

NOTICE OF MEETING

<i>Meeting</i>	HFRA Standards and Governance Committee	<i>Clerk to the Hampshire Fire and Rescue Authority</i> John Coughlan CBE
<i>Date and Time</i>	Thursday, 23rd July, 2020 10.00 am	<i>The Castle, Winchester</i>
<i>Place</i>	Remote Meeting – Microsoft Teams	<i>Hampshire SO23 8UJ</i>
<i>Enquiries to</i>	<u>members.services@hants.gov.uk</u>	

BROADCAST NOTIFICATION

This meeting is being held remotely and will be recorded and broadcast live via the Hampshire Fire and Rescue Service website at the following link: [Broadcast Link](#)

Agenda

1 APOLOGIES FOR ABSENCE

To receive any apologies for absence received.

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 INTERNAL AUDIT PROGRESS REPORT 2019/20 AND 2020/21
(Pages 11 - 34)

To receive a report which provides the Committee with an overview of internal audit work completed in accordance with the approved audit plans and an overview of the statuses of 'live' reports.

7 ANNUAL INTERNAL AUDIT REPORT AND OPINION 2019/20 (Pages 35 - 54)

To consider a report regarding the annual internal audit report and opinion 2019/20.

8 INTERNAL AUDIT MANAGEMENT ACTIONS PROGRESS REPORT
(Pages 55 - 68)

To note the progress made towards the implementation of internal audit management actions.

9 ANNUAL GOVERNANCE STATEMENT 2019/20 (Pages 69 - 92)

To consider and approve the Annual Governance Statement for 2019/20.

10 ANNUAL STATEMENT OF ASSURANCE 2019/20 (Pages 93 - 122)

To consider and approve the Annual Assurance Statement for 2019/20.

11 HMICFRS 2018/19 ACTION PLAN AND 2020 INSPECTION UPDATE PROGRESS REPORT (Pages 123 - 140)

To provide an overview of the progress that the Service has made in respect of the Action Plan resulting from the findings of the HMICFRS Inspection Report.

12 FIRE PENSION BOARD ANNUAL REPORT (2019/20) (Pages 141 - 152)

To receive and note the annual report from the Fire Pension Board.

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.

Agenda Item 3

AT A MEETING of the HFRA Standards and Governance Committee held at Fire and Police HQ, Eastleigh on Monday 2 March 2020

Chairman:

* Councillor Liz Fairhurst

Vice-Chairman:

* Councillor Sharon Mintoff

* Councillor Jonathan Glen

Councillor Geoffrey Hockley

* Councillor Roger Price

*Present

Also present with the agreement of the Chairman:
Councillor Chris Carter, HFRA Chairman

93. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Geoff Hockley.

94. **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.

95. **MINUTES OF PREVIOUS MEETING**

The minutes of the last meeting held on the 22 October 2019 were reviewed and agreed.

96. **DEPUTATIONS**

There were no deputations on this occasion.

97. **CHAIRMAN'S ANNOUNCEMENTS**

There were no Chairman's announcements on this occasion.

98. **EXTERNAL AUDIT PLANNING REPORT**

The Committee received the External Audit Planning report and the Annual Audit Letter (Item 6 in the Minute Book) presented by Ernst and Young.

Members were taken through the report and in relation to audit risks and areas of focus as highlighted in section one, page 15 of the agenda pack. Members noted that there were few changes to risk or focus from the previous year, but attention was drawn to the new accounting standard which was a new risk identified this year. Section two, page 19 of the agenda pack detailed External Audit's response to the significant risk of misstatements due to fraud or error, and it was heard that a programme of work was being undertaken by External Audit in response to this, which would focus on areas such as appropriateness of journal entries and assessing accounting estimates.

Other areas of audit focus were outlined which included valuation of land and buildings, pension liability valuation and IFRS 16 leases. In relation to pension liability valuation, Members queried the need for actuaries to complete work when the valuation had already been set by government. Officers informed Members that they would look into this further.

Section three of the report detailed the value for money risks and it was explained that this risk assessment was ongoing through to the year-end and any risk identified would be brought to the Committee's attention in future. It was highlighted that the rest of the report was standard reporting and Members noted this and the Annual Audit Letter. In response to Member questions on how this information would be relayed to the HMICFRS, it was noted that the inspectorate would look at how the Service was operating in relation to governance areas.

RESOLVED:

- i) That the Standards and Governance Committee received and considered the External Audit Plan for 2019/20 and considered any recommendations for the Full Authority.
- ii) That the Standards and Governance Committee noted the final Annual Audit Letter for 2018/19.

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

The Committee received a report of the Chief Internal Auditor, providing a progress report on Internal Audit for 2019/20 (Item 7 in the Minute Book). The report was introduced and Members attention was drawn to page 81 of the agenda pack which detailed the rolling work programme. It was noted that there would be an awareness raising piece of work undertaken on fraud related issues.

Officers highlighted that a periodic survey was due to be sent to Members imminently and that feedback on the services provided by the Southern Internal Audit Partnership would be welcomed. There had been no reports with a limited assurance opinion issued since the last progress report to Committee. Members were content with the report and no questions were raised.

RESOLVED:

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

100. INTERNAL AUDIT CHARTER AND INTERNAL AUDIT PLAN 2020/21

The Committee received a report of the Chief Internal Auditor detailing the Internal Audit Charter and Internal Audit Plan 2020/21 (Item 8 in the Minute Book). It was explained that the Charter set out at Appendix A was a requirement of the Public Sector Internal Audit Standards and this was a standard document with no significant change since Members reviewed it last year. Members attention was drawn to the Internal Audit Plan at Appendix B, and it was explained that it is important that The Plan reflects the needs of The Service going forward and as such had been compiled in consultation with HFRS. It was noted that the audit approach in relation to Shared Services changed from 1 April 2019, with the approach set out in paragraphs 6-7 of the report. To prevent duplication of work, the internal audit plan only includes areas of Shared Services that are outside of the scope of the ISAE 3402 work conducted by Ernst and Young.

In response to questions, it was explained that the Q3 timing for the Disaster Recovery and Business Continuity review was considered appropriate as it allows time for changes to become embedded throughout HFRS. Members also heard that the updated Risk Register would be brought to a forthcoming Authority meeting.

RESOLVED:

That the Standards and Governance Committee approved the Internal Audit Charter and the 2020/21 Internal Audit Plan for Hampshire Fire and Rescue Authority.

101. INTERNAL AUDIT MANAGEMENT ACTIONS PROGRESS REPORT

The Committee received a report of the Chief Fire Officer providing a progress update on Internal Audit Management Actions (Item 9 in the Minute Book).

Members were taken through the report and attention was drawn to the table at paragraph 11 which detailed the Internal Audit Management Actions. It was heard that some areas identified had been very complex to resolve, and an example of this was the issue of pay claims.

Members were content with the report and no questions were raised.

RESOLVED:

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

102. **HMICFRS 2018/19 ACTION PLAN AND 2020 INSPECTION READINESS PROGRESS REPORT**

The Committee received a report on the HMICFRS 2018/19 Action Plan which also detailed progress in preparing for the 2020 Inspection (Item 10 in the Minute Book).

Officers explained that the Action Plan had been developed in response to the findings of the HMICFRS inspection report published in December 2018 to address the one cause for concern and numerous improvement points. Members heard that in relation to preparing for the upcoming inspections, a Service Liaison Lead had been allocated, which was a key role in carrying out preliminary pre-inspection visits to both HFRS and IWFRS. Progress with preparing for the forthcoming inspections was detailed, and it was heard that working groups had taken place and also engagement with the Inspectorate on individual levels.

Members also noted that the self-assessment process for the second cycle of inspections had been revised, and the questions would relate to actions taken place since the previous inspection. It was explained that the self-assessment process would enable the Inspectorate to have a better understanding of the Service. In relation to the diagnostic sections of the report, it was explained that internal officer led scrutiny had increased in the last few months to complete and close the diagnostics identified (areas of improvement). Members noted that seven had been completed and six were on target to be completed, with one was in progress against a revised completion date. Officers highlighted that progress was being made in addressing the cause for concern diagnostic as detailed in paragraphs 60 – 63 of the report which included the development of a new Personal Development Review Process.

Members raised questions in relation to separate inspections of both HFRS and IWFRS when both Authorities were in transition towards a shared service. It was heard that this was a decision of the Inspectorate, and the two Authorities were currently still separate, but it was thought the Inspectorate would be mindful of the transition.

In response to Members queries relating to the three day course as highlighted in paragraph 49, it was heard that these courses had commenced and whilst not mandatory, managers were strongly encouraged to attend where there was a need following conversations as part of the leadership framework.

Members also asked questions relating to diversity and ensuring the workforce was more representative. It was noted that Leading with Impact courses had been held and were open to all female firefighters. Officers highlighted the

significant work that had also been undertaken in relation to recruitment and ethnic minority groups.

RESOLVED:

i) That the progress made towards the delivery of the HMICFRS 2018/19 Action Plan was noted.

(ii) That the progress made against the Inspection Readiness Plan 2020/21 was noted.

Chairman,

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**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Standards & Governance Committee

Purpose: Noted

Date: 23 July 2020

Title: **INTERNAL AUDIT PROGRESS REPORT 2019/20 and 2020/21**

Report of the Chief Internal Auditor

SUMMARY

1. The purpose of this paper is to provide the Standards and Governance Committee with:
 - an overview of internal audit work completed in accordance with the approved audit plans;
 - an overview of the status of 'live' reports.

BACKGROUND

2. The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.

3. In accordance with proper internal audit practices and the Internal Audit Charter, the Chief Internal Auditor is required to provide a written status report to the Standards and Governance Committee, summarising:
 - the status of 'live' internal audit reports;
 - an update on progress against the annual audit plans;
 - a summary of internal audit performance, planning and resourcing issues; and
 - a summary of significant issues that impact on the Chief Internal Auditor's annual opinion.

4. The attached report summarises the activities of internal audit for the period ending June 2020.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

5. The Internal Audit Plan is designed to validate the assurance and control framework which exists in the Authority and across the Service. Secure management processes including risk and performance management are important in ensuring that the Authority's plans are achieved.

RESOURCE IMPLICATIONS

6. The 2019/20 plan was prepared on the basis of audit need and agreed with senior managers and endorsed by Hampshire Fire and Rescue Authority, following comprehensive risk assessment. The cost is reflected in the Authority's budget.
7. The audit plan will remain fluid to enable us to react to the changing needs of Hampshire Fire and Rescue Authority.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

8. Proposals have no environmental or sustainability impacts.

LEGAL IMPLICATIONS

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

EQUALITY IMPACT ASSESSMENT

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

EVALUATION

11. Internal audit activity provides the Authority with an assurance mechanism to evaluate the effectiveness of the Service's risk management, control and governance processes.

RISK ANALYSIS

12. The risk-based approach to internal audit planning and reviews aims to ensure that internal audit resource focuses on key business risks and as such the Authority's risk register has been used to inform the planning process and ensure that key risks are reflected in planned work.

CONCLUSION

13. The appendix outlines the progress made in delivering the internal audit plan for 2019/20 and 2020/21 and the issues arising to date.

RECOMMENDATION

14. That the progress in delivering the internal audit plans for 2019/20 and 2020/21 and the outcomes to date be noted by Hampshire Fire and Rescue Authority Standards and Governance Committee.

APPENDICES ATTACHED

15. Appendix A: Internal Audit Progress Report 2019/20 and 2020/21.

Contact: Karen Shaw, Chief Internal Auditor, Karen.Shaw@hants.gov.uk,
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Internal Audit Progress Report

July 2020

Hampshire Fire and Rescue Authority:
Standards and Governance Committee



**Southern Internal
Audit Partnership**

Assurance through excellence
and innovation

Contents:

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1. Role of Internal Audit

The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards, updated in 2017, [the Standards].

The role of internal audit is best summarised through its definition within the Standards, as an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisations operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

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.

Hampshire Fire and Rescue Authority’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

2. Purpose of report

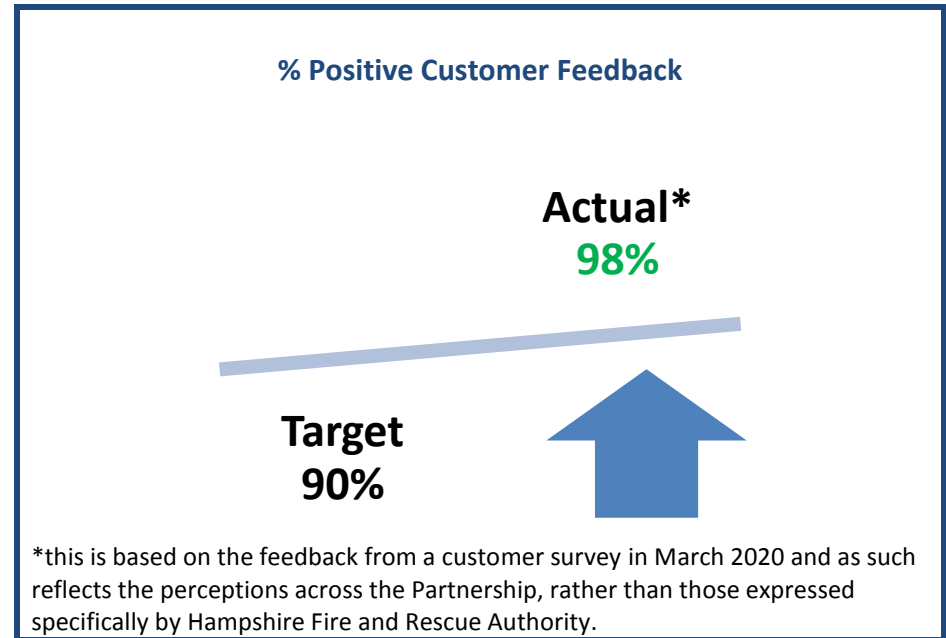
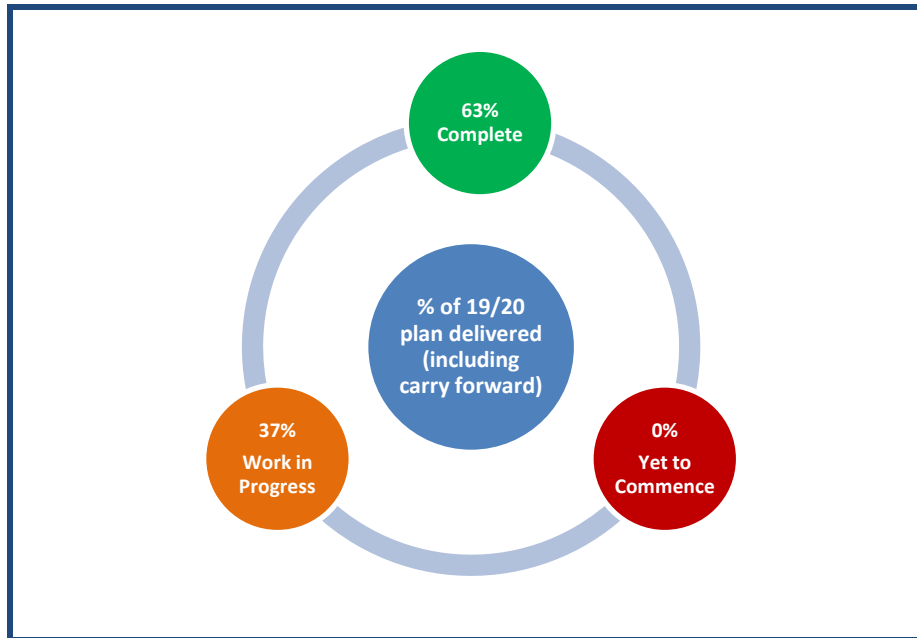
In accordance with proper internal audit practices (Public Sector Internal Audit Standards) and the Internal Audit Charter, the Chief Internal Auditor is required to provide a written status report to Senior Management and the Board, summarising:

- The status of live internal audit reports;
- an update on progress against the annual audit plan;
- a summary of internal audit performance, planning and resourcing issues; and
- a summary of significant issues that impact on the Chief Internal Auditor's annual opinion.

Internal audit reviews culminate in an opinion on the assurance that can be placed on the effectiveness of the framework of risk management, control and governance designed to support the achievement of management objectives of the service area under review. Assurance opinions are categorised as follows:

Substantial	A sound framework of internal control is in place and operating effectively. No risks to the achievement of system objectives have been identified.
Adequate	Basically a sound framework of internal control with opportunities to improve controls and / or compliance with the control framework. No significant risks to the achievement of system objectives have been identified.
Limited	Significant weakness identified in the framework of internal control and / or compliance with the control framework which could place the achievement of system objectives at risk.
No	Fundamental weaknesses identified in the framework of internal control or the framework is ineffective or absent with significant risk to the achievement of system objectives.

3. Performance dashboard



Compliance with Public Sector Internal Audit Standards / Local Government Application Note



An External Quality Assessment of the Southern Internal Audit Partnership was undertaken by the Institute of Internal Auditors (IIA) in September 2015. The report concluded:

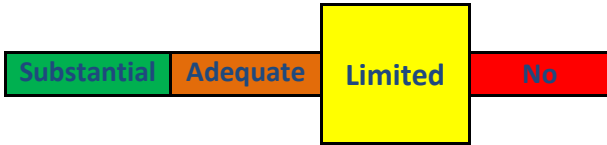
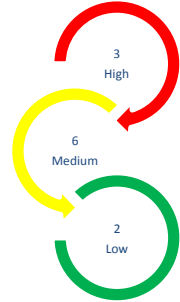
'It is our view that the Southern Internal Audit Partnership 'generally conforms' (top grading) to all of the principles contained within the International Professional Practice Framework (IPPF); Public Sector Internal Audit Standards (PSIAS); and the Local Government Application Note (LAGN).

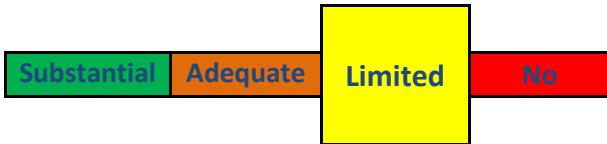
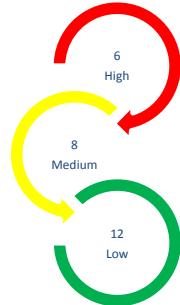
4. Status of 'Live' Reports and reports closed since our last progress report

Audit Review	Report Date	Audit Owner	Exec Sponsor	Assurance Opinion	Management Actions ('High Priority')				
					Reported	Not Accepted	Pending	Cleared	Overdue
2015/16									
Business Continuity	7.6.16	H of P&P	DCFO	Limited	12 (3)	0 (0)	0 (0)	7 (3)	5 (0)
2017/18									
Safeguarding	15.06.18	A D of O	D of O	Limited	17 (11)	0 (0)	0 (0)	17 (11)	0 (0)
2018/19									
Resource Management	16.05.19	H of P&OD	CFO	Limited	13 (8)	0 (0)	0(0)	13 (8)	0 (0)
Pay Claims	16.05.19	H of F	CFO	Limited	17 (0)	0 (0)	0 (0)	13 (0)	4 (0)
Data Quality – IT Asset Management Data	28.05.19	H of ICT	D of CS	Limited	10 (0)	0 (0)	0(0)	10 (0)	0 (0)
2019/20									
Procurement Processes	08.04.20	H of F	CFO	Limited	11 (3)	0 (0)	7 (3)	1 (0)	3 (0)
Academy Training Quality Assurance	08.04.20	H of A&OD	H of P&OD	Limited	26 (6)	0 (0)	5 (0)	21 (6)	0 (0)

Audit Review	Report Date	Audit Owner	Exec Sponsor	Assurance Opinion	Management Actions ('High Priority')				
					Reported	Not Accepted	Pending	Cleared	Overdue
IT Business Continuity and Disaster Recovery	26.06.20			Adequate	5 (2)	0 (0)	5 (2)	0 (0)	0 (0)

5. Executive Summaries of new reports published concluding a Limited or No assurance opinion

Procurement		
Audit Sponsor: Head of Finance Key Contacts: Strategic Relationship Manager	Assurance opinion: 	Management Actions: 
Summary of key observations: Whilst we consider the framework of control to be adequate, testing found a number of significant instances of non-compliance, particularly with regard to purchasing card transactions.		

Academy Training Quality Assurance		
Audit Sponsor: Head of People and Organisational Development Key Contacts: Head of Academy and Organisational Development	Assurance opinion: 	Management Actions: 
Summary of key observations: <p>A number of issues were found relating to the management and completion of quality assessments of training taking place. This included ensuring the content of training courses reached the appropriate standard, and the completion of some training and assessments within timescales.</p>		

6. Planning & Resourcing

The internal audit plans for 2019/20 and 2020/21 were approved by the Hampshire Fire and Rescue Service Executive Group and the Standards and Governance Committee in June 2019 and March 2020 respectively.

The audit plan remains fluid to provide a responsive service that reacts to the changing needs of Hampshire Fire and Rescue Authority. Progress against the plan is detailed within section 7.


Although the challenges presented by COVID-19 have slowed our progress, we have continued to work remotely to complete the remaining 2019/20 reviews. Reviews scheduled for the latter part of the year were most affected, including follow up work and some of the Shared Services reviews as illustrated in the table below. The challenges have also had an effect on our ability to commence some of the work on the


2020/21 plan, due to the request to delay any reviews impacting on operational staff. Discussions have taken place to review the plan to ensure it remains appropriate and relevant and to assess changes that are needed to the timing of reviews or to incorporate new risks areas arising from COVID-19. The impact of delays on our own resources for the remainder of the year also continue to be assessed.


There were two variations to the 2019/20 plan. A review of Academy Training Quality Assurance Processes was added, and the Local Management of Shared Services review was deferred to 2020/21. A focused review of Risk Assessments relating to COVID-19 has also been added to the 2020/21 plan.


7. Rolling Work Programme


Audit Review	Audit Owner	Exec Sponsor	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Tracker (✓ on schedule ✗ Delay)	Comment
Shared Services audit plan 2018/19										
ICT – User Access Management										This review has been superseded by assurances acquired through the ISAE 3402.
Sick Pay			✓	✓	✓	✓	25.06.19	HFRS - Limited		
Commercial Waste Contract Management			✓	✓	✓	✓	31.10.19	Limited		


Audit Review	Audit Owner	Exec Sponsor	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Tracker (✓ on schedule  Delay)	Comment
Fire Audit Plan 2019/20										
Risk Management	H of P&P	D of P&P	✓	✓	✓	✓	11.06.20	Position Statement		Once fully embedded across HFRS, the proposed risk management framework will provide a robust control framework and address the risks identified in the previous audit review.
Disaster Recovery and Business Continuity	H of P&P	D of P&P	✓	✓	✓	✓	16.01.20	Position Statement		Once fully embedded across HFRS, the proposed business continuity

Audit Review	Audit Owner	Exec Sponsor	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Tracker (✓ on schedule  Delay)	Comment
										framework will provide a robust control framework and address the risks identified in the previous audit review.
Health and Safety	H&S Mgr	D of P&P	✓	✓	✓	✓	30.08.19	Adequate		
Procurement Processes	SRM/FBP	H of F	✓	✓	✓	✓	08.04.20	Limited		
Academy Training	H Of A & OD	H of P&OD	✓	✓	✓	✓	08.04.20	Limited		
Proactive Fraud	Various	H of F, D of CS, and H of P&OD	✓	✓	✓	N/A	N/A			Advice on updating policies and procedures
Special Investigation	H of P&OD	H of F	✓	✓	✓	✓	5.12.19	N/A		

Audit Review	Audit Owner	Exec Sponsor	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Tracker (✓ on schedule  Delay)	Comment
National Fraud Initiative	N/A	H of F	N/A	N/A	✓	N/A	N/A	N/A		
IT Disaster Recovery and Business Continuity	H of ICT	D of CS	✓	✓	✓	✓	26.06.20	Adequate		
Follow up – general and IT			✓	N/A	✓	✓				
Shared Services Audit Plan 2019/20										
Governance Arrangements			✓	✓	✓					
IR35			✓	✓	✓					
Disclosure and Barring Service			✓	✓	✓	✓				
Recruitment - Success Factors			✓	✓	✓	✓	02.07.20	Adequate		
Treasury Management			✓	✓	✓	✓	12.02.20	Substantial		
Master Data Team			✓	✓	✓	✓				

Audit Review	Audit Owner	Exec Sponsor	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Tracker (✓ on schedule  Delay)	Comment
Payroll-Pensions admin			✓	✓	✓					
Procurement			✓	✓	✓	✓	13.05.20	Adequate		
Building Term Contract Management			✓	✓	✓	✓				
Fire Audit Plan 2020/21										
Health and Safety	H&S M	D of P&P								Q4
Working Time Regulations	HR BP	H of P&OD								Q4
Budgetary Control	SF BP	H of F	✓	✓	✓					Q2 – Brought forward to Q1
Disaster Recovery and Business Continuity	H of P&P	D of P&P								Q3

Audit Review	Audit Owner	Exec Sponsor	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Tracker (✓ on schedule  Delay)	Comment
Local Management of Shared Service Processes	SRM	D of CS	✓							Deferred from 19/20
Health and Safety Risk Assessments (Covid)	H&S M	DCFO	✓	✓						New Review Q1
Assurance of the competence of operational response capability		D of O								Planned for Q1 Delayed due to COVID 19
Proactive fraud work		D of P&A								Q3
NFI		D of P&A								Q3
ICT Policy & Procedures	H of ICT	D of CS								Q1
ICT Contract Management	H of ICT	D of CS								Q2
ICT Strategy Follow-Up	H of ICT	D of CS								Q3

Audit Review	Audit Owner	Exec Sponsor	Scoping	Audit Outline Issued	Fieldwork	Draft Report Issued	Final Report Issued	Assurance Opinion	Tracker (✓ on schedule  Delay)	Comment
Shared Services Audit Plan 2020/21										
Governance Arrangements										Q2
Casual Staff										Q3
Recruitment - Success Factors										Q4
Pre-Employment Checks										Q3
Good Work Plan										Q3
Occupational Health – Information Management				✓						Q3
Procurement (General)										Q4

Key to abbreviations:	
CFO	Chief Fire Officer
DCFO	Deputy Chief Fire Officer
H of F	Head of Finance
D of CS	Director of Corporate Services
D of P&P	Director of Policy and Planning
H&S M	Health and Safety Manager
H of P&OD	Head of People and Organisational Development
HR BP	HR Business Partner
D of P&A	Director of Performance and Assurance
D of O	Director of Operations
A D of O	Assistant Director of Operations - Prevention, Protection, Response, Blue light collaboration
H of P	Head of Performance
FBP	Finance Business Partner
FD	Finance Director
G&CM	Governance and Compliance Manager
H of ICT	Head of ICT
H&S Mgr	Health and Safety Manager
H of P&P	Head of Policy & Planning

SF BP	Senior Finance Business Partner
SRM	Strategic Relationship Manager
H of A & OD	Head of Academy and Organisational Development
N/A	Not applicable

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**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Standards and Governance Committee

Purpose: Approval

Date: 23 July 2020

Title: **Annual Internal Audit Report and Opinion 2019/20**

Report of the Chief Internal Auditor

SUMMARY

1. The purpose of this paper is to provide the Standards and Governance Committee with my opinion, as Chief Internal Auditor for Hampshire Fire and Rescue Authority, on the adequacy and effectiveness of the Authority's framework of risk management, internal control and governance operated for the year ending 31 March 2020.

BACKGROUND

2. In accordance with proper internal audit practices, the Chief Internal Auditor is required to provide a written report reviewing the effectiveness of the system of internal control and this provides evidence to support the production and review of the Annual Governance Statement.
3. The Annual Report for 2019/20 (attached at Appendix A) provides the Chief Internal Auditor's opinion on the system of internal control and summarises audit work from which that opinion is derived for the year ending 31 March 2020.
4. The Standards and Governance Committee's attention is drawn to the following points:
 - Internal audit was compliant with the Public Sector Internal Audit Standards (PSIAS) in 2019/20.
 - The revised internal audit plan for 2019/20 has been substantially delivered.
 - Whilst recognising that there remains ongoing work in some areas to strengthen and embed control, in my opinion I can give 'adequate assurance' over Hampshire Fire and Rescue Authority's framework of governance, risk management and management control from audit testing undertaken during the year.
 - Where internal audit work identified areas where management controls could be improved or where systems and laid down

procedures were not fully followed, appropriate corrective actions and a timescale for improvement were agreed with the responsible managers. Over the last 12 months we have seen a significant reduction in the number of open and overdue actions, further demonstrating the Authority's commitment to improving the overall framework of control.

SUPPORTING OUR SERVICE PLAN AND PRIORITIES

5. The Internal Audit annual report and opinion is designed to validate the assurance and control framework which exists in the Authority and across the Service. Secure management processes including risk and performance management are important in ensuring that the Authority's plans are achieved.

RESOURCE IMPLICATIONS

6. The 2019/20 plan was prepared on the basis of audit need and agreed with senior managers and endorsed by Hampshire Fire and Rescue Authority, following comprehensive risk assessment. The cost is reflected in the Authority's budget.
7. The audit plan has remained fluid to enable us to react to the changing needs of Hampshire Fire and Rescue Authority.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

8. Proposals have no environmental or sustainability impacts.

LEGAL IMPLICATIONS

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

EQUALITY IMPACT ASSESSMENT

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

EVALUATION

11. Internal audit activity provides the Authority with an assurance mechanism to evaluate the effectiveness of the Service's risk management, control and governance processes.

RISK ANALYSIS

12. The risk-based approach to internal audit planning and reviews aims to ensure that internal audit resource focuses on key business risks and as such the key risks have been discussed to inform the planning process and ensure that key risks are reflected in planned work.

CONCLUSION

13. The appendix outlines the internal audit opinion for 2019/20 and the key issues arising.

RECOMMENDATION

14. That the Standards and Governance Committee accepts the Chief Internal Auditor's annual report and opinion statement for 2019/20.

APPENDICES ATTACHED

- Internal Audit Annual Report and Opinion 2019/20.

Contact: Karen Shaw, Chief Internal Auditor
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Annual Internal Audit Report & Opinion

2019 / 20

Hampshire Fire and Rescue Authority



HAMPSHIRE
**FIRE AND
RESCUE**
SERVICE

Page 37

**Southern Internal
Audit Partnership**

Assurance through excellence
and innovation

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1. Role of Internal Audit

The requirement for an internal audit function is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

‘Undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.’

The standards for ‘proper practices’ are laid down in the Public Sector Internal Audit Standards [the Standards – updated 2017].



The role of internal audit is best summarised through its definition within the Standards, as an:

‘Independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes’.

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.

Hampshire Fire and Rescue Authority’s response to internal audit activity should lead to the strengthening of the control environment and, therefore, contribute to the achievement of the organisation’s objectives.

2. Internal Audit Approach

To enable effective outcomes internal audit provide a combination of assurance and consulting activities. Assurance work involves assessing how well the systems and processes are designed and working, with consulting activities available to help to improve those systems and processes where necessary.

A full range of internal audit services is provided in forming the annual opinion.

The approach to each review is determined by the Chief internal Auditor and will depend on the:

- level of assurance required;
- significance of the objectives under review to the organisation's success;
- risks inherent in the achievement of objectives; and
- level of confidence required that controls are well designed and operating as intended.

All formal internal audit assignments will result in a published report. The primary purpose of the audit report is to provide an independent and objective opinion to Hampshire Fire and Rescue Authority on the framework of internal control, risk management and governance in operation and to stimulate improvement.



3. Internal Audit Opinion

The Chief internal Auditor is responsible for the delivery of an annual audit opinion and report that can be used by Hampshire Fire and Rescue Authority to inform its governance statement. The annual opinion concludes on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control. In giving this opinion, assurance can never be absolute and therefore, only reasonable assurance can be provided that there are no major weaknesses in the processes reviewed. In assessing the level of assurance to be given, I have based my opinion on:

- written reports on all internal audit work completed during the course of the year (assurance & consultancy);
- results of any follow up exercises undertaken in respect of previous years' internal audit work;
- the results of work of other review bodies where appropriate;
- the extent of resources available to deliver the internal audit work;
- the quality and performance of the internal audit service and the extent of compliance with the Standards; and
- the proportion of Hampshire Fire and Rescue Authority's audit need that has been covered within the period.

The significant impact and subsequent challenges posed by the coronavirus pandemic (Covid-19), both to the way we work and the delivery of the Authority's services, has resulted in some delays in completing planned 2019/20 reviews, particularly those related to follow up work and Shared Services which were planned for completion in the latter part of the year. However, this delay has not inhibited my ability to provide an opinion on the operation of the Authority's framework of risk management, governance and control during 2019/20.

We acknowledge that Covid-19 presents new risks as well as challenges to the normal operation of existing risk management, governance and control frameworks, at least in the short term and this will be reflected in our work, as appropriate, going forwards. It is not possible at this time to form a view on the impact of these challenges on the overall risk management, governance and control environments operated by the Authority.

We enjoy an open and honest working relationship with Hampshire Fire and Rescue Authority and Service. Our planning discussions and risk-based approach to internal audit ensure that the internal audit plan includes areas of significance raised by management to ensure that ongoing organisational improvements can be achieved. As Chief Internal Auditor, I feel that the maturity of this relationship and the Authority's effective use of internal audit has assisted in identifying and putting in place action to mitigate weaknesses impacting on organisational governance, risk and control over the 2019/20 financial year.

Annual Internal Audit Opinion 2019/20

I am satisfied that sufficient assurance work has been carried out to allow me to form a reasonable conclusion on the adequacy and effectiveness of the internal control environment.

In my previous two annual reports I have provided limited assurance over Hampshire Fire and Rescue Authority's framework of governance, risk management and management control.

However, following the organisational restructure completed during 2019, the development and implementation of the HFRS Policy, Procedure and Guidance (PPG) framework, and the creation and application of a Memorandum of Understanding between SIAP and Hampshire Fire and Rescue Service, we have observed significant developments and improvements during 2019/20.

Whilst these improvements have yet to fully embed across the Authority and there is still work to be done in some areas, as outlined later in this report, the direction of travel remains positive and the frameworks that have been established provide a sound basis to ensure that known issues are addressed going forwards to further enhance the control environment.

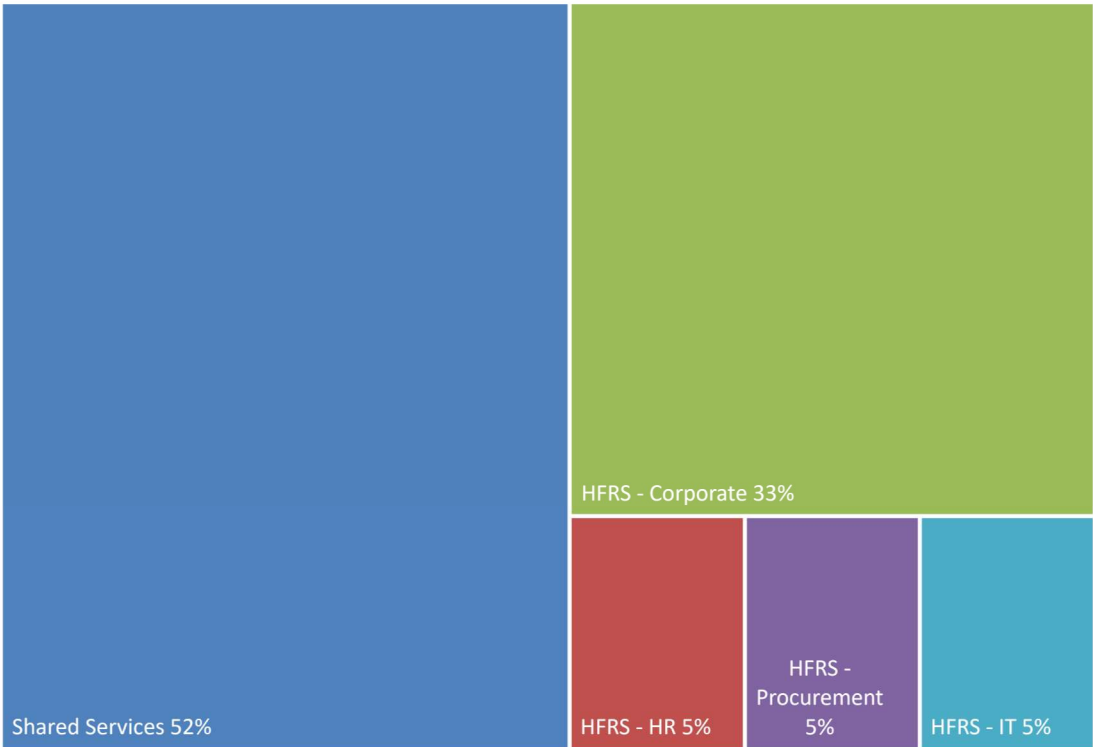
*With these caveats in mind, in my opinion the framework of governance, risk management and management control are now **adequate** and where already established, audit testing has demonstrated controls to be generally working in practice.*

Where weaknesses have been identified through internal audit review, we have worked with management to agree appropriate corrective actions and a timescale for improvement. Over the last 12 months we have seen a significant reduction in the number of open and overdue actions, further demonstrating the Authority's commitment to improving the overall framework of control.

4. Internal Audit Coverage and Output

The annual internal audit plan was prepared to take account of the characteristics and relative risks of Hampshire Fire and Rescue Authority’s activities and to support the preparation of the Annual Governance Statement.

Internal audit reviews by theme



Work has been planned and performed so as to obtain sufficient information and explanation considered necessary in order to provide evidence to give reasonable assurance that the internal control system is operating effectively.

The 2019/20 internal audit plan, approved by the Standards and Governance Committee in June 2019, was informed by internal audit’s own assessment of risk and materiality in addition to consultation with management to ensure it aligned to key risks facing the organisation.

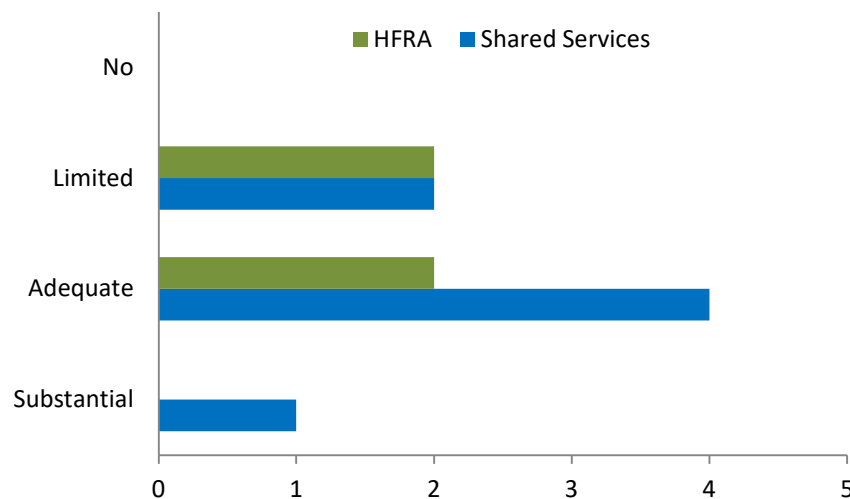
The plan has remained fluid throughout the year to maintain an effective focus.

In delivering the Internal Audit opinion the Southern Internal Audit Partnership have undertaken 21 reviews in the year ending 31 March 2020. This included the work undertaken in respect of Shared Services with Hampshire County Council and Hampshire Police.

The 2019/20 internal audit plan has been delivered with the following exception:

- Work is substantially complete, and an opinion has been formed for two reviews, however, final reports have not yet been agreed. The results of this work are reflected in this opinion.
- Work remains in progress for four Shared Services reviews which will be carried forward to be included in the 2020/21 annual internal audit opinion (DBS; Governance; IR35; Payroll and Pensions Admin).

I do not consider these exceptions to have an adverse impact on the delivery of my overall opinion for the period. The opinion assigned to each internal audit review on issue of the final report is defined and summarised below:



Substantial - A sound framework of internal control is in place and is operating effectively. No risks to the achievement of system objectives have been identified;

Adequate - Basically a sound framework of internal control with opportunities to improve controls and/or compliance with the control framework. No significant risks to the achievement of system objectives have been identified;

Limited - Significant weakness identified in the framework of internal control and/or compliance with the control framework which could place the achievement of system objectives at risk; or

No - Fundamental weakness identified in the framework of internal control or the framework is ineffective or absent with significant risks to the achievement of system objectives.

*Due to the nature of the work, six reviews did not result in an audit opinion (follow up, NFI, special investigation, position statements and advisory work)

A list of the 2019/20 assurance reviews undertaken and their respective opinions is provided in Annex 1.

5. International Standard on Assurance Engagements (ISAE 3402)

ISAE 3402 provides an international assurance standard allowing public bodies to issue a report for use by user organisations and their auditors (user auditors) on the controls at a service organisation that are likely to impact or be a part of the user organisation's system of internal control over financial reporting enabling them to inform both their annual governance statement and the annual audit opinion.

ISAE 3402 provides for two types of report:

- Service Organisation Control (SOC) Type 1 Report - attestation of controls at a service organisation at a specific point in time
- Service Organisation Control (SOC) Type 2 Report - attestation of controls at a service organisation over a minimum six-month period.

In 2019/20 Hampshire County Council commissioned a Service Organisation Controls (SOC) Type 2 Report under International Standard on Assurance Engagement (ISAE) 3402. Assurance against the international standard was provided by Ernst & Young.

The scope of the review incorporated coverage of General Ledger, Order to Cash, Purchase to Pay, Cash & Bank, Human Resources & Payroll, and Information Technology General Controls. In forming their 'Opinion' the auditors (Ernst & Young) concluded:

'In our opinion, in all material respects, based on the criteria described in the Integrated Business Centre's Assertion:

- a) The Description fairly presents the System that was designed and implemented throughout the period 1 April 2019 to 31 December 2019.*
- b) The controls related to the Control Objectives were suitably designed to provide reasonable assurance that the Control Objectives would be achieved if the controls operated effectively throughout the period 1 April 2019 to 31 December 2019 and if user entities applied the complementary controls assumed in the design of Integrated Business Centre's controls throughout the period 1 April 2019 to 31 December 2019.*
- c) The controls operated effectively to provide reasonable assurance that the Control Objectives were achieved throughout the period 1 April 2019 to 31 December 2019 if complementary user entity controls assumed in the design of Integrated Business Centre's controls operated effectively throughout the period 1 April 2019 to 31 December 2019'*

Internal audit continue to review areas of the Shared Services falling outside the scope of the ISAE2302 engagement as appropriate, through a shared internal audit plan with Hampshire County Council and Hampshire Police. The results of this work are reflected in this opinion.

6. Key observations – Hampshire Fire and Rescue Authority

There were no 'No Assurance' opinions issued during the year. Internal audit work found there to be a sound control environment in place across several review areas that were working effectively to support the delivery of corporate objectives, however, there were some areas identified that provide challenge to the organisation's risk environment. Where our work identified risks that we considered fell outside the parameters acceptable to Hampshire Fire and Rescue Authority, we agreed appropriate corrective actions and a timescale for improvement with the responsible managers. Implementation of the agreed actions is monitored by the Hampshire Fire and Rescue Service's Performance and Assurance Directorate and reported to the Standards and Governance Committee.

Of particular note is the improvement that has been made by the Authority in reducing the number of open management actions arising from internal audit reviews during the year. We have observed a strong commitment from management to ensure that previously agreed actions are completed and that all new action plans are subject to appropriate management scrutiny and approval to ensure that they are appropriate, achievable and in line with objectives. This has been demonstrated by the follow up work that we conducted during the year.

Key developments and issues arising during the year are summarised below.

The 2018/19 annual internal audit report highlighted limited assurance in eight areas specific to Hampshire Fire and Rescue Authority where either control needed to be strengthened and / or compliance with controls required improvement. We have undertaken follow up work to assess the progress made in addressing the issues raised and found that actions had been completed to mitigate the risks previously identified in the areas of cyber security, GDPR compliance and IT asset management. Actions were also either complete or well advanced to address the issues raised regarding contract management, safeguarding and resource management. A full review of IT business continuity and disaster recovery during the year also provided assurance that the issues highlighted in the 2018/19 annual report have been addressed and resulted in an adequate assurance opinion.

Whilst progress has been made, there remains further work to be completed in respect of the actions arising from the pay claims review. This work has been delayed due to the impact of Covid-19 as well as the interaction it has with the preparations for the new Combined Fire Authority in 2021. Follow up work in this area will therefore be carried forward and reported as part of the 2020/21 internal audit plan. Further work to assess the progress made with developing the IT Strategy is also included in the 2020/21 internal audit plan.

Two reports (risk management and general disaster recovery / business continuity) were issued in the form of a 'position statement' recognising that both areas were under review and subject to ongoing developments during the year. In both cases, we found that the overall approach that had been developed was sound and once fully embedded across the Authority will provide an improved and robust control framework and address the risks identified in previous internal audit reviews. It was apparent from our work conducted throughout the year that the Authority is both aware of and effectively manages risk as part of its 'business as usual' and decision-making processes, however the new framework will provide improved governance, management, recording and consistency of approach for the organisational as well as operational risk. Both areas are included in our 2020/21 internal audit plan to provide assurance that controls have been embedded as intended.

We gave limited assurance in four of the areas reviewed during 2019/20 (two relating to Authority systems and two in respect of Shared Services) as noted below. However, in the local procurement audit we did conclude that there is a suitable framework of control in place:

Local procurement - This audit examined the procurement processes in place for purchases under £100,000 (larger purchases are facilitated by the Shared Services Procurement team) to ensure compliance with relevant procurement regulations and corporate policies. Whilst we found that there is a suitable framework of control in place, our testing highlighted instances of non-compliance, particularly with regard to purchasing card transactions. A number of actions were agreed to mitigate the risks identified and ensure that the system operates as intended going forward. Management have confirmed that work is already underway to address the issues, including the roll out of e-learning to raise awareness as it is acknowledged that limited training in this areas may have contributed to the non-compliance issues raised.

Academy quality assurance – due to management concerns, we undertook a review of the processes in place for the quality assurance of the delivery of training by staff within the Academy and on stations by Embedded Trainers, to provide an independent assessment and help inform the improvement actions required. Academy Trainers are primarily responsible for delivering initial and refresher firefighter training, whilst Embedded Trainers based at stations, deliver specific training to colleagues on drill nights. Whilst we found that controls are generally in place to provide assurance over the quality of training provided by Embedded Trainers, in line with management concerns, our review identified a number of other issues that needed to be addressed. We understand that actions are already underway to ensure that the Quality Assurance policy provides clarity around expectations; all Academy Trainers and Academy Station Managers hold the required teaching/assessor qualification; the skills matrix demonstrating Academy trainers skills and qualifications is up to date; training materials are

updated by trainers in a timely manner and subject to internal quality review; embedded trainers receive timely refresher training as required; consistency and timeliness in completing work-based observation and follow up; and that the requirement for station desk top audits is clarified.

Sick pay - Although the policy for sick pay is clear, at the time of our review the procedures did not enable compliance, potentially leading to the overpayment of sick pay entitlement. This risk has been mitigated through the development of a new SAP report which allows HR staff to provide advance notice of potential pay changes for employees on long-term sickness, to facilitate timely decision and action.

Commercial waste contract management – a new Framework contract was awarded in July 2017 to provide waste services across all Shared Services partners. Whilst there is a clear Framework Agreement with well-established governance arrangements in place, our review of the contract management arrangements identified that the call-off contracts between the Supplier and Authority needed to be reviewed and finalised to ensure it reflected the Authority's requirements. We also found that the Supplier had not provided a contingency plan, as required by the contract to mitigate risk in the event of contractors no longer being able to provide the service and there were also opportunities to improve performance monitoring for the overall contract. All agreed actions have been completed.

7. Anti Fraud and Corruption

Hampshire Fire and Rescue Authority is committed to the highest possible standards of openness, probity and accountability and recognises that the public need to have confidence in those responsible for the delivery of services. A fraudulent or corrupt act can impact on public confidence and damage reputation and image. Although currently under review, policies and strategies are in place setting out the Authority's approach and commitment to the prevention and detection of fraud or corruption. Arrangements are also in place to enable staff to report any concerns.

National Fraud Initiative (NFI) - The NFI is a statutory exercise facilitated by the Cabinet Office that matches electronic data within and between public and private sector bodies to prevent and detect fraud. Public sector bodies are required to submit data to the National Fraud Initiative on a regular basis (every two years). The latest NFI data upload was carried out in October 2018. Potential matches were reviewed throughout 2019/20 with no significant issues arising from this work to date.

We assisted with one investigation during the year relating to duplicate pay claims. Although duplicate payments were identified, a repayment plan was agreed and no other sanctions were applied in this instance. No other allegations of fraud, corruption or improper practice were referred to internal audit for investigation during 2019/20.

8. Quality Assurance and Improvement

The Quality Assurance and Improvement Programme (QAIP) is a requirement within 'the Standards'.

The Standards require the Head of the Southern Internal Audit Partnership to develop and maintain a QAIP to enable the internal audit service to be assessed against 'the Standards' and the Local Government Application Note (LGAN) for conformance.

The QAIP must include both internal and external assessments: internal assessments are both on-going and periodical and external assessment must be undertaken at least once every five years.

In addition to evaluating compliance with the Standards, the QAIP also assesses the efficiency and effectiveness of the internal audit activity, identifying areas for improvement.

An 'External Quality Assessment' of the Southern Internal Audit Partnership was undertaken by the Institute of Internal Auditors (IIA) in September 2015.

The assessment included review of a wide range of documentary evidence and interviews and surveys with representative stakeholders (including Chief Executives, Audit Chairs and S151 Officers) across existing partnering organisations in addition to members of the Southern Internal Audit Partnership staff.

In considering all sources of evidence the external assessment team concluded:

“It is our view that the Southern Internal Audit Partnership (SIAP) service generally conforms to all of the principles contained within the International Professional Practice Framework (IPPF); the Public Sector Internal Audit Standards (PSIAS); and the Local Government Application Note (LAGN).

There are no instances across these standards where we determined a standard below “generally conforms”, and 4 instances where the standard is assessed as “not applicable” due to the nature of SIAP’s remit.”

In accordance with PSIAS, annual self-assessments have been completed since the external inspection concluding that SIAP continues to comply with all aspects of the IPPF, PSIAS and LGAN.

9. Disclosure of Non-Conformance

In accordance with Public Sector Internal Audit Standard 1312 [External Assessments] which requires ‘an external quality assessment to be conducted at least once every five years by a qualified, independent assessor or assessment team from outside of the organisation’ I can confirm endorsement from the Institute of Internal Auditors that:

‘the Southern Internal Audit Partnership conforms to the, Definition of Internal Auditing; the Code of Ethics; and the Standards’

There are no disclosures of Non-Conformance to report.

10. Quality control

Our aim is to provide a service that remains responsive to the needs of Hampshire Fire and Rescue Authority and maintains consistently high standards. In addition to the QAIP this was achieved in 2019/20 through the following internal processes:

- On-going regular liaison with management to ascertain the risk management, control and governance arrangements, key to corporate success.
- On-going development of a constructive working relationship with the External Auditors to maintain a cooperative assurance approach.
- A tailored audit approach using a defined methodology and assignment control documentation.

- Review and quality control of all internal audit work by professional qualified senior staff members.
- A self-assessment against the Public Sector Internal Audit Standards.

11. Internal Audit Performance

The following performance indicators are maintained to monitor effective service delivery:

Performance Indicator	Target	2018-19 Actual	2019-20 Actual
Percentage of internal audit plan delivered	95%	87%	81%
Positive customer survey response *			
• Hampshire Fire and Rescue Authority	90%	n/a	98%
• SIAP – all Partners	90%	99%	98%
Public Sector Internal Audit Standards	Compliant	Compliant	Compliant

*19/20 actuals are based on the March 2020 questionnaire.

12. Acknowledgement

I would like to take this opportunity to thank all those staff throughout Hampshire Fire and Rescue Service with whom we have made contact in the year. Management have been responsive to the comments we made both informally and through our formal reporting.

Karen Shaw
Deputy Head of Southern Internal Audit Partnership
July 2020

Annex 1

2019-20 Audit Reviews and Opinions

Substantial Assurance	Adequate Assurance	Limited Assurance	No Assurance
Treasury management (Shared Services)	Health and safety IT disaster recovery and business continuity Recruitment – Success Factors (Shared Services) Procurement (Shared Services) Building term maintenance contract management (Shared Services – draft) Organisational Management (Master Data) Team – Human Resources records (Shared Services – draft)	Sick Pay (Shared Services) Commercial waste contract management (Shared Services) Local procurement Academy – quality assurance	None

Note: In addition, we completed two HFRS position statements (in Risk Management and general organisation (non-IT) Business Continuity & Disaster Recovery). In both cases, we found that the overall approach that had been developed was sound and once fully embedded across the Authority will provide an improved and robust control framework, and address the risks identified in previous internal audit reviews.



Standards and Governance Committee

Purpose: Noted

Date: 23 July 2020

Title: **INTERNAL AUDIT MANAGEMENT ACTIONS PROGRESS REPORT**

Report of Chief Fire Officer

SUMMARY

1. The purpose of this paper is to provide the latest update on the management actions that have not been completed within their target date and their status. The Standards and Governance Committee has a key scrutiny role in monitoring the implementation of internal actions.
2. It provides a supplementary update to the report shared with Councillor Fairhurst on 20 May (Appendix A) to provide assurance, owing to the May Standards & Governance meeting being cancelled.

BACKGROUND

3. The HFRS Organisational Assurance team maintains a record of audits against the current Internal Audit Plan, noting whether they are in progress or have been completed. The respective managers are responsible for the delivery of actions that fall within their areas of responsibility.
4. Once a final audit report has been issued, the agreed management actions are recorded along with:
 - the priority of the recommendation;
 - the target date for implementation; and
 - the person responsible for the action.
5. The Organisational Assurance team will ask for confirmation and evidence that an action has been implemented, or if not, when it is expected to be. Any recommendations that continue to remain outstanding are referred to the relevant Director. Our internal Integrated Performance and Assurance

Board (IPAB) also provides an overview of outstanding recommendations, and they are also monitored regularly by the Director of Performance & Assurance and the Head of Performance.

MANAGEMENT ACTIONS

6. The table below lists those recommendations that are currently outstanding beyond their agreed target date and of medium (M) or high (H) priority. There is a brief commentary against each to explain the status and any mitigating factors.

Internal Audit Management Actions			
Business Continuity			
Comprehensive review of Resilience Plan testing and exercising to be undertaken and an appropriate schedule commencing January 2017 put in place to meet organisational requirements.	January 2019 revised to January 2021	M	A recent internal audit position statement concluded that once fully embedded across HFRS, the business continuity framework will provide a robust control framework and address the risks identified in the previous audit.
A robust recording and evaluation process to be put in place for Service Resilience events to support current arrangements and to allow lessons learned to be identified and actioned.	January 2019 revised to January 2021	M	<p>Work towards the completion of these actions has been slowed due to work involved in planning for the European Union (EU) exit with Local Resilience Forum (LRF) partners, and the internal and LRF response to COVID-19, which is a good example of our business continuity activity in practice – overseen internally by the Emergency Management Group and Pandemic Management Team.</p> <p>The current COVID-19 situation has demonstrated our strong business continuity response in various areas – both externally (eg. feeding into the Local Resilience Forum and leading on various cells/workstreams, such as for logistics and business continuity, in support of the Strategic Coordination and Tactical Coordination Groups;</p>

			<p>and hosting the Strategic Coordination Centre) and internally (enacting business continuity plans and resilience activity).</p> <p>Furthermore, following the position statement in 2019/20, a more comprehensive internal audit in this area is planned for Q3 2020/21.</p>
Proactive Pay Claims			
The intention is to remove the ability to submit paper claims in future. Initially the Resource Management Team (RMT) will handle the processing of all allowance changes.	December 2019 date revised to September 2020	M	Paper forms continue to be used for a limited number of claims. Greater clarity of which forms to use will be updated in the Allowances Handbook by September 2020.
Intention is to either remove the "miscellaneous payment" wage type for HFRS personnel or, as a minimum, limit it substantially to prevent potential misuse.	June 2019 date revised to April 2021	M	This has been impacted by the work around wage types in preparation for the new CFA in April 2021, with a decision taken that it is more efficient to update wage types once (in preparation for CFA).
It is intended that managers will be given guidance and instruction to regularly monitor and review allowances in payment for their teams. Managers will be expected to carry out regular checks and if payment errors are subsequently identified then both the individual affected and their line manager may be subject to disciplinary action.	September 2019 date revised to April 2021	M	The IBC and HFRS teams are working on the agreed changes needed to the existing HFRS wage types. This work is targeted for completion before the end of 2020/21, ready for the CFA go-live on 1 April 2021. This will be implemented on 1 April 2021 and monitored throughout 2021/22 with corrective action taken against individual firefighters on an ongoing monthly basis.
As a one-off exercise all managers and HFRS personnel will be required to certify that all allowances in payment are correct or flag up those that they	March 2020 date revised to December 2020	M	Whilst this activity is still planned, it has been delayed owing to the current COVID-19

believe may be incorrect for appropriate corrective action.			pandemic, and its impact on resources.
Procurement Process			
Shopping Workstream Lead Officer to confirm that enhanced search options will be available in April 2020	April 2020 revised to September 2020	M	This enhancement to the shopping functionality within SAP requires a freeze to various procurement and shopping elements for a few weeks. During the current circumstances we are unable to take this freeze due to urgent COVID procurement. The work is being rescheduled by Shared Services – as a result this action's delivery date has had to be revised to September 2020.

MANAGEMENT COMMENTARY

7. Many of the actions have been impacted by COVID-19 demands on relevant teams and individuals who are supporting HFRS (or HCC) more widely. Furthermore, in light of the impact of COVID-19, the HFRS Head of Performance has consulted across Service directorates, and with SIAP, about how to flex the 2020/21 internal audit plan (that was approved by the Committee in early March) to provide additional assurance in certain areas. For example, through an additional audit focused on COVID-19 Health and Safety risk assessments.
8. Despite this, we have made significant progress in reducing the number of open management actions (including those of high, medium and low priority), from 81 in July 2019 to 22 as at March 2020. This demonstrates our clear improvement in responding to internal audit management actions. However, this has now increased to 26 open actions because of a further two audits having been completed with 33 new management actions. These continue to be closely monitored and delivered accordingly, with significant progress already made in completing many of these management actions, for example from, but not limited to, the Academy Training QA Audit.

SUPPORTING OUR SERVICE PLAN AND PRIORITIES

9. By ensuring the implementation of internal audit recommendations, we assist the Authority in improving its planning and performance management processes, and in complying with its governance arrangements. This in turn, assists the Authority in achieving our *High Performance and Learning and*

Improving Safety Plan priorities, and our vision to work smarter, be more efficient, and to make life safer for everyone in Hampshire.

COLLABORATION

10. The Southern Internal Audit Partnership provide internal audit on behalf of all partners within Shared Services and many other public service organisations.
11. The MoU agreed in 2019 outlines how HFRS and SIAP will work together effectively.

RESOURCE IMPLICATIONS

12. When agreeing management actions in response to an audit report, the cost of addressing the risk should be considered against the risk materialising. Implementing audit recommendations helps to ensure that the Authority uses its resources efficiently, that key controls are in place and working, and opportunities to achieve value for money are taken.
13. The management of internal audit actions is within current resources.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

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

LEGAL IMPLICATIONS

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

EQUALITY IMPACT ASSESSMENT

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

RISK ANALYSIS

17. Failure to implement internal audit recommendations leaves the Authority vulnerable to the consequences of the identified risks and weaknesses in control. Internal management of audit recommendations is an important process within the Authority's risk management arrangements. The updates on progress ensure that Members are fully aware of any problems associated with addressing the issues raised and the priority given to driving down or eliminating specific risks.

CONCLUSION

18. Significant progress continues to be made to complete the management actions from previous audits and current audit activity. Management actions will be undertaken in respect of the specific audits themselves and more widely in respect of internal control issues and how they are managed across the Service. As outlined in the MoU, management actions are owned by an Executive Sponsor and a COG lead, who work with their teams to ensure progress is made.

RECOMMENDATION

19. That the Standards and Governance Committee notes that, despite the impact of COVID-19, significant progress has been made towards the implementation of the internal audit management actions.

APPENDICES:

20. **Appendix A:** Internal Audit Management Actions Progress Report, 20 May 2020

Contact:

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APPENDIX A

Standards and Governance Committee

(electronic submission owing to the May Committee being cancelled)



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Purpose: Noted

Date: Electronic submission

Title: **INTERNAL AUDIT MANAGEMENT ACTIONS PROGRESS
REPORT, 20 May 2020**

Report of Chief Fire Officer

SUMMARY

1. The purpose of this paper is to provide the Standards and Governance Committee with:
 - an overview of internal audit work completed in accordance with the approved audit plan; and
 - an overview of the status of 'live' reports.
2. It also provides an update on management actions that have not been completed within their target date and their status. The Standards and Governance Committee has a key scrutiny role in monitoring the implementation of internal actions.
3. Considering the current COVID-19 pandemic, adjustments have had to be made to the audit plan and the constrained situation has made engagement with, and updates from, teams across various functions more challenging. However, the Service's Performance and Assurance directorate continues to provide various assurance mechanisms and activity, including in relation to internal audit, HMICFRS activity and change (projects and programmes) management.

BACKGROUND

4. The requirement for an internal audit function in local government is detailed within the Accounts and Audit (England) Regulations 2015, which states that a relevant body must:

'undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance'.

5. In accordance with proper internal audit practices and the Internal Audit Charter, the Chief Internal Auditor is required to provide a written status report to the Standards and Governance Committee, summarising:
 - the status of 'live' internal audit reports;
 - an update on progress against the annual audit plan;
 - a summary of internal audit performance, planning and resourcing issues; and
 - a summary of significant issues that impact on the Chief Internal Auditor's annual opinion.
6. The internal audit service is provided to the Authority by the Southern Internal Audit Partnership (SIAP) at Hampshire County Council. There is an Internal Audit Charter that has been in place since 2014. This, and the Internal Audit Plan, are reviewed and updated to reflect changing organisational priorities and needs.
7. The internal audit follow-up process is an important element in our overall approach to risk management, assurance and governance. When an action is agreed by managers to address a control weakness, or to make an improvement to the way we work, it is important that the action is then implemented as planned.
8. The HFRS Organisational Assurance team maintains a record of audits against the current Internal Audit Plan, noting whether they are in progress or have been completed. The respective managers are responsible for the delivery of actions that fall within their areas of responsibility.
9. Once a final audit report has been issued, the agreed management actions are recorded along with:
 - the priority of the recommendation;
 - the target date for implementation; and
 - the person responsible for the action.
10. The Organisational Assurance team will ask for confirmation and evidence that an action has been implemented, or if not, when it is expected to be. Any recommendations that continue to remain outstanding are referred to the relevant Director. Our internal Integrated Performance and Assurance Board (IPAB) also provides an overview of outstanding recommendations, and they are also monitored regularly by the Director of Performance & Assurance and the Head of Performance.
11. In response to the COVID-19 situation, there has been ongoing dialogue with HFRS and SIAP on completing residual aspects of the 2019/20 audit plan and on the impact on, and revisions to, the 2020/21 plan. While internal

audit activity and liaison has been impacted by COVID-19, we continue to liaise with SIAP regular to deliver a programme of assurance.

INTERNAL AUDIT PLAN

12. There was a total of nine audits planned for 2019/20 including proactive fraud work but excluding the Shared Services internal audit plan. One of the audits, *Risk Management*, however, given the ongoing policy and procedure development in this area, has been revised into a position statement to review the policy and to ratify that the plans in place meet the level of required assurance.
13. Out of the remaining eight audit reviews, five have been finalised:
 - The *Health and Safety* audit received an assurance rating of 'Adequate'.
 - The *Academy Training Quality Assurance* audit received an assurance rating of 'Limited'.
 - The *Procurement Processes* Audit also received 'Limited' assurance, however, it was noted that this was due to compliance with the framework rather than weaknesses in the controls.
 - The business continuity position statement review that concluded that once fully embedded across HFRS, the business continuity framework will provide a robust control framework and address the risks identified in the previous audit.
 - Another investigation for the Head of People & Organisational Development was also produced (in December 2019).
14. The Academy Training QA audit identified a number of issues with 22 management actions highlighting particular areas for improvement. The Academy was aware of many of these issues, which is why they sought additional external assurance through the internal audit. The Academy action plan in response to the audit report is underway and on track with some actions already being completed. The current review of an overarching procedure document will also be completed as part of this work.
15. The Procurement Process audit also highlighted a number of issues (with 11 management actions identified). However, it is worth highlighting that while the audit report sample testing found a number of significant instances of non-compliance, internal audit concluded that they considered the framework of control to be adequate. Work is already underway to respond accordingly. The main action around procurement and non-compliance is a new piece of e-learning that will go onto Moodle shortly. This will have internal comms support and we will ensure it is referenced in any induction packages. Prior to this e-learning there has been limited training on procurement which may have contributed to the non-compliance issues.

16. The other reviews, including follow-up audit activities and quality assurance in a specific policy area, are currently ongoing and, in some cases, are awaiting finalisation and approval.
17. In addition to this, the first of two planned audits for 2020/21 Quarter 1, ICT Policies and Procedures, is moving ahead as planned making use of the technology now available to us through Office 365.
18. The other 2020/21 Quarter 1 audit, *Assurance of the competence of operational response capability*, has had to be postponed to a later, to be confirmed, date in the financial year as the current unprecedented circumstances of COVID-19 have impacted teams that will be feeding into this audit and we have also had to make changes to our approach to training and qualifications. We are exploring how we can revise the sequencing of the audit plan following this postponement.

MANAGEMENT ACTIONS

19. The table below lists those recommendations that are currently outstanding beyond their agreed target date and of medium (M) or high (H) priority. There is a brief commentary against each to explain the status and any mitigating factors.

Internal Audit Management Actions			
Business Continuity			
Comprehensive review of Resilience Plan testing and exercising to be undertaken and an appropriate schedule commencing January 2017 put in place to meet organisational requirements.	January 2019 revised to January 2021	M	The Business Continuity policy and procedure were signed off in December 2019. The procedure contains a Training and Exercising Programme. Furthermore, as noted above, a recent internal audit position statement concluded that once fully embedded across HFRS, the business continuity framework will provide a robust control framework and address the risks identified in the previous audit.
A robust recording and evaluation process to be put in place for Service Resilience events to support current arrangements	January 2019 revised to January 2021	M	Work towards the completion of these actions has been slowed due to work involved in planning for the European Union (EU) exit with Local Resilience Forum (LRF) partners, as

and to allow lessons learned to be identified and actioned.			<p>well as the current COVID-19 situation.</p> <p>Furthermore, following the position statement in 2019/20, a more comprehensive internal audit in this area is planned for Q3 2020/21.</p> <p>The current situation has demonstrated our strong business continuity response in various areas – both externally (e.g. feeding into the Local Resilience Forum and leading on various cells/workstreams, such as for logistics and business continuity, in support of the Strategic Coordination and Tactical Coordination Groups; and hosting the Strategic Coordination Centre) and internally (enacting business continuity plans and resilience activity, eg. through the Pandemic Management Team into the Executive Management Group).</p>
Proactive Pay Claims			
The intention is to remove the ability to submit paper claims in future. Initially the Resource Management Team (RMT) will handle the processing of all allowance changes.	June 2019 to April 2021	M	This has been impacted by the work around wage types in preparation for the new CFA in April 2021. As the changes to the IBC system are significant, the IBC intends to make the changes during the planned change for CFA than action two separate, large changes within the year.
Intention is to either remove the "miscellaneous payment" wage type for HFRS personnel or, as a minimum, limit it substantially to prevent potential misuse.	October 2019 to September 2020	M	Paper forms continue to be used for a limited number of claims and greater clarity of which forms to use will be updated in the Allowances handbook by 1 September 2020.

As a one-off exercise all managers and HFRS personnel will be required to certify that all allowances in payment are correct or flag up those that they believe may be incorrect for appropriate corrective action.	March 2020 to December 2020	M	Whilst this activity is still planned it has been delayed owing to the current COVID-19 pandemic, and its impact on resources.
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MANAGEMENT COMMENTARY

20. Many of the actions have been impacted by COVID-19 demands on relevant teams and individuals who are supporting HFRS (or HCC) more widely.
21. Despite this, we have made significant progress in reducing the number of open management actions (including those of high, medium and low priority), from 81 in July 2019 to 22 as at March 2020. A further 11 audit actions have also been closed since the end of March 2020, with some new actions opened following the Academy and Procurement audits. This demonstrates our clear improvement in responding to internal audit management actions.
22. More widely, to support the development of the 2020/21 internal audit plan, the Service coordinated various additional internal discussions, as well as discussion with SIAP, to develop the risk-based focus of this year's internal audit plan. We will continue to do this to support the development of internal audit plans in future years.
23. More specifically, on business continuity, SIAP recently completed an internal audit position statement, which concluded that once fully embedded across HFRS, the business continuity framework will provide a robust control framework and address the risks identified in the previous audit review. Furthermore, following the position statement, a more comprehensive internal audit in this area is planned for Q3 2020/21, which will provide additional assurance in this area.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

24. The Internal Audit Plan is designed to validate the assurance and control framework which exists in the Authority and across the Service. Secure management processes including risk and performance management are important in ensuring that the Authority's plans are achieved.

25. By ensuring the implementation of internal audit recommendations, we assist the Authority in improving its planning and performance management processes, and in complying with its governance arrangements. This in turn, assists the Authority in supporting the following Safety Plan priorities:
- *Public Value* – to ensure our decisions and actions deliver efficient and effective public services against our intended policies and procedures.
 - *Learning and Improving* – In that we use the findings of internal audits to ensure we make improvements to areas of potential weakness in our risk management controls.

COLLABORATION

26. The Southern Internal Audit Partnership provide internal audit on behalf of all partners within Shared Services and many other public service organisations.
27. An MoU is in place, which outlines how HFRS and SIAP will work together effectively.

RESOURCE IMPLICATIONS

28. When agreeing management actions in response to an audit report, the cost of addressing the risk should be considered against the risk materialising. Implementing audit recommendations helps to ensure that the Authority uses its resources efficiently, that key controls are in place and working, and opportunities to achieve value for money are taken.
29. The management of internal audit actions is within current resources.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

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

LEGAL IMPLICATIONS

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

EQUALITY IMPACT ASSESSMENT

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

RISK ANALYSIS

33. Failure to implement internal audit recommendations leaves the Authority vulnerable to the consequences of the identified risks and weaknesses in control. Internal management of audit recommendations is an important process within the Authority's risk management arrangements. The updates on progress ensure that Members are fully aware of any problems associated with addressing the issues raised and the priority given to driving down or eliminating specific risks.

CONCLUSION

34. Despite the COVID19 pandemic, progress continues to be made against the Internal Audit Plan 2019/20 and work has been started on the 2020/21 plan. In addition to this, we continue to closely monitor the completion of management actions from previous audits to ensure that despite the current circumstances, we maintain continuity, make progress and deliver our agreed actions.

RECOMMENDATION

35. That the Standards and Governance Committee notes the progress made towards the implementation of the internal audit management actions.

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Standards and Governance Committee



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Purpose: Approval

Date: **23 July 2020**

Title: **ANNUAL GOVERNANCE STATEMENT 2019/2020**

Report of Chief Fire Officer

Author: Matt Robertson, Director of Corporate Services,
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SUMMARY

1. Hampshire Fire and Rescue Authority (HFRA) is legally required to publish an Annual Governance Statement (AGS) each year. The Authority has delegated to the Standards and Governance Committee, as per its terms of reference, to consider and approve the Annual Governance Statement, and once approved the AGS will be signed by the HFRA Chairman and the Chief Fire Officer.
2. The approved AGS will form part of the Annual Statement Accounts 2019/2020, which is a statutory requirement of The Accounts and Audit Regulations 2015.
3. The AGS for 2019/2020 is attached in **Appendix A** for consideration and approval that the governance arrangements continue to be regarded as fit for purpose in accordance with the governance framework.

BACKGROUND

4. Governance comprises the arrangements put in place to ensure our intended outcomes are defined and achieved. Good governance enables fire and rescue authorities to set a strategic policy agenda that meets the needs of communities and to discharge their statutory responsibilities efficiently and effectively.
5. The AGS is produced by every local authority following the principles contained within the Chartered Institute of Public Finance and Accountancy (CIPFA) publication titled *Delivering Good Governance in Local Government Framework 2016* (hereafter known as the Framework 2016).

6. The Framework 2016 brings together an underlying set of legislative requirements, governance principles and management processes. The framework recommends that local authorities review their existing governance arrangements against a number of key principles and report annually on their effectiveness in practice.
7. The Framework 2016 sets out the following core principles that form the basis on which effective governance should be built:
 - a) Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law;
 - b) Ensuring openness and comprehensive stakeholder engagement;
 - c) Defining outcomes in terms of sustainable economic, social and environmental benefits;
 - d) Determining the interventions necessary to optimise the achievement of the intended outcomes;
 - e) Developing the entity's capacity including the capability of its leadership and the individuals within it;
 - f) Managing risks and performance through robust internal control and strong public financial management;
 - g) Implementing good practices in transparency, reporting and audit to deliver effective accountability.
8. There is a requirement for the AGS to include an agreed action plan to deal with significant governance issues, including reference to actions taken or proposed. It should also include summary of progress of how issues raised in the previous year's AGS action plan have been resolved.
9. Guidance on the production of the AGS is produced by the CIPFA and the Society of Local Authority Executives and Senior Managers (SOLACE) in a publication titled *Delivering Good Governance in Local Government – Guidance Note for English Authorities*.

HFRS GOVERNANCE ARRANGEMENTS

10. The process of producing the AGS involves reviewing the effectiveness of a wide range of controls and measures that are indicators of the effectiveness of good governance.

11. HFRS governance arrangements have been reviewed in accordance with the Framework 2016 and guidance note, which has enabled the AGS 2019/2020 to be produced.
12. The process of preparing the AGS should itself add value to the effectiveness of the governance and internal control mechanisms. The AGS is a valuable means of communication. It enables the Authority to explain to the community, service users, tax payers and other stakeholders, its governance arrangements and how the controls it has in place manages risks of failure in delivering its outcomes.

ACTION PLAN

13. The AGS (as seen in Appendix A) incorporates the action plan at Section 6 of significant governance issues, including reference to actions taken or proposed. An update on progress against actions from the year 2018/19 is detailed at Section 7.

SUPPORTING OUR SERVICE PLAN AND PRIORITIES

14. In reviewing our existing governance arrangements and identifying areas to be improved, HFRS are ensuring accountability for making Hampshire a safer place.
15. **Public Value.** We plan over the longer-term to ensure our decisions and actions deliver efficient and effective public services.
 - a) Governance reviews and supports good governance practice, which supports our Safety Plan and priorities by ensuring an efficient and effective process for decision making and providing clarity and visibility to ensure the Service meets the needs of our communities and delivers public value.

RESOURCE IMPLICATIONS

16. The AGS has no additional resource implications and is prepared at no additional cost to the Service. The work is currently carried out within existing budget and resource from the Governance and Compliance team within the Corporate Services directorate.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

17. As detailed within the AGS the Service has embedded within its governance process, impact assessment mechanisms. By identifying impacts early, we can better plan for them, act to mitigate the risk or issue, inform policy and our plans and provide crucial evidence. This ultimately provides assurance

to the Service, Authority and our communities that we at all times apply due consideration of change and support informed decision making.

18. There are no specific changes as a result of this annual report, and therefore there are no positive or negative impacts to the environment or sustainability which may result due to this report. However, these mechanisms support good governance.

LEGAL IMPLICATIONS

19. The AGS is a statutory requirement and explains how the Authority meets the requirements of The Accounts and Audit (England) Regulations 2015 and complies with the principles contained in the Chartered Institute of Public Finance and Accountancy (CIPFA) Delivering Good Governance in Local Government Framework 2016 edition.

PEOPLE IMPACT ASSESSMENT

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

OPTIONS

21. Option 1 – to approve the Annual Governance Statement 2019/2020 as set out in **Appendix A**, for Members to acknowledge that the arrangements continue to be regarded as fit for purpose in accordance with the Framework 2016 and for the approved AGS to be included into the Annual Statement of Accounts to meet the Authority's statutory requirement.
22. Option 2 – to approve the Annual Governance Statement 2019/2020 with amendments.
23. Option 3 – not to approve the Annual Governance Statement 2019/2020 at this time, requesting further review and return at a future date capturing comments raised. However, this option is not recommended as it would result in the Authority not meeting its legal compliance.

RISK ANALYSIS

24. Annual reporting ensures regular review of governance arrangements and monitors how the controls in place effectively manage risks of failure in delivering an organisation's outcomes. Without this regular review, the organisation may stifle innovation, learning and increase risks in delivering public value and delivery of efficient and effective services to our communities

25. As stated the AGS is an annual statutory requirement, and therefore if it is not approved may risk legal non-compliance.

EVALUATION

26. It is important that service activities are evaluated to identify what/how we can learn, understand, plan and do better for the organisation and our communities.
27. Included in the AGS is the action plan to deal with significant governance issues. Delivery against the proposed action plan in Appendix A will be undertaken across the next year and evaluated in the Annual Governance Statement 2020-2021.

CONCLUSION

28. The AGS is submitted to the Authority in accordance with The Accounts and Audit Regulations 2015, for approval and inclusion in the Annual Statement of Accounts 2019/2020. It is recommended that Option 1 above be approved by the Authority.

RECOMMENDATION

29. That the Annual Governance Statement 2019/2020 as set out in **Appendix A** is approved by the Standards and Governance Committee:
- a) Members acknowledge that the arrangements continue to be regarded as fit for purpose in accordance with the Framework 2016; and
 - b) The approved AGS to be included into the Annual Statement of Accounts to meet the Authority's statutory requirement.

APPENDICES ATTACHED

30. **Appendix A** – Annual Governance Statement 2019/2020 for Hampshire Fire and Rescue Authority

BACKGROUND PAPERS

Delivering Good Governance in Local Government Framework – 2016 Edition
CIPFA and SOLACE

Delivering Good Governance in Local Government – Guidance Note for English Authorities

CIPFA and SOLACE



ANNUAL GOVERNANCE STATEMENT

2019/2020

FOR

HAMPSHIRE FIRE AND RESCUE AUTHORITY

Annual Governance Statement for Hampshire Fire and Rescue Authority

1. Scope of responsibility

- 1.1. Hampshire Fire and Rescue Authority (the Authority) is responsible for ensuring that:
- its business is conducted in accordance with the law and to proper standards;
 - public money is safeguarded and properly accounted for, and used economically, efficiently and effectively;
 - pursuant to the Local Government Act 1999, it secures continuous improvements in the way in which its functions are exercised, having regard to a combination of efficiency, effectiveness and economy; and
 - pursuant to the The Accounts and Audit Regulations 2015, there is a sound system of internal control which facilitates the effective exercise of the Authority's functions and which include arrangements for the management of risk.
- 1.2. The Authority has delegated to the Standards and Governance Committee (S&GC), as per its terms of reference, to consider and approve the Annual Governance Statement, and once approved the AGS will be signed by the HFRA Chairman and the Chief Fire Officer.
- 1.3. This AGS explains how the Authority meets the requirements of The Accounts and Audit (England) Regulations 2015, and complies with the principles contained in the The Chartered Institute of Public Finance and Accountancy (CIPFA) Delivering Good Governance in Local Government Framework 2016 edition.
- 1.4. The process of preparing the governance statement should itself add value to the effectiveness of the governance and internal control framework.

2. The purpose of corporate governance

- 2.1. Governance comprises the arrangements put in place to ensure the intended outcome of stakeholders are defined and achieved. Good governance will enable fire and rescue authorities (FRAs) to set strategic policy agenda that meets the needs of communities and discharges its statutory responsibilities efficiently and effectively. To ensure that the policy agenda and defined outcomes are delivered on time, on budget, and to the required standard.
- 2.2. Hampshire Fire and Rescue Service's (HFRS) corporate governance framework comprises the systems and processes, and cultures and values, by which HFRS is directed and controlled. It enables the Authority to monitor the achievement of its priorities and to consider whether they have led to the delivery of appropriate, cost effective and efficient services.
- 2.3. The system of internal control is a significant part of the framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of

failure to achieve its aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risk to the achievement of the Authority's priorities. It evaluates the likelihood of those risks being realised and the impact should they be realised, to manage them efficiently, effectively and economically.

- 2.4. The Authority set strategic direction, monitors, scrutinises and ensures delivery of services, whilst accountability for the achievement of the Authority's priorities sit with HFRS. HFRS corporate governance framework demonstrates and enables the ability to deliver its core purpose of making life safer, through cohesive working and clear routes of governance.
- 2.5. HFRS corporate governance framework is designed to provide a robust governance process, streamlines decision making and supports efficient and effective operations for the Service. The effectiveness of the framework is evaluated throughout the year.
- 2.6. HFRS Executive Group is chaired by the Chief Fire Officer and its purpose and responsibilities are clearly defined within its terms of reference, to make officer decisions to ensure the successful delivery of strategic objectives. The Executive Group considers reports identified on the organisation's Forward Plan (a tool that supports the effective operation of the corporate governance framework identifying agenda, report topics and the responsible directors) that establishes robust planning and control cycles for strategic and operational plans, and ensuring informed decision making and transparency of decisions being recorded.

3. Core principles of good governance

3.1 Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

- 3.1.1 The role of scrutiny in good governance is reflective of the decisions about the values and associated behaviours that will guide the organisation.
- 3.1.2 The Authority continues to operate with 10 Members, since the review of governance arrangements during 2015/2016. The Police and Crime Commissioner (PCC) can attend Authority meetings and has the ability to speak on items on the agenda. The new structure and arrangements have resulted in a strategic and business focus from the Authority with improved member engagement and scrutiny. The Authority is in the best position to continue to lead HFRS in delivering excellent quality services to the residents of Hampshire whilst remaining resilient and responsive to challenges in the future.
- 3.1.3 The key policies that set out the scope of responsibilities for Members and explains the delegation to officers is detailed within the Constitution's scheme of delegation, contracts standing orders and

financial regulations. Members and officers are aware of their responsibilities within these policies.

- 3.1.4 The Authority review and approve minor amendments to the Constitution at their annual Authority meeting and as needed throughout the year.
- 3.1.5 The organisation's values are embedded in our ways of working. These values are underpinned by a range of policies and procedures including HFRA Members' codes of conduct, the registers of interests, gifts and hospitality and protocol for member and officer relations which is included within the Constitution.
- 3.1.6 The Authority is committed to the highest ethical standards. A code of corporate governance is included within the Constitution, which demonstrates a comprehensive commitment on the part of the Authority to accountability, integrity, ethical values and the rule of law.
- 3.1.7 Senior Management have the relevant professional external networks and expertise to identify the impacts of new legislation, and legal advice is also provided to ensure the Authority continues to comply with legislation and regulation.
- 3.1.8 Within the Corporate Governance Framework to underpin the Executive Group, there are five Directorate Boards to oversee key areas; such as the Policy and Planning Board, Operations Management Board, Integrated Performance and Assurance Board, People and Organisational Development Board, and the Corporate Services Management Board. These boards provide cohesive working, clear routes of governance and extra scrutiny on behalf of the Executive Group.
- 3.1.9 A policy, procedure and guidance (PPG) framework has been developed and approved and is currently being implemented across the organisation. The PPG are documents that capture and define the way the organisation operates and how it delivers its services and functions. The framework establishes how to manage those documents in a robust and sustainable way.

3.2 Ensuring openness and comprehensive stakeholder engagement.

- 3.2.1 The role of scrutiny in good governance is reflective of the decisions on how the organisation will demonstrate openness and engage stakeholders.
- 3.2.2 The Authority approved the Hampshire and Isle of Wight safety plan 2020-2025. HFRA and Isle of Wight Council (IWC) agreed that due to the imminent Combined Fire Authority (CFA) that this would be a fully aligned Safety Plan for both HFRA and the IWC.

- 3.2.3 The Safety Plan incorporates the Integrated Risk Management Plan (IRMP) requirement and the annual Service Plan into a single document. The Safety Plan is a live document which is updated annually. This approach to managing risk in our communities will ensure the organisation is able to report on how effective its risk reduction activities are. The Safety Plan is on the website and available to stakeholders electronically and in paper format (upon request).
- 3.2.4 HFRA and Isle of Wight Council (IWC) undertook joint formal consultation for the IRMP which ran for eight weeks from 30 September to 24 November 2019. The findings from the consultation process have been considered and have influenced the content of the safety plan.
- 3.2.5 The Authority operates in an open and transparent way. It complies with The Openness of Local Government Bodies Regulations 2014. The Authority's meetings are open to the public, and its papers and decisions are available through the website (save for individual items of a sensitive nature properly considered in confidential session). In addition, Authority meetings are filmed to enable staff and the public better access to view decision making.
- 3.2.6 Clear guidance and protocols on decision making, templates for reports and effective arrangements for the approval of exempt reports, ensures that the Authority takes decisions in public when appropriate and after full consideration of relevant information.
- 3.2.7 The Authority, through HFRS, enjoys a constructive relationship with the trade unions and associations representing staff groups across the organisation, through which meaningful consultation and negotiation on service issues takes place.
- 3.2.8 Public consultation to listen to stakeholders and inform decision making is undertaken where required and expected. Extensive consultation was undertaken during the Authority's risk review, which was the most comprehensive integrated risk review carried out in recent years. The consultation process for the proposals enabled our staff, the public and other stakeholders to have their say on how their fire and rescue service should operate in the future.
- 3.2.9 Extensive consultation was also undertaken for the proposed creation of a Combined Fire Authority (CFA) with the Isle of Wight Fire and Rescue Service (IWFRS), enabling our staff, the public and other stakeholders to have their say on how their fire authority should operate in the future. These processes were quality assessed by the Consultation Institute and found to have conformed to best practice.
- 3.2.10 HFRA has a long history of collaborative working with partner agencies. In particular, blue light collaboration is governed by an Executive Board consisting of the Chief Officers and other senior leaders of Hampshire Constabulary, South Central Ambulance Service and Hampshire Fire and Rescue Service. The Board sets the strategic direction and

oversees collaboration projects. Reporting progress and awareness of blue light collaboration is presented to the Authority on a periodic basis at the Authority Policy Advisory Group (APAG).

3.3 Defining outcomes in terms of sustainable economic, social and environmental benefits.

- 3.3.1 The role of scrutiny in good governance is reflective of the decisions on outcomes to be achieved.
- 3.3.2 Delivery of fire and rescue services and the associated community safety activity remains the Authority's core activity.
- 3.3.3 This year the Authority approved the Hampshire and Isle of Wight Safety Plan 2020-2025. It sets out our five-year strategy that establishes a long-term approach to achieving our purpose of 'Together We Make Life Safer' and to ensure we constantly provide a service to our communities that makes life safer and that our staff are proud to deliver.
- 3.3.4 The safety plan sets out our approach, and that we are keen to consider how we make life safer and have therefore taken a wider view of risk and safety in our approach. We have considered how we are:
- Keeping communities safer
 - Keeping our staff safer
 - Keeping the organisation safer
- 3.3.5 Our strategic assessment of risk provides the understanding for us to set out our services and priorities in order to manage, control and mitigate that risk. We also consider the learning from significant events locally, nationally and internationally to inform our planning, while gaining information about best practice from inspections by Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS).
- 3.3.6 Our safety plan is underpinned by our strategic assessment of risk, which is a detailed and constantly updated analysis, which has been developed by:
- Identifying risk
 - Assessing the risk
 - Prioritising the risk
 - Mitigating the risk
 - Reviewing the risk

To achieve our purpose, we must fully understand the risks that our communities face. By engaging with those most affected by the risks identified we are able to create the most effective services to protect

them. On this basis we have developed five priorities that we are committed to for the life of the safety plan:

- Our communities
- Our people
- Public value
- High performance
- Learning and improving

3.3.8 These focus our resources to the relevant community risks, and our organisational improvements to support our service delivery to ensure that we are efficient and effective. We must constantly reassess our communities to make sure our assessment of risk is still accurate.

3.3.9 This is underpinned by detailed plans and our corporate portfolio of projects which is monitored through the Integrated Performance and Assurance Board. Progress against these plans are monitored through regular performance updates to assess the deliverables to HFRS Executive Group and the Authority.

3.3.10 People Impact Assessments (PIAs) are used to identify any significant impact on people, and in particular, those who share a characteristic which is protected under equality law. PIAs are carried out prior to implementing a policy, procedure, change or decision with a view to ascertaining its potential impact.

3.3.11 Further impact assessments may be required prior to implementing a policy, procedure, change or decision, these include assessments of health and safety, environmental, data protection and financial impacts.

3.4 Determining the interventions necessary to optimise the achievement of the intended outcomes.

3.4.1 The role of scrutiny in good governance is reflective of the decisions on interventions/services necessary to achieve the outcomes.

3.4.2 There are clear guidance and protocols for decision making. The involvement of legal and finance officers in all significant decisions of the Authority, ensures that decisions are only made after relevant options have been weighed and associated risks assessed.

3.4.3 The budget setting process is well established and prioritises budgets and spending to achieve intended outcomes. In recent years, the budget setting process has focussed on the achievement of savings to meet reductions in government grant funding. However, it is clear that financial resources are focussed to deliver the Authority's aims and priorities which underpinned continuous improvement.

3.4.4 Risks associated with the delivery of plans are detailed in risk registers held at strategic, directorate and project level. These evaluate the

effectiveness of existing control measures as well as identifying proposed mitigation.

- 3.4.5 The strategic risk register was reviewed during the year. The review was carried out to ensure the risks on the register accurately reflect the current operational and organisation environment. The Authority approved the strategic risk register and monitor it regularly through formal reporting.
- 3.4.6 The Authority approved the Risk Management Policy on 19 February 2020. The Authority is due to receive a future report on the closure of the current HFRA Strategic Risk Register and be presented for approval the new Organisational Risk Register that delivers the risk management approach as set out within the Risk Management Policy agreed by HFRA on 19 February 2020.
- 3.4.7 As a category 1 responder, the Service has played a key role in responding to the Covid-19 pandemic, both as an emergency service and as part of the Local Resilience Forum command structure. This has included supporting other agencies to achieve their own outcomes during the crisis.

3.5 Developing the entity's capacity including the capability of its leadership and the individuals within it.

- 3.5.1 The role of scrutiny in good governance is reflective of the decisions to ensure that the organisation has the human and financial resources it needs.
- 3.5.2 The relationship between Members and officers is established on a professional culture of mutual respect, trust and co-operation. Within the Constitution, the member officer protocol is included providing clarification around the two roles.
- 3.5.3 The role of scrutiny by Members as a means to holding officers to account is central to exercising effective governance. Members provide constructive challenge to officers, it is this 'critical friendships' that tests the veracity of advice, information and quality decision making.
- 3.5.4 The Authority holds pre-authority meetings which supports the awareness and preparations. Effective questioning is a crucial component of constructive challenge offered by 'critical friends' and achieved through combination of good preparation, knowing which questions to ask and when to ask them, and pre-meetings are helpful to determine how the meetings will be conducted.
- 3.5.5 A member's champions scheme is operated in support of an effective and professional relationship between Members and officers in which both understand each other's role. Officers engage proactively to provide information and in support of scrutiny activity, using their professional expertise to help Members better understand the context

within which the organisation is operating and make robust judgements about performance.

- 3.5.6 Members also receive copies of key internal staff communications.
- 3.5.7 The Authority has a Member development champion who supports and oversees the development of Members in a number of ways, such as internal and external briefings and courses.
- 3.5.8 HFRS delivers thorough induction and periodic training to Members. Both Members and officers enjoy Local Government Association (LGA) membership that entitles them to attendance at training and conferences, targeted at raising awareness of national themes and in development of their leadership and scrutiny roles.
- 3.5.9 Members attend the Authority Policy Advisory Group (APAG) meetings which are delivered during the year. The meetings are chaired by the Chief Fire Officer and facilitates the two-way exchange and update of information between Members and officers. It is a forum providing the opportunity for Members and officers to informally discuss and shape policy. The group receives updates on matters of interest and consider the future strategic direction of the Authority and service business.
- 3.5.10 To ensure capability of leadership, the Executive Group have been enrolled onto the Institute of Directors (IOD) Certificate in Company Direction, with professional membership to the IOD included. The leadership training will ensure professionalism of the Executive Group, governance and leadership, imparting wider benefits of resilience and skills to the service.
- 3.5.11 The Authority, its committees and the Chief Fire Officer have access to a full range of professional advisers to enable them to carry out their functions effectively and in compliance with statutory requirements. Some legal and democratic services are provided through service level agreements with Hampshire County Council (HCC). The shared service partnership with HCC and Hampshire Constabulary provides a wide pool of professional advice for areas such as human resources (HR), finance and procurement.
- 3.5.12 The development of our People and Organisational Development Directorate (POD) has placed Workforce Development (WFD) and Academy under the same leadership, enabling a joined-up approach to leadership, management and technical development.
- 3.5.13 Our POD framework identifies leadership and management development as a strategic priority, which is supported by our current HMICFRS action plan. The leadership framework has been developed in conjunction with multiple stakeholders, and is a critical element of the POD delivery plan.

- 3.5.14 Based on the insights we gained from our cultural survey and HMICFRS inspections, we have developed a people and development strategy. This will help make our organisation a great place to work for everyone whilst delivering excellent services to our communities through a professional, well equipped and agile workforce.
- 3.5.15 Our priorities are captured within the Safety Plan and include the importance that our staff at all levels are skilled and feel equipped to undertake their responsibilities. We align the skills and capabilities of our teams to ensure they can perform at the highest levels, based on our priorities. Our leadership development framework supports the growth of our staff in their capacities as both leaders and managers.
- 3.5.16 It is vital that we have the right people in the right roles to be effective. We must focus on our recruitment to find and retain talented people who embody the values we feel are central to representing our organisation. Embedding our values throughout our recruitment processes will help us to build a great working environment of which our workforce will be proud.
- 3.5.17 HFRS regularly reviews the shape of its workforce against the context of its capacity and capability requirements to meet the needs of communities. This then informs a range of strategies such as recruitment, retention and people development in order to provide effective leadership and deploy appropriate resources to meet the needs of the service.
- 3.5.18 HFRS is developing a culture of on-going coaching style conversations which focus upon high performance in all aspects of our work. Staff take personal responsibility for their own performance and how this contributes to the overall performance of their team. They are encouraged to use the range of learning opportunities that are available across the organisation.
- 3.5.19 The Service is committed to driving high performance by unlocking the potential of all employees. HFRS will be rolling out revised personal development reviews (PDR), with personal goals and objectives to link back to the objectives within directorate plans, priorities within the safety plan and behaviours linked to the organisational values. This focus on performance will ensure we deliver the best possible service to the communities we serve.

3.6 Managing risks and performance through robust internal control and strong public financial management.

- 3.6.1 The role of scrutiny in good governance is reflective of the decisions regarding the adequacy of progress and associated risk management arrangements.

- 3.6.2 The Authority operates a risk management methodology, with oversight of the arrangements provided by the Policy and Planning Board, which reports to the Executive Group.
- 3.6.3 Performance management is in place to measure progress against aims and priorities to prompt remedial action where appropriate. The Integrated Performance and Assurance Board adds improved scrutiny of the performance management process.
- 3.6.4 The Executive Group review key performance indicators on a regular basis and the Chief Fire Officer holds directors to account for performance of their areas across the organisation.
- 3.6.5 The Authority has a framework for regularly monitoring its performance with timely and relevant information. The Authority holds the Chief Fire Officer to account and receives regular performance reports at its public meetings.
- 3.6.6 The internal management structure operates under a structure that promotes improved efficiency, effectiveness and improvement of its ability to make communities safer.
- 3.6.7 We compare our performance to that of other fire and rescue services; for example, we make use of national benchmark information. This continues to show that we are performing well when compared with other similar fire and rescue services.
- 3.6.8 The internal audit plan was developed to operate at a strategic level providing a value-adding, and proportionate level of assurance aligned to the Authority's key risks and objectives. This includes a regular review of the organisation's risk management processes.
- 3.6.9 The internal audit plan incorporates provision for both proactive and reactive counter fraud and corruption work, which is underpinned by an anti-fraud and corruption strategy and policy. HFRS approach is to identify areas that could present greatest risk or where managers have identified indicators that improvement is needed.
- 3.6.10 The delivery of the resulting internal audit plan enables the Chief Internal Auditor to provide an annual report providing an opinion on the overall adequacy and effectiveness of the framework of governance, risk management and control which is reported to the Authority, and later published within the Annual Statement of Accounts in compliance with statute.
- 3.6.11 The Authority's Standards and Governance Committee (S&GC) has a clear terms of reference, to provide an effective source of scrutiny, challenge and assurance regarding the arrangements for managing risk and maintaining an effective control environment. The S&GC consider the delivery and outcomes of the internal audit plan, along with

scrutinising the service performance in delivering against agreed actions.

- 3.6.12 The Authority has strong financial management arrangements at both the strategic and operational level and consistently obtains unqualified opinions for its annual accounts and value for money assessments. The Section 151 Officer is the Chief Finance Officer and all formal significant financial decision making has the benefit of advice and review from this officer or the wider finance team.
- 3.6.13 Financial management in key risk areas across the organisation, focusses on activity and performance management alongside the budget management processes. The financial management framework throughout the organisation is appropriately advised and supported by the finance team.
- 3.6.14 The Authority has an interim financial plan to inform its corporate planning given the absence of grant figures beyond the current financial year. This concentrates on the period up to the end of 2021/22 and it is expected that a balanced budget can be set during this period. Whilst there are risks within this approach these are mitigated by the level of our reserves and the contributions to reserves contained in the base budget.
- 3.6.15 Once a multi-year spending review has been announced, a full update of the Medium-Term Financial Plan (MTFP) will be produced. The MTFP is overseen and monitored by our Executive Group and is regularly formally reported to the Authority at its public meetings.
- 3.6.16 Plans for a new Combined Fire Authority (CFA) are progressing, with a planned implementation date of 1 April 2021, and any future financial decisions will also need to be made in this context.
- 3.6.17 Financial planning and management are fully integrated with, and driven by, the corporate planning and monitoring processes set out above. This includes processes for the forward planning of expenditure, consultation on budget proposals, setting and monitoring income and budgets, and the completion of final accounts. The Treasury Management Strategy is reviewed regularly and approved by the Authority annually with the budget.
- 3.6.18 The Service has been responding to the Covid-19 pandemic, but in most cases this has been using existing capacity within the workforce. Some additional costs around RDS call outs, overtime and PPE purchase have been incurred, but these are more than covered by the grant that has been received from central government.

3.7 Implementing good practices in transparency reporting and audit to deliver effective accountability.

- 3.7.1 The role of scrutiny in good governance is reflective of the decisions on what will be reported to the public in order to ensure transparency and practice accountability.
- 3.7.2 The Authority meetings are open to the public and reports are written in an understandable style appropriate to the audience and published on the website ensuring that they are easy to access and interrogate.
- 3.7.3 Members involved in performance oversight bring a mixture of experience and expertise from their professional backgrounds as well as their time in politics. It is also important to have access to requisite knowledge regarding the subject matter, and are supported by officers for any knowledge needs. It is also necessary to co-opt independent expertise to support scrutiny so that constructive challenges are taking place from well-informed positions.
- 3.7.4 The 'Internal Audit Charter' is presented annually for approval by the S&GC. The purpose of the Internal Audit Charter is to formally define its purpose, authority, and responsibility. The Chief Internal Auditor has direct access to elected Members of the Authority and those who serve on the S&GC.
- 3.7.5 The on-going work of internal audit is presented routinely through the progress reports to the S&GC, providing an overview of service performance. It considers delivery against the plan and the progress made by the service in the implementation of management actions that have been agreed to mitigate risks identified through internal audit work.
- 3.7.6 Where appropriate, internal audit will gain assurances from third parties to contribute to their overall assurance opinion.
- 3.7.7 Representatives of External Audit routinely attend S&GC meetings and present external audit reports. Any recommendations for corrective action detailed within internal or external audit reports are highlighted to Members.
- 3.7.8 Financial reporting complies with relevant statute, codes and good practice guidance. Financial and performance information are reported consistently throughout the year. Where relevant and appropriate, performance comparisons are made to other organisations.
- 3.7.9 In 2019 the Authority considered a report informing of the best practice guidance contained within the Grant Thornton Report entitled "*creating and operating a successful fire trading company*" which was published in September 2018. The Grant Thornton guidance highlights areas of risk associated with trading companies and income generation, addressing considerations regarding competition law, state aid, the use

of branding, use of uniformed firefighters, and potential for board member conflict of interest.

- 3.7.10 The Grant Thornton research identified several fire trading companies were set up more than 10 years ago and have not regularly evaluated their governance arrangements to ensure these remain effective and fit for purpose. It is recommended that the governance arrangements as well as the performance of the fire trading company should be regularly reviewed by the board and/or shareholders.
- 3.7.11 The Grant Thornton guidance recommends that the shareholder of fire and rescue authorities (FRA) should not be involved in the day to day running of the trading company, in order to allow it the necessary freedoms to operate at arm's length. It is important to be clear of the role of the FRA, to provide sufficient strategic control to exert influence, but enable the company to run operationally.
- 3.7.12 The guidance states that one way to facilitate this separation is to have a shareholder committee as part of the governance structure, to ensure adequate safeguards that the company is carrying out work in line FRA's strategy.
- 3.7.13 The Authority approved the recommendation to amend the Constitution and establish the 3SFire Stakeholder Committee. The HFRA trading company governance remains under on-going review to ensure the appropriate controls and scrutiny are in place. HFRA is the sole shareholder of 3SFire Ltd being a local authority trading company limited by shares. HFRA has delegated functions of the shareholder to the committee. To ensure and maintain separation of HFRS and 3SFire Ltd, which are separate legal entities, the internal governance of reports and performance is monitored by the Company Board and is reported to the Authority at its public committee meetings twice yearly, or as needed.
- 3.7.14 Governance of our internal safeguarding arrangements are provided through various safeguarding audit activity work which is generated from both the local Adults Safeguarding Boards and the Local Childrens Safeguarding Partnership.

4. Obtain assurances on the effectiveness of key controls.

- 4.1 Key controls relating to risks, internal control (including financial management) and governance processes are identified by senior managers as part of the governance framework.
- 4.2 Senior managers complete the annual certificate of assurance which is a self-assessment and declaration that they and their teams are familiar and operate within policy and internal control mechanisms.
- 4.3 The Authority receives an Annual Assurance Statement which is published on the website to provide an accessible way in which communities, local authorities

and other partners may make a valid assessment of their local fire and rescue authority's management of performance and key controls on financial, governance and operational matters and show how they have due regard to the expectations set out in the IRMP.

- 4.4 Risks are managed as determined by the risk management policy and progress monitored through risk registers.
- 4.5 Internal Audit, as part of its planned review of internal controls, regularly evaluates the key controls to determine their adequacy and carries out tests to confirm the level of compliance. An audit opinion on effectiveness is provided to management and any actions for improvement to be agreed.
- 4.6 HFRS in compliance with the General Data Protection Regulations (GDPR) which came into effect in May 2018 has developed and continues to deliver training to staff and raise awareness to Members. This will remain an ongoing and evolving commitment and progress reported to the Authority through the annual and mid-year performance reports.
- 4.7 The Authority prides itself on being a professional learning organisation that actively seeks challenge and review.
- 4.8 HMICFRS concluded HFRS are 'Good' at effectively understanding risks within its community and 'Good' at efficiently managing its resources. HFRS was graded as 'Requires Improvement' at looking after its people. The Authority's S&GC approved the action plan for HFRS, which ensures measurable actions are identified to deliver improvement. Progress against the action plan is routinely monitored by the Executive Group, and regularly reported to the Authority as an integral part of governance and performance assurance/improvement arrangements.
- 4.9 From a governance perspective it is important for Members to secure assurance that the organisation is well-prepared for HMICFRS inspections, which will significantly increase the chances of a positive inspection result. As appropriate Members have received reports on HMICFRS inspection readiness.
- 4.10 Other external reviews include the following:
 - ISO27001 Information Security Audit accreditation meaning that HFRS are compliant to the internationally recognised information security standard;
 - Complete annual Code of Connection (CoCo) review and Home Office submission for our Public Sector Network (PSN) / Emergency Services Network (ESN) connectivity;
 - Complete annual audit and Code of Connection (CoCo) statement return for Airwave;
 - Annual penetration tests by authorised third-party companies to conform to ISO27001, Public Sector Network and Emergency Services Network accreditation requirements;

- The National Fire Chiefs Council (NFCC) have published a Fire and Rescue Service (FRS) Safeguarding Guidance document which includes a requirement to provide a self-assessment return.
- Peer review of the Combined Fire Authority (CFA) project management activities and method.

5. Evaluate assurances and identify gaps in control/assurance.

5.1 One of the key elements of the corporate governance framework and the production of the AGS is the methodology applied to obtain the necessary assurance. This has included:

- a self-assessment assurance statement (certificate of assurance) being sent every year to members of senior management;
- consultation with other relevant officers throughout the organisation.

5.2 The certificate of assurance covers a range of corporate governance and performance issues and they refer to the existence, knowledge and application within departments of governance policies generally.

5.3 HFRS corporate governance framework illustrates how decisions are made and by whom. This framework works alongside the HFRA Constitution to ensure clarity around all governance arrangements. To provide a greater understanding around this an HFRS corporate governance handbook will be created which will contain an Officer Scheme of Authorisation. This will provide further assurances to all stakeholders on governance arrangements.

6. Action Plan ensuring continuous improvement of the system of governance.

6.1 There is a requirement for the AGS to include an agreed action plan showing actions taken or proposed to deal with significant governance issues.

6.2 HFRS corporate governance framework provides a robust mechanism to ensure significant governance issues are identified, and an appropriate action plan is agreed to continue improvement of the system of governance.

6.3 The following identifies the actions to ensure continuous improvement of key governance issues that will be carried out over the next year:

- 6.3.1 To establish the Constitution and governance arrangements for the shadow period prior to the combined fire authority, Hampshire and Isle of Wight Fire and Rescue Authority, go-live date of April 2021.
- 6.3.2 Delivering on the aims and objectives outlined within the Hampshire and Isle of Wight Safety Plan.
- 6.3.3 To establish directorate plans that align department activities to the aims and objectives outlined within the Hampshire and Isle of Wight Safety Plan.

- 6.3.4 To establish the governance arrangements for local authority public meetings being held as virtual meetings, establishing resilience and continuing to operate local government as an open and transparent process, further to the impact of the Coronavirus Covid-19 pandemic.
- 6.3.5 To review all fraud, corruption, money laundering and whistle blowing policies and procedures to ensure they are fit for purpose.
- 6.3.6 To ensure the roll out and delivery of a new Personal Development Review (PDR) system for all staff.
- 6.3.7 To present to the Authority for approval an improved Organisational Risk Register and to establish a process for scrutiny and review of risk by the Service and Authority.

7. In response to the Action Plan outlined in the 2019/20 Annual Governance Statement:

- 7.1 There is a requirement for the AGS to include reference to how issues raised in the previous year's AGS been resolved.
- 7.2 The following identifies the actions resolved in 2019/2020:
 - 7.2.1 HFRS implemented a new, approved Safety Plan (incorporating both the Service Plan and Integrated Risk Management Plan) for the period 2020-2025, being the mechanism to deliver the Authority's aims and objectives in a manner supportive of the communities in which we serve.
 - 7.2.2 HFRS has continued to implement the approved service policy framework, reviewing policies to ensure up to date and published on appropriate platforms and continues to embed the process throughout the organisation. The governance process for procedures has been established at Directorate Board level and all policy change will be reported to the Executive Group for approval.
 - 7.2.3 We have reviewed the framework and arrangements that govern our impact assessments. This has been published on appropriate platforms and the process continues to be embedded throughout the organisation.
 - 7.2.4 HFRS is delivering on the areas of improvement outlined within the HMICFRS inspection action plan, and progress is routinely monitored by the Executive Group and regularly reported to the Authority.

Declaration

We have been advised on the implications of the result of the review of the effectiveness of the governance framework and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas

already addressed and those to be specifically addressed with new actions planned are set out in this statement.

We propose over the coming year to take steps to further enhance our governance arrangements. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Signed:

Chief Fire Officer

Date:

Signed:

HFRA Chairman

Date:



Standards and Governance Committee

Purpose: Approval

Date: 23 July 2020

Title: **ANNUAL STATEMENT OF ASSURANCE 2019/20**

Report of Chief Fire Officer

SUMMARY

1. The Annual Statement of Assurance is a document that is required by the National Framework for Fire and Rescue (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 2019 to March 2020.
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.

BACKGROUND

4. The Fire and Rescue National Framework published in May 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 SAFETY 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 so *Together we make life safer*. This is mirrored in the creation and content of our strategic priorities (contained within the previous Service Plan and the new Safety Plan moving forward).

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 environmental or sustainability impacts associated with this report.

LEGAL IMPLICATIONS

9. Hampshire Fire and Rescue Authority must produce an Annual Statement of Assurance to ensure compliance with the Fire and Rescue National Framework published in May 2018.

EQUALITY IMPACT ASSESSMENT

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

OPTIONS

11. Members are asked to approve the Hampshire Fire and Rescue Authority Annual Statement of Assurance for 2019/20. It is a requirement of the 2018 National Fire and Rescue Framework that each Fire and Rescue Authority publishes an Annual Statement of Assurance to detail to its stakeholders how it is meeting its statutory obligations. The approval and publication of the statement ensures compliance with the National Fire and Rescue Framework 2018.

RISK ANALYSIS

12. 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

13. The Annual Statement of Assurance for 2019/20 provides stakeholders with oversight of Hampshire Fire and Rescue Service's ability to deliver its core purpose that *Together we make life safer*, and therefore meet the requirements of the 2018 National Fire and Rescue Framework.

RECOMMENDATION

14. That the Annual Assurance Statement for 2019/20 be approved by Hampshire Fire and Rescue Authority Standards and Governance Committee.

APPENDICES ATTACHED

15. Appendix A – Annual Statement of Assurance 2020

Contact:

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Appendix A



Annual Assurance Statement 2019/20

April 2019 to March 2020

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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 2019/20.

Hampshire is a large county based in the South of England which covers an area of more than 1450 square miles. The county is home to a population of 1.85 million people dispersed across rural, urban and coastal areas. Rural Hampshire covers 83% of the county with urban areas accounting for the remaining 17%.

Hampshire is bordered to the West by Dorset and Wiltshire, to the East by West Sussex and Royal Berkshire and Surrey to the North. The county is bordered by the Solent to the south which is one of the busiest shipping lanes in the world served by the commercial ports of Southampton and Portsmouth.

Hampshire is rich in history with national parks, significant places of interest and heritage sites of international importance. The cities of Southampton and Portsmouth are urban areas of growing populations with universities that are seeing significant growth in student numbers and accommodation requirements. The growth in industry around Winchester and Basingstoke highlights the changing landscape. Balanced with this are large numbers of remote villages with many thatched and listed buildings.

Hampshire is home to several significant military bases and ports. There are also several businesses that are classified as Control of Major Accidents and Hazard (COMAH) sites. These locations have specific plans in place to manage the risks they have on site. There is a large and diverse range of commercial and industrial elements across Hampshire with heavy industries, including Fawley oil refinery and BAE systems.

The county also has several major transport hubs including airports, ferry terminals, commercial ports, major motorways and several major hospitals, prisons and key infrastructure.

Our purpose is *Together we make life safer* for everyone in Hampshire and the Isle of Wight, and for our people. 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 2021 and beyond. This is about more than just fire. We are also passionate about collaborating and working ever more closely with our partners and our communities 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, evaluations 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 seeking ways to deliver Public Value and value for money.

COVID-19 Response

In response to the emerging pandemic, in February 2020 we set up an Emergency Management Group to cover Hampshire and the Isle of Wight Fire and Rescue Services. This group was set up to monitor the situation and ensure appropriate communications, advice and procedures are shared with everyone. As the situation escalated, on the 13th March 2020 the Emergency Management Group agreed to put a Pandemic Management Team together, including representation from a wide range of Directorates and teams, along with the following initial measures:

- **Restrictions to Control to support business continuity:** only Control staff and Control data team having access to Control, unless there is an operational requirement.
- **Safety at stations:** guidance provided to restrict non-essential events activities on station.
- **BA cleaning:** we moved immediately to weekly face seal testing on a Sunday for BA sets as per the current on-call staff position. Following the face seal test, personnel will perform a full station clean. At operational incidents, face masks will become personal for the duration of that incident and until a full station clean can be performed.
- **At incidents:** if someone shows symptoms at an incident, withdrawing to two metres and wash hands, notify Fire Control, as per current Operations guidance.
- **Critical Safe & Well visits:** only undertaking safety critical Safe & Well visits. Before conducting any visits, staff ascertaining if a person is in self-isolation and/or if they are showing any symptoms – persistent cough or high temperature – prior to the visit, over the phone (with the introduction of telephone risk assessments). If there are no symptoms a Safe & Well visit will continue, with a proactive approach to deliver all current outstanding referrals. If people are self-isolating and the visit is deemed necessary, then a full risk assessment being undertaken with Community Safety Officer's to decide the best course of action. The appropriate action being decided on a case by case basis, depending on the risks presented.
- **The creation of an Emergency Staff Cell:** to monitor the impact of staff absences in take action to mitigate any resourcing risks, where required.

On the 19th March 2020, the Local Resilience Forum for Hampshire and the Isle of Wight's Strategic Coordination Group (SCG) declared the Coronavirus outbreak a major incident. This enabled a multi-agency response, with the Fire and Rescue Headquarters hosting the Strategic Coordination Centre (SCC). In addition, many Officers were deployed into support roles of the SCC or chairing specific cells on behalf of the LRF, such as Logistics, Business Continuity and others.

We had already been providing a multi-agency response for a number of weeks, but the declaration moved us to the next phase of our well-rehearsed plans. This ensured all partners, which includes all the emergency services, could use joint-working arrangements to effectively manage, and where possible minimise, the impact of the virus on our population during these unprecedented times.

This in turn prompted a series of measures from us to maintain operational cover whilst increasing further protections to our staff including working from home arrangements for non-operational staff and utilising our new Office 365 platform to maintain business continuity with extremely effective results.

We continue to monitor the situation (and its impacts on our performance and risks) very closely ensuring that we capture lessons from our response whilst also planning our restoration and recovery. This will enable us to once again respond effectively should a second wave occur.

Governance

The Hampshire Fire & 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 & Rescue Authority Committee 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 preparing 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 was subsequently approved by the Home Office. This was then put forward for any parliamentary objections for a period of 40 days (COVID-19 lead to parliamentary delays) which concluded on the 1st May 2020 with no objections. Now the combination order is in place, the combination can begin from 1st April 2021.

The 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, *Together we make life safer*. 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 will also create greater resilience, remove duplication, enhance 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. This will all support improved public safety.

The business case for the proposal was approved by the Home Secretary, and a Shadow Fire Authority was 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.

Prior to April 2021, progress towards the new Combined Fire Authority is overseen, managed and assured by the CFA Programme Board, which includes a wide range of Accountable Owners who are responsible for ensuring progress in preparatory and alignment activity. CFA Programme updates are also regularly provided to the Executive Group for additional assurance, and an external peer review of the Programme was also undertaken – with the recommendations considered by the CFA Programme Board and the Executive Group, with appropriate action taken in response to the review.

Policy & Planning

Up until the launch of the new Safety Plan on 1st April 2020, our aim was 'to make life safer'. To deliver on this aim we had a Service Plan that began in April 2015 and ended in March 2020. This was 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 2015 to 2020

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 & Rescue Authority – with a final Service Plan close report produced for the Authority.

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

Safety Plan 2020 to 2025

As this Service Plan came to an end in March 2020 a new Safety Plan (covering both Hampshire Fire and Rescue Service, and Isle of Wight Fire and Rescue Service) was developed in 2019/20 and launched on 1st April 2020 following approval by the Hampshire Fire and Rescue Authority and the Isle of Wight Council.

Our plans and strategies are formed around the large amount of data we collate and analyse. We also review risk regularly, so we can work out how to best protect our communities. This then informed our Strategic Assessment (of risk) which adds context and detail to aid our planning process.

For more details about our Strategic Assessment of Risk please see:
<https://www.hantsfire.gov.uk/EasySiteWeb/GatewayLink.aspx?allId=96240>

Using this assessment, we then developed an Integrated Risk Management Plan (IRMP) in 2019/20, which identifies potential dangers that could affect communities and how we can address them. We then used the IRMP combined with the risks to our organisation, to pull together our Safety Plan following public consultation, which will be launched in April 2020.

This has been available on our website since the 1st April 2020:
<https://www.hantsfire.gov.uk/about-us/safety-plan/>

Integrated Risk Management Plan

Our new IRMP was developed in 2019/20. This process involved the new methodology as articulated above and followed a period of consultation with the public and our own teams, with the IRMP public consultation commencing in the autumn of 2019. This IRMP is a joint IRMP with the Isle of Wight Fire & Rescue Service as we establish greater alignment in preparation for the Combined Fire Authority and is the first joint IRMP to be delivered in the country.

We have purposefully set out our IRMP to firstly explain the current landscape and risks within Hampshire and the Isle of Wight in the context of Places and People. We then explain how we plan to mitigate those risks. We call it integrated risk management planning because it brings together a range of ways we can help make you safer from fires and other emergencies. This starts by understanding the communities we serve.

In this plan we reflect on risks in the community which could make the public susceptible to harm. We focus on people and how their individual needs can be best served. We look at these alongside broader issues in our society such as how population changes and climate affect our communities, fires and our landscape. Bringing all these risks together we then use various analytical tools to work out how many fire stations, firefighters and specialist resources (equipment and teams) we need.

We look at what work we can do to prevent fires, road traffic collisions and other emergencies by helping people adopt safer behaviours, and also what we can do to make buildings safer. We consider a number of key components to support our purpose of making Hampshire and Isle of Wight safer and use the following elements to build our risk management approach:

- You, our communities: Analysis of data on age profiles, health indicators and other factors that can impact levels of vulnerability. More information on how we do this is set out in this plan.
- The environment: Buildings in which we live, work, visit and stay. The infrastructure within an area including transport arrangements and our climate and weather which create their own risks and demands on the fire and rescue services.
- Local intelligence: Our staff and teams work and live within our communities and their local knowledge, understanding and information sharing through partnerships is invaluable.
- Community and National Risk Register: Hampshire and Isle of Wight fire and rescue services are a key agency within the Local Resilience Forum. Through that forum a community risk register is established which sets out high level risks or issues that need to be considered and planned for (including large scale events such as music festivals) to ensure our communities are prepared.

- Partners: We work closely with a wide range of partners both centrally at a strategic level and locally.
- Research: Ongoing research locally, nationally and internationally is constantly reviewed, and indeed many of our own staff undertake research, which informs our approach and understanding of risks and issues.
- Learning from each other: We constantly strive to learn from our own experiences and those of others. Lessons learned from incidents are shared nationally and internationally to inform our plans.

To view the IRMP consultation document please see:

<https://www.hantsfire.gov.uk/EasySiteWeb/GatewayLink.aspx?allId=96122>

Following the outcomes of the IRMP we have developed the new Safety Plan that not only includes our priorities and commitments as set out in the IRMP but also takes consideration of our organisational risks. This Safety Plan was published on 1st April 2020.

Policy, Procedure and Guidance

In 2019/20 we launched a new Policy Framework following a significant review of our Service's policies. Our Policy, Procedure and Guidance (PPG)'s are documents that capture and define the way our organisations operate and how we deliver services and functions.

They ensure our people have the necessary reference tools required to do their job with the information presented and communicated in a way which is simple and easy to use which forms a safe system of work.

- Policies:
 - Are owned by the Service and provide the overarching authority by which the organisation delivers their operations or service's.
 - They are statements of the what and the why, ensuring the Service is compliant with legislation and are non-negotiable.
- Procedures:
 - Are owned by the relevant Directorate and support the policies in place.
 - They are subject to change and continuous improvement and clearly state what individual actions should be taken.
- Guidance:
 - Are owned by the relevant Directorate and provide our people with help and advice on how they can complete tasks.
 - The guidance is more general and can apply to either everyday business or operational incidents.

Other types of procedure or guidance includes:

- National Operational Guidance (NOG).
- Tactical Operational Guidance (TOG).
- Standard Operating Procedures (SOP).
- Additional Hazard Information Sheets (AHIS).

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 new Risk Based Inspection Programme and a Local Based Inspection Programme both developed and launched in 2019/20.

Our Risk Based Inspection Programme forms part of the Service's overall integrated approach to risk management for Protection activities, by prioritising buildings most likely to experience a fire, a potential occupant sleeping risk and those buildings most likely to have fire safety compliance issues. We use data to target these premises that have not been audited or where a premises is due for a revisit. Revisit dates of 1, 3 or 5 years are applied to premises by the inspector dependent upon the risk and levels of compliance found following an inspection. Some premises will not require re-inspection due to the high level of compliance and the low risk found within the building.

We also understand that premises present a risk to the organisation and to those in and around non-domestic premises due to a multitude of factors, such as 'sleeping risk', the previous history of business and contact with HFRS on enforcement issues. This understanding of risk forms a Locally Based Inspection Programme (LBIP). These operationally significant premises can be considered as those presenting issues for Protection, Prevention or Response. They are inspected by Locally Based Inspection Teams in priority order.

Using these two targeted programmes, we are then able to support businesses 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 2019/20, we carried out 1,328 fire safety audits (an increase of 37% compared to 2018/19) of business premises owners fire risk assessments and control measures to ensure compliance with the Fire Safety Order 2005. We also investigated 311 alleged fire risks reported to us from members of the public.

In addition to this, our Fire Engineering and Consultation Team reduce risk in Hampshire to occupants and firefighters by working alongside a wide group of stakeholders to contribute to building regulation consultations that are received from building control bodies locally and nationally. In 2019/20, we carried out 1,594 Business Regulation consultations.

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.

In 2019/20, we carried out 8,689 Safe & Well visits in 2019/20, a significant, 38%, increase compared to the 6,293 in 2018/19. This increase would have been greater were it not for the COVID-19 outbreak, which resulted in Safe and Well visits having to be significantly downscaled to just cover safety critical visits to the most vulnerable. There has been a significant amount of work and engagement activity to drive up Safe and Well visit numbers; however, this work has been (and continues to be) clearly impacted by the COVID-19 situation, which commenced in the last month of the financial year.

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 village's and are close to residential, commercial and industrial areas. Our frontline resources and fire appliance 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 whole-time 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; and
- 8 fire stations with both 24-hour on-call staff cover and staffed by immediate whole-time 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 2019/20 we attended 3,714 fires, 10,696 non-fire emergency ('special service call') incidents (such as road traffic collisions) and 6,977 false alarms. Further information on our performance is outlined in our mid-year and end-of-year 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.

In response to the COVID-19 pandemic we have been heavily involved in the Local Resilience Forum's multi-agency Strategic Coordination Group, which is chaired by our Chief Fire Officer, Neil Odin – with the Strategic Coordination Centre based at our headquarters. Our teams have been working within the Tactical Coordinating Groups and in a number of LRF cells to effectively manage, and where possible minimise, the impact of the virus on our population during these unprecedented times. This includes providing cross-agency support to ensure operational cover can be maintained and critical services resume accordingly.

For more information on our Local Resilience Forum, please see:

www.hampshireprepared.co.uk

As well as supporting our communities prepare for widespread 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 daily basis, with our blue light colleagues from other fire and 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, *Together we make life safer.*

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 2019/20, we attended 6,334 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 regularly, and to the Hampshire Fire & Rescue Authority committee twice a year. These reports show our performance across a wide range of Service area measures. These measures are made up of the Service-wide impacts, our response standard to critical incidents and other areas, including staff wellbeing. These measures helped us focus our change activity across all our Service Plan priority areas, and now of Safety Plan priorities.

For more information on our performance reporting, please see:

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

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 and comply with the inspection we have a Service Liaison Officer who is our Organisational Assurance Manager. The Service Liaison Officer represents Hampshire and the Isle of Wight Fire and Rescue Services through regular engagement with the HMICFRS representative (Service Liaison Lead) in the collation of information and the coordination of engagement visits and producing the Inspection schedule.

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.justiceinspectorates.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.

There was a total of 41 actions against 21 diagnostics of the HMICFRS framework. As of March 2020, we have closed 40 (97%) of the 41 HFRS actions, leaving 1 overdue action that has been halted by the COVID-19 situation and should be closed by June 2020 when inclusion and diversity training is delivered virtually.

The next inspection was planned to take place week commencing the 28th September 2020, however, due to the unprecedented COVID-19 pandemic, HMICFRS (in liaison with the Home Office) decided to postpone all further inspection activity until further notice. HMICFRS's Service Liaison Lead does, however, continue to review the documentary evidence and data returns that we provided them with earlier in the year and engagement with the Service Liaison Lead continues to take place.

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. Operational Assurance Assessments were due to commence from March 2020 but due to the COVID-19 pandemic these have been put on hold until further notice. These assessments are 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.

To further support the debrief process and to widen the potential opportunity for improvements, we launched a new 'Submit Learning' application in 2019/20. This tool enables any member of staff to provide feedback at any time on a number of different platforms including mobile phones and mobile data terminals in appliances. This enables us to capture real time feedback but also allow people to reflect on situations and feedback at a later time. The tool has been designed to gather feedback in other areas across the Service, such as lessons learned from Project delivery or feedback on HR related investigations. This additional development is planned for 2020/21.

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 (SIAP) 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 2019/20 was 'adequate'; with significant improvement compared to 2018/19. More specifically, we have seen an improvement in the number of open and overdue actions throughout the course of 2019/20; and continue our positive relationship with SIAP (based on an Memorandum of Understanding between HFRS and SIAP, which was agreed in 2019).

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

Evaluations

The Service's Performance and Assurance Directorate carries out a range of evaluations that are commissioned by Service Directorates to provide additional assurance in targeted areas. These evaluations are based on a range of quantitative and qualitative data, and include key findings, an overall conclusion, and recommendations for improvement. In

2019/20, the Performance and Assurance Directorate carried out evaluations in the following areas:

- Promotion processes
- Whole-time recruitment.
- Safe & Well visits.
- Feedback mechanisms

Individual Directorate Boards are responsible for recommendations, with overall evaluation findings and recommendations (and the response to them) discussed regularly at the Integrated Performance and Assurance Board.

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 reports exploring performance and data in this area are discussed at our Executive Group. For more details regarding feedback, please see: <https://www.hantsfire.gov.uk/about-us/contact-us/get-in-touch/>

People & Organisational Development (POD)

Following the 2018 HMICFRS inspection, and in support of the new IRMP and subsequent Safety Plan that was launched on 1st April 2020, we have developed a new People & Organisational Development Directorate which is accompanied by a new strategy framework. This strategy encompasses the following areas and has taken into account feedback from previous cultural surveys:

- 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.

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.

Finally, in 2019/20, the Executive Group and HFRA have received additional reporting and insights covering our people performance. This has included a focus on: the size and diversity of our workforce compared to previous years; sickness levels with an increased focus on mental health and our Employee Assistance Programme provision; fitness test performance; and qualifications and competency. For more detail, please refer to our mid-year and end-of-year performance reports.

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 & Rescue Authority Committee. 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 2020/21, 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.

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 & Rescue Authority every year:

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

Budget management during 2019/20 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/>

Finally, in 2019/20, the Executive Group and HFRA have received additional reporting and insights covering our financial performance. Each Directorate submits quarterly finance reports for review and scrutiny within the Executive Group. Furthermore, using the mid-year and end-of-year performance reports as another example, these have included additional

focus on: expenditure compared to forecast levels and previous years, and our reserves position.

Summary

2019/20 has been a significant year with the emergence of the COVID-19 pandemic in the final quarter of the year. This unprecedented situation has given rise to a challenge faced by all emergency responder agencies to ensure that they can keep communities safe.

The Service has a wide range of assurance mechanisms in place to identify risks, areas for improvement, and good practice to disseminate. As the 2019/20 end of year performance report noted the number of incidents we have responded to and the number of non-fatal casualties have decreased when compared to last year, and our on-call availability has improved. We have also made positive improvements in our prevention and protection activity, and in our learning from operational incidents. However, we have further to improve in these areas, which, like many parts of the Service have been impacted by the ongoing COVID-19 pandemic. We continue to monitor, and develop our understanding of, the impact of COVID-19 on our Services – and will provide additional detail on this in subsequent reports; as well as additional information on how we are performing against the new Safety Plan.

It is also vital to understand the performance of other areas across the Service, including in terms of people, finances and corporate services. Unsurprisingly, given the COVID-19 situation at the back-end of this financial year, our average sickness went up slightly – with the greatest increase in Green Book staff. Separately, we have seen the diversity of our workforce improve in the last year – with ongoing focus in this area as part of the People & Organisational Development (POD) framework. In terms of our finances, we are currently forecasting an underspend of around £0.2 million in 2019/20; however, the latest Medium-Term Financial Plan (MTFP) forecasts that the budget will be broadly balanced for 2021/22; and our reserves are estimated to reduce by 53% to £14.3 million by March 2023, primarily owing to capital investment.

Furthermore, our overall internal audit opinion was ‘adequate’ and when reviewing the findings and assurance ratings of individual audit reports there has been a significant improvement compared to 2018/19. Previous year’s audits 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 (supported by a suite of policy, procedure and guidance) following the launch of our new Safety Plan. We will also further develop our relationship with Internal Audit, and make amendments to our controls in order to maintain and improve the overall and individual audit assurance ratings.

Our new Safety Plan, covering both Hampshire and the Isle of Wight, was launched in April 2020 and sets our strategic priorities and specific in-year activity objectives to achieve our priorities over the 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.

Finally, with the forthcoming new Combined Fire Authority, the activity of the CFA Programme Board, its accountable owners, and workstream leads (and assurance of this activity) will be a crucial part of our preparations for April 2021.

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Standards and Governance Committee

Purpose: Noted

Date: 23 July 2020

Title: **HMICFRS 2018/19 ACTION PLAN & 2020 INSPECTION UPDATE
PROGRESS REPORT**

Report of Chief Fire Officer

SUMMARY

1. This report provides the Standards and Governance Committee with an overview of the progress that the Service has made in respect of the Action Plan resulting from the findings of Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) Inspection Report, which was published in December 2018.
2. The report provides members with an update on actions that have closed since the last report to Standards and Governance Committee, as well as any actions that remain open beyond their due date, due to the impact of the COVID-19 pandemic. We have now closed all of the 41 HFRS actions.
3. In April 2020, owing to the May Committee meeting's cancellation, we provided an HMICFRS action plan and inspection readiness report to the Committee chair (see Appendix A). There are no further updates on 2020 Inspection Readiness activities since the last report to Standards and Governance Committee Chair in May 2020. We continue to regularly engage with the Service Liaison Lead.

BACKGROUND

4. The HMICFRS Action Plan follow-up and monitoring process is an important part of our overall approach to continuous improvement within the Service, and evidences our performance in respect of efficiency, effectiveness and looking after our people. When an activity has been incorporated into the Action Plan to address an area for improvement identified by the Inspectorate, it is important that the activity is then implemented as planned.
5. HFRS has appointed Strategic Leads in respect of each of the diagnostic areas as accountable owners for progression of improvement work. These

Strategic Leads (all Directors) have assigned Action Owners, typically at a department head level, to progress specific actions. A comprehensive system has been created to enable the accurate tracking of progress of each diagnostic and their actions.

6. A dashboard was created to support reporting to the HFRS Integrated Performance and Assurance Board (IPAB), the Standards and Governance Committee, and the Isle of Wight Council's Corporate Scrutiny Committee. Progress is also routinely discussed at Executive Group meetings.

2018/2019 HMICFRS ACTION PLAN LATEST UPDATE

CLOSED DIAGNOSTICS

7. All of the 22 diagnostics have been completed and closed.
8. The following diagnostics were completed since the last update to Standards and Governance in May 2020:
9. ***"The Service does not do enough to be an inclusive employer."***
10. The only outstanding element of this diagnostic since the last update related to the roll-out of the Inclusion and Diversity initiative 'A Bit More' training to all staff and teams, which had been halted owing to COVID-19. Prior to the COVID-19 pandemic, this training was in the process of being trialled, with the intention to launch by the end of March 2020. However, under the current circumstances, this has been replaced by virtual training, which has been launched at the beginning of July.
11. A significant amount work has been delivered since the 'Cause for Concern' was identified and the Inclusion Network groups FireABLE, FireINSPIRE, FireREACH and FireOUT, continue to make a huge contribution to enabling the Service to adapt and improve in this area and to ensure that the actions we have taken are having the desired effect.
12. ***"The Service should assure itself that staff are confident using its feedback mechanisms, so these help the Service gather valuable information."***
13. In respect of POD Framework, there is now specific information available on the HFRS intranet and portal to provide clarity for staff.
14. The work to refine the PDR recording tool has now been completed, with, as at mid-June, 83 managers having used the tool (resulting in 265 forms completed) since its launch in May 2020.

15. **“The Service should ensure it has an effective system in place to manage staff development, performance, promotion and productivity.”**
16. To re-emphasise points raised in paragraph 29 of Appendix A, an evaluation of grey book promotion processes (supported by candidate and managers surveys, and a range of other evaluation methods) concluded that documented processes have been put in place with clear guidance and great effort has been taken to ensure that the processes were carried out fairly, consistently and communicated to all potential candidates at the earliest opportunity.
17. This has now been supplemented by additional analysis of survey data on how managers and staff ‘feel’ about the process:
- The survey of managers who had recently received a promoted candidate from the promotions processes (9 respondents), found that 89% (8 out of 9) felt the process was effective at selecting the right individuals.
 - A survey of 43 candidates (21 unsuccessful and 22 successful) following the conclusion of these processes, rated the fairness of the process 3.1 out of 5 with those who were successful, rating the process 4.1 and those unsuccessful 2.1. Candidates, however, rated the transparency of the process slightly higher with 3.4 out of 5. Those who were successful rated the process 4.3 and those unsuccessful 2.5. Other feedback from candidates has been very positive during the most recent Crew and Watch Manager promotions processes. This feedback demonstrates that changes made to the processes has been recognised by staff as a positive improvement.
18. This report has been shared with key stakeholders internally and will be reported to the Integrated Performance and Assurance Board.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

19. The HMICFRS inspection report highlights areas of risk and supports the following Safety Plan priorities:
- a) *Public Value* – to ensure our decisions and actions deliver efficient and effective public services against the HMICFRS Inspection Framework.
 - b) *Learning and Improving* – in that we use the findings of the inspection programme to ensure we make improvements where required and learning from other fire and rescues services that performed well in specific areas.

RESOURCE IMPLICATIONS

20. Delivery of the Action Plan is planned into existing organisational resources, however where the inspection identified required improvements, specifically around looking after people, organisational restructures are being developed to ensure that resources are being concentrated where they are most needed.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

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

LEGAL IMPLICATIONS

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

PEOPLE IMPACT ASSESSMENT

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

OPTIONS

24. To approve or not the closure of the Hampshire Fire and Rescue Service (HFRS) HMICFRS Action Plan.
25. Approving the closure of the action plan will ensure that Hampshire Fire and Rescue Authority (HFRA) receives assurance on the Service's performance and is able to scrutinise the Service on behalf of Hampshire's communities.

RISK ANALYSIS

26. Failure to deliver actions committed to within the HMICFRS Action Plan leaves the Authority exposed to the risk of a fire and rescue service with declining organisational performance.
27. The HMICFRS Action Plan is a key element of ensuring that the Service continues to improve and to deliver benefits to communities in Hampshire. The updates on progress of the Action Plan ensure that Members are fully aware of any problems associated with addressing the issues raised and the priority given to driving down or eliminating specific risks.
28. Failure to adequately prepare for and deliver the key aspects of the Inspection Readiness Plan will leave the Service at risk for this year's HMICFRS Inspection.

EVALUATION

29. The HMICFRS Action Plan process is continuously reviewed to ensure the most effective approach is taken to implement the HMICFRS recommendations for continuous improvement. Evidence against completed actions is reviewed and validated.

CONCLUSION

30. The Service has created a robust monitoring and assurance process to support progress of all activities within the HMICFRS Action Plan, with all 41 actions now completed.
31. Due to the COVID-19 pandemic, all inspection activity in service's has been suspended until further notice, but the inspectorate continues to review documents and data that they have been sent, for example from any data and document returns already completed. In addition to this, some remote engagement is now beginning to take place through telephone calls and video conferencing including a meeting between the Service Liaison Lead and Chief Fire Officer, Neil Odin. We continue to engage virtually with colleagues across the organisations, as much as possible, so that we are fully prepared for the inspection once HMICFRS activity resumes.

RECOMMENDATION

32. That the HFRA Standards and Governance Committee approve the closure of the HFRS HMICFRS Action Plan.

APPENDICES

33. **Appendix A** – HMICFRS 2018/19 ACTION PLAN & 2020 INSPECTION READINESS PROGRESS REPORT, 20 April

Contact:

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APPENDIX A

Standards and Governance Committee
(*electronic submission owing to the May Committee being cancelled*)



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Purpose: Noted

Date: Electronic submission

Title: **HMICFRS 2018/19 ACTION PLAN & 2020 INSPECTION
READINESS PROGRESS REPORT, 20th April**

Report of Chief Fire Officer

SUMMARY

1. This report provides the Standards and Governance Committee with an overview of the progress that the Service has made in respect of the Action Plan resulting from the findings of Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) Inspection Report, which was published in December 2018.
2. The Action Plan submitted to HMICFRS is being progressed by accountable organisational leads through business as usual activities. The monitoring of progress is being managed through the Performance and Assurance Directorate and assured via the Integrated Performance and Assurance Board.
3. The report provides members with an update on actions that have closed since the last report to Standards and Governance Committee, as well as actions that remain open beyond their due date, due to the impact of the COVID-19 pandemic. To date, we have closed 39 (95%) of the 41 HFRS actions, leaving 2 overdue actions against which considerable progress has been made. It is, however, important to note that the closure of actions relates to the delivery of activity, which, in some cases, will take some time to be fully embedded culturally with staff.
4. This report also provides an overview of the progress made to prepare for the two future (postponed) inspections of both Hampshire and Isle of Wight Fire and Rescue Services, which have now been postponed until further notice due to the COVID-19 pandemic.

2020/21 INSPECTION READINESS PROGRESS

5. Hampshire Fire and Rescue Service (HFRS) and the Isle of Wight Fire and Rescue Service (IWFRS) are currently inspected independently, sharing the same Service Liaison Officer, Samuel Fairman (Organisational Assurance Manager); and the same Service Liaison Lead, Joy Smith (HMICFRS representative), with whom we have had discussions since January. Preliminary pre-inspection visits to both Services were planned to take place between 17-20 March. However, due to the unprecedented COVID-19 pandemic, HMICFRS (in liaison with the Home Office) decided to postpone all inspection activity that involved visits to fire and rescue services until further notice. HMICFRS's Service Liaison Lead does, however, continue to review the IWFRS documentary evidence and data returns that we provided them with earlier in the year.
6. Previously planned dates for discovery visits and inspection weeks for IWFRS have been postponed until further notice, and HFRS is working under the same premise (the visits were previously planned as follows: IWFRS discovery week to commence 30 March 2020, with the inspection week commencing 27 April 2020. HFRS discovery week to commence 31 August 2020, with the inspection week commencing 28 September 2020). We do not yet know the revised inspection dates, but will update the Committee when the inspectorate provides us with the revised schedules.
7. Despite the postponement, the Committee should be aware of the different strands of the inspection activity, and our work and progress in these areas.

SELF-ASSESSMENT

8. HMICFRS revised the self-assessment process for the second cycle of inspections, now asking only four questions and a general request for additional information:
 - a) *What key changes have there been for your FRS since the last inspection, e.g. governance, funding, staffing?*
 - b) *What action has the FRS taken in response to any causes of concern or areas for improvement identified during the last inspection?*
 - c) *What are the FRS's priorities for the coming year?*
 - d) *What action is the FRS taking in response to the recommendations from the Grenfell Tower Inquiry Phase 1 report?*
 - e) *Please include any other information that you feel would be useful to the inspectors to provide context for the operation of the FRS and its current performance.*
9. The IWFRS self-assessment was signed off by the Executive Group and submitted to HMICFRS on the 9th March 2020. We do not yet know the

HFRS submission deadline, with inspection activity in Services postponed until further notice.

OTHER INSPECTION ACTIVITY

10. The inspection process involves a range of other activities, including:
 - a) A strategic briefing (to occur on the first day of inspection week) – postponed.
 - b) Regular data collections (the inspection also use other existing data sets including the Home Office – National Fire Statistics).
 - c) Document returns (55 initial requests) – we have submitted the document return for IWFRS on the 9th March (total of 87 documents submitted). We expect to submit a similar volume of documents from HFRS in due course
 - d) HMICFRS staff survey – the survey was distributed for IWFRS, however, this was put on hold until further notice due to the pandemic crisis. We do not currently know when the HFRS survey will be distributed.
 - e) Public perception survey (no Service-specific results will be available in the next iteration of this survey).
 - f) Discovery visits (inspection team members to come and explore how we operate before the inspection week) – these are postponed until further notice from HMICFRS.
 - g) Inspection week (a mixture of focus groups, interviews and field work aiming to gather data to inform key findings of the inspection) – this is postponed until further notice from HMICFRS.
11. The HFRS Head of Performance sits on HMICFRS' Technical Advisory Group, which enables the Service to provide input into the HMICFRS' inspection methodology.
12. We will provide further information to members as our inspection planning advances.
13. More widely, until the current pandemic, we were delivering various communications to both HFRS and IWFRS staff on inspection activity and preparations. Prior to the pandemic, this included visits to several stations, teams and forums to explain the inspection process. We are also ensuring that staff are updated on the latest activity and delays due to the COVID-19 pandemic.

2018/2019 HMICFRS ACTION PLAN

14. The HMICFRS Action Plan follow-up and monitoring process is an important part of our overall approach to continuous improvement within the Service, and evidences our performance in respect of efficiency, effectiveness and looking after our people. When an activity has been incorporated into the

Action Plan to address an area for improvement identified by the Inspectorate, it is important that the activity is then implemented as planned.

15. HFRS has appointed Strategic Leads in respect of each of the diagnostic areas as accountable owners for progression of improvement work. These Strategic Leads (all Directors) have assigned Action Owners, typically at a department head level, to progress specific actions. A comprehensive system has been created to enable the accurate tracking of progress of each diagnostic and their actions. This also enables early escalation where progress towards a specific activity is at risk and provides the opportunity for Action Owners to submit updates on their progress.
16. A dashboard has been created to support reporting to the HFRS Integrated Performance and Assurance Board (IPAB), the Standards and Governance Committee, and the Isle of Wight Council's Corporate Scrutiny Committee. Progress is also routinely discussed at Executive Group meetings.

OVERVIEW OF DIAGNOSTICS

17. Initially fourteen diagnostics (thirteen classified as 'Areas for Improvement' and one classified as a 'Cause for Concern') were assigned to HFRS. Of these fourteen, twelve diagnostics have been completed and two (including the 'Cause for Concern') are overdue against a completion date of the end of March 2020. Significant progress has been made in these areas – with some final activity being impacted by current the COVID-19 situation.

CLOSED DIAGNOSTICS

18. To date, twelve diagnostics ('Areas for Improvement') have been completed and closed, the following seven of which have already been reported to previous Standards and Governance Committee meetings.
 - *"The Service should assure itself that its commitment to the trading arm does not conflict with its main protection responsibilities or its public service duties" (due in June 2019, completed in June 2019).*
 - *"The Service should ensure it allocates enough resources to a prioritised and risk-based inspection programme" (due in September 2019, completed in August 2019).*
 - *"The Service should evaluate its prevention work, so it understands the benefits better" (due in September 2019, completed in September 2019).*
 - *"The Service should ensure it gathers and records relevant and up to date risk information" (due in November 2019, completed in November 2019).*

- *“The Service should ensure it has an effective system for staff to use learning and debriefs to improve operational response and incident command” (due in November 2019, completed in November 2019).*
 - *“The Service should ensure its expected values and behaviours are understood and demonstrated at all levels of the organisation and that managers actively promote these standards” (due in December 2019, completed in December 2019).*
 - *“The Service should ensure its selection, development and promotion of staff is open, transparent and fair, including its position on the use and length of temporary positions” (due in March 2020, completed in December 2019).*
19. The remaining five closed diagnostics, which have been completed since the last update to Standards and Governance on 2 March 2020, are detailed below:
 20. ***“The Service should understand why it completes proportionately fewer Home Fire Safety Checks than other services.”***
 21. Community Safety Officers (CSOs) are now line-managed from the central Prevention Team which ensures that priority across the county is achieved for the vulnerable across Hampshire, not just within the locality. As a result of this approach, there is now consistency in training and underpinning knowledge.
 22. There has been a significant amount of work and engagement activity to drive up Safe and Well visit numbers; however, this work has been (and continues to be) clearly impacted by the COVID-19 situation, which properly commenced in the last month of the financial year.
 23. We are below the targeted levels for the number of station Safe and Well visits. However, if you compare 2019/20 figures for the total number of Safe and Well visits (8,689) to 2018/19 figures (6,293), there was a 38% increase, which is significant. This increase would have been greater were it not for the COVID-19 outbreak, which resulted in Safe and Well visits having to be significantly downscaled to just cover safety critical visits to the most vulnerable (preceded and supported by telephone risk assessments).
 24. ***“The Service should ensure it targets its prevention work at people most at risk.”***
 25. In addition to paragraph 23, which also satisfies the needs of this diagnostic, the 2019/20 Safe and Well Visit Evaluation carried out by Organisational Assurance found that, based on a sample review of 80 Safe and Well visits, they were rightly targeted at the most vulnerable, at-risk individuals.

26. ***“The Service should assure itself that staff understand and have confidence in the Service’s grievance and absence management policies.”***
27. As per the last update to Standards and Governance Committee on 2 March 2020, a 3-day course for middle managers has been designed to improve their confidence in the application of grievance, disciplinary, performance management and sickness absence management policies. This is supported by the Leadership Framework (originally to be launched in April 2020 but postponed owing to the COVID-19 situation) and the roll-out of the new Personal Development Review (PDR) process from April 2020.
28. ***“The Service should ensure it has an effective system in place to manage staff development, performance, promotion and productivity.”***
29. The evaluation report on previous promotional activities has now been supplemented by additional analysis of survey data on how managers and staff ‘feel’ about the process:
- The survey of managers who had recently received a promoted candidate from the promotions processes (9 respondents), found that 89% (8 of 9) felt the process was effective at selecting the right individuals.
 - A survey of 43 candidates (21 unsuccessful and 22 successful) following the conclusion of these processes, rated the fairness of the process 3.1 out of 5 with those who were successful, rating the process 4.1 and those unsuccessful 2.1. Candidates, however, rated the transparency of the process slightly higher with 3.4 out of 5. Those who were successful rated the process 4.3 and those unsuccessful 2.5. Other feedback from candidates has been very positive during the most recent Crew and Watch Manager promotions processes. This feedback demonstrates that changes made to the processes has been recognised by staff as a positive improvement.
30. This report has been shared with key stakeholders internally and will be reported to the Integrated Performance and Assurance Board.
31. ***“The Service should put in place an open and fair process to identify, develop and support high-potential staff and aspiring leaders”*** (original date was September 2019, revised completion date is March 2020).
32. Communication of the new Personal Development Review (PDR) process (which incorporates the new set of statements in respect of values and behaviours) has commenced, in readiness for its roll out from April 2020. A SharePoint site has been built to enable line managers and staff to conduct effective conversations and supporting procedure and policy has been

approved. Additionally, IWFRS will be implementing at the same time as HFRS, a year earlier than previously planned.

OVERDUE DIAGNOSTICS

33. There are two diagnostics which remain open beyond their due date of the end of March 2020. Progress since the last report to Standards and Governance in March 2020 against one of these diagnostics is detailed below, with the second reported separately, within the 'Cause for Concern' section of this report.
34. ***“The Service should assure itself that staff are confident using its feedback mechanisms, so these help the Service gather valuable information.”***
35. As reported previously, numerous areas of the Service have been assessed to ensure we reach out to staff and that they feel confident in feeding back to the organisations. A review of the feedback mechanisms was completed in March 2020 and will be reported to the Integrated Performance and Assurance Board.
36. The results of the 2018 cultural survey were shared with the entire workforce and remain available on our intranet.
37. In respect of POD Framework, there will be specific information available on the HFRS intranet and portal, with all comms relating to the POD framework being directed back to this framework to provide clarity for staff. In addition, a comms plan is being created to support the Leadership Framework and PDR process for April 2020 which will also support the POD framework and incorporate our new values.
38. However, it has been necessary to pause the roll-out of the Leadership Framework for six months, given the current COVID-19 situation. Furthermore, whilst the new PDRs have been rolled out, further work to refine the PDR recording tool is being undertaken. This is slightly later than planned owing to the team working on the tool supporting our Covid-19 Information Cell within the HFRS and IWFRS Pandemic Management Team (PMT), as well as the impact of staff having to work from home and link into systems in a new way (following support from ICT team). The PDR recording tool will be finalised in the coming weeks.
39. Considering the above, the diagnostic will be closed once the PDR tool is finalised and associated further comms launched. In terms of the remaining activity around the roll-out of the Leadership Framework, this will be managed as business as usual within the POD directorate.

'CAUSE FOR CONCERN' UPDATE

40. ***"The Service does not do enough to be an inclusive employer."***
41. Under the leadership of the Chief Fire Officer and the Head of People and Organisational Development, a comprehensive programme of work encompassing six areas has been initiated to address this action, which was identified by HMICFRS as a 'Cause for Concern'. The six areas are as follows:
- a) Embed a programme to ensure that inclusion, fairness, equalities and professional development are priorities for the Service;
 - b) Ensure that its recruitment activities are open and accessible to all of Hampshire's communities;
 - c) Treat employees according to their needs so they feel valued;
 - d) Ensure that each person's potential can be developed so they can perform to their very best;
 - e) Ensure that the chief officer team leads the programme, promoting the values of the organisation; and
 - f) Ensure that everyone knows how they contribute to the values.
42. Significant work has taken place since the 'Cause for Concern' was identified and since the last report to the Standards and Governance Committee.
43. The Leadership Framework, which has been signed off by the POD Board, articulates the Service's commitment to professional development by mandating both inclusion and diversity training for all our employees, and appropriate management and leadership development for all those in managerial roles.
44. The POD Board, via RMG, commissioned a review of our wholetime duty systems (WDS) recruitment process which was successful in increasing the number of applications from females. We will continue to improve this process to ensure we remove any potential barriers for under-represented groups in our community and are continuing with our positive action events across the County. Changes made to our RDS recruitment have also been successful at targeting female applicants and we have seen a 64% increase in numbers of female RDS firefighters. More needs to be done to attract applicants from our black, Asian, and minority ethnic (BAME) communities and we are working with our community inclusion officers and members of the Fire Reach group to better understand the barriers they face.
45. The new values framework has been created through our workforce and is actively supported and promoted by the Chief Fire Officer and the Executive Group. A working group has been established that will play a key role in developing, implementing and embedding our values across the Services. Our new values are also core to the Safety Plan 2020-25 and also form a fundamental part of the new PDR process.

46. The POD Board also continues to promote and support the health, wellbeing and safety of our employees. Prior to Christmas we gave access to free flu jabs and have established a provision for early access to (magnetic resonance imaging) MRI scans to avoid lengthy NHS waiting times. We have increased our investment in providing free physiotherapy for those injured at work or to expediate a return to work.
47. There has been significant investment in supporting the mental health of our employees through access to psychological screening and increased numbers of mental health first aiders. We have also worked with partner agencies to provide support and guidance in respect of menopause and men's health issues, both from a personal and managerial perspective.
48. The activity that has taken place thus far, along with the planned future activity, demonstrates the Service's commitment to address this 'Cause for Concern'. The Service will continue to focus on and review performance in this area as it transitions to business as usual under the management of the POD Board.
49. The only outstanding element of this diagnostic relates to the roll-out of the Inclusion and Diversity initiative 'A Bit More' training to all staff and teams, which has been halted owing to COVID-19. Prior to the COVID-19 pandemic, this training was in the process of being trialled, with the intention to launch by the end of March 2020. However, under the current circumstances, this is not classified as 'essential' training and, therefore, roll-out has been postponed, with the intention to launch after a completed trial is possible.

SUPPORTING OUR SAFETY PLAN AND PRIORITIES

50. The HMICFRS inspection report highlights areas of risk and supports the following Safety Plan priorities:
 - *Public Value* – to ensure our decisions and actions deliver efficient and effective public services against the HMICFRS Inspection Framework.
 - *Learning and Improving* – In that we use the findings of the inspection programme to ensure we make improvements where required and learning from other Fire and Rescues Services that performed well in specific areas.

RESOURCE IMPLICATIONS

51. Delivery of the Action Plan is planned into existing organisational resources, however where the inspection identified required improvements, specifically around looking after people, organisational restructures are being

developed to ensure that resources are being concentrated where they are most needed.

ENVIRONMENTAL AND SUSTAINABILITY IMPACT ASSESSMENT

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

LEGAL IMPLICATIONS

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

EQUALITY IMPACT ASSESSMENT

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

OPTIONS

55. To note or not the progress towards completion of the HMICFRS Action Plan and towards preparing the Service for the next HMICFRS Inspection.
56. Noting the progress will ensure that Hampshire Fire and Rescue Authority (HFRA) receives assurance on the Service's performance and is able to scrutinise the Service on behalf of Hampshire's communities.

RISK ANALYSIS

57. Failure to deliver actions committed to within the HMICFRS Action Plan leaves the Authority exposed to the risk of a Fire and Rescue Service with declining organisational performance.
58. The HMICFRS Action Plan is a key element of ensuring that the Service continues to improve and to deliver benefits to communities in Hampshire. The updates on progress of the Action Plan ensure that Members are fully aware of any problems associated with addressing the issues raised and the priority given to driving down or eliminating specific risks.
59. Failure to adequately prepare for and deliver the key aspects of the Inspection Readiness Plan will leave the Service at risk for this year's HMICFRS Inspection.

CONCLUSION

60. The Service has created a robust monitoring and assurance process to support progress of all activities within the HMICFRS Action Plan. All actions against five diagnostics have been completed since the last report to the Standards and Governance Committee. The remaining activities are overdue for the reasons as explained above. Overall, we are making good progress and have closed 39 (95%) of the 41 HFRS actions. It is, however,

important to note that the closure of actions relates to the delivery of activity, which, in some cases, will take some time to be fully embedded culturally with staff.

61. Due to the COVID-19 pandemic, all inspection activity in Services has been suspended until further notice, but the inspectorate continues to review documents and data that they have been sent, for example from the March IWFRS document return. Furthermore, we continue to engage virtually with colleagues across the organisations, as much as possible, so that we are fully prepared for the inspection once HMICFRS activity resumes.

RECOMMENDATION

62. That the progress made towards the delivery of the HMICFRS 2018/19 Action Plan is noted.
63. That the progress made against the Inspection Readiness Plan 2020/21 is noted.

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Standards and Governance Committee

Purpose: Noted

Date **23 July 2020**

Title **FIRE PENSION BOARD ANNUAL REPORT (2019/20)**

Report of Chief Finance Officer

SUMMARY

1. This is the annual report from the Fire Pension Board to the Standards and Governance Committee and summarises the work of the Board for the 2019/20 financial year in the exercise of its functions.
2. This report provides an update on the progress of key issues during the reporting period.

PENSION BOARD MEETINGS

3. The Pension Board met periodically, holding four meetings, during the 2019/20 financial year:
 - (a) 26 April 2019
 - (b) 9 July 2019
 - (c) 9 October 2019
 - (d) 7 February 2020
4. The meeting in July 2019 saw the re-election of Stew Adamson to Chairman and Richard North to Vice-Chairman. Both will hold the position until the first meeting of the Fire Pension Board following the annual meeting of the Fire Authority in 2020.
5. During the year, the board membership has seen some changes, there have been two new appointments to the Board, Dan Tasker is the new Employer representative and Richard Scarth is the new Scheme representative. Malcolm Eastwood retired from the Board with effect from 31 March 2020 and therefore the February 2020 meeting was his last.

6. The key items covered at these meetings are as follows, more detailed information about each of these items can be found later in the report.
- (a) Statutory reporting
 - (b) Internal Dispute Resolution Procedures (IDRP)
 - (c) Surveys
 - (d) Communications
 - (e) Legislation update
 - (f) Injury pension reviews
 - (g) Temporary Promotions and Additional Pension Benefits
 - (h) Risk review
7. The pension board status and other associated reports can be found in APPENDICES A – I.

STATUTORY REPORTING

8. There are a number of statutory reporting events that occur during the Scheme Year all with legislative deadlines.

ACCOUNTING FOR TAX

9. Accounting for Tax (AFT) is the way that tax charges are reported to HMRC, these occur when certain types of payments are made to members of the Fire Pension Scheme. These are reported and paid quarterly, the exception to this is Annual Allowance tax charges as they have different deadlines.

Type of payment	Number of members	Tax year or quarter relates to	Amount paid
AFT - Annual Allowance	5	2016/17	£84,234
AFT - Annual Allowance	1	2017/18	£25,873
AFT - Lifetime Allowance	1	2019/20	£75,035
Total paid to HMRC	7		£185,142

EVENT REPORTING

10. In April 2019, the details of the Event Reporting for the 2017/18 tax year were reported to the Board. These are specific events that occur, primarily upon retirement when benefits are crystallised and incur a tax charge. They are reported to HMRC by the 31 January, following the end of the tax year.
11. It was reported to the Board that in March 2019, an audit of payments made to HMRC was carried out and there were found to be some outstanding charges that had not been paid over to HMRC, although they had been budgeted for.

Type of payment	Number of members	Tax year or quarter relates to	Amount paid
Event 1 – Unauthorised payments	11	2015/16	£32,480
Event 1 – Unauthorised payments	12	2016/17	£58,445
Event 1 – Unauthorised payments	6	2017/18	£19,026
Total paid to HMRC	29		£109,951

ANNUAL BENEFIT STATEMENTS

12. The statutory deadline for issuing Annual Benefit Statements (ABS) is 31 August each year. The Board heard that the 2019 deadline was met and that 100% of ABS' for both active and deferred members across all Fire Pension Schemes were published and available to view via the Member Portal.
13. The Employer Pension Manager has been involved with providing feedback to Hampshire Pension Services with regard to improvements, wording and consistency for the 2020 statements.

PENSION SAVINGS STATEMENTS

14. The statutory deadline to provide Pension Savings Statements is 6 October each year. A Pension Savings Statement is automatically sent to a member where they have exceeded the standard Annual Allowance in the year but can be sent to any member upon request.
15. There were 18 Pension Savings Statements issued to members of the Hampshire Fire Pension Schemes for 2018/19 and of those, seven had taxable excesses.
16. It was reported to the Board that all bar one of the seven members fell under the Mandatory Scheme Pays option and therefore these members have until 31 July 2020 to elect to use Scheme Pays if they so wish.
17. For the remaining one member, they were unable to use Voluntary Scheme Pays as their tax charge was below the threshold of £1,000 therefore, they would have to pay the charge directly to HMRC themselves.

INTERNAL DISPUTE RESOLUTION PROCEDURES (IDRP)

18. The Board heard that there had been two IDRP cases from firefighters.
19. The first was raised at the end of 2018/19 and reported to the Board in April 2019. This was a Stage Two IDRP against HFRA with regard to the non pensionable status of an allowance. The stage Two complaint was not upheld.
20. The second was raised in the summer of 2019. This was a Stage One IDRP against the Pension Fund. The member had suffered a series of errors;

mistakes and delays with the calculation of both a Cash Equivalent Transfer Value (CETV) and their final pension benefits which included a temporary promotion and a split pension calculation. The Stage One complaint was upheld

21. The Board were pleased to note that processes have now been put in place to ensure that we capture those firefighters that are impacted by either temporary promotion or split pensions.

COMMUNICATIONS

22. It was reported to the Board that the Employer Pension Manager had delivered six presentations on Fire pensions during 2019/20; Three were for new recruits and three were part of the pre-retirement course.
23. The presentations include information on all four Fire Pension Schemes and cover how the schemes work, examples of how benefits are calculated, along with a brief explanation of Annual and Life-Time Allowances and HMRC maximum benefits.

MEETINGS

24. HFRA has been represented at several meetings during the year. The Employer Pension Manager regularly attends the regional Fire Pension Officer Group and the Fire Technical Group.
25. Over the year there was also attendance at several seminars, workshops and conferences put on by the Scheme Advisory Board (SAB)
 - (a) Data seminar
 - (b) Police and Fire Governance conference
 - (c) Police and Fire Ill Health and Injury Pension workshop
 - (d) Pensionable Pay workshop
 - (e) Annual Fire Pension conference
 - (f) Pensions Tax seminar

MEMBER PORTAL

26. The Board heard how Hampshire Pension Services had launched the Member Portal for firefighters on 1 April 2019.
27. The new online service means that firefighters no longer receive Annual Benefit Statements directly to their home address and instead are expected to logon to view them. Members are able to update personal details, death grant expression of wish nominations (where applicable) and use the secure messaging system to contact Hampshire Pension Services.

28. Despite a number of communications around this, registrations for the Member Portal are still very low; at the February meeting it was reported at 23% of active membership. It is hoped that as additional functionality is added to the online service during 2020/21, along with additional communications that this will increase registrations.

SURVEYS

29. There were a number of surveys that were completed during the 2019/20 year

TPR SCHEME RETURNS

30. It was reported to the Board that the Employer Pension Manager had completed the Annual Scheme Returns issued by The Pension Regulator (TPR) by the deadline of 15 November 2019. This survey requires information to be submitted about scheme membership numbers, details of the scheme manager, Fire Pension Board members, details of the administrator and other relevant contact details.
31. As at 31 March 2019, the scheme numbers reported to the TPR were as follows:

Member status	1992 Scheme	2006 Scheme	2015 Scheme	Total
Active	110	57	1,055	1,222
Deferred	81	463	358	902
Pensioner	967	111	5	1,083
Total	1,158	631	1,418	3,207

32. TPR also now ask additional questions to assess the state of common and scheme specific conditional data that is held. Common data is personal data and include items such as name, address, date of birth etc. Conditional data is scheme specific and nationally there is no agreed definitive list only that it should include all data that is necessary to process pensions.
33. The Board heard how TPR had introduced the data scoring in 2018 and Hampshire Pension Services had used an amalgamation of reports to produce proxy data scores. These reports were based on the data needed for the valuation. The Proxy scores for 2018 were as follows:

Scheme	Common Data Score	Conditional Data Score
1992 Fire Pension Scheme	97%	99%
2006 Fire Pension Scheme	95%	99%
2006 Modified Fire Pension Scheme	99%	98%
2015 Fire Pension Scheme	99%	97%

34. During 2019, Hampshire Pension Services purchased a tool called Data Analysis Reporting Tool (DART). This has enabled them to produce a more accurate score as DART is a more thorough and robust system to analyse and check the presence and validity of the data. The Data scores for 2019 were as follows:

Scheme	Common Data Score	Conditional Data Score
1992 Fire Pension Scheme	96%	90%
2006 Fire Pension Scheme	84%	75%
2006 Modified Fire Pension Scheme	98%	82%
2015 Fire Pension Scheme	97%	73%

35. The Board noted that although the 2019 Data scores were lower than the 2018 scores, the 2019 scores provided a more accurate baseline and they approved a Data Improvement Plan that has been drawn up by Hampshire Pension Services.

TPR PENSION ADMINISTRATION & GOVERNANCE SURVEY

36. It was also reported to the Board that the Employer Pension Manager had completed the annual TPR Administration and Governance survey 2019. To be able to complete this accurately, the Employer Pension Manager consulted with the Pension Board chair, vice-chair along with other Board members, Hampshire Pension Services and other representatives.
37. From the results of the 2018 survey, TPR identified six key processes that Scheme Managers should have in place with only 63% of Firefighters Pension Schemes across the UK reporting that they had all six processes in place:
- (a) Documented policy to manage board members conflicts of interest
 - (b) Access to knowledge, understanding and skills needed to properly run the scheme
 - (c) Documented procedures for assessing and managing risks
 - (d) Process to monitor records for accuracy / completeness
 - (e) Process for resolving contribution payment issues
 - (f) Procedures to identify, assess and report breaches of the law
38. The Board were pleased to note that Hampshire has all six processes in place, and this was reflected in the answers provided in the annual TPR Administration and Governance survey 2019.

AON ADMIN & BENCHMARKING REVIEW

39. In 2018 the Fire Scheme Advisory Board (SAB) for England commissioned an administration and benchmarking review with the aim of establishing how

much the scheme costs to run and how effective Fire pension administration is.

40. The report from AON was the first attempt to analyse how much the scheme costs to run; some FRAs were not able to provide all the information required. This does mean that the costs cannot be taken to be completely accurate at this stage. It is likely that this exercise will be repeated on an annual basis to build up accuracy and reliable information.
41. The Board heard that the SAB, supported by its three committees, is considering the recommendations made and will issue a report on focusing on the actions needed to progress the work.

LEGISLATION UPDATE

42. The Board noted that HFRA and Hampshire Pension Services had been involved with a consultation on Regulation amendments, which then also came into effect.

CONSULTATION

43. The Home Office launched a consultation on 18 December 2018 regarding the Supreme Court ruling in the case of Walker v Innospec as follows:
 - (a) Changes to survivor benefits in the 1992 Fire Pension Scheme and the 2006 Fire Compensation Scheme to remove the restriction on using membership from April 1988 only in the calculation of a survivors pension for surviving civil partners and same-sex marriage. Which means that pensions are now equalised for these types of survivor benefits.
 - (b) A minor unrelated correction required to ensure that one particular aspect of the 1992 Fire Pension Scheme works as originally intended
44. This consultation was issued to the Employer Pension Manager as a member of the Fire Technical Group, and then taken to the Fire employer Group for discussion. This is an important role of the Fire Employer Group in ensuring that up-coming legislative changes are communicated to the relevant parties so that the necessary action can be taken.

AMENDMENT LEGISLATION

45. The Police and Firefighters' Pension (Amendment) Regulations 2019 (SI 2019/378) were laid on 28 February 2019 and came into effect on 1 April 2019. A Technical note was issued by LGA to confirm details of the amendment order and how it relates to the Firefighters Pension Scheme.

CIVIL PARTNERSHIP REGULATIONS

46. On 5 November 2019 the Government made the Civil Partnership (Opposite-Sex-Couples) Regulations 2019 which came into effect on 2 December 2019.
47. These regulation were made in response to the Government consultation published on 10 July 2019 which proposed changing the law to allow opposite-sex couples to form civil partnerships.

SCHEME ADVISORY BOARD LEVY

48. The Scheme Advisory Board (SAB) levy for 2019/20 was £6.67 per active fire-fighter. The levy enables costs savings for Fire Authorities by reducing duplication and undertaking guidance and communications centrally.
49. The levy enables SAB to provide invaluable support to FRAs in a number of ways including
 - (a) The continuous updating of the <http://www.fpsregs.org> website, which is a very useful resource on Fire Pension Scheme legislation
 - (b) Provision of guidance, forms and templates
 - (c) The issue of monthly bulletins, containing all legislative updates and other useful information
 - (d) Training sessions, workshops and conferences throughout the year on various subjects

INJURY PENSION REVIEWS

50. HFRA have a policy to review injury pensions within a three to five year period after retirement. The Board heard that there were various delays and issues with setting up the process, including problems with securing adequate Independent Qualified Medical Practitioner (IQMP) resources.
51. The HR department wrote to the two Fire pensioners who were due a review to establish if either of them had had a significant change to their injury. It was reported to the Board that both members had confirmed that their condition had not altered and therefore the process for 2019/20 was completed and no further action was required.

TEMPORARY PROMOTIONS AND ADDITIONAL PENSION BENEFITS

52. There was an amendment to legislation on 1 July 2013 which allowed individual FRAs to decide whether the additional pay received because of a temporary promotion for 1992 and 2006 schemes was pensionable or not. Legislation means that temporary promotions within the 2015 Scheme are not pensionable.
53. HFRA took the decision to make temporary promotions within the 1992 and 2006 schemes pensionable, which meant that firefighters would now earn an Additional Pensionable Benefit (APB) whilst on Temporary Promotion.

54. Affected members were informed of this change on 5 August 2016. Members were placed in one of three cohorts according to their earliest possible retirement date.
- (a) Cohort one was for members already retired
 - (b) Cohort two was for members who could retire within three years of the date of the notification letter (5 August 2016)
 - (c) Cohort three was for members with a retirement date further ahead
55. The 42 members in cohorts one and two therefore became protected members under this local arrangement and the maximum cost envelope agreed by HFRA of the estimated costs were £256,000 for lump sums and £35,700 a year for annual pensions.
56. Up to 2018/19 there had been 14 retirements and it was reported to the Board that the differences that have been paid out so far for these members were broadly in line with the estimated figures prepared in 2016; and are all still within the maximum cost envelope.
- (a) Total of all lump sum differences paid are £175,716.76
 - (b) Annual pensions differences paid for 2018/19 are £18,019.76
57. There are a number of factors which could mean that the estimated figures might be exceeded
- (a) A different retirement date to the one used in the estimate
 - (b) Pay increases since 2016 to date of retirement
 - (c) A protected and unbroken period of temporary promotion which continues until date of retirement
 - (d) The increase in the commutation factors for the 1992 scheme that came into effect in October 2018.
58. The Board heard that should we get close to exceeding the maximum cost envelope then further approval will need to be sought for additional funding.

RISK REVIEW

59. There are a variety of items in pension administration and governance which contain elements of risk to varying degrees. Risks are captured through a variety of ways; some are on the risk register, while others are picked up as part of the regular horizon scanning that the Employer Pension Groups do.
60. These groups are now well established, meeting regularly and include representatives across the board from pensions, HR, finance and others.
61. The Board heard about two specific risks arising from two court judgements that will inevitably have an impact on Fire Pensions. These are

- (a) The O'Brien case which is for part time workers in the Judiciary Pension Scheme
- (b) The McCloud / Sargeant transitional protections case for the Judiciary and Firefighters pension schemes

O'BRIEN v MINISTRY OF JUSTICE COURT CASE

- 62. The Court of Justice of the European Union (CJEU) handed down a judgement on 7 November 2018 in a case which concerned discrimination against part-time judges in the calculation of pensions. The issue is whether periods of service as a part time judge prior to the coming into effect of Part Time Workers Directive should be taken into account in calculating the amount of pension to be paid upon retirement.
- 63. The CJEU ruled that Mr O'Brien should be able to have his pension based on all of his service going back to the 1970's. The earliest he had been able to count his service from had been April 2000 when the Part Time Workers Directive came into force.
- 64. The judgement will have a significant financial impact on the calculation of pensions for part-time judiciary as well as other part-time workers.
- 65. As far as Fire Pensions are concerned, this judgement is likely to have an effect with regard to the 2006 Modified Fire Pension Scheme. This scheme allowed retained firefighters to backdate their entry of the pension scheme to 1 July 2000.
- 66. It was reported to the Board that we do not have any details on the parameters of those involved yet and we are expecting to see some draft legislation around the summer of 2020.

SARGEANT v LONDON FIRE AND EMERGENCY PLANNING AUTHORITY COURT CASE

- 67. This is the Transitional Appeals case which found that the transitional protections introduced with the 2015 Pension Schemes were unlawfully discriminatory on the grounds of age. There have been two cases, one for the Judiciary pension scheme brought by McCloud and one for the Firefighters pension scheme brought by Sargeant.
- 68. The Fire Pension Scheme preliminary hearing was held on 18 December and the Employment Tribunal issued an interim order. However, in order to comply with the order, FRAs need further direction from Government on the practical steps to enable implementation.
- 69. Pending the official guidance from the Home Office, the Board heard that HFRA have started to collate some information so that some immediate

events, primarily, but not exclusively around ill health retirements can be dealt with as soon as the guidance is received.

70. Technical discussions have been taking place between the Government, the Scheme Advisory Board and other key stakeholders. These discussions are currently confidential. A consultation was expected to be issued in the Spring of 2020, this has been delayed due to the impact of Covid-19, but it is anticipated that it will be available before the July 2020 remedy hearing for Firefighters Pension Schemes; we hope the consultation will have details about how remedy will work and be implemented for affected members.
71. This item is firmly on the agenda for all the Employer Pension Group meetings. As these meetings already have a wide spread of representatives, we plan to use these groups to co-ordinate the work required and to ensure that adequate resources are put in place. If necessary, the frequency of the meetings will be increased.

OTHER ITEMS

72. At the July meeting, the Board received a report of the Pension Administrator. They were pleased to note that Hampshire Pension Services had performed very well during the year. The Board heard that they had once again been awarded Customer Service Excellence accreditation with compliance plus in seven areas.

FUTURE ISSUES

73. The Fire Pension Board annual report has identified considerable development across a variety of areas. The focus for the 2020/21 year includes:
 - (a) Improvements to functionality of Member Portal
 - (b) Work towards the Combined Fire Authority
 - (c) Remedy and impact from McCloud / Sargeant judgement
 - (d) Potential impact from the O'Brien judgement

CONCLUSION

74. As set out in this report, there has been continued progress across all areas of fire pensions during 2019/20; in particular around governance and control, together with significant improvements in the quality and range of pension information that is available to firefighters.
75. For 2020/21, the year will be about sustaining the continuous improvement and building on the foundations that have been put in place. It will also be a challenging year with a number of upcoming changes to the pension schemes.
76. Although the list of future issues only contains four items, the volume of work for each of these should not be underestimated. Each area will have its own

complexities and challenges and having the right amount of resources in place will be key.

77. Hampshire Fire Pensions are in a good place as there is already a vital structure in place with the Employer Pension Manager and the Employer Pension Groups which are an excellent multi-departmental resource across the Shared Services partnership and they will be crucial in co-ordinating the work involved.

RECOMMENDATION

78. That the contents of this report are received and noted by the Standards and Governance Committee
79. That the Standards and Governance Committee provides any feedback to the Fire Pension Board on previous work or on future areas of priority.

APPENDICES ATTACHED

80. APPENDIX A – Fire Pension Board report (26 April 2019), [report](#), [appendices](#)
81. APPENDIX B - Legislation and Local Government Association (LGA) Update report (26 April 2019), [report](#), [appendices](#)
82. APPENDIX C – Fire Pension Board report (9 July 2019), [report](#),
83. APPENDIX D - Legislation and Local Government Association (LGA) Update report (9 July 2019), [report](#), [appendices](#)
84. APPENDIX E - Pension Administration update report (9 July 2019), [report](#)
85. APPENDIX F – Fire Pension Board report (9 October 2019), [report](#), [appendix](#)
86. APPENDIX G - Legislation and Local Government Association (LGA) Update (9 October 2019), [report](#), [appendices 1](#), [appendices 2](#)
87. APPENDIX H – Fire Pension Board report and Risk Review (7 February 2020), [report](#), [appendices](#)
88. APPENDIX I - Legislation and Local Government Association (LGA) Update (7 February 2020), [report](#), [appendices](#)

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