve		11,493	8,125	7,095	5,173	5,825	3,542	41,253	
Prudential Borrowing		0	0	0	0	0	0	0	
Revenue Grant unapplied reserve		0	58	0	120	0	0	178	
Capital receipts		1,500	11	17	0	0	0	1,528	
Capital Grant			0	0	0	0	0	0	
Partner contributions		500	0	0	0	0	0	500	
Total financing		13,493	8,194	7,112	5,293	5,825	3,542	43,459	

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Treasury Management Mid-Year Monitoring Report 19/20

1. Executive Summary

- 1.1. The Fire and Rescue Authority adopts the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code), last updated in 2017. The CIPFA Code requires the Fire and Rescue Authority to approve a treasury management strategy before the start of the year and semi-annual and annual treasury management reports.
- 1.2. This report fulfils the Fire and Rescue Authority's legal obligation under the Local Government Act 2003 to have regard to the CIPFA Code and provides an update on the performance of the treasury management function during 2019/20.
- 1.3. Treasury management in the context of this report is defined as:
"The management of the organisation's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 1.4. Overall responsibility for treasury management remains with the Fire and Rescue Authority. No treasury management activity is without risk and the effective identification and management of risk are integral to the Fire and Rescue Authority's treasury management objectives.
- 1.5. All treasury activity has complied with the Fire and Rescue Authority's TMS and Investment Strategy for 2019/20, and all relevant statute, guidance and accounting standards. In addition, support in undertaking treasury management activities has been provided by the Fire and Rescue Authority's treasury advisers, Arlingclose. The Fire and Rescue Authority has also complied with all of the prudential indicators set in its TMS.
- 1.6. The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, which is a summary document approved by full council covering capital expenditure and financing, treasury management and non-treasury investments. Hampshire Fire and Rescue Authority's Capital and Investment Strategy, complying with CIPFA's requirement, was approved by the Fire and Rescue Authority on 20 February 2019.

2. Recommendation

- 2.1. That the mid-year review of treasury management activities be noted.

3. External Context

- 3.1. The following sections outline the key economic themes currently in the UK against which investment and borrowing decisions have been made to date in 2019/20.

Economic Commentary

- 3.2. UK Consumer Price Inflation (CPI) for June 2019 was 2.0% year on year, coming in at consensus and meeting the Bank of England's inflation target.
- 3.3. Labour market data for the three months to May 2019 showed the unemployment rate remained at a low of 3.8% while the employment rate of 76.0% dipped by 0.1%, the first quarterly decrease since June to August 2018. Once adjusted for inflation, real wages were up 1.7% on an annual basis as wages continue to rise steadily and provide some upward pressure on general inflation.
- 3.4. There was a rise in quarterly GDP growth in the first calendar quarter for 2019 from 0.2% in Q4 2018 to 0.5%, with stockpiling ahead of the expected March 2019 Brexit date distorting data. Production and construction registered positive output and growth in the period, however at the end of June 2019, seasonally adjusted Markit UK Construction PMI (Purchasing Manager's Index) logged a record-low figure of 43.1, suggesting that construction has suffered the largest contraction in output since April 2009. GDP growth was 1.8% year/year, however with the service sector slowing and a weaker global backdrop the outlook was for subdued growth.
- 3.5. In early July, the Bank of England Governor Mark Carney signalled a major shift to the Bank's rhetoric and increased the possibility of interest rate cuts, however the Monetary Policy Committee voted unanimously to maintain the official Bank Rate at 0.75% at the September 2019 meeting.
- 3.6. Globally, the European Central Bank cut its deposit rate by 10 basis points in September 2019 alongside announcing another round of stimulus, which was closely followed by a 25 basis points cut by the US Federal Reserve.

Financial Markets

- 3.7. Markets have rallied since the beginning of 2019, and the FTSE 100 was up over 10% in pure price terms for the first 6 months of the calendar year, with most of the gains achieved in the first quarter of the calendar year.
- 3.8. Gilt yields continued to display significant volatility over the period on the back of ongoing economic and political uncertainty in the UK and Europe. Gilt yields fell, with the 5-year benchmark gilt yield falling from 0.75% at the start of April to 0.63% at the end of June. There were falls in the 10-year and 20-year gilts over the same period dropping from 1.00% to 0.83% and from 1.47% to 1.35% respectively. Money markets rates stabilised with 1-month, 3-month and 12-month LIBID (London Interbank Bid) rates averaging 0.60%, 0.68% and 0.92% respectively over the period.
- 3.9. Recent activity in the bond markets and PWLB interest rates highlight that weaker economic growth is not just a UK phenomenon but a global risk. The US yield curve inverted (10-year Treasury yields were lower than US 3-month money market rates) in March 2019 and this relationship remained and broadened throughout the period. History has shown that a recession hasn't been far behind a yield curve inversion.

- 3.10. Germany sold 10-year Bunds at -0.24% in June, the lowest yield on record. Bund yields had been trading at record lows in the secondary market for some time, however the negative yield in the primary market suggests that if investors were to hold until maturity, they are guaranteed to sustain a loss - highlighting the uncertain outlook for Europe's economy.

Credit Background

- 3.11. Credit Default Swap (CDS) spreads fell slightly across the board during the quarter, continuing to remain low in historical terms. After hitting around 97bps at the start of the period, the spread on non-ringfenced bank NatWest Markets plc fell back to around 82bps at the end of June, while for the ringfenced entity, National Westminster Bank plc, the spread fell from 67bps to 58bps. The other main UK banks, as yet not separated into ringfenced and non-ringfenced from a CDS perspective, traded between 28 and 59bps at the end of the period.
- 3.12. S&P upgraded RBS Group and its subsidiaries, raising the long-term issuer ratings by one notch due to RBS Group's strengthened credit fundamentals following a long period of restructuring. S&P believes the group and its subsidiaries have enhanced their capacity to manage the current UK political and economic uncertainties.
- 3.13. There were minimal other credit rating changes during the period to the end of June 2019. Moody's revised the outlook on Barclays Bank PLC to positive from stable and also revised the outlook to stable from negative for Goldman Sachs International Bank.

4. Local Context

- 4.1. On 31 March 2019, the Fire and Rescue Authority had net investments of £13.5m a greater cash balance in comparison to the financing of its historical capital programme. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. These factors are summarised in Table 1 below:

Table 1: Balance Sheet Summary

	31/03/2019 Balance £m
CFR	(11.2)
Less: Resources for investment	24.7
Net investments	13.5

- 4.2. The Fire and Rescue Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, to reduce risk and keep interest costs low. The treasury

management position as at 31 August 2019 and the movement since 31 March 2019 is shown in Table 2 overleaf:

Table 2: Treasury Management Summary

	31/03/2019 Balance £m	Movement £m	30/08/2019 Balance £m	30/08/2019 Rate %
Long-term borrowing	(8.30)	-	(8.30)	(4.70)
Short-term borrowing	(0.10)	-	(0.10)	(4.88)
Total borrowing	(8.40)	-	(8.40)	(4.71)
Long-term investments	6.50	2.50	9.00	2.55
Short-term investments	10.00	7.50	17.50	0.91
Cash and cash equivalents	7.88	(1.00)	6.88	0.73
Total investments	24.38	9.00	33.38	1.32
Net external investments	15.98	9.00	24.98	

Note: the figures as at 31 March 2019 in the table above are from the balance sheet in the Fire and Rescue Authority's statement of accounts, but adjusted to exclude operational cash, accrued interest and other accounting adjustments.

- 4.3. The increase in net investments of £9.0m shown in Table 2 above reflects the combination of no increase in borrowing, and an increase in investment balances of £9.0m. The increase in total investments since 31 March 2019 reflects the fact that the balance at 31 March is typically the lowest of the year, due to many government grants being front-loaded. The largest grant is the annual pensions grant, which is received every July and used to pay pensions throughout the year.

5. Borrowing Activity

- 5.1. As shown in Table 2, at 31 August 2019 the Fire and Rescue Authority held £8.4m of loans, as part of its strategy for funding previous years' capital programmes. Further details are shown in Table 3 below.

Table 3: Borrowing Position

	31/03/19 Balance £m	Movement £m	30/08/19 Balance £m	30/08/19 Rate %	30/08/19 WAM* years
Public Works Loan Board	(8.40)	-	(8.40)	(4.71)	10.23
Total borrowing	(8.40)	-	(8.40)	(4.71)	10.23

* Weighted average maturity

Note: the figures in the table above at 31 March 2019 are from the balance sheet in the Fire and Rescue Authority's statement of accounts but adjusted to exclude borrowing taken out on behalf of others and accrued interest.

- 5.2. The Fire and Rescue Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required. The flexibility to renegotiate loans should the Fire and Rescue Authority's long-term plans change is a secondary objective.
- 5.3. In keeping with these objectives, no new borrowing was undertaken in the period. This strategy enabled the Fire and Rescue Authority to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.
- 5.4. The benefits of internal borrowing are monitored regularly against the potential for incurring additional costs by deferring borrowing into future years, when long-term borrowing rates are forecast to rise. Arlingclose assists the Fire and Rescue Authority with the monitoring of internal and external borrowing.

6. Investment Activity

- 6.1. The Fire and Rescue Authority holds invested funds representing income received in advance of expenditure plus balances and reserves. The Fire and Rescue Authority's investment holding was £33.38m at 31 August 2019, which was £2.28m (7%) higher than the same time last year.
- 6.2. During the five month period from 1 April to 31 August 2019, the Fire and Rescue Authority's investment balance ranged between £20m and £37m due to timing differences between income and expenditure.
- 6.3. Table 4 overleaf shows investment activity for the Fire and Rescue Authority as at 31 August 2019 in comparison to the reported activity as at 31 March 2019.
- 6.4. The increase in total investments since 31 March 2019 reflects the fact that the balance at 31 March is typically the lowest of the year, due to many government grants being front-loaded. The largest grant is the annual pensions grant, which is received every July and used to pay pensions throughout the year.

Table 4: Investment Position (Treasury Investments)

Investments	31/03/2019 Balance £m	Movement £m	30/08/2019 Balance £m	30/08/2019 Rate %	30/08/2019 WAM* years
Short term investments					
- Banks and Building Societies					
- Unsecured	3.07	3.43	6.50	0.82	0.25
- Secured	4.00	2.00	6.00	1.06	0.59
- UK Treasury Bills	-	3.00	3.00	0.70	0.16
- Money Market Funds	6.81	(0.93)	5.88	0.73	0.00
- Local Authorities	4.00	(1.00)	3.00	0.96	0.72
	17.88	6.50	24.38	0.86	0.32
Long term investments					
- Banks and Building Societies					
- Secured	2.00	(1.00)	1.00	1.03	3.62
- Local Authorities	1.00	-	1.00	1.30	1.82
	3.00	(1.00)	2.00	1.16	2.72
High yield investments					
- Pooled Property Funds**	2.00	1.25	3.25	2.86	n/a
- Pooled Equity Funds**	1.50	0.50	2.00	5.06	n/a
- Multi-Asset Fund**	-	1.75	1.75	0.69	n/a
	3.50	3.50	7.00	2.95	n/a
TOTAL INVESTMENTS	24.38	9.00	33.38	1.32	0.50

* Weighted average maturity

** The rates provided for pooled fund investments are reflective of annualised income returns over the year to 30 June 2019. The lower rate for the Multi-Asset Fund is largely due to the effect of a purchase part way through the year.

Note: the figures in the table above are from the balance sheet in the Fire and Rescue Authority's statement of accounts, but adjusted to exclude operational cash, accrued interest and other accounting adjustments.

- 6.5. The CIPFA Code and government guidance both require the Fire and Rescue Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield.
- 6.6. The Fire and Rescue Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 6.7. Security of capital has remained the Fire and Rescue Authority's main investment objective. This has been maintained by following the Fire and Rescue's counterparty policy as set out in its Treasury Management Strategy Statement for 2019/20.
- 6.8. Counterparty credit quality has been assessed and monitored with reference to credit ratings, the analysis of funding structures and susceptibility to bail-in,

credit default swap prices, financial statements, information on potential government support and reports in the quality financial press.

- 6.9. The Fire and Rescue Authority also makes use of secured investments products that provide collateral in the event that the counterparty cannot meet its obligations for repayment.
- 6.10. To ensure sufficient liquidity, The Fire and Rescue Authority makes use of call accounts and money market funds. With the uncertainty around Brexit, the Fire & Rescue Authority will ensure there are enough accounts open at UK domiciled banks and Money Market Funds to hold sufficient liquidity and that its account with the Debt Management Account Deposit Facility (DMADF) remains available for use in an emergency.
- 6.11. The progression of credit risk and return metrics for the Fire and Rescue Authority’s investments managed in-house (excluding external pooled funds) are shown in the extracts from Arlingclose’s quarterly investment benchmarking in Table 5 below:

Table 5: Investment Benchmarking (investments managed in-house)

	Credit Rating	Bail-in Exposure	WAM* (days)	Rate of Return
HFRA performance:				
- 31/03/2019	AA	43%	178	0.93%
- 30/06/2019	AA-	55%	172	0.89%
Police & Fire Authorities	AA-	66%	69	0.71%
All LAs	AA-	62%	28	0.85%

* Weighted average maturity

- 6.12. To reduce risk, approximately 45% of the Fire and Rescue Authority’s surplus cash is invested so that it is not subject to bail-in risk, with the remaining balance largely held in overnight money market funds, which are subject to reduced bail in risk. By comparison, only 34% of the cash held by other similar Police and Fire Authorities is not subject to bail-in risk.
- 6.13. The UK Bank Rate has remained at 0.75% since August 2018 and short-term money market rates have also continued to be relatively low. This has had an ongoing impact on the Fire and Rescue Authority’s ability to generate income on cash investments and average returns on internally managed investments have reduced slightly since 31 March 2019, however these remain greater than for comparable Police and Fire Authorities.
- 6.14. As the Fire & Rescue Authority has relatively stable cash balances, the allocation to investments targeting higher yields was increased from £3.5m to £7.0m as part of the Treasury Management Strategy for 2019/20, with the aim of increasing the level of income contributed to the revenue budget without impacting liquidity.

- 6.15. This amount has now been fully invested in externally managed pooled equity, property and multi-asset funds which generated an average annual total return of 2.84% during the period to 31 August 2019. This return comprised a 6.26% income return which contributes to the revenue budget and is used to support services in year, offset by 3.42% of negative capital growth (around £0.25m).
- 6.16. These investments have fallen in value in the first five months of 2019/20 due to volatility in the markets, however the Fire & Rescue Authority's intention is to hold these investments for at least the medium-term and losses would only be crystallised if the investments were sold.
- 6.17. The investments in pooled funds are made in the knowledge that capital values will move both up and down in the short term, but with the confidence that over a three- to five- year period total returns should exceed cash interest rates, whilst also providing regular income, diversification and the potential for capital growth and it is the Fire and Rescue Authority's intention to hold these investments for at least the medium term.
- 6.18. Recent changes to accounting regulations (IFRS9) have introduced a new risk related to the Fire & Rescue Authority's investments in pooled funds whereby any fall in the capital value of the funds would now have to be taken as an expenditure charge to the Fire & Rescue Authority's Income and Expenditure account. This does not though present an immediate risk to the Fire and Rescue Authority, as there is currently a statutory override in place that provides a 4 year grace period before this requirement is implemented.
- 6.19. If no further changes are made at the end of the 4 year period, the risk of a fall in value resulting in an expenditure charge for the Fire and Rescue Authority will be mitigated by reserves accrued through any increases in the value of the Fire and Rescue Authority's investments over the next 4 years.
- 6.20. The performance and ongoing suitability of these pooled funds in meeting the County Council's investment objectives is monitored regularly and discussed with Arlingclose.

7. Non-Treasury Investments

- 7.1. Although not classed as treasury management activities the Fire & Rescue Authority may also make loans and investments for service purposes, for example the direct purchase of land or property. Such loans and investments will be subject to the Fire & Rescue Authority's normal approval processes for revenue and capital expenditure and need not comply with this treasury management strategy. The Fire & Rescue Authority does not have any existing non-treasury investments.

8. Compliance Report

- 8.1. The Fire and Rescue Authority confirms compliance of all treasury management activities undertaken during the period with the CIPFA Code of Practice and the Fire and Rescue Authority's approved TMS. Compliance with the authorised limit and operational boundary for external debt, is demonstrated in Tables 6 overleaf.

Table 6: Debt Limits

	2019/20 Maximum £m	30/08/2019 Actual £m	2019/20 Operational Boundary £m	2019/20 Authorised Limit £m	Complied
Borrowing	8.4	8.4	14.5	18.2	✓
Other long term liabilities	-	-	5.0	5.0	✓
Total debt	8.4	8.4	19.5	23.2	✓

9. Treasury Management Indicators

9.1. The Fire and Rescue Authority measures and manages its exposures to treasury management risks using the following indicators.

Interest Rate Exposures

9.2. The following indicator shows the sensitivity of the Fire & Rescue Authority's current investments and borrowing to a change in interest rates:

Table 7: Interest Rate Exposures

	31/08/19 Actual	Impact of +/-1% interest rate change
Variable interest rate investment exposure	£25m	+/- £0.3m
Variable interest rate borrowing exposure	£0m	n/a

9.3. Fixed rate investments and borrowings are those where the rate of interest is fixed for the whole financial year. Instruments that mature during the financial year are classed as variable rate.

Maturity Structure of Borrowing

9.4. This indicator is set to control the Fire and Rescue Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be as shown in table 8 overleaf:

Table 8 – Maturity Structure of Borrowing

	30/08/2019 Actual	Upper Limit	Lower Limit	Complied
Under 12 months	1%	50%	0%	✓
12 months and within 24 months	14%	50%	0%	✓
24 months and within 5 years	19%	50%	0%	✓
5 years and within 10 years	5%	75%	0%	✓
10 years and within 20 years	61%	75%	0%	✓
20 years and above	0%	100%	0%	✓

Principal Sums Invested for Periods Longer than 365 days

- 9.5. The purpose of this indicator is to control the Fire and Rescue Authority’s exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

Table 9 – Principal Sums Invested for Periods Longer than 365 days

	2019/20	2020/21	2021/22
Actual principal invested beyond year end	£9.0m	£9.0m	£8.0m
Limit on principal invested beyond year end	£10m	£10m	£10m
Complied	✓	✓	✓

- 9.6. The table includes investments in strategic pooled funds of £7m as although these can usually be redeemed at short notice, the Fire and Rescue Authority intends to hold these investments for at least the medium-term.

10. Outlook for the remainder of 2019/20

- 10.1. Having increased interest rates by 0.25% in November 2018 to 0.75%, the Bank of England’s Monetary Policy Committee (MPC) is now expected to maintain Bank Rate at this level for the foreseeable future. There are, however, upside and downside risks to this forecast, dependant on Brexit outcomes and the evolution of the global economy.
- 10.2. With the downside risks to the UK economy growing and little likelihood of current global trade tensions being resolved imminently and global growth recovering soon thereafter, our treasury advisor Arlingclose’s central forecast is for that the Bank of England’s MPC will maintain Bank Rate at 0.75% but will stand ready to cut rates should the Brexit process engender more uncertainty for business and consumer confidence and for economic activity.

	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22
Official Bank Rate													
Upside risk	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Arlingclose Central Case	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Downside risk	0.00	0.50	0.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75

- 10.3. Gilt yields have fallen to recent lows. Resolution of global political uncertainty would see yields rise but volatility arising from both economic and political events continue to offer longer-term borrowing opportunities for those clients looking to lock in some interest rate certainty.

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**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Purpose: Noted

Date: **4 December 2019**

Title: **MID-YEAR PERFORMANCE REPORT**

Report of Chief Fire Officer

SUMMARY

1. The Mid-Year Performance Report focuses on the Service mission 'to make life safer'. The report, in its new format, explores how the Service has performed against a range of operational and corporate health measures, with comparisons made against previous years and to other Fire and Rescues Services or national trends, where relevant and applicable.
2. The report (contained in **Appendix A**) shows how Hampshire Fire and Rescue Service (HFRS) is performing in a wide range of areas, as well as, in some areas, explaining how we monitor our performance.

BACKGROUND

3. The HFRS vision for performance is that, where appropriate, our staff and communities are well-informed about how we are performing, and how we are responding to any performance issues.
4. The Mid-Year Performance Report covers the period 1 April 2019 to 30 September 2019. It includes performance information in a wider range of areas than previous reports, including on call volumes, corporate services, and more detailed information relating to our people and finances.
5. We revisit regularly what we measure to assess our effectiveness, efficiency and financial position. Our performance measures help us identify areas for improvement, as well as successes and good practice to be shared across the Service.

PERFORMANCE AND ASSURANCE FRAMEWORK

6. Our performance and assurance framework is focused on how we monitor our performance and provide assurance on our organisational and operational activities to deliver better outcomes for Hampshire's communities.
7. The goal of effective performance management and systems of assurance are to generate local and Service-wide insights in order to deliver better

outcomes, improve data quality, and to support continuous organisational improvement.

8. We use various measures to assess our progress and the impact of our activities, projects, and programmes of work. A balance of quantitative measures (the numbers) and qualitative measures (the story) are used to provide information on how well we are doing and identify areas for improvement.

HIGHLIGHTS

9. Between April and September 2018 and the same period in 2019, our Control operators received 18,815 calls – a significant decrease (8%) from the 20,386 calls in the same reporting period during 2018, partly owing to the exceptionally hot summer in 2018 and rise of grass fires and subsequent related incidents; and a 5% reduction compared to 2017.
10. Between April and September 2019, 65.5% of critical incidents were reached within 8 minutes - a 0.9%-point improvement from the same period in 2018 but a decline from 2017. Our average critical response time has increased slightly, by 5 seconds, in the last two years, with, unsurprisingly, significant variation between whole-time and on-call stations (three minutes and forty seconds in 2019).
11. An important measure of our performance is our on-call availability, which was 74% between April and September 2019. This is a 3%-point increase from the same period in 2018 (71%), but a 1%-point decrease compared to 2017 (75%). It is also important to note the on-call station availability varies significantly across stations, with ongoing review and activity being carried out as part of our on-call project. We also anticipate improvements longer-term improvements once the outcomes of Risk Review are fully implemented.
12. There was a 10% reduction in incidents (from 11,417 to 10,224) from April to September 2019 compared to the same period in 2018, and a 5% reduction compared to the same period in 2017 (10,794).
 - (a) There was a 21% decrease in the number of fires attended between 2018 (2,730) and 2019 (2,168) was partly owing to more mild weather following record temperatures in 2018, secondary grass fires reducing by 31% (down from 784 to 543).
13. There were three fire fatalities between April and September 2019, with none in 2018 and three in 2017 over the comparable period.
14. Between April and September, the number of fire-related non-fatal casualties decreased by 22% (to 43) between 2018 and 2019 and is a 9% reduction when compared to 2017 (47). More widely, across England, the

number of non-fatal casualties in fires had been on a downward trend for a prolonged period of time, but this trend has plateaued in recent years.

- (a) Of the 43 non-fatal casualties in the period this year, 24 required hospital treatment, a slightly smaller proportion than in the previous year.
15. We are forecasting a £0.447 million underspend against our budget in 2019/20 but expect to spend £7 million (11%) more than we did in 2018/19. This is partly driven by an increase in wholetime firefighter costs due to the increase in pensions contributions from April 2019, and a 29% increase in supplies and services costs following transfer from reserves to fund the Mobile Data Terminal (MDT) and Personal Protective Equipment (PPE) rollouts.
16. More widely, our latest Medium-Term Financial Plan forecasts that there will be a funding gap of £4 million by 2021/22, however, this forecast is now over and year old and will be reviewed when the awaited three-year funding settlement figures are released. Furthermore, our reserves are estimated to reduce 37% (to £19.1 million) by March 2023, primarily owing to planned capital investment – for example in vehicles and PPE. We will, though, maintain our general reserve, which serves as a contingency fund, at £2.5 million – nearly 4% of our budget, comparable to previous CIPFA benchmarks. Overall, HFRA remains in a strong financial position and is well-placed to tackle the future financial challenges that will inevitably arise as a result of diminishing resources and the uncertain picture past 2019/20.
17. Significant progress has been made in developing the People & Organisational Development (POD) directorate and its framework, which outlines its six areas of focus. Some key people-related findings are as follows:
- Across all staff, average sickness absence was 4.98 shifts/days lost between April and September 2019 – an increase of 0.66 shifts/days compared to the same period in 2018. The greatest increase (+1.58) between 2018 and 2019 was for Green Book staff, with 26% their sickness absence in the 2019 period relating to mental health conditions.
 - There were 946 fitness tests in 2019, with the percentage successfully completing them dropping 3%-points (from 88% to 85%) compared to the same period in 2018.
 - Between the end of March 2018 and September 2019, across the Service, there has been an 23% increase in the number of female staff (up from 205 to 254).

SUPPORTING OUR SERVICE PLAN AND PRIORITIES

18. The revised and wider focus of the Mid-Year Performance Report provides a view of performance in all of the Service Plan priority areas, to varying degrees, with specific progress against the priorities reported alongside the Annual Performance Report in 2020. We regularly monitor and report progress against the Service Plan within Hampshire Fire and Rescue Service, including within our Executive Group.

CONSULTATION

19. There has been a wide range of internal consultation to help develop the revised structure of the report, as well as to refine its content.

RESOURCE IMPLICATIONS

20. The cost associated with the production of the Mid-Year Performance Report is within existing resource plans.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

21. There are no positive or negative impacts to the environment or sustainability which may result due to this proposal.

LEGAL IMPLICATIONS

22. There are no legal implications resulting from this report.

EQUALITY IMPACT ASSESSMENT

23. The proposals in this report are considered to be compatible with the provisions of equality and human rights legislation.

RISK ANALYSIS

24. Failure to regularly report on, and scrutinise, our performance could result in no action being taken to address reducing our poor performance which may affect the outcomes for our communities. The information may, in some cases, indicate increasing (or reducing) risks for the Authority. Consideration of this progress report is therefore an important process within the Authority's risk management strategy.

CONCLUSION

25. The numbers of calls we have received, incidents we have responded to, and non-fatal casualties have all decreased when comparing April to September this year with the corresponding periods in 2017 and 2018. It is also positive that our 8/80 performance and on-call availability has improved in the last year. Nevertheless, we have more to do to develop

our understanding, and subsequent insights, from the increasing range of 'live' data that we now have available to us.

26. It is also vital to understand the performance of other areas across the Service, including in terms of people, finances and corporate services. For example, moving forward we have diminishing financial resources and potentially need to identify further savings with an estimated funding gap of £4 million by 2021/22; and monitoring progress against the newly-developed POD framework will be crucial – with both these areas being of significant interest to HMICFRS. We are also developing our approach to assessing the performance of our corporate services and will analyse more data to identify areas for improvement, where necessary, in subsequent performance reports.

RECOMMENDATION

27. That the Hampshire Fire and Rescue Authority notes the performance detailed in Appendix A and welcomes the revised structure and focus of the report, which will continue to be refined moving forward.

APPENDICES ATTACHED

Appendix A: Mid-Year Performance Report

Contact:

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Mid-Year Performance Report

01 April - 30 September 2019



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Review and Approval – Mid-Year Performance Report 1st April 2019 – 30th September 2019

Version	Reviewed by	Date
1.0	Organisational Performance Manager, Head of Performance, Analyst Team Leader	22/08/19
1.4	Organisational Performance Manager, Head of Performance, Analyst Team Leader	17/09/19
Final Draft	Organisational Performance Manager, Head of Performance	26/09/19

Approval Stage

Version	Approved by	Approval / Decline	Date
V1.5	Organisational Performance Manager	Declined.	26/09/2019
V1.6	Organisational Performance Manager	Provisionally approved, subject to the updating of provisional figures, finalisation of Control and availability data, and subsequent engagement with Executive Group and COG members, as appropriate.	02/10/2019
V1.6	Head of Performance	Provisionally approved, subject to the updating of provisional figures, finalisation of Control and availability data, and subsequent engagement with Executive Group and COG members, as appropriate.	03/10/2019
V1.6	Director Performance & Assurance	Provisionally approved, subject to the updating of provisional figures, finalisation of Control and availability data, and subsequent engagement with Executive Group and COG members, as appropriate.	03/10/2019
V2.0	Organisational Performance Manager	Approved.	23/10/2019
V2.0	Head of Performance	Approved.	23/10/2019
V2.0	Director of Performance & Assurance	Approved.	24/10/2019

Related Documents

Document

Data is sourced from a wide range of sources, including the HFRS organisational performance dashboards which utilise the data warehouse (repository), incorporating SAP (HR system), Incident Recording System (IRS) and FireWatch and CFRMIS data.

Some of the data was provided by other departments and teams, rather than being directly sourced from systems.



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Introduction

Report focus

This is Hampshire Fire and Rescue Service's mid-year performance report, covering the period 1st April 2019 to 30th September 2019. The information contained within this report identifies how we have performed over this period.

The report, in its new format, explores how the Service has performed against a range of operational and corporate health measures, with comparisons made against previous years and to other Fire and Rescue Services or national trends, where relevant and applicable. We revisit regularly what we measure to assess our effectiveness, efficiency and financial position. Our performance measures help us identify areas for improvement, as well as successes and good practice to be shared across the Service.

As we continue to evolve and understand more through ongoing analysis, the contents and insights within the report may change and new areas may be incorporated.

Our new, live performance dashboards

Our ability to monitor and use performance data has been strengthened by the recent introduction of our new information repository (a bespoke data warehouse) combined with a set of organisational performance dashboards. This capitalises on recent Service investments in ICT transformation, by utilising Microsoft's Office 365 platform (Power BI). Designed and developed by Organisational Performance teams, this saved considerable funding and provides the Service with a sustainable intelligence platform.

For the first time, the Service can view and visualise 'real time' information, enabling and assisting managers, stations and staff. This will contribute towards a positive performance culture of continuous improvement and evidence-based decision-making, as well as freeing up more focused time for our analysts to provide additional insights across the Service.

Key facts



Demand

18,815 calls handled



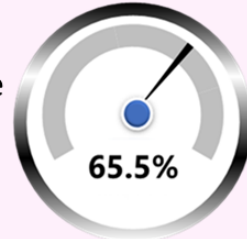
10,224 incidents

2,704 co-responding calls



Response

8/80 response performance
↑ 0.9%-point

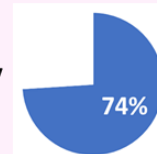


07:24

↑ 4 seconds

Average critical response time
(minutes and seconds)

On-call availability
↑ 3%-point



3 fire fatalities

43 non-fatal casualties ↓ 22%



People

4.98 average shifts / days lost to sickness
(up 0.66 compared to April-Sept 2018)

Largest sickness increase was for
Green Book staff

26% of Green Book sickness absence relates to mental health



Finances



0.6% (£0.447m) forecast underspend in 2019/20

11% forecast increase in spend vs 2018/19



£11.2m estimated reduction in reserves by March 2023

Primarily owing to capital investment

Summary

This summary outlines key findings in relation to our performance in several areas across the Service, with data coming from a wide range of sources.

1. **Between April and September 2018 and the same period in 2019, there was a significant, 8%, reduction in the number of calls to our Fire Control operators.** In the 2018 period, there were 20,386 calls into Control, but this reduced by 8% to 18,815 in the same period in 2019. This decrease reflects the reduced number of incidents owing to the exceptionally hot summer in 2018 (see paragraph 3). In 2017, there were 19,803 calls (5% more than in 2019). We are reviewing performance across the Networked Fire Services Partnership and will continue to monitor it closely. This data will be used to ensure a more rounded and consistent view of the performance of Control operations, and we will provide more analysis in this area in subsequent performance reports. *See the Demand management section.*
2. **Between April and September 2019, 65.5% of critical incidents were reached within eight minutes; a 0.9%-point improvement from the same period in 2018, but a 1.5%-point decline from 2017.** Hampshire has a combination of both urban and rural areas, and a wide range of varying geographic and demographic challenges across the county, which impacts our response figures. Furthermore, as a specific example, if animal rescues are removed, which are of a different nature to other critical incidents, our 8/80 performance in the 2019 period improves to 66.3%. This illustrates the value of a renewed focus on reviewing our response standards and critical call types as part of our IRMP development process.
 - **Our average critical response time has increased slightly in the last two years to 7 minutes and 24 seconds, with, unsurprisingly, significant variation between whole-time and on-call stations.** The way in which on-call stations are resourced affects their ability to mobilise or 'turn-out', and thus their response times. Our average whole-time critical response time has increased by 13 seconds in the last five years, with the on-call average increasing by 8 seconds over the same period. Both whole-time and on-call critical response times were at their fastest in 2017. We expect to make improvements in the long-term once the outcomes of Risk Review are fully implemented and will continue to analyse our response performance to support the development of our new IRMP and future service plans. *See the Critical response section.*
3. **Following an increase in 2018/19 compared to the previous year, there was a 10% reduction in incidents (from 11,417 to 10,224) from April to September 2019 compared to the same period in 2018, and a 5% reduction compared to 2017 (10,794).** The reduction in the last year was driven by a 21% decrease in fires, a 10% reduction in false alarms and a 5% decrease in special service calls. However, compared to the same period in 2017, there was a 7% reduction in fires, a 0.1% increase in false alarms, and an 8% decrease in special service calls. In the last year, the reduction in fires has been due to various factors, including a significant decrease in grass fires following record temperatures in 2018. The reduction in special service calls is mainly due to decreases in red fleet calls and in the number of times we effected entry / exit. *See the Incident data section.*
4. **There were three fatalities between April and September 2019, with none in 2018 and five in 2017 over the comparable period. Furthermore, the number of fire-related casualties decreased by 22% between 2018 (55) and 2019 (43), with**

a 9% reduction when compared to 2017 (47). This reduction broadly mirrors the reduction in incidents. The number of non-fatal casualties in fires in England had been on a downward trend since the mid-1990s, but this trend has plateaued in recent years. *See the Fire related fatalities and casualties section.*

5. **Our on-call availability was 74% for the period 1st April to 30th September 2019; a 3%-point increase from the same period in 2018 (71%), but a 1%-point decrease compared to 2017 (75%).** It is also important to note the on-call station availability varies significantly across stations, with ongoing review and activity being carried out as part of our on-call project. We also anticipate improvements longer-term improvements once the outcomes of Risk Review are fully implemented. *See the Availability section.*
6. **We are forecasting a £0.447 million underspend against our budget in 2019/20 but expect to spend £7 million (11%) more than we did in 2018/19.** This is partly driven by an increase in wholetime firefighter costs due to the increase in pensions contributions from April 2019, and a 29% increase in supplies and services costs following transfer from reserves to fund the Mobile Data Terminal (MDT) and Personal Protective Equipment (PPE) rollouts. More widely, our latest Medium-Term Financial Plan forecasts that there will be a funding gap of £4 million by 2021/22, however, this forecast is now over a year old and will be reviewed when the awaited three-year funding settlement figures are released. Furthermore, our reserves are estimated to reduce by 37% (to £19.1 million) by March 2023, primarily owing to planned capital investment – for example in vehicles and personal protection equipment. We will, though, maintain our general reserve, which serves as a contingency fund, at £2.5 million – nearly 4% of our budget, comparable to previous CIPFA benchmarks. Overall, HFRA remains in a strong financial position and is well-placed to tackle the future financial challenges that will inevitably arise as a result of diminishing resources and the uncertain picture past 2019/20. *See the Finance section.*
7. **Significant progress has been made in developing the People & Organisational Development (POD) directorate and its framework, which outlines its six areas of focus.** The newly formed directorate is responsible for leading the people and organisational strategy and enabling a diverse and motivated workforce. In September 2019, a new POD framework was approved. The framework has six core areas of focus, which are underpinned by detailed plans, and progress against the six areas is discussed and monitored through various quantitative and qualitative measures. In terms of the current people performance picture:
 - **Across all staff, average sickness absence was 4.98 shifts/days lost between April and September 2019 – an increase of 0.66 shifts/days compared to the same period in 2018.** The most common causes of sickness absence in all employee groups mirrors the national picture. For example: musculo-skeletal conditions for wholetime and on-call staff, and mental health conditions for Green Book staff. These conditions (depression, stress and anxiety) accounted for 26% of Green Book sickness absence, which re-emphasises the importance of our ongoing investment in support of our Mental Health Action Plan, and our wider occupational health provision that was recently reviewed to improve the experience and effectiveness for both staff and managers. *See the Sickness section*
 - **Between 2018 and 2019, there has been a 3%-point increase (up to 14%) in the number of staff not meeting the required fitness standards and being referred.** As at 9th October 2019, between April and September 2019,

there were 946 fitness test assessments with 131 staff (14%) not meeting the required standards and being referred, and a further 15 referred for re-assessment (which they passed). The POD directorate will continue to monitor this trend closely, introducing improvement activity where necessary. *See the Fitness and qualification section*

- **Between the end of March 2018 and September 2019, there has been a 23% increase (from 205 to 254) in the number of female staff across the Service.** Despite this positive trend, driven partly by our successful whole-time recruitment campaign, we recognise there is further to go in terms of workforce diversity, including by gender and ethnicity, up to and including senior roles. *See the Diversity section.*

Overall conclusion

The numbers of calls we have received, incidents we have responded to, and non-fatal casualties have all decreased when comparing April to September this year with the corresponding periods in 2017 and 2018. It is also positive that our 8/80 performance and on-call availability has improved in the last year. Nevertheless, we have more to do to develop our understanding, and subsequent insights, from the increasing range of 'live' data that we now have available to us.

It is also vital to understand the performance of other areas across the Service, including in terms of people, finances and corporate services. For example, moving forward we have diminishing financial resources and potentially need to identify further savings with an estimated funding gap of £4 million by 2021/22; and monitoring progress against the newly-developed POD framework will be crucial – with both these areas being of significant interest to HMICFRS. We are also developing our approach to assessing the performance of our corporate services and will analyse more data to identify areas for improvement, where necessary, in subsequent performance reports.

Service Performance

This mid-year performance report provides information and insights in various areas – including operations, people, finance, and corporate services – that we monitor on a regular basis. Our analysis and use of performance information has been improved by the development of a new central data repository (data warehouse) and a set of organisational performance dashboards.

Operations

Most of our costs (£44.6 million in 2018/19, 71% of the net cost of the Service) were related to our operational activity. Accordingly, this section analyses our operational performance with a specific focus on control room management of emergency calls, our response to incidents, and our availability. It also explores our vital prevention and protection work, and the activity of the Arson Taskforce.

Demand and call management

This section covers our demand – through a focus on performance information from Fire Control (who manage emergency (999) and other calls to mobilise our resources for response for both Hampshire and Isle of Wight Fire and Rescue Services).

Understanding the nature of the calls is essential for Control operators, as this dictates how they handle calls, deploy resources, support operational incidents and our staff, or support vulnerable persons in need who may be awaiting emergency service response.

When interpreting the data on the overall number of calls, it is important, for example, to note that:

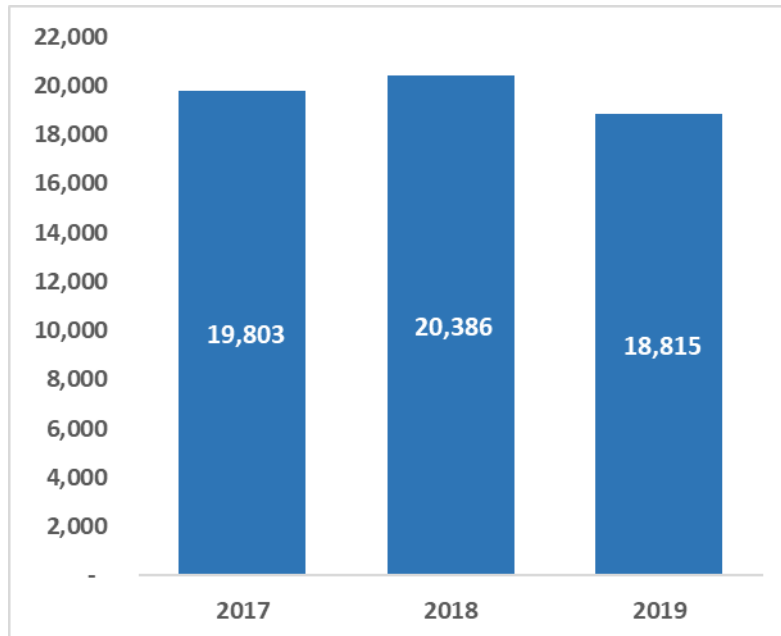
- some incidents may be reported multiple times through calls from different members of the public;
- some calls may be from members of the public who require advice, specialist services (e.g. lift release), or who are unsure who to contact; and
- some calls are hoax callers.

In the period April to September 2019, we received 18,815 calls (**Figure 1**, see next page) – a significant decrease (8%) from the 20,386 calls in the same reporting period during 2018, partly owing to the exceptionally hot summer in 2018 and rise of grass fires and subsequent related incidents. When comparing call volumes between April and September 2019 to the same reporting period for 2017, the decrease was slightly smaller (5%).

The performance of our Control operations is measured in various ways, including how long it takes operators to answer calls and by the speed response resources are mobilised when required. Figures are currently provided for both HFRS and IWFRS and will be reviewed further in subsequent reports.

Figure 1: Overall call volumes for HFRS and IWFRS, 1st April to 30th September (2017 through to 2019)

The total number of calls between 1st April and 30th September 2019 was 18,815 – 8% less than the same period in 2018, and a 5% reduction compared to the 2017 period



Notes: (1) includes HFRS and IWFRS calls; and (2) data extracted from Vision MIS data sets on 21/10/2019.

Networked Fire Services Partnership

Hampshire Fire and Rescue Service is part of the Networked Fire Services Partnership (NFSP), along with Dorset & Wiltshire, and Devon & Somerset Fire & Rescue Services. This is a Control operations partnership, which provides us with resilience and the opportunity to share good practice and challenges across the three Services.

Currently each FRS within the Partnership monitor and measure their KPIs individually; however, a partnership dashboard is being developed to introduce more consistent performance information and support more effective management. The partnership dashboard will include data on different areas, such as: call answering; mobilisation; call volumes and types; and Control staff sickness. This data will be used to ensure a more rounded and consistent view of the performance of Control operations, and we will provide more analysis in this area in subsequent performance reports.

Critical response

This part of the report focuses on our performance against our critical response standard (8/80), and on our average critical response times. We have a set of response standards where we aim to arrive at the scene of an incident within an acceptable, timely manner. We have three response standard targets:

- **Critical response (8/80):** this response standard has been created to ensure that an appliance will be in attendance within eight minutes, 80% of the time, where there is risk to life or property
- **Non-critical response (15/100):** non-critical incidents are those where there is no apparent threat to life or major risk to property. We aspire to reach 100% of these incidents within 15 minutes
- **Other response (60/100):** other calls are often advice related. These are usually attended by a single officer to give expertise on a situation that may require further fire service intervention. We aim to attend 100% of these incidents within 60 minutes.

Between April and September 2019, 65.5% of critical incidents were reached within 8 minutes¹ - a 0.9%-point improvement from the same period in 2018 but a 1.5%-point decline compared to 2017. A recent internal review of our 8/80 performance identified that predominantly rural areas have seen the most significant decline in the percentage of critical incidents responded to within 8 minutes whereas mostly urban areas have remained largely the same. This is where most stations crewed by on-call personnel are situated. Furthermore, if animal rescues were removed from these figures, which are of a slightly different nature to other critical incidents, our 8/80 performance in the 2019 period improves to 66.3% (a 0.8% increase). This example illustrates the value of a renewed focus on reviewing our response standards and critical call types as part of our IRMP development process.

HFRS has used the legacy 8/80 standard to measure its average response to critical incidents for almost a decade and not achieved it despite reducing the overall number of incidents in Hampshire and fire fatalities and injuries. The 8/80 standard was based on methodology dating from post-war period and predicated on the understanding that a fast response always equated to an effective response. Modern fire-fighting tactics, technologies and improved partnership working with other public services show that the path of improved public safety is through a better quality of response rather than just focusing on speed alone.

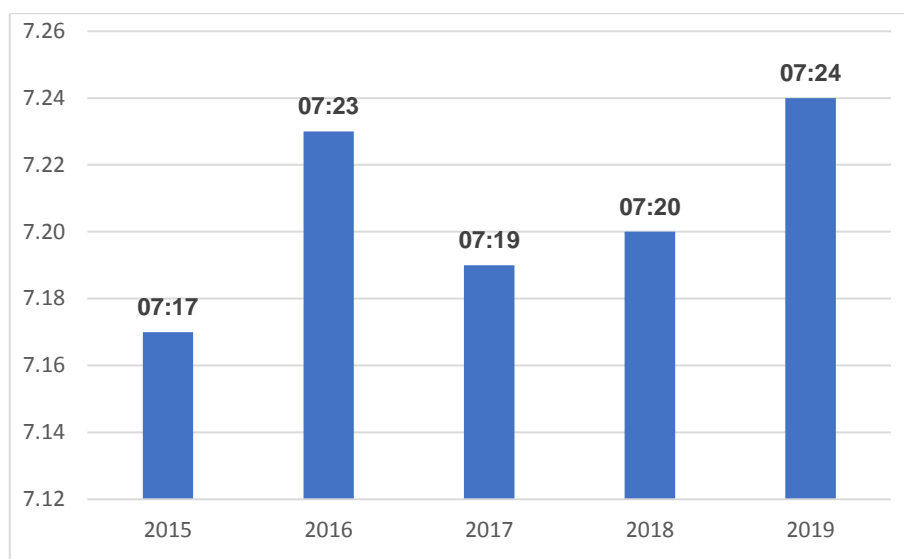
Using a different response measure, the average response time to a critical incident in Hampshire, between April and September 2019, was 7 minutes and 24 seconds, an increase of four seconds compared to the same period in 2018 (**Figure 2**, see the next page).

We expect to make improvements in the long-term once the outcomes of Risk Review are fully implemented and will continue to analyse our response performance to support the development of our new IRMP and future service plans.

¹ Our response time is defined as the duration from time of call to time of arrival of the first vehicle at the scene of the incident.

Figure 2: Average critical response times (minutes and seconds), 1st April to 30th September (2015 to 2019)

Despite a slight improvement (0.9% point) in our 8/80 performance, the average response time increased by four seconds in the last year



Note: Data sourced from BI Reporting Services and the Organisational Performance dashboards on 08/10/2019.

Whole-time and on-call stations

Hampshire has a combination of both urban and rural areas and has a wide range of varying geographic and demographic challenges across the county, which impacts our response figures. Average response times between whole time and on-call stations vary greatly (by three minutes forty seconds in 2019), see **Figure 3**.

Figure 3: Average critical response times (minutes and seconds) by whole-time and on-call, 1st April to 30th September (2015 to 2019)

The average response time gap between whole-time and on-call stations now stands at three minutes forty seconds, the same size gap as last year, but greater than in 2017, which saw the fastest average critical response times

	2015	2016	2017	2018	2019
Whole-time	06:14	06:33	06:05	06:17	06:27
On-call	09:59	09:51	09:22	09:57	10:07

Note: Data is sourced from BI Reporting Services based on our Incident Recording System (IRS) on 08/10/2019.

Clearly, the way in which on-call stations are resourced affects their ability to mobilise or ‘turn-out’, their availability, and thus their response times – by around three to four minutes (Figure 3). Our average whole-time critical response time has increased by 13 seconds in the last five years, with the on-call average increasing by 8 seconds over the same period. Both whole-time and on-call critical response times were at their lowest in 2017. We expect to make further improvements to our response times in the long-term once the outcomes of Risk Review are fully implemented, and we will also consider carefully the public’s views on response standards as part of the IRMP consultation.

Each year the Service attends a range of incidents. The visual summary below illustrates incident activity between 1st April 2019 to 30th September 2019.



Incident summary

10% decrease vs the same period last year



10,224 incidents
1st April 2019 to 30th September 2019
Down from 11,417 for the same period in 2018

2,168 fires
1st April 2019 to 30th September 2019
Down from 2,730 for the same period in 2018



21% decrease vs the same period last year

Mainly due to a 31% reduction in grass fires, following record temperatures in 2018

3,385 false alarms
1st April 2019 to 30th September 2019
Down from 3,766 for the same period in 2018



10% decrease vs the same period last year

FADA remained the highest type (2,104) but down 6%

4,671 special service calls
1st April 2019 to 30th September 2019
Down from 4,921 for the same period in 2018



5% decrease vs the same period last year

Mainly due to decreases in Red Fleet Calls and in effecting entries/exits

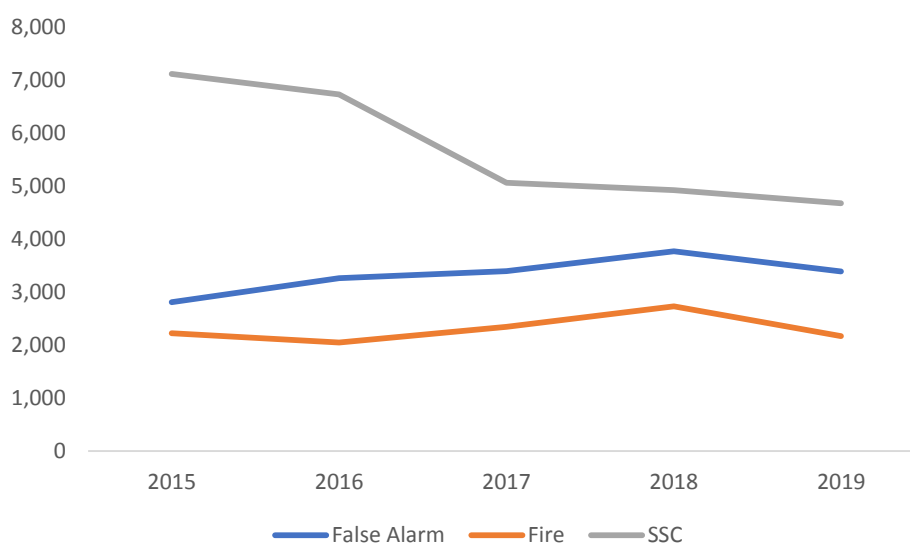


The incidents HFRS attend are categorised into three main types: fires, false alarms and Special Service Calls (SSCs). Of all incidents attended, fires accounted for 21%, false alarms 33% and SSCs 46% (**Figure 4**).

HFRS attended 10,224 incidents between April to September 2019. This is a 10% decrease compared with the same period in 2018 (11,417) and an 5% reduction compared to 2017 (10,794). The decrease in the number of fires attended between 2018 and 2019 was partly owing to more mild weather following record temperatures in 2018, with grass fires reducing by 31% (down from 934 to 641).

Figure 4: Incident types attended, 1st April – 30th September (2015 to 2019)

The number of incidents decreased by 10% - with reductions in all three incident types in the last year



Note: Data sourced from BI Reporting Services and the Organisational Performance Dashboard, 08/10/2019.

The 2019 decrease comes on the back of an increase last financial year. Nationally, between 2017/18 and 2018/19, there was a 2% increase of incidents and specifically a 19% rise in secondary fires.² However, it is unclear which specific incident type is the influence of this increase. Within our family group of similar Fire and Rescue Services there was a 3% increase in incidents over this period (up to March 2019), driven primarily by a 24% increase in secondary fires and an 11% increase in false alarms with good intent.³

Fires

HFRS attended 2,168 fires between April and September 2019. This was a 21% decrease (562 fewer incidents) compared to the same period in 2018 (2,730); 7% less than in 2017 (2,343); and a 46% decrease compared to with five years ago (3,986).

The decrease in the last year can be attributed to the number of grass fires, linked to the record temperatures in the summer of 2018. There were 31% more secondary grass fires in

² The data from other Fire and Rescue Services comes from the Home Office's [Fire and rescue incident statistics: England, year ending March 2019](#), 8 August 2019.

³ Our family group (family group 4) of similar Fire and Rescue Services, includes 18 Fire and Rescue Services but this analysis excludes Services outside of England (Northern Ireland and South Wales).

2018 (784) than in 2019 (543). This trend was mirrored nationally. Secondary fires display seasonality with more occurring in the hotter, drier months.

False alarms

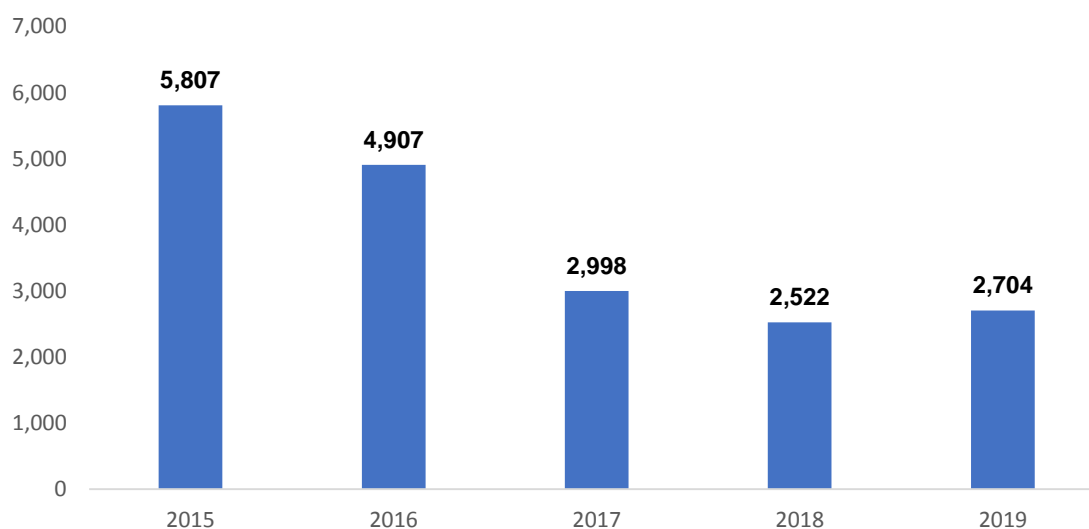
HFRS attended 3,385 false alarms between April to September 2019. This was a 10% decrease compared with the previous year (3,766), a very slight (0.1%) decrease compared to 2017 (3,390), but a 4% increase compared to five years ago (3,251). False alarms 'due to apparatus' accounted for over half (62%) of false alarms this year. Nationally, the number of false alarms in England have also been on an upward trend since 2015/16.

Special Service Calls

HFRS attended many types of incidents that were not fires or false alarms, these are known as 'special service calls' (SSCs). Examples include medical incidents, attending RTCs, lift releases and effecting entries or exits. HFRS attended 4,671 SSC incidents between April to September 2019. This was a 5% decrease compared with 2018 (4,921) and an 8% reduction compared to 2017 (5,061); but a 34% decrease compared with five years ago (7,111), demonstrating the changing nature of our demand and changes to the way SCAS has mobilised co-responders. Despite these factors, there was a 7% increase for co-responder calls (**Figure 5**) for this years' reporting period.

Figure 5: Co-responder calls attended, 1st April – 30th September (2015 to 2019)

Co-responder incidents increased by 7% between 2018 and 2019, up to 2,704



Note: Data sourced from BI Reporting Services, 08/10/2019.

The largest five SSC incident types between 1st April and 30th September 2019, and changes compared to the same period in 2018, were as follows:

- medical response (2,925 down 0.3% from 2,935 in the previous year, with a small reduction in Red Fleet calls);
- effecting entry/exit (516, down 14% from 600);
- road traffic collisions (399, down 2% from 409);
- lift releases (167, up 3% from 162); and
- assisting other agencies (146 down 18% from 177).

Fire related fatalities and casualties

There were three fire-related fatalities between April and September 2019, compared to none in the same period in 2018 and five in 2017. Fire-related fatalities decreased compared with five years ago when there were seven. The number of fire related fatalities in England has been on a general downward trend for a prolonged period, though the numbers have fluctuated due to the relatively small numbers involved.⁴

Between April and September 2019, there were 43 non-fatal casualties, a 22% decrease compared with the 55 in the previous year, an 9% decrease from 2017 (47) and a decrease (of 14%) compared to five years ago when there were 50 casualties. Of the 43 non-fatal casualties this year, 24 required hospital treatment, a slightly smaller proportion than in the previous year.

More widely, across England, the number of non-fatal casualties in fires had been on a downward trend for a prolonged period, but this trend has plateaued in recent years.⁵

Availability

An important measure of our performance is our on-call availability, which was 74% between April and September 2019. This is a 3%-point increase from the same period in 2018 (71%), but a 1%-point decrease compared to 2017 (75%). It is also important to note the on-call station availability varies significantly across stations, with ongoing review and activity being carried out as part of our on-call project. We also anticipate improvements longer-term improvements once the outcomes of Risk Review are fully implemented.

Later in the year, for the first time, the Service will be able to view a new live data set for operational staff availability, to help manage and monitor performance. This will enable the Service to review both whole-time and on-call stations' availability, down to watch and individual level against contracted commitments. This will also include day/night cover to ensure managers are able to predict and plan their resources. Once this data is available and analysed on an ongoing basis, we will consider carefully what additional or alternative information we provide in future performance reports.

Prevention and protection

Our prevention and protection activities are core parts of our organisational objective to make life safer for everyone in Hampshire, including local residents, wider communities and businesses; and remains one of our statutory obligations under the Fire and Rescue Services Act 2004.

We monitor regularly our prevention and protection performance, including through our organisational performance dashboards, which we launched to staff across the Service in October. There is continued focus for improvements in these areas, partly in response to HMICFRS' 2018 inspection report findings and their wider interest on these areas. For example, in recent months:

- A team of nine Watch Managers are now working through a comprehensive data set of approximately 10,000 properties based on Experian Data (demographic profiling data). These premises have been sorted by risk priority and we are now achieving our monthly target of 120 audits per month, targeted at the highest risks identified across the county. In addition to this, we have begun a review of the delivery and

⁴ Fire and Rescue Incident Statistics England, year ending March 2019.

⁵ Fire and Rescue Incident Statistics England, year ending March 2019.

- relationship between the Risk-Based Inspection Team and our Community Safety Hubs to ensure we are targeting the most at-risk premises; and
- Separately, national and HFRS evaluations of Safe & Well visits have been carried out, with our Operations directorate considering their findings and recommendations carefully to supplement ongoing activity in this area.

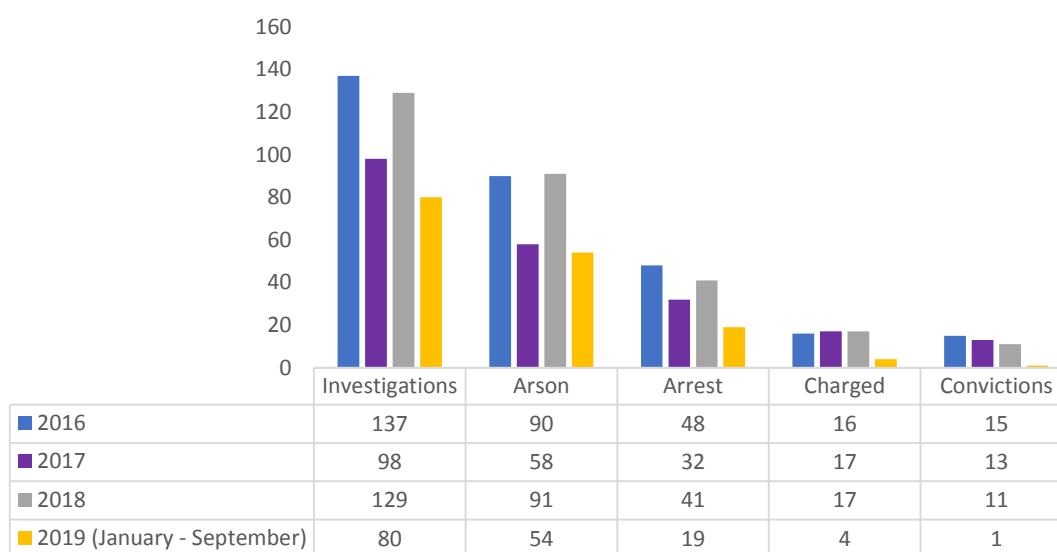
We are currently analysing protection and prevention data within our organisational performance dashboards – with a view to including subsequent insights within future performance reports.

Arson Taskforce

Our Fire Investigation Task Force is responsible for investigating deliberate fires and all fatalities thought to be due to fire. **Figure 6** shows a reduction in the number of investigations (and those charged and convicted) in the last year, though this is primarily due to the 2019 reporting period only including nine months, and we will be providing a fuller update in the next annual performance report in 2020.

Figure 6: Arson Task Force activity, January to December 2016 to 2018 and January to September 2019

There has been reduction in the number of investigations in the last year, primarily due to the 2019 reporting period covering nine months



Note: Data sourced from the Arson Task Force tracker on 08/10/2019.

The Fire investigation Arson Task Force team has above the national average conviction and clear up rates for Arson offences. They have delivered expert witness evidence in Coroner's Courts during this reporting period, they have also prepared and submitted reports for County Coroners for hearings that will be heard over the coming months.

The team have also been planning and delivering fire investigation courses to external organisations including the Ministry of Defence (MOD), insurance underwriters, and forensic students. The team continue to build upon relationships with Portsmouth and Winchester universities for the purposes of both internal research and external education of students. Finally, the team are also undergoing an arduous ISO accreditation process and will be able to apply to UKAS for an initial assessment in early 2020.

People

Most of our costs in 2018/19 (£49 million, around 74% of overall expenditure)⁶, were staff costs. Furthermore, in December 2018, HM Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) published an inspection report that rated Hampshire Fire and Rescue Service as 'requiring improvement' in how well it looks after its people.⁷ Both these points illustrate the importance of understanding our people performance, which this section explores.

People & Organisational Development (POD) directorate activity

Our newly formed People and Organisational Development (POD) directorate, led by the Head of People & Organisational Development, is responsible for leading the people and organisational strategy, and enabling a diverse and motivated workforce. Working with colleagues and stakeholders, our Head of People & Organisational Development has defined the directorate's core purpose, guiding principles and strategic intentions over the next five years.

In September 2019, a new POD framework was approved, which replaced the 2015 People Strategy. The framework has six core areas of focus:

- Inclusion and diversity.
- Culture, values and behaviours.
- Health, wellbeing and fitness.
- Workforce transformation and engagement.
- Learning and development.
- Leadership and management.

Each of these is underpinned by detailed plans, and progress against the six areas is discussed and monitored in the POD Board through various quantitative and qualitative output and outcome measures. Examples of data within these areas include:

- sickness absence;
- use of our Employee Assistance Programme and other support services; and
- training and qualifications data, including qualitative feedback on training courses.

⁶ Includes wholtime and retained firefighters, support staff, net cost of pensions and other employee costs.

⁷ We were, however, rated as 'good' in relation to our efficiency and effectiveness.

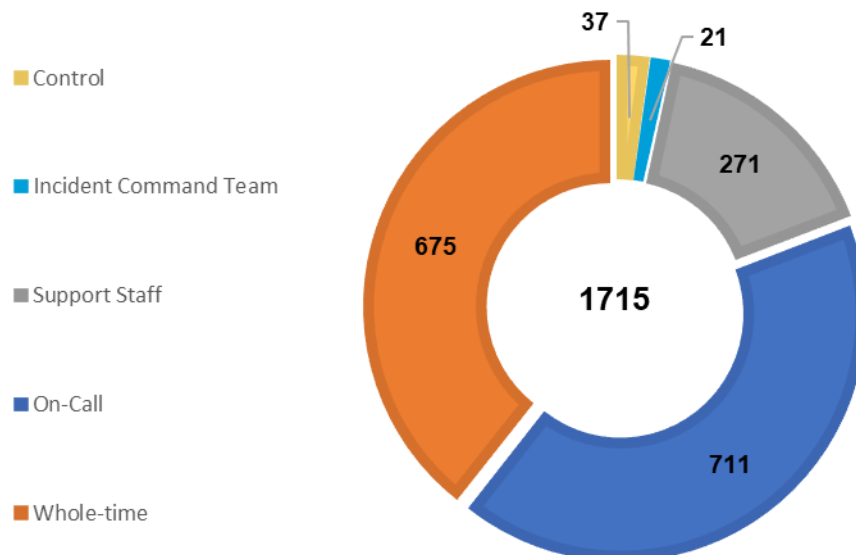
Staffing establishment

As at 30th September, Hampshire Fire and Rescue Service employed 1,715 people, equating to 1,433 full-time equivalent staff (**Figure 7**) – a 1.8% increase from the end of March 2019. There has been an increase of eight support staff, seven on-call staff and 17 whole-time staff.

Unsurprisingly, as shown in *Figure 7*, most of our workforce are either on-call (711) or whole time (675) firefighters, with 271 support staff covering a wide range of areas, such as: ICT; procurement; property and facilities management; governance and compliance, and performance and assurance activity.

Figure 7: As at 30th September 2019, HFRS employed 1715 people, equating to 1433 full-time equivalent staff

The number of people employed by HFRS has increased by 1.8% compared to March 2019, owing to a net increase of eight support staff, seven on-call staff and 17 whole-time staff



Note: (1) Figures within chart above illustrate headcount data and not full-time equivalents; and (2) Data was sourced from SAP on 01/10/2019.

Diversity

We continue to aim to increase the diversity of our workforce. Following a recent successful recruitment campaign, the Service has increased our number of female firefighters. In March 2018 there were 83 female firefighters, increasing by 14% to 95 female firefighters in September 2019.

Overall, in March 2018, we had 205 female staff. This has increased 23% to 254 staff (+49) by September 2019. Overall, 15% of our workforce is female. Despite this positive trend, partly driven by our successful whole-time recruitment campaign, we recognise there is further to go, including the diversity within our more senior roles.

We have not included diversity data by ethnicity in this report as, reflecting a national trend, a significant percentage of staff have not disclosed this information. However, again, we recognise the need to improve the ethnic diversity of our workforce, including in senior roles. As noted above, inclusion and diversity is one of the six areas of focus of our People and Organisational Development (POD) directorate. As part of this focus, we recently carried out an evaluation of our recruitment from under-represented groups in our last whole-time campaign – with our POD directorate considering carefully the findings and recommendations of this report. Separately, in-line with our responsibilities under the Equality Act 2010, we publicly report an annual statement of equality, which provides additional data on the diversity of our workforce.

Sickness

Staff sickness is an important measure, which provides us with a barometer of the wellbeing of the Service. We measure sickness by the number of shifts lost to sickness. The duration of a shift is variable and in accordance to business areas and to crewing models.

In the first half of this financial year, the average number of shifts/days lost to sickness for all personnel in Hampshire was 4.98, this is an increase of 0.66 shifts when compared to the same period last year (4.32). The most common causes of sickness absence in all employee groups mirrors that of the national picture:

- Wholetime and on-call employees: musculo-skeletal conditions.
- Fire Control: unspecified/unknown followed by mental health conditions; and musculo-skeletal conditions.
- Green Book employees: unspecified/unknown followed by mental health conditions.

Sickness increased across all our staff groups, from the first half of 2018/19 compared to the first half of 2019/20 (**Figure 8**, see next page). The most significant increase was for Green Book (+1.58 days) staff, with mental health conditions (depression, stress and anxiety) accounting for 26% of their sickness absence. However, it is important to note that as these are average figures they can, in some cases, be impacted by a single member of staff or a small number of individuals with lengthy absences. Our People and Organisational Development directorate, as mentioned earlier in this section, is monitoring sickness absence and other areas closely with a range of activities in place to support the physical and mental well-being of our staff.

Figure 8: Shifts/days lost to sickness, 1st April – 30th September (2018 and 2019)

Across the Service the number of working shifts lost to sickness has increased by 0.66 shifts in 2019 compared to the previous year, with increases in all staff groups – most notably for Green Book staff



Note: Data sourced from SAP and FireWatch, 21/10/2019.

Work-related stress, depression or anxiety continues to represent a significant proportion of ill health across the workforce of Great Britain, accounting for 44% of work-related ill health and 57% of working days lost, in 2017/18.⁸ The occupations and industries reporting the highest rates of work-related stress, depression or anxiety remain consistently in the health and public sectors of the economy. The reasons cited as causes of work-related stress involve workload, insufficient managerial support and organisational change as the primary causative factors.⁹

Hampshire Fire and Rescue Service has seen a high number of change programmes over recent years affecting all staff groups, to varying degrees, with significant ongoing projects. These present challenges for the whole organisation, with some groups being more affected than others. Furthermore, operational personnel often face difficult situations during incidents, which can potentially contribute to work-related mental health conditions.

Mental health

When our staff have any physical or mental health conditions or challenges there are a range of support services available to them. For example, Hampshire Fire and Rescue Service has an Employee Assistance Programme (EAP), provided by Health Assured, with 24-hour counselling, telephone advice and other support services covering a wide range of issues available to staff.¹⁰ There is also support available via The Fire Fighters' Charity.¹¹

Between April and September 2018, there were 167 calls into the EAP, with 58 (35%) relating to mental health issues, and 25 (15%) relating to trauma or work issues. In the same

⁸ <http://www.hse.gov.uk/statistics/causdis/stress.pdf>

⁹ See footnote 8.

¹⁰ <https://www.healthassured.org/about-us/>

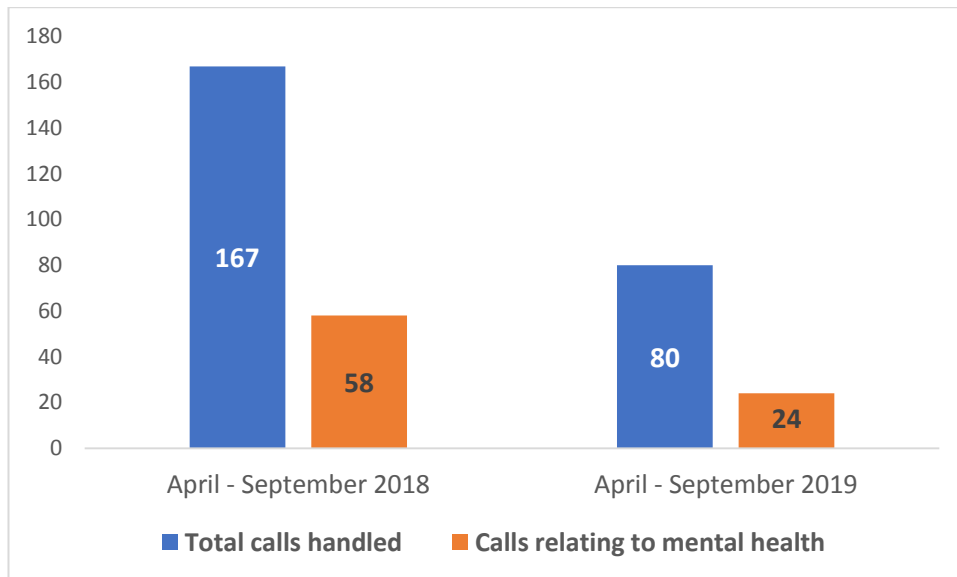
¹¹ <https://www.firefighterscharity.org.uk/how-we-help-2>

period in 2019 there were significantly fewer calls (80, a 52% reduction), with 24 (30%) relating to mental health issues (see **Figure 9**, see next page), and eight (10%) relating to trauma or work issues. It is likely that there were significantly less calls in 2019 owing to the increased profile of mental health and various improvements in how we support staff internally, though we will continue to actively signpost the Employee Assistance Programme, as part of our wider mental health action plan.

Hampshire Fire and Rescue Service continues to invest in mental health support, including mental health first aiders, TRiM support (Trauma Risk Management is offered to personnel after exposure to traumatic events), and various awareness and support campaigns. We monitor regularly a range of data and information that helps develop our understanding of mental health across the Service and shape our support and campaigns to staff accordingly. More widely, beyond mental health, our staff have access to a range of occupational health support – with service provision in this area recently reviewed to improve the experience and effectiveness for both staff and managers.

Figure 9: Calls handled by our Employee Assistance Programme, 1st April to 30th September (2018 and 2019)

There has been a 52% decrease in calls (down to 80) between 2018 and 2019, with around a third of calls in each year relating to mental health topics



Note: Data sourced from Employee Assistance Programme reports for Hampshire Fire and Rescue Service.

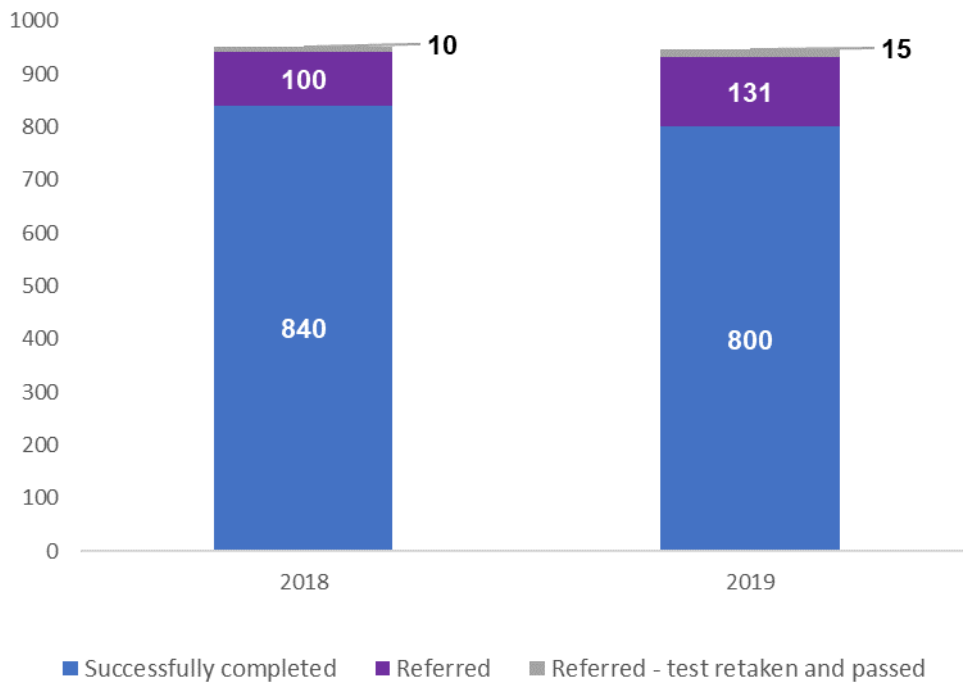
Fitness and qualifications

The fitness and qualifications of our operational staff are an important part of their ability to carry out their jobs effectively, with operational staff having fitness tests every 6 months. We monitor this data regularly, including through our organisational performance dashboards.

Between April and September 2018, there was a total of 950 fitness tests with 840 staff (88%) successfully completing them, 100 staff (11%) being referred (for example to occupational health) and 10 staff (1%) retaking their assessment and passing. Over the same period in 2019, there were 946 fitness test assessments with 800 staff (85%) passing them, 131 (14%) being referred and 15 staff (2%) retaking their assessment and passing (**Figure 10**).

Figure 10: Fitness test assessments, 1st April to 30th September (2018 and 2019)

There were 946 fitness tests in 2019, with the percentage successfully completing them dropping 3% points (from 88% to 85%) compared to the same period in 2018



Note: Data sourced from Organisational Performance Dashboards, 09/10/2019.

As noted above, performance in this area is regularly monitored and analysed within the People & Organisational Development directorate's POD framework. The directorate will continue to monitor this trend closely, introducing improvement activity, when necessary.

Finances

Our finances have a critical impact on activity and performance across the Service. This section of the report provides a snapshot of our financial position at the end of September 2019, with focus on our revenue expenditure and reserves.

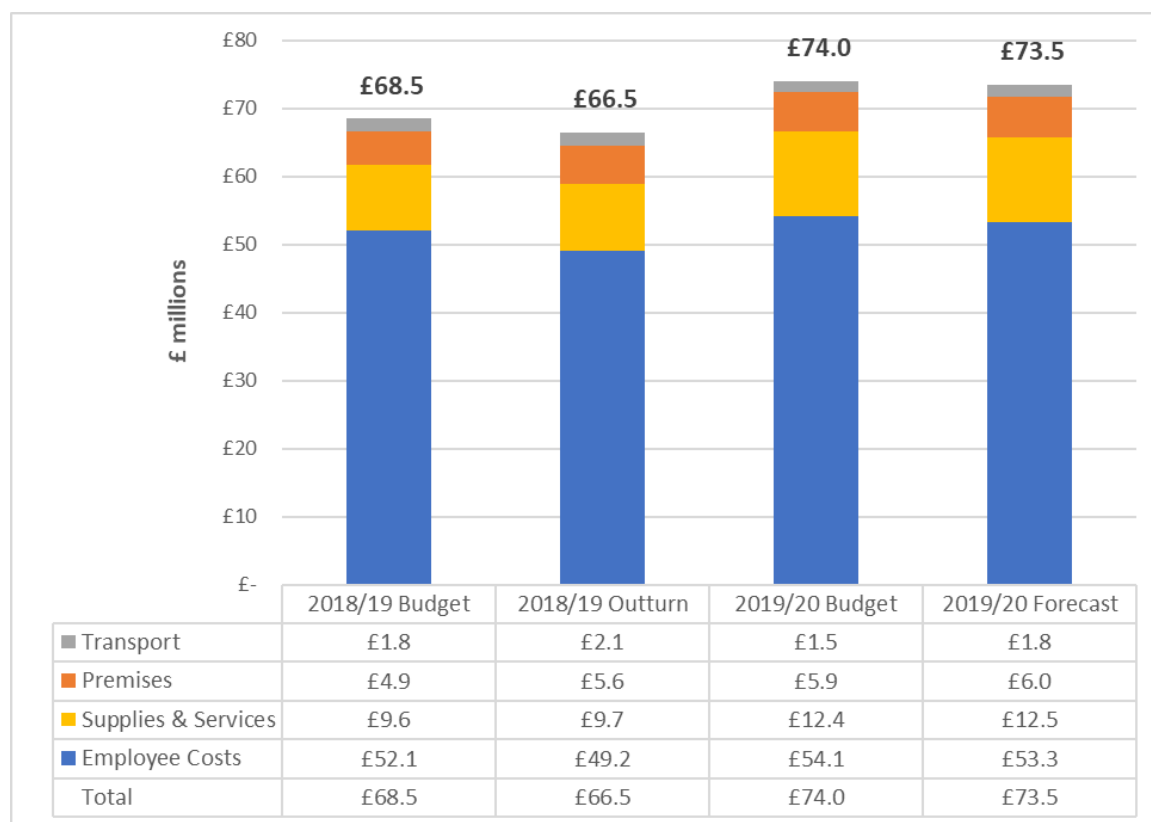
Revenue expenditure

As shown in **Figure 11**, we are currently forecasting an underspend of £0.447 million in 2019/20. The underspend is made up £0.87 million on employee costs due to several posts being vacant during the first part of the year. This is partially offset by small overspends on premises and transport. Furthermore, it is important to recognise that we have achieved budget reductions of £10.2 million (2016/17 to 2020/21) as a result of Service Delivery Redesign and other savings.

However, compared to 2018/19 actuals, there is forecast to be an 11% (£7 million) increase in revenue costs. This is partly driven by an increase in wholetime firefighter costs due to the increase in pensions contributions from April 2019, and a 29% increase in supplies and services costs following transfer from reserves to fund the MDT and PPE rollouts.

Figure 11: Gross revenue expenditure (budget, outturn and forecast) in 2018/19 and 2019/20

While we are forecasting a £0.447 million underspend in 2019/20, we expect to spend £7 million more than we did in 2018/19 – an 11% increase, partly driven by the increased cost of pensions, and of supplies and services



Note: Data sourced from Finance team, October 2019.

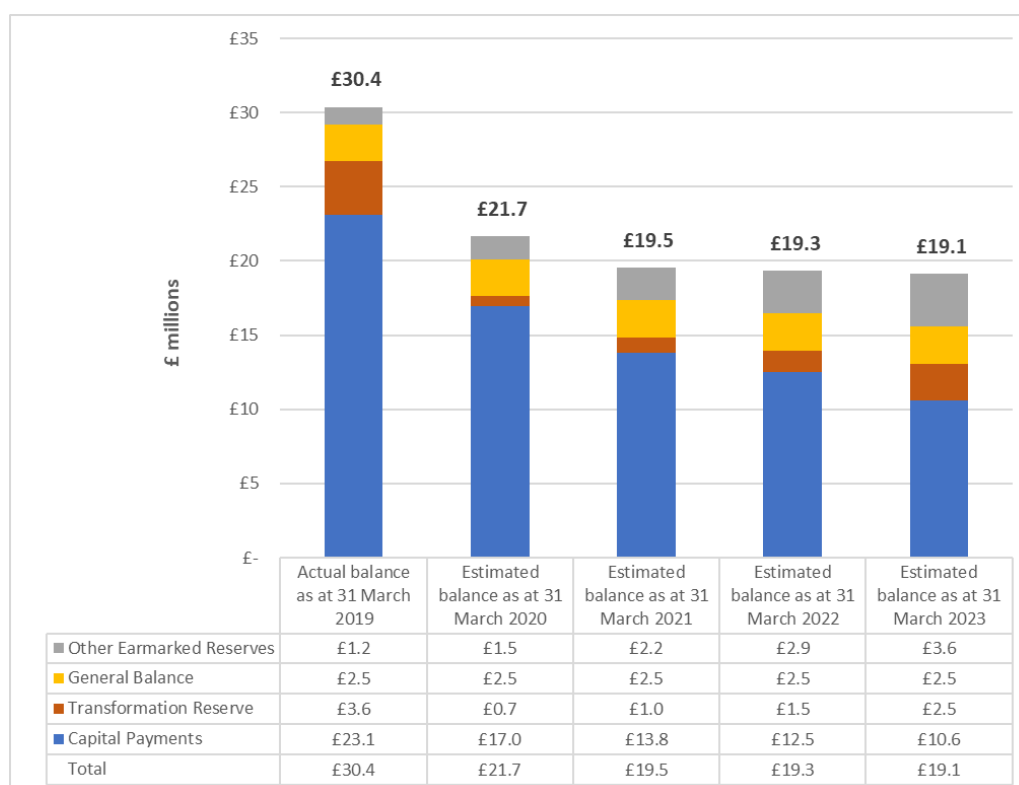
Reserves and overall financial position

Overall, Hampshire Fire and Rescue Authority remains in a strong financial position with reserves of £30.4 million as at March 2019 (**Figure 12**). The Authority is well placed to tackle future financial challenges that will inevitably arise as a result of diminishing resources and the uncertain picture past 2019/20.

However, the latest Medium-Term Financial Plan (MTFP) forecasts that there will be a funding gap of £4 million by 2021/22¹²; and our reserves are estimated to reduce by 37% (£11.2 million), to £19.1 million, by March 2023, primarily owing to capital investment – for example in vehicles and personal protection equipment. We will, though, continue to look to increase reserves where appropriate, as well as maintaining our general reserve balance, which serves as a contingency fund, at £2.5 million – nearly 4% of our budget, and comparable to previous benchmarks in this area.¹³

Figure 12: Actual and estimated levels of reserves, year-end 2018/19 to 2022/23

Our reserves are estimated to reduce by 37% (to £19.1 million) by March 2023, primarily owing to capital investment, for example in vehicles and personal protection equipment



Note: Data is sourced from Finance team, October 2019.

In overall terms HFRA remains in a strong financial position with reserves standing at £30.4 million at the end of 2018/19 and is well placed to tackle the future financial challenges that will arise as a result of diminishing resources and the uncertain picture past 2019/20.

¹² However, this forecast is now over a year old and will be reviewed when the awaited three-year funding settlement figures are released.

¹³ For example, CIPFA's 2015 briefing on *English local authority reserves* found that, at 31 March 2014, local authorities held £3.7 billion in general reserves and balances, representing about 4% of local government revenue expenditure.

Corporate Services

In addition to the wide range of data above, it is also important for us to understand the performance of our corporate functions, such as ICT, Property & Facilities, and governance and compliance, as well as the performance of the various contractors and contracts that we use. Our internal Infrastructure and Security Board, which is chaired by the Chief of Staff, covers performance in these areas. This section of the report focuses specifically on ICT, property and facilities, and information governance.

ICT

ICT performance is vitally important as it potentially impacts on how other parts of the Service perform. This part of the report focuses in more detail on how we measure and understand our ICT performance.

As noted above, ICT performance is one of the areas that is scrutinised by the Infrastructure and Security Board, chaired by the Chief of Staff. Hampshire Fire and Rescue Service's ICT department monitors both its:

- Internal performance, for example including the number of calls or emails relating to ICT issues that are logged and resolved; and
- External performance of third-party suppliers who, for example, provide critical services relating to telephony, internet and system connectivity.

This section does not include any performance data as the ICT department is currently revising its Service Level Agreement (SLA) which outlines various internal and third-party measures (and expected performance against these). It also outlines the key responsibilities in this area for the ICT department, internal stakeholders and users, and third-party suppliers.

Future iterations of this performance report will include ICT performance data, where significant issues or performance improvement has been identified. This will, however, be done in a way that does not impact our ongoing contractual relationship with suppliers.

Property & Facilities

Our estate is central to what we do. Ensuring we maintain a well performing estate and property support function is therefore crucial. This part of the report focuses in more detail on how we measure and understand our estate performance.

Performance in this area is also scrutinised by the Infrastructure and Security Board. Furthermore, Hampshire Fire and Rescue Service's Property & Facilities department monitors both its:

- internal performance, for example including feedback directly from users of the support service on the efficiency and standard of support provided; and
- external performance of third-party suppliers who, for example, provide critical services relating to reactive and planned building maintenance.

Future iterations of this performance report will include Property & Facilities performance data, where significant issues or performance improvement has been identified. This will, however, like with our ICT performance, be done in a way that does not impact our ongoing contractual relationships.

Information Governance

Information governance is important both in terms of our statutory compliance and our public transparency. This section explores information governance performance through the lens of freedom of information requests and complaints.

Freedom of Information (Fol) requests

The Freedom of Information Act 2000 provides public access to information held by public authorities, and the Environmental Information Regulations 2004 provides the public with access to environmental information held. This access is achieved in two ways: public authorities are obliged to publish certain information about their activities and proactively publish environmental information; and members of the public are entitled to request such information.

Figure 13 shows the volume of requests received, and our performance in responding within statutory deadlines (20 working days for Fol requests). We received 75 requests between April and September 2019 – 12 fewer than the same period in 2018. Compared to 2018, our performance in responding to requests on time has decreased very slightly to 89%.

Figure 13: Freedom of Information and Environmental Information Regulation requests, between April and September (2018 and 2019)

We received 12 fewer requests in April to September 2019 compared to the same period in 2018, with our performance on responding on time decreasing by 1% points

Year	Number received	Number out on time	Closed due to lack of clarification	Number late	Number ongoing
April to September 2018	87	78 (90%)	6 (7%)	3 (3%)	N/A
April to September 2019	75	67 (89%)	1 (1%)	1 (1%)	6 (8%)

Note: Data sourced from HFRS G&C Information Governance team, October 2019.

Complaints

Hampshire Fire and Rescue Service's Governance and Compliance team also receive, and process complaints made about the Service. These complaints can be both internal and external. The deadline for responses to complaints is also 20 working days. Our performance in responding is outlined in **Figure 14** on the next page, which shows a very small increase in the number of complaints (one more), but also a 6%-point increase in our performance in responding within 20 days.

The Governance and Compliance Team also report on compliments received, but this information is collated by our Communications team, and is explored in the final section of this report, *Our Communications*.

Figure 14: Complaints received and how promptly we responded, between April and September (2018 and 2019)

We received one more complaint in 2019 but improved the percentage of responses that went out on time

Year	Number received	Number out on time	Number late	Number ongoing
April to September 2018	33	24 (73%)	9 (27%)	N/A
April to September 2019	34	27 (79%)	3 (9%)	4 (12%)

Note: Data sourced from HFRS G&C Information Governance team, October 2019.

Health and Safety

As part of the recent structural changes, the responsibility for Health and safety sits with the Deputy CFO and is managed from within our Policy & Planning directorate. Health and Safety is an important part of staff well-being, and of good management more widely. This section of the report covers our work and performance in this area, recognising that Hampshire Fire and Rescue Authority recently received the 2018-19 Health and Safety Annual Report.

HFRS seeks continuous improvement in all aspects of health, safety and wellbeing (HSW), from promotion of a positive HSW culture, to identifying and mitigating risks, and ensuring personal competence in health and safety. HFRS strives to make its employees and Hampshire safer whilst delivering a wide range of essential services to the community.

HFRS's performance in this area is constantly monitored and measured against agreed standards and the HSW Strategy to reveal where and when improvement is needed. Further to the information presented in the recent annual report, within the period covered by this report (April to September 2019) there were:

- 77 injuries, 27 (35%) of which lead to lost staff time. This is a 33% increase compared to the same period in 2018, when there were 58 injuries – 18 (31%) of which lead to lost staff time. This increase is partly the result of the health and safety team focusing on addressing under-reporting of health and safety events, especially in terms of lost time injuries. The team will be launching a new reporting tool that will allow staff to raise health and safety concerns from their desktop. As a result, going forward we expect another rise in reported injury events.
- 57 near misses or causes for concern, which serve as leading indicators for health and safety issues. This is a 20% decrease compared to the same period in 2018 when there were 71 near misses and causes for concern. Analysing the figures in more depth has identified that a significant number of the health and safety events reported in 2018 relate to bookings and events. This together with the endeavours undertaken to improve injury reporting is expected to bring leading factors up over the next year. The aim is for leading factor reporting to significantly exceed injury reporting.

Organisational Performance & Assurance

The HFRS Performance and Assurance Directorate performs the important role of monitoring organisational performance and providing a range of assurance activity to ensure the Service is being as effective, efficient and economical as possible.

Organisational Performance

The Organisational Performance teams are split into two key areas with focus on business intelligence activities:

- Analysis, research, insights and CAD (Computer Aided Design – building plans and schematics); and
- Data management, architecture, design and development of business intelligence tools and performance reporting.

The unprecedented, newly-built data warehouse and organisational performance dashboards provide the Service with the ability to more easily validate data quality (with subsequent actions within the data warehouse), highlight service performance and enable both individuals and teams to identify and review improvements in support of making Hampshire safer.

Since the launch of the Organisational Performance dashboards to pilot sites on 1st August 2019 and across the Service on 4th October 2019, there have been over 3,900 views of the dashboards, in addition to the generation of interest and discussion at various management meetings and boards.

The teams have also developed a Community Insights Tool, which is being piloted. Through a carefully selected range of data (engaging with senior management, local stations, authorities and partners) the tool will provide HFRS staff with richer intelligence about their local communities – driving more effective working and engagement activity.

Insights

The Service is directing focus on the development of its Insights capability, to better understand what the general public (including certain groups or areas) think about HFRS and the activities and campaigns we conduct. Therefore, we plan to increase our future engagement with the public, including targeted surveys and focus groups. Examples may focus on the overall perception of HFRS and separately, on the views of particular demographic groups.

Organisational Assurance

The work of the Organisational Assurance team can be split into four main areas:

- Engagement with HM Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS), including monitoring Service progress against our HMICFRS action plan;
- Managing and overseeing our engagement with internal audit;
- Monitoring Service progress against the HFRS Service Plan; and
- Ownership of the change management framework, which is a joint HFRS and IWFRS framework, and is set to be launched in early 2020.

HFRS regularly provides progress updates against our HMICFRS action plan, Service Plan and internal audit report management actions to Hampshire Fire and Rescue Authority's Standards and Governance Committee.

Separately, HFRS also carry out an extensive range of operational assurance activity, which may be covered in future iterations of this report.

Change management and corporate portfolio monitoring

A new framework is being introduced (in early 2020) for co-ordinating and assuring change to support staff in their approach to programme, project and change management, in order to:

- Increase the likelihood of delivering outcomes within time, cost and scope constraints;
- Ensure efficient and effective use of resources;
- Ensure effective risk management;
- Satisfy the diverse needs of internal and external stakeholders;
- Provide learning to support continuous improvement across the Services; and
- Enhance communication, collaboration and strategic alignment, where applicable.

This framework draws upon aspects of the National Audit Office's 2019 *Framework to review programmes*¹⁴ and aspects of HM Treasury's *Green Book*¹⁵. We are also planning to develop a bespoke training module to support the framework and generate a refreshed focus on change management.

Major change activities are monitored via a 'Corporate Portfolio' to provide assurance and report on progress made. As of October 2019, this portfolio comprised 10 projects, with progress monitored via the Integrated Performance and Assurance Board (IPAB), which takes place every other month.

¹⁴ National Audit Office, *Framework to review programmes*, 2019. The framework is based on the NAO's experience of around 140 studies reviewing public sector programmes since 2010.

¹⁵ HM Treasury, *The Green Book: central government guidance on appraisal and evaluation*, 2018. HM Treasury's Five Case Model (strategic, economic, commercial, financial and management) for business cases is also particularly relevant.

Our communications

Another vital part of Hampshire Fire and Rescue Service is our Communications team who produce and support an array of activity across the Service (both external and internal) including our Digital and Creative Hub. We are very active with our external communications such as on Twitter (36,000 followers) and LinkedIn (3,400 followers). We also use a variety of internal communications channels (the intranet, Routine Notice, Yammer, Facebook Workplace and FireFlash) frequently to ensure staff are well-informed, well-engaged and know what is required of them.

In terms of the performance of our Communications team, below are some examples of successful communications work and campaigns:

- The team played a vital role in the firefighter attraction and recruitment campaign which saw the number of female recruits go up significantly. This was, in part, achieved by targeted communications, including bespoke fitness programmes being sent to interested parties with the creation of a subscribers list, and posters in female-only gyms
- *Need More!* Our on-call recruitment campaign has been nominated for many awards and the work created in-house is used nationally
- *Beat the Heat* – working with our partners in NHS, Public Health England, SCAS and others we communicated vital safety messages to hundreds of thousands of people.
- Internal breakfast briefing events (led by members of our Executive Group) have started for all staff in IWFRS and HFRS. These occur every three months to discuss topics decided by our staff; and
- A wide range of other activity including: reintroducing our regular video news channel, FireFlash, for frontline staff; supporting the Local Government Association at a national communications seminar; and promoting and engaging staff in the Service's National Inclusion Week activities.

Success stories

This section acknowledges and celebrates operational service recognition from members of the public in addition to celebrating the success of our staff. It provides indicative examples rather than a complete list, with a vast range of other success stories – such from the work of our Children and Young People teams, and, for example, their work with the Prince's Trust, as well as in schools.

Between April and September 2019, HFRS received 35 messages of thanks from members of the public via various channels, including our website, email, Facebook, letters and cards. They reflected a wide range of incidents and events that the service attended, including recognition from Dorset and Wiltshire Fire and Rescue for our response and support during a multi-agency incident. Some illustrative and anonymised examples are provided on the next page:



Our staff

This section illustrates the recognition of service for staff during the reporting period for 2019. Notably these figures illustrate the length of service for our staff, 24 of which celebrated over 30 years' service.

20 Grey	20 Green	25 Years	30 Years	35 Years	40 Years	45 Years	50 Years
26	2	22	17	3	1	2	1

Furthermore, there were several recognitions, commendations and certificates awarded to staff during the period covered by this report – recognising the fantastic work carried out by staff across the Service. The Service also recognises the efforts of staff through our annual Celebrating Success awards, which this year took place in November.

Recognition Chief Fire Officer Appreciation	4
Recognition Chief Fire Officer Commendation	8
Recognition Chief Fire Officer Congratulations	2
Medals Certificates	74
Leavers Certificates	67

Definitions and abbreviations

Secondary fires are generally small outdoor fires, not involving people or property. These include refuse fires, grassland fires and fires in derelict buildings or vehicles, unless these fires involved casualties or rescues, or five or more pumping appliances attended, in which case they become primary other outdoor fires.

False Alarms are incidents where the FRS attends a location believing there to be an incident, but on arrival, discovers that no such incident exists or existed.

False alarms are split into three sub-categories:

- **Malicious False Alarms** are calls made with the intention of getting the FRS to attend a non-existent event, including deliberate and suspected malicious intentions and are usually via a hoax phone call or activation of fire alarms.
- **Good Intent False Alarms** are calls made in good faith in the belief that there really was an incident the FRS should attend, such as when people smell burning or see smoke.
- **False Alarms Due to Apparatus (FADA)** are calls initiated by fire alarm and fire-fighting equipment operating, including accidental initiation of alarms by persons or where an alarm operates erroneously, and a person then routinely calls the FRS.

Special Service Calls (SSCs) are incidents requiring the attendance of an appliance or officer. They include, but are not limited to:

- local emergencies e.g. road traffic incidents, responding to medical emergencies, rescue of persons and/or animals or making areas safe
- major environmental disasters e.g. flooding, hazardous material incidents or spills and leaks
- domestic incidents e.g. persons locked in/out, lift releases, suicide/attempts prior arrangements to attend or assist other agencies, which may include some provision of advice or standing by to tackle emergency situations.
- Medical incidents attended by FRSs include but are not limited to cases of: lifting people, people experiencing breathing difficulties, cardiac arrests, those who are unresponsive, collapses, choking, shock etc.

Employee Assistance Programme (EAP) provided by Health Assured, with 24-hour counselling, telephone advice and other support services covering a range of issues available to staff.

South Coast Ambulance Service (SCAS)

People and Organisational Development (POD)

Integrated Risk Management Plan (IRMP)

Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS)

Ministry of Defence (MOD)

International Standards Organisation (ISO)

Computer Aided Design (CAD)

United Kingdom Accreditation Service (UKAS)

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AT A MEETING of the Stakeholder Committee of the Hampshire Fire and Rescue Authority held at SHQ, Eastleigh on Wednesday 25th September, 2019

Chairman:

* Councillor Roger Price

* Councillor Jonathan Glen

* Councillor Roz Chadd

* Councillor Sharon Mintoff

* Councillor Rhydian Vaughan MBE

* Present

9. **APOLOGIES FOR ABSENCE**

All Members were present, but apologies were received from Steve Apter on behalf of 3SFire Ltd.

10. **DECLARATIONS OF INTEREST**

Members were mindful of their duty to disclose at the meeting any disclosable pecuniary interest they had in any matter on the agenda for the meeting, where that interest was not already entered in the Authority's register of interests, and their ability to disclose any other personal interests in any such matter that they might have wished to disclose.

11. **MINUTES OF THE PREVIOUS MEETING**

The minutes from the meeting on 16 July were approved and signed by the Chairman.

12. **DEPUTATIONS**

There were no deputations for the meeting.

13. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman said that once a regular schedule had been established for the meetings going forward, then these would be included in the HFRS Calendar of Meetings and circulated.

14. **3SFIRE - COMPANY UPDATE**

The Committee received an update report regarding progress with 3SFire Ltd. It was confirmed that business development had been slowed down in the short term whilst the staffing structure was updated, and focus was given to ensuring the appropriate governance processes were in place.

Work continued with a lot of repeat business, but further pro-active business development would continue when a permanent structure and new Company Board were in place.

RESOLVED:

The Hampshire Fire and Rescue Authority Stakeholder Committee noted the contents of the report.

15. **EXCLUSION OF PRESS AND PUBLIC**

It was resolved that the public be excluded from the meeting during the following items of business, as it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during the items there would be disclosure to them of exempt information within Paragraphs 1 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the reports.

16. **3SFIRE - RECRUITMENT**

The Committee considered a report from the Chairman of the Board for 3SFire Ltd (item 8 in the minute book), which updated Members on progress with recruitment and to seek approval for the appointment strategy [SUMMARY EXEMPT MINUTE]

17. **3SFIRE - BUSINESS PLAN AND STRATEGIC DIRECTION**

The Committee received a verbal update from the Chairman of the Board for 3SFire Ltd regarding the strategic direction of 3SFire Ltd [SUMMARY OF EXEMPT MINUTE].

18. **EXEMPT MINUTE FROM THE PREVIOUS MEETING**

The Committee received the exempt minute from the meeting on the 16 July 2019. Under Item 7 in the minutes it was agreed that 'profit' be amended to 'turnover'. The minutes were then approved.

Chairman,

Agenda Item 12

AT A MEETING of the HFRA Standards and Governance Committee held at Fire and Police HQ, Eastleigh on Tuesday 22 October, 2019

Chairman:

* Councillor Liz Fairhurst

Vice-Chairman:

* Councillor Sharon Mintoff

* Councillor Jonathan Glen

Councillor Geoffrey Hockley

* Councillor Roger Price

*Present

84. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Hockley.

85. **DECLARATIONS OF INTEREST**

Members were mindful of their duty to disclose at the meeting any Disclosable Pecuniary Interest they had in any matter on the agenda for the meeting, where that interest was not already in the Authority's register of interests, and their ability to disclose any other personal interests in any such matter that they might have wished to disclose.

No interests were declared.

86. **MINUTES OF PREVIOUS MEETING**

The minutes of the meeting held on the 23 July 2019 were reviewed and agreed.

87. **DEPUTATIONS**

There were no deputations on this occasion.

88. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman had no announcements to make on this occasion.

89. **INTERNAL AUDIT PROGRESS REPORT 2019/20**

The Committee considered a report of the Chief Internal Auditor providing an overview of the progress of internal audit work for the period ending August 2019 (Item 6 in the Minute Book). The report was introduced and Members were led through the appendix which summarised the activities of Internal Audit for the period. Section 4 of the appendix highlighted the outstanding and overdue actions, progress in relation to these would be detailed in a report following next on the agenda. The limited assurance opinion for sick pay was explained as set out at section 5, and it was heard that the current process could potentially lead to sick pay overpayment which did require management action to address. A query was raised in relation to whether this applied to the different conditions of service books, and officers would look into this. In relation to the rolling work programme at section 7, it was noted that all items should be completed by the end of the year.

RESOLVED:

That the progress in delivering the internal audit plan for 2019/20 and the outcomes to date were noted by the Standards and Governance Committee.

90. **INTERNAL AUDIT MANAGEMENT ACTIONS PROGRESS REPORT**

The Committee received the internal audit management actions progress report (Item 7 in the Minute Book). The report was introduced and it was heard that the Service had been making good progress to oversee the implementation of internal audit recommendations. Attention was drawn to paragraph 10 of the report and it was noted that there were now 5 high priority management actions which were overdue against their original target date, and not 6 as reported. The high priority actions were related to safeguarding and business continuity, and it was reported that a Disclosure and Barring Service (DBS) policy would be taken to the internal Executive Group meeting for approval in the next few days, as well as wider progress in this area with an ongoing gap analysis based on the receipt of a full DBS compliance report from the HCC Insights Team.

The Chairman was content with the direction of travel and thanked officers for the report.

RESOLVED:

That the significant progress made towards the implementation of the internal audit management actions was noted by the Standards and Governance Committee.

91. **COMPLAINTS REPORT 2018-2019**

The Committee received a report of the Chief Fire Officer detailing complaints received during 2018-2019 (Item 8 in the Minute Book). It was heard that the report was requested by the Committee as a result of considering the Information Compliance Report 2018-19 at their previous meeting.

Members were led through the report and it was explained that there had been a total of 65 complaints during the financial year 2018-2019, and of these, 45 were dismissed and 20 were upheld. Officers explained that the dismissed complaints were due to lack of evidence or contrary evidence. Of the 20 complaints upheld, 11 had related to conduct, and these had been addressed with the utmost priority through training or raising awareness with individuals. Other complaints which had been upheld related to out of date information on the HFRS website and lack of judgement when uploading posts to HFRS official Twitter accounts. It was noted that 3 complaints had been upheld in relation to unsafe driving, and not parking a fire appliance in an appropriate manner. Officers also highlighted that over this period, the Service had received hundreds of compliments.

Members raised questions in relation to the complaints upheld pertaining to conduct, and it was heard that the nature of these complaints were mostly due to the attitude of staff and how they had engaged in the course of their duties. It was also explained that firefighters received training before conducting safe and well visits to members of the public. Members queried about parking complaints, and it was heard that dismissed cases were in relation to fire appliances responding to an incident. In response to a Member query, it was noted that individual firefighters would receive recognition and possible commendations for compliments received.

In response to queries in relation to Service Identification (ID) cards, it was heard that the Service was currently looking to replace the current access control system and ID cards. Members discussed the possibility of introducing Braille to ID cards to assist partially sighted and blind people should Firefighters need to visit their home, and requested that officers explore the possibility of this further. Members agreed to endorse the Service's performance and commitment to complaints management rather than to note, and this would be reflected in the recommendation.

Members thanked officers for the well written report.

RESOLVED:

That the Service's performance demonstrated within the report and its commitment to complaints management was endorsed by the Standards and Governance Committee, and the Committee asked that the Service explore the provision of braille on ID badges.

92. **HMICFRS ACTION PLAN PROGRESS REPORT**

The Committee received the HMICFRS Action Plan Progress Report (Item 9 in the Minute Book). The report was introduced and the background to the Action Plan was explained which had resulted from the findings of the HMICFRS inspection report. Members heard that some diagnostics had been completed, and in relation to *"The Service should put in place an open and fair process to identify, develop and support high-potential staff and aspiring leaders"*, it was noted that this completion date had been extended to March 2020 so the new personal development plans could incorporate new Service values and behaviours, which were being developed following ongoing workshops with staff.

In relation to “*The Service does not do enough to be an inclusive employer*” which had been identified as a ‘cause for concern’ area by HMICFRS, it was highlighted that a wide range of work had been initiated to address this in six specific areas which were set out at paragraph 15 of the report. Attention was also drawn to paragraphs 17-18 which detailed other ways the Service was addressing the ‘cause for concern’ area and it was heard that good progress was being made.

In response to Member queries it was heard that the next HMICFRS inspection could take place as early as next April, but all the main actions would be completed by then, with some further actions ongoing. It was noted that Members would be kept updated with progress and it was highlighted that the Service would be undertaking a self-assessment as part of the planning process for the next inspection. Members agreed to endorse the positive progress rather than to note, and this would be reflected in the recommendation.

RESOLVED:

That the positive progress made towards the delivery of the HMICFRS Action Plan was endorsed by the Standards and Governance Committee.

Chairman,

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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of the Local Government Act 1972.

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