



HEREFORD & WORCESTER Fire Authority

Full Authority

AGENDA

Tuesday, 12 December 2023

10:30

**Wyre Forest House Council Chamber
Wyre Forest District Council, Wyre Forest House,
Finepoint Way, Kidderminster, Worcestershire, DY11 7WF**

Wyre Forest House Location Map

SAT NAV: DY11 7FB

Wyre Forest House, Finepoint Way, Kidderminster, DY11 7WF
Reception at Wyre Forest House 01562 732101

From Stourport:

Head towards Kidderminster on the A451 Minster Road, passing Stourport High School and Stourport Sports Club on your left. When you reach the traffic lights at the crossroads, turn left into Walter Nash Road West (signposted Wyre Forest House). Then take your first left onto Finepoint Way. Follow the road around to your left and Wyre Forest House is at the end of the road on the left. Visitor parking is available and signposted from the mini roundabout.

From Kidderminster:

From Kidderminster, follow the signs for Stourport and head out of Kidderminster on the A451 Stourport Road, this road becomes a dual carriageway. You will pass 24/7 Fitness and Wyre Forest Community Housing on your left. At the crossroads with traffic lights turn right into Walter Nash Road West (there is a dedicated right hand-turn lane), signposted for Wyre Forest House. Then take your first left onto Finepoint Way. Follow the road around to your left and Wyre Forest House is at the end of the road on the left. Visitor parking is available and signposted from the mini roundabout.



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- the right to inspect agenda and public reports at least five days before the date of the meeting (available on our website: <http://www.hwfire.org.uk>);
- the right to inspect minutes of the Authority and Committees for up to six years following the meeting (available on our website: <http://www.hwfire.org.uk>); and
- the right to inspect background papers on which reports are based for a period of up to four years from the date of the meeting.

Please note that when taking part in public participation, your name and a summary of what you say at the meeting may be included in the minutes.

A reasonable number of copies of agenda and reports relating to items to be considered in public will be available at meetings of the Authority and Committees. If you have any queries regarding this agenda or any of the decisions taken or wish to exercise any of these rights of access to information please contact Committee & Members’ Services on 01905 368209 or by email at committeeservices@hwfire.org.uk.

WELCOME AND GUIDE TO TODAY’S MEETING. These notes are written to assist you to follow the meeting. Decisions at the meeting will be taken by the **Councillors** who are democratically elected representatives and they will be advised by **Officers** who are paid professionals. The Fire and Rescue Authority comprises 25 Councillors and appoints committees to undertake various functions on behalf of the Authority. There are 19 Worcestershire County Councillors on the Authority and 6 Herefordshire Council Councillors.

Agenda Papers - Attached is the Agenda which is a summary of the issues to be discussed and the related reports by Officers.

Chairman - The Chairman, who is responsible for the proper conduct of the meeting, sits at the head of the table.

Officers - Accompanying the Chairman is the Chief Fire Officer and other Officers of the Fire and Rescue Authority who will advise on legal and procedural matters and record the proceedings. These include the Clerk and the Treasurer to the Authority.

The Business - The Chairman will conduct the business of the meeting. The items listed on the agenda will be discussed.

Decisions - At the end of the discussion on each item the Chairman will put any amendments or motions to the meeting and then ask the Councillors to vote. The Officers do not have a vote.



Hereford & Worcester Fire Authority

Full Authority

Tuesday, 12 December 2023, 10:30

Agenda

Councillors

Mr C B Taylor (Chairman), Mr R J Phillips (Vice Chairman), Mr A Amos, Mr D Boatright-Greene, Mr D Boulter, Mr B Brookes, Mrs J Carwardine, Mr D Chambers, Mr B Clayton, Mr D Davies, Mr A Ditta, Mrs E Eyre BEM, Mr I D Hardiman, Mr Al Hardman, Mr M Hart, Mr J Kenyon, Mrs E Marshall, Ms N McVey, Ms J Monk, Mr D Morehead, Mr R J Morris, Ms L Robinson, Ms D Toynbee, Mr R M Udall, Mr T Wells

No.	Item	Pages
1	Apologies for Absence To receive any apologies for absence.	
2	Declarations of Interest (if any) This item allows the Chairman to invite any Councillor to declare an interest in any of the items on this Agenda.	
3	Chairman's Announcements To update Members on recent activities.	
4	Public Participation To allow a Member of the public to present a petition, ask a question or make a statement relating to any topic concerning the duties and powers of the Authority. Members of the public wishing to take part should notify the Head of Legal Services in writing or by email indicating both the nature and content of their proposed participation to be received no later than 2 clear working days before the meeting (in this case 7 December 2023). Further details about public participation are available on the website. Enquiries can also be made through the telephone numbers/email listed below.	

5	Confirmation of Minutes	1 - 5
	To confirm the minutes of the meeting held on 18 October 2023.	
6	External Audit Findings Report and Letter of Representation 2021/22	6 - 43
	To put forward the Audit Findings Report for consideration and to recommend approval of the Letter of Representation.	
7	Statement of Accounts 2021/22	44 - 46
	To present the 2021/22 Statement of Accounts for final approval.	
8	His Majesty's Inspectorate of Constabularies and Fire and Rescue Services (HMICFRS) Inspection Report and Improvement Plan 2023/2024	47 - 54
	To update and advise Members on the HMICFRS Inspection Report 2023 and the subsequent Improvement Plan.	
9	Resource Review	55 - 71
	To review how the Authority can respond to the challenges around On-Call availability, improve the resilience of the Service overall and ensure the most efficient and effective use of resources	
10	Fire Authority and Committee Dates 2024/25	72 - 75
	To approve the meeting dates for 2024/25.	
11	Minutes of the Policy and Resources Committee	76 - 81
	To receive the minutes of the meeting held on 14 November 2023.	

At the close of the meeting Lisa Reynolds (IODA) will provide Members with an Equality, Diversity and Inclusion briefing session.



Hereford & Worcester Fire Authority

Full Authority

Wednesday, 18 October 2023, 10:30

Minutes

Members Present: Mr A Amos, Mr D Boatright-Greene, Mr D Boulter, Mrs J Carwardine, Mr D Davies, Mrs E Eyre BEM, Mr I D Hardiman, Mr Al Hardman, Mr M Hart, Ms N McVey, Mr D Morehead, Mr R J Phillips, Ms D Toynbee, Mr R M Udall

Chairman: Mr C B Taylor (apologies)

Vice-Chairman: Mr R J Phillips (in the chair)

0441 Apologies for Absence

Apologies were received from Cllr B Brookes, Cllr D Chambers, Cllr J Kenyon, Cllr E Marshall, Cllr J Monk, Cllr R Morris, Cllr L Robinson, Mr K Taylor and Cllr T Wells.

0442 Declarations of Interest (if any)

Cllr R Phillips declared that he was Vice Chair of the Firefighters Scheme Advisory Board (England and Wales), Chair of the Local Government Pension Scheme Advisory Board (England and Wales), and a member of the NJC for Fire Service (Grey Book and Green Book).

0443 Chairman's Announcements

There were no announcements for this meeting.

0444 Public Participation

There was no public participation.

0445 Confirmation of Minutes

RESOLVED that the minutes of the Fire Authority meeting held on 21 June 2023 be confirmed as a correct record and signed by the Chairman.

0446 Statement of Assurance 2022-23

The Assistant Chief Officer - Director of Prevention presented the draft Statement of Assurance 2022-23 for approval and publication.

Members were informed that the Statement of Assurance 2022-23 was designed to provide assurance on governance, financial and operational matters. Much of the information in the Statement was already publicly available elsewhere and links were provided in the document as advised in national guidance.

RESOLVED that the Statement of Assurance 2021-22 be approved for publication.

0447 His Majesty's Inspectorate of Constabularies and Fire and Rescue Services (HMICFRS) Improvement Plan – Update Q1 2023/2024

The Assistant Chief Officer - Director of Prevention updated Members on the HMICFRS Improvement Plan following the inspection report dated 15 December 2021.

Members noted that this was the last update covering up to the end of August 2023 with work continuing to discharge from the improvement plan.

It was anticipated that following the latest inspection in June and July, the formal report would be publicly available in November 2023. The Chief Fire Officer assured Members that although the report was currently embargoed, he was very pleased to receive the report and the significant progress had been acknowledged.

[Cllr R Udall entered the meeting at 10.39am].

Members noted that although this report would be the final update on the Areas for Improvement highlighted in the HMICFRS inspection report dated 15 December 2021, work would continue to progress the remaining actions through to completion.

[Cllr A Hardman entered the meeting at 10.46am].

RESOLVED that the progress achieved towards addressing the HMICFRS Improvement Plan be noted. In particular that:

- i) 86% of the actions in the Improvement Plan were now complete;***
- ii) work continued during Q2 to progress the remaining actions through to completion; and***

iii) this report would be the final update on the Areas for Improvement highlighted in the HMICFRS inspection report dated 15 December 2021.

0448 Reducing Unwanted Fire Signals (UwFS)

The Chief Fire Officer provided Members with a review of Unwanted Fire Signals and to consider the benefits/disbenefits of attending in response to automatic fire alarms.

The HMICFRS had identified the Service should ensure it effectively addresses the burden of false alarms, therefore this review was timely and necessary.

A range of options to decrease the number of false alarms was put to Members. Following discussion, Members agreed that the best option was to introduce a risk-based call filtering methodology during the hours of 08:00 to 18:00 for specific categories of calls using the nationally recognised FSEC premises risk groupings. This would allow the Authority to determine and maintain a prompt response to higher risk premises and those premises where a refined call filtering process may be applied.

Members were assured that Fire Control operators would be trained to issue supportive advice to those properties not being attended as a result of this proposal. A range of measures would also be taken to warn and prepare those premises likely to be affected.

Members agreed that a review in three years would be appropriate, with flexibility to bring the date forward if Members deemed it necessary.

RESOLVED that:

i) HWFRS continue the existing policy of maintaining an effective response to AFAs at all premises where there is a sleeping risk, including:

- ***domestic dwellings; and***
- ***other residential premises (FSEC Groups A and B) such as;***

Hospitals

Care Homes

Houses in multiple occupation

Hostels

Hotels;

ii) a risk-based call filtering methodology be introduced during the lower risk periods 08:00-18:00 hrs for AFAs at commercial premises within Fire Service Emergency Cover Groups C and D (but excluding public buildings and places of further education and schools) i.e.

Shops

Factories

Offices

Other Workplaces;

iii) the previous decision taken in September 2013 of not charging for false alarm AFAs on the grounds that the cost of recovery measures were likely to exceed the income generated, be reaffirmed; and a further review of the policy be undertaken within three years (or sooner as appropriate).

0449 Fire Alliance Fire Control Project Update

The Deputy Chief Fire Officer updated Members on the progress of the Fire Alliance Fire Control Project.

Members were pleased to note that the contract for the procurement of a jointly funded Command and Control system had been awarded to Motorola. This would provide more resilience with being able to lean into other Fire Services should the need arise. The replacement system would provide a more reliable, flexible and resilient product with increased functionality to better support the work of the control staff and streamline the flow of information between the control rooms and operational crews which mitigates risk to firefighters and the public.

Working in partnership has not only benefitted significant cost savings but also improved the ability to scale up operations to deal with multiple calls and major incidents.

RESOLVED that the decision to award the contract for a new joint fire control system in partnership with Shropshire FRS, Cleveland FRS and County Durham & Darlington FRS to Motorola, following a competitive procurement exercise, be noted and approved.

0450 Minutes of the Audit and Standards Committee

The Chairman of the Committee presented the minutes of the Audit and Standards Committee meeting held on 19 July 2023.

RESOLVED that the minutes of the Audit and Standards Committee

meeting held on 19 July 2023 be received and noted.

0451 Minutes of the Appointments Committee

The Vice-Chairman of the Committee presented the minutes of the Appointments Committee meeting held on 12 September 2023.

RESOLVED that the minutes of the Appointments Committee meeting held on 12 September 2023 be received and noted.

0452 Minutes of the Policy and Resources Committee

The Chairman of the Committee presented the minutes of the Policy and Resources Committee meeting held on 12 September 2023.

RESOLVED that the minutes of the Policy and Resources Committee meeting held on 12 September 2023 be received and noted.

At the end of the meeting the Vice-Chairman informed Members that a contract was in the process of being agreed for the temporary site of Hereford Fire Station and Members would be informed as soon as the contracts had been signed.

Members were also reminded of the Resource Review briefing sessions that were being held in November, details had been emailed to Members and a response for attendance was requested as soon as possible.

The Meeting ended at: 11:37

Signed:.....

Date:.....

Chairman

Report of the Treasurer

External Audit Findings Report and Letter of Representation 2021/22

Purpose of Report

1. To put forward the Audit Findings Report for consideration and to recommend approval of the Letter of Representation.
-

The Treasurer recommends:

- i. that the Audit Findings Report is considered before approving the Statement of Accounts; and*
- ii. the Letter of Representation is approved.*

Audit Findings Report 2021/22

2. The Audit Findings Report, which is attached as Appendix 1, and will be presented by the External Auditor, sets out any issues that the Authority should consider before approving the accounts. It provides the draft audit opinion and Value for Money conclusion and it is pleasing to note that once again these are clear.
3. Earlier drafts of the report were considered by the Audit and Standards Committee on 19th January and 19th April 2023.
4. Appendix 2 is the Letter of Representation which the Authority will need to approve before it can be signed by the Chairman and the Treasurer, and the Audit can be formally concluded.

Conclusion

5. The Treasurer recommends that the External Audit Findings Report 2021/22 including an opinion on the 2021/22 accounts be noted and the letter of representation be approved on behalf of the Authority.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	n/a
Strategic Policy Links & Core Code of Ethics (Identify how proposals link with current priorities & policy framework and align to the Core Code of Ethics)	n/a
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	n/a
Consultation (identify any public or other consultation that has been carried out on this matter)	n/a
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	n/a
Data Protection Impact Assessment (where personal data is processed a DPIA must be completed to ensure compliant handling)	n/a

Supporting Information

Appendix 1 – Audit Findings Report 2021/22

Appendix 2 – Letter of Representation 2021/22

The Audit Findings for Hereford & Worcester Fire Authority

Year ended 31 March 2022

16 November 2023



Contents



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Section

1. Headlines
2. Financial statements
3. Value for money arrangements
4. Independence and ethics

Appendices

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- B. Audit adjustments
- C. Fees
- D. Audit Opinion

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The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you as part of our audit planning process. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Authority or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

This Audit Findings presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260. Its contents have been discussed with management.

Avtar Sohal

Avtar Sohal
For Grant Thornton UK LLP
Date : 16 November 2023

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1. Headlines

This table summarises the key findings and other matters arising from the statutory audit of Hereford & Worcester Fire Authority ('the Authority') and the preparation of the Authority's financial statements for the year ended 31 March 2022 for those charged with governance.

Financial Statements

Under International Standards of Audit (UK) (ISAs) and the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to report whether, in our opinion:

- the Authority's financial statements give a true and fair view of the financial position of the Authority and its income and expenditure for the year; and
- have been properly prepared in accordance with the CIPFA/LASAAC code of practice on local authority accounting and prepared in accordance with the Local Audit and Accountability Act 2014.

We are also required to report whether other information published together with the audited financial statements (including the Annual Governance Statement (AGS) and Narrative Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Our audit work was completed on site and remotely during September-December. Our findings are summarised on pages 5 to 17. There is one adjustment to the financial statements that has resulted in adjustments to the Authority's Comprehensive Income and Expenditure Statement. This is set out below. Audit adjustments are detailed in Appendix B. Our follow up of recommendations from the prior year's audit are detailed in Appendix A.

A number of figures in the financial statements have been amended owing to an error in the pension figures associated with Place Partnership Limited (PPL) which Officers identified during the audit. This relates to a £237k change in employer contributions related to a change in ownership percentages of PPL. The main impact is that Net Employee Costs in the Comprehensive Income and Expenditure Account (CIES) have decreased by £237k. The Deficit on the Provision of Services has decreased by the same amount. The net pension liability shown on the Balance Sheet has decreased by £237k.

When the draft financial statements were prepared, the 2019 Local Government Pension Scheme (LGPS) triennial valuation informed key judgements and estimates underpinning the measurement of the net defined pension liability. The 2021/22 Statement of Accounts have been adjusted in all material respects to reflect the impact of the results of the 31st March 2022 LGPS triennial valuation. We are satisfied that the Authority has correctly reflected these adjustments in its financial statements.

Our work is substantially complete and there are no matters of which we are aware that would require modification of our audit opinion [Appendix D] or material changes to the financial statements, subject to the following outstanding matters:

- receipt of management representation letter; and
- review of the final signed set of financial statements.

We have concluded that the other information to be published with the financial statements, is consistent with our knowledge of your organisation and the financial statements we have audited.

Our anticipated audit report opinion will be unqualified.

1. Headlines

Value for Money (VFM) arrangements

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. Auditors are now required to report in more detail on the Authority's overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

Auditors are required to report their commentary on the Authority's arrangements under the following specified criteria:

- Improving economy, efficiency and effectiveness;
- Financial sustainability; and
- Governance

We have completed our VFM work, which is summarised on page 19, and our detailed commentary is set out in the separate Auditor's Annual Report, which is presented alongside this report. We are satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Statutory duties

The Local Audit and Accountability Act 2014 ('the Act') also requires us to:

- report to you if we have applied any of the additional powers and duties ascribed to us under the Act; and
- to certify the closure of the audit.

We have not exercised any of our additional statutory powers or duties.

We have completed the majority of work under the Code and expect to be able to certify the completion of the audit when we give our audit opinion.

Significant Matters

We did not encounter any significant difficulties or identify any significant matters arising during our audit.

2. Financial Statements

Overview of the scope of our audit

This Audit Findings Report presents the observations arising from the audit that are significant to the responsibility of those charged with governance to oversee the financial reporting process, as required by International Standard on Auditing (UK) 260 and the Code of Audit Practice ('the Code'). Its contents have been discussed with management.

As auditor we are responsible for performing the audit, in accordance with International Standards on Auditing (UK) and the Code, which is directed towards forming and expressing an opinion on the financial statements that have been prepared by management with the oversight of those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities for the preparation of the financial statements.

Audit approach

Our audit approach was based on a thorough understanding of the Authority's business and is risk based, and in particular included:

- An evaluation of the Authority's internal controls environment, including its IT systems and controls; and
- Substantive testing on significant transactions and material account balances, including the procedures outlined in this report in relation to the key audit risks.

We have not had to alter our audit plan, as communicated to you on 20 July 2022.

Conclusion

We have substantially completed our audit of your financial statements and subject to outstanding queries being resolved, we anticipate issuing an unqualified audit opinion following the Audit & Standards Committee meeting on 12 December 2023 as detailed in Appendix D. These outstanding items include:

- receipt of management representation letter; and
- review of the final set of financial statements.

Acknowledgements

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff.

2. Financial Statements



Our approach to materiality

The concept of materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law.

Materiality levels remain the same as reported in our audit plan. We detail in the table below our determination of materiality for Hereford & Worcester Fire Authority.

	Authority Amount (£)	Qualitative factors considered
Materiality for the financial statements	800,000	We have determined financial statement materiality based on 2% of the gross expenditure of the Authority for the prior financial year. In the prior year we used the same benchmark and %.
Performance materiality	600,000	<p>We have determined performance materiality at 75% of the materiality. Our rationale is as follows:</p> <ul style="list-style-type: none"> We are not aware of a history of significant deficiencies or a high number of deficiencies in the control environment and therefore have not reduced performance materiality There has not historically been a large number or significant misstatements arising as a result of the financial statements audits, therefore we have not reduced performance materiality Senior management and key reporting personnel in the finance function has remained stable from the prior year audit. There is not a significantly increased number of accounting issues that require significant judgment compared to prior years and so it is not considered necessary to reduce performance materiality.
Trivial matters	40,000	In the context of the Authority, we concluded that an individual difference could normally be considered to be clearly trivial if it is less than £40k (5% of materiality).
Materiality for senior officers' remuneration	13,000	We have set a separate lower materiality level for the disclosure note on remuneration of individual senior managers. In view of the sensitivity of this note to the reader of the accounts, we have set a materiality level of 2% of the senior officers note. In the prior year the total of this note was £0.647m. Applying 2% gives £0.013m.

2. Financial Statements – key messages

Key messages arising from our financial statements work

- When the draft financial statements were prepared, the 2019 Local Government Pension Scheme (LGPS) triennial valuation informed key judgements and estimates underpinning the measurement of the net defined pension liability. The 2021/22 Statement of Accounts have been adjusted in all material respects to reflect the impact of the results of the 31st March 2022 LGPS triennial valuation.
- Cashflow Statement – Operating Activities – Note 131 - We identified a difference in the opening balance of Creditors as per the Cash Flow Statement working provided when compared to the Financial Statements. The figure for the Increase / Decrease in Creditors has been amended to £699k from £235k.
- Cashflow Statement – Operating Activities – Note 131 - We identified a difference in the opening balance of Debtors as per the Cash Flow Statement working provided when compared to the Financial Statements. The figure for the Increase / Decrease in Debtors has been amended to £992k from £1,456k. The debtor and creditor items net off, so that there is no change to the Cash Flow Statement itself.
- Accounting policies - Note 13 - Property, Plant and Equipment was updated to refer to 2022 and the correct RICS valuer.
- A number of figures in the financial statements have been amended owing to an error in the pension figures associated with Place Partnership Limited (PPL) which Officers identified during the audit. This relates to a £237k change in employer contributions related to a change in ownership percentages of PPL. The main impact is that Net Employee Costs in the Comprehensive Income and Expenditure Account (CIES) have decreased by £237k and so has the Deficit on the Provision of Services . The net pension liability shown on the Balance Sheet has decreased by £237k.
- Audit fees - Note 20 was amended to reflect the audit fees which have been agreed with the Authority for each year. The amount for 2019/20 was reduced for £10k to £0k, 2020/21 reduced from £6k to £4k and 2021/22 from £48k to £43k.
- Note 47 - Financial Instruments - the "Total Current Assets" figure was incorrectly included at the prior year value. It was updated subsequently updated to £17,328k. This is a disclosure change only, with no impact on the asset values themselves.
- Officers made a number of minor amendments to correct typos.

2. Financial Statements - Significant risks

Significant risks are defined by ISAs (UK) as risks that, in the judgement of the auditor, require special audit consideration. In identifying risks, audit teams consider the nature of the risk, the potential magnitude of misstatement, and its likelihood. Significant risks are those risks that have a higher risk of material misstatement.

This section provides commentary on the significant audit risks communicated in the Audit Plan.

Risks identified in our Audit Plan

Commentary

Management override of controls

Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities.

We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.

To address this risk we:

- evaluated the design effectiveness of management controls over journals
- analysed the journals listing and determined the criteria for selecting high risk unusual journals
- tested unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration
- gained an understanding of the accounting estimates and critical judgements applied made by management and considered their reasonableness with regard to corroborative evidence
- evaluated the rationale for any changes in accounting policies, estimates or significant unusual transactions.

Findings

The journals we tested were appropriate and we found no evidence of management override of controls. Accounting estimates and critical judgements applied made by management are reasonable and not materially misstated.

2. Financial Statements - Significant risks

Risks identified in our Audit Plan

Commentary

Improper revenue recognition – the revenue cycle includes fraudulent transactions (rebutted)

Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue.

Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the Authority, we determined that the risk of fraud arising from revenue recognition could be rebutted, because:

- there is little incentive to manipulate revenue recognition
- opportunities to manipulate revenue recognition are very limited
- the culture and ethical frameworks of local authorities, including Hereford & Worcester Fire Authority, mean that all forms of fraud are seen as unacceptable.

Therefore we did not consider this to be a significant risk for Hereford & Worcester Fire Authority.

Findings

Our work in this area has not identified any issues that cause us to revisit our initial rebuttal.

Fraudulent expenditure recognition (rebutted)

In line with the Public Audit Forum Practice Note 10, in the public sector, auditors must also consider the risk that material misstatements due to fraudulent financial reporting may arise from the manipulation of expenditure recognition (for instance by deferring expenditure to a later period).

We rebutted this risk for Hereford & Worcester Fire Authority because:

- expenditure is primarily related to employee costs
- opportunity to manipulate contract variations is low.

We therefore did not consider this to be a significant risk for Hereford & Worcester Fire Authority.

We continued to review material expenditure transactions as part of our audit ensuring that it remains appropriate to rebut the risk of expenditure recognition for Hereford & Worcester Fire Authority.

Findings

Our work in this area has not identified any issues that cause us to revisit our initial rebuttal.

2. Financial Statements - Significant risks

Risks identified in our Audit Plan

Commentary

Valuation of land and buildings

The Authority revalues its land and buildings on an annual basis. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved and the sensitivity of this estimate to changes in key assumptions. Additionally, management will need to ensure the carrying value in the financial statements is not materially different from the current value or the fair value (for surplus assets) at the financial statements date, where a rolling programme is used.

Our work in this area in 2020/21 took longer than we had anticipated. This is because the valuations were completed by Place Partnership Limited, and then revisited by West Mercia Police and Crime Commissioner valuers, with some being amended. The supporting evidence for some of the valuations was not readily available and took time to obtain. When the evidence and supporting information was received we found that, for several properties, it was inconsistent with our expectations. Further challenge of the valuer work resulted in all of the property valuations being revisited.

While we understand that arrangements for the valuation of land and buildings have been strengthened for 2021/22, in light of the challenges noted in the first paragraph above, we have therefore identified valuation of land and buildings, particularly revaluations and impairments, as a significant risk, which was one of the most significant assessed risks of material misstatement.

To address this risk we:

- evaluated management's processes and assumptions for the calculation of the estimate, the instructions issued to valuation experts and the scope of their work
- evaluated the competence, capabilities and objectivity of the valuation expert
- wrote to the valuer to confirm the basis on which the valuation was carried out
- challenged the information and assumptions used by the valuer to assess completeness and consistency with our understanding
- tested revaluations made during the year to see if they have been input correctly into the Authority's asset register
- evaluated the assumptions made by management for those assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value at year end.

Findings

There has been significant delays in completion of the audit work as a result of response times from Managements Valuer to get appropriate evidence listings and evidences to support the testing of our work. However, our testing has been completed and has not identified any material misstatements in respect to valuation of land and buildings.

2. Financial Statements - Significant risks

Risks identified in our Audit Plan

Commentary

Valuation of pension fund net liability

The Authority's pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.

The pension fund net liability is considered a significant estimate due to the size of the numbers involved (£408m in the Authority's prior year balance sheet) and the sensitivity of the estimate to changes in key assumptions.

The methods applied in the calculation of the IAS 19 estimates are routine and commonly applied by all actuarial firms in line with the requirements set out in the Code of practice for local government accounting (the applicable financial reporting framework). We have therefore concluded that there is not a significant risk of material misstatement in the IAS 19 estimate due to the methods and models used in their calculation.

The source data used by the actuaries to produce the IAS 19 estimates is provided by administering authorities and employers. We do not consider this to be a significant risk as this is easily verifiable.

The actuarial assumptions used are the responsibility of the entity but should be set on the advice given by the actuary. A small change in the key assumptions (discount rate, inflation rate, salary increase and life expectancy) can have a significant impact on the estimated IAS 19 liability. In particular the discount and inflation rates where, in the prior year, the actuary indicated that a 0.5% change in the discount rate assumption would have approximately £40m effect on the liability and a 0.5% change in the inflation rate (salary increase) assumption would have approximately £6.5m. We have therefore concluded that there is a significant risk of material misstatement in the IAS 19 estimate due to the assumptions used in their calculation. With regard to these assumptions we have therefore identified valuation of the Authority's pension fund net liability as a significant risk.

To address this risk we:

- updated our understanding of the processes and controls put in place by management to ensure that the Authority's pension fund net liability is not materially misstated and evaluated the design of the associated controls
- evaluated the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work
- assessed the competence, capabilities and objectivity of the actuary who carried out the Authority's pension fund valuation
- assessed the accuracy and completeness of the information provided by the Authority to the actuary to estimate the liability
- tested the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary
- undertook procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report
- obtained assurances from the auditor of Worcestershire Pension Fund as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.

Findings

Our work in this area is complete.

When the draft financial statements were prepared, the 2019 Local Government Pension Scheme (LGPS) triennial valuation informed key judgements and estimates underpinning the measurement of the net defined pension liability. The 2021/22 Statement of Accounts have been adjusted in all material respects to reflect the impact of the results of the 31st March 2022 LGPS triennial valuation. This has resulted in an additional testing by the audit team to reperform testing based on the updated triennial valuation reports and ensuring the financial statements have been appropriately updated.

We are satisfied that the Authority has correctly reflected these adjustments in its financial statements.

2. Financial Statements – key judgements and estimates

This section provides commentary on key estimates and judgements inline with the enhanced requirements for auditors.

Significant judgement or estimate	Summary of management's approach	Audit Comments	Assessment
Land and Building valuations - £33.5m	The Authority revalues its land and buildings annually. In 2021/22 the valuation resulted in an increase in the value of land and buildings of £0.038m. The valuations were completed by West Mercia Police and Crime Commissioner valuers.	We have set out our findings in relation to the valuation of other land and buildings on page 10.	● [Light Purple]

Assessment

- [Purple] We disagree with the estimation process or judgements that underpin the estimate and consider the estimate to be potentially materially misstated
- [Blue] We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider optimistic
- [Grey] We consider the estimate is unlikely to be materially misstated however management's estimation process contains assumptions we consider cautious
- [Light Purple] We consider management's process is appropriate and key assumptions are neither optimistic or cautious

2. Financial Statements - key judgements and estimates

Significant judgement or estimate	Summary of management's approach	Audit Comments	Assessment																								
LGPS Net pension liability – £15.709m	<p>A full actuarial valuation is required every three years. The latest full actuarial valuation was completed in 2022. A roll forward approach is used in intervening periods, which utilises key assumptions such as life expectancy, discount rates, salary growth and investment returns. Given the significant value of the net pension fund liability, small changes in assumptions can result in significant valuation movements.</p> <p>In 2021/22 the net LGPS pension liability has decreased from £19.0m to £17.8m.</p>	<p>We have set out our findings in relation to the net pension liability on page 11. We are satisfied that the judgements and estimates used by management in determining the pension fund asset and liability are consistent with those used by the actuary and appropriate for the Authority.</p> <table border="1"> <thead> <tr> <th>Assumption - LGPS</th> <th>Actuary Value</th> <th>PwC range</th> <th>Assessment</th> </tr> </thead> <tbody> <tr> <td>Discount rate</td> <td>2.8%</td> <td>2.7-2.8%</td> <td>●</td> </tr> <tr> <td>Pension increase rate</td> <td>3.3%</td> <td>3.0-3.5%</td> <td>●</td> </tr> <tr> <td>Salary growth</td> <td>4.7%</td> <td>4.25-5.0%</td> <td>●</td> </tr> <tr> <td>Life expectancy – Males currently aged 45 / 65</td> <td>23.2 / 21.9</td> <td>23.3 – 24.1 / 21.7 – 22.4</td> <td>●</td> </tr> <tr> <td>Life expectancy – Females currently aged 45 / 65</td> <td>26 / 24.1</td> <td>25.3 – 26 / 23.5 – 24.2</td> <td>●</td> </tr> </tbody> </table>	Assumption - LGPS	Actuary Value	PwC range	Assessment	Discount rate	2.8%	2.7-2.8%	●	Pension increase rate	3.3%	3.0-3.5%	●	Salary growth	4.7%	4.25-5.0%	●	Life expectancy – Males currently aged 45 / 65	23.2 / 21.9	23.3 – 24.1 / 21.7 – 22.4	●	Life expectancy – Females currently aged 45 / 65	26 / 24.1	25.3 – 26 / 23.5 – 24.2	●	● [Light Purple]
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2. Financial Statements - key judgements and estimates

Significant judgement or estimate	Summary of management's approach	Audit Comments	Assessment																								
FFPS Net pension liability – £393.6m	<p>A full actuarial valuation is required every three years. The latest full actuarial valuation was completed in 2020. A roll forward approach is used in intervening periods, which utilises key assumptions such as life expectancy, discount rates, salary growth and investment returns. Given the significant value of the net pension fund liability, small changes in assumptions can result in significant valuation movements.</p> <p>In 2021/22 the net pension liability has increased from £389.1m to £393.6m.</p>	<p>We have set out our findings in relation to the net pension liability on page 11. We are satisfied that the judgements and estimates used by management in determining the pension fund asset and liability are consistent with those used by the actuary and appropriate for the Authority.</p> <table border="1"> <thead> <tr> <th>Assumption - FFPS</th> <th>Actuary Value</th> <th>PwC range</th> <th>Assessment</th> </tr> </thead> <tbody> <tr> <td>Discount rate</td> <td>2.65%</td> <td>2.65%</td> <td>●</td> </tr> <tr> <td>Pension increase rate</td> <td>3.0%</td> <td>3.0%</td> <td>●</td> </tr> <tr> <td>Salary growth</td> <td>4.75%</td> <td>4.75%</td> <td>●</td> </tr> <tr> <td>Life expectancy – Males currently aged 45 / 65</td> <td>23.2 / 21.5</td> <td>23.2 – 23.8 / 21.5 – 22.1</td> <td>●</td> </tr> <tr> <td>Life expectancy – Females currently aged 45 / 65</td> <td>23.2 / 21.5</td> <td>23.2 – 25.4 / 21.5 – 23.8</td> <td>●</td> </tr> </tbody> </table>	Assumption - FFPS	Actuary Value	PwC range	Assessment	Discount rate	2.65%	2.65%	●	Pension increase rate	3.0%	3.0%	●	Salary growth	4.75%	4.75%	●	Life expectancy – Males currently aged 45 / 65	23.2 / 21.5	23.2 – 23.8 / 21.5 – 22.1	●	Life expectancy – Females currently aged 45 / 65	23.2 / 21.5	23.2 – 25.4 / 21.5 – 23.8	●	<p>● [Light Purple]</p>
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2. Financial Statements - other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards and the Code to communicate to those charged with governance.

Issue	Commentary
Matters in relation to fraud	<ul style="list-style-type: none"> We have previously discussed the risk of fraud with the Audit & Standards Committee. We have not been made aware of any incidents in the period and no issues have been identified during the course of our audit procedures.
Matters in relation to related parties	<ul style="list-style-type: none"> We are not aware of any related parties or related party transactions which have not been disclosed.
Matters in relation to laws and regulations	<ul style="list-style-type: none"> You have not made us aware of any significant incidences of non-compliance with relevant laws and regulations and we have not identified any incidences from our audit work.
Written representations	<ul style="list-style-type: none"> A letter of representation has been requested from the Authority. This includes the unadjusted misstatement in relation to the timing of the LGPS asset values of £0.184m.
Confirmation requests from third parties	<ul style="list-style-type: none"> We obtained direct confirmations from the PWLB for loans and from Worcestershire County Council for short term deposits which they manage on behalf of the Authority. We also obtained direct confirmation of the year end bank balance from Barclays Bank.
Accounting practices	<ul style="list-style-type: none"> Our review found no material omissions in the financial statements.
Audit evidence and explanations/ significant difficulties	<ul style="list-style-type: none"> All information and explanations requested from management was provided. We have not encountered any significant difficulties with accounts closedown, production of draft accounts and working papers.

2. Financial Statements - other communication requirements



Our responsibility

As auditors, we are required to “obtain sufficient appropriate audit evidence about the appropriateness of management's use of the going concern assumption in the preparation and presentation of the financial statements and to conclude whether there is a material uncertainty about the entity's ability to continue as a going concern” (ISA (UK) 570).

Issue	Commentary
Going concern	<p>In performing our work on going concern, we have had reference to Statement of Recommended Practice – Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom (Revised 2020). The Financial Reporting Council recognises that for particular sectors, it may be necessary to clarify how auditing standards are applied to an entity in a manner that is relevant and provides useful information to the users of financial statements in that sector. Practice Note 10 provides that clarification for audits of public sector bodies. Practice Note 10 sets out the following key principles for the consideration of going concern for public sector entities:</p> <ul style="list-style-type: none"> the use of the going concern basis of accounting is not a matter of significant focus of the auditor's time and resources because the applicable financial reporting frameworks envisage that the going concern basis for accounting will apply where the entity's services will continue to be delivered by the public sector. In such cases, a material uncertainty related to going concern is unlikely to exist, and so a straightforward and standardised approach for the consideration of going concern will often be appropriate for public sector entities for many public sector entities, the financial sustainability of the reporting entity and the services it provides is more likely to be of significant public interest than the application of the going concern basis of accounting. Our consideration of the Authority's financial sustainability is addressed by our value for money work, which is covered elsewhere in this report. <p>Practice Note 10 states that if the financial reporting framework provides for the adoption of the going concern basis of accounting on the basis of the anticipated continuation of the provision of a service in the future, the auditor applies the continued provision of service approach set out in Practice Note 10. The financial reporting framework adopted by the Authority meets this criteria, and so we have applied the continued provision of service approach. In doing so, we have considered and evaluated:</p> <ul style="list-style-type: none"> the nature of the Authority and the environment in which it operates the Authority's financial reporting framework the Authority's system of internal control for identifying events or conditions relevant to going concern management's going concern assessment. <p>On the basis of this work, we have obtained sufficient appropriate audit evidence to enable us to conclude that:</p> <ul style="list-style-type: none"> a material uncertainty related to going concern has not been identified management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

2. Financial Statements - other responsibilities under the Code

Issue	Commentary
Other information	<p>We are required to give an opinion on whether the other information published together with the audited financial statements (including the Annual Governance Statement and Narrative Report), is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.</p> <p>No inconsistencies have been identified, but there were two minor disclosure changes to the Narrative Report which officers have made. We plan to issue an unmodified opinion in this respect – please refer to Appendix D.</p>
Matters on which we report by exception	<p>We are required to report on a number of matters by exception in a number of areas:</p> <ul style="list-style-type: none"> • if the Annual Governance Statement does not comply with disclosure requirements set out in CIPFA/SOLACE guidance or is misleading or inconsistent with the information of which we are aware from our audit, • if we have applied any of our statutory powers or duties. • where we are not satisfied in respect of arrangements to secure value for money and have reported [a] significant weakness/es. <p>We have nothing to report on these matters.</p>
Specified procedures for Whole of Government Accounts	<p>We are required to carry out specified procedures (on behalf of the NAO) on the Whole of Government Accounts (WGA) consolidation pack under WGA group audit instructions.</p> <p>Detailed extensive work is not required as the Authority does not exceed the reporting threshold and we have not identified any issues.</p>
Certification of the closure of the audit	<p>We intend to certify the closure of the 2021/22 audit of Hereford & Worcester Fire Authority.</p>



3. Value for Money arrangements

Approach to Value for Money work for 2021/22

The National Audit Office issued its guidance for auditors in April 2020. The Code requires auditors to consider whether the body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

When reporting on these arrangements, the Code requires auditors to structure their commentary on arrangements under the three specified reporting criteria.



Improving economy, efficiency and effectiveness

Arrangements for improving the way the body delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Financial Sustainability

Arrangements for ensuring the body can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years)



Governance

Arrangements for ensuring that the body makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the body makes decisions based on appropriate information

Potential types of recommendations

A range of different recommendations could be made following the completion of work on the body's arrangements to secure economy, efficiency and effectiveness in its use of resources, which are as follows:



Statutory recommendation

Written recommendations to the body under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the body to discuss and respond publicly to the report.



Key recommendation

The Code of Audit Practice requires that where auditors identify significant weaknesses in arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the body. We have defined these recommendations as 'key recommendations'.



Improvement recommendation

These recommendations, if implemented should improve the arrangements in place at the body, but are not made as a result of identifying significant weaknesses in the body's arrangements

3. VFM - our procedures and conclusions

We have completed our VFM work and our detailed commentary is set out in the separate Auditor's Annual Report, which is presented alongside this report.

As part of our work, we considered whether there were any risks of significant weakness in the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources. The risks we identified are detailed in the table below, along with the further procedures we performed and our conclusions. We are satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

Risk of significant weakness	Procedures undertaken	Conclusion	Outcome
<p>The Fire Authority Medium Term Financial Plan, approved in February 2022, showed "Structural Budget Gaps" of £0.238m (2022/23); £0.133m (23/24) and £0.402m (24/25) - all to be funded from reserves, primarily the Budget Reduction Reserve. This reserve will then have decreased from £1.428m to £0.779m. This is around two years at the rate of £0.400m a year. This represents a significant risk as the Authority needs to be able to balance its budget without the ongoing use of reserves.</p>	<p>To address this risk we reviewed the long term plans to ensure a balanced budget can be achieved without the need to use reserves.</p>	<p>Our work did not identify a significant weakness. We did, however, raise an Improvement Recommendation – "The Authority needs to bring forward further savings plans to address the structural budget gap and future budgetary pressures, for example, pay costs and inflation."</p>	<p>While there is still significant uncertainty around future funding from central government, the Authority needs to ensure that it is in a position where viable, worked up savings plans are in place to ensure long term financial sustainability, irrespective of government funding.</p>

4. Independence and ethics

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant matters that may bear upon the integrity, objectivity and independence of the firm or covered persons (including its partners, senior managers and managers). In this context, we disclose the following to you:

The Audit Manager, Neil Preece, has been Manager for seven years. If the Authority was not a public sector client, the firm's policy rotation for this role is 10 years. However, in the public sector the firm requires permission for extensions to be sought after seven years. The firm's internal Ethics Function and Public Sector Audit Appointments (PSAA) have approved the extension for one year for the 21/22 audit.

We confirm that we have implemented policies and procedures to meet the requirements of the Financial Reporting Council's Ethical Standard and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.

Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in May 2020 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

Details of fees charged are detailed in Appendix D.

Transparency

Grant Thornton publishes an annual Transparency Report, which sets out details of the action we have taken over the past year to improve audit quality as well as the results of internal and external quality inspections. For more details see [Transparency report 2020 \(grantthornton.co.uk\)](https://www.grantthornton.co.uk/transparency-report-2020)

Other services

No other services provided by Grant Thornton were identified.

Appendices

A. Follow up of prior year recommendations

We identified the following issues in the audit of Hereford & Worcester Fire Authority's 2020/21 financial statements, which resulted in four recommendations being reported in our 2020/21 Audit Findings report. We are pleased to report that management have implemented three of our recommendations.

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
x	<p>Property valuations</p> <p>Our audit work took significantly longer than planned. This was partly due to the changeover in valuers, but also because supporting information was not readily available.</p> <p>There is a risk that property valuations cannot be supported.</p> <p>Recommendation</p> <p>The Authority needs to ensure that the external valuer obtains sufficient appropriate evidence and documentation of thought processes, readily available, to support to valuations and provide evidence to audit in a timely manner.</p>	<p>As in prior year we encountered a significant delay in completing the property valuations audit due to audit evidence and documentation not being readily available.</p>
✓	<p>Member Data</p> <p>The Member Data provided to the Government Actuary Department (GAD) for them to prepare the Fire Fighters' Pension Scheme liability estimate was out of date. Officers spent a very considerable amount of time in reconciling figures which audit then used to sample test pension deductions for new joiners.</p> <p>There is a risk that the pension scheme liability is misstated.</p> <p>Recommendation</p> <p>The Authority needs to ensure that information provided to the Government Actuary Department (GAD) is up to date, complete and accurate</p>	<p>The Member data provided for audit in 2021/22 was up to February 2022, which we consider to be sufficiently up to date for audit purposes.</p>

Assessment

- ✓ Action completed
- x Not yet addressed

A. Follow up of prior year recommendations

Assessment	Issue and risk previously communicated	Update on actions taken to address the issue
✓	<p>Fair Value of Public Work Loan Board borrowing</p> <p>Our audit work identified that the Fair Value calculations for Public Works Loan Board (PWLB) borrowing did not use an approach recognized by the CIPFA Code.</p> <p>While this does not impact on the amount actually borrowed, it does indicate the impact that new loans would have if taken out on 31 March.</p> <p>Recommendation</p> <p>The Authority needs to ensure that the Fair Value of PWLB borrowing is correctly calculated. Many authorities use expert advisers to provide this information for them.</p>	<p>Officers have obtained appropriate valuation reports, and these have been reflected in the financial statements.</p>
✓	<p>Expenditure recognition</p> <p>Our audit work identified that the Authority was not consistently applying its accounting policies in terms of recognising expenditure where invoices spanned more than one financial year.</p> <p>While the impact in 2020/21 is immaterial, it took more audit and officer time to quantify the impact. The risk that, in future years, the impact could be material, remains.</p> <p>Recommendation</p> <p>The Authority needs to ensure that it consistency applies it accounting policies.</p>	<p>Our testing this year has not identified any invoices which are incorrectly accounted for.</p>

Assessment

- ✓ Action completed
- X Not yet addressed

B. Audit Adjustments

We are required to report all non trivial misstatements to those charged with governance, whether or not the accounts have been adjusted by management.

Impact of adjusted misstatements

All adjusted misstatements are set out in detail below along with the impact on the key statements and the reported net expenditure for the year ending 31 March 2022.

Detail	Comprehensive Income and Expenditure Statement £'000	Statement of Financial Position £' 000	Impact on total net expenditure £'000
Amendment to employer contributions in respect of Place Partnership Limited	(237)	(237)	(237)

Misclassification and disclosure changes

We have set out on page 7 details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements.

B. Audit Adjustments



Impact of unadjusted misstatements

There are no unadjusted misstatements.

Impact of prior year unadjusted misstatements

There were no adjustments identified during the prior year audit which had not been made within the final set of 2020/21 financial statements.

C. Fees

We confirm below our final fees charged for the audit and confirm there were no fees for the provision of non audit services.

Audit fees	Proposed fee	Final fee
Authority Audit	£43,362	£54,362
Total audit fees (excluding VAT)	£43,362	£54,362

We have proposed an increase of £5k in respect to the proposed fee given delays we have encountered with obtained audit assurance from managements external valuer, which has resulted in a delay on the completion of the audit. The final fee is subject to approval by PSAA.

	Final fee
Scale Fee	£25,311
Quality Review – Responding to FRC	£1,875
PPE Valuation Additional Work	£2,188
Pension Valuation	£2,188
Additional Work in respect of ISA540	£1,800
Additional Journals Testing	£2,000
Remote Audit	£2,500
VFM Commentary	£5,500
Proposed Fee	£43,362
Overrun costs in respect to PPE Valuation Audit	£5,000
Additional Work Required as a result of the Triennial Valuation	£6,000
Final Fee	£54,362

D. Audit opinion

Our audit opinion is included below.

We anticipate we will provide the Authority with an unmodified audit report.

Independent auditor's report to the members of Hereford and Worcester Fire Authority

Report on the Audit of the Financial Statements

Opinion on financial statements

We have audited the financial statements of Hereford and Worcester Fire Authority (the 'Authority') for the year ended 31 March 2022, which comprise the Comprehensive Income and Expenditure Statement, the Movement in Reserves Statement, the Balance Sheet, the Cash Flow Statement, and notes to the financial statements, including a summary of significant accounting policies and include the Firefighters' Pension Fund financial statements comprising the Fund Account, the Statement of Net Assets Statement. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2021/22.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Authority as at 31 March 2022 and of its expenditure and income for the year then ended;
- have been properly prepared in accordance with the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2021/22; and
- have been prepared in accordance with the requirements of the Local Audit and Accountability Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2020) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the Treasurer's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

D. Audit opinion

In our evaluation of the Treasurer's conclusions, and in accordance with the expectation set out within the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2021/22 that the Authority's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Authority. In doing so we had regard to the guidance provided in Practice Note 10 Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2020) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Authority and the Authority's disclosures over the going concern period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the Treasurer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the Treasurer with respect to going concern are described in the 'Responsibilities of the Authority, Treasurer and Those Charged with Governance for the financial statements' section of this report.

Other information

The Treasurer is responsible for the other information. The other information comprises the information included in the Statement of Accounts, other than the financial statements, and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in April 2020 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Annual Governance Statement does not comply with 'delivering good governance in Local Government Framework 2016 Edition' published by CIPFA and SOLACE or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Annual Governance Statement addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

D. Audit opinion

Opinion on other matters required by the Code of Audit Practice

In our opinion, based on the work undertaken in the course of the audit of the financial statements and our knowledge of the Authority, the other information published together with the financial statements in the Statement of Accounts for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make a written recommendation to the Authority under section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application to the court for a declaration that an item of account is contrary to law under Section 28 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we issue an advisory notice under Section 29 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or
- we make an application for judicial review under Section 31 of the Local Audit and Accountability Act 2014, in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above matters.

Responsibilities of the Authority, the Treasurer and Those Charged with Governance for the financial statements

As explained in the Statement of Responsibilities [set out on page 13], the Authority is required to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this authority, that officer is the Treasurer. The Treasurer is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2021/22, for being satisfied that they give a true and fair view, and for such internal control as the Treasurer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Treasurer is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention by government that the services provided by the Authority will no longer be provided.

The Audit and Standards Committee is Those Charged with Governance. Those Charged with Governance are responsible for overseeing the Authority's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

D. Audit opinion

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Authority and determined that the most significant, which are directly relevant to specific assertions in the financial statements, are those related to the reporting frameworks (international accounting standards as interpreted and adapted by the CIPFA/LASAAC Code of practice on local authority accounting in the United Kingdom 2021/22, The Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the Local Government Act 2003. We also identified the following additional regulatory frameworks in respect of the firefighters' pension fund – Fire and Rescue Services Act 2004, The Firefighters' Pension Scheme (England) Regulations 2014 and The Firefighters' Pension Scheme (England) Order 2006.
- We enquired of senior officers and the Audit and Standards Committee, concerning the Authority's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations;
 - the detection and response to the risks of fraud; and
 - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.

- We enquired of senior officers, internal audit and the Audit and Standards Committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We assessed the susceptibility of the Authority's financial statements to material misstatement, including how fraud might occur, by evaluating officers' incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls, including the use of accounting estimates, assumptions and judgements, the risk of fraudulent expenditure recognition and the risk of improper revenue recognition. We determined that the principal risks were in relation to large and unusual journals which were designed to change financial performance, for example, moving amounts between the Balance Sheet and Comprehensive Income and Expenditure Statement.

Our audit procedures involved:

- evaluation of the design effectiveness of controls that the Treasurer has in place to prevent and detect fraud
- journal entry testing, with a focus on unusual journals with specific risk characteristics and large value journals
- challenging assumptions and judgements made by management in its significant accounting estimates in respect of the valuation of land and buildings and defined benefit pensions liability valuations; and
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

D. Audit opinion

- The team communications in respect of potential non-compliance with relevant laws and regulations, including the potential for fraud in revenue and expenditure recognition, and the significant accounting estimates related to the valuation of land and buildings and defined benefit pensions liability valuations.
- Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the local government sector
 - understanding of the legal and regulatory requirements specific to the Authority including:
 - the provisions of the applicable legislation
 - guidance issued by CIPFA, LASAAC and SOLACE
 - the applicable statutory provisions.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the Authority's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - the Authority's control environment, including the policies and procedures implemented by the Authority to ensure compliance with the requirements of the financial reporting framework.

Report on other legal and regulatory requirements – the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2022.

We have nothing to report in respect of the above matter.

Responsibilities of the Authority

The Authority is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

Auditor's responsibilities for the review of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 20(1)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

D. Audit opinion

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in December 2021. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Authority plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Authority ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Authority uses information about its costs and performance to improve the way it manages and delivers its services.

We have documented our understanding of the arrangements the Authority has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Audit certificate

We certify that we have completed the audit of Hereford and Worcester Fire Authority for the year ended 31 March 2022 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice.

Use of our report

This report is made solely to the members of the Authority, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014 and as set out in paragraph 43 of the Statement of Responsibilities of Auditors and Audited Bodies published by Public Sector Audit Appointments Limited. Our audit work has been undertaken so that we might state to the Authority's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signature:

Avtar Sohal, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Birmingham

Date:



Grant Thornton UK LLP
17th Floor
103 Colmore Row
BIRMINGHAM
B3 3AG

Tel: (01905) 368205
Email: mreohorn@hwfire.org.uk
Date 12 December 2023

Dear Sirs

Hereford & Worcester Fire Authority Financial Statements for the year ended 31 March 2022

This representation letter is provided in connection with the audit of the financial statements of Hereford & Worcester Fire Authority for the year ended 31 March 2022 for the purpose of expressing an opinion as to whether the Authority financial statements are presented fairly, in all material respects in accordance with International Financial Reporting Standards, and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

- i. We have fulfilled our responsibilities for the preparation of the Authority's financial statements in accordance with International Financial Reporting Standards and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 ("the Code"); in particular the financial statements are fairly presented in accordance therewith.
- ii. We have complied with the requirements of all statutory directions affecting the Authority and these matters have been appropriately reflected and disclosed in the financial statements.
- iii. The Authority has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- iv. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. Such accounting estimates include investment properties. We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with the Code and adequately disclosed in the financial statements. We understand our responsibilities includes identifying and considering alternative, methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the estimate used. We are satisfied that the methods, the data and the significant assumptions used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in accordance with the Code and adequately disclosed in the financial statements.
- vi. We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme assets and liabilities for IAS19 Employee Benefits disclosures are consistent with our

knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant post-employment benefits have been identified and properly accounted for.

- vii. Except as disclosed in the financial statements:
 - a. there are no unrecorded liabilities, actual or contingent
 - b. none of the assets of the Authority has been assigned, pledged or mortgaged
 - c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
 - viii. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the Code.
 - ix. All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the Code require adjustment or disclosure have been adjusted or disclosed.
 - x. We have considered the adjusted misstatements, and misclassification and disclosures changes schedules included in your Audit Findings Report. The Authority's financial statements have been amended for these misstatements, misclassifications and disclosure changes and are free of material misstatements, including omissions.
 - xi. We have considered the unadjusted misstatements schedule included in your Audit Findings Report. We have not adjusted the financial statements for these misstatements brought to our attention as they are immaterial to the results of the Authority and its financial position at the year-end and will be reflected in the next IAS 19 asset valuation as at 31 March 2023. The financial statements are free of material misstatements, including omissions.
 - xii. Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
 - xiii. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
 - xiv. We have updated our going concern assessment. We continue to believe that the Authority's financial statements should be prepared on a going concern basis and have not identified any material uncertainties related to going concern on the grounds that:
 - a. the nature of the Authority means that, notwithstanding any intention to cease its operations in their current form, it will continue to be appropriate to adopt the going concern basis of accounting because, in such an event, services it performs can be expected to continue to be delivered by related public authorities and preparing the financial statements on a going concern basis will still provide a faithful representation of the items in the financial statements
 - b. the financial reporting framework permits the entry to prepare its financial statements on the basis of the presumption set out under a) above; and
 - c. the Authority's system of internal control has not identified any events or conditions relevant to going concern.
- We believe that no further disclosures relating to the Authority's ability to continue as a going concern need to be made in the financial statements.
- xv. The Authority has complied with all aspects of ring-fenced grants that could have a material effect on the Authority's financial statements in the event of non-compliance.

Information Provided

- xvi. We have provided you with:
 - a. access to all information of which we are aware that is relevant to the preparation of the Authority's financial statements such as records, documentation and other matters;
 - b. additional information that you have requested from us for the purpose of your audit; and
 - c. access to persons within the Authority via remote arrangements from whom you determined it necessary to obtain audit evidence.

- xvii. We have communicated to you all deficiencies in internal control of which management is aware.
- xviii. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xix. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- xx. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Authority and involves:
 - a. management;
 - b. employees who have significant roles in internal control; or
 - c. others where the fraud could have a material effect on the financial statements.
- xxi. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.
- xxii. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.
- xxiii. We have disclosed to you the identity of the Authority's related parties and all the related party relationships and transactions of which we are aware.
- xxiv. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

- xxv. We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Authority's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Narrative Report

- xxvi. The disclosures within the Narrative Report fairly reflect our understanding of the Authority's financial and operating performance over the period covered by the Authority's financial statements.

Approval

The approval of this letter of representation was minuted by the Fire Authority at its meeting on 12 December 2023.

Yours faithfully

Name: Kit Taylor

Position: Chairman of the Fire Authority

Date: 12 December 2023

Name: Martin Reohorn

Position: Treasurer

Date: 12 December 2023

Signed on behalf of the Authority

Report of the Treasurer

Statement of Accounts 2021/22

Purpose of report

1. To present the 2021/22 Statement of Accounts for final approval.
-

Recommendation

It is recommended that the Statement of Accounts 2021/22 is approved.

Introduction and Background

2. The Accounts and Audit Regulations 2015 set out the dates by which an Authority must approve and publish the Statement of Accounts. As a part of the government's response to the restrictions of Covid-19 working these dates are relaxed for the 2021/22 year only.
3. For the 2021/22 Accounts an Authority was supposed to ensure that the Statements was:
 - a. Signed off by the Treasurer by 31 July 2022
 - b. Approved by the Authority by 30 November 2022
 - c. Published by 30 November 2022
4. The Fire Authority has delegated responsibility for approval of the Accounts to the Audit & Standards Committee.
5. The Accounts were signed off by the Treasurer on 29 July 2022 in line with the Regulations. As the external auditors had not completed the audit by 30 November the Accounts were not ready for approval by the statutory deadline, and this was recognized by publication of the relevant statutory notice to notify of the delay.
6. It was expected that the work would have been completed in time for the 19 January 2023 meeting of the Audit & Standards Committee, but Members of that Committee will recall that, at that meeting the external auditor stated that he thought the process would be completed within about two weeks. This was not the case.
7. Late on 13 April, the Treasurer received notification that the Audit was now complete, with no major issues arising. However, the e-mail went on to state that because the regular triennial valuation of the LGPS had taken place before the final audit sign off, it was possible that the Accounts might need to be adjusted to take account of the later valuation.

8. The external auditors had hoped that a pragmatic solution could be reached which did not require adjustment but the Financial Reporting Council (FRC) eventually thought otherwise.
9. Prior to approving the Statement, the Authority must consider the External Auditor's "Audit Findings Report". This was done by the Audit & Standards Committee in January and again in April. Other than changes in relation to the LGPS revaluation there are no significant differences between the three reports.
10. The fact that the 2021/22 Accounts were not yet approved, means that year end balances could not be rolled forward. With respect to fixed assets and pension liabilities in particular, this caused delays to the production (and therefore the Audit) of the 2022/23 Accounts. It was therefore imperative that the 2021/22 Accounts were approved as soon as possible.
11. The Committee approved the Accounts on 19 April 2023, on the basis that there would be no further requirement to amend in respect of the LGPS valuation as referred to at (7) above.
12. There has, however, been a requirement to make changes to the Accounts in respect of the LGPS and unfortunately this has taken a significant time.
13. Whilst having little overall impact on the overall Accounts, the changes ripple through all the main Statements and many of the supporting disclosures and had taken time to complete and check.
14. The net impact is that the negative Balance Sheet figure moves from £366m to £364m, and the £1.6m deficit on the Comprehensive Income and Expenditure Statement (CIES) becomes a surplus of £0.5m.
15. The LGPS net liability has fallen from £17.8m to £15.7m.
16. The Statement of Accounts 2021/22 is now submitted for re-approval. Although this is normally within the remit of the Audit & Standards Committee, but the next meeting is not until 17 January 2024. The Statement is brought to the Fire Authority to allow the Auditor to close the 2021/22 audit and commence the 2022/23 one.
17. Other than the LGPS changes that are the underlying reason for this report, there have been no material changes to the set of Accounts that were signed off by the Treasurer in July 2022.

Conclusion/Summary

18. The Statement of Accounts is ready for approval.
19. The External Auditor should be able to issue an Audit Opinion as soon as it is ready.

20. On publication, the approved Statements will include the Audit Opinion and the approved Annual Governance Statement.
21. Members are asked to note the knock-on impact of the delay to the conclusion of the 2021/22 audit on the production of the 2022/23 Accounts.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	n/a
Strategic Policy Links & Core Code of Ethics (Identify how proposals link with current priorities & policy framework and align to the Core Code of Ethics)	n/a
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	n/a
Consultation (identify any public or other consultation that has been carried out on this matter)	n/a
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	n/a
Data Protection Impact Assessment (where personal data is processed a DPIA must be completed to ensure compliant handling)	n/a

Supporting Information

Appendix 1 – Statement of Accounts 2021/22 (separate enclosure)

Report of the Assistant Chief Officer/Director of Prevention

His Majesty's Inspectorate of Constabularies and Fire and Rescue Services (HMICFRS) Inspection Report and Improvement Plan 2023/2024

Purpose of report

1. To update and advise Members on the HMICFRS Inspection Report 2023 and the subsequent Improvement Plan.

Recommendation

It is recommended that the Authority notes the outcomes and findings highlighted in the HMICFRS inspection report 2023. In particular that:

- i) Of the 11 assessment areas, the Service has achieved four ratings of 'good' and seven ratings of 'adequate'.*
- ii) There were no areas rated as 'requires improvement' or 'inadequate'.*
- iii) The report identifies 11 Areas for Improvement.*
- iv) Work is ongoing to produce the next HMICFRS Improvement Plan.*
- v) The findings of the previous report from 2021 are considered closed.*

Introduction and Background

2. Between May and August 2023, HMICFRS carried out their third inspection of Hereford & Worcester Fire and Rescue Service. The inspection report was published in November 2023.
3. The report contains an assessment of the Service's effectiveness, efficiency and how well it looks after its people. HMICFRS have not given separate grades for these three pillars as they have previously, but rather measured the Service across 11 assessment areas which they hope will encourage Fire and Rescue Services to consider inspection findings as a whole.
4. Services are now measured against the 'characteristics of good performance' and are given graded judgements. HMICFRS have also expanded the previous four-tier graded system to include a fifth graded judgement of 'adequate'.
5. In the report, the Inspectorate states that they are pleased with the performance of Hereford & Worcester Fire and Rescue Service and the improvements made since the last inspection and they would encourage the Service to continue to make improvement in the areas they have highlighted.

6. The Service recognises the improvement from the previous inspection with all 11 assessment areas graded as 'adequate' or 'good'. The table below shows the comparison with the 2021 inspection:

Assessment Area	2021 Grade	2023 Grade
Understanding fires and other risks	Requires Improvement	Adequate
Preventing fires and other risks	Requires Improvement	Adequate
Protecting the public through fire regulation	Good	Good
Responding to fires and other emergencies	Requires Improvement	Adequate
Responding to major and multi-agency incidents	Good	Adequate
Making best use of resources	Requires Improvement	Adequate
Future affordability	Requires Improvement	Adequate
Promoting the right values and culture	Requires Improvement	Adequate
Getting the right people with the right skills	Requires Improvement	Good
Ensuring fairness and promoting diversity	Requires Improvement	Good
Managing performance and developing leaders	Requires Improvement	Good

7. A grading of 'good' is given where the Service has substantially demonstrated all the characteristics of good performance. A grading of 'adequate' is given where the Service has demonstrated some of the characteristics of good performance, but HMICFRS have identified areas where the Service should make improvements.
8. The inspection highlighted one area for 'promising practice', relating to our Multi-Agency Targeted Enforcement (MATE) partnership, stating that it is an "effective collaboration between Hereford & Worcester Fire and Rescue Service and a wide variety of different Enforcing Authorities".
9. If the Inspectorate consider that an aspect of the Service's practice, policy or performance falls short of the expected standard, they will report this as an Area for Improvement (AFI). HMICFRS have identified 11 AFI's in this year's inspection (see Appendix 1). This is half the number of AFI's compared to the previous report. At least four of the AFI's relate to national or wider issues and will be reflected in most English Fire and Rescue Services HMICFRS reports. The table below shows the 11 Assessment Areas and the main findings:

Assessment Area	Main Findings
Understanding fires and other risks	<ul style="list-style-type: none"> The Service is effective at identifying risk in the community. The Service has effective prevention, protection and response strategies that underpin the CRMP. The Service needs to review its processes for updating risk information.

	<ul style="list-style-type: none"> • The Service uses the outcomes of operational activity effectively to build an understanding of risk. <p>Area for Improvement: The Service should make sure its Firefighters have good access to relevant and up-to-date risk information: <i>“Site-specific risk information wasn’t always completed within the time set by the service”.</i> <i>“The service needs to do more so that staff in prevention, protection, and response roles can access the information they need”.</i></p>
Preventing fires and other risks	<ul style="list-style-type: none"> • The Service’s prevention strategy clearly links to the risks identified in its CRMP. • Targeting of prevention activity is improving. • The Service should improve staff competence in carrying out home fire safety visits. • Staff understand how to identify vulnerable people and act to safeguard them • The Service has arrangements in place to tackle fire-setting behaviour. • Improvements are still required in the evaluation of prevention work. <p>Area for Improvement: The Service should make sure staff carry out home fire safety visits competently: <i>“Some HFSV’s carried out by crews that were not appropriately risk assessed, completed within service timeframes, or suitably referred to the prevention team”.</i></p> <p>Area for Improvement: The Service should evaluate its prevention activity, so it understands what is most effective: <i>“We found limited evidence that the Service evaluates how effective its activity is or makes sure all its communities get appropriate access to prevention activity that meets their needs”.</i></p>
Protecting the public through fire regulation	<ul style="list-style-type: none"> • The Service’s protection strategy is clearly linked to its CRMP. • The Service directs its protection activity based on risk. • The Service carries out consistent, good quality audits. • The Service has an effective quality assurance process in place. • The Service is good at taking enforcement action when appropriate. • The protection function is well resourced. • The Service is adapting to new legislation. • The Service works well with other enforcement agencies. • The Service manages building consultations effectively. • The Service could do more to engage with local businesses.

	<ul style="list-style-type: none"> • The Service has not taken enough action to reduce unwanted signals. <p>Area for Improvement: The Service should make sure it effectively addresses the burden of unwanted fire signals:</p> <p><i>“The Service hasn’t taken sufficient action to manage the burden of false alarms. We were informed that a revised policy is to be considered at the next Fire Authority meeting in October 2023”.</i></p>
<p>Responding to fires and other emergencies</p>	<ul style="list-style-type: none"> • The Service aligns its resources to the risks identified in its CRMP. • The Service has introduced new response measures and has plans to improve its response times. • The Service has good wholetime availability, but on-call availability could be improved. • Staff have a good understanding of how to command incidents safely. • Fire control staff have good involvement in training, exercising and debriefs. • The Service should make sure that risk information is accurate and up to date. • The evaluation of operational performance is still ineffective. • The Service has introduced an effective plan to implement National Operational Guidance. • The Service is effective at keeping the public informed. <p>Area for Improvement: The service should make sure it has an effective system to learn from operational incidents</p> <p><i>“The Service doesn’t always act on learning it has, or should have, identified from incidents - this was an identified area for improvement in our last inspection and, as there has been insufficient progress, it will remain”.</i></p>
<p>Responding to major and multi-agency incidents</p>	<ul style="list-style-type: none"> • The Service is prepared for major and multi-agency incidents. • The Service’s ability to respond to major and multi-agency incidents could be improved. • The Service works well with other fire and rescue services. • Incident commanders have a good understanding of JESIP. • Cross border exercises lack corporate oversight. • The Service is an active and valued member of the West Mercia Local Resilience Forum. • The Service shares and contributes to national learning. • The Service has improved staff training and exercising on marauding terrorist attacks. <p>Area for Improvement: The Service should make sure it has an effective method to share fire survival guidance information with multiple callers and that it has a dedicated communication link in place.</p>

	<p><i>“We found a good level of understanding, among operational firefighting staff, of procedures for fighting a fire in a tall building. But there was limited knowledge from all staff as to fire survival guidance (FSG) and evacuation procedures when changing from a stay put to a simultaneous evacuation”.</i></p> <p>Area for Improvement: The Service should make sure it has an overarching cross-border exercise strategy. The strategy should assure the service that exercise objectives are in line with community risk management plan risks and that learning is recorded, shared and actioned:</p> <p><i>“The service should make sure it has an overarching cross-border exercise strategy”.</i></p>
Making best use of resources	<ul style="list-style-type: none"> • The Service has improved how it allocates resources to meets its objectives. • The Service has made improvements to staff productivity and is delivering new ways of working. • The Service explores collaboration opportunities but still needs to monitor, review and evaluate the benefits. • The Service has effective continuity arrangements in place. • The Service shows sound financial management. <p>Area for Improvement: The Service should make sure it effectively monitors, reviews and evaluates the benefits and outcomes of any collaboration activity:</p> <p><i>“There has been insufficient progress on the area of improvement (AFI) from the last inspection - therefore, this AFI will remain”.</i></p>
Future affordability	<ul style="list-style-type: none"> • The Service understands its future financial challenges, but needs to develop its savings plan. • The Service has plans for using reserves. • The new fleet and estates plans are clearly linked to its CRMP. • The Service invests in technology to support change and improve efficiency. • External funding and income generation is limited. <p>Area for Improvement: The Service needs to make sure it has adequate plans in place to close its identified budget gaps:</p> <p><i>“The service told us that it would develop a savings plan alongside its next CRMP. However, at the time of inspection, savings options were not established, evaluated, or prioritised”.</i></p>
Promoting the right values and culture	<ul style="list-style-type: none"> • Values are accepted and maintained throughout the Service. • Staff have access to appropriate services to support mental and physical health.

	<ul style="list-style-type: none"> • The Service has appropriate health and safety provision in place. • The Service has clear processes to manage staff absence. <p>Area for Improvement: The Service should monitor secondary contracts to make sure staff don't work excessive hours:</p> <p><i>"We found that there has been only limited progress on the monitoring of staff who have secondary employment or dual contracts to make sure they comply with the secondary employment policy and don't work excessive hours".</i></p>
Getting the right people with the right skills	<ul style="list-style-type: none"> • The Service has improved its workforce planning. • Workforce skills and capabilities are managed well. • The Service supports staff with learning and development.
Ensuring fairness and promoting diversity	<ul style="list-style-type: none"> • The Service and senior leaders seek feedback from staff. • Most staff are confident with the Service's approach to dealing with bullying, harassment and discrimination. • The Service acts positively to improve diversity in recruitment. • The Service promotes equality, diversity and inclusion.
Managing performance and developing leaders	<ul style="list-style-type: none"> • The Service effectively manages individuals' performance. • The Service needs to do more to assure the workforce that promotion and progression processes are fair • The Service has diversified its leadership, but it can do more. • The Service should improve plans to develop leadership and high-potential staff at all levels. <p>Area for Improvement: The Service should make sure it has processes in place to manage and develop talent within the organisation:</p> <p><i>"But, of those that completed our survey, only 60 percent (184 out of 307) felt that promotion processes are fair".</i></p>

10. Seven of the Areas for Improvement highlighted are continuations of previous AFIs which the Service is actively working toward addressing through the existing Improvement Plan and will continue to do so as part of the next Improvement Plan hence we can now close the reporting on the previous 2021 HMICFRS report.

HMICFRS Improvement Plan

11. The 11 Areas for Improvement (AFIs) in the report will be factored into the next HMICFRS Improvement Plan, alongside any outstanding actions from the previous Improvement Plan.
12. The Strategic Leadership Board (SLB) will be required to recommend the strategic direction for each AFI and designate leads for the AFIs and the actions that will make up the next Improvement Plan.
13. The draft Improvement Plan will be produced for Members' approval at the next Fire Authority meeting in February 2024.
14. The delivery of the Improvement Plan will be coordinated by members of the Performance and Information (P&I) team, who meet regularly with senior managers responsible for each Area for Improvement to prepare updates on actions proposed and completed. The P&I team also ensure that actions carried out are fully evidenced and available for evaluation and audit.

Conclusion/Summary

15. Members are recommended to note the outcomes and findings of the HMICFRS inspection report 2023.
16. Further updates relating to the production of the next Improvement Plan will continue to be provided to the Fire Authority.

Corporate Considerations

<p>Resource Implications (identify any financial, legal, property or human resources issues)</p>	<p>The HMICFRS Inspection Report highlights areas for improvement relating to effectiveness, efficiency and people. Resource implications will be considered as part of the Improvement Plan.</p>
<p>Strategic Policy Links & Core Code of Ethics (Identify how proposals link with current priorities & policy framework and align to the Core Code of Ethics)</p>	<p>Areas for Improvement with links to strategic policies will be considered as part of the Improvement Plan.</p>
<p>Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).</p>	<p>Any risks associated with proposals will be assessed through the development of the next Improvement Plan.</p>
<p>Consultation (identify any public or other consultation that has been carried out on this matter)</p>	<p>The publication of the inspection report involved the full participation of Senior Managers in relevant Service departments. The report is publicly available through HMICFRS and will be featured on the Service website.</p>
<p>Equalities (has an Equalities Impact Assessment been completed? If not, why not?)</p>	<p>An EIA is not required for this report. EIAs will be completed as appropriate when preparing proposals through the Improvement Plan.</p>
<p>Data Protection Impact Assessment (where personal data is processed a DPIA must be completed to ensure compliant handling)</p>	<p>Impact assessments will be completed as required for specific actions that are proposed in the next Improvement Plan.</p>

Supporting Information

Appendix 1 – HMICFRS Inspection Report 2023

Report of the Chief Fire Officer

Resource Review

Purpose of report

1. To review how the Authority can respond to the challenges around On-Call availability, improve the resilience of the Service overall and ensure the most efficient and effective use of resources.
-

Recommendation

It is recommended that:

1. *the following proposals be supported, subject to consideration of the responses to public consultation:*
 - (i) *removal of eight On-Call fire engines (from multi-pump fire stations);*
 - (ii) *increase Wholetime workforce numbers to provide more on duty firefighters;*
 - (iii) *develop a new blended staffing model at some locations to improve availability;*
 - (iv) *change the cover model of one other fire engine to widen the area of potential On-Call staff;*
 - (v) *provide alternative, more flexible modes of transport for available firefighters to attend incidents, at some locations; and*
 - (vi) *focus on additional prevention activity in some areas.*
2. *Officers be authorised to go out to public consultation on the proposals.*

Introduction and Background

2. This Resource Review has been undertaken to understand and assure the Fire Authority, stakeholders, and the community that the Authority is making the best use of the available resources and funding to provide the most effective service possible.
3. The Authority currently deploys 41 fire engines across 25 fire stations in different ways. All 25 of the Authority's fire stations have at least one fire engine that is crewed by On-Call firefighters. Of these, 17 fire stations within the two counties are solely crewed by On-Call firefighters. The eight busier fire stations are in the larger towns and cities and currently have a mix of fire engines crewed by both Wholetime and On-Call firefighters, where the Wholetime fire engine is normally the first to be deployed.

4. The Service attends 7,366 incidents per year (on average) and attends 68% more incidents in the daytime than it does at night.
5. Not all fire engines are used equally, for a variety of reasons, which are explored in this review. The first fire engine at each location is used the most. Therefore, this review does not propose to close any fire station or remove or reduce any first fire engine at any location. These proposals would mean that in some locations the first fire engine would have increased crewing, resilience, and faster response times.
6. Having completed a comprehensive review of availability and incident data, Officers are now able to recommend several changes to ensure that resources are used in a more effective way. All relevant information has been collated into the Resource Review document (Appendix 1). The base data used has been collated into a Data Pack which is available for review online <https://www.hwfire.org.uk/your-right-to-know/consultation/>.

Why a review?

7. The Authority faces several challenges in ensuring that the On-Call firefighter duty system is sustainable and affordable for the future. The On-Call duty system is the foundation for fire cover across both counties, but in recent years has seen an increase in costs and the need for a larger number of staff required to support it, alongside a decline in the availability of some fire engines.
8. There is also a need to develop and change some of the On-Call ways of staffing and working and this review proposes several new ways of utilising and staffing On-Call fire engines.
9. There is an acute need to improve resilience on the busiest Wholetime fire engines and reduce the excessive need for overtime shifts to be worked. This review aims to ensure that, where possible, there is an improvement in fire engine availability across the Service. These proposals will also see some first (and busiest) fire engines that are routinely crewed with four firefighters being crewed with five firefighters. This additional resilience will then release staff currently used to support Wholetime fire engines to then be able support On-Call fire engines, in particular during the daytime.

On-Call challenges

10. There is a growing difficulty in recruiting and retaining sufficient On-Call firefighters in many locations, with the correct skills to keep appliances available 24/7. This is an issue that affects all On-Call appliances to some degree, and not just those on multi-pump stations where it is often the most acute. People in our communities are now more reluctant to give up their personal time to be On-Call and businesses are more reluctant to release people to be On-Call firefighters.
11. Due to the above pressures and other societal factors, those who are On-Call firefighters now tend not to provide the same amounts of cover as was the norm

in the past. Therefore, the Authority needs to employ significantly more people providing less cover to maintain high levels of availability, which has a significant cost implication.

12. The Authority currently employs around 370 On-Call firefighters. If all existing On-Call appliances were to be fully crewed then it is estimated that the number employed would need to increase to over 500 and whilst a recent On-Call recruitment project has had some success, it is not realistic to think such a target would be achievable, affordable, or sustainable.
13. The problem of On-Call recruitment and retention has been a downward trend for some years. In the past, Wholetime staff would have been utilised to bolster On-Call crews and help keep fire engines on the run wherever possible. However, those resources are now having to be utilised primarily to underpin the Wholetime system.

Wholetime resilience

14. The decisions the Authority had to take in 2014 in the face of severe budgetary reductions were necessary and appropriate at the time, but they have left the Service with very little resilience in the Wholetime shift system which crews the busiest fire engines that attend thousands of calls per year. The use of overtime shifts undertaken by all operational staff has increased significantly to keep Wholetime fire engines available due to a lack of inbuilt resilience and staffing shortages, which has become an inefficient use of funding, and may not be sustainable.
15. Increasing Wholetime staffing levels in some locations to have five firefighters usually available each shift instead of four has two benefits. Firstly, there is inbuilt resilience for unexpected absences or training events where the fire engine can still be available with the remaining four firefighters. Secondly, it also means when this capacity is not being utilised the fire engine will respond with five firefighters instead of four, providing more firefighters on the busiest fire engines, to thousands of incidents per year.

How do we solve it?

16. To address these issues this proposal aims to reinvest all the money saved by removing the eight fire engines to improve the resilience in the Wholetime duty system, to release capacity to support the On-Call staff, and to provide some Wholetime firefighters on two On-Call locations during the day to increase resilience and carry out prevention work. In doing so we will create a more sustainable reduced On-Call duty workforce, develop new ways of working and optimise the use of the available Wholetime and On-Call staff.

How will we do this?

17. Having carefully considered the options for reinvestment the following is recommended:

- Increase Wholetime workforce numbers to provide more on duty firefighters.
 - Develop a new blended model at some locations.
 - Change the cover model of one other fire engine to widen the area of potential On-Call staff.
 - Provide alternative, more flexible modes of transport at some locations.
 - Focus on additional prevention activity in some areas.
18. Please note the review does not propose closing any fire stations or first fire engines and all the funding achieved by the removal of the fire engines will be reinvested in crewing the remaining busier fire engines.

What did the Review find?

19. To conduct this review, data has been collated and analysed from a range of sources, to build a picture of how well utilised these fire engines have been. The analysis examined three years of data and found that on average the Service attends 7,366 incidents per year and attends 68% more incidents in the daytime than it does at night.
20. The fire engines examined in this review:
- Are the least used across the Service.
 - Attend an incident as the first or only fire engine less than 4 times per year on average when there is no other fire engine available to attend on the same station at the time of the incident (a total of 29 per year on average for the eight fire engines).
 - Attend on average a total of 410 incidents each year including times when they have attended as a supporting fire engine (just 5.57% of all incidents attended by HWFRS).
 - Attend a total of 220 incidents (2.99% of all incidents) each year as the first or only fire engine; however, analysis shows that 192 of these incidents there was another fire engine available on the same station that could have attended instead of them.
 - This means the removal of these eight fire engines would have affected the response times to only 29 incidents of the 7,366 total incidents the service attends on average each year (an average of four incidents per fire engine or 0.38%).
 - In addition, they attend on average just 335 incidents (4.54% of all incidents) each year in their own station area and are not used at 47.33% of the incidents they attend (they attend for less than 20 minutes).
 - The cost per year associated with retaining these eight fire engines is a total of £881,000.
21. Between the period of 01/04/2022 and 31/03/2023 the fire engines identified have not been available to respond to an emergency 68% of the time (on average) as they often do not have suitably qualified, skilled, or enough available On-Call firefighters to crew the fire engine at the time required.

What are the Proposals?

22. The proposal is that eight On-Call fire engines are removed (from multi-pump fire stations) and for one other fire engine to have a change to its cover model, allowing resources to be reallocated:
- 4th fire engine at Wyre Forest Station – reduced On-Call unit to remain on the Station.
 - 3rd fire engine at Redditch Station – reduced On-Call unit to remain on the Station.
 - 2nd fire engine at Bromyard Station– reduced On-Call unit to remain on the Station.
 - 2nd fire engine at Malvern Station – reduced On-Call unit to remain on the Station mainly for special appliances.
 - 2nd fire engine at Leominster Station– reduced On-Call unit to remain on the Station.
 - 3rd fire engine at Hereford Station– night cover On-Call unit only to remain on the Station.
 - 2nd fire engine at Droitwich Station– On-Call unit to be removed in its entirety.
 - 3rd fire engine at Worcester Station– night cover On-Call unit only to remain on the Station.
 - 3rd fire engine at Wyre Forest Station – cover model change to nights only and increased turn in time for firefighters to eight minutes.

What is the Reinvestment?

23. The table below summarises the proposed reinvestment:

Station	Proposal
Wyre Forest	First crewed fire engine will increase Wholetime crewing from four to five firefighters on most occasions, On-Call units will crew special appliances (as required at those locations) and use a dedicated 4-wheel drive vehicle.
Worcester	
Hereford	
Malvern	On-Call units will crew special appliances (as required at those locations) and use a dedicated 4-wheel drive vehicle.
Redditch	
Leominster	On-Call units will crew special appliances (as required at those locations), use a dedicated 4-wheel drive vehicle, and will receive an establishment of Wholetime staff to improve the level of fire cover for the first fire engine, reduce response times and increase the available resources to significantly improve the prevention work undertaken in these communities.
Bromyard	

The Benefits

24. Based upon the analysis completed during this review, the proposed changes will provide a more resilient fire service for members of the public. No fire stations are being closed and there will normally be more firefighters riding the busiest fire engines. The Service's fire stations will still normally have the first fire engine to respond in an emergency. Furthermore, the investments proposed should improve the availability of some of the first 25 fire engines and support for many On-Call fire engines.
25. There are several other benefits to the public which include:
- Increased delivery of prevention activities
 - Over 50 firefighters immediately on duty in the day
 - 23 firefighters immediately available on duty at night
 - Ability to deploy additional available firefighters to incidents
 - More efficient and effective use of available resources

Financial Savings and Reinvestment

26. The aim of the review is to ensure that the best service is provided to the local community with the available resources.
27. The review will generate potential savings of £981,000 that could be reinvested. The estimated costs of the proposed reinvestment back into the front line are £967,000.
28. Alongside the current planned Day-Crewing changes, and the resources realised this could increase the overall numbers of Wholetime firefighters to:
- Over 50 firefighters on duty in the day (an increase of 20%).
 - 23 firefighters immediately available on duty at night (an increase of 15%).
29. The proposed changes will be phased in to allow for an evolution into the new delivery model.

Timescales

30. The proposed timescales for delivering the review are:

December 2023	Paper and report presented to the Fire Authority seeking permission to consult on the proposal.
January to March 2024	Public and staff consultation on the proposals.
April/May 2024	Feedback from consultation reviewed and further analysis undertaken as required. Final version of report and recommendations prepared.
June 2024	Paper and final report presented to the Fire Authority for decision.

31. It is proposed to enter a period of public consultation on the proposals. A copy of the proposed consultation questions are available at Appendix 2.
32. Following consultation, amendments may be made, and the Fire Authority will be presented with a final report for consideration.
33. Subject to approval, changes will be phased in to realise savings and rationalise staff numbers via natural turnover wherever possible. It is anticipated that the changes may need to be phased in over several, years, however some changes can be made much more quickly, with some funding necessary to introduce a full number of Wholetime firefighters before steady state savings are achieved in the future.

Conclusion

34. Should the Fire Authority approve the final proposal in June 2024 it would release funding which could be reinvested, supporting the core Response and Prevention strategies, and building a more sustainable long-term future for the On-Call staffing model.

Corporate Considerations

<p>Resource Implications (identify any financial, legal, property or human resources issues)</p>	<p>The Resource Review is focused on the allocation of resources and so has an impact on finances, in terms of savings and reinvestment, increases in Wholetime establishment, and changes to the number and types of vehicles within the Service.</p>
<p>Strategic Policy Links & Core Code of Ethics (Identify how proposals link with current priorities & policy framework and align to the Core Code of Ethics)</p>	<p>This Review contributes to the aims stated in the CRMP (Community Risk Management Plan) 2021-25 and Core Strategies in particular the Response Strategy and Prevention Strategy.</p> <p>It links to the Effectiveness and Efficiency aims of the HMICFRS.</p> <p>The improvements considered within the Review are also aimed at Putting Our Communities First element of the Core Code of Ethics.</p>
<p>Risk Management / Health & Safety (identify any risks, the proposed control measures, and risk evaluation scores).</p>	<p>N/A</p>

Consultation (identify any public or other consultation that has been carried out on this matter)	Consultation will be taking place with staff. In addition, a period of public consultation will be facilitated by an external partner.
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	Yes
Data Protection Impact Assessment (where personal data is processed a DPIA must be completed to ensure compliant handling)	N/A

Supporting Information

Appendix 1 – Resource Review (separate document)

Appendix 2 – Proposed Consultation Questions



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**CONFIDENTIAL
WHEN
COMPLETE**

*Responses will be
independently
processed by
ORS (Opinion
Research Services)*

Resource Review Consultation

This is an opportunity to give your views on Hereford & Worcester Fire and Rescue Service's (HWFRS) proposed changes to resourcing. HWFRS has carried out a Resource Review as part of its duty to ensure it is making best use of its available resources and funding to provide the most effective service possible.

There are several challenges that HWFRS aimed to address through its Resource Review and HWFRS believes that its resources could be rebalanced to improve resilience, crewing levels and availability on some of the busier fire engines and enhance its prevention activity in the community. Under the proposals, HWFRS would remove eight On-Call fire engines from multi-pump fire stations; change the third (On-Call) fire engine at Wyre Forest to night only-cover and allow firefighters up to eight minutes to get to the station; and reinvest all the savings into supporting some the busiest fire engines by providing more Wholetime firefighters on some wholetime and On-Call stations, who are immediately available and on duty during the day and night. **Please note the review does not propose closing any fire stations, removing or reducing any first responding fire engines. All the resources realised from the removal of the eight fire engines will be fully reinvested in other fire engines, this is not a budgetary cut or efficiency review.**

There is an online version of this questionnaire which we encourage you to complete. Please visit www.opinionresearch.co.uk/HWFire by 4th March 2024 [from 08.01.24]; or you can complete this paper questionnaire and return it FREEPOST to arrive by the same date. It should take no longer than 10 minutes to complete.

This survey is being carried out on behalf of HWFRS, by Opinion Research Services (ORS), an independent specialist research practice. All the questions are optional and any information you provide will be processed by ORS in accordance with the latest Data Protection regulations; any personally identifiable information will be kept for no more than 3 months after any decisions have been finalised. ORS will produce an independent consultation report in which feedback from individual members of the public will be anonymous, but views from organisations or someone acting in their official capacity may be attributed in full. For further information, please see www.ors.org.uk/privacy.

If you have any queries about the consultation, you can email HWFRS on consultation@hwfire.org.uk or Catherine Wall at ORS on catherine.wall@ors.org.uk.

You can contact the Market Research Society on 0800 975 9596 to confirm that ORS are a genuine research practice.

Resource Review Consultation Document

We have summarised the main issues in the consultation plan to help you answer our questions. However, you can access the full consultation document by going to: <https://www.hwfire.org.uk/your-right-to-know/consultation/> or you can request a paper copy by emailing consultation@hwfire.org.uk [from 08.01.24]

Background information

Wholetime firefighters are those whose main employment is with the Service - They are considered immediately available to respond to an emergency and work on-duty shifts. On-Call firefighters are those who live or work within five minutes of their fire station and usually have alternative employment away from the Service – there is an allowance of 6 minutes from the time they are alerted to when the fire engine is deployed.

The Service currently has 41 fire engines across 25 strategically located fire stations, with 11 of those fire stations having more than one fire engine located there: 17 of these fire stations are solely crewed by On-Call firefighters and the other eight fire stations (in the cities and larger towns) have a mix of fire engines crewed by both Wholetime and On-Call firefighters (either two, three or four fire engines). The first fire engine at each location is the busiest and most used fire engine ensuring that virtually all parts of the two counties can receive a fire engine within around twenty minutes, even in the most rural areas, with most built up areas receiving a fire engine much more quickly. Wholetime staffed fire engines in the most built-up areas are the most used fire engines in the Service.

All 25 fire stations have at least one fire engine that is crewed by On-Call firefighters. A total of 31 fire engines are crewed solely by On-Call firefighters across the 25 locations, with five other fire engines crewed by Wholetime firefighters during the day and crewed at night by On-Call staff.

Q1. Which of the following best describes the capacity within which you are responding to this questionnaire?

PLEASE TICK ✓ ONE BOX ONLY

Member of the public	<input type="checkbox"/>	Representative of a local organisation	<input type="checkbox"/>
Staff member at HWRFS	<input type="checkbox"/>	Other	<input type="checkbox"/>

If you are a HWRFS staff member, or you are representing an organisation, please provide your name/organisation name below.

A need for change

HWRFS has a number of challenges that it aimed to address through its Resource Review, namely:

- *To improve resilience in the busiest Wholetime fire engines and increase crewing levels,*
- *To improve the availability of all the remaining fire engines,*
- *To ensure that the On-Call firefighter duty system is more sustainable and affordable,*
- *To increase community engagement and capacity to deliver more Prevention activities,*

- To explore new ways of working with On-Call staff,
- To further improve the operational support for On-Call fire stations,
- To reduce the need for excessive overtime shifts to be worked on Wholetime fire stations.

HWFRS believes that its resources could be rebalanced to provide improved resilience and crewing levels on busier fire engines, improve support for On-Call fire engines, develop new more sustainable ways of On-Call working, and undertake prevention (home and community safety) activity in the community.

Q2. To what extent do you agree or disagree that HWFRS should develop or alter the current On-Call staffing model in HWFRS and rebalance how the Service allocates its resources and improve availability?

PLEASE TICK ✓ **ONE BOX ONLY**

Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Removal of On-Call fire engines

Outline: The Review, which considered the 11 fire stations with more than one fire engine, identified that up to eight On-Call fire engines could be safely removed from some fire stations with two or more fire engines, and that the way On-Call cover at another station could be changed without adversely affecting the ability to respond effectively to incidents across the two counties. These proposals provide savings which will **all** be used as reinvestment in other busier fire engines to improve resilience, crewing levels, and support more prevention work across communities.

The Review found that these eight fire engines per year on average:

- attend only 29 emergency response incidents or 0.38% of all incidents each year as the first or only fire engine when there is no other fire engine available. Across the 8 fire engines this is an average of less than 4 emergencies per fire engine per year where they go as the first fire engine in attendance in these circumstances.
- attend just 325 incidents or 4.41% of all incidents each year in their own station area.
- attend only a total of 410 incidents each year across the Service, most often as a supporting fire engine. This equates to just 5.57% of all incidents attended by HWFRS. This ranges from 0.31% to 1.14% across the eight fire engines and these are the lowest number of incidents attended by any fire engine. When they are not available (on average 68% of the time) this role is being filled by another nearby fire engine.
- are deemed to be not used at 47.59% of the incidents they attend.
- have an overall availability of just 31.99% as they often do not have suitably qualified, skilled or enough available On-Call firefighters to crew the fire engine at the time required.

Proposal: HWFRS is proposing to remove the following eight On-Call fire engines from multi-pump fire stations, reducing overall staffing levels to meet the needs of the fire stations and to allow reallocation of savings:

- Fourth fire engine at Wyre Forest Station (reduced On-Call unit to remain)
- Third fire engine at Redditch Station (reduced On-Call unit to remain)
- Third fire engine at Hereford (night cover On-Call unit only to remain)

- Third fire engine at Worcester (night cover On-Call unit only to remain)
- Second fire engine at Bromyard (reduced On-Call unit to remain)
- Second fire engine at Malvern (reduced On-Call unit to remain mainly for special appliances)
- Second fire engine at Leominster (reduced On-Call unit to remain)
- Second fire engine at Droitwich (On-Call unit to be removed in its entirety)

The review considered the impact that the loss of eight of the 41 fire engines would have on overall levels of Service resilience, and it is not envisaged that overall engine availability and response times, or overall resilience levels for larger incidents will be affected in any material way by the removal of the fire engines as proposed. It has been identified that the fire engines in question attend emergency calls on average only 29 incidents each year as the first or only fire engine of the 7,366 total, that is around and average of 4 incidents per fire engine per year.

Q3. To what extent do you agree or disagree with the proposal to remove eight On-Call fire engines from stations with two or more fire engines, in order to release under-used resources that can be utilised on other busier fire engines?

PLEASE TICK ✓ **ONE BOX ONLY**

Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Changing the third (On-Call) engine at Wyre Forest to night-only cover

Outline: On-Call firefighters are currently required to live or work within five minutes of the fire station. For the third fire engine at Wyre Forest, if firefighters were allowed to live or work within eight minutes of the fire station, this would increase the number of households to potentially recruit firefighters by almost 31,000 (an increase of 207%) making the future recruitment model more sustainable. This fire engine has two other fire engines immediately available in neighbouring towns during the day, but only one at night, hence the need for night cover only. There are usually at least three other nearby/neighbouring wholetime HWFRS fire engines, but only two at night, hence the option for night cover only, this also mitigates the challenges for On-Call recruitment during the daytime periods for Wyre Forest Fire Station.

Proposal: HWFRS is proposing to change the third (On-Call) fire engine at Wyre Forest to night only-cover and allow firefighters up to eight minutes to get to the station.

Q4. To what extent do you agree or disagree with the proposal to change the third (On-Call) engine at Wyre Forest to night-only cover, and allow firefighters up to 8 minutes (up from 5) to get to the station?

PLEASE TICK ✓ **ONE BOX ONLY**

Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reinvesting savings to support the busiest fire engines

Outline: By reinvesting savings into supporting the busiest fire engines there would be additional resilience for the most used 25 fire engines. This will normally provide the availability of over 50 wholetime firefighters on duty in the day (from around 43) and 23 firefighters immediately available on duty at night (from 20) to respond to incidents, alongside additional firefighters available On-Call at night on the new day crewing model.

Proposal: HWFRS is proposing to reinvest all the savings into supporting the busiest fire engines by providing more Wholetime firefighters, who are immediately available and on duty during the day and night. By improving Wholetime resilience this will release some resources currently used to underpin Wholetime shortfalls to be able to support other On Call fire engines across the Service area.

The table below summarises the proposed reinvestment:

Station	Proposal
Wyre Forest	First crewed fire engine will increase Wholetime crewing from four to five firefighters on most occasions providing the public with more firefighters as quickly as possible when they most need them, On-Call units will crew one fire engine at night and crew special appliances (as required at those locations) and use a dedicated 4-wheel drive vehicle to mobilise any available On-Call Firefighters to incidents as required.
Worcester	
Hereford	
Malvern	On-Call units will crew one fire engine and where applicable crew some special appliances (appliances used for specific types of incidents, provided as required for local need) and/or be able to use a dedicated separate vehicle to transport any available additional On-Call Firefighters to some incidents, as required.
Redditch	
Leominster	On-Call units will crew one fire engine and any special appliances (as required at those locations), use a dedicated 4-wheel drive vehicle (as above), and will receive an establishment of Wholetime staff to improve the level of fire cover for the first fire engine during the daytime, reduce response times and increase the available resources to significantly improve the prevention work undertaken in these communities.
Bromyard	

Q5. To what extent do you agree or disagree with the proposal to reinvest all the savings into supporting other fire engines by providing more Wholetime firefighters, who are immediately available and on duty during the day and night, and to provide improved daytime support for other On-Call fire engines?

PLEASE TICK ✓ **ONE BOX ONLY**

Strongly agree <input type="checkbox"/>	Tend to agree <input type="checkbox"/>	Neither agree nor disagree <input type="checkbox"/>	Tend to disagree <input type="checkbox"/>	Strongly disagree <input type="checkbox"/>	Don't know <input type="checkbox"/>
--	---	--	--	---	--

Using alternative, more flexible modes of transport

***Outline:** There will be instances where the first On-Call fire engine at a station is mobilised to an incident with a crew of four, five or six, and there may be additional firefighters available and respond into that station. If the incident requires it these firefighters could travel to that incident in the four-wheel drive vehicle to supplement and support the crew on the first fire engine. The full normal attendance of fire engines will still be sent (termed a Pre-Determined Attendance), and these vehicles will be for transporting additional staff only and will not be a 'response' vehicle with equipment or deployed as such.*

***Proposal:** HWFRS is proposing to provide alternative, more flexible modes of transport (i.e. smaller compact fire engines, four-wheel drive vehicles), to fully utilise available firefighters, at locations where a fire engine has been removed.*

Q6. To what extent do you agree or disagree with the proposal to provide alternative, more flexible modes of transport (i.e. four-wheel drive vehicles) for any available additional On-Call Firefighters?

PLEASE TICK ✓ **ONE** BOX ONLY

Strongly agree <input type="checkbox"/>	Tend to agree <input type="checkbox"/>	Neither agree nor disagree <input type="checkbox"/>	Tend to disagree <input type="checkbox"/>	Strongly disagree <input type="checkbox"/>	Don't know <input type="checkbox"/>
---	--	---	---	--	---

Implementing a more sustainable On-Call staffing model

***Outline:** The review shows the current large establishment of On-Call fire engines is not sustainable within the current budget and crewing model, and not required based on the data on usage and availability. It may not actually be possible to sustainably recruit the numbers of On-Call Firefighters required in some multi-appliance fire station areas. The review also shows the challenges of recruiting and retaining On-Call staff is continuous and there are more sustainable and feasible options available to maintain a high level of operational cover. The proposal aims to reallocate savings made to provide more Wholetime firefighters, alternative vehicles, and staffing models which will increase the available resources and improve prevention work in our communities.*

***Proposal:** HWFRS is proposing to use the savings generated to provide a more sustainable staffing model, and explore some new ways of working with some of the existing On-Call staffing models.*

Q7. To what extent do you agree or disagree with the proposal to use the savings generated to provide a more sustainable staffing model?

PLEASE TICK ✓ **ONE** BOX ONLY

Strongly agree <input type="checkbox"/>	Tend to agree <input type="checkbox"/>	Neither agree nor disagree <input type="checkbox"/>	Tend to disagree <input type="checkbox"/>	Strongly disagree <input type="checkbox"/>	Don't know <input type="checkbox"/>
---	--	---	---	--	---

Any further comments?

Q8. Do you have any OTHER COMMENTS about the proposed changes to Resourcing?

PLEASE ANSWER IN THE BOX BELOW AND CONTINUE ON A SEPARATE SHEET IF NECESSARY

Further Research

ORS may wish to contact you to invite you to take part in a small focus group or forum, prior to reporting the findings of this consultation. You would need to provide your name and contact details but there is no obligation to take part at any stage. Personal information provided will be held securely by ORS, will not be passed on to any other party, and kept for no more than 3 months after any decisions have been finalised.

Are you happy for ORS to contact you to invite you to take part in a focus group or forum, and if so, to provide contact details to enable them to do so?

PLEASE TICK ✓ **ONE BOX ONLY**

Yes - I am happy to be contacted by ORS and invited to take part in further research relating to this consultation on the Resource Review Consultation.	<input type="checkbox"/>
No - I would rather not be contacted by ORS about research relating to this consultation on the Resource Review Consultation.	<input type="checkbox"/>

If you happy to be contacted by ORS to invite you to take part in further research, please provide your name and preferred contact details below.

Name	<input type="text"/>
Telephone number	<input type="text"/>
Email address	<input type="text"/>

Profiling information

If you are responding *on behalf of* an ORGANISATION, which organisation do you represent?

Please name the organisation and any specific group or department. Please also say who the organisation represents, what area it covers, and how you gathered the views of members.

PLEASE ANSWER IN THE BOX BELOW AND CONTINUE ON A SEPARATE SHEET IF NECESSARY

If you are providing your own PERSONAL RESPONSE, please answer the questions below

HWFRS has a duty to promote equality and ensure all parts of the community are included in this consultation, but the following questions are optional. All consultation responses will be taken into account regardless of whether you provide your details below.

What is your full postcode?

This will help HWFRS understand views in different areas

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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PLEASE TICK ✓ ONLY ONE BOX FOR EACH QUESTION

What was your age on your last birthday?

- | | |
|--|-------------------------------------|
| <input type="checkbox"/> Under 25 | <input type="checkbox"/> 55 to 64 |
| <input type="checkbox"/> 25 to 34 | <input type="checkbox"/> 65 to 74 |
| <input type="checkbox"/> 35 to 44 | <input type="checkbox"/> 75 to 84 |
| <input type="checkbox"/> 45 to 54 | <input type="checkbox"/> 85 or over |
| <input type="checkbox"/> Prefer not to say | |

What is your ethnic group?

- White British
- Mixed or multiple ethnic groups
- Asian or Asian British
- Black, African, Caribbean or Black British
- Any other ethnic group
- Prefer not to say

What is your gender?

- Male
- Female
- Non-binary
- Transgender
- Other
- Prefer not to say

Do you work for Hereford & Worcester Fire and Rescue Service?

- Yes
- No
- Prefer not to say

Do you consider yourself to have a disability?

- Yes
- No
- Prefer not to say

THANK YOU FOR YOUR TIME

Please return the questionnaire to arrive by **4th March 2024** to:
Opinion Research Services · FREEPOST SS1018 · PO Box 530 · Swansea · SA1 1ZL

Report of Head of Legal Services

Fire Authority and Committee Dates 2024/25

Purpose of report

1. To approve the meeting dates for 2024/25.
-

Recommendation

It is recommended that the meeting dates for 2024/25 be agreed.

Meeting Dates 2024/25

2. Attached at Appendix 1 are the proposed Authority meeting dates for 2024/25. These meeting dates have been checked with Worcestershire County Council and Herefordshire Council in a bid to avoid any clashes in Members' diaries so far as possible. For ease of reference, the already confirmed 2024 dates up to June 2024 have also been included (in blue).
3. As 2025 meeting dates have not been scheduled for either Council, we have requested that our dates be taken into account when setting the dates of their meetings.
4. Committee Services will send electronic meeting calendar invites in due course to assist with your diary planning.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	None
Strategic Policy Links & Core Code of Ethics (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	None
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	None

Consultation (identify any public or other consultation that has been carried out on this matter)	Consultation with Senior Management Board Members and constituent authorities.
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	Not applicable
Data Protection Impact Assessment (where personal data is processed a DPIA must be completed to ensure compliant handling)	

Supporting Information

Appendix 1 – Hereford & Worcester Fire Authority 2024/25 Meeting Dates.

Hereford & Worcester Fire Authority 2024/25 Meeting Dates

Meeting	Date	Time	Location
Audit & Standards	Wed 17 Jan 2024	10.30	Wyre Forest Council Chamber
Special Policy & Resources (if required)	Tues 30 Jan 2024	10.30	Wyre Forest Council Chamber
FRA	Tues 13 Feb 2024	10.30	Wyre Forest Council Chamber
Policy & Resources	Wed 6 Mar 2024	10.30	Wyre Forest Council Chamber
Audit & Standards	Wed 17 April 2024	10.30	Wyre Forest Council Chamber
Policy & Resources	Wed 8 May 2024	10.30	Wyre Forest Council Chamber
FRA	Wed 26 June 2024	10.30	Wyre Forest Council Chamber
Audit & Standards	Tues 30 July 2024	10.30	Wyre Forest Council Chamber
Policy & Resources	Wed 11 Sept 2024	10.30	Wyre Forest Council Chamber
Audit & Standards	Wed 25 Sept 2024	10.30	Wyre Forest Council Chamber
FRA	Wed 16 Oct 2024	14.00	Herefordshire Council Offices
Policy & Resources	Wed 20 Nov 2024	14.00	Wyre Forest Council Chamber
FRA	Wed 11 Dec 2024	10.30	Wyre Forest Council Chamber
Audit & Standards	Wed 15 Jan 2025	10.30	Wyre Forest Council Chamber

Special Policy & Resources (if required)	Wed 29 Jan 2025	10.30	Wyre Forest Council Chamber
FRA	Wed 19 Feb 2025	10.30	Wyre Forest Council Chamber
Policy & Resources	Wed 5 Mar 2025	10.30	Wyre Forest Council Chamber
Audit & Standards	Wed 16 April 2025	10.30	Wyre Forest Council Chamber
Policy & Resources	Wed 11 June 2025	10.30	Wyre Forest Council Chamber
FRA	Wed 25 June 2025	10.30	Wyre Forest Council Chamber



Hereford & Worcester Fire Authority

Policy and Resources Committee

Tuesday, 14 November 2023, 10:30

Chairman: Mr R J Phillips

Vice-Chairman: Mr C B Taylor

Minutes

Members Present: Mr D Boulter, Mrs J Carwardine, Mr D Chambers, Mr D Davies, Mr R J Phillips, Ms L Robinson, Mr C B Taylor, Mr R M Udall, Mr T Wells

0243 Apologies for Absence

Apologies were received from Cllr J Monk and Cllr D Morehead.

0244 Named Substitutes

There were no named substitutes.

0245 Declarations of Interest (if any)

Cllr R Phillips declared that he was Vice Chair of the Firefighters Scheme Advisory Board (England and Wales), Chair of the Local Government Pension Scheme Advisory Board (England and Wales), and a member of the NJC for Fire Service (Grey Book and Green Book).

0246 Confirmation of Minutes

RESOLVED that the minutes of the Policy and Resources Committee meeting held on 12 September 2023 be confirmed as a correct record and signed by the Chairman.

0247 Budget Monitoring 2023/24 – Quarter 2

The Treasurer informed Members of the current position on the revenue and capital budget for 2023/24 and gave an update on Treasury Management.

Members were informed that as part of the routine second quarter budget

review the Strategic Leadership Board identified small projected savings of £0.086m. There were also £0.184m of capital finance savings as a result of a pause in the programme pending the outcome of the resource review.

Members were advised that it was proposed to use £0.050m of the overall £0.270m to bring the saving to funding of the Breathing Apparatus project up to the final expected cost of £1.3m.

[Cllr Davies entered the meeting at 10.33am]

It was further proposed to use the remaining £0.220m to support the Hereford Fire Station replacement project and in particular the revenue costs of a temporary fire station whilst redevelopment of the site is undertaken.

Members were pleased to note that the April 2023 pay award for Green Book (support staff) had now been settled. Payments, which were as budgeted for, would be backdated to staff from 1 April 2023.

In relation to Treasury Management, Members noted that the Authority is significantly “under-borrowed” to the extent of around £10m. This shortfall is funded by disinvesting the large cash balances held in relation to the ear-marked revenue reserves. As the Invest to Improve programme progresses, this cash will be used up and additional long-term borrowing will be required.

RESOLVED that the Committee:

- i) Confirmed the revenue budget allocation adjustments;***
- ii) Noted the current projection of a £0.270m revenue underspending;***
- iii) Noted the projected expenditure on “Invest to Improve” projects;***
- iv) Approved the allocation of £0.050m of the revenue underspend to the Breathing Apparatus project;***
- v) Approved the allocation of the remaining £0.220m of the revenue underspend to the Hereford Fire station project; and***
- vi) Noted the implementation of approved changes to the Capital Budget.***

0248 Property Update

The Assistant Chief Fire Officer - Director of Protection and Assets

provided Members with an update on the current property programme.

Members had previously been informed of the inflationary pressures being seen across the building sector. Taking this into account the Treasurer is building in contingency funds in anticipation of the current capital build programme. Members will be updated as the projects develop, with particular regard to the largest projects, notably Redditch and Hereford Fire Station builds.

With regard to the Hereford fire station rebuild, Members were informed that only one suitable location had been identified for use as a temporary fire station during the rebuild. In order to ensure those premises were available when required, it would be necessary for the Authority to enter into a lease of the premises now, even though the overall costs of the scheme had not yet been finally approved. The temporary location would also require planning permission for change of use. There was therefore an element of risk involved by entering into a lease at this stage. Members were given details of the proposed lease and following discussion, Members agreed for Officers to proceed with the lease.

At the Policy and Resources Committee meeting in September it was reported that a full planning application for the North Herefordshire Strategic Training Facility had been submitted to Herefordshire Council on 20 December 2022, this had now been approved.

Members noted that a tender process via a construction procurement framework to identify a suitable contractor to build the training facility had closed and contractor interviews were progressing.

Although there was concern from Members in relation to the additional costs of contamination surveys for the disposal of the Kidderminster fire station site, Members were assured that investing money in surveys would strengthen the resale.

A Member queried the capacity for project management of the new builds. The Chief Fire Officer assured Members that as well as our in-house Property and Estates Manager, project management was also undertaken by the office of the PCC on our behalf.

RESOLVED that:

1) The property update and progress of the capital build programme and property maintenance is noted at:

i) Broadway Fire Station;

ii) Redditch Fire Station;

iii) Hereford Fire Station;

iv) North Herefordshire Strategic Training Facility;

v) Relocation of Training Centre to Wyre Forest Fire Station; and

vi) Planned and reactive property maintenance.

2) Officers be authorised to enter into a lease of premises at Hereford for use as a temporary fire station in order to secure the location pending final approval of the new build scheme by the Authority.

0249 2023-24 Performance Report: Q2 (01 July – 30 September 2023)

The Assistant Chief Officer - Director of Prevention presented the Service's performance for Q2, 2023-24.

Members had been provided with an updated version of the report and appendix prior to the start of the meeting.

Members noted that a total of 2,063 incidents were attended in Q2 2023-24, a decrease of 17% on Q2 2022-23 and a decrease of 4% on the five-year average of 2,142 incidents. The Service also attended 17 'Over the Border' incidents during this quarter. 1,949 Home Fire Safety Visits were completed which exceeded the quarterly target of 1875 HFSVs per quarter and the number of inspections of business premises had increased to 428.

Members were reminded that on 1 April 2023 the Service launched the new Attendance Performance Measure (APM). Q2 2023-24 is only the second time the Service has reported on this new measure, therefore there may be a need to adjust the way data is collected and analysed which would be monitored and reviewed regularly.

Members thanked officers for an excellent detailed report.

There was discussion regarding the recent flooding incidents and the Chief Fire Officer confirmed that Hereford & Worcester were one of the best resourced Services for flood rescue capabilities. The Chief Fire Officer assured Members that a report to a future Policy and Resources Committee meeting would be provided to Members about water rescue capability.

A Member sent their personal thanks to Worcester Fire Station who had

been called to the flats in St Johns recently.

RESOLVED that the details of the Q2 2023-24 performance headlines be noted, in particular that:

i) A total of 2,063 incidents overall were attended in Q2 2023-2024 which was a decrease of 17% on Q2 2022-2023;

ii) Fires (420) were 48% lower than Q2 2022/23 and lower than the five year average of 601;

iii) Special services (600) was 1% higher than the corresponding quarter of the previous year higher than the five year average; and

iv) False alarms (1,043) had decreased by 3% compared with Q2 2022/23 which was due mainly to a decrease in the number of good intent and malicious false alarms.

0250 Update from the Joint Consultative Committee

The Assistant Chief Fire Officer - Director of Protection and Assets informed Members of the activities of the Joint Consultative Committee since the last update provided on 3 May 2023.

Members noted that the Joint Consultative Committee had met on 3 occasions since the previous update delivered to the Committee on 3 May 2023 (24 May 2023, 5 July 2023 and 27 September 2023).

RESOLVED that the following new and existing items currently under discussion by the Joint Consultative Committee be noted:

i) Duty Systems - Day Crewing;

ii) Fitness and Attendance Management Policies;

iii) Promotion Processes;

iv) Industrial Action;

v) Core Code of Ethics Steering Group;

vi) Time in Motion Review;

vii) Cultural Audit Update;

viii) Property Update;

ix) Project Updates - New Fire Control System, On-Call, and Unwanted Fire Signals; and

x) Pensions Update.

The Meeting ended at: 11:44

Signed:.....

Date:.....

Chairman