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Nottinghamshire and City of Nottingham Fire and Rescue Authority - Meeting of the Authority

Date: Friday 20 September 2024 **Time:** 10.30 am

Venue: Joint Fire / Police HQ, Sherwood Lodge, Arnold, Nottingham, NG5 8PP

Members are requested to attend the above meeting to be held at the time, place and date mentioned to transact the following business

A handwritten signature in black ink, appearing to be 'M. J. Lane'.

Solicitor, Clerk and Monitoring Officer to the Nottinghamshire and City of Nottingham Fire and Rescue Authority

<u>Agenda</u>	<u>Pages</u>
1 Membership To note that Councillor Nick Raine had been appointed to replace Councillor Gul Khan	
2 Apologies for Absence	
3 Declarations of Interest	
4 Minutes To confirm the minutes of the meeting held on 26 July 2024	3 - 20
5 Chair's Announcements	
6 Treasury Management Annual Report 2023/24 Report of the Treasurer	21 - 32
7 His Majesty's Inspectorate of Constabulary and Fire and Rescue Services 2024 Inspection Findings Report of the Chief Fire Officer	To Follow

8	Community Risk Management Plan 2025-28 Report of the Chief Fire Officer	33 - 38
9	His Majesty's Inspectorate of Constabulary and Fire and Rescue Services Standards of Behaviour Report Report of the Chief Fire Officer	39 - 52
10	Annual Report of Information Governance Report of the Chief Fire Officer	53 - 60
11	Grenfell Tower Inquiry Phase 2 Report Report of the Chief Fire Officer	61 - 66
12	Exclusion of the public To consider excluding the public from the meeting during consideration of the remaining items in accordance with Section 100A of the Local Government Act 1972, under Schedule 12A, Part 1, Paragraph 3, on the basis that, having regard to all the circumstances, the public interest in maintaining an exemption outweighs the public interest in disclosing the information.	
13	Changes to the Establishment Annual Report Report of the Chief Fire Officer	67 - 72

Any councillor who is unable to attend the meeting and wishes to submit apologies should do so via the Personal Assistant to the Chief Fire Officer at Fire Services Headquarters on 0115 8388900

If you need any advice on declaring an interest in any item above, please contact the Governance Officer shown on this agenda, if possible before the day of the meeting.

Governance Officer: **Laura Wilson**
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The agenda, reports and minutes for all meetings of the Fire and Rescue Authority can be viewed online at:

<https://committee.nottinghamcity.gov.uk/ieListMeetings.aspx?CIId=224&Year=0>

If you would like British Sign Language interpretation at the meeting, please contact the Service at least two weeks in advance to book this, either by emailing enquiries@notts-fire.gov.uk or by text on SMS: 0115 824 0400



Nottinghamshire & City of Nottingham Fire & Rescue Authority

MINUTES of the meeting held at Joint Fire / Police HQ, Sherwood Lodge, Arnold, Nottingham, NG5 8PP on 26 July 2024 from 10.32 am - 12.36 pm

Membership

Present

Councillor Richard Butler
Councillor Robert Corden
Councillor Sybil Fielding
Councillor Tom Hollis
Councillor Anwar Khan
Councillor Gul Nawaz Khan
Councillor John Lee
Councillor Salma Mumtaz
Councillor Nayab Patel
Councillor Samina Riaz
Councillor Nigel Turner
Councillor Roger Upton

Absent

Councillor Tom Smith
Councillor Jason Zadrozny
Gary Godden – Police and Crime
Commissioner

Colleagues, partners and others in attendance:

Craig Parkin - Chief Fire Officer
Mick Sharman - Assistant Chief Fire Officer
Tracey Stevenson - Assistant Head of Finance
Malcolm Townroe - Solicitor, Clerk and Monitoring Officer
Laura Wilson - Senior Governance Officer

10 Apologies for Absence

Gary Godden – Police and Crime Commissioner
Councillor Tom Smith
Councillor Jason Zadrozny

11 Declarations of Interest

None.

12 Minutes

The minutes of the meeting held on 24 May 2024 were confirmed as a true record and signed by the Chair.

13 Chair's Announcements

The Chair, Councillor Michael Payne, made the following announcements:

- (a) Given the changes to the local MPs in the General Election, a letter will be sent to offer all local MPs a meeting with the Fire Authority Chair and Chief Fire Officer, which is a great opportunity to promote the Service and lay out future challenges, and how our MPs could support the organisation.
- (b) The final report from the Service's recent His Majesty's Inspectorate inspection is due for publication week commencing 12 August. The Chair thanked everyone across the Service who engaged with the inspection team and looks forward to receiving the report, and how that underpins the ambition to be an outstanding fire and rescue service. A link will be circulated to Members for the report once published.
- (c) Dame Diana Johnson is the new Fire Minister and the Chief Fire Officer has written to invite the Minister to Nottinghamshire at the earliest available opportunity. Dame Diana Johnson previously chaired the Home Affairs Select Committee in to fire service culture and the Authority looks forward to a positive reply.
- (d) Nottinghamshire Fire and Rescue Service hosted the summer conference with the Asian Fire Services Association, with over 30 fire and rescue services represented, and approximately 200 delegates. This was a great opportunity to showcase the Service on a national stage, hear from others and learn how the sector can improve together.
- (e) Given the length of the agenda, no Strategic Inclusion Board will take place today, however, following September's Authority, staff networks will be attending to engage with Members and all Members are encouraged to join in.
- (f) The annual Nottingham Pride march is taking place tomorrow. The Chief Fire Officer and many staff will be in attendance and all Members are encouraged to join staff and visibly support the values of the organisation at this event, which starts from 11:00 on Listergate.

14 2023/24 Revenue and Capital Outturn

Tracey Stevenson, Assistant Head of Finance, presented the report detailing the provisional financial performance of the Service for 2023/24, analysing significant variances against the original revenue and capital budgets, and the outturn position provides an overview of the financial position following the completion of the unaudited Statement of Accounts for 2023/24, and highlighted the following points:

- (a) The 2023/24 revenue budget of £49.965m was approved by the Fire Authority in February 2023. The approved budget included a £404k use of the budget pressure support reserve to address the budgeted funding deficit. During the year, additional use of other specific earmarked reserves were approved, increasing the budget to £50.258m. Total expenditure for 2023/24 was £48.931m, representing an underspend by £1.327m (2.64%).

- (b) From this underspend, £327k carry forward requests have been received, where the Service has not been able to complete a specific piece of work in-year and the work and costs will be completed in 2024/25, this reduces the underspend to £1.000m (1.99%). In addition to the carry forwards, £475k is being requested to be moved into earmarked reserves, £300k for future anticipated costs regarding the existing mobilisation system whilst the replacement system is being implemented, and a new reserve of £175k is to be established to support the revenue costs of capital schemes. The £404k use of the budget pressure reserve is not required, and £121k is to be moved to the general fund reserve.
- (c) Expenditure and funding can be summarised as follows:

	Original Budget 2023/24	Revised Budget 2023/24	Actual 2023/24	Variance 2023/24
	£'000	£'000	£'000	£'000
Employees	39,939	40,128	39,393	(735)
Premises	4,111	4,318	4,078	(240)
Transport	2,219	2,225	2,420	195
Supplies and Services	4,394	4,573	4,571	(2)
Third Party Payments	950	951	1,024	73
Support Services	172	171	127	(44)
Capital Financing	2,692	3,093	2,979	(114)
Sales Fees and Charges	(425)	(519)	(495)	24
Other Income	(4,087)	(4,682)	(5,166)	(484)
Net Revenue Expenditure	49,965	50,258	48,931	(1,327)
Funding				
Net Expenditure				
Pension Grant	(2,340)	(2,340)	(2,340)	0
Revenue Support Grant	(6,189)	(6,189)	(6,189)	0
Non-Domestic Rates	(11,286)	(11,286)	(11,286)	0
Council Tax	(29,746)	(29,746)	(29,746)	0
Budget Pressure Reserve	(404)	(404)	0	404
Net Contributions to/-from Other Earmarked Reserves		(293)	509	802
Total Funding	(49,965)	(50,258)	(49,052)	1,206
Net General Fund Surplus	0	0	(121)	(121)

- (d) Wholetime pay is underspent by £379k in total as at March 2024, due to vacancies in the establishment. At the end of March 2024, the number of posts was 16 Full Time Equivalent below the approved establishment. There were 11 transferees from other fire and rescue services in year and 20 apprentice firefighters commenced their training in April 2024. Overtime has been used to cover the ridership in the short term, resulting in a £85k overspend against the pre-planned overtime budget.

- (e) The On-call pay budget is underspent by £219k. The largest variances relate to retaining fees (£62k) and training (£55k). On-call pay can vary significantly from month to month depending on levels of activity. The number of mobilisations can be highly variable and activity levels have generally been lower than expected in 2023/24, notwithstanding spikes of activity relating to flood events. Expenditure on training has been lower than budgeted, due to lower levels of recruits requiring training as a result of having dual contract firefighters. Therefore, this budget has been reduced for 2024/25.
- (f) Non-uniformed pay is underspent by £206k overall, due to vacancies in the establishment.
- (g) Premises costs are underspent by £240k. Significant variances include:
- A £151k underspend relating electricity and a £51k overspend relating to gas. Energy costs have fluctuated significantly since the invasion of Ukraine in February 2022, making budget predictions difficult.
 - Business rates are underspent by £89k, due to a revaluation of West Bridgford station.
 - A £148k underspend on planned building maintenance is mainly due to completion of works slipping into 2024/25. Offsetting this is a £90k overspend relating to reactive building repairs and maintenance. The overspend has been driven by a number of activities, including the removal of asbestos from Eastwood station.
- (h) There is an overspend of £195k in transport related costs. Significant variances include:
- A £359k underspend relating to fuel. Fuel prices have reduced during the year, in addition stock levels at year end are adequate.
 - A £371k overspend on unplanned fleet maintenance. This is due to extending the useful life of the fleet, and due to unscheduled repairs to water and foam tanks.
 - A £83k overspend on outsourced vehicle maintenance. This relates to specific repairs that cannot be carried out by the main contracted company.
 - A £18k overspend relating to mileage claims and public transport costs. There are a number of reasons for this, including an increase in detachments resulting from wholtime vacancies, and mileage allowances/public transport costs paid to staff compulsorily transferred to the Joint Headquarters.
 - A £39k overspend on tyres which has arisen due to extending the useful lives of some vehicles.
- (i) There is a surplus of £484k in other income. Significant variances include:
- £87k relating to secondment income not provided for in the budget.
 - £262k relates to a surplus on interest receivable due to increased interest rates and higher than expected level of funds being available for investment, due to slippage in the capital programme.
- (j) As a part of the outturn position it is proposed that £802k be transferred to earmarked reserves:

Earmarked Reserve	Amount £'000
External Audit Fees – carry forward	144
Training Tower Remedial Work – carry forward	130
Fire Cover Review – carry forward	53
Disaggregation of Tri-Service/Existing Mobilisation System	300
Capital Funding Equalisation	175
Total	802

- (k) Including the above earmarked reserve movements, a net total of £509k has been transferred to earmarked reserves during the year, the total earmarked reserve balance as at 31 March 2024 is £5.846m.
- (l) After the proposed contribution of £121k to the general fund reserves for 2023/24, the general fund reserves stand at £5.082m as of 31 March 2024.
- (m) Total general fund and earmarked reserves as at 31 March 2024 are £10.928m. Movement in reserves during 2023/24 are summarised as follows:

Reserves	Balance 01/04/23 £'000	Net Movement 2023/24 £'000	Balance 31/03/24 £'000
Earmarked	5,337	509	5,846
General Fund	4,961	121	5,082
Total	10,298	630	10,928

- (n) Provisional expenditure for the capital programme for 2023/24 is £7.271m, funded by £6.626m borrowing, £513k revenue contribution to capital outlay (RCCO) and £132k from capital grants. This is an underspend within the year of £1.952m against the revised budget of £9.223m.
- (o) The Service Development Centre and the appliances project have exceeded the budget for 2023/24 by £479k and £433k respectively, due to timing of the certification of the projects work crossing over the two financial years.
- (p) Adjusting for the additional £912k budget allocations, increases the in-year underspend to £2.864m. Total slippage on the programme requiring budgets to be transferred into 2024/25 is £2.678m, resulting in an actual underspend of £186k. £41k of this underspend was to be funded by Emergency Services Mobile Communication Programme grant held in earmarked reserve, the grant will remain in earmarked reserves until needed.
- (q) The summary of variances is as follows:

	Revised Budget 2023/24	Actual 2023/24	Variance 2023/24	2024/25 Budget to be Moved into 2023/24	Slippage to 2024/25	(Under)/Over Spend
	£'000	£'000	£'000	£'000	£'000	£'000
Transport	4,782	4,070	(712)	(433)	1,145	0
Operational Equipment	277	108	(169)	0	169	0
Property	1,917	1,927	10	(479)	436	(33)
IT and Communications	2,247	1,166	(1,081)	0	928	(153)
Total	9,223	7,271	(1,952)	(912)	2,678	(186)
Funded by:						
Borrowing	8,554	6,626	(1,928)	(912)	2,578	(145)
Revenue Contribution to Capital and Earmarked Reserves	654	513	(141)	0	100	(41)
Capital Receipts	3	0	(3)	0	0	0
Capital Grants	12	132	120	0	0	0
Total	9,223	7,271	(1,952)	(912)	2,678	(186)

- (r) In relation to appliances (£2.981m in 2023/24, £2.416m in 2024/25), Angloco Ltd issued a revised build programme for the 17 new pumping appliances which resulted in quicker delivery time of the chassis from Scania, therefore there is a need to bring forward capital expenditure from 2024/25 of £433k now the final outturn position is known.
- (s) Due to the process of securing the finance for the access and inclusion project, the construction programme was delayed until January 2024. Works have commenced at Bingham, Harworth, Ashfield, Misterton and Blidworth fire stations. The project is progressing well against the revised programme, however £322k needs to be slipped into 2024/25.
- (t) In relation to the Service Development Centre (SDC) (£660k) 2023/24, (£1m) 2024/25, work is underway to improve and refurbish welfare and training facilities, fire house control system and enhancement of on-site training provision. The budget in 2023/24 is £660k, which includes an additional £160k allocated to install BA wash facilities at SDC and Mansfield fire station for firefighter safety. The work has been completed requiring budget allocated for 2024/25 to be brought forward into 2023/24 (£479k).
- (u) For the replacement mobilising system £567k has been paid in 2023/24. This project spans multiple years in the capital programme and the £403k remaining budget needs to be slipped into 2024/25. Procurement for the numerous elements of this project is progressing, enabling a revised schedule of project expenditure to be established, this will

inform the profiling of the scheme budget. Members will be updated on the profile of the scheme budget in the 2024/25 capital programme budget monitoring.

- (v) There is a need to repurpose the underspend funded by borrowing of £145k in 2024/25:
- £60k to enable further electrical charging points to be allocated throughout the estate;
 - £68k for remedial works to bring the towers up to the required standard for safe working at height training to be undertaken;
 - £17k for an increase to the light vehicle budgets to allow an MTA vehicle to be purchased.

The repurposing of the underspend means there is no increase to the existing overall approved capital programme.

- (w) The following increases to the 2024/25 capital programme are required:
- £100k increase to the Access and Inclusion scheme. The increase is required due to additional costs being incurred and only a small contingency being built into the original budget. This will be funded from the efficiency programme reserve, as the cost includes improvements to Ashfield Fire Station to make it suitable as a wholetime station which is part of the efficiency programme.
 - £367k increase to the Energy Reduction and Decarbonisation scheme for works at Highfields to be funded by the grant from the Public Sector Decarbonisation Scheme as reported to Finance and Policy committee in March 2024.
 - £894k increase to the fire appliances scheme, £367k of this relates to aligning the budget to original approved scheme budget and £527k is due to the increase in the contract pricing linked to CPI. It is anticipated the additional capital funding requirements will be managed in year from slippage in other projects and the funding will be finalised at year end.

During the discussion that followed the following comments were made:

- (x) All underspend has been allocated to reserves, which has strengthened them.
- (y) It would be beneficial for reports to include percentages alongside the figures to make the impact of amounts clearer.
- (z) The delivery of the capital programme is dependent on capacity plus external issues such as delivery of products, etc, but work is being done to bring in more specialised additional capacity for capital programme delivery.

Resolved to approve

(1) The transfer of £802k of underspends to Earmarked Reserves:

Earmarked Reserve	Amount £'000
External Audit Fees – carry forward	144
Training Tower Remedial Work – carry forward	130

Fire Cover Review – carry forward	53
Disaggregation of Tri-Service/Existing Mobilisation System	300
Capital Funding Equalisation	175
Total	802

- (2) **The slippage of £2.678m on the capital programme.**
- (3) **The 2024/25 budget for the appliances (£433k) and Service Development Centre (£479k) to be accelerated into 2023/24.**
- (4) **The slippage of £28k on light vehicles to be repurposed for rural firefighting and equipment.**
- (5) **The repurposing of the capital budget underspend that is funded by borrowing of £145k:**
 - **£60k to enable further electrical charging points to be allocated throughout the estate;**
 - **£68k for remedial work to bring the towers up to the required standard for safe working at height training to be undertaken;**
 - **£17k to be utilised to fund any overspends on existing schemes.**
- (6) **The following increases to the 2024/25 capital programme:**
 - **£100k increase to the Access and Inclusion scheme;**
 - **£367k increase to the Energy Reduction and Decarbonisation scheme;**
 - **£894k increase to the fire appliances scheme.**

15 Internal Audit Annual Report 2023/24

Andrew Howarth, Audit Team Manager, Nottinghamshire County Council, presented the Head of Internal Audit's Annual Report for 2023/24, identifying the key outcomes arising from the work of Internal Audit for 2023/24 and providing an audit opinion on the adequacy and effectiveness of the Authority's arrangements for governance, risk management and internal control, the Internal Audit Plan for 2024/25, and the outcome of the 5 audits completed during 2023/24, and highlighted the following points:

- (a) Based on the coverage and detailed outcomes, it is considered that the collective evidence provides Substantial Assurance concerning the arrangements in place for governance, risk management and the control environment.
- (b) In the areas reviewed in 2023/24, the following opinions were given, and the following number and priority level of recommendations were made:

Assurance level	Report	Recommendations	
		Priority 1	Priority 2
Substantial	Workforce Planning & Recruitment	0	0
	Information Security (data and physical)	0	2
	Health & Safety	0	3
	Business Continuity Planning	0	1
Reasonable	No audits were in this category.	-	-
Limited	Contract Management	4	2
Opinion not provided	'Leading the Service' standard – Progress against this national Fire Standard. Because of limited progress the audit has been rescheduled for late 2024/25.	-	-

(c) The recommendations and actions can be summarised as follows:

Reports	Recommendations/Actions
Workforce Planning & Recruitment	All findings were positive and found the controls to be effective, therefore no recommendations were made.
Information Security (data and physical security)	Resume compliance checks at working sites, which lapsed during the Covid lockdown. The register of information sharing agreements to be complete, so that it can help ensure that the agreements are monitored and reflect best practice.
Health & Safety	Consider obtaining the BSI ISO 45001 certification. Consider introducing a Health & Safety Risk Register. Complete the plan to address the shortfall in designated Fire Marshals, at the fire stations.
Business Continuity Planning	Business Continuity Test Report to record when the actions arising from the test have been addressed.
Contract Management	Contracts Register to be up to date with the names of current Contract Managers, to help ensure all are aware of their contract management responsibilities. Ensure that all contracts are included in the Contracts Register Ensure that dates are correct in the Contracts Register (including contract start and end dates). Improve consistency across the Service in holding regular contract management meetings with contractors.

Reports	Recommendations/Actions
	<p>Improve consistency across the Service in Contract Managers maintaining a lessons learnt log.</p> <p>Expired contracts can be removed from the information published about contracts on the website, for transparency purposes.</p>

- (d) There is a high implementation rate of 88% on all actions raised since 2018/19. 63% of the actions from 2022/23, whose dates for implementation have now passed, have been implemented. The new Head of Finance will set up a tracker for all actions so that their implementation can be better monitored by the Assurance Board.
- (e) There is substantial assurance over the Governance arrangements as they are well structured with comprehensive reporting; plans are in place to achieve strategic goals and to identify and realise improvements; and there are regular reviews of performance.
- (f) There is substantial assurance over the Risk Management arrangements as risks are managed through a corporate risk register that is actively maintained, reviewed, updated, and reported; the Community Risk Management Plan is in place, with arrangements to measure progress on its delivery; and emerging national and local risk issues are identified and addressed by local actions. The Finance and Resources Committee will be updated on the progression of the Contract Management recommendations.
- (g) There is substantial assurance over Control arrangements as there is close control over the finances, including current and future spending, and the financial assets held; workforce requirements are identified and acted upon; and workforce performance is managed.

During the discussion that followed the following comments were made:

- (h) It is disappointing that the assurance level is lower than would be liked for contract management, but work is being done at a strategic level to increase the capacity in Procurement, and it is hoped that by the end of the calendar year it will be in a much better place.
- (i) The report and recommendations highlight the value of Internal Audit and the plans to improve are welcomed.

Resolved to note

- (1) The outcome of the Internal Audit Annual Report for 2023/24, including the audit opinion of substantial assurance for the arrangements for governance, risk management and internal control.**
- (2) The outcome of 5 internal audits completed during 2023/2024.**
- (3) The 2024/25 Internal Audit Plan.**

16 Interim Value for Money Reporting 2021/22 and 2022/23

Hassan Rohimum, Partner, Ernst and Young (EY) LLP, presented the External Auditors' interim value for money (VFM) report for Nottinghamshire and City of Nottingham Fire and Rescue Authority on the financial years 2021/22 and 2022/23, and highlighted the following points:

- (a) Both the 2021/22 and 2022/23 audits have been delayed due to resourcing issues at EY. This is a national issue caused by the increased amount of regulatory requirement and the lack of audit resources within the public sector. The 2021/22 audit commenced during July 2023 and a substantial amount of the audit had been completed. In February 2024, the Department of Levelling Up, Housing and Communities opened a consultation on 'Addressing the Local Audit Backlog in England'. The consultation proposed a backstop date for all accounts up to and including financial year 2022/23 to be cleared by 30 September 2024 and proposed to allow auditors to issue a modified or disclaimed opinion due to the backstop.
- (b) In light of the consultation, EY is not progressing any further work on the 2021/22 and 2022/23 Statement of Accounts. EY is continuing to progress their work for their commentary on VFM for 2021/22 and 2022/23.
- (c) The response to the consultation or any further guidance has not yet been published and has been delayed by the General Election, it is anticipated the initial proposed backstop date of the 30 September 2024 will be amended to a later date.
- (d) The reporting criteria include financial sustainability, governance, and improving economy, efficiency and effectiveness. There are no risks of significant weaknesses identified in any of the criteria, and no actual significant weaknesses in arrangements identified.

Resolved to note the report.

17 External Audit Plan 2023/24

Richard Walton, Director, KPMG LLP, presented the report detailing the external auditors' audit plan for work which they intend to carry out on the Authority's 2023/24 financial statements and Value for Money arrangements, and highlighted the following points:

- (a) The external auditors are appointed through a national contract via Public Sector Audit Appointments (PSAA). A new national contract is in place for 2023/24 to 2027/28. The external auditors appointed for the Fire Authority for the period 2023/24 to 2027/28 are KPMG LLP. As part of their responsibilities under the external audit regime, the auditors produce an annual plan setting out the areas that they will cover during their audit.
- (b) The External Audit Plan provides an overview of the planned scope and timing of the statutory audit of Nottinghamshire and City of Nottingham Fire and Rescue Authority for those charged with governance, and covers the following areas:
 - scope and materiality;
 - significant risks, audit risks and approach;
 - mandatory communications
 - Value for Money risk assessment and approach;

- the audit team;
 - the audit cycle and timeline;
 - fees;
 - confirmation of independence;
 - the audit quality framework;
 - revised International Standards on Auditing (ISA).
- (c) The plan identifies those risks requiring special audit consideration and procedures to address the likelihood of a material financial statement error as being:
- the presumed risk of management override of control;
 - valuation of pension liability;
 - valuation of land and buildings.
- (d) The external auditors commenced their interim fieldwork in April 2024 and are planning to conclude their interim work and the undertake their final fieldwork in July and August 2024. The plan identifies the external auditors' aim to deliver their audit report by 31 October 2024. However, this is subject to change due to the level of consultation in the sector, regarding the scope and timing of local government audit.
- (e) The contracted audit fee for the 2023/24 Statement of Accounts is £94,838 (£32,648 for 2022/23). There has been a significant increase in audit fees, this is due to additional work being required by the Code of Audit Practice, this additional work has been built into the fees, then fees have been increased further following the PSAA's national auditor appointment procurement for the period 2023/24 to 2027/28, which has resulted in a procurement adjustment of 151% for the new contract rates for audit firms. The increase in the audit fee has been included in the approved budget.

Resolved to note the report.

18 Annual Governance Statement

Tracey Stevenson, Assistant Head of Finance, presented the report detailing the Annual Governance Statement for 2023/24, and highlighted the following points:

- (a) The Annual Governance Statement 2023/24 sets out how the Service has complied with the current local code of corporate governance during the year and meets the requirements of the Accounts and Audit Regulations 2015 with regards to the preparation and approval of an Annual Governance Statement. It concludes that the Service has well developed and evolving governance arrangements in place that are fit for purpose.
- (b) The Local Code of Corporate Governance was adopted by the Authority in February 2017 and the Chartered Institute of Public Finance and Accountancy's Financial Management Code was adopted by the Authority in July 2021. The Authority's compliance against the Financial Management Code was reviewed by internal audit in 2021/22 – the report acknowledged that effective controls were in place regarding self-assessment, leadership, accountability, long term sustainability and value for money.
- (c) Whilst the 2021/22 and 2022/23 Statement of Accounts are yet to be audited, the external auditors, Ernst & Young (EY), issued unqualified audits for the first three years of their

contract (2018/19 and 2020/21), which indicates that the financial systems in place are robust.

- (d) Five internal audits have been completed within the year, four being graded as having 'Substantial Assurance' and one having 'Limited Assurance', where limited assurance was received, six recommendations have been agreed by management and actions to implement the recommendations are in progress.
- (e) The Service's second full His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) final inspection report issued in July 2022 provided a rating of 'Good' against all 11 areas of assessment. The Service is currently waiting for the HMICFRS final inspection report and ratings for the third inspection that took place in March and April 2024.
- (f) The Service continues to address any governance issues as they arise and commits to keeping governance arrangements under review.

Resolved to

- (1) Approve the draft Annual Governance Statement 2023/24.**
- (2) Delegate authority to the Chair of the Authority and the Chief Fire Officer to update the final Annual Governance Statement 2023/24 for any retrospective factors that occur between the draft Annual Governance Statement and the publication of the final Annual Governance Statement.**

19 Annual Statement of Assurance

Mick Sharman, Assistant Chief Fire Officer presented the Annual Statement of Assurance for 2023/24, and highlighted the following points:

- (a) The Fire and Rescue Service National Framework places a statutory requirement on fire authorities to provide assurance on financial, governance and operational matters, with due regard to the expectations set out in the Community Risk Management Plan (CRMP).
- (b) The production of an Annual Statement of Assurance (ASoA) contributes to the requirement for greater public-sector transparency and accountability and through its publication offers and promotes accessibility to information.
- (c) The ASoA 2023-24 provides a review of how well the Service has performed, in the second year of the CRMP 2022-25, against the stated commitments.
- (d) The ASoA is designed to give the public assurance on performance in key delivery areas, defined as the Service's six strategic goals. An accessible version will be hosted on the Service's website, providing access to all.
- (e) Highlights within the ASoA 2023-24 include:
 - attended 10,595 incidents, a decrease of 7% on last year;
 - 2,804 fires (a decrease of 30%) and 560 road traffic collisions

- 1,335 incidents which involved rescues and humanitarian assistance from either buildings, vehicles, water, confined spaces, or heights
 - on-call appliance availability was 86.47% (against a target of 85%);
 - delivered 15,765 safe and well interventions, (against a target of 14,000) supporting a total of 16,248 people – more than the Service has ever achieved before;
 - delivery of community safety activities including:
 - Safety Zone events to 1,896 Year 5 and 6 pupils from across the City and County;
 - 290 road, fire and water safety initiatives;
 - 44 national safety campaigns;
 - 130 Firesetter safety interventions with young people;
 - delivered 34 Data Intelligence Community Engagement (DICE) activities targeting the most vulnerable in communities;
 - undertook 11 Community Reassurance and Engagement (CRaE) activities throughout Nottinghamshire;
 - completed 1,180 full fire safety audits and 1,039 business safety checks (short fire safety audits) – within business premises. An increase of 96%;
 - the Service delivered 765 training courses, attended by 3,994 delegates, from a portfolio of 140 different training courses;
 - recruited to 93 roles - 39 wholetime firefighters, 25 on-call firefighters and 29 support staff roles;
 - 99.2% of the operational staff successfully passed annual fitness tests;
 - Fire Investigators investigated 87 serious fires across the county.
- (f) The Service responded well when Storm Babet brought exceptional levels of rainfall to Nottinghamshire which resulted in the flooding of some areas of the county. During this period, NFRS attended over 40 flood related incidents, led around 100 people to safety and evacuated over 200 residents from their homes.
- (g) From November 2023, the Service has returned to a wholetime crewing model at Ashfield fire station. This project also saw significant investment in a refurbishment of the station to ensure modern inclusive facilities.
- (h) Improvement building works have been started at nine on-call stations to improve accessibility and provide an inclusive environment for staff and visitors.
- (i) 17 new fire appliances have been purchased which are currently being built with 'clean cabs', which will help protect our firefighters from contaminants and carcinogens following operational incidents and will come into service during 2024/25.
- (j) During 2023/24, the number of female firefighters within the Service increased from 43 to 55 (across both on-call and wholetime), an increase of 27%. Firefighters from BAME backgrounds increased from 37 to 42 (an increase of 13%).
- (k) Work is continuing to empower and engage with staff networks, as well as adding more. These include: Women's Network, LGBT+ Network, Ethnic Minority Alliance Network, Disability Matters Network, Veterans Network and Health Minds Network (new).

During the discussion that followed the following comments were made:

- (l) The hard work of the service is appreciated, and it is hoped it is recognised in the His Majesty's Inspectorate of Constabulary and Fire and Rescue Services Inspection report.
- (m) As extreme weather is becoming more frequent, it is important to ensure that plans and resources are in place to deal with incidents arising from it.
- (n) More needs to be done to advertise the achievements of the Service publicly.
- (o) The increases in diversity are welcomed.

Resolved to approve the Annual Statement of Assurance 2023-24 for publication.

20 Statement of Pay Policy

Craig Parkin, Chief Fire Officer, presented the Statement of Pay Policy, and highlighted the following points:

- (a) The Localism Act 2011, Section 38(1), places a requirement on 'relevant authorities' to prepare pay statements for each financial year. The Fire Authority is a 'relevant authority' as defined by Section 43(1) of the Act.
- (b) Pay statements must articulate an authority's own policies towards a range of issues relating to the pay of its workforce, particularly those of its senior officers and its lowest paid employees.
- (c) The pay statement must be agreed by the Fire Authority annually and be published and accessible.
- (d) The policy provides a summary of pay policy and practices across the Service, and in particular, details the pay policy for the Chief Fire Officer and other Principal Officers.
- (e) The main changes to the previous Statement of Pay Policy are as follows:
 - reference to the gender pay reporting outcomes which have been introduced from April 2017 under the Gender Pay Gap Reporting Regulations 2017, which shows a gender pay difference in median pay of 7.78% (was 9.49 %);
 - updates to pay information relating to mean average pay and pay multiples. Mean average pay is now £37,974 per annum;
 - confirmation of national annual pay awards applied in 2023/24;
 - increase in national annual rates of pay for Chief Fire Officers based on population band;
 - confirmation that there were no compensation payments agreed in 2022- 23 as a result of compulsory redundancy;
 - confirmation that there were two settlement payments made in 2022-23;
 - confirmation that there was one instance of early payment of pension payments to Local Government Pension Scheme members during 2022- 23 on grounds of efficiency.

Resolved to approve the Statement of Pay Policy.

21 Update on His Majesty's Inspectorate of Constabulary and Fire & Rescue Services

Mick Sharman, Assistant Chief Fire Officer, presented the report providing an overview of the State of Fire and Rescue 2023 report published by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services and to provide an update on Nottinghamshire Fire and Rescue Service's most recent inspection, and highlighted the following points:

- (a) His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) is, by Royal appointment, the inspectorate body for fire and rescue services in England.
- (b) Each year, His Majesty's Chief Inspector publishes a 'State of Fire and Rescue, Annual Assessment', which summarises the findings from the year's inspections of the sector.
- (c) On 9 May 2024, Andy Cooke QPM DL, published his second report to the Secretary of State under Section 28B of the Fire and Rescue Services Act 2004, based on the inspection reports published by HMICFRS between 20 January 2023 and 31 March 2024.
- (d) In March 2023, HMICFRS commenced the third full round of inspections, aiming to inspect all 44 Fire and Rescue Services (FRSs) within an 18 month period. Nottinghamshire Fire and Rescue Service's (NFRS) inspection took place between 23 February 2024 and 19 April 2024.
- (e) The report is split into two chapters; chapter one sets out the systemic challenges facing the fire and rescue sector and chapter two sets out the interim findings from the Round 3 inspections, identifying some key themes.
- (f) In relation to systemic challenges, there are four main points highlighted:
 - at a national level, the fire and rescue sector has made some good progress, but the Government must press ahead with reforms;
 - values, culture and the management of misconduct needs to 'urgently improve' across the sector;
 - fire and rescue service leaders need to take a strategic approach to service improvements; and
 - HMICFRS requires additional powers to continue to make communities safer.
- (g) In 2019 HMICFRS made six national recommendations covering some of the structural aspects of the fire and rescue sector. The report highlights that three of these have been completed with the outstanding three recommendations – determining roles of FRS and their staff; reviewing and reforming structures for determining pay and conditions; and giving Chief Fire Officers operational independence – being a matter for the Government to resolve. The Inspectorate notes slow progress being made against these three areas and therefore highlights the need for sector reform.
- (h) The report covers in detail the need for the sector to improve its culture, values and misconduct management, citing that despite the focus on this area from HMICFRS, instances of inappropriate behaviour were still commonplace.
- (i) Following the second round of inspections, based on the Inspectorate's findings on values, culture, and fairness and diversity, causes of concern, inadequate grades and areas for

improvement were issued to a significant number of fire services. Members can be assured that the Strategic Leadership Team continues to place the highest priority on ensuring an appropriate and inclusive culture exists at every level within the organisation, and that cultural considerations are embedded within decision making processes.

- (j) The report states that HMICFRS needs more powers so it can continue to make communities safer, and that these powers should be in line with those legislative requirements that govern police forces' response to their inspections. Additionally, the Inspectorate has highlighted that FRSs should be able to request commissioned inspections in the same way as police forces do to fulfil their duty to deliver efficient and effective services to their communities.
- (k) In relation to interim findings, of the 15 Services inspected, seven Services have 12 causes of concern in place, of which eight are new and four have been carried over from Round 2. NFRS has had no causes of concern issued and the four areas of improvement issued following the last inspection were formally signed off at the Fire Authority meeting on 23 February 2024.
- (l) Workplace culture is once again highlighted as an issue for the sector, with HMICFRS stating that whilst progress is being made, some Services are struggling to make improvements. NFRS's biennial staff survey concluded on 14 July and a breakdown of the results and follow up actions will be brought back to the Human Resources Committee, which will provide Members with insight into NFRS's culture and the progress the Service is achieving in this area.
- (m) The report highlights the problems some Services are having with maintaining an effective On-call duty system, citing the difficulties in the recruitment, retention and training for On-call personnel. Members will be aware of the support the On-Call Support Team (OCST) provides to On-call firefighters throughout the Service which, along with the dedication of NFRS On-call personnel, has resulted in On-call appliances being available for 86.5% of the time in 2023/24; one of the highest levels in the sector.
- (n) Protection activities are highlighted within the report as being inconsistently applied across the sector with unsuitable quality assurance processes and a failure to meet audit targets common areas discovered by the Inspectorate. In addition, difficulties in recruiting and retaining suitably experienced protection staff are also highlighted. The Inspectorate raises more effective partnership working and better engagement with businesses as potential methods to mitigate the issues discussed.
- (o) Whilst the full report from NFRS's most recent inspection will not be published until late Summer 2024, initial high-level feedback has been given to the Chief Fire Officer which explicitly outlined the positive manner in which the inspectors were greeted whilst undertaking the inspection, and the high levels of engagement they found from all Service personnel.

Resolved to note the report.

22 Committee Outcomes

The report detailing the business and actions of the Fire Authority committee meetings which took place in March/April 2024 was considered.

Resolved to note the report.

23 Exclusion of the public

Resolved to exclude the public from the meeting during consideration of the remaining items in accordance with Section 100A of the Local Government Act 1972, under Schedule 12A, Part 1, Paragraph 3, on the basis that, having regard to all the circumstances, the public interest in maintaining an exemption outweighs the public interest in disclosing the information.

24 Proposed Compensation Payments - Futures 25 Phase Two Outcomes

Mick Sharman, Assistant Chief Fire Officer, presented the report detailing proposed compensation payments in relation to Futures 25 phase two outcomes

Resolved to approve the recommendations as detailed in the report.



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority

TREASURY MANAGEMENT ANNUAL REPORT 2023/24

Report of the Treasurer

Date: 20 September 2024

Purpose of Report:

To provide Members with an update on treasury management activity during the 2023/24 financial year.

Recommendations:

That Members note the update on treasury management activity during the 2023/24 financial year as required under the Local Government Act 2003.

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1. BACKGROUND

1.1 Treasury management is defined as:

“The management of the organisation’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with these activities; and the pursuit of optimum performance consistent with those risks.”

1.2 The Fire Authority is required by regulations issued under the Local Government Act 2003 to produce an annual treasury management review of activities and the actual prudential and treasury indicators for 2023/24. The Chartered Institute of Public Finance and Accountancy’s (CIPFA) Code of Practice on Treasury Management (revised in 2021) was adopted by the Fire Authority on 9 April 2010.

1.3 The primary requirements of the Code are as follows:

1. The creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Authority’s treasury management activities.
2. The creation and maintenance of treasury management practices which set out the manner in which the Authority will seek to achieve those policies and objectives.
3. Receipt by the Fire Authority of an annual Treasury Management Strategy Statement for the year ahead, a mid-year review report and an annual report covering activities during the previous year.
4. Delegation by the Authority of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Authority of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Authority the delegated body is the Finance and Resources Committee.

1.4 This annual report has been prepared in compliance with CIPFA’s Code of Practice, and covers the following:

- An economic review of 2023/24;
- A review of capital activity during 2023/24;
- A review of borrowing and the capital financing requirement during 2023/24;
- A review of the Investment and Cash Management Strategy during 2023/24;
- Investment and cash activity during 2023/24;
- A review of the year end investments, cash position and usable reserves;
- A summary of compliance with treasury and prudential limits for 2023/24.

- 1.5 The Authority has appointed Link Assets Services as its external treasury management advisor. It was announced on 16 May 2024 that the Link Group has been acquired by Mitsubishi UFJ Trust & Banking Corporation and will be rebranding as MUFG Pension & Market Services over the coming months.

2. REPORT

ECONOMIC REVIEW

- 2.1 Against a backdrop of stubborn inflationary pressures and wars in Ukraine and the Middle East, UK interest rates continued to be volatile right across the yield curve during 2023/24. They have also remained stubbornly high, with the Bank of England Base Rate beginning the year at 4.25% and ending at 5.25%. The high, low and average rates for loans from the Public Works Loan Board (PWLB) are shown in the table below. The rates are based on gilt yields plus a margin of 80 basis points.

High/Low/Average PWLB Rates For 2023/24

	1 Year	5 Year	10 Year	25 Year	50 Year
Low	4.65%	4.13%	4.20%	4.58%	4.27%
Date	06/04/2023	27/12/2023	06/04/2023	06/04/2023	05/04/2023
High	6.36%	5.93%	5.53%	5.96%	5.74%
Date	06/07/2023	07/07/2023	23/10/2023	23/10/2023	23/10/2023
Average	5.54%	4.99%	4.97%	5.34%	5.08%

- 2.2 Inflation has eased throughout 2023/24. The 12-month Consumer Price Index (CPI) rate had fallen to 2.3% by April 2024, largely due to reductions in the gas and electricity price caps. The Bank of England's communications suggest that the Monetary Policy Committee (MPC) is gaining confidence that inflation will fall sustainably back to the 2.0% target. However, although the MPC noted that "the restrictive stance of monetary policy is weighing on activity in the real economy, and is leading to a looser labour market and is bearing down on inflationary pressures", conversely it also noted that key indicators of inflation persistence remain elevated and that policy will be "restrictive for sufficiently long" and "restrictive for an extended period". Core CPI (excluding energy, food, alcohol and tobacco) was 3.9% in April.
- 2.3 The UK economy performed a little better in Q1 2024, but it is still recovering from a shallow recession through the second half of 2023. UK gross domestic product (GDP) is estimated to have increased by 0.6% in Q1 2024, following declines of 0.3% in Q4 2023 and 0.1% in Q3 2023. Unemployment is still relatively low at less than 4% and annual wage inflation is above 5%.

REVIEW OF CAPITAL ACTIVITY IN 2023/24

2.4 The Authority undertakes capital expenditure on long term assets. These activities may either be:

- Financed immediately by way of capital or revenue resources (capital receipts, capital grants, revenue contributions), which does not give rise to a requirement to borrow; or
- If insufficient financing is available, or if a decision is taken not to apply resources, the capital expenditure will need to be financed by borrowing.

2.5 Actual capital expenditure forms one of the required prudential indicators. The table below shows actual capital expenditure in the year and how this was financed:

	2022/23 Actual Expenditure	2023/24 Revised Budget	2023/24 Actual Expenditure
	£'000	£'000	£'000
Capital Expenditure	2,265	9,223	7,271
Resourced by:			
Capital grants	57	12	132
Capital receipts	513	3	0
Revenue contributions/earmarked reserves	298	513	513
Total capital expenditure financed in year	868	528	645
Unfinanced capital expenditure to be funded by borrowing	1,397	8,695	6,626

2.6 The 2023/24 revised capital budget underspent by £1.952m. Details of significant variances can be found in the 2023/24 revenue and capital outturn report, which was reported at the Fire Authority meeting on 26 July 2024.

REVIEW OF BORROWING AND THE CAPITAL FINANCING REQUIREMENT

2.7 The Authority's underlying need to borrow for capital expenditure is termed the Capital Financing Requirement (CFR). The CFR results from the Authority's capital activity and the resources used to pay for the capital spend. It represents the 2023/24 unfinanced capital expenditure (see above table), and prior years' unfinanced capital expenditure which has not yet been paid for by revenue or other resources. Part of the Authority's treasury activities is to address the funding requirements for this borrowing need. The cash position is managed to ensure that sufficient funds are available to meet

the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies such as the PWLB, or by utilising temporary cash resources within the Authority.

- 2.8 The Authority's CFR is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Authority is required to make an annual revenue charge, called the Minimum Revenue Provision (MRP), to reduce the CFR. This is effectively a repayment of the borrowing need. This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR. The total CFR can also be reduced by the application of additional capital financing resources (such as unapplied capital receipts), or by charging more than the statutory revenue charge (MRP) through a Voluntary Revenue Provision (VRP).
- 2.9 The Authority's 2023/24 MRP Policy (as required by DLUCH Guidance) was approved as part of the Treasury Management Strategy Report for 2023/24 on 24/02/23. The CFR for the year is shown below and represents a key prudential indicator.

Capital Financing Requirement	31/03/23 Actual	31/03/24 Estimate*	31/03/24 Actual
Opening balance	30,735	31,680	30,533
Add unfunded capital expenditure	1,397	685	6,627
Less MRP/VRP	(1,599)	(1,719)	(1,522)
Closing balance	30,533	30,646	35,638

*Figures used when calculating the estimated CFR for the Prudential Code for Capital Finance 2023/24 report

- 2.10 The difference between the 31/03/24 estimated and actual figures for unfunded capital expenditure arose for two reasons: a significant increase in actual levels of capital expenditure due to slippage of the capital programme, and a delay in securing a capital receipt (budgeted at £3m) for the sale of the former headquarters due to the original offer falling through.
- 2.11 Borrowing activity is constrained by prudential indicators for gross borrowing and the CFR and the Authorised Limit.
- 2.12 **Gross borrowing and the CFR** – in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Authority should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years (the cumulative CFR). This essentially means that the Authority is not borrowing to support revenue expenditure. The table below shows the Authority's gross borrowing

position against the CFR. The Authority has complied with this prudential indicator (even though the 31/03/23 borrowing figure exceeded the 31/03/23 CFR it was less than the cumulative CFR figure of £41.7m).

Gross Borrowing and the CFR	31/03/23 Actual	31/03/24 Estimate*	31/03/24 Actual
Gross borrowing position	32,900	30,901	32,900
CFR	30,533	30,646	35,638
(Under)/over funding of CFR	2,367	255	(2,738)

*Figures used when calculating the estimates for the Prudential Code for Capital Finance 2023/24 report

- 2.13 The Authority has not borrowed more than, or in advance of its needs purely in order to profit from the investment of the extra sums borrowed.
- 2.14 **The authorised limit** – this is the “affordable borrowing limit” required by Section 3 of the Local Government Act 2003. Once this has been set, the Authority does not have the power to borrow above this level.
- 2.15 In addition to the Authorised Limit, the management of external borrowing is aided by two other prudential indicators: the Operational Boundary and Financing Costs as a Proportion of Net Revenue Stream:
- **Operational boundary** – this is the expected borrowing position of the Authority during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the Authorised Limit not being breached;
 - **Financing costs as a proportion of net revenue stream** – this identifies the trend in the cost of capital (borrowing and other long term obligations net of investment income), against the net revenue stream

	2023/24 £'000
Authorised limit	41,591
Maximum gross borrowing position during the year	35,900
Operational boundary	36,901
Average gross borrowing position	32,925
Financing costs as a proportion of net revenue stream	3.4%

- 2.16 The Authority did not take any short-term borrowing for cash flow purposes during 2023/24.

- 2.17 During 2023/24, the Authority maintained an under-borrowed position. This meant that the capital borrowing need (the CFR) was not fully funded with loan debt. Instead, cash supporting the Authority's reserves, balances and cash flows was used as an interim measure. This strategy was prudent as although near-term investment rates were equal to, and sometimes higher than, long-term borrowing costs, the latter are expected to fall back through 2024 and 2025 as inflation concerns are dampened. The Authority has sought to minimise the taking on of long-term borrowing at elevated levels (>4%) and has focused instead on a policy of internal and short-term borrowing. In line with this strategy, a £3m one year maturity loan with an interest rate of 5.32% was taken from the PWLB for capital funding purposes during the year. Based on current economic forecasts, it is expected that this loan will be refinanced more cheaply when it matures in March 2025.
- 2.18 The Authority repaid a £3m maturity loan during the year.
- 2.19 No rescheduling of debt took place as the differential between new borrowing rates and premature repayment rates made rescheduling unviable.

REVIEW OF INVESTMENT AND CASH MANAGEMENT STRATEGY

2.20 The Treasury Management Strategy approved by the Authority set out the policies for managing investments and for giving priority to the security and liquidity of those investments. The risk appetite of this Authority is low in order to give priority to security of its investments. Accordingly, the following types of low risk specified investments may be made:

- Deposits with the Debt Management Agency (Government);
- Term deposits with Banks and Building Societies;
- Term Deposits with English and Welsh local authority bodies;
- Call deposits with Banks and Building Societies;
- Triple-A rated Money Market Funds;
- UK Treasury Bills;
- Certificates of Deposit.

During the year, investments were made with banks or building societies (term deposits or call deposits) and a Police Authority.

- 2.21 The Authority has a maximum limit of investments with any single counterparty of £4m. The maximum investment placed with any single counterparty during the year was £4m.
- 2.22 No deposits are made for more than one year without the prior approval of the Treasurer and the Chair of Finance and Resources Committee. There have been no term deposits for more than one year made during the year.
- 2.23 The selection of counterparties with a high level of creditworthiness is achieved by reference to Link's weekly credit list of potential counterparties. The Link weekly credit list shows potential investment counterparties, which are colour-coded to indicate the maximum period it is recommended that

investments are made for. The Authority has made all investments with counterparties during the year in accordance with the maximum periods advised by Link.

- 2.24 Due to the volatile interest rate environment, the Authority avoids locking into longer term deals unless exceptionally attractive rates are available which make longer term deals seem worthwhile.
- 2.25 In terms of cash resources, the strategy is to maintain a bank overdraft facility of £200,000 and to continue to use cash flow forecasting to predict cash surpluses and shortfalls. These surpluses and shortfalls are managed, and current account balances are transferred to the Business Premium Account on a daily basis if the interest rate is favourable. The current account was not overdrawn at any point during the year.
- 2.26 The Treasury Management Strategy stated that the Authority will only use approved counterparties from countries with a minimum sovereign credit rating of AA from Fitch ratings. An exception to this policy can be made for the UK in the event that its sovereign credit rating is downgraded to AA-, in which case the Authority can continue to use counterparties from the UK. The UK was downgraded to AA- by Fitch on 27 March 2020 and has remained at this rating to date.
- 2.27 All aspects of the Annual Investment Strategy outlined for 2023/24 remained in place throughout the year.

INVESTMENT AND CASH ACTIVITY IN 2023/24

- 2.28 At 31 March 2024, the Authority held £1.5m of principal as short-term investments on the Balance Sheet and £5.0m of principal as shorter dated “cash equivalent” investments.
- 2.29 The investment activity during the year conformed to the approved strategy, and the Authority had no liquidity difficulties. All investments during the year were made with UK or European banks and building societies or local authorities.
- 2.30 All of the call accounts held at 31 March 2024 had been held for more than one year. These accounts had notice periods ranging from 1 day to 95 days. All counterparties have their creditworthiness continually monitored against Link’s credit listings, and had it looked likely that the maximum recommended investment term for these institutions would have fallen below the call account notice period then the funds would have been withdrawn.
- 2.31 Investment returns increased steadily during 2023/24. The weighted average rate of return for the Authority’s investments went from 3.76% in April 2023 to 4.75% in March 2024. Bank rate increased from 4.25% to 4.50% in May 2023, then increased to 5.00% in June and to 5.25% in August 2023. It remained at 5.25% for the rest of the year.

- 2.32 The average 90 days backward looking Sterling Overnight Index Average (SONIA) compounded benchmark rate for the year was 4.74%. The SONIA is a risk-free sterling interest rate that is identified as the investment yield benchmark in the Treasury Management Strategy. The Authority's investments earned an average rate of 4.74% during the year. This is in line with the SONIA benchmark. This resulted in investment income of £637k, against a budget of £374k.
- 2.33 The Treasury Management Strategy set a Weighted Average Life (WAL) benchmark for liquidity of approximately 0.4 years for the Authority's investment portfolio. The actual WAL during 2023/24 was 0.16 years, which means that the majority of investments were relatively short dated, and the portfolio was more liquid. Shorter dated investments offered better rates of return during the period, so the Authority was able to reduce its liquidity risk whilst increasing its investment income. The Strategy also set a security benchmark of 0.08% historic risk of default. The historic risk of default as at 31 March 2024 was 0.003%.

REVIEW OF YEAR END INVESTMENTS, CASH POSITION AND USEABLE RESERVES

- 2.34 The Authority's usable reserves, which include the general fund and earmarked reserves, are not fully cash backed due to the use of cash balances to support capital expenditure. This strategy of using internally borrowed funds is considered prudent for the reasons set out in paragraph 2.17.
- 2.35 At 31 March 2024, the value of the Authority's useable reserves totalled £11.072m. The balance sheet at the same date shows that the Authority held short-term investments totalling £1.745m and £7.394m in cash and cash equivalents. This means that £1.9m of cash balances were being used to support capital expenditure. The Treasury Management Strategy recognises that whilst the use of cash balances in this way (known as "internal borrowing") can be prudent, it is not without risk. This is because internal borrowing is effectively variable rate debt. The Authority therefore has a local indicator that limits the level of internal borrowing to 20% of the underlying borrowing requirement. At 31 March 2024, internal borrowing was 5.4% of the underlying borrowing requirement.

SUMMARY OF COMPLIANCE WITH TREASURY AND PRUDENTIAL LIMITS

- 2.36 The following indicators were approved by Members for the 2023/24 financial year. Actual performance is shown in the final column of the table below:

Treasury or Prudential Indicator or Limit	Approved for 2023/24	Actual for 2023/24
Maximum ratio of financing costs to net revenue stream	8.0%	Not exceeded
Estimate of ratio of financing costs to net revenue stream	5.0%	3.4%
Estimate of total capital expenditure to be incurred		£7,272,000
Estimate of capital financing requirement	£30,646,000	£35,638,000
Operational boundary	£36,901,000	Not exceeded
Authorised limit	£41,591,000	Not exceeded
Upper limit for fixed rate interest exposures	100%	100%
Upper limit for variable rate interest exposures	30%	0%
Loan maturity:	Limits:	
Under 12 months	Upper 30% Lower 0%	9.1%
12 months to 5 years	Upper 30% Lower 0%	10.6%
5 years to 10 years	Upper 75% Lower 0%	6.1%
10 years to 20 years	Upper 100% Lower 0%	6.1%
Over 20 years	Upper 100% Lower 30%	68.1%
Upper limit for principal sums invested for periods longer than 365 days	£2,000,000	£0
Upper limit for internal borrowing as a % of the capital financing requirement	20%	5.4%
Lower limit for proportion of net debt to gross debt	50%	Not breached
Upper limit for proportion of net debt to gross debt	85%	Not breached
Investment security benchmark: maximum historic default of investment portfolio	0.08%	0.003%
Investment liquidity benchmark: maximum weighted average life of investment portfolio	0.40 years	
Investment yield benchmark	Internal returns to be above 3 month compounded SONIA rate	Average rate of return: 4.74% SONIA rate: 4.74%

3. FINANCIAL IMPLICATIONS

The financial implications are set out in full within the body of the report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising from this report.

5. EQUALITIES AND ETHICAL IMPLICATIONS

An equality impact assessment has not been undertaken because this is not a new policy or service.

6. ENVIRONMENTAL AND SUSTAINABILITY IMPLICATIONS

There are no environmental or sustainability implications arising directly from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising from this report, other than the requirement to act within the Authority's powers when undertaking treasury management borrowings and investments.

8. RISK MANAGEMENT IMPLICATIONS

Risk management is a key aspect of treasury management, and the Treasury Management Strategy sets out the parameters within which activities will be carried out with a view to managing credit risk, liquidity risk, re-financing risk and market risk. The Authority has approved a prudent approach to treasury management and this report allows Members to review how well risks have been managed during the year.

9. COLLABORATION IMPLICATIONS

There are no collaboration implications arising from this report.

10. RECOMMENDATIONS

That Members note the update on treasury management activity during the 2023/24 financial year as required under the Local Government Act 2003.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Bev Bull
TREASURER TO THE FIRE AUTHORITY



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

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Fire and Rescue Authority

COMMUNITY RISK MANAGEMENT PLAN 2025-28

Report of the Chief Fire Officer

Date: 20 September 2024

Purpose of Report:

To present Members with the draft Community Risk Management Plan 2025-28 and seek approval to undertake consultation in relation to the new plan.

Recommendations:

It is recommended that Members approve:

- The content of the draft Community Risk Management Plan 2025-28.
- The approach for consultation on the draft Community Risk Management Plan 2025-28.

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1. BACKGROUND

- 1.1 The Fire and Rescue National Framework for England (National Framework document) states that fire and rescue authorities are required to produce a Community Risk Management Plan (CRMP).
- 1.2 A CRMP is a high-level business plan, designed specifically for a public audience, to inform interested parties of the Service's mid-term priorities, and key deliverables over the defined period.
- 1.3 Key requirements within the National Framework document for a CRMP, are that it must:
 - Reflect up to date risk analyses including an assessment of all foreseeable fire and rescue related risks that could affect the area of the Authority;
 - Demonstrate how prevention, protection and response activities will best be used to prevent fires and other incidents and mitigate the impact of identified risks on its communities;
 - Outline required service delivery outcomes including the allocation of resources for the mitigation of risks;
 - Set out its management strategy and risk-based programme for enforcing the provisions of the Regulatory Reform (Fire Safety) Order 2005;
 - Be easily accessible and publicly available.
- 1.4 The Service's current CRMP covers the period from 1 April 2022 until 31 March 2025. This means the new plan is required to be published that takes effect from 1 April 2025.
- 1.5 A Service's CRMP is a core component of the assessment framework used by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) when undertaking their inspections. HMICFRS inspect, and report on, how well a Service is assessing risk and delivering its CRMP commitments.

2. REPORT

- 2.1 The Service has used a project-based approach to develop the new CRMP.
- 2.2 The development of the CRMP is aligned to the Fire Standard for community risk management planning. The CRMP draft plan meets the requirements and recommendations of all current guidance.
- 2.3 The National Framework document states that CRMPs must be for a minimum duration of three years. This aims to align the plan to key external

factors and ensure that the Service remains in a flexible position to address emerging challenges over coming years.

- 2.4 In developing the draft plan, the Service has updated its Strategic Assessment of Risk (SAoR) and again commissioned an independent specialist to undertake a detailed community risk and fire cover review (FCR). This ensures the CRMP is developed against a thorough understanding of all foreseeable fire and rescue related risks which could affect the area of the Authority.
- 2.5 In the CRMP 2022-25, the Authority adopted a long-term ambition to be one of the best fire and rescue services in England, with a principle that everything the Service does is guided by a core purpose of 'Creating Safer Communities'. It remains NFRS's intention to be an 'Outstanding Service' that delivers exceptional outcomes for its communities.
- 2.6 The CRMP 2022-25 was built around six strategic goals. These are:
- We will help people stay safe from fires and other emergencies;
 - We will improve fire safety in the buildings people live and work in;
 - We will respond immediately and effectively to emergency incidents;
 - We will continue to support and develop our workforce and promote an inclusive Service;
 - We will continue our improvement journey to deliver an outstanding Service;
 - We will manage and invest in our Service to ensure it is fit for the future
- 2.7 The concept of having six strategic goals, relating to key business and improvement areas, has served the Service well over the last two and a half years, and has provided the overarching context for the Service's continual improvement programme. The six strategic goals remain relevant and have therefore been adopted in the CRMP 2025-28. This will ensure a continuity of understanding as well as ensuring momentum is maintained across core service improvement areas.
- 2.8 In line with the 'digital first' approach, an accessible version of the CRMP will be hosted on the Service's website, including for consultation, which will enable members of the community to access a range of accessibility aids including translation and dictation. A printable version will also be available to download from the website.
- 2.9 The draft Community Risk Management Plan 2025-28 can be accessed here [CRMP website link](#).

CONSULTATION

- 2.10 Previously, services to conduct the public consultation on the draft CRMP have been commissioned from an external consultation company. This year the Service will undertake consultation using its internal resources. This decision has been taken based on previous feedback from Members, with the

aim of providing greater community reach and exceeding previous consultation efficacy, whilst also being more financially efficient.

- 2.11 The consultation will seek views and feedback on the stated ambitions within the strategic goals and commitments of the draft CRMP.
- 2.12 On approval of the draft CRMP, a nine-week consultation will be undertaken in line with the Service's Consultation Framework. The provisional dates for this are Monday 30 September to Sunday 1 December 2024.
- 2.13 The consultation objectives are:
- Measurably 'raise awareness' of the consultation process through communication with key stakeholder groups;
 - Engage with as many of the stakeholder groups as possible, generating meaningful responses that help shape planning;
 - Provide the transparency required by reporting back on the results of the consultation and the impact that it has made.
- 2.14 The consultation will utilise various approaches including, but not limited to:
- Digital and paper questionnaires;
 - Direct engagement with service users (persons who have had an incident, or a prevention or protection intervention);
 - Public focus groups;
 - Stakeholders focus groups;
 - Community advisory groups;
 - Analysis of social media channels (reach and engagement).
- 2.15 The above approaches will be augmented through engagement with:
- Employee forums;
 - Under-represented community groups;
 - Partner agencies;
 - Representative bodies.
- 2.16 Outcomes of the consultation and a final CRMP will be presented to Members at the February 2025 Fire Authority meeting, with the aim of agreeing a final Community Risk Management Plan for implementation from 1 April 2025.

3. FINANCIAL IMPLICATIONS

- 3.1 CRMP commitments and ambitions are considered and developed in the context of the Service's Medium Term Financial Strategy and forecasted budgets over the next three years.
- 3.2 The activities and resources to deliver the CRMP consultation are provided for in the approved budget for 2024/25.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising from this report.

5. EQUALITIES AND ETHICAL IMPLICATIONS

- 5.1 An equality impact assessment has been undertaken and the implications were highlighted as either neutral or positive for all characteristics.
- 5.2 The CRMP details how NFRS will deliver its services in line with Service values and the Core Code of Ethics.
- 5.3 Strategic Goal 4 details commitments over the next three years to being an inclusive organisation and having a positive workplace environment.

6. ENVIRONMENTAL AND SUSTAINABILITY IMPLICATIONS

Strategic Goal 6 details the commitment over the next three years to reducing the Service's carbon footprint, working towards net-zero and progressing the implementation of the decarbonisation road map.

7. LEGAL IMPLICATIONS

The Fire Authority has a statutory duty to produce a Community Risk Management Plan and a requirement to consult, and consider the responses, on any changes to service delivery.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1 The proposed Community Risk Management Plan addresses the requirements of the National Framework document to assess '*all foreseeable fire and rescue service risks*' and the actions that the Service will take to mitigate these.
- 8.2 The Service has updated its Strategic Assessment of Risk and commissioned an independent specialist to undertake a community risk and fire cover review.
- 8.3 A summary of the assessment of risk is detailed in the Community Risk Assessment section of the CRMP document.

9. COLLABORATION IMPLICATIONS

The Service has been in close contact with neighbouring Services and partner agencies throughout the development of the proposed plan. This collaboration will continue through the consultation and delivery phases of the CRMP.

10. RECOMMENDATIONS

It is recommended that Members approve:

- 10.1 The content of the draft Community Risk Management Plan 2025-28.
- 10.2 The approach for consultation of the draft Community Risk Management Plan 2025- 28.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Craig Parkin
CHIEF FIRE OFFICER



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority

HMICFRS STANDARDS OF BEHAVIOUR REPORT

Report of the Chief Fire Officer

Date: 20 September 2024

Purpose of Report:

To inform Members of the recent publication by His Majesty's Inspectorate of Constabulary and Fire & Rescue Services of the Standards of Behaviour report and outline the steps being taken by the Service to address the recommendations.

Recommendations:

It is recommended that Members:

- Note the contents of the report.
- Agree to receive further updates via the Human Resources Committee.

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1. BACKGROUND

- 1.1 Following reports of misconduct, and the findings of the Independent Cultural Review of London Fire Brigade, the Minister of State for Crime, Policing and Fire commissioned His Majesty's Inspectorate of Constabularies and Fire & Rescue Services (HMICFRS) to publish a spotlight report into the values and culture of fire and rescue services (FRSs). This report, containing 35 recommendations for improvement, was published in March 2023. A paper outlining the report was presented to Human Resources Committee in April 2023. A further update report, detailing progress made against the recommendations, was presented to the Human Resources Committee in April 2024. A brief update on this can be found at Paragraph 2.18 of this report.
- 1.2 Building on some of the findings of the spotlight report, between October 2023 and January 2024, HMICFRS carried out further research into the handling of misconduct in FRSs. Data and staff surveys from 44 FRSs were analysed, along with 10 thematic onsite inspections. Nottinghamshire Fire and Rescue Service (NFRS) was not one of the 10 FRSs inspected.
- 1.3 On 1 August 2024, HMICFRS released a further report titled, "Standards of Behaviour - The Handling of Misconduct in the Fire and Rescue Service". The full report can be found [here](#). The purpose of this report is to provide Members with an overview of this report and provide assurance on next steps.

2. REPORT

MISCONDUCT REPORT – SUMMARY OF FINDINGS

- 2.1 Some of the key findings within the HMICFRS Standards of Behaviour report include:
 - Improvement is happening but unacceptable behaviours remain – the report states HMICFRS is “pleased to see the beginning of improvements”. With awareness of the Core Code of Ethics (CCoE) being raised, “but pockets of unacceptable behaviour remain, and future progress is needed, particularly in parts of the misconduct process”.
 - Staff are experiencing misconduct – 10% of the FRSs workforce responded to staff surveys as part of the thematic inspection on standards of behaviour. Of these, 41% had witnessed misconduct in the previous 12 months and 34% had experienced misconduct in the same period.
 - Watch culture – the impacts of “negative watch cultures”, are noted within the report stating that although attitudes and behaviours are showing signs of improvement, these changes are too slow, built on poor foundations, and are not being made consistently across England.

- A lack of confidence in the processes for raising concerns – the report identifies that while staff felt the process for raising concerns was clear, there was some confusion about different reporting mechanisms. The report also highlights a perception by respondents that issues raised, “wouldn't be treated confidentially or impartially,” emphasising that such perceptions are a serious problem.
 - Inadequate training for those undertaking investigations – the report identifies “the inadequacy of training” as the most common and significant root cause of issues related to misconduct investigations. This shortfall is also evident among those who hear appeals, as they “rarely had training to do so” and overly relied on human resources support.
 - Scrutiny of misconduct cases is ineffective – the report found limited evidence of oversight and scrutiny in misconduct cases across most of the inspected FRSs. The report indicates the need for better organisational learning and the development of practical solutions at a service level.
- 2.2 HMI Roy Wilsher stated “Overall, the picture we have found is that services are prioritising tackling misconduct and are making some progress. But many services still have more to do.”
- 2.3 The report presents 15 recommendations to improve the sector. The recommendations are broken down into the areas of:
- The culture in fire and rescue services;
 - The extent to which services are identifying misconduct;
 - The effectiveness of misconduct processes;
 - Understanding misconduct and sharing lessons learned.
- 2.4 Each recommendation has a timeframe allocated to it by which HMICFRS state that they expect to see implementation. One of the recommendations is for immediate implementation, while the others are spread over a timeframe of 12 months.
- 2.5 The specifics of each of the 15 recommendations can be reviewed in Appendix A of this report.
- 2.6 The Service is reviewing each of the recommendations and is in the process of undertaking a gap analysis to define the actions required to complete the recommendations. An action plan will then be produced.
- 2.7 Scrutiny of the delivery of this action plan will be through the Community Risk Management Plan (CRMP) Assurance Board which is chaired by the Chief Fire Officer.
- 2.8 For further scrutiny, it is recommended that Members agree to receive periodic updates, via the Human Resources Committee, to assure themselves that the necessary progress is being made.

LOCAL CONTEXT

- 2.9 The Standards of Behaviour report does not make for positive reading for the sector. NFRS recognises the effect that this could have on local trust and confidence in the Service.
- 2.10 The Service's 2024 staff survey saw improvements in response rate (68% from 63%) and overall satisfaction/engagement (72% from 68%), compared to the last staff survey in 2022. Participants in the survey report good working relationships in teams, including those with their line managers. With 82.3% agreeing or strongly agreeing that they feel included and welcomed at work.
- 2.11 Whilst the Service is rightfully proud of these results, there is no room for complacency and work continues to further improve workplace culture and ensure that everyone has a workplace where they are treated with dignity and respect and feel safe.
- 2.12 Members will be aware that the Service had an Independent Review of Equality, Diversity and Inclusion undertaken in 2021 which presented recommendations, and a resulting 12-point action plan. A revisit and associated progress report was issued in October 2023 that showed improvements across a range of areas.
- 2.13 This work has complemented the Service's approach to embedding the Core Code of Ethics (CCoE) which has been progressed since their publication in 2021, alongside the Service's values, which have been central to the Service's approach since 2015. The Service's own Behavioural Framework was updated in 2020 to incorporate the CCoE.
- 2.14 Similarly, the Service has used the publication of the Independent Cultural Review of London Fire Brigade as an opportunity to reflect on current focus and activity within the Service and learn lessons from the recommendations within that report. A report was presented to the Fire Authority on 13 January 2023 setting out the findings and reflecting on the lessons that could be learned from the review.
- 2.15 In addition to the immediate actions required to respond to the recommendations of the report, being an inclusive organisation and having a positive workplace culture is a priority within the CRMP and strategy development for period 2025-28.
- 2.16 This approach will see assurance against the delivery of the HMICFRS recommendations, but also oversee the delivery of the Service's commitment to embed an inclusive culture which is set out in the Service's CRMP (Goals 4 and 5).

HMICFRS SPOTLIGHT REPORT UPDATE

- 2.17 Further to the information provided for Members of the Human Resources Committee in April 2024, a brief update on progress against the recommendations in the HMICFRS spotlight report is provided below.
- 2.18 35 recommendations were made in March 2023, 20 of which were delegated to Chief Fire Officers. Whilst some of the timescales have lapsed on these recommendations, 16 have been completed, with work underway on the remaining four recommendations.
- Recommendation 9 – Disclosure and Barring Service (DBS) Checks – the DBS policy has been fully reviewed and amended in line with the change to regulation. This recommendation should be fully compliant by end of September 2024.
 - Recommendation 20 – Implement the Fire Service Standards ‘Leading and Developing People’ and ‘Leading the Service’ – the Service currently has evidence of progress against these Fire Standards and provides assurance updates to the Strategic Leadership Team.
 - Recommendation 22 – 360 Feedback for All Managers – this method of feedback has been available for all middle and senior leaders for over seven years now; the Service is currently looking at ways to implement this for all supervisory managers with a review of current provision taking place by March 2025.
 - Recommendation 24 - Watch and Team Cultures – the Service currently reviews and monitors staff feedback through a variety of sources. The Service is also developing and seeking to implement a ‘cultural dashboard’, with a view to this launching by June 2025 at the latest.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are a range of human resources implications associated with the recommendations within the report, which aims to enhance employee experience and workplace culture, particularly for staff from under-represented groups. These will be identified through the gap analysis and delivered through the action plan.

5. EQUALITIES AND ETHICAL IMPLICATIONS

- 5.1 An equality impact assessment (EIA) has not been undertaken because this is not a new or changed policy, function, service or project. EIA's will be completed where appropriate for individual workstreams.
- 5.2 The nature of this report and the work it has recommended has helped the Service to continue its journey to embed the National Core Code of Ethics and promote an inclusive workplace and Service.

6. ENVIRONMENTAL AND SUSTAINABILITY IMPLICATIONS

There are no environmental or sustainability implications arising from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising from this report.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1 Negative reporting of culture and values presents a risk to the Service, both from public and staff perception, trust and confidence.
- 8.2 Implementation of the recommendations helps to build a positive workplace culture, mitigating the risk of negative behaviours impacting on communities and staff.

9. COLLABORATION IMPLICATIONS

There are no collaboration implications arising from this report.

10. RECOMMENDATIONS

It is recommended that Members:

- 10.1 Note the contents of the report.
- 10.2 Agree to receive further updates via the Human Resources Committee.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Craig Parkin
CHIEF FIRE OFFICER

The Culture in Fire and Rescue Services		
Recommendation	Action Required	Timescale
1	By 1 February 2025, CFOs should, as a priority, make sure their staff are aware of, and follow the CCoE. Services should build the code into all relevant policies and practices.	01-Feb-25
2	By 1 February 2025, CFOs should make sure a policy for probationary staff is in place. This policy should make clear that Services can immediately dismiss probationers who fail to meet the required standards of behaviour set out in the CCoE fire standard.	01-Feb-25
3	<p>By 1 May 2025, CFOs should make sure their workforce plans allow staff to be moved from a wholetime watch to a different watch or station, within their contractual requirements, proactively and reactively as required.</p> <p>By 1 May 2025, CFOs should also make sure firefighters who are promoted are posted to a different watch or station, including when the promotion is temporary for two months or more. If this is not possible, CFO should show how the risks of reinforcing a negative culture have been addressed.</p>	01-May-25
The Extent to Which Services Are Identifying Misconduct		
4	By 1 February 2025, CFOs should make sure their Services create or have access to a dedicated professional standards function to oversee the investigation of concerns raised within a Service or from an external source. This should oversee cases to make sure they are investigated in a fair and transparent way, manage complex cases directly and act as a point of contact for all staff involved.	01-Feb-25

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Recommendation	Action Required	Timescale
5	<p>By 1 November 2024, CFOs should make sure all staff understand how to raise a concern and use grievance and whistle-blowing processes. CFOs should:</p> <ul style="list-style-type: none"> • Make sure staff know how Services will handle responses and maintain confidentiality and anonymity; and • Explain how staff can access Services' whistle-blowing capability and the difference between whistle-blowing and other processes for raising concerns. 	01-Nov-24
6	<p>By 1 February 2025, CFOs should make sure a programme of training is in place for all supervisors and managers on how to manage staff performance and welfare and how to raise an issue. It should be supported by relevant policies and procedures. Training should include:</p> <ul style="list-style-type: none"> • Staff welfare and absence management; • The process for managing individual staff performance, addressing poor performance and potential misconduct issues; • How to handle difficult conversations and resolve issues informally, if appropriate, when a concern is identified; and • Clarifying the role of human resources services in helping managers to deal with staff concerns and misconduct issues. <p>CFOs should make sure all managers and supervisors attend the training programme.</p>	01-Feb-25

Recommendation	Action Required	Timescale
The Effectiveness of Misconduct Processes		
7	<p>By 1 May 2025, CFOs should make sure the policies and processes for misconduct are consistent for all staff and are fairly applied within their respective conditions of employment.</p> <p>By 1 August 2025, the National Joint Council for Local Authority Fire and Rescue Services and the National Joint Council for Local Government Services, supported by the National Fire Chiefs Council, should make misconduct processes consistent for all staff irrespective of the terms and conditions of their employment.</p>	<p>01-May-25</p> <p>01-Aug-25</p>
8	<p>By 1 November 2024, CFOs should make sure all allegations of misconduct are handled in a consistent way and staff have confidence in misconduct processes. CFOs should carry out a full review of the processes, from initial identification of a misconduct issue through to the resolution or outcome. This should include a review of how services:</p> <ul style="list-style-type: none"> • Monitor and manage investigations; • Maintain accurate records; and • Adhere to required timescales. 	01-Nov-25
9	<p>By 1 August 2025, CFOs should introduce a case management system if they do not already have one. The case management system should allow data to be produced that will help them to better understand and oversee misconduct cases in their services.</p>	01-Aug-25
10	<p>By 1 May 2025, CFOs should make sure their Services have enough capacity to carry out their misconduct investigations. They should consider using external investigators or a similar independent resource to support the process if required</p>	01-May-25

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Recommendation	Action Required	Timescale
11	<p>By 1 May 2025, CFOs should review the training their Services provide for supervisors and managers who investigate misconduct issues at all levels. CFOs should make sure:</p> <ul style="list-style-type: none"> • All staff who carry out investigations receive adequate training to carry out the task; • A programme of refresher training and ongoing support is available so that staff can maintain a level of competence; and • It is clear how Services' human resources provision, staff associations and any trade union representative or fellow employee will support the investigation process. 	01-May-25
12	<p>With immediate effect, CFOs should make sure all staff are aware of the welfare support, including occupational health support, that is available to staff involved in misconduct processes. CFOs should encourage all staff involved in misconduct processes to access this support, whether they are an alleged perpetrator, complainant, witness, investigator or decision-maker.</p> <p>Welfare personnel should be independent of the investigation and have been appropriately trained for this role.</p>	Immediate
13	<p>By 1 November 2024, fire and rescue authorities and CFOs should consider varying the approach to hearing appeals so that appeals for complex or serious cases are heard by a panel rather than one person.</p> <p>By 1 February 2025, fire and rescue authorities and CFOs should make sure all Service managers and Members of fire and rescue authorities who hear appeals receive appropriate training.</p> <p>CFOs should make sure Services have a consistent approach to hearing appeals.</p>	<p>01-Nov-24</p> <p>01-Feb-25</p>

Recommendation	Action Required	Timescale
Understanding Misconduct and Sharing Lessons Learned		
14	<p>By 1 November 2025, CFOs should implement a process that makes sure they can oversee and scrutinise their Services' performance relating to misconduct issues. This process should provide:</p> <ul style="list-style-type: none"> • A strategic overview of performance and analysis of trends, including disproportionality; • Regular reporting of issues, outcomes and trends to the fire and rescue authority; and • Identification of learning outcomes and how they will be shared with fire and rescue service staff, to prevent repeat behaviours. 	01-Nov-25
15	<p>By 1 February 2025, CFOs should put in place a process for sharing learning from misconduct cases that have been resolved while preserving the confidentiality of all parties involved. Any learning should feed into the national system, when established.</p> <p>By 1 May 2025, the National Fire Chiefs Council should establish a system for sharing learning from more serious cases of misconduct with fire and rescue service staff. The information shared should preserve the anonymity and confidentiality of all parties involved. The College of Fire and Rescue, once it is established, should take responsibility for maintaining this system.</p>	01-Feb-25 01-May-25



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority

ANNUAL REPORT OF INFORMATION GOVERNANCE 2023/24

Report of the Chief Fire Officer

Date: 20 September 2024

Purpose of Report:

To present Members with an update on information governance at Nottinghamshire Fire and Rescue Service for the year 2023/24.

Recommendations:

That Members note the contents of this report.

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1. BACKGROUND

- 1.1 Data protection and public sector transparency are continued priorities for the United Kingdom (UK) Government and Nottinghamshire Fire and Rescue Service (NFRS). In May 2018, new data protection requirements entered UK law (the Data Protection Act 2018 and the General Data Protection Regulation). Risks from non-compliance include significant fines from the Information Commissioner and potential harm to the reputation of NFRS.
- 1.2 The UK Government's proposed introduction of the Digital Information and Smart Data Bill (DISD) will likely emphasise greater scrutiny and accountability for the sector.
- 1.3 The increasingly digital society and economy rely on vast amounts of personal and public information. NFRS's information governance balances taking opportunities for the innovative use of information whilst upholding information rights.
- 1.4 NFRS shares information with other agencies to reduce fire risks and to protect communities. Members are aware of the continued need for multi-agency working and the role of technology in the delivery of public services. These factors demand an ongoing focus on staff awareness and risk controls.
- 1.5 Work undertaken this year has included empowering transparency and accountability within the Service. The Service has continued to develop how it incorporates 'good' information governance, in line within the National Fire Chiefs Council (NFCC) Data Management Fire Standard.
- 1.6 In 2017 the Policy and Strategy Committee agreed that NFRS would provide an information governance report annually to the full Fire Authority, covering:
 - Overview of Freedom of Information requests;
 - Overview of Environmental Information requests;
 - Overview of data protection areas of interest; and
 - Report on Regulation of Investigatory Powers Act (RIPA) activity or inactivity.
- 1.7 This annual report covers Information Governance for April 2023 to March 2024.

2. REPORT

FREEDOM OF INFORMATION

- 2.1 The Freedom of Information Act 2000 provides public access to information held by NFRS. It does this in two ways:

- NFRS must publish certain information about activities, for example, financial information and service performance; and
- Members of the public can request any information NFRS holds. There are limited reasons to refuse such requests, for example, national security or a high cost to comply with the request.

2.2 Transparency, and having the ‘right to know’, is widely acknowledged as a key part of ensuring public confidence and trust from communities.

2.3 Between April 2023 and March 2024, NFRS received 142 Freedom of Information requests. Of these, 135 (95.1%) were completed within the statutory time limit, up from 70% in 2022/23 and well above the Information Commissioner’s target of 90%. Continued monitoring of the compliance rate is ongoing with any significant concerns to be reported to the Protective Security Group.

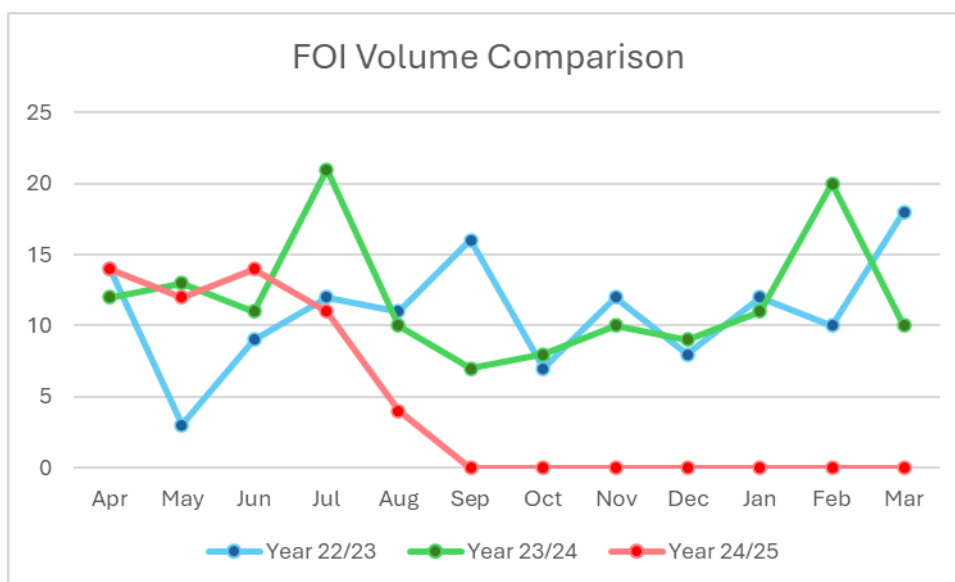


Figure 2.3: Volume comparison of FOI requests across the Service in the financial years 2022/23, 2023/24 and 2024/25

2.4 NFRS publishes information about Service performance and finance on the NFRS public website as well as a disclosure log of freedom of information replies.

ENVIRONMENTAL INFORMATION REQUESTS

2.5 The Environmental Information Regulations 2004 sit alongside the Freedom of Information Act to ensure public access to environmental information held by public bodies.

- 2.6 The Regulations affect NFRS in two ways:
- NFRS must make environmental information available proactively. For example, publish on the website policies, plans and programmes relating to the environment; and
 - Members of the public can request environmental information NFRS holds. There are limited reasons to refuse such requests, for example, national security or a high cost to comply with the request.
- 2.7 One information request received between April 2023 - March 2024 was classified as an environmental information request and was responded to within the statutory time period.

DATA PROTECTION

- 2.8 Responsibilities for correct use of personal information about individual members of the public and members of staff are set out in the Data Protection Act 2018 and the UK General Data Protection Regulation (GDPR).
- 2.9 NFRS values the correct use of personal information as critical to successful operations and in keeping the confidence of the public, employees, and stakeholders.
- 2.10 NFRS has put in place an accessible Privacy Notice outlining its use of personal data via its public website.
- 2.11 Under Article 37 of the UK GDPR a data protection officer (DPO) shall be designated where the processing is carried out by a public authority or body, except for courts acting in their judicial capacity. As a Public Authority NFRS has appointed a Data Protection Officer in line with the UK GDPR.
- Name:** Christopher Smith
Title: Information Governance and Data Protection Officer
Contact Tel: 0115 8388871
Contact Email: DataProtection@notts-fire.gov.uk
- 2.12 Over the last year, NFRS has focused on continuing to develop a robust methodology for incorporating information governance in line with the NFCC Data Management Fire Standard and the Information Commissioner's Office (ICO) expectations.
- 2.13 At the time of writing, NFRS has reviewed and implemented 72% of the recommended requirements either fully or partially implemented with the remaining 28% awaiting review and implementation. Work is set to continue in the 2024/25 financial year.
- 2.14 Part of NFRS's obligations under the UK GDPR is to respond to the rights of data subjects where the Service processes their personal data. The right of access by the data subject to their personal data held by NFRS comprises part of this obligation. For the financial year 2023/24, NFRS received 43

requests for information from a data subject; of those, 42 (97.67%) were completed within the statutory timeframe of one month, or where NFRS has extended the deadline, due to complexity, by a further two months.

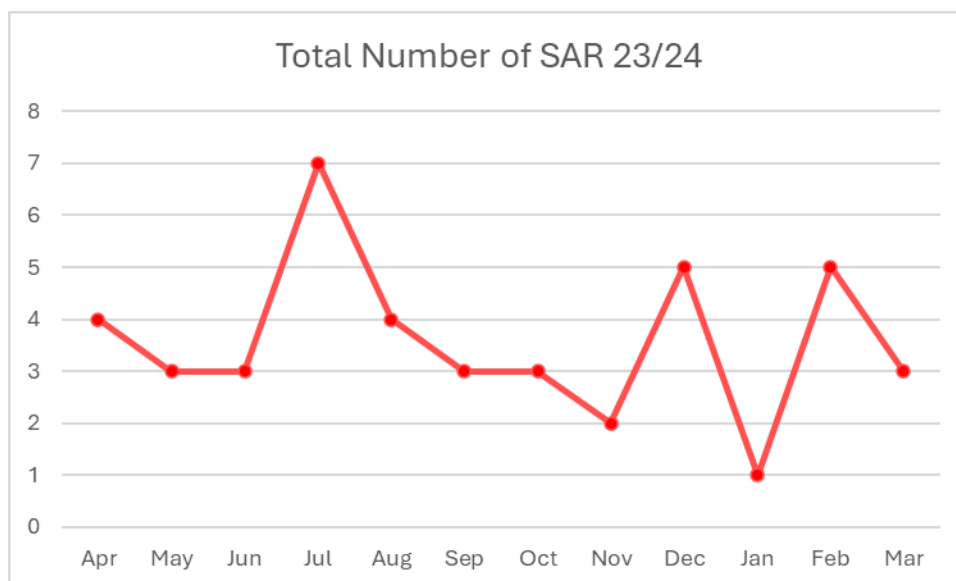


Figure 2.14 Monthly breakdown of Subject Access Requests (SAR) across the Service in the financial year 2023/24.

- 2.15 The UK GDPR introduces a duty on all organisations to report certain personal data breaches to the relevant supervisory authority. NFRS must do this within 72 hours of becoming aware of the breach, where feasible.
- 2.16 No incidents recorded by NFRS required the Information Commissioner's Office (ICO) to be notified in the year 2023/24.
- 2.17 The ICT Security department has reviewed and renewed the Cyber Essentials Plus certification in September 2023.

REGULATION OF INVESTIGATORY POWERS ACT 2000 (RIPA)

- 2.18 NFRS is authorised by the Regulation of Investigatory Powers Act 2000 (RIPA) to undertake some types of covert investigation for the prevention or detection of crime, the prevention of disorder, or in the interests of public safety. (The UK Government removed Fire and Rescue Services from access to Communications Data under RIPA in July 2020.)
- 2.19 Investigatory actions under RIPA for NFRS could include, for example, false persona used to get information in closed social media groups about events with a high fire risk, unannounced photographs from an unmarked vehicle or non-identified staff to check use of a premises with a fire safety prohibition notice.
- 2.20 There were no applications for covert investigations at NFRS under RIPA from April 2023 to March 2024.

3. FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

- 4.1 All NFRS staff are required to complete Data Protection training every two years.
- 4.2 At the end of the 2023/24 financial year, there were 719 users with 713 completions (99.2%) and six non completions (0.8%). Practical guidance has been developed via the Service's Data Protection Hub with the overall aim to provide employees with practical and clear information regarding their legal obligations under UK data protection laws.

5. EQUALITIES AND ETHICAL IMPLICATIONS

- 5.1 An equality impact assessment (EIA) has not been undertaken because this is an information report with no recommended changes that would necessitate the requirement for an EIA to be undertaken.
- 5.2 This document has been developed in accordance with the Core Code of Ethics for Fire and Rescue Services in England to support a consistent approach to ethics, including behaviours, by fire and rescue services in England.

6. ENVIRONMENTAL AND SUSTAINABILITY IMPLICATIONS

There are no environmental or sustainability implications arising from this report.

7. LEGAL IMPLICATIONS

This report is designed to give the Fire Authority assurance that the Service is meeting its legal duties under Freedom of Information, Environmental Information Regulations, Data Protection and RIPA.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1 Failure to adhere to legislative requirements may result in serious and unwarranted damage and distress to individuals, breach of UK data protection laws, court action or financial penalties, damage to reputation and integrity.

- 8.2 The Information Governance and Data Protection Officer (IGDPO) role is a legal requirement and provides advice and assistance to demonstrate NFRS's compliance alongside a robust information governance framework which reduces the risks outlined in Paragraph 8.1.

9. COLLABORATION IMPLICATIONS

- 9.1 The DPA 2018 and UK GDPR include the duty for notification of serious personal data breaches to the Information Commissioner. NFRS has a nil cost Service Level Agreement with Derbyshire Fire and Rescue Service and South Yorkshire Fire and Rescue Service ensuring bank holiday and absence cover for information breach reporting to the Information Commissioner (where needed within 72 hours).
- 9.2 The Information Governance and Data Protection Officer is a member of Nottinghamshire Information Officers Group.

10. RECOMMENDATIONS

That Members note the contents of this report.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Craig Parkin
CHIEF FIRE OFFICER

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NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority

GRENFELL TOWER INQUIRY PHASE 2 REPORT

Report of the Chief Fire Officer

Date: 20 September 2024

Purpose of Report:

To update Members in relation to the Grenfell Tower Inquiry Phase 2 report.

Recommendations:

It is recommended that Members:

- Note the publication of the Grenfell Tower Inquiry Phase 2 report.
- Agree to receive updates in relation to further actions, associated with the Grenfell Inquiry Phase 2 report.

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1. BACKGROUND

- 1.1 On 14 June 2017, a fire occurred at Grenfell Tower, London, which destroyed the 24-storey block of 129 residential flats. 72 people lost their lives at the incident.
- 1.2 The Right Honourable Sir Martin Moore-Bick was appointed as Chair of the public inquiry; set up to examine the circumstances leading up to, and surrounding, the fire at Grenfell Tower.
- 1.3 The Phase 1 Inquiry report was published on 30 October 2019, and an overview of the Service's actions and the recommendations from the inquiry was presented to the Fire Authority in December 2019.
- 1.4 On 21 January 2020, the Government published its response to the Phase 1 Inquiry recommendations, including the actions to be taken by Government to address the recommendations and these were reported to the Fire Authority in February 2020.
- 1.5 In 2022, the Service reported to Members that all 47 recommendations from the Phase 1 report were completed.
- 1.6 Phase 2 of the Grenfell Tower Inquiry started in March 2020 and was focussed on the circumstances leading up to the fire, including the Tower's design, construction, composition, modifications and fire safety measures within the building.

2. REPORT

- 2.1 The [Grenfell Tower Inquiry Phase 2 report](#) was published on 4 September 2024. The report is inevitably lengthy and detailed, containing a significant number of recommendations that span a wide number of industries, organisations and professions.
- 2.2 The full report is published across seven volumes and is further split into the following parts and areas of broad focus.
 1. Introduction.
 2. The path to disaster.
 3. The testing and marketing of products.
 4. Tenant management organisation.
 5. The management of the fire safety at Grenfell Tower.
 6. The refurbishment of Grenfell Tower.
 7. Replacement of the gas riser.
 8. The London Fire Brigade.
 9. The deceased.
 10. Response and recovery.
 11. Matters outstanding from Phase 1.

- 12. The fire testing regime.
- 13. The response of other countries.
- 14. Recommendations.

- 2.3 In order to effectively respond to the Grenfell Tower Phase 2 Inquiry recommendations, the Service will undertake a detailed analysis of the report and its recommendations, working alongside the National Fire Chief Council (NFCC) and other stakeholders to fully understand any requirements and implications. A future report will be presented to Fire Authority detailing the Service's approach to meeting the recommendations.
- 2.4 Whilst on first review, only a minority of the recommendations directly relate to fire and rescue services direct activities and responsibilities, a number of the recommendations will require a multi-disciplinary approach to resolve. Complex interdependencies exist both between internal departments and with regional fire and rescue partners. An example being the continued collaboration with Derbyshire Fire and Rescue Service in the provision of a joint control room and its required and continued effectiveness.
- 2.5 Whilst the Government is yet to respond to the recommendations, it is expected that the routine reporting of progress against the recommendations will be required to the Home Office and NFCC. The Service needs to be able to respond in an assured and constructive manner to these consultations.

3. FINANCIAL IMPLICATIONS

Financial implications will be identified and considered as part of any future reports

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are a range of recommendations which may have training implications for both fire control and incident commanders. Any identified implications will be brought back to the Fire Authority for consideration and scrutiny.

5. EQUALITIES AND ETHICAL IMPLICATIONS

As the report was only received on 4 September 2024 and has yet to be considered in detail, no equality and ethical implications have been identified at this stage.

6. ENVIRONMENTAL AND SUSTAINABILITY IMPLICATIONS

There are no known environmental and sustainable implications arising from this report.

7. LEGAL IMPLICATIONS

- 7.1 The Service has a duty under the Health and Safety at Work Act to ensure the safety of employees and others affected by its activities. Implementing the recommendations will ensure the Service complies with these requirements.
- 7.2 The Fire Services Act requires the Service to resource to community risks, including those associated with tall buildings, and that adequate arrangements are in place to provide an effective operational response.
- 7.3 The Civil Contingencies Act requires that the Service has necessary plans in place to respond to a major incident which may include a fire in a tall building.
- 7.4 The Local Government Act 1999 places a statutory duty on Nottinghamshire Fire and Rescue Service to 'secure continuous improvement in the way in which its functions are exercised'. The reporting of progress against these matters ensures that the Service is focusing on key objectives, as set by the Fire Authority, and continuous improvement. This ensures that Members can apply effective scrutiny to be satisfied that statutory obligations are being met.
- 7.5 The Fire Authority has a statutory duty to discharge the Regulatory Reform (Fire Safety) Order, 2005.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1 Effectively implementing the Grenfell Tower Inquiry Phase 2 recommendations will ensure the Service is well placed to ensure an effective operational response to a fire in a tall building. It will also go some way to ensuring an effective operational response to any type of major incident.
- 8.2 The Grenfell Tower Phase 2 recommendations will potentially be a focus for HMICFRS during its next round of inspections. Effective organisational response to the Phase 2 report will mitigate the risk of a negative inspection result and the subsequent reputational risks that this poses to the Service.
- 8.3 Close media scrutiny of both the Grenfell Tower Inquiry and subsequent fires that have occurred in tall buildings and clad buildings elsewhere in the country, poses a significant reputational risk for the organisation were such an event to occur in Nottinghamshire.

9. COLLABORATION IMPLICATIONS

There are significant collaboration implications related to the actions required for Joint Fire Control relating to policy, procedure and training for Control Operators given the current and future joint fire control arrangements.

10. RECOMMENDATIONS

It is recommended that Members:

- 10.1 Note the publication of the Grenfell Tower Inquiry Phase 2 report.
- 10.2 Agree to receive updates in relation to further actions, associated with the Grenfell Inquiry Phase 2 report.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Craig Parkin
CHIEF FIRE OFFICER

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