



KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

Meeting of the Authority

Thursday, 19 October 2023

10.30 am

AGENDA

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

Thursday, 19 October 2023, 10.30 am
Kent Fire and Rescue Service Headquarters,
The Godlands, Maidstone, ME15 6XB

Ask for: Marie Curry
Telephone: (01622) 692121 ext 8291

UNRESTRICTED ITEMS

(During these items the meeting is likely to be open to the public)

A Routine Business

- A1. Chair's Announcements *(if any)*
- A2. Membership Changes and Apologies for Absence
- A3. Declarations of Interest in Items on this Agenda
- A4. Minutes of the Audit and Governance Committee held on 20 April 2023 *(for information)*
- A5. Minutes of the Authority Meeting held on 29 June 2023 *(for approval)*

B For Decision

- B1. Community Risk Management Plan - Risk Analysis and Assessment
- B2. Finance Update 2023/24
- B3. Development of the Medium-Term Sustainable Financial Plan *(Presentation)*
- B4. Governance and Policy Updates
- B5. Treasury Management Annual Report 2022/23
- B6. Mid-Year Treasury Update 2023/24
- B7. Calendar of Meetings and other Events

C For Information

- C1. Annual Report to the Authority on the Work of the Audit and Governance Committee
- C2. Operational Incidents of Interest *(Presentation)*
- C3. Information Update *(available to view on website)*

D Urgent Business *(Other items which the Chairman decides are urgent)*

E Exempt Items *(At the time of preparing this agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public).*

Marie Curry
Clerk to the Authority
9 October 2023

Please note that any background papers referred to in the accompanying reports may be inspected by arrangement with the Lead/Contact Officer named on each report.

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KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

MINUTES of the Meeting of the Audit and Governance Committee held on Thursday, 20 April 2023 at Kent Fire and Rescue Service Headquarters.

PRESENT: - Mr P Cole, Mr N Collor, Mr P Harman, Mr V Maple (Chair), , Mr C Simkins, Mr M Sole and Mr S Tranter (Vice Chair).

APOLOGIES: - Mr A Booth, Ms S Hudson and Ms L Parfitt-Reid

OFFICERS:- The Chief Executive, Miss A Millington OBE, QFSM; the Director Finance and Corporate Services, Mrs A Hartley, Director Prevention, Protection, Customer Engagement and Safety, Mr J Quinn; Director Response and Resilience, Mr M Rist; Head of Finance, Treasury and Pensions, Mr B Fullbrook and the Clerk to the Authority, Mrs M Curry.

ALSO IN ATTENDANCE: - Mr P Cuttle, Grant Thornton and Ms F Smith, KCC Internal Audit

UNRESTRICTED ITEMS

23. Chair's Announcements

(Item A1)

- (1) Members of the Committee stood for a minute's silence to pay respects to Cllr Dan Daley, a former Kent and Medway Fire and Rescue Authority Member and Member of this Committee, following his death on 24th March 2023.
- (2) The Chair thanked Head of IT for the presentation on Cyber Security.
- (3) The Committee sent their best wishes for a speedy recovery to Nicola Walker, Head of Finance, Treasury and Pensions following a recent operation.
- (4) The Chair welcomed Paul Cuttle, Grant Thornton, to the meeting.
- (5) The Chair welcomed Frankie Smith, KCC Internal Audit, to the meeting.

24. Minutes – 28 November 2022

(Item A4)

- (1) RESOLVED that the Minutes of the Audit and Governance Committee meeting held on 28 November 2022, be approved and signed by the Chair as a correct record.

25. Corporate Risk Register

(Item B1 – Report by Director Finance and Corporate Services)

- (1) The Committee received the latest update on the Corporate Risk Register for consideration.
- (2) RESOLVED that:-
 - (a) the amendments to the Corporate Risk Register as shown in Appendix 1 to the report, be approved.
 - (b) the remaining contents of the report be noted.

26. External Auditors Draft Audit Plan for 2022/23

(Item B2 – Report by Director Finance and Corporate Services)

- (1) Mr Paul Cuttle from Grant Thornton, introduced for Members' consideration, the External Auditors Draft Audit Plan for 2022/23 and a summary of the key areas which the Auditors are required to review to ensure compliance with auditing standards.
- (2) In addition, Mr Cuttle also provided the Committee with the latest known position with regards to the delay for the signing off of the Authority's accounts for the 2021/22 financial year.
- (3) In response to the update provided by Mr Cuttle, Mr Maple expressed the Committee's frustrations on the delay to the closure of the accounts and was clear that this is not a direct fault of this Authority. He added that there appears to be a wider issue connected to LGPS Pension data which is affecting a large number of other local authorities. Mr Maple added that he hopes there is a swift resolution to the issues very soon.
- (4) In response to a question posed by Mr Cole asking what the potential effect of these delays could have on our relationship with external partners, the Director Finance and Corporate Services responded by providing assurances that business can continue with external partners, the negative impact is more on finance colleagues time having to go back and forth to the Auditors with the additional information.
- (5) RESOLVED that: -
 - (a) The External Auditors Draft Audit Plan for 2022/23, as detailed in Appendix 1 to the report, be approved.

27. External Auditors Audit Risk Assessment for 2022/23

(Item B3 – Report by Director Finance and Corporate Services)

- (1) Under International Standards on Auditing, Auditors have specific responsibilities to communicate with those in charge with governance, which for this Authority is the Audit and Governance Committee. The Auditors are required to gain an understanding of the management processes and the Authority's oversight of key areas to support the development of the Financial Statements.
- (2) Mr Paul Cuttle from Grant Thornton, introduced the Audit Risk Assessment document which sets out the management response to the questions raised by the Auditors as well as that of this Committee.
- (3) RESOLVED that: -
 - (a) the Audit Risk Assessment, as set out in Appendix 1 to this report, be approved.
 - (b) the draft response to the questions raised by the Auditors to the Audit and Governance Committee, be approved.

28. Internal Audit Plan for 2022/23 and Audit Charter

(Item B4 – Report by Director Finance and Corporate Services)

- (1) Ms F Smith, Head of KCC Internal Audit, introduced for Members' consideration, the proposed Internal Audit Plan for 2023/24, along with the Audit Charter and Key Performance Indicators.
- (2) Mr Maple, on behalf of the Committee, placed on record its thanks to Ms Smith and her team for the thorough and valuable work they do for this Authority. Comments which were also echoed by the Chief Executive.
- (3) RESOLVED that: -
 - (a) the Internal Audit Plan for 2023/24, as set out in Annex 1 of Appendix 1 to the report, be approved.
 - (b) the Internal Audit Charter, as set out in Annex 2 of Appendix 1 to the report, be approved.
 - (c) the proposed Key Performance Indicators for the Internal Audit, as set out in Annex 3 to Appendix 1 to the report, be approved.

29. Treasury Management Update

(Item B5 – Report by Director Finance and Corporate Services)

- (1) The Committee received its annual review of treasury management activities and the indicative outturn position to date. A final treasury outturn report will be provided as a suite of documents to support the approval of the 2022/23 Financial Statements at the September meeting of this Committee.
- (2) RESOLVED that: -
 - (a) the year-end report on treasury management activity for 2022/23, be approved.

30. Appointment of Independent Member

(Item B6 – Report by Clerk to the Authority)

- (1) The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 and the Chartered Institute of Public Finance and Accountancy's recommended good practice sets out the requirement on audit committees of a combined authority to have at least one independent member as part of its membership.
- (2) Following discussion and approval from the Authority at its meeting in February, the Committee received a report which contained the job advertisement, job description and person specification for the role of Independent Member for its consideration.
- (3) RESOLVED that: -
 - (a) the advertisement for the role of an Independent Member, be approved.
 - (b) the job description and person specification for the role of Independent Member, be approved.
 - (c) the shortlisting and interviewing for the role of Independent Member by a panel comprising of the Chair of the Authority, Chair and Vice Chair of the Audit and Governance Committee and an Opposition Member, be approved.
 - (d) recommendations on any appointment for the role of Independent Member be ratified by the Authority at its next meeting on 29 June 2023, be approved.

31. Internal Audit Progress Report for 2022/23

(Item C1 – Report by Director Finance and Corporate Services)

- (1) Ms F Smith from KCC Internal Audit, introduced for Members' consideration, the Internal Audit Progress report. This report provided an update of the work that has been

20 April 2023

concluded by KCC Internal Audit, on behalf of the Authority, against the 2022/23 Audit Plan, a summary of which was attached at Appendix 1 to the report.

(2) RESOLVED that:

(a) The contents of the report be noted.

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KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

MINUTES of the Annual Meeting of the Kent and Medway Fire and Rescue Authority held on Thursday 29 June 2023 at Kent Fire and Rescue Service HQ, The Godlands, Straw Mill Hill, Tovil Maidstone ME15 6XB.

PRESENT:- Mr P Barrington-King, Mr A Brady, Mr D Beaney, Mr A Booth, Mr N Chard, Mr P Cole, Mr N Collor, Mr D Crow-Brown, Mr M Dendor, Mr P Harman, Ms S Hohler, Mr M Hood, Mr D Jeffrey, Mr S Manion, Mr J McInroy, Ms J Meade, Mr M Prenter; Mr A Ridgers, Mr C Simkins, Mr M Sole, Mr V Maple, Ms Z Van-Dyke.

APOLOGIES: - Mr B Kemp, Ms C Parfitt-Reid, Mr B Sweetland and Mr M Scott, Kent Police and Crime Commissioner

OFFICERS:- The Chief Executive, Miss A Millington OBE, QFSM ; the Director, Finance and Corporate Services, Mrs A Hartley; the Director, Response and Resilience, Mr M Rist; Director Prevention, Protection, Customer Engagement and Safety, Mr J Quinn; Assistant Director, HR and Culture, Mrs K Irvine; Assistant Director, Response, Mr M Deadman; Assistant Director, Resilience, Mr C Else; Assistant Director, Customer and Building Safety, Mr M Woodward; Head of Data Intelligence, Ms N Harryman; Head of Policy, Dr O Thompson; Head of Finance and Treasury, Mrs N Walker; Head of Finance and Pensions, Mr B Fullbrook and the Clerk to the Authority, Mrs M Curry.

ALSO IN ATTENDANCE: - Mr P Cuttle, Grant Thornton and Ms J Waterman, Independent Person

UNRESTRICTED ITEMS

1. Election of Chair for 2023/24

(Item A1)

- (1) Mr Maple moved, Mr Crow-Brown seconded, that Mr Chard be elected Chair of the Authority.
- (2) There being no other nominations Mr N Chard was declared the elected Chair of the Authority for 2023/24.

2. Election of Vice-Chair for 2023/24

(Item A2)

- (1) Mr Chard moved, Mr Manion seconded, that Mr Kemp be elected Vice-Chair of the Authority.
- (2) There being no other nominations Mr B Kemp was declared the elected Vice-Chair of the Authority for 2023/24.

3. Chair's Announcements

(Item A3)

- (1) The Chair welcomed the new Members appointed to the Authority
- (2) The Chair, on behalf of the Authority, gave thanks to those Members who have stood down following the recent elections.
- (3) The Chair welcomed Paul Cuttle and Jenny Waterman to the meeting
- (4) The Chair reminded Members that following the meeting, there would be a display of vehicles, equipment and stands for Members to view as part of an induction into Kent Fire and Rescue Service.

4. Membership

(Item A4)

- (1) The list of Members appointed by the constituent Councils to serve on the Authority for 2023/24 was noted.

5. Audit and Governance Committee – 28 November 2022

(Item A6)

- (1) RESOLVED that: -
- (a) the Minutes of the Audit and Governance Committee meeting held on 28 November 2022 be noted.

6. Minutes of the Authority – 21 February 2023

(Item A7)

- (1) RESOLVED that: -
- (a) the Minutes of the Authority meeting held on 21 February be approved and signed as a true record.

8. Senior Officer Appointment and Conditions Committee – 21 March 2023

(Item A8)

- (1) RESOLVED that: -
- (a) the minutes of the Senior Officer Appointment and Conditions Committee held on 21 March 2023 be noted.

9. Appointment to Committees and Outside Bodies for 2023/24

(Item B1 - Report by Clerk to the Authority)

- (1) The Authority reviewed its scheme of proportionality as required by the Local Government and Housing Act 1989, and then considered various matters relating to the appointment of Members to Committees and outside bodies for 2023/24.
- (2) RESOLVED that: -
- (a) for the purposes of the statutory annual review of proportionality, and without any Member voting against, the allocation of places to the political groups on the Senior Officer Appointment and Conditions Committee and the Audit and Governance Committee as detailed in paragraphs 5 and 6 and shown in Table 1 of the report, be approved for 2023/24.
- (b) If and when a Hearings Panel is needed in 2023/24, it should comprise of six Members (the majority drawn from the administration and one representative from each of the other political parties), be approved.
- (c) the Authority continues in the membership of the outside bodies to which it currently belongs, and the allocation of places and voting rights on the LGA General Assembly between the political groups, as shown in Table 2 to the report, be approved for 2023/24.

10. Governance and Policy Update

(Item B2 – Report by Chief Executive)

- (1) The Authority considered a report on a number of governance issues such as

- A. Review of the Authority's Constitutional Documents
- B. Code of Corporate Governance
- C. Legislative Update
- D. Policy Update

(2) RESOLVED that: -

- (a) the proposed amendments to the Authority's constitutional documents, attached at Appendices 1 to 4 of the report, be approved.
- (b) the Terms of Reference for the Senior Officer Appointment and Conditions Committee, attached at Appendix 5 to the report, be noted.
- (c) the Modern Slavery and Transparency in Supply Chains Statement for 2022/23, attached at Appendix 6 to the report, be approved.
- (d) the remaining contents of the report, be noted.

11. External Auditors Annual Report 2021/22

(Item B3 – Report by Director Finance and Corporate Services)

- (1) Members considered the External Auditors Annual report for 2021/22; the assessment made on the Authority's Value for Money arrangements covering key criteria such as financial sustainability, governance and how the Authority has improved on economy, efficiency and effectiveness. Alongside this assessment Members also considered the Opinion of the Financial Statements for the year ending 2021/22.
- (2) Whilst the work of the External Auditors is still not concluded, the report did provide commentary on the significant aspects of the Statements and it was reported that there were no significant weaknesses that were identified during the Audit, as set out under the National Audit Office Code of Practice.
- (3) Members thanked Paul Cuttle and the work of the External Auditors.
- (4) Mr Maple said that the financial position of this Authority should not be taken for granted and placed on record his thanks to the Director of Finance and her team for the excellent work they do.
- (5) RESOLVED that: -
 - (a) the External Auditors Annual Report 2021/22, as attached at Appendix 1 to the report, be approved.
 - (b) the remaining contents of the report, be noted.

12. Provisional Final Outturn for 2022/23

(Item B4 – Report by Director Finance and Corporate Services)

- (1) The Authority considered a report which detailed the provisional outturn on revenue and capital spends for the 2022/23 financial year as well as details of the proposed resultant transfers from earmarked reserved to fund the final overspend on the revenue budget.

- (2) The report covered in detail an increase in the overspend by £394k since the last forecast presented to Members in February. This additional cost is in relation to the nationally agreed pay award for operational staff.
- (2) RESOLVED that: -
 - (a) the transfer from the Insurance and Resource Reserve to fund the final revenue budget overspend (provisionally £818k), as detailed in paragraph 4 of the report, be approved.
 - (b) the remaining contents of the report be noted.

13. Financial Update 2023/24

(Item B5 - Report by Director Finance and Corporate Services)

- (1) The Authority considered the first report for the 2023/24 financial year which provided an overview of the spend against the revenue and capital budgets forecast for the year as well as a number of other financial related issues.
- (2) Members also received, in advance of the meeting, an addendum to the report which set out proposals in relation to two pension issues which had arisen since the drafting of the reports.
- (3) RESOLVED that: -
 - (a) the proposed changes to the revenue budget to fund the in-year budget pressure resulting from the higher than budgeted pay award for operational staff for 2022/23 and 2023/34, be approved.
 - (b) the potential drawdown from the Resource Reserve to meet other in-year revenue budget pressures, if the additional funding needed cannot be met from the resources within the existing base budget, be approved in principle.
 - (c) delegation to the Chief Executive and Chair of the Authority, in discussion with the Director of Finance and Corporate Services, to commit up to a further £1.5m of expenditure, if required, for the implementation of the new joint control system, be approved in principle.
 - (d) a 10-year lease in relation to the new commercial premises required for the vehicle servicing and maintenance workshop, be approved.
 - (e) reinstate a survivor's pension, providing that no longer than five years have elapsed since it was previously paid, be approved.
 - (f) if a survivor's pension has elapsed more than five years, the decision to reinstate this is to be delegated to the Chief Executive, in consultation with the Chair of the Authority and Director Finance and Corporate Services, be approved.
 - (g) if the operational need requires an individual to remain employed beyond the date at which their deferred pension comes in to payment, the Chief Executive, in consultation with the Chair of the Authority and Director of Finance and Corporate Services, can take a decision to not abate their pension whilst they remain employed in role, be approved.
 - (h) the remaining contents of the report and addendum be noted.

14. Appointment of an Independent Member for the Audit and Governance Committee
(Item B6 – Report by Clerk to the Authority)

- (1) The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 sets out in legislation the requirement on audit committees of a combined authority to have at least one independent member on its membership. Members received a report that sought approval to the appointment of an Independent Member to this Authority's Audit and Governance Committee following a successful interview process.
- (2) Mr Maple said that he welcomed this appointment and with it the assurances of independence and transparency it will bring to the Authority.
- (3) Given the importance of this role, Mr Jeffrey asked if the remuneration could be revisited as part of the Authority's next review on Member Allowances.
- (4) RESOLVED that: -
 - (a) the appointment of Jennifer Waterman, as the Independent Member for this Authority's Audit and Governance Committee, be approved.

15. Information Update
(Item C1 – Report by Chief Executive)

- (1) The Authority considered information updates on: -
 - A. Inspection and National Issues Update
 - B. Performance Outturn and Update
 - C. Response and Resilience Update
 - D. Prevention, Protection, Customer Engagement and Safety Update
 - E. Freedom of Information Update
 - F. Pensions and Pension Board Update
- (2) On item A above, Members requested further information at a future meeting around the work the Service is doing on culture.
- (3) On item C above, those Members who attended the multi-agency exercise at Dreamland on 5 June expressed their thanks to all who took part. The exercise was well received by Members, who also stated how impressed they were on the professionalism of the KFRS colleagues involved.
- (4) On item D above, Mr Booth praised the work of the Service on its community engagement and education programme following a recent visit to a local primary school and village event.
- (5) On item D above and in response to a question posed by Ms Meade around the detail of the new building safety regulator structure in relation to pre-construction phases of new builds and with this the launch of Gateway 2 in October 2023, the Director for Prevention and Protection responded by saying that once the guidance is available and has been reviewed by his team, a presentation will be brought back to Members to keep them abreast of the new process.
- (6) RESOLVED that: -
 - (a) The contents of the report be noted.

16. Operational Incidents of Interest

(Item C2 – Presentation from Director Response and Resilience)

- (1) The Authority received a presentation on two noteworthy incidents involving electric vehicles which covered the firefighting and rescue techniques that were employed, the equipment and resources used and what was learnt as a result of the incidents.
- (2) Mike Sole and Mark Hood requested further information from the Assistant Director Response, in his capacity as the NFCC National Lead for alternative fuels around the potential dangers of lithium-ion batteries and the work being undertaken nationally.
- (3) Members thanked Director Response and Resilience for the informative presentation.
- (4) RESOLVED that: -
 - (a) the presentation be noted.

**EXEMPT ITEMS
(Open Access to Minutes)**

17. Channel Tunnel

(Item E2 – Exempt Report by Chief Executive)

- (1) The Authority considered a report on the First Line of Response (FLOR) contract with Eurotunnel.
- (2) RESOLVED that: -
 - (a) the recommendations contained within the report, be approved.

By: Chief Executive
To: Kent and Medway Fire and Rescue Authority – 19 October 2023
Subject: COMMUNITY RISK MANAGEMENT PLAN RISK ANALYSIS AND ASSESSMENT
Classification: Unrestricted

FOR DECISION

SUMMARY

This report covers the Authority's Community Risk Management Plan (CRMP) risk analysis and assessment document, "Creating a Safer Future – Together".

RECOMMENDATIONS

Members are requested to:

1. Approve the CRMP risk analysis and assessment document, "Creating a Safer Future – Together" (Paragraphs 1 to 6 and **Appendix 1** refer).
2. Approve the proposal, and associated timescales, for public consultation on the risk analysis and assessment set out in the document "Creating a safer future – together" (**Appendix 1**) and the council tax options for 2024/25 (Paragraphs 1 to 6 refer).

LEAD/CONTACT OFFICER: Matthew Deadman – Assistant Director, Response
TELEPHONE NUMBER: 01622 692121 ext. 8383
EMAIL: matthew.deadman@kent.fire-uk.org
BACKGROUND PAPERS: None

COMMENTS

Creating a Safer Future - Together

1. The Fire and Rescue National Framework for England requires every fire and rescue authority to assess all foreseeable fire and rescue related risks that could affect their communities, whether they are local, cross-border, multi-authority and/or national, and prepare an 'integrated risk management plan', or as it is now referred to within the sector, a 'Community Risk Management Plan' (CRMP). The Authority is now undertaking a CRMP process which builds upon the 10-year analysis of the key societal, economic, technological, and environmental changes that were set out in the 2022 Safety Plan.
2. The first stage of our CRMP is a comprehensive risk analysis and assessment. Undertaken in line with the National Fire Chiefs' Council's "Community Risk Management Planning Strategic Framework", this risk assessment has now been completed and utilises a robust, evidence-based methodology. The results of this are published in our CRMP risk analysis and assessment document. We are calling this document "Creating a Safer Future – Together".
3. "Creating a Safer Future – Together" is being presented to Members as an electronic text document which can be viewed alongside this agenda pack on the website. This is not how it will be displayed to the public, although the content will remain the same. Instead, we will be publishing the content on our website in a format that is accessible and allows customers to quickly access the content that interests them most.
4. Between November 2023 and January 2024, the Authority will undertake public consultation on "Creating a Safer Future – Together" document. This will also include consultation on the council tax options for 2024/25. The four options are set out below (these are also presented within the "Creating a Safer Future – Together" document).

Setting the Council Tax

The average Band D household pays just over £1.67 per week in council tax (£87.30 per year in 2023/24) to help run Kent Fire and Rescue Service.

We welcome your views on the following council tax options for 2024/25 and ask which one you would prefer:

- Option 1: Freeze council tax for a year

- Option 2: Increase council tax by an amount just under a previously proposed referendum limit of 3%, which is an increase of just over 5p a week for an average band D household.
- Option 3: If there is flexibility to do so, would you agree to an increase of up to £5 (5.6% increase) a year on an average band D household, which is a weekly increase of just over 9p?
- Option 4: As an alternative option, having read about the significant challenges we face over the medium term, what increase in council tax would you be prepared to pay in 2024/25? To give you some context, each 1% increase in a Council Tax Band D household is just under 2p per week.

Central Government set the maximum amount by which we can increase Council Tax each year and we can set council tax at any percentage up to that level, without a public referendum. The maximum level of council tax increases has not yet been set by the Government, so we are interested in your view as to the level of increase that you would be prepared to pay for your Fire and Rescue Service.

5. Feedback from the public consultation will be presented to Members in February 2024. Following that we will analyse what actions are required to address the risks and strategic challenges. We will present an annual action plan to Members in July 2024. If there are any significant changes requiring approval and public consultation, these will be presented to Members in October 2024.
6. “Creating a Safer Future – Together” is presented as an electronic attachment (**Appendix 1**) to these papers for Members’ consideration and approval. The document can be viewed on the website alongside this agenda pack.

IMPACT ASSESSMENT

7. There are no direct impacts from the contents of this paper which cannot be contained within existing budgetary provision.

RECOMMENDATIONS

8. Members are requested to:
 - 8.1 Approve the CRMP risk analysis and assessment document, “Creating a Safer Future – Together” (Paragraphs 1 to 6 and **Appendix 1** refer).
 - 8.2 Approve the proposal, and associated timescales, for public consultation on the risk analysis and assessment set out in the document “Creating a Safer Future – Together” (**Appendix 1**) and the council tax options for 2024/25 (Paragraphs 1 to 6 refer).

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By: Director, Finance and Corporate Services
To: Kent and Medway Fire and Rescue Authority – 19 October 2023
Subject: FINANCIAL UPDATE FOR 2023/24
Classification: Unrestricted

FOR DECISION

SUMMARY

This report provides a mid-year financial update for the current financial year, presenting the first detailed forecast outturn position on the Authority's revenue and capital budgets for 2023/24. It highlights that there is a forecast revenue underspend of some £1.250m, but it also sets out the risks and budget volatility that remain for the last six months of the year.

Other financial updates are also included in this report.

RECOMMENDATIONS

Members are requested to:

1. Agree in principle to transfer any underspend that arises at the end of the 2023/24 financial year to the Insurance and Resource Reserve (paragraph 7 refers).
2. Consider and note the contents of the report.

LEAD/CONTACT OFFICER: Head of Finance, Treasury and Pensions – Barrie Fullbrook
TELEPHONE NUMBER: 01622 692121 ext. 8264
EMAIL: barrie.fullbrook@kent.fire-uk.org
BACKGROUND PAPERS: None

COMMENTS

Revenue and Capital Budgets

1. **Revenue Budget Adjustments** - Since the budget was approved by Members in February it has been necessary to action some adjustments to the budget in the form of virements, a number of which were agreed at the Authority meeting in June earlier this year and are now reflected in this report. These virements invariably relate to adjustments between revenue budgets and earmarked reserves, for example reflecting identified slippage, but they do not change the overall net revenue budget. Details of all budget changes are shown in **Appendices 1 and 2** (subjective analysis, by type of expenditure) and **Appendices 3 and 4** (functional analysis, by service area).
2. **Revenue Budget Summary** - The revenue budget for the current financial year is £85.292m. Current forecasts are indicating that the anticipated outturn is likely to be an underspend of at least £1.250m. This includes a forecast net underspend of £1.193m on pay-related budget headings and a forecast net underspend of £57k on non-pay budget headings. Although an underspend of £1.250m is currently forecast, there are several areas of uncertainty, set out below, that could impact on the final outturn position for this financial year. More detailed explanations for the forecast variances are set out in **Appendices 5 - 8**.

Budget Volatility and Risks

3. Several assumptions have been made in producing the current forecast so the most significant, along with other areas of uncertainty, are detailed below for Members consideration:
4. **Recruitment into vacancies** - An assumption has been made regarding start dates against vacant posts, however the actual position may differ to the assumptions made and will therefore have an impact on the final outturn. Similarly, if a post becomes vacant and recruitment is delayed or an efficiency is taken by deleting the post from the establishment, then some underspends may arise during the year.
 - a) **Corporate staff pay** - The current forecast position includes an assumption that the 2023/24 nationally agreed pay settlement for corporate staff will be in line with the offer made by the Employers' side of the pay negotiations in February 2023, and reaffirmed as a full and final offer in August 2023. The pay offer equates to an average salary increase of approximately 5.2%. Every 1% adds around £150k to the Authority's costs.
 - b) **Operational pay** - The level of whole-time operational overtime is dependent on several factors, for example incident levels in terms of

frequency and duration, sickness cover and the use of bank shifts. A variation to the estimates used when generating the current forecast will impact on the final outturn. On-call payments are also difficult to predict as a large proportion of costs relate to incident levels that can vary from year to year.

- c) **Energy costs** - Energy prices remain volatile and as such an overspend of £600k is currently forecast against utility budgets for 2023/24. Work is ongoing with our energy supplier to ascertain the reasons for the significant increase in costs this year and, therefore, site-specific data will be made more readily available, via access to an online portal, which will allow for improved monitoring of the utility budgets going forward.
- d) **Inflation** - The Consumer Prices Index (CPI) rose by 6.7% in the 12 months to August 2023, down from 6.8% in July and down from a recent peak of 11.1% in October 2022. Although the rate in August 2023 was the lowest since February 2022, it remains significantly higher than the Bank of England's 2% target. If inflation continues to remain high, it is likely to have an impact on costs and may cause additional budgetary pressures later in the year.
- e) **Vehicle maintenance costs** - The servicing and maintenance of the Services' heavy fleet vehicles was brought in-house from April 2023 so costs in this area will be monitored closely this year. It is anticipated that several new pumps and other vehicles will be delivered this financial year which should have a positive impact on vehicle maintenance costs as older vehicles are replaced.
- f) **Vehicle fuel** - Following a significant overspend in 2022/23 this budget was increased by £300k for 2023/24. Subsequently, there was a significant fall in fuel prices in the early part of the financial year, and although prices have increased more recently, they have not increased to the high levels experienced last financial year. Activity levels also have an impact on fuel usage, and certainly this year we have not experienced the scale of wildfires that we had last summer. (Approximately 2,000 less incidents in the first five months of this year compared to the same period last year). As a result, an underspend of £160k is currently forecast, but fuel prices remain volatile so any notable change in prices could impact on the final outturn.
- g) **Insurance claims and legal costs** - Costs in this area can be volatile as they are dependent on the level of insurance claims and the number of prosecutions for non-compliance with fire safety standards in the year. If costs incurred during the year are higher than the allocated base budgets, there may be a requirement to draw funds down from the Insurance and Resource Reserve to fund the additional costs.

- h) **Investment Returns** - Following the September meeting of the Bank of England's Monetary Policy Committee the base rate was maintained at 5.25%. Although a significant increase in investment income is currently forecast it is possible that returns could be higher if there are further increases to the base rate later in the year or if planned expenditure is delayed, meaning higher cash balances are available for investment than currently anticipated.
- i) **Slippage of planned spend** - Although a proportion of infrastructure spend has already been slipped to 2024/25, it is possible that further supply chain issues may arise during the year and there may also be delays in other areas of planned work meaning that additional expenditure is slipped to 2024/25 later in the year.
4. **Infrastructure Plan and Capital Budgets** - The Infrastructure Plan contains all planned capital expenditure and some large one-off revenue expenditure, such as investment in IT projects. Since the last report to Members in June the capital budget has been reduced by a further £6.048m from £12.907m, to a revised £6.859m. A large proportion of this budget reduction (£3.713m) relates to delays in progressing the Ashford Fire Station and Live Fire Training Facility project resulting in funding being slipped to 2024/25 (paragraph 9 in this report provides further narrative on this project). The revenue infrastructure budget has been reduced from £4.495m to £2.883m, mainly due to slippage in the Dynamics project (software solution to provide a view of risk information to multiple teams) (£1.049m). More detailed explanations regarding the adjustments to the infrastructure budgets are provided at **Appendices 9 and 10**.
5. **Capital Receipts and Other Usable Reserves** - The opening balance of the capital receipts reserve, on 1 April 2023, was £9.856m. There is planned use of £1.940m of capital receipts to part-fund the capital infrastructure plan in 2023/24, and receipts of approximately £130k are expected throughout 2023/24, giving a forecast year-end balance of £8.046m.
6. **Reserves** - The Authority maintains a general reserve balance, representing approximately 5% (£4.260m for 2023/24) of the base revenue budget. In addition, there are a small number of Earmarked reserves, although by far the largest is the Infrastructure Reserve (opening balance at 1 April 2023 of £26.630m), which funds a significant proportion of the capital and revenue spend on Infrastructure assets. Details and forecast closing balances on these reserves are attached at **Appendix 11**.
7. **Insurance and Resource Reserve** - This reserve is one of five Earmarked Reserves held by this Authority. Its main purpose is to meet exceptional one-off costs that may arise in relation to insurance claims, which could be quite wide ranging and variable in cost. The reserve also helps fund one-off unexpected spending pressures in-year, such as inflationary impacts across supplies and

services. Members may recall that, at the end of the 2022/23 financial year, £818k was drawn down from this reserve to offset the revenue overspend that arose, mainly as a result of higher-than-expected national pay awards for the financial year. Members will also be aware that there is the potential for funding shortfalls in future years, as set out in the draft Medium Term Sustainable Financial Plan. As such, Members are asked to agree in principle that any underspend that arises at the end of the 2023/24 financial year, will be transferred to the Insurance and Resource reserve, to help address any in-year unexpected shortfalls that may arise in future years.

Other Financial Issues

8. **Vehicle Servicing and Maintenance** - At the June Authority meeting, Members agreed that the Authority could enter into the lease of a unit in Aylesford for the vehicle servicing and maintenance function, which was brought back in-house from April 2023. It has since been agreed that this option will be put on hold for a while, to give time for the current approach to bed in, and then at some future point the current arrangements will be reviewed to establish the appropriate longer-term requirements. The terms for the existing lease at the Maidstone unit originally started in August 2018 and is due to end in August 2028 (with a break clause after 5 years). As part of the previous negotiations with the landlord it was agreed that the break date could be moved back to June 2024. Members will be provided with further updates as the review of the longer-term solution is progressed. This decision does, however, impact on the capital budget as it reduces capital spend by approximately £1m, reflecting the total cost of the proposed new lease.
9. **Ashford Fire Station and Live Fire Training Facility** - Members may recall that at the previous Authority meeting in June, it was reported that spend on this project would be less than planned in the current financial year due to delays in procuring a contractor to undertake the major building work. Having appointed the contractor, unfortunately work is progressing slower than expected, so this is impacting on the project timescales. In addition, there are a number of other key issues that have emerged; the nature of the ground structure requires extensive piling; ground contamination is greater than expected, which understandably the Environment Agency will expect to be rectified; and inflation costs on building materials continue to rise. Additionally, a larger smoke removal plant is required than originally stated on the plans submitted for planning, and as such it is looking increasingly likely that we will need to reapply for either revised planning permission or enter a new application, the route for which has still to be confirmed.
10. As a consequence of these issues, there will be further delays in the delivery of this project. Members will note from this report that the forecast spend on this project has been reduced, to some £2m in the current financial year, although this is probably an optimistic forecast, given the issues set out above. Whilst the

plans have been re-assessed to try to keep costs to a minimum, but still ensuring a quality product is delivered, there may be a possibility that all of these requirements cannot be contained within the cost envelope, particularly given the extensive groundworks that are required. Members will be kept updated at future meetings regarding the progress of this major project and any potential cost impacts. As an aside, the fact that we have not yet spent the funding on this project as set out in the February 2023 Capital Programme, it is estimated, over a 12-month period, investment returns on depositing this funding resource, will have generated approximately £320k of additional income.

11. **External Audit** - As previously reported to Members, there is a national issue in relation to the production of the Local Government Pension Scheme (LGPS) triennial valuation prior to the auditor providing their opinion on the 2021/22 accounts. This issue currently remains unresolved and, as a result, the 2021/22 accounts have not yet been signed-off by external audit. Additional information has been provided by the Actuary and several questions have been raised by the external auditor, which have been referred back to the Actuary, so work is continuing in order to resolve this issue, but it is currently unknown as to when this will be concluded. This additional workload, and other pressures in the audit sector have meant delays to the start of the audit of the Authority's 2022/23 accounts. The audit was originally planned to start in July 2023, but it is currently not known as to when this work will now commence, as discussions continue with the auditor on this matter.

Firefighters' Pension Fund 2023/24

12. **The Firefighters' Pension Fund for 2023/24** - Attached at **Appendix 12** is the forecast outturn for the Firefighters' Pension Fund for 2023/24. Firefighter pension costs that are related to injury whilst on duty are met by the Authority, whereas the majority of other firefighter pension costs are funded by Government. Whilst the Authority is responsible for paying all pensions and collecting all contributions, the resultant net deficit is funded by top-up grant which is paid by the Government in July each year. The forecast for the top-up grant requirement for 2023/24 has increased by £1.309m since the previous forecast submitted to the Home Office in August 2022.

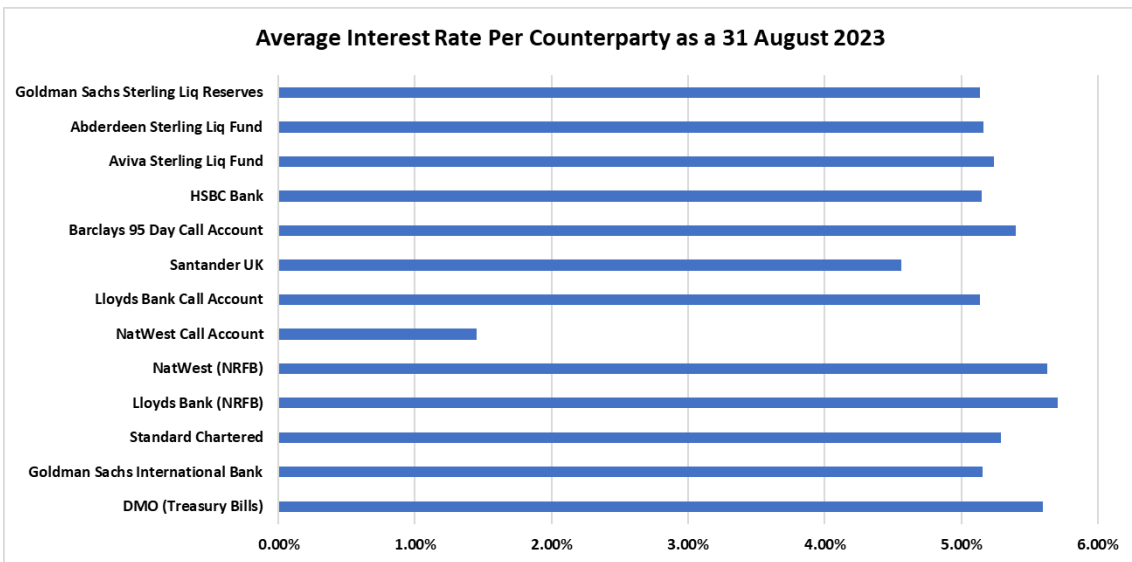
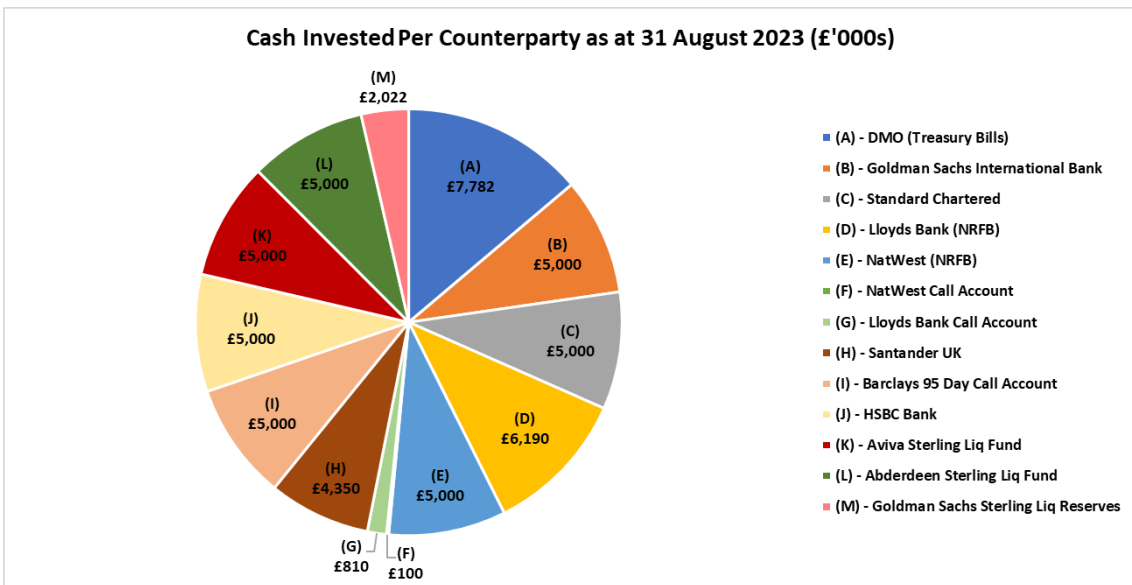
Medium-Term Sustainable Financial Plan 2024-28

13. **Medium-Term Sustainable Financial Plan (MTFP) 2024-28 Development** - The Chancellor has confirmed that the Autumn statement will be presented to Parliament on 22 November 2023. The Office for Budget Responsibility (OBR) have been commissioned to prepare an economic and fiscal forecast to be presented to Parliament alongside the Autumn Statement. The Chancellor has made it clear that the main focus will be to continue with measures to bring down inflation. The Authority's funding position is unlikely to be any clearer until the release of the Provisional Local Government

Funding Settlement, which is expected to be published in December 2023. A presentation will be given to Members, later on this agenda, in relation to our early thoughts on assumptions and proposals for the Medium-Term Sustainable Financial Plan for 2024 – 2028.

Cash Invested and Average Interest Rates per Counterparty 2023/24

14. **Cash Invested** - Between April 2023 and August 2023 the Authority invested an average cash balance of £46.3m. The pie chart below shows the balance invested as at 31 August 2023 (£56.254m) which has a forecast investment income for the year of £2.244m. The bar chart details current interest rate levels paid on these deposits.



IMPACT ASSESSMENT

15. There are no implications arising from this report that cannot be managed within the overall budget.

RECOMMENDATIONS

16. Members are requested to:
 - 16.1 Agree in principle to transfer any underspend that arises at the end of the 2023/24 financial year to the Insurance and Resource reserve (paragraph 7 refers).
 - 16.2 Consider and note the contents of the report.

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2023/24 Revenue Budget Adjustments – Subjective Analysis

Figures shown are in £'000	Original Budget	June Budget Changes	October Budget Changes	Revised Budget
Salaries, allowances and on-costs	70,377	191	2,157	72,725
Training expenses	559	0	60	619
Other employee costs (inc. Insurance)	745	0	-9	736
Direct pension costs	2,101	0	0	2,101
Total Employee Costs	73,782	191	2,208	76,181
Repairs, maintenance & other costs	2,785	454	-196	3,043
Utility costs	2,480	0	39	2,519
Total Premises Costs	5,265	454	-157	5,562
Vehicle running costs	2,420	0	6	2,426
Travel allowances and expenses	55	0	0	55
Total Transport Costs	2,475	0	6	2,481
Equipment and supplies	2,844	0	-31	2,813
Fees and services	1,721	0	-225	1,496
Communications and computing	6,521	0	-2,152	4,369
Other supplies and services	786	0	50	836
Total Supplies and Services	11,872	0	-2,358	9,514
Capital financing costs	1,321	0	-690	631
Revenue contributions to Capital	2,096	389	107	2,592
Total Capital Financing	3,417	389	-583	3,223
Grants and contributions	-7,821	0	-39	-7,860
Investment income	-1,392	0	0	-1,392
Other income	-238	0	0	-238
Transfers from reserves	-2,068	-1,034	923	-2,179
Total Income	-11,519	-1,034	884	-11,669
Net Budget	85,292	0	0	85,292

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2023/24 Revenue Budget Adjustments - Subjective Analysis Explanations (October Budget Changes)

Individual virements (budget transfers) that exceed £50k are required to be reported to Members. Any individual virements that are not technical budget adjustments that exceed £500k require Member approval. There are no virements that require Member approval in this report.

- (a) **Salaries, allowances and on-costs (£2.157m Increase)** - At the June Authority meeting, Members approved the virement to increase this budget heading by £2.125m to fund the higher than budgeted pay award for operational staff for 2023/24. The approved virement included some offsetting reductions against pay budgets in other areas totalling £503k, where pay savings had been identified to contribute towards the additional cost of the pay award. Since then, the budget has been increased by a further £535k to fund some temporary posts within various corporate and project teams, now that start dates have been confirmed. These budget increases are offset by a transfer from the Service Transformation and Productivity Reserve (£115k) and a realignment of Infrastructure project budgets from the Communications and computing budget heading (£420k).
- (b) **Training expenses (£60k Increase)** - An infrastructure IT project requires additional budget for staff training, so part of the project budget has been realigned to this budget heading from the Fees and Services heading.
- (c) **Repairs, maintenance and other costs (£196k Decrease)** - The property budget for general refurbishments has been reduced by £200k to contribute funding towards the additional cost of the higher than budget operational staff pay award for 2023/24, as agreed by Members in June. Other minor budget adjustments total a net increase of £4k.
- (d) **Fees and services (£225k Decrease)** - The discretionary budget for innovation and collaboration has been reduced by £250k to contribute funding towards the additional cost of the higher than budgeted pay award for operational staff for 2023/24, as agreed by Members in June. In addition, some funding has been realigned to the Training expenses budget heading. These budget reductions are partly offset by an increase to the budget to fund the additional costs incurred for the development of the pensions administration system for implementation of the McCloud remedy and for the processing of Immediate Detriment cases by the pensions administrator, funded by a transfer from the Government Grants Reserve.
- (e) **Communications and computing (£2.152m Decrease)** - The majority of this budget reduction is offset by a transfer to the Infrastructure Reserve as it relates to

the reprofiling of Infrastructure project spend across financial years. See Appendix 10 (f) and (g) in relation to revenue Infrastructure Plan slippage. In addition, £420k has been realigned to the Salaries, allowances and on-costs heading to fund the additional expertise required for the Dynamics project (software solution to provide a view of risk information to multiple teams) and the Control project (relocation and system replacement). Other minor budget adjustments total a net reduction of £81k.

- (f) **Capital financing costs (£690k Decrease)** - Due to delays in the Ashford Fire Station and Live Fire Training Facility project, the additional provision set aside for the repayment of borrowing is no longer required in 2023/24 so, as approved by Members in June, this budget has been reduced to contribute towards the additional cost of the higher than budgeted pay award for operational staff for 2023/24.
- (g) **Revenue Contributions to Capital (£107k Increase)** - Due to slippage on the Capital Budget the funding sources have been reviewed. Consequently, more revenue funding will now be used (via the Infrastructure Reserve), but less use will be made in the current year of capital receipts.
- (h) **Transfers from reserves (£923k Decreased Contribution from Reserves)** - The majority of this net decrease is explained in (a), (d), (e) and (g). The other significant adjustment is a reduction in the budgeted transfer to the Service Transformation and Productivity Reserve (£421k) to fund temporary posts and project work as this funding is not required this year, so this has been used to contribute funding towards the additional cost of the higher than budget operational staff pay award for 2023/24, as agreed by Members in June.

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2023/24 Revenue Budget Adjustments – Functional Analysis

Figures shown are in £'000	Original Budget	June Budget Changes	October Budget Changes	Revised Budget
Firefighting and Rescue Services	34,063	0	1,335	35,398
Control	2,167	0	73	2,240
Operational Policy and Resilience	11,072	0	494	11,566
Fleet and Transport	4,067	0	-329	3,738
Total Operational Response and Resilience	51,369	0	1,573	52,942
Customer Safety	3,332	0	-25	3,307
Building Safety	3,072	0	-62	3,010
Customer Engagement	885	77	41	1,003
Total Customer Safety, Building Safety, Engagement and Collaboration	7,289	77	-46	7,320
Corporate Management Board and Customer Support	2,570	0	-310	2,260
Member Allowances and Expenses	78	0	0	78
People and Learning	3,209	51	-120	3,140
Business Change and Information Technology	9,007	0	-1,427	7,580
Property, Environment and Facilities	5,664	303	-111	5,856
Finance, Insurance and Procurement	3,028	63	124	3,215
Business Intelligence, Policy and Performance	906	0	-171	735
Total Customer Services	24,462	417	-2,015	22,864
Pension Costs	2,101	0	0	2,101
Net Financing Costs	-71	0	-690	-761
Infrastructure Funding and Other Reserves	262	-494	1,178	946
Non-Ring-Fenced Grants	-234	0	0	-234
Admin for Council Tax Support	114	0	0	114
Total Pensions, Financing and Other Costs	2,172	-494	488	2,166
Net Budget	85,292	0	0	85,292

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2023/24 Revenue Budget Adjustments – Functional Analysis Explanations (October Budget Changes)

Individual virements (budget transfers) that exceed £50k are required to be reported to Members. Any individual virements that are not technical budget adjustments that exceed £500k require Member approval. There are no virements that require Member approval in this report.

Reportable virements are detailed below;

- (i) **Firefighting and Rescue Services (£1.335m Increase)** - This budget has been increased by £1.535m to fund the higher than budgeted pay award for operational staff for 2023/24. This increase is partly offset by a budget reduction of £235k against the operational overtime budget, as agreed by Members in June. Other minor non-pay budget adjustments total a net increase of £35k.
- (j) **Control (£73k Increase)** - This budget has been increased to fund the higher than budgeted pay award for operational staff for 2023/24.
- (k) **Operational Policy and Resilience (£494k Increase)** - This budget has been increased by £420k to fund the higher than budgeted pay award for operational staff for 2023/24. Additionally, the budget for operational equipment (£74k) in relation to the vehicle servicing and maintenance function has been realigned to this heading from the Fleet and Transport heading.
- (l) **Fleet and Transport (£329k Decrease)** - This budget has been reduced by £173k where budgets in relation to the vehicle servicing and maintenance function have been realigned to the Property, Environmental and Facilities heading (£99k) and the Operational Policy and Resilience heading (£74k). In addition, a budget for £150k for IT works has been removed following the decision to postpone entering a new premises lease for the vehicle servicing and maintenance function. Other minor adjustments total a net decrease of £6k.
- (m) **Building Safety (£62k Decrease)** - This budget has been increased by £39k to fund the higher than budgeted pay award for operational staff for 2023/24. This is offset by a reduction of £101k where it has been identified that some posts are eligible to be funded using the Protection Uplift Grant funding, so it has now been agreed to drawdown on this funding for this purpose.
- (n) **Corporate Management Board and Customer Support Team (£310k Decrease)** – See (d) regarding the Collaboration and Innovation budget. Other minor net reductions to this budget total £60k.

- (o) **People and Learning (£120k Decrease)** - The staffing budget for the payroll team has been realigned to the Finance, Insurance and Procurement heading following a restructure.
- (p) **Business Change and Information Technology (£1.427m Decrease)** - The majority of this budget reduction is explained at Appendix 10 (f) and (g). This is partly offset by an increase in staffing budgets where budgets have been realigned from the Business Intelligence, Policy and Performance heading. Other minor budget adjustments total a net reduction of £100k.
- (q) **Property, Environmental and Facilities (£111k Decrease)** - See (c) regarding the reduction to the general refurbishment budget (£200k). See (l) regarding budgets realigned from the Fleet and Transport heading (£99k). Other minor budget adjustments total a net decrease of £10k.
- (r) **Finance, Insurance & Procurement (£124k Increase)** - See (o) regarding the staffing budgets realigned from the People and Learning heading. Other minor net increases to this budget heading total £4k.
- (s) **Business Intelligence, Policy and Performance (£171k Decrease)** - This budget has been reduced due to a restructure meaning some staffing budgets have been realigned to the Business Change and Information Technology heading.
- (t) **Net Financing Costs (£690k Decrease)** - See (f) regarding delays to the Ashford Fire Station and Live Fire Training Facility project.
- (u) **Infrastructure Funding and Other Reserves (£1.178m Increase)** - The majority of this adjustment is explained in (g) and (h).

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2023/24 Revenue Budget – Subjective Analysis

Figures shown are in £'000	Revised Budget	Forecast Outturn	Total Variance
Salaries, allowances and on-costs	72,725	71,532	-1,193
Training expenses	619	599	-20
Other employee costs (inc. Insurance)	736	736	0
Direct pension costs	2,101	2,271	170
Total Employee Costs	76,181	75,138	-1,043
Repairs, maintenance & other costs	3,043	3,077	34
Utility costs	2,519	3,133	614
Total Premises Costs	5,562	6,210	648
Vehicle running costs	2,426	2,448	22
Travel allowances and expenses	55	55	0
Total Transport Costs	2,481	2,503	22
Equipment and supplies	2,813	2,900	87
Fees and services	1,496	1,506	10
Communications and computing	4,369	4,423	54
Other supplies and services	836	869	33
Total Supplies and Services	9,514	9,698	184
Capital financing costs	631	593	-38
Revenue contributions to Capital	2,592	2,592	0
Total Capital Financing	3,223	3,185	-38
Grants and contributions	-7,860	-7,985	-125
Investment income	-1,392	-2,245	-853
Other income	-238	-245	-7
Transfers to reserves	-2,179	-2,217	-38
Total Income	-11,669	-12,692	-1,023
Net Budget	85,292	84,042	-1,250

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

Significant Variances and Movements in the 2023/24 Revenue Budget

Subjective Variance Analysis

The forecast net underspend of £1.250m includes a variety of underspends and overspends, and the reasons for the most significant variances are commented on below:-

Base Budget Variances

- a) **Salaries, allowances and on-costs (£1.193m Underspend)** - Explanations for the majority of this forecast underspend are provided under the relevant functional headings at Appendix 8.
- b) **Direct pension costs (£170k Overspend)** - To facilitate succession planning into some customer support roles, several flexible retirements have been agreed this financial year resulting in an overspend due to the pension strain costs.
- c) **Utility costs (£614k Overspend)** - Energy prices remain volatile and as such an overspend of £600k is currently forecast against the utility budgets for 2023/24. Work is ongoing with our energy supplier to ascertain the reasons for the significant increase in costs this year and, therefore, site-specific data will be made more readily available, via access to an online portal, which will allow for improved monitoring going forward.
- d) **Vehicle running costs (£22k Overspend)** - Although the total forecast variance against this heading is only £22k, there is a significant underspend forecast against vehicle fuel (£160k) as explained in paragraph 3 (f) of the main report which is offset by a forecast overspend of £182k on vehicle maintenance costs. The main reason for the forecast overspend on vehicle maintenance costs is due to delays in the delivery of replacement vehicles resulting in additional costs associated with maintaining older vehicles for longer than anticipated.
- e) **Grants and contributions (£125k Increased Income)** - The majority of this forecast increase in income is in relation to increased charges for services provided under contract due to the higher than budgeted pay award for operational staff for 2023/24.

- f) **Investment income (£853k Increased Income)** - Higher interest rates and higher cash balances, due to project slippage, has resulted in a significant increase in forecast investment income for this financial year.

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2023/24 Revenue Budget – Functional Analysis

Figures shown are in £'000	Revised Budget	Forecast Outturn	Total Variance
Firefighting and Rescue Services	35,398	34,707	-691
Control	2,240	2,206	-34
Operational Policy and Resilience	11,566	11,470	-96
Fleet and Transport	3,738	3,750	12
Total Operational Response and Resilience	52,942	52,133	-809
Customer Safety	3,307	3,436	129
Building Safety	3,010	2,801	-209
Customer Engagement	1,003	1,034	31
Total Customer Safety, Building Safety, Engagement and Collaboration	7,320	7,271	-49
Corporate Management Board and Customer Support	2,260	2,266	6
Member Allowances and Expenses	78	78	0
People and Learning	3,140	2,984	-156
Business Change and Information Technology	7,580	7,665	85
Property, Environment and Facilities	5,856	6,480	624
Finance, Insurance and Procurement	3,215	3,033	-182
Business Intelligence, Policy and Performance	735	743	8
Total Customer Services	22,864	23,249	385
Pension Costs	2,101	2,271	170
Net Financing Costs	-761	-1,652	-891
Infrastructure Funding and Other Reserves	946	946	0
Non-Ring-Fenced Grants	-234	-290	-56
Admin for Council Tax Support	114	114	0
Total Pensions, Financing and Other Costs	2,166	1,389	-777
Net Budget	85,292	84,042	-1,250

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

Significant Variances and Movements in the 2023/24 Revenue Budget

Functional Variance Analysis

The forecast net underspend of £1.250m includes a variety of underspends and overspends, and the reasons for the most significant variances are commented on below: -

Base Budget Variances

- g) **Firefighting and Rescue Services (£691k Underspend)** - This forecast underspend is entirely pay-related and is primarily due to vacancies on on-call fire stations (£804k) partly offset by a small overspend (£113k) forecast against wholetime station activity pay. Actual expenditure will vary from year-to-year as costs are partially dependant on activity levels so it is possible that the final outturn may be different if activity levels vary to the estimates used to produce the current forecast.
- h) **Customer Safety (£129k Overspend)** - This forecast overspend relates to additional staffing costs following an in-year restructure.
- i) **Building Safety (£209k Underspend)** - It is assumed that vacant posts within this team will be filled during the 3rd Quarter of the financial year, but in-year vacancies within this team have led to a forecast underspend.
- j) **People and Learning (£156k Underspend)** - The HR team has recently been restructured, leading to an in-year underspend where posts had not been filled from the start of the financial year.
- k) **Property, Environment and Facilities (£624k Overspend)** - The majority of this overspend is explained in (c) and relates to utilities.
- l) **Finance, Insurance and Procurement (£182k Underspend)** - In-year vacancies within the Procurement team and a number of staff who have taken flexible retirement, have reduced their working hours, which has resulted in a forecast underspend.
- m) **Pension Costs (£170k Overspend)** - This overspend is explained in (b) and mainly relates to additional pension strain costs where staff have taken flexible retirement this financial year.
- n) **Net Financing Costs (£891k Underspend)** – See (f) regarding increased investment income. Other minor net underspends total £38k.

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2023/24 Infrastructure Budget Adjustments

Figures shown are in £'000

	Original Budget	June Budget Changes	October Budget Changes	Revised Budget
Infrastructure Capital Budget				
Ashford Fire Station Redevelopment	9,770	-3,974	-3,713	2,083
Control	0	15	0	15
Vehicle & Maintenance Unit Lease	1,260	0	-1,016	244
Estate changes and development	1,800	0	-1,000	800
Total Estate Development Programme	12,830	-3,959	-5,729	3,142
Roofing Works	160	57	100	317
Boilers and Heating Systems	110	0	0	110
Generators	0	0	10	10
Total Premises	270	57	110	437
Mobile Data Terminals	158	97	-7	248
Total Information and Comms Systems	158	97	-7	248
Appliances	1,346	0	0	1,346
Specialist Units and Vehicles	1,774	44	-378	1,440
Cars and Vans	114	176	-44	246
Total Vehicles and Equipment	3,234	220	-422	3,032
Total Infrastructure Capital Budget	16,492	-3,585	-6,048	6,859
Infrastructure Revenue Budget				
Premises	385	303	39	727
Information and Comms. Systems	3,001	0	-1,298	1,703
Operational Equipment	806	0	-353	453
Total Infrastructure Revenue Budget	4,192	303	-1,612	2,883
Total Infrastructure Revenue and Capital	20,684	-3,282	-7,660	9,742
Funded from: -				
Revenue Contributions	-3,296	-389	-107	-3,792
Internal Borrowing	-11,030	3,974	4,729	-2,327
Infrastructure Reserve	-2,942	-281	1,559	-1,664
One-off funding & grants	-50	-22	53	-19
Capital receipts applied	-3,366	0	1,426	-1,940
Total Funding	-20,684	3,282	7,660	-9,742

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2023/24 Infrastructure Budget Adjustments (October Budget Changes)

Capital Budget

- (a) **Ashford Fire Station Redevelopment (£3.713m decrease)** – For a detailed explanation regarding the decrease in this budget for 2023/24 please see paragraph's 9 and 10 in the main report.
- (b) **Vehicle and maintenance unit lease (1.016m decrease)** - Costs in relation to a new premises lease for the vehicle servicing and maintenance function have been deferred whilst the options for a suitable long-term solution are explored further.
- (c) **Estate changes (£1m decrease)** - Current reviews of the Maidstone site and the Road Safety building at Rochester are ongoing so this budget will no longer be required in 2023/24.
- (d) **Roofing Works (£100k increase)** - Some station roofing works have been brought forward from 2024/25, so the budget has been increased for 2023/24.
- (e) **Specialist vehicles (£378k decrease)** - There have been delays in the purchase of the Ford Rangers and some other Response Vehicles, so this budget has been slipped to 2024/25.

Revenue Budget

- (f) **Information and Comms. Systems (£1.298m decrease)** - This budget has been reduced due to slippage on the following Infrastructure projects; Dynamics system (£1.049m) whilst skill sets are addressed; Command and Control (£413k) due to delays with the joint system procurement; Mobile devices (£220k) whilst long-term plans are determined; Incident Command XVR system (£100k) whilst work is undertaken to determine requirements. These reductions have been partially offset by increases where some planned expenditure has been brought forward on; Network Resilience (£110k); Replacement of Audio/Visual Equipment (£100k); Operational Equipment Management System (£164k). Other minor net increases to the budget total £110k.
- (g) **Operational Equipment (£353k decrease)** - This budget has been reduced due to slippage on the Vehicle CCTV/Telematics project (£400k), partially offset by an increase due to the requirement for new stretchers and scene lighting equipment.

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2023/24 General and Earmarked Reserves

Figures shown are in £'000		Opening Balance 01-Apr-23	Forecast Transfer 2023/24	Forecast Closing Balance 31-Mar-24
General Reserve	(A)	3,970	290	4,260
<i>Earmarked Reserves:</i>				
Government Grants	(B)	1,168	-475	693
Infrastructure	(C)	26,630	-1,664	24,966
Insurance and Resource	(C)	3,071	0	3,071
Rolling Budgets	(C)	619	-97	522
Service Transformation and Productivity	(C)	346	-271	75
Total Earmarked Reserves		31,834	-2,507	29,327
Total Revenue Reserves		35,804	-2,217	33,587
Capital Receipts	(D)	9,856	-1,810	8,046
Total Capital Reserves		9,856	-1,810	8,046
Total Usable Reserves		45,660	-4,027	41,633

Notes:

- A. Reserve held to provide a contingency to cushion the impact of unexpected costs.
- B. Resource provided by Government with any unspent amounts rolled forward.
- C. Reserve held to smooth the impact of expenditure on the revenue budget.
- D. Reserve available to fund capital expenditure

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2023/24 Firefighters' Pension Fund

Figures shown are in £'000	Home Office Return (Aug 2022)	Home Office Return (Aug 2023)	Total Variance
Pension Outgoings:			
Pension payments	27,122	28,844	1,722
Total Expenditure	27,122	28,844	1,722
Pension Income:			
Employee contributions	-4,085	-4,294	-209
Employer contributions	-8,959	-9,163	-204
In-year ill-health charge income	-307	-307	0
Non-abated pension income	-130	-130	0
Transfer values received	0	0	0
Government top-up grant	-13,641	-14,950	-1,309
Total Income	-27,122	-28,844	-1,722
Net Fund Expenditure	0	0	0

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By: Director, Finance and Corporate Services
To: Kent and Medway Fire and Rescue Authority – 19 October 2023
Subject: DEVELOPMENT OF THE MEDIUM-TERM SUSTAINABLE
FINANCIAL PLAN 2024-2028
Classification: Unrestricted

FOR DECISION

SUMMARY

A presentation will be given to Members on the development of the medium-term sustainable financial plan for 2024-2028 at the meeting.

RECOMMENDATIONS

Members are requested to:

1. Approve the recommendations contained within the presentation.

LEAD/CONTACT OFFICER: Head of Finance, Treasury and Pensions - Nicola Walker
TELEPHONE NUMBER: 01622 692121 ext. 6122
EMAIL: nicola.walker@kent.fire-uk.org
BACKGROUND PAPERS: None

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By: Chief Executive
To: Kent and Medway Fire and Rescue Authority – 19 October 2023
Subject: GOVERNANCE AND POLICY
Classification: Unrestricted

FOR DECISION

SUMMARY

This report covers the following governance issues:

- A. Code of Corporate Governance
- B. Statement of Assurance 2022/23
- C. Annual Review of Compliance with the Local Government Transparency Code 2015 and the Trade Union (Facility Time Publication Requirements) Regulations 2017
- D. Policy Update

RECOMMENDATIONS

Members are requested to:

1. Approve the updated Code of Corporate Governance, paragraph 1 and **Appendix 1** refers.
2. Approve the Statement of Assurance 2022/23, paragraph 2 and **Appendix 2** refers.
3. Note the contents of the Annual Review of Compliance with the Local Government Transparency Code 2015 and the Trade Union (Facility Time Publication Requirements) Regulations 2017, paragraphs 3 to 5 and **Appendix 3** refer.
4. Note the remaining contents of the report.

LEAD/CONTACT OFFICER: Head of Policy, Customer Services - Owain Thompson
TELEPHONE NUMBER: 01622 692121 ext. 8453
EMAIL: owain.thompson@kent.fire-uk.org
BACKGROUND PAPERS: None

COMMENTS

A. Code of Corporate Governance

1. The Authority's Code of Corporate Governance was reviewed following the publication of updated guidance by the Chartered Institute of Public Finance and Accountancy (CIPFA) and approved by Members at the meeting of the Authority on 23 July 2020. The principles set out in the CIPFA governance framework (themselves based on the Nolan Principles of standards in public life) are embedded in the Authority through its Code of Corporate Governance. The Code sets out the seven key principles of good governance which the Authority has adopted and the means by which these principles are adhered to and evidenced. The Code has been reviewed this year to ensure that it remains current and continues to reflect the requirements of CIPFA's governance framework, including the CIPFA Financial Management Code. It has also been cross-referenced to the Statement of Assurance. The revised Code is attached at **Appendix 1** for Members' approval.

B. Statement of Assurance 2022/23

2. The Statement of Assurance sets out the Authority's compliance with the requirements of the [Fire and Rescue National Framework for England](#). The publication of an annual statement of assurance of compliance with the Framework is a requirement set out within section 1.4 of the Framework itself. In previous years the Statement of Assurance was combined with the Annual Governance Statement and taken to the Authority as a single document. However, because these two documents are written to meet the needs of two entirely different sets of legislative requirements (the Accounts and Audit Regulations 2015 for the Annual Governance Statement, and the Fire and Rescue National Framework 2018 for the Statement of Assurance), they were separated last year into two separate, stand-alone documents. The Annual Governance Statement was approved by Members at the meeting of the Audit and Governance Committee held on 27 September 2023. The Statement of Assurance is attached at **Appendix 2** for Members' approval.

C. Annual review of compliance with the Local Government Transparency Code 2015 and the Trade Union (Facility Time Publication Requirements) Regulations 2017

3. This Local Government Transparency Code 2015 applies to all local authorities and sets out a series of requirements to publish open data. The Code comprises 15 separate categories for which there is a mandatory requirement to publish certain types of information. Of these 15 mandatory categories, 11 contain additional information that is recommended for publication. As part of ensuring good governance the Authority undertakes an annual review of its compliance with the Code. The Authority is fully compliant with all but one of the 11 relevant mandatory categories (4 of the 15 categories are not applicable to this Authority). Within the 'Senior salaries' category, the Authority deliberately chooses not to publish some of the information as

it of the view that to do so would breach principle 1(a) of Article 5 of the UK GDPR. To that end, the Authority has a clear position statement on this.

4. Among the categories for which information is recommended for publication, seven are relevant to the Authority and the Authority is fully compliant with five of these. Of the two recommended categories that remain outstanding (4. Local Authority Land and 7. Organisation Chart), work is underway to ensure compliance with the 'Local Authority Land' category. Within the 'Organisation Chart' category, the Authority deliberately chooses not to publish some of the recommended information as it of the view that to do so would breach principle 1(a) of Article 5 of the UK GDPR. To that end, the Authority has a clear position statement on this.
5. The annual transparency review also considers the requirements of the Trade Union (Facility Time) Regulations 2017, of which the Authority is fully compliant. The last three pages of the document provide a summary of compliance with each category. This year's transparency review is attached at **Appendix 3** for Members' information.

D. Policy Update

6. In order to ensure that they remain up-to-date and effective, the Authority's policies are revised as required based on a variety of factors, which may include changes to legislation, changes to procedures and practices, and the scheduled policy review dates. The table below summarises the policies that have been revised or undergone review since the last meeting of the Authority.

Policy	Summary of changes
Bullying and Harassment Policy	Inclusion of clearer definitions and addition of information about upward and covert bullying. Updated to V8.
Enforcement Policy	Reviewed to reflect new and amended legislation: The Fire Safety Act 2021, The Building Safety Act 2022, The Fire Safety (England) Regulations 2022. Updated to V3.
Family Related Policy	Reviewed to reflect the change in the Neonatal Leave Act to change paid leave from 6 to 12 weeks. Updated to V9.
Firefighter Access and Buildings Policy	Reviewed to reflect new and amended legislation: the Fire Safety Act 2021; The Building Safety Act 2022.
Flag Policy	Addition of Commonwealth Day, the King's accession, and birthday of Prince of Wales. Updated to V9.
Licensing and Events Policy	Reviewed to reflect new and amended legislation: the Fire Safety Act 2021; Regulatory

	Reform (Fire Safety) Order 2005 (as amended by Building Safety Act 2022); Fire Safety (England) Regulations 2022. Updated to V3.
Resolving Working Relationship Concerns and Grievance Policy'	Updates to roles and titles and addition of content around informal workplace disagreements. Updated to V5.
Risk Based Inspection Policy	Reviewed to reflect new and amended legislation: the Fire Safety Act 2021; Regulatory Reform (Fire Safety) Order 2005 (as amended by Building Safety Act 2022); Fire Safety (England) Regulations 2022. Updated to V4.

IMPACT ASSESSMENT

7. There are no direct impacts from the contents of this paper which cannot be contained within existing budgetary provision. A people impact assessment has been completed for each policy referenced in this report. There are a range of data associated with each policy which, if falling within the scope of the Equality Act 2010 will be appropriately protected by the Authority. It is important that the Authority has strong processes in place to protect customers, and colleagues have confidence in using these policies.

RECOMMENDATIONS

8. Members are requested to:
- 8.1 Approve the updated Code of Corporate Governance, paragraph 1 and **Appendix 1** refers.
- 8.2 Approve the Statement of Assurance 2022/23, paragraph 2 and **Appendix 2** refers.
- 8.3 Note the contents of the Annual Review of Compliance with the Local Government Transparency Code 2015 and the Trade Union (Facility Time Publication Requirements) Regulations 2017, paragraphs 3 to 5 and **Appendix 3** refer.
- 8.4 Note the remaining contents of the report.

**Kent Fire and Rescue Service Code of Corporate Governance
August 2023**

As part of good governance arrangements, the Chartered Institute of Public Finance and Accountancy (CIPFA) recommend that local authorities develop their own code of corporate governance, which demonstrates how an authority's governance arrangements meet the seven principles of good governance as set out in the [CIPFA Delivering Good Governance in Local Government Framework](#). These seven principles of good governance are themselves based upon the [Seven Principles of Public Life](#) (also known as the Nolan Principles).

Following the publication of this guidance by CIPFA in 2016, KFRS introduced its own code of corporate governance. In 2020, our code of corporate governance was further reviewed and updated to ensure that it incorporated the requirements of new guidance contained within the [CIPFA Financial Management Code \(2019\)](#).

In line with CIPFA guidance, the code of corporate governance sets out CIPFA's seven principles of good governance along with how we will meet and deliver these principles and where evidence of this may be found.

Through its basis on the Seven Principles of Public Life, the code also links to our Code of Ethical Conduct for Employees.

The code of corporate governance is reviewed annually to ensure that it remains relevant and up to date. It is then taken to the Fire Authority for approval and published along with the annual governance statement.

Reviewed: 04 August 2023

Date of next review: 03 August 2024

**Key Principle A:
Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law.**

How do we meet this principle?	What do we do to deliver this?	Where can you find evidence that shows that we deliver these commitments?
<p>We:</p> <ul style="list-style-type: none"> • Ensure Members, employees and volunteers behave with integrity and act in the public interest in line with the Seven Principles of Public Life (the Nolan Principles). • Set out clearly the ethics, values and behaviour standards and procedures expected of Members, employees and volunteers and officers, and take action where they are not met. • Ensure, as far as possible, that suppliers, external service providers and partners adhere to these standards when delivering services on our behalf. • Ensure adherence to laws and regulations and make proportionate use of the legal powers available to us to deliver our services. • Ensure that employees are able to fulfil their responsibilities in accordance with statutory provisions. • Establish arrangements for dealing with any breaches of law, corruption or misuse of power. 	<p>We:</p> <ul style="list-style-type: none"> • Set out the standards of behaviour expected of Members, employees, volunteers, employees and suppliers working with and for us. • Have processes in place for reporting and investigating allegations of inappropriate behaviour. • have processes in place for dealing with breaches of the Members' and employees' code of conduct. • Select our suppliers and partners carefully and ensure they are aware of and comply with the behaviour and standards we expect when working with us. • Have arrangements for identifying and considering the impact of current and new legislation and regulation affecting our work. • Have arrangements in place for deterring, detecting and investigating fraud, corruption, bribery and unethical practices, and for addressing cases where unacceptable practices are found. 	<p>We publish on our website:</p> <ul style="list-style-type: none"> • Our Code of Ethical Conduct for Employees, Code of Conduct for Members, Code of Ethics for Senior Managers, and our Suppliers' Code of Conduct. • How to contact us if you are unhappy with our services or the behaviour of our employees, or if you suspect fraud or corruption within the Authority. • Our contract register listing our current suppliers, value and duration of contracts. • Information about our policies relating to fraud, corruption and modern slavery. • A modern slavery and transparency in supply chains statement. • Our Feedback and Allegations Policy (whistleblowing)

Key Principle B
Ensuring openness and comprehensive stakeholder engagement

How will we meet this principle?	What will we do to deliver this?	Where can you find evidence that shows that we deliver these commitments?
<p>We:</p> <ul style="list-style-type: none"> • Provide a simple and accessible process for engaging with, and seeking information from us about our decisions, services and plans. • Provide evidence and justification for our decisions and policies and make this information available. • Engage and consult with communities and customers (internal and external) to ensure significant proposals for change are communicated and customers' views taken into account. • Provide a simple process to encourage feedback from customers and consider this in our decision making. • Establish collaborative working arrangements for service delivery where a good business case exists. • Consider the impact on community risk when taking decisions on delivery of services. 	<p>We:</p> <ul style="list-style-type: none"> • Provide easily accessible means for contacting us via a range of methods including electronic and non-electronic methods. • Comply with freedom of information legislation and publish frequently requested and statutory information on our website. • Actively seek and consider feedback from customers, employees and partners about our plans and performance. • Actively seek opportunities to work collaboratively with appropriate partners where it makes sense to do so. • Publish information and data to support and validate our plans and objectives. • Endeavour to ensure that our decisions are deliverable and sustainable for the medium to long term. 	<p>We publish on our website:</p> <ul style="list-style-type: none"> • Details of how you can engage with us about the development of services and comment on our plans and policies. • Information frequently requested under the Freedom of Information Act 2000 • Information required by the Local Government Transparency Code 2015 and Trade Union (Facility Time Publication Requirements) Regulations 2017. • Guidance on how to make a freedom of information request or subject access request and how long it we will take to process. • A suite of privacy notices setting out the personal data we to provide our services, the lawful bases for collecting it, and how long we retain it for. • Information and data to support our plans proposals and decisions. • Our Customer Promise, which sets out what customers are entitled to expect from us.

Key Principle C
Defining outcomes in terms of economic, social and environmental benefits.

How will we meet this principle?	What will we do to deliver this?	Where can you find evidence that shows that we deliver these commitments?
<p>We:</p> <ul style="list-style-type: none"> • Set out our vision and aim for the Service, along with our plan and strategies. • Provide updates on our progress in delivering our vision and aim. • Identify and manage, as far as practicable, the key risks and threats to the achievement of our objectives. • Ensure that our objectives are deliverable and sustainable with the resources available. • Balance social, economic and environmental impacts in our decision making. • Aim to design our services so they are tailored to meet all our customers' needs and are accessible to everyone. • Act transparently in presenting our decisions related to our vision and aim. 	<p>We:</p> <ul style="list-style-type: none"> • Publish our plans and strategies for the Service. • Publish updates on progress in delivering our targets and meeting our strategies. • Identify and manage the key strategic risks to the delivery of our strategies. • Identify the risks from fires and other emergencies and have appropriate plans to manage these risks. • Set out our approach and strategy to equality, diversity and inclusion and apply this to our dealings with our customers. • Manage our resources effectively to deliver optimum value and benefit for our customers. 	<p>We publish on our website:</p> <ul style="list-style-type: none"> • Details of our proposed plans and strategies and how you can feedback comments and suggestions on these. • Responses to consultations that we run. • Our vision and aim, and what we want to achieve across the areas of operational excellence, inclusion, wellbeing, and efficiency and value for money. • Information and campaigns to help you stay safe in the home and protect yourself from fire and other risks. • Our Customer Safety Plan, and underpinning strategies • Our Equality, Diversity and Inclusion Plan. • Information about how we profile risk and the customer risk profile for Kent and Medway. • Our external auditor's assessment of our accounts and the value for money we provide.

**Key Principle D:
Determining the interventions necessary to optimise the achievement of intended outcomes.**

How will we meet this principle?	What will we do to deliver this?	Where can you find evidence that shows that we deliver these commitments?
<p>We:</p> <ul style="list-style-type: none"> • Open our performance and decisions to scrutiny by the democratically elected Members of the Fire Authority • Consider any feedback from customers in assessing options for service change. • Put in place a robust planning process that considers aims, resources and capacity and takes all other relevant factors into account. • Produce a sustainable budget and financial plan to support our plans and objectives over the medium term. • Consider the use of collaborative working as a means of delivering services where appropriate service improvements can be realised. 	<p>We:</p> <ul style="list-style-type: none"> • Consider the various options available for all our plans and objectives and explain the rationale for our decisions in publicly available documents. • Actively seek and consider feedback and input from customers as part of our consultation and options appraisal process. • Put in place effective project and programme management arrangements, operated by skilled and experienced employees to optimise the chances of successful delivery. • Produce and publish a Medium Term Financial Plan (MTFP) that supports our plans and objectives and identifies the resources needed to deliver these. • Demonstrate the financial sustainability and affordability of our plans. • Actively seek to work collaboratively with partners where appropriate. 	<p>We publish on our website:</p> <ul style="list-style-type: none"> • Our Safety and Wellbeing Plan, Customer Safety Plan and corporate strategies. • Updates on the progress in achieving the aims of our corporate strategies. • How you can get involved in any consultation exercises we run about the development of our plans. • Our responses to consultations we run. • Our Budget Book, Medium Term Financial Plan, and financial strategies (Treasury Strategy, Capital Strategy, Reserves Strategy).

Key Principle E
Developing the entity's capacity, including the capability of its leadership and the individuals within it.

How will we meet this principle?	What will we do to deliver this?	Where can you find evidence that shows that we deliver these commitments?
<p>We:</p> <ul style="list-style-type: none"> • Regularly review the Authority's activities and processes, to ensure they remain effective and fit for purpose. • Engage with external partners where appropriate and beneficial to do so. • Develop a workforce plan that ensures sufficient employees with the necessary skills and knowledge are in place when needed. • Put in place arrangements for managing the relationship between Members and officers, including clear written delegations to officers. • Ensure Members and officers have the skills, knowledge, resources and support to fulfil their roles and responsibilities. • Monitor and manage the performance of Members and officers in their roles. • Support officers in managing their health and wellbeing. 	<p>We:</p> <ul style="list-style-type: none"> • Set out in our plans, the risks, issues and factors we face and our plans to address them. • Develop and publish a workforce strategy that sets out our employee establishment requirements and plans for developing and training the workforce. • Develop processes for working in collaboration with key partners and suppliers to deliver more effective services. • Set out the constitution of the Authority including arrangements for managing the relationship between Members and officers and the powers delegated to the Chief Executive. • Provide all employees with constructive feedback on performance and opportunities for development and training needs. • Provide access to effective training and development opportunities to help colleagues maintain and increase relevant role-related knowledge and skills. • Put in place arrangements to assist employees manage their own health and wellbeing effectively and provide access to support and assistance when problems are experienced. 	<p>We publish on our website:</p> <ul style="list-style-type: none"> • Our People Strategy. • Our vision and aim, and what we want to achieve across the areas of operational excellence, inclusion, wellbeing, and efficiency and value for money. • Our future plans for the development of our services. • Our People Plan. • Our Equality, Diversity and Inclusion Plan. • Our constitutional documents, comprising: The Kent Fire Services Order, the Standing Orders, the Committee Terms of Reference, Scheme of Delegation of powers of the Chief Executive, Convention on Member and Officer Relations, our Code of Corporate Governance.

Key Principle F
Managing risks and performance through robust internal control and strong public financial management.

How will we meet this principle?	What will we do to deliver this?	Where can you find evidence that shows that we deliver these commitments?
<p>We:</p> <ul style="list-style-type: none"> • Ensure risks are identified and managed effectively. • Publish regular reports on performance and progress in delivering our objectives. • Encourage robust challenge and engagement in developing our plans and objectives. • Objectively assess the outcomes of plans and policies and address any deficiencies. • Implement and monitor strong governance arrangements that ensure our objectives and policies are delivered and threats and losses are minimised. • Ensure data, including personal data held, is secured, used and shared in accordance with the law and good practice. • Ensure that financial resources are protected and used effectively including arrangements to prevent fraud and corruption. 	<p>We:</p> <ul style="list-style-type: none"> • Put in place, arrangements for identifying, assessing and managing the risks to the delivery of services and the achievement of objectives. • Where appropriate to do so, consult with customers and partners on our intended plans and projects. • Monitor and review the success of our plans and strategies to ensure delivery of planned outcomes. • Maintain effective controls and systems to ensure the effective use of resources, the achievement of our plans and projects, and strong stewardship of the Authority including measures to prevent and detect fraud, crime, corruption, bribery and modern slavery. • Maintain effective arrangements for the secure storage, use and sharing of personal data we hold in connection with the delivery of services. • Ensure compliance with the relevant codes and highest standards of financial management to protect resources, ensure value for money and prevent losses and errors in accounting. 	<p>We publish on our website:</p> <ul style="list-style-type: none"> • Key strategic risks and our plans to manage these. • Information about how we profile risk and the customer risk profile for Kent and Medway. • Details of our proposed plans and strategies and how you can feedback comments and suggestions on these. • Responses to consultations that we run. • Our vision and aim, and what we want to achieve across the areas of operational excellence, inclusion, wellbeing, and efficiency and value for money. • An annual assessment of the systems and controls that ensure strong governance arrangements are in place across the Authority (the Annual Governance Statement). • Regular financial reports on the performance in delivering of our budget. • Our arrangements for safeguarding vulnerable people with who we come into contact with when delivering our services. • A modern slavery and transparency in supply chains statement. • Information relating to fraud transparency.

Key Principle G
Implementing good practice in transparency, reporting and audit to deliver effective accountability.

How will we meet this principle?	What will we do to deliver this?	Where can you find evidence that shows that we deliver these commitments?
<p>We:</p> <ul style="list-style-type: none"> • Operate an effective audit and review function that provides assurance on the effectiveness of controls and ensure that recommendations are implemented promptly. • Publish statutory and commonly requested information on our website and put in place arrangements to enable easy access to other information requested. • Encourage partners to adopt high standards of governance and transparency in their dealings with us. • Publish an annual assessment of our governance arrangements and compliance with the Fire and Rescue National Framework. • Ensure that statutory officers and the Head of Internal Audit have unfettered access to Members and are free to comment on policies and plans objectively. 	<p>We:</p> <ul style="list-style-type: none"> • Maintain an effective internal and external audit process and ensure auditors have free access to decision makers, including elected Fire Authority Members. • Comply with the requirements to publish information on our website and include other commonly requested information and data. • Establish a simple way of contacting us to request further information, data or assistance including receiving and responding to freedom of information requests and subject access requests. • Support and encourage our partners to establish strong governance and control processes and support us in providing access to information and data in a timely manner. • Regularly review our governance arrangements, taking into account external and internal assessments, and publish our results of these reviews. • Enable the Section 151 officer, Monitoring Officer and Head of Audit to undertake their statutory and regulatory roles unhindered and report direct to members when necessary. 	<p>We publish on our website:</p> <ul style="list-style-type: none"> • Annual reports from our internal and external auditors. • Mid-year internal audit updates and forthcoming internal audit plans. • Reports from His Majesty’s Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) • Information required by the Local Government Transparency Code 2015 and Trade Union (Facility Time Publication Requirements) Regulations 2017. • Guidance on how to make a freedom of information request or subject access request and how long it we will take to process it. • An annual assessment of the systems and controls that ensure strong governance of the Authority (Annual Governance Statement). • An annual assessment of our operational performance against the requirements of the Fire and Rescue National Framework (Statement of Assurance).

Statement of Assurance 2022/23 for the Kent and Medway Fire and Rescue Authority

Government guidance requires the Authority to undertake a separate self-assessment of operational performance (known as the Statement of Assurance). [Section 21 of the Fire and Rescue Services Act 2004](#) requires the Secretary of State to prepare a [Fire and Rescue National Framework](#) which sets priorities and objectives for fire and rescue authorities (FRAs) in England. FRAs have a statutory duty to have regard to the National Framework. The Statement of Assurance is the assessment of the position of this Authority against the National Framework. The revised Fire and Rescue National Framework for England came into effect on 1 June 2018 and is organised around the following seven sections:

Section 1. Introduction

This highlights five priorities for all FRAs in England. These are to:

- Make appropriate provision for fire prevention and protection activities and response to fire and rescue related incidents.
- Identify and assess the full range of foreseeable fire and rescue related risks their areas face.
- Collaborate with emergency services and other local and national partners to increase the efficiency and effectiveness of the service they provide.
- Be accountable to communities for the service they provide.
- Develop and maintain a workforce that is professional, resilient, skilled, flexible and diverse.

Section 2. Delivery of functions

This section deals with risk assessment and countywide resilience, and how the FRA plans to mitigate these risks through either operational response, or prevention activities, something that FRAs are required to set out within their 'integrated risk management plan', or as it is referred to now within the sector, a 'community risk management plan' (CRMP). The Framework also sets a number of expectations of what a CRMP should contain.

Section 3. National Resilience

This section requires FRAs to make arrangements to support national resilience, including working across borders and responding to terrorist incidents.

Section 4. Governance

Fire and rescue authorities operate with a range of different locally determined governance arrangements including an individual – either a police, fire and crime commissioner (PFCC) or a mayor – having sole responsibility for being the fire and rescue authority for an area. Each fire and rescue authority has a statutory duty to ensure provision of their core functions as required by the Fire and Rescue Services Act 2004.

Section 5. Achieving value for money

This section contains a number of recommendations regarding reserves. It also makes engagement in national procurement schemes mandatory, but only where appropriate. For example, if a national procurement of goods or services has been recently undertaken, FRAs will be expected to use any framework contract that results. If they choose not to, there is an expectation they will need to account for that decision.

Section 6. Workforce

All FRAs are expected to have a workforce strategy which aligns with the national workforce strategy. Following a consultation early in 2017, the Government has included wording in the draft Framework which limits the practice of re-engaging retired employees at senior levels of the workforce, except in absolutely exceptional circumstances. Enhancing professionalism within the fire sector, applying principles of fitness that account for the physically demanding nature of the role. Ensuring FRAs comply with the fitness principles within Annex C of the Fire and Rescue Service National framework. This section also states the FRAs are to implement the new professional standards that are now being developed and published by the Fire Standards Board.

Section 7. Inspection, intervention and accountability

This section sets out the responsibilities on FRAs to cooperate with the inspection process that is delivered by HMICFRS (His Majesty's Inspectorate of Constabulary and Fire & Rescue Services) and requests from the inspectorate for information and data. It also requires FRAs to give due regard to the reports published by HMICFRS. This section restates the powers of intervention into a failing (or at risk of failing) FRA which are available to the Secretary of State under Section 22 of the Fire and Rescue Services Act 2004. This edition of the framework makes meeting the transparency code relevant to each FRA mandatory (for this Authority this is the Local Government Transparency Code 2015).

The level of assurance for 2022/23

There is no standard measure of assessment for FRAs degree of compliance with the National Framework. Consequently, to be as robust as possible, the Authority employs a level of assessment assessed against a five-tier rating. The criteria that inform this rating are drawn from the definitions in the assurance levels used by Internal Audit – this ensures consistency with the reporting methodology used during these other assessments of the Authority's effectiveness. These are displayed on page 31 of this Statement.

On the basis of our self-assessment of operational performance against the requirements of the National Framework for the 2022/23 financial year has been assessed as **HIGH**. This indicates that arrangements against each of the seven sections are extremely well designed and applied effectively. Processes are robust and well-established, there is a sound system of control operating effectively and consistently applied to achieve service/system objectives and there are examples of best practice. No significant weaknesses have been identified.

Section 1. Introduction

1.1 Powers

Under section 21 of the Fire and Rescue Services Act 2004 ("the 2004 Act"), the Secretary of State must prepare a Fire and Rescue National Framework. The Framework:

a) must set out priorities and objectives for fire and rescue authorities in connection with the discharge of their functions.

- b) may contain guidance to fire and rescue authorities in connection with the discharge of any of their functions; and
- c) may contain any other matter relating to fire and rescue authorities or their functions that the Secretary of State considers appropriate.

1.2 Priorities

The priorities in this Framework are for fire and rescue authorities to:

- make appropriate provision for fire prevention and protection activities and response to fire and rescue related incidents.
- identify and assess the full range of foreseeable fire and rescue related risks their areas face.
- collaborate with emergency services and other local and national partners to increase the efficiency and effectiveness of the service they provide.
- be accountable to communities for the service they provide; and
- develop and maintain a workforce that is professional, resilient, skilled, flexible and diverse.

How do we meet these requirements and get assurance?

The Authority has a published [Response and Resilience Strategy](#) which is concerned with making sure the right resources are in the right place at the right time.

Our [People Strategy](#) sets out how we aim to improve organisational performance by ensuring that we have a diverse workforce where everyone has the right skills, capabilities and involvement to make life safer for the people of Kent. This ensures that high standards of leadership and management are in place to sustain a motivated and engaged workforce. We believe this is a key aspect of fostering an inclusive organisational culture which truly embraces people's diversity and individuality.

These are two of the six corporate strategies that underpin our current [Customer Safety Plan 2021-2031](#) (the term we use to describe the community risk management plan,). This presents our ideas for what a modern fire and rescue service should do for the public it serves and sets out how we think the world might change in the next ten years or so and the associated risk. It shows how we have used this information to put together our strategies as well as some of the [sources that have informed our thinking](#). Assessing all the foreseeable changes on the horizon that could affect what we are able to deliver to our customers is a key aspect of how we plan our activities.

In terms of fire and rescue related risks, we publish a [risk profile for Kent and Medway](#), which is an analysis of risk within the county and how this relates to demand for our services. We have a mature risk assessment process which draws in data from a variety of internal databases and external sources, including the [Kent Community Risk Register](#).

When it comes to collaborating with partners, we are key organisation within the [Kent Resilience Forum \(KRF\)](#) and host it at our headquarters. The KRF is a local resilience forum which has been set up to ensure that agencies and organisations plan and work together, to ensure a co-ordinated response to emergencies that could have a significant impact on communities in Kent. For example, it was fundamental to coordinating the response to both the coronavirus pandemic and the UK's departure from the EU.

Partnership working is a key feature of how the Authority operates and we continue to develop strong and lasting working relationships with Kent Police, SECAmb, other fire and rescue services, local authorities, NHS clinical commissioning groups, and many other agencies.

At the time of writing, we have started work planning our new community risk management plan. It is intended that the proposals for any changes that we will be seeking to consult on will be brought to the October 2023 meeting of the Fire Authority for approval. If approved, we will then undertake a period of consultation with residents of Kent and Medway before analysing the results and presenting them to the Fire Authority in February 2024.

Section 2. Delivery of functions

2.1 Identify and Assess

Every fire and rescue authority must assess all foreseeable fire and rescue related risks that could affect their communities, whether they are local, cross-border, multi-authority and/or national in nature from fires to terrorist attacks. Regard must be had to Community Risk Registers produced by Local Resilience Forums and any other local risk analyses as appropriate.

Fire and rescue authorities must put in place arrangements to prevent and mitigate these risks, either through adjusting existing provision, effective collaboration and partnership working, or building new capability. Fire and rescue authorities should work through the Strategic Resilience Board where appropriate when determining what arrangements to put in place.

How to we meet these requirements and get assurance?

We publish the [Safety and Wellbeing Plan](#). This is the Authority's public consultation document. The purpose of our Safety and Wellbeing Plan is to inform the public about changes we intend to make, or would like the public's views on, before we make them. Proposals for changes to the Authority are drawn up and consulted upon with employees, members of the public, businesses and community groups. We also provide a summary of what the public receive for the money they pay in council tax to help run the fire and rescue service across Kent and Medway. Responses to the proposals in the plan are analysed and then presented to the Fire Authority, most recently at the [meeting of the Authority held in February 2023](#).

Once agreed by Members, the outcomes of the Safety and Wellbeing plan are then fed into the [Customer Safety Plan](#). This sets out our strategies and ideas for what a modern fire and rescue service should do for the public it serves. The plan incorporates the [medium term financial plan and infrastructure programme](#) and also provides details of the Authority's performance over the previous year, targets for the coming years and an improvement action plan explaining how we intend to achieve these targets. As part of this, each Directorate within the Service develops a strategy that sets out how it will meet the objectives in the Customer Safety Plan.

We refresh our corporate strategies every four years, using the analysis of what the future holds, our aim and objectives, and our key themes. The strategies set out our aims over that period and what we would like to achieve in specific areas. The current six corporate strategies are as follows:

1. Business Change, Information and Technology
2. Commercial and Procurement
3. Customer Engagement and Safety
4. Environment and Assets
5. People
6. Response and Resilience

We monitor the delivery of each corporate strategy and report updates to the meetings of the [Fire Authority](#). Over and above that, we have a suite of performance indicators which form the basis of a 'balanced scorecard', drawing from all the strategies and other measures we use. This is used to give assurance to all that we are delivering what we promise in this plan.

The Authority maintains a [corporate risk register](#). Twice yearly updates about the corporate risk register are taken to the Authority's Audit and Governance Committee. The corporate risk register is kept under regular review, updated as required and key stakeholders kept informed.

In relation to operational (as opposed to corporate) risk, the Authority undertakes and publishes a [risk profile for Kent and Medway](#) which is an analysis of risk within the county and how this relates to demand for the Authority's services. We have a mature risk assessment process which draws in data from a variety of internal databases and external sources, including the [Kent Community Risk Register](#).

2.2 Prevent and Protect

Fire and rescue authorities must make provision for promoting fire safety, including fire prevention, and have a locally determined risk-based inspection programme in place for enforcing compliance with the provisions of the Regulatory Reform (Fire Safety) Order 2005 in premises to which it applies.

How to we meet these requirements and get assurance?

Our [Customer Engagement and Safety Strategy](#) sets out our priorities over four years in the area of prevention and protection. It outlines how we will help people stay safe in their homes, where they work, on the roads and in places of education. This is one of the six corporate strategies that underpin the Customer Safety Plan.

Over the past ten years we have seen a steady reduction in the number of fires across Kent and Medway – albeit with spikes in the summers of 2020 and 2022 due to the exceptionally hot, dry weather. We are also working to reduce the number of deaths on the roads. We will remain proactive in this as we work towards a future where no one is killed or seriously injured by a fire or other emergency. For the first time, we have brought together our protection, prevention, customer experience, collaboration, equality of access to services and engagement work into one strategy. This is because we recognise that by having these areas work more closely, we can be more effective and efficient.

The Authority has a specialist team of [Safe and Well Officers](#) working across Kent and Medway. We deliver approximately 20,000 Safe and Well visits and Home Fire Safety visits annually, using referrals from other agencies and direct mail to help recruit and target those at most risk.

Our Collaboration and Behaviour Change teams have been brought together to form a new Community Insight and Partnerships Team. This allows us to be more effective at gathering information from underrepresented groups and supporting communities through partnership working. Though our work on behaviour change we developed a framework and methodology for embedding behaviour change practices into our Customer Safety and Business Safety strategies. Also included in this is the ability to evaluate the programme of Safe and Well visits.

We operate a team called the Risk Information Team who are responsible for collating and assessing information from special risk sites and ensuring site specific risk information is consistent, accurate and available to crews. In conjunction with this, we are introducing one single system to collect, store and share risk information: Microsoft Dynamics. This has been successfully rolled out for building safety, covering risk information for regulated premises. Once complete, Dynamics will replace the three separate Microsoft CRM systems that were previously in use; one each for Building Safety, Customer Safety and Operational Response. Information was not easily or routinely shared amongst these systems or teams and in some instances the same premises or site would be in all three systems.

Dynamics has changed the way the Authority approaches risk information. With this new system a premises will only be added once, all activities are then processed from this one place. For example, if Building Safety issue a prohibition notice for a premises this is then made available to all employees including operational colleagues. Dynamics also stores plans, images and evacuation information, which the Risk Information team collect as part of their inspection, to support crews in planning for and responding to an incident.

2.3 Respond

Fire and rescue authorities must make provision to respond to incidents such as fires, road traffic collisions and other emergencies within their area and in other areas in line with their mutual aid agreements. Fire and rescue authorities must have effective business continuity arrangements in place in accordance with their duties under the Civil Contingencies Act 2004.

How to we meet these requirements and get assurance?

Our [Response and Resilience Strategy](#) sets out our aims over the next four years in the area of operational response. It outlines how we will prepare for emergencies and how we will respond to them. This is one of the [six corporate strategies](#) that underpin the [Customer Safety Plan 2021-2031](#).

Business continuity plans (including recovery plans) are in place for all reasonably foreseeable risks to the Authority. Our plans are designed to enable us to respond effectively to emergencies which may affect the delivery of our core functions.

All business continuity plans are validated through exercises (both live and table-top) to ensure they are comprehensive, fit for purpose and realistic. These exercises allow us to test our procedures and responses to a variety of events, ensuring a cohesive response whilst being able to maintain our front line emergency response and Service critical support functions. As part of this the [Emergency Planning and Contingencies Policy](#) was

refreshed in February 2022 to ensure that it remains up-to-date. The Authority participates in a national annual exercise on Business Continuity Awareness Week.

As outlined in section 2.2, we operate a team called the Risk Information Team who are responsible for collating and assessing information from special risk sites and ensuring site specific risk information is consistent, accurate and available to crews. The risk data is also shared with partners across borders enhancing risk data awareness for neighbouring services. In conjunction with this, the Authority has moved to one single system called Microsoft Dynamics to collect, store and share risk information across departments and services.

To further improve the relevance and quality of our risk information, in May 2022 we introduced 'Response Assessment Intelligence Visits' (RAV-Int). This is a method for operational colleagues to record Building Safety, firefighter or Customer Safety concerns and send them to the relevant department for action. By April 2023 we had completed the two thousand RAV-Int visits. This programme has been recognised nationally and by HMICFRS for its innovation and effectiveness.

Looking back to the coronavirus pandemic, the arrangements put in place following the declaration that it to be dealt with as a 'major incident' worked extremely well overall, due in large part to the Authority's tried and tested Business Continuity plan. Our effective response to the pandemic was identified by [HMICFRS in their covid-19 inspection](#), which showed the response to and systems of control employed by the Authority to be robust and effective, allowing us to adapt to the significant challenges presented by the pandemic whilst still meeting all of our statutory duties and the ability to collaborate with partner agencies.

We continue to be committed to learning from the experiences of our customers, partners, and colleagues. We will continue to embed a culture of learning that allows us to deal with new situations and problems. This drives innovation and allows us to become more skilled and experienced. We proactively seek out feedback and use our operational learning activities to understand and measure the effectiveness of changes we make. To this end, we play an active role in the [National Operational Learning](#) process and had adopted [National Operational Guidance Good Practice Guide](#), and comply with the [Fire Standard for Operational Learning](#).

The Authority has provided a round-the-clock on-site emergency response capability to Eurotunnel since the opening of the Channel Tunnel in 1994. The service is provided under a contract with Eurotunnel to provide the first line of response (FLOR) to any rescue emergency inside the Channel Tunnel.

The UK and French FLOR teams regularly work together, undertaking joint binational training on a weekly basis and a large annual binational exercise to test the joint control rooms and procedures. We also work with our French counterparts to provide the second line of response (SLOR) to any emergency event in the Channel Tunnel and at the sidings within the UK.

In April 2021, a binational multi-agency exercise (Binat 31) was undertaken at the Channel Tunnel to test the communications networks within the running tunnels along with the triangulation of communications from the tunnel to the incident command centre. Although the restrictions imposed during the coronavirus pandemic meant that this needed to be run as a simulated (table-top) exercise.

The ability to undertake any additional exercises throughout 2020 and 2021 was curtailed by the coronavirus pandemic, so throughout 2020 and 2021 tabletop (i.e. simulated) exercises were undertaken.

However, live exercises have now been able resume and the first live binational exercise (Binat 32) since the pandemic was held at the end of April 2022. This tested the communications for command and control, logistics for casualty handling (post-fire) and cross channel working. Debriefs and outcomes were recorded with joint actions for both UK and French sides and published in unison with Eurotunnel.

In January 2023, Binat 33 was held. This live exercise was based on a scenario in which a marauding terrorist attack occurred on board a Eurotunnel passenger train. This tested the multi-agency binational emergency plan, as well as individual organisational plans for a major incident in the Channel Tunnel.

2.4 Collaboration

The Policing and Crime Act 2017 created a statutory duty on fire and rescue authorities, police forces, and ambulance trusts to:

- keep collaboration opportunities under review.
- notify other emergency services of proposed collaborations that could be in the interests of their mutual efficiency or effectiveness; and
- give effect to a proposed collaboration where the proposed parties agree that it would be in the interests of their efficiency or effectiveness and that it does not have an adverse effect on public safety.

Fire and rescue authorities must collaborate with other fire and rescue authorities to deliver interoperability (between fire and rescue authorities) and interoperability (with other responders such as other emergency services, wider Category 1 and 2 responders and Local Resilience Forums) in line with the Joint Emergency Services Interoperability Principles (JESIP). Fire and rescue authorities must collaborate with the National Resilience Lead Authority to ensure interoperability is maintained for National Resilience assets.

How to we meet these requirements and get assurance?

Collaboration and partnership working is a key feature of how the Authority operates and we continue to develop strong and lasting working relationships with Kent Police, SECamb, other fire and rescue services, local authorities, NHS clinical commissioning groups, and many other agencies. A [collaboration update](#) is taken to the meetings of the [Fire Authority](#).

In June, the Collaboration Team and Behaviour Team were merged to form a new Community Insight and Partnerships Team to increase efficiency and effectiveness of partnership working. This allows us to be more effective at gathering information from underrepresented groups and supporting communities through partnership working. The name change will also make it clearer to partners and colleagues that, as well as working with partner agencies, the team is responsible for gather information from underrepresented groups and supporting communities through partnership working. Wherever possible we consider collaboration with our partner organisations, such as Kent Police and SECamb and progress any other possible collaboration opportunities that may present themselves to enable greater efficiencies and improvements to the service.

We are key organisation within the [Kent Resilience Forum \(KRF\)](#). The KRF is a local resilience forum which has been set up to ensure that agencies and organisations plan and work together, to ensure a co-ordinated response to emergencies that could have a significant impact on communities in Kent. It was fundamental to coordinating the response to both the coronavirus pandemic and the UK's departure from the EU.

The Authority also hosts and manages the Kent Resilience Team (KRT). The KRT is part of the KRF and is a multi-agency initiative to transform the delivery of emergency planning services in order to achieve better outcomes for the people of Kent. It does so by improving the effectiveness of the planning, response and recovery from emergencies.

To ensure we develop better inter-agency working and to help save public money, we have proactively opened up our premises for use by other agencies, particularly SECAMB and Kent Police. SECAMB mobilise resources from a number of KFRS owned premises and we support them by responding to life-threatening medical emergencies when our crews or officers are available to do so.

We are part of the [Joint Emergency Services Interoperability Programme \(JESIP\)](#) with Kent Police and SECAMB. The JESIP programme sets out a standard approach at incidents to multi-agency working between emergency services and other response organisations.

We operate a shared 999 control room with Kent Police. Working in partnership with Kent Police, we implemented the UK's first inter-agency command and control solution. In October 2023 we will also be moving into a brand-new purpose-built fire and police control room.

In addition, to facilitate collaborative work and incident support agreements for reinforcement schemes and discharge of operational functions by other FRAs (referred to as Section 13 and 16 Agreements after their respective sections in the Fire and Rescue Services Act 2004) have been signed with all neighbouring fire and rescue authorities. To ensure our effectiveness, we also undertake familiarization and training with our neighbouring FRAs.

Following approval from our fire Authority in October 2022, we formally applied and were accepted as a member of the Networked Fire Service Partnership (NFSP). The NFSP is a partnership between Devon and Somerset Fire and Rescue Service, Dorset and Wiltshire Fire and Rescue Service, and Hampshire and Isle of Wight Fire and Rescue Service, which gives them the capability to handle each other's 999 calls during periods of high operational activity. Having this capability was one of the outcomes from the Grenfell Tower Inquiry, which identified the importance of fire and rescue services being able to work closely from a fire command and control perspective.

In practical terms, this will mean that once a new mobilising system is procured, calls that are not answered within six seconds will be passed to another specialist fire control room, if the call is then not answered in ten seconds it is transferred to two further specialist fire control rooms. This means that during a major incident we will have access to a minimum of 16 specialist fire control operators who can give lifesaving fire survival guidance advice to our customers.

We actively consider opportunities for collaboration with other services and ensure arrangements are in place to effectively evaluate opportunities and to review and monitor collaboration activities to ensure continued benefits and cost-effectiveness. The Authority has been at the forefront of collaboration and leads the fire service national collaboration project for procurement.

Section 3. National Resilience

3.1 Gap Analysis

Fire and rescue authorities' risk assessments must include an analysis of any gaps between their existing capability and that needed to ensure national resilience. Fire and rescue authorities are required to assess the risk of emergencies occurring and use this to inform contingency planning. To do this effectively, fire and rescue authorities are expected to assess their existing capability and identify any gaps as part of the integrated risk management planning process.

How to we meet these requirements and get assurance?

The Authority publishes a [risk profile for Kent and Medway](#) which is an analysis of risk within the county and how this relates to demand for the Authority's services. We have a mature risk assessment process which draws in data from a variety of internal databases and external sources, including the [Kent Community Risk Register](#).

Under the Civil Contingencies Act 2004, partner agencies in the Kent Resilience Forum (KRF) are required to assess the risks in their area. KRF partners achieve this by working together to develop the 'Kent Community Risk Register'. The risk register is informed by national guidance and developed locally with partners and subject matter experts to list hazards and threats identified by government departments and local agencies. Prior to approval the risk register is then endorsed by the strategic representatives of all KRF partners.

We are a key organisation within the [Kent Resilience Forum](#). The KRF is a local resilience forum, one of a number across England, which has been set up to ensure that agencies and organisations plan and work together, to ensure a co-ordinated response to emergencies that could have a significant impact on communities in Kent.

The Authority also works with partners in South East England and nationally on a number of projects to support national resilience. Issues regarding this are reported to Members, but it should be recognised that due to the sensitive nature of this area, limited information is detailed in the public domain.

Exercises are undertaken with the Authority's counterparts in France, Belgium and the Netherlands. As mentioned in section 2.3, this also includes the annual exercise undertaken with Eurotunnel our French colleagues.

The first practical binational exercise since the pandemic (Binat 32) took place at the end of April 2022. This tested the communications for command and control, logistics for casualty handling (post-fire) and cross channel working. In January 2023, Binat 33 was held, which tested the response to a marauding terrorist attack on a Eurotunnel train travelling through the Channel Tunnel. For both of these binational exercises, debriefs and outcomes were recorded with joint actions for both UK and French sides, and then published in unison with Eurotunnel.

As part of the MIRG EU (Maritime Incident Response Group), the Authority has entered into an agreement with counterparts in France, the Netherlands and Belgium to provide a co-ordinated response and set of mutually recognised and accepted procedures to incidents in the English Channel.

The Authority plans and undertakes regular operational exercises against the current risks and threats in Kent and Medway. These test the efficacy of our emergency planning and the use of joint emergency services interoperability principles (JESIP). The scenarios and location of the service level exercises are determined by giving close consideration to risks in the National Risk Register, our multi-agency Kent Community Risk Register and the information the Authority holds relating to specific premises within its risk management system.

Between March and December 2022, we undertook 116 exercises, of which 47 were practical, 31 were tabletop, and 38 were professional discussions following a response awareness visit. There were several National Resilience led exercises, as well as some held outside of Kent and Medway. In 2022 we established an Exercise Planning Group to ensure that we are conforming to the legislative requirements for exercising and training. The next phase of this will see response awareness visits and exercise processes incorporated into one streamlined process to ensure that all high and very high-risk sites in Kent and Medway are visited and exercised against.

3.2 National Co-ordination and Advisory Framework (NCAF)

The NCAF has been designed to provide robust and flexible response arrangements to major emergencies that can be adapted to the nature, scale and requirements of the incident. Fire and rescue authorities must proactively engage with, and support, the NCAF arrangements including the NFCC's (National Fire Chiefs Council) lead operational role.

How to we meet these requirements and get assurance?

Kent Fire and Rescue Service maintains a critical incident framework that ensures we are able to respond to critical and major incidents and continue to maintain essential services. The framework ensures that KFRS has suitable management and coordination arrangements in place to respond to such incidents. These include arrangements for categorising and escalating incidents. Within this the links to local, regional, and national coordination processes are set out.

This includes identifying the need to report trigger incidents into the [National Coordination and Advisory Framework \(NCAF\) Electronic Support System](#).

The KFRS procedure for reporting trigger incidents is managed through the KFRS control room. A Standard Operating Procedure (SOP) is held on the control system. This SOP lists the trigger incident types that require reporting to NCAF. A prompt to consider activation of this SOP is also listed

against the incident type within the mobilising system, ensuring that NCAF reporting is carried out at the point at which the incident type is defined and confirmed.

The critical incident framework arrangements are tested annually as part of the KFRS Strategic Exercise. This includes consideration of NCAF reporting. These exercises are subject to a full and robust debrief and operational learning process.

We are able to offer resources via the [National Resilience Fire Control](#). Throughout the coronavirus pandemic we made our range of National Resilience Assets available.

3.3 Response to Terrorist Attacks or MTFA

Fire and rescue services must be able to respond to the threat of terrorism and be ready to respond to incidents within their areas and across England. Fire and rescue services should also be interoperable to provide operational support across the UK to terrorist events as required.

How to we meet these requirements and get assurance?

Although several exercises were postponed due to the coronavirus pandemic, under normal circumstances, the Authority plans and undertakes regular operational exercises throughout the year. These test the efficacy of our emergency planning, the use of joint emergency services interoperability principles (JESIP).

The issues raised in the recommendations of the Kerslake Report and the government Inquiry into the terrorist attack at Manchester Arena on May 2017, are supported by the Authority's plans and activities. For example, we have amended talkgroups on airwaves radios in line with the recommendations of the Kerslake Report.

In January 2023, Binat 33 was held. This live exercise was based on a scenario in which a marauding terrorist attack occurred on board a Eurotunnel passenger train. This tested the multi-agency binational emergency plan, as well as individual organisational plans for a major terrorist incident in the Channel Tunnel.

Further commentary on this section is withheld due to the sensitivity of the area.

3.4 National Resilience Assurance

Fire and rescue authorities must continue to work collectively and with the Fire and Rescue Strategic Resilience Board and the national resilience lead authority to provide assurance to government that:

- existing national resilience capabilities are fit for purpose and robust; and
- risks and plans are assessed and any gaps in capability that are needed to ensure national resilience are identified.

Fire and rescue authorities with MTFA teams must work with police forces and ambulance trusts to provide tri-service assurance of this capability.

How to we meet these requirements and get assurance?

Kent leads on the National Fire Chief's Council (NFCC) Fire and Rescue Marine Response Group and the NFCC Operations Co-ordination Group.

As part of the Fire and Rescue Marine Response Group the Authority has entered into an agreement with counterparts in France, the Netherlands and Belgium for an agreed response and procedures to incidents in the English Channel.

We have a variety of National Resilience Assets that are exercised both locally and nationally. Assets include: Urban Search and Rescue; National Inter-Agency Liaison Officers; Enhanced Logistics Support; High Volume Pump; Detection; Identification and Monitoring; Tactical Advisors specialising in a variety of areas.

Because of the responsibilities related to the Channel Tunnel, exercises are undertaken with the Authority's counterparts in France, Belgium and the Netherlands. As mentioned in section 2.3, this includes the annual joint UK-French exercise in the Channel Tunnel. These resumed in 2022 (Binat 32) following the end of the restrictions on live exercises imposed by the coronavirus pandemic.

We are key organisation within the [Kent Resilience Forum \(KRF\)](#). The KRF is a local resilience forum which has been set up to ensure that agencies and organisations plan and work together, to ensure a co-ordinated response to emergencies that could have a significant impact on communities in Kent. It was fundamental to coordinating the response to both the coronavirus pandemic and the UK's departure from the EU.

The Authority also hosts and manages the Kent Resilience Team (KRT). Part of the KRF, the KRT is a multi-agency initiative to transform the delivery of emergency planning services in order to achieve better outcomes for the people of Kent. It does so by improving the effectiveness of the planning, response and recovery from emergencies. This is in line with both the [National Resilience Standards for Local Resilience Forums](#) and the [National Coordination and Advisory Framework for England](#).

Section 4. Governance

4.1 Managing the Fire and Rescue Service/Chief Fire Officer

Each fire and rescue authority will appoint an individual – commonly known as a Chief Fire Officer – who has responsibility for managing the fire and rescue service. Each fire and rescue authority must hold this person to account for the exercise of their functions and the functions of persons under their direction and control.

How to we meet these requirements and get assurance?

Kent Fire and Rescue Service is overseen and run by a dedicated local authority called the Kent and Medway Fire and Rescue Authority. The [Kent and Medway Fire and Rescue Authority](#) ('the Authority') is responsible for ensuring that it delivers its services in accordance with the prevailing

legislation, regulations and government guidance and that proper standards of stewardship, conduct, and professional competence are followed to by those working for and with the Authority.

The Authority meets three times a year and comprises 25 elected councillors appointed by Kent County Council (21 councillors) and Medway Council (4 councillors) as well as the Kent Police and Crime Commissioner.

In October 2021 the Authority established a new committee; the Audit and Governance Committee. Comprising 10 elected councillors from the Authority who serve as members, The purpose of this committee is to provide independent assurance to the Authority of the adequacy of the risk management framework and the internal control environment. Meeting three times per year, it provides an independent review of the Authority's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. Additionally, it oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place. It also has responsibility for signing off the final accounts and the annual governance statement.

Meetings of the Fire Authority and Audit and Governance Committee are open to the public and agenda packs, reports and minutes are made publicly available on our website.

The Chief Executive has management responsibility for ensuring that effective controls and processes are implemented across the Authority in compliance with the Code of Corporate Governance. Our controls are regularly reviewed and updated with reports submitted to the Fire Authority. The Director of Finance and Corporate Services is responsible for ensuring that effective financial controls are in place, the provision of an effective internal audit function, and for reviewing the overall effectiveness of the governance framework. In addition, the corporate leadership team has collective responsibility for setting the strategic direction and management of the finances. The future strategic direction is set out in a suite of six strategies, each covering specific areas of the organisation, and detailing what has been achieved and what we aim to achieve.

Our [constitutional and governance documents](#) set out how the Authority operates, how decisions are made, and the rules and procedures governing Authority meetings and decision-taking. These comprise the following:

- The Kent Fire Services (Combination Scheme) Order 1997. This is the Order made by Parliament which first established the Authority. It contains the Constitution of the Authority and prescribes the arrangements for the Authority to take over responsibility for Kent Fire Brigade from Kent County Council on 1 April 1998.
- Kent and Medway Fire and Rescue Authority Standing Orders. These are rules for the operation of Authority and Committee meetings.
- Committee Terms of Reference
- Scheme of delegation of powers to the Chief Executive. This sets out those decisions which can only be taken by the Authority or one of its committees (i.e. by Members of the Authority), and those which can be taken by the Chief Executive or other officers.
- Convention on Member and Officer relationships. This deals with the working relationships between Members (both as individuals and collectively within their political groups) and the officers (i.e. the paid employees) of the Authority.
- Code of Corporate Governance. This is the means through which the Authority applies the CIPFA principles of good governance and sets out how the Authority meets each of these principles in its day-to-day activities.

We publish an [annual governance statement](#). This is the report of the review of the Authority's governance and systems of internal control, along with an assessment of their effectiveness. The legal requirement to undertake this annual review is set out in [Section 6 of the Accounts and Audit Regulations 2015](#).

All local authorities are required by the Local Government and Housing Act 1989 to appoint a Monitoring Officer whose statutory duty is to report to the Authority on any proposed actions which may contravene the law or constitute maladministration. In February 2021, [the Authority approved the proposal for the appointment of a new Monitoring Officer](#) from Medway Council for a four year team from the period 01/04/2021 to 31/03/2025.

4.2 Documents to be prepared

Each FRA is expected to produce an Integrated Risk Management Plan (IRMP), Annual statement of assurance, financial plans (a medium-term financial strategy, an efficiency plan and a reserves strategy).

How to we meet these requirements and get assurance?

The first stage in developing the Authority's plans is to consider the long-term aim and objectives. Once these have been assessed and agreed by Members, proposals for changes are drawn up and the Authority publishes a consultation document called the [Safety and Wellbeing Plan](#). The purpose of this is to inform the public about changes we intend to make, or would like the public's views on, before we make them. Proposals for changes are drawn up and consulted upon with employees, members of the public, businesses and community groups. Once published the plan also provides a summary of what the public receive for the money they pay in council tax towards KFRS.

The feedback that is received from the public is then analysed and reported to the [Fire Authority](#) and, where relevant, acted upon.

Once agreed by Members, the outcomes of the Safety and Wellbeing Plan are then fed into and inform the development of the Customer Safety Plan. Our latest iteration of this is the [Customer Safety Plan 2021-2031](#). This sets out our strategies and ideas for what a modern fire and rescue service should do for the public it serves. The Customer Safety Plan incorporates the medium-term financial plan and infrastructure programme and also provides details of the Authority's performance over the previous year, targets for the coming years and an improvement action plan explaining how we intend to achieve these targets.

[Corporate Strategies](#). As part of the Customer Safety Plan, each Directorate within the Service develops a corporate strategy that sets out how it will meet the objectives in the Customer Safety Plan. We refresh our corporate strategies every four years, using the analysis of what the future holds, our aim and objectives, and our key themes. The strategies set out our aims over that period and what we would like to achieve in specific areas. The current six corporate strategies are as follows:

1. Business Change, Information and Technology
2. Commercial and Procurement
3. Customer Engagement and Safety

4. Environment and Assets
5. People
6. Response and Resilience

In relation to financial plans, we publish the following documents:

[Medium Term Financial Plan](#). Our approach to budgeting is sustainable and business-led and is detailed in a document called the Medium-Term Financial Plan. The latest document covers the four-year period from 2023/24 to 2026/27 and underpins the Customer Safety Plan and provides an update on the work of the service and our future plans. [Our Budget Book and Medium-Term Financial Plan 2023/24 to 2026/27 was approved at the meeting of the Fire Authority in February 2023.](#)

[Treasury Management and Investment Strategy](#). The CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code require the Authority to determine and set the Treasury Management and Investment Strategy for the financial year ahead as part of the annual budget papers in February of each year. [Our Treasury Management and Investment Strategy 2023/24 was approved at the meeting of the Fire Authority in February 2023.](#)

[Reserves Strategy](#). Every year the Authority's Reserve Strategy is reviewed and updated to ensure that it remains relevant and appropriate. There are five earmarked reserves, with by far the largest being the Infrastructure Reserve, which is used to help fund the Authority's capital programme and large one-off IT investments. In challenging financial times, it is prudent to maintain an appropriate level of reserves which will help bridge the gap of any shortfall.

[Capital Strategy](#). The most recent [CIPFA Prudential Code for Capital Finance in Local Authorities](#) was issued in December 2021. Its key objectives remain ensuring that decisions made around local authority capital programmes are affordable, prudent and sustainable. The Authority continues to use the Code as required under [Part 1 of the Local Government Act 2003](#), as a framework to demonstrate effective planning and proper appraisal of its capital finances. A requirement of the Code is that authorities should produce a Capital Strategy which sets out an outline of the reporting requirements that it should be meeting. Our Capital Strategy [was approved at the meeting of the Fire Authority in February 2023.](#)

Information about the Authority's reserves is also provided in the [external auditor's annual report for 2021/22](#).

Each year, the Authority also publishes an Efficiency and Productivity Statement. Our most recent one was taken to the [February 2023 meeting of the Fire Authority](#). This presents a general overview of the national and local economic environment in which KFRS is operating and the effect of this upon our planning and delivery of services over the medium term. The aim is to offer a degree of context about the way we undertake our financial planning but to also set out that our focus is to ensure the efficient and effective delivery of our services to all our customers. Ensuring our services are delivered as efficiently as possible whilst also considering our outputs and outcomes is an important driver to improving productivity.

4.3 National Fire Chief's Council (NFCC)

The NFCC is the first line of operational advice to central and local government during major incidents. This is outlined within the National Coordination and Advisory Framework (NCAF), which fire and rescue services must proactively engage with. The NFCC has a role to drive continuous improvement and development throughout the sector. Fire and rescue services should consult the NFCC for advice and support when developing improvement plans, particularly in response to inspections. The expectation is that fire and rescue services in England engage with the NFCC and, in turn, that the NFCC works to support and represent every service.

How to we meet these requirements and get assurance?

Through widespread involvement in the National Fire Chiefs Council (NFCC), we play an active role in sector improvement at the national level.

- The Director of Operations is Co-lead Officer on the NFCC Environmental, Sustainability and Climate Change work stream, which is part of the NFCC Sector Resources and Improvement Committee.
- The Director of Finance and Corporate Services plays a significant role in the Fire Finance network and has been involved in a number of meetings to discuss operational independence.
- The Assistant Director Customer and Building Safety is a member of the Prevention Standards Group (along with the Area Manager Building Safety) and also the Prevention Standards Review Panel. He is also an active member of the NFCC South East, Strategic Prevention and Protection Group; the NFCC 'Driving for Better Business' lead; and deputises for the chair of the NFCC Road Safety Group.
- The Assistant Director Response is the NFCC Alternative Fuels and Energy systems lead; a member of the USAR National User Group; and a member of the MTA National User Group.
- Assistant Director Resilience is a member of the National Fire Control Board, the NFCC Operational Communications Strategy Board, the ESN Fire Customer group; Eastern Region ESN group; and the MAIT local strategic lead.
- The Area Manager Technical Training and Professional Standards sits on the NFCC Firefighter Charity Strategic Group and is the South East rep for the NFCC National Command and Control User Group.
- The Head of IT is a member of the ESN Fire User Group rep.
- The Resilience Manager is the Chair of the NFCC Emergency Preparedness and Resilience Group and the Chair of the NFCC Water Officer Group.
- The Education Manager supports the Children and Young People Group.
- KFRS Inclusion Officer is technical lead for NFCC Equality, Diversity and Inclusion.

Section 5. Achieving value for money

5.1 Reserves

Sections 31A, 32, 42A and 43 of the Local Government Finance Act 1992 requires billing and precepting authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. Each fire and rescue authority should publish

their reserves strategy on their website, either as part of their medium-term financial plan or in a separate reserves strategy document. The information on each reserve should make clear how much of the funding falls into the following three categories:

- a. Funding for planned expenditure on projects and programmes over the period of the current medium term financial plan.
- b. Funding for specific projects and programmes beyond the current planning period.
- c. As a general contingency or resource to meet other expenditure needs held in accordance with sound principles of good financial management (e.g. insurance).

How to we meet these requirements and get assurance?

We have a robust and complaint financial framework, as part of this the following documents are published:

[Medium Term Financial Plan](#). Our approach to budgeting is sustainable and business-led and is detailed in a document called the Medium-Term Financial Plan. The latest document covers the four-year period from 2023/24 to 2026/27 and underpins the Customer Safety Plan and provides an update on the work of the service and our future plans. [Our Budget Book and Medium-Term Financial Plan 2023/24 to 2026/27 were approved at the meeting of the Fire Authority in February 2023.](#)

[Treasury Management and Investment Strategy](#). The CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code require the Authority to determine and set the Treasury Management and Investment Strategy for the financial year ahead as part of the annual budget papers in February of each year. [Our Treasury Management and Investment Strategy 2023/24 was approved at the meeting of the Fire Authority in February 2023.](#)

[Reserves Strategy](#). Every year the Authority's Reserve Strategy is reviewed and updated to ensure that it remains relevant and appropriate. There are five earmarked reserves, with by far the largest being the Infrastructure Reserve, which is used to help fund the Authority's capital programme and large one-off IT investments. In challenging financial times, it is prudent to maintain an appropriate level of reserves which will help bridge the gap of any shortfall.

[Capital Strategy](#). The most recent [CIPFA Prudential Code for Capital Finance in Local Authorities](#) was issued in December 2021. Its key objectives remain ensuring that decisions made around local authority capital programmes are affordable, prudent and sustainable. The Authority continues to use the Code as required under [Part 1 of the Local Government Act 2003](#), as a framework to demonstrate effective planning and proper appraisal of its capital finances. A requirement of the Code is that authorities should produce a Capital Strategy which sets out an outline of the reporting requirements that it should be meeting. Our Capital Strategy [was approved at the meeting of the Fire Authority in February 2023.](#)

Information about the Authority's reserves is also provided in the [external auditor's annual report for 2021/22](#).

Each year, the Authority also publishes an [Efficiency and Productivity Statement](#). This presents a general overview of the national and local economic environment in which KFRS is operating and the effect of this upon our planning and delivery of services over the medium term. The aim is to offer a degree of context about the way we undertake our financial planning but to also set out that our focus is to ensure the efficient and

effective delivery of our services to all our customers. Ensuring our services are delivered as efficiently as possible whilst also considering our outputs and outcomes is an important driver to improving productivity.

5.2 Commercial Transformation

Each fire and rescue authority must demonstrate that it is achieving value for money for the goods and services it receives. Every fire and rescue authority should look at ways to improve its commercial practices including whether they can aggregate their procurement with other fire and rescue authorities and other local services (e.g. police) to achieve efficiencies.

Fire and rescue authorities must demonstrate and support national and local commercial transformation programmes where appropriate. Each fire and rescue authority should be able to demonstrate full awareness of the objectives to standardise requirements, aggregate demand and manage suppliers of products and services within their commercial arrangements.

Fire and rescue authorities must ensure that their commercial activities, be that the placement of new contracts or the use of existing contracts, is in line with their legal obligations, including but not limited to the Public Contracts Regulations, the Public Services (Social Value) Act 2012, the Modern Slavery Act 2015 and transparency commitments.

How to we meet these requirements and get assurance?

We have a [Commercial and Procurement Strategy](#), which sets out our approach to buy goods and services in such a way that we deliver value for money on every pound spent with our suppliers, whilst complying with the rules that regulate public sector procurement.

In 2018 we adopted an approach called category management. The principle, as defined by the Chartered Institute for Purchasing and Supply, is that category management is an approach which organises our resources to focus on specific areas of spend. The results can be greater than traditional transactional based purchasing methods. A structured category management approach helps us generate savings, but also improve supplier performance, reduce supply risks, and drive innovation and continuous improvement. We profile, benchmark, research and assess the market, and look for any risks and trends and new opportunities constantly. We have developed an expert level of knowledge in each category and we will maintain this approach.

We lead the national procurement hub arrangements for procurement. The importance of a national approach was made even clearer during the covid-19 pandemic, when personal protective equipment was needed urgently across the sector. We contribute a large amount of time to supporting better procurement by all fire and rescue services nationally. In line with the expectations of the Home Office, we will continue to promote collaborative procurement as a way for all to reduce their costs, and so that we present a coordinated approach to suppliers when we go to market.

As an organisation that procures a large amount of goods and services, and spends time working closely across all communities throughout Kent and Medway, we are highly aware of the issue of modern slavery. Our [Modern Slavery and Transparency in Supply Chains Statement 2022/23](#) articulates our commitment to helping to eradicate this crime.

In accordance with the Modern Slavery Act 2015, we have a zero-tolerance approach to modern slavery and its presence within our organisation and supply chains. We welcome the increasing momentum towards mandatory human-rights due diligence and are therefore fully committed to supporting the government in tackling modern slavery. Our Modern Slavery and Transparency in Supply Chains Statement is a reflection of our commitment to this.

In practice we demonstrate this through our procurement and purchasing processes and an active commitment to upholding and protecting the human rights of our customers, supply chain workers, local communities, and employees. We have set out the standards, values and behaviours we expect from our suppliers in our Supplier Code of Conduct. This is also underpinned by our [Modern Slavery Policy](#) which is the mechanism through we ensure that modern slavery is not taking place anywhere in our own business or our supply chains. We also ensure that, when delivering our customer services, our employees are appropriately trained to be able identify potential modern slavery and raise those concerns accordingly.

[Equality in Procurement at Kent Fire and Rescue Service](#). In response to the Equality Act 2010 and our own values in promoting equality in everything we do, we want people who work with us to also demonstrate the same commitment to fairness and equality. The procurement opportunities we publish are inclusive and accessible, and our evaluation of proposals is undertaken using objective and non-discriminatory criteria. We have a formalised approach to equality in procurement at Kent Fire and Rescue Service. We consider it necessary for organisations who intend to supply goods, works or services to us or on our behalf to demonstrate that reasonably practicable steps have been taken to allow equal access and treatment in employment and services for all and can give evidence of their approach to meeting the requirements of the law.

5.3 Research and Development

Fire and rescue authorities should engage with national research and development programmes, including those overseen by the NFCC, unless there is a good reason not to.

How to we meet these requirements and get assurance?

We have a dedicated research and development resource in the Customer Engagement and Safety Team who support the development and improvement of services within Community Safety and Building Safety.

The Collaboration and Behaviour Change teams have been brought together to form a new Community Insight and Partnerships Team. The name change will make it clearer to partners and KFRS colleagues that the team is responsible for gathering information from underrepresented groups and supporting communities through partnership working.

A key function is to ensure all of our prevention and protection interventions are underpinned by evidence through undertaking research and evaluation. Our approach to research and development is set out in our Customer Engagement and Safety Strategy. We have also developed an Evaluation Framework to help ensure our approach to intervention evaluation follows best practice and is of suitable quality. This framework has been shared with the NFCC and South East prevention network members.

Research is currently supporting a number of corporate projects and initiatives with the Customer Engagement and Safety Team, which feed into wider strategic and corporate objectives. The Authority also sponsored [world-leading doctoral research on human behaviour in dwelling fires](#), the outcomes of which supported several areas of Service activity.

We undertake research and use behavioural theories to evaluate initiatives, ensuring we are as effective as possible in our approach. We are also undertaking research to better understand who our customers are, what their perceptions of the fire and rescue service are, and how we can best communicate with them to deliver safety initiatives more efficiently. We research behaviour in fires in the home to tailor our customer safety activities and improve the advice we give to people about staying safe. This also supports operational training and emergency call management.

Recent examples of this include the research undertaken for one of our latest safety and behaviour change campaigns called 'Smoke is No Joke'. This promotes closing internal doors to delay the spread of smoke and fire, improving the chance of safe escape, and protecting the home from fire and smoke damage. The campaign has gone through research, co-creation and focus groups with members of the target audience to shape the name, look and feel in line with behaviour change methodology. Work has been undertaken to map customer journeys for home fire safety visit booking and school-based education. The outcomes of this research, which includes hearing from the external customers accessing these services, is being used to improve the experience and ease of accessing these services. We will also be undertaking research will look at interactions with members of the public calling 999 and see how we can further improve the two-way flow of information to keep our customers as safe as possible.

5.4 Trading

Fire and rescue authorities have the power to trade and make a profit but they must ensure that their commercial activities are performed in accordance with the requirements of the Local Government Act 2003, the Fire and Rescue Services Act 2004 (as amended by the Localism Act 2011), the Local Government Order 2009 and the Local Authorities (Goods and Services) Act 1970. Fire and rescue authorities must also ensure that such commercial activities are exercised through a company within the meaning of Part 5 of the Local Government and Housing Act 1989.

How to we meet these requirements and get assurance?

The Authority does not have a trading arm and has no plans to engage in such activity.

Section 6. Workforce

6.1 People Strategy

Each fire and rescue authority should have in place a people strategy that has been designed in collaboration with the workforce.

How to we meet these requirements and get assurance?

Our [People Strategy](#) sets out how we aim to improve organisational performance by ensuring that everyone has the right skills, capabilities and involvement to make life safer for the people of Kent. Delivery of this plan will ensure that the highest standards of leadership and management are in place to sustain a motivated and engaged workforce. We believe this will foster an organisational culture which truly embraces the diversity and individuality of people and the need for inclusiveness.

6.2 Professional Standards

To enhance professionalism of fire and rescue services, a coherent and comprehensive set of professional standards across all areas of fire and rescue services' work will be developed, drawing on existing standards where appropriate. The development of new standards will be on an ongoing basis.

How to we meet these requirements and get assurance?

At the time of writing, the [Fire Standards Board](#) have approved and published the following 16 fire standards:

- Code of Ethics
- Communication and Engagement
- Community Risk Management Planning
- Data Management
- Emergency Preparedness and Resilience
- Emergency Response Driving
- Fire Control
- Fire Investigation
- Leading the Service
- Leading and Developing People
- Operational Competence
- Operational Learning
- Operational Preparedness
- Prevention
- Protection
- Safeguarding

The Authority has undertaken a gap analysis of its position against each of the published fire standards. This has identified that the Authority is compliant with the majority of the key areas of each of these standards.

During the consultation period, the Authority has been an active participant and engaged with and responded to each of the consultations on the proposed fire standards. As and when consultation opens on additional standards, we will continue to engage actively with the process.

Within KFRS there already exists a well-established culture of professional standards, which is underpinned by and codified in a small number of key documents. The conduct of employees, volunteers and Members is taken very seriously and we have a Code of Conduct which clearly sets out the standards of ethical and professional behaviour we expect.

We place the utmost importance on holding ourselves to high standards of behaviour and integrity as embodied in the seven (Nolan) principles of public life: 1. Selflessness; 2. Integrity; 3. Objectivity; 4. Accountability; 5. Openness; 6. Honesty; 7. Leadership.

In relation to ethical standards, in 2021 the Authority introduced a code of ethical conduct and made it a requirement for all employees to sign it. This presents the Authority's values and commitment to fairness and equality.

We also have a [Code of Corporate Governance](#). This sets out the seven key principles of good governance which the Authority has adopted and the means by which these principles are adhered to and evidenced. The principles set out here represent the core philosophy of the Authority. It was reviewed and updated in 2020 to incorporate the requirements of [new guidance issued by CIPFA](#) regarding financial management in public authorities. The next review of this is scheduled to take place in the autumn of 2023.

[Code of Conduct for Members of the Fire Authority](#). This establishes the requirement for all Members of the Authority to conduct themselves, when undertaking the business of the Authority, in accordance with our values and ethics. It also contains the mechanism by which inappropriate or unethical behaviour can be reported and investigated. This is aligned to the Kent Code, which in addition to being the Kent County Council Code, has been adopted by the majority of district councils in Kent.

We publish an [annual report on Members' standards, allowances and travel expenses](#). No complaints alleging that a Member of the fire authority has breached the Code of Conduct have been made to the Authority during the past year.

All local authorities are required by the [Local Government and Housing Act 1989](#) to appoint a Monitoring Officer whose statutory duty is to report to the Authority on any proposed actions which may contravene the law or constitute maladministration. In February 2021, [the Authority approved the proposal for the appointment of a new Monitoring Officer](#) from Medway Council for a four-year team from the period 01/04/2021 to 31/03/2025.

In addition, the [Combined Authorities \(Overview and Scrutiny Committees, Access to Information and Audit Committees\) Order 2017](#) sets out the requirement on audit committees of a combined authority to have at least one independent person on its membership. [An Independent Member to the Authority's Audit and Governance Committee was approved for a four-year term](#).

6.3 Fitness Principles

Fire and rescue authorities have an important role in helping to ensure their firefighters remain fit and are supported in remaining in employment. Each fire and rescue authority must comply with the fitness principles set out at Annex C.

How to we meet these requirements and get assurance?

The Authority's sets out the fitness standards required and the process by which this is monitored and tested for operational personnel. A copy of the Health and Wellbeing Policy is available on request.

All operational colleagues are subject to testing annually and support given to anyone falling below the required fitness level. We have a number of Physical Training Instructors on the establishment, coordinated by a full time Physical Fitness Consultant. The working day is structured to allow one hour per day fitness training for all operational personnel (subject to operational demands). Gyms or fitness equipment is provided on all stations.

The Supporting Performance Policy provides for a process of adjustment and redeployment where an individual cannot maintain or regain the required fitness level. A number of colleagues have already been redeployed under this policy.

In addition to physical health, the Authority has a strong focus on actively supporting colleagues' mental well-being. KFRS takes the issue of mental health very seriously, particularly as in the course of their work, firefighters can be exposed to potentially distressing scenes. Great importance is placed on supporting colleagues with their physical and mental wellbeing and we have developed a culture which actively challenges the stigma around mental health and the associated barriers to seeking help and support for mental well-being.

The Authority has signed up to the [Government's Workplace Wellbeing Charter](#) and we have in place all the appropriate support arrangements, and referral systems into our occupational health provider (irrespective of whether employees perform an operational or customer service role).

A number of years ago we introduced the Employee Assistance Programme (EAP). The EAP helpline is available 24 hours a day, throughout the year and offers access to trained counsellors will offer help and support in a professional, friendly and non-judgmental manner.

This is supplemented by a network of Wellbeing Champions and Mental Health First Aiders. These are volunteers among our colleagues who provide a confidential service to support the physical and mental wellbeing of colleagues by discussing options and signposting to available resources.

6.4 Re-engagement of Senior Officers

Fire and rescue authorities must not re-appoint principal fire officers after retirement to their previous, or a similar, post save for in exceptional circumstances when such a decision is necessary in the interests of public safety. Any such appointment must be transparent, justifiable and time limited.

How to we meet these requirements and get assurance?

The Authority responded to the Government's consultation on the draft Fire and Rescue National Framework and stated its commitment to not re-appointing principal fire officers after retirement to their previous or a similar post.

KMFRA oversight of senior appointments through the [Senior officer Appointment and Conditions Committee](#).

When an employee retires from the Authority, they may choose to set themselves up as a consultant. On occasions there has been a need to reengage that individual for their specific expertise and skills. Each year's published [Pay Policy Statement](#) contains a section covering the rules around the re-engagement of former employees.

If this option is taken up, then a taxation test called IR35 needs to be applied. If the consultant meets the thresholds for IR35 to apply, meaning that the consultant is effectively an employee, it is officers' recommendation that abatement rules should also then be applied. At the meeting of the Fire Authority in April 2019, the Authority approved the proposal that abatement will be applied where ex-employees return to the Authority as consultants.

Section 7. Inspection, intervention and accountability

7.1 Inspection

All fire and rescue authorities must cooperate with the inspectorate and its inspectors to enable them to deliver their statutory function. This includes providing relevant data and information to inform inspections. The Home Office and HMICFRS will work together to align data and information collections where possible to avoid duplication. Fire and rescue authorities must give due regard to reports and recommendations made by HMICFRS and – if recommendations are made – prepare, update and regularly publish an action plan detailing how the recommendations are being actioned.

How to we meet these requirements and get assurance?

Our 2022 inspection by HMICFRS was undertaken over a period of six weeks running from July to August and provided an exhaustive and robust external validation and accreditation of the effectiveness and efficiency of KFRS.

When the [results of the inspection were published in January 2023](#), we were delighted to be judged by HMICFRS as 'Outstanding' in the pillar around 'Efficiency' – which is about how everyone in the service spends public money and uses resources – and 'Good' in the two pillars of 'Effective emergency response' and 'People.' 22. Furthermore, within the Efficiency pillar itself, as well as an overall 'Outstanding' judgement, KFRS was also graded as 'Outstanding' against both of the pillar's underlying categories ('Making best use of resources' and 'Making the fire and rescue service affordable now and in the future').

Among the findings presented by HMICFRS is that KFRS is judged to be: *“Outstanding in the way that it uses its resources and manages its budgets to provide an efficient fire and rescue service for the public.”*

In January 2021, [HMICFRS published the results of its inspection of the Authority's response to the coronavirus pandemic](#). The inspectorate praised the Authority's ability to meet the significant demands placed on it by the pandemic whilst maintaining its statutory duties and acting as the national lead for PPE distribution. Consequently, the arrangements and systems of control employed by the Authority have been shown to be robust and effective, which have allowed it to adapt to the significant challenges presented by the coronavirus pandemic.

In 2019 the Authority received its first inspection by HMICFRS. [The inspectorate rated KFRS as 'Good' across the three inspection pillars of Effectiveness, Efficiency and People](#), reflecting the high standard of service provided by the Authority. Of the 45 FRAs which were inspected in 2018/19, the Authority was one of only 16 to have been awarded 'good' in all three pillars. The Inspectorate did not identify any 'causes of concern' (the most serious level) and identified just eight areas for improvement (the least serious level). The breakdown of these eight areas of improvement across the three pillars is as follows: six in the Effectiveness pillar; and one each in the Efficiency and People pillars. Although there is no requirement placed on the Authority to do so, following the inspection by HMICFRS, we prepared an action plan that addressed each of the eight areas for improvement.

The Inspectorate identified several areas where the Authority was showing notably good practice, particular highlights included the Authority's ability to respond to incidents effectively and to spend public money appropriately and responsibly. The report also found that the Authority offers 'excellent wellbeing support' for employees, noting a culture of 'trust and empowerment'.

In the [HMICFRS press release following their inspection of KFRS](#), HM Inspector of Fire and Rescue Services stated:

"I am pleased that we have rated Kent Fire and Rescue Service as 'good' across all three areas of our inspection, in terms of its efficiency, effectiveness and the way it looks after its staff. This is a modern and innovative fire service that is prepared to find new ways of doing things. Many other fire and rescue services could learn from the example it sets. The service performs well in one of its primary duties: responding to fires and other emergencies. We found good collaboration with other local emergency services, including the ambulance service and the police, which improves the service given to the people of Kent."

7.2 Intervention

Section 22 of the Fire and Rescue Services Act 2004 gives powers to the Secretary of State to intervene should a fire and rescue authority fail, or be likely to fail, to act in accordance with this Framework.

How to we meet these requirements and get assurance?

The Authority is not in this position, therefore this section is not relevant in this context.

7.3 Accountability

Fire and rescue authorities are expected to have governance and accountability arrangements in place covering issues such as financial management and transparency, complaints and discipline arrangements, and compliance with the seven principles of public life.

In demonstrating their accountability to communities for the service they provide, fire and rescue authorities need to:

- be transparent and accountable to their communities for their decisions and actions.
- provide the opportunity for communities to help to plan their local service through effective consultation and involvement; and
- have scrutiny arrangements in place that reflect the high standard communities expect for an important public safety service.

How to we meet these requirements and get assurance?

[Meetings of the Fire Authority are open to the public](#) and agenda packs, reports and minutes are made publicly available. In addition, the following documents relating to the governance of the Fire Authority are publicly available:

- [Standing orders](#). These are rules for the operation of Authority and Committee meetings.
- [Scheme of Delegation of Powers to the Chief Executive](#). This sets out those decisions which can only be taken by the Authority or one of its committees (i.e. by Members of the Authority), and those which can be taken by the Chief Executive or other officers.
- [Convention on Member and Officer relationships](#). This deals with the working relationships between Members (both as individuals and collectively within their political groups) and the officers (i.e. the paid employees) of the Authority.

Consultation with the public and partners is an important part of how the Authority operates. We publish a consultation document called the [Safety and Wellbeing Plan](#). The purpose of this is to inform the public about changes we intend to make, or would like the public's views on, before we make them. Proposals for changes are drawn up and consulted upon with employees, members of the public, businesses and community groups.

The feedback that is received from the public is then analysed and reported to the [Fire Authority](#) and, where relevant, acted upon.

In relation to standards, in 2021 the Authority wrote a code of ethical conduct and made it a requirement for all employees to sign it. This sets out the Authority's values and commitment to fairness and equality.

[Code of Conduct for Members of the Fire Authority](#). This establishes the requirement for all Members of the Authority to conduct themselves, when undertaking the business of the Authority, in accordance with our values and ethics. It also contains the mechanism by which inappropriate or unethical behaviour can be reported and investigated. This is aligned to the Kent Code, which in addition to being the Kent County Council Code, has been adopted by the majority of district councils in Kent.

We publish an [annual report on Members' standards, allowances and travel expenses](#). No complaints alleging that a Member of the fire authority has breached the Code of Conduct have been made to the Authority during the past year.

All local authorities are required by the [Local Government and Housing Act 1989](#) to appoint a Monitoring Officer whose statutory duty is to report to the Authority on any proposed actions which may contravene the law or constitute maladministration. In February 2021, [the Authority approved the proposal for the appointment of a new Monitoring Officer](#) from Medway Council for a four-year team from the period 01/04/2021 to 31/03/2025.

In addition, the [Combined Authorities \(Overview and Scrutiny Committees, Access to Information and Audit Committees\) Order 2017](#) sets out the requirement on audit committees of a combined authority to have at least one independent person on its membership. [An Independent Member to the Authority's Audit and Governance Committee was approved for a four-year term](#).

Our [Code of Corporate Governance](#) sets out the seven key principles of good governance which the Authority has adopted and the means by which these principles are adhered to and evidenced. The principles set out here represent the core philosophy of the Authority. It was reviewed and updated in 2020 to incorporate the requirements of [new guidance issued by CIPFA](#) regarding financial management in public authorities. The next review of this is scheduled to take place in the autumn of 2023.

The Authority has an effective and up-to-date suite of policies covering anti-fraud bribery, anti-fraud and corruption and anti-money laundering. The Speak Up Policy ensures arrangements are in place to give colleagues the confidence to challenge and report allegations of inappropriate behaviour and the gives the Authority the means to investigate such reports. The Bullying and Harassment Policy makes clear the expectations on all of all employees and ensures we understand our responsibilities. Its purpose is to promote and support a working environment and culture free from bullying and harassment. There is also a formalised process for managing allegations against employees of KFRS.

The Customer Feedback Policy ensures that feedback received by the Authority is dealt with fairly and properly. The Authority is committed to transparency and an analysis of feedback received is reported to the Authority annually in a publicly available report. We also offer several communications channels, including social media, through which the public are able to [get in contact, provide feedback and offer their views](#).

7.4 Transparency

Each fire and rescue authority must comply with their statutory transparency requirements. The nature of the requirements is dependent on the legal basis of the authority; for example, combined fire and rescue authorities would be subject to the Local Authority Transparency Code 2015 while PCC FRAs must comply with requirements under section 11 of the Police Reform and Social Responsibility Act 2011 and the Elected Local Policing Bodies (Specified Information) Order 2011. All fire and rescue authorities should therefore publish certain information, including senior salaries; register of interests; staffing; income and expenditure; property; rights and liabilities; and decisions of significant public interest. Fire and rescue authorities must make their communities aware of how they can access data and information on their performance.

How to we meet these requirements and get assurance?

[Making information publicly available on our website](#). In line with the requirements of Local Government Transparency Code 2015 and the Trade Union (Facility Time Publication Requirements) Regulations 2017, we publish a comprehensive and detailed range of information on our website. This covers information including monthly spend reports, register of suppliers, and senior officers' pay.

As per the requirements of the Freedom of Information Act 2000, the Authority publishes and [Publication and Retention Scheme](#). This sets out the classes of information held and the duration (retention period) for which information will be kept.

We publish a full range of [financial information about the Authority](#). This includes, but is not limited to, the statement of accounts, medium term financial plan, monthly spend reports and the capital strategy.

[External audit](#). The Authority is statutorily obliged to have a yearly audit conducted by an external audit firm. Grant Thornton is currently the Authority's auditor having been appointed by the Public Sector Audit Appointments. The [annual audit report](#) is made publicly available on our website.

Value for money. As part of the annual audit of the financial statements, Grant Thornton, the Authority's External Auditors, are required to give a separate opinion on Value for Money which focusses on ascertaining if the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The most recent of these was reported to the [meeting of the Fire Authority in June 2023](#).

Their conclusion was that they are satisfied that the Authority has appropriate arrangements in place to ensure it can deliver economy, efficiency and effectiveness with good processes in place for performance monitoring, procurement and contract management, and partnership working. The Authority have worked well in acting proactively rather than reactively to situations. Having reviewed the Authority's arrangements, Grant Thornton stated that there was no significant weakness identified.

Internal audit. The Accounts and Audit Regulations 2015 require the Authority to maintain an adequate and effective Internal Audit process and, as such, this is provided by Kent County Council under a service level agreement. Each year the Head of Internal Audit brings an [annual report to the September meeting of the Audit and Governance Committee](#) and a [mid-year progress report to the November meeting](#). Based on the outcomes of internal audits, action plans will be developed where appropriate and follow up audits undertaken to review progress against any issues identified. This is reflective of our commitment to a culture of continuous improvement and transparency in our activities.

Joint Statement by the Chair of the Authority and the Chief Executive

We acknowledge our responsibility for ensuring the proper governance of the Authority's affairs and the need to give due regard to the requirements of the Fire and Rescue National Framework. We confirm that this Statement of Assurance represents an honest and full assessment of the levels of assurance we have obtained following the assessment process as described above.

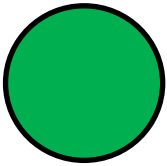
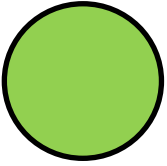
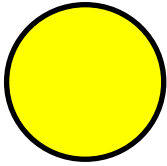
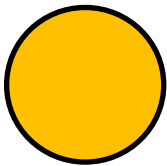
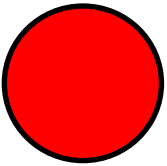
Nick Chard

Chair, Kent and Medway Fire and Rescue Authority

Date:

Ann Millington

Chief Executive, Kent and Medway Fire and Rescue Authority

Assurance level	Definition of assurance levels
High 	<p>Internal control, Governance and the management of risk are at a high standard. The arrangements to secure governance, risk management and internal controls are extremely well designed and applied effectively. Processes are robust and well-established. There is a sound system of control operating effectively and consistently applied to achieve service/system objectives. There are examples of best practice. No significant weaknesses have been identified.</p>
Substantial 	<p>Internal Control, Governance and management of risk are sound overall. The arrangements to secure governance, risk management and internal controls are largely suitably designed and applied effectively. Whilst there is a largely sound system of controls there are few matters requiring attention. These do not have a significant impact on residual risk exposure but need to be addressed within a reasonable timescale.</p>
Adequate 	<p>Internal control, Governance and management of risk is adequate overall however, there were areas of concern identified where elements of residual risk or weakness with some of the controls may put some of the system objectives at risk. There are some significant matters that require management attention with moderate impact on residual risk exposure until resolved.</p>
Limited 	<p>Internal Control, Governance and the management of risk are inadequate and result in an unacceptable level of residual risk. Effective controls are not in place to meet all the system/service objectives and/or controls are not being consistently applied. Certain weaknesses require immediate management attention as there is a high risk that objectives will not be achieved.</p>
No Assurance 	<p>Internal Control, Governance and management of risk is poor. For many risk areas there are significant gaps in the procedures and controls. Due to the absence of effective controls and procedures no reliance can be placed on their operation. Immediate action is required to address the whole control framework before serious issues are realised in this area with high impact on residual risk exposure until resolved.</p>

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**September 2023, Annual review of compliance with the Local Government Transparency Code 2015 and the Trade Union
(Facility Time Publication Requirements) Regulations 2017**

Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
1. Expenditure exceeding £500	<p>Quarterly publication Publish details of each individual item of expenditure that exceeds £500, including items of expenditure, consistent with Local Government Association guidance, such as:</p> <ul style="list-style-type: none"> • individual invoices • grant payments • expense payments • payments for goods and services • grants • grant in aid • rent • credit notes over £500 • transactions with other public bodies. <p>For each individual item of expenditure the following information must be published:</p> <ul style="list-style-type: none"> • date the expenditure was incurred. • local authority department which incurred the expenditure • beneficiary • summary of the purpose of the expenditure • amount • Value Added Tax that cannot be recovered • merchant category (e.g. computers, software etc.). 	<ul style="list-style-type: none"> • Publish information on a monthly instead of quarterly basis, or ideally, as soon as it becomes available and therefore known to the authority (commonly known as 'real-time' publication) • Publish details of all transactions that exceed £250 instead of £500. For each transaction the details that should be published remain as set out in paragraph 29 • publish the total amount spent on remuneration over the period being reported on • classify purpose of expenditure using the Chartered Institute of Public Finance and Accountancy Service Reporting Code of Practice to enable comparability between local authorities. 	<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>Yes</p> <p>The published data meet all of the mandatory requirements. Monthly spend reports are published. These are available here:</p> <p>https://www.kent.fire-uk.org/financial-information</p> <p>INFORMATION RECOMMENDED FOR PUBLICATION</p> <p>Yes</p> <p>The published data meet all of the recommended requirements. Monthly spend reports are published. Furthermore, the authority exceeds the spending reporting requirement, as transactions <u>under</u> £250 are listed. See above for the link to the monthly spend reports.</p>
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
2. Government Procurement Card transactions	<p>Quarterly publication Publish details of every transaction on a Government Procurement Card. For each transaction, the following details must be published:</p>	<ul style="list-style-type: none"> • Publish all transactions on all corporate credit cards, charge cards and procurements, including those that are not a Government Procurement Card. For each transaction the details that should be 	<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>Yes</p>

	<ul style="list-style-type: none"> • date of the transaction • local authority department which incurred the expenditure • beneficiary • amount • Value Added Tax that cannot be recovered • summary of the purpose of the expenditure • merchant category (eg. computers, software etc). 	published remain as set out in paragraph 30.	<p>The published data meet all of the mandatory requirements. The Authority publish monthly spend reports for all purchasing card transactions. These are available here:</p> <p>https://www.kent.fire-uk.org/financial-information</p> <p>INFORMATION RECOMMENDED FOR PUBLICATION</p> <p>Yes</p> <p>The published data meet all of the recommended requirements. The Authority publish monthly spend reports for all purchasing card transactions. See above for the link to the monthly spend reports.</p>
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
3. Procurement information	<p>Quarterly publication Publish details of every invitation to tender for contracts to provide goods and/or services with a value that exceeds £5,000. For each invitation, the following details must be published:</p> <ul style="list-style-type: none"> • reference number • title • description of the goods and/or services sought • start, end and review dates • local authority department responsible. <p>Quarterly publication Publish details of any contract, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000. For each contract, the following details must be published:</p> <ul style="list-style-type: none"> • reference number • title of agreement • local authority department responsible • description of the goods and/or services being provided 	<p>Place on Contracts Finder, as well as any other local portal, every invitation to tender or invitation <u>to quote</u> for contracts to provide goods and/or services with a value that exceeds £10,000.</p> <p>In addition, for general publication (i.e. on Authority's own website) publish:</p> <ul style="list-style-type: none"> • information on a monthly instead of quarterly basis, or ideally, as soon as it is generated and therefore becomes available (commonly known as 'real-time' publication) • every invitation <u>to tender</u> for contracts to provide goods and/or services with a value that exceeds £500 instead of £5,000 • details of invitations <u>to quote</u> where there has not been a formal invitation <u>to tender</u> • all contracts in their entirety where the value of the contract exceeds £5,000 • company registration number at Companies House 	<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>“Publish details of every invitation to tender for contracts to provide goods and/or services with a value that exceeds £5,000.”</p> <p>In part</p> <p>1. In relation to publishing ITTs (invitation to tender) over £5k, KFRS has a £10k ITT threshold. Consequently, KFRS is unable to publish ITTs for anything under £10k as no such data are held.</p> <p>KFRS website states that:</p> <p><i>“The Authority advertises new procurement opportunities with a contract value greater than £10k on the Kent Business Portal and the Government's Contracts Finder website. New procurement opportunities that require publication of a notice in the Official Journal of</i></p>

	<ul style="list-style-type: none"> • supplier name and details • sum to be paid over the length of the contract or the estimated annual spending or budget for the contract • Value Added Tax that cannot be recovered • start, end and review dates • whether or not the contract was the result of an invitation to quote or a published invitation to tender • whether or not the supplier is a small or medium sized enterprise and/or a voluntary or community sector organisation and where it is, provide the relevant registration number. 	<ul style="list-style-type: none"> • details of invitations to tender or invitations to quote that are likely to be issued in the next twelve months • details of the geographical (e.g. by ward) coverage of contracts entered into by the local authority • details of performance against contractual key performance indicators • information disaggregated by voluntary and community sector category (e.g. whether it is registered with Companies House, charity or charitable incorporated organisation, community interest company, industrial and provident society, housing association, etc.). 	<p><i>the European Union are also published in Tenders Electronic Daily (TED).</i>"</p> <p>In response to why this is this is not £5k, KFRS's position is that its internal procurement process does not require an ITT to be issued for requirements valued at less than £10k. For ITTs under £10k, a less formal approach is taken which is proportionate to the value of the requirements vs the cost and time of formal procurement.</p> <p>Moreover, KFRS tested this approach with KCC Internal Audit, who confirmed that this is reasonable and proportionate, and broadly in line with the approach taken by KCC.</p> <p>As a result, KFRS does not propose to take any further action in relation to this.</p> <p>"Quarterly publication Publish details of any contract, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000."</p> <p>2. Information currently published on the KFRS Contracts Register:</p> <ul style="list-style-type: none"> • Supplier name and details. Supplier name is published but no details are published. However, the ability to conduct an internet search of supplier name against business area mitigates the need to publish further details. Consequently, KFRS does not propose to take any further action in relation to this. • Value Added Tax that cannot be recovered. This is published on the monthly spend reports. It is not on the Contracts Register as it cannot be
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			<p>calculated at the time contracts are issued, therefore it is felt that it would not make sense to have it presented on the Contracts Register. Consequently, KFRS does not propose to take any further action in relation to this.</p> <p>INFORMATION RECOMMENDED FOR PUBLICATION</p> <p>In part</p> <p>Where appropriate, contracts are added to this the GOV.UK Contracts Finder.</p> <p>“Every invitation to tender for contracts to provide goods and/or services with a value that exceeds £500 instead of £5,000”</p> <p>See above about KFRS's position and processes in relation to ITTs below £10k.</p>
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
4. Local authority land	<p>Annual publication Publish details of all land and building assets including:</p> <ul style="list-style-type: none"> • all service and office properties occupied or controlled by user bodies, both freehold and leasehold • any properties occupied or run under Private Finance Initiative contracts • all other properties they own or use, for example, hostels, laboratories, investment properties and depots • garages unless rented as part of a housing tenancy agreement • surplus, sublet or vacant properties • undeveloped land • serviced or temporary offices where contractual or actual occupation exceeds three months 	<p>Publish information on a monthly instead of annual basis, or ideally, as soon as it becomes available and therefore known to the authority (commonly known as 'real-time' publication). It is also recommended that local authorities should publish all the information possible on Electronic Property Information Mapping Service.</p> <p>Publish the following additional information:</p> <ul style="list-style-type: none"> • the size of the asset measured in Gross Internal Area (m2) for buildings or hectares for land, in accordance with the Royal Institute of Chartered Surveyors Code of Measuring Practice. The Gross Internal Area is the area of a building measured to the internal face of the perimeter walls at each floor level. Local authorities using Net Internal Area (m2) should convert measurements to Gross Internal Area using 	<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>“Publish details of all land and building assets”.</p> <p>Yes</p> <p>The required information is published on the 'Property assets' section of the website. https://www.kent.fire-uk.org/our-buildings-fleet-and-equipment</p> <p>INFORMATION RECOMMENDED FOR PUBLICATION</p> <p>In part</p>

	<ul style="list-style-type: none"> all future commitments, for example under an agreement for lease, from when the contractual commitment is made. <p>However, information about the following land and building assets are to be excluded from publication:</p> <ul style="list-style-type: none"> rent free properties provided by traders (such as information booths in public places or ports) operational railways and canals operational public highways (but any adjoining land not subject to public rights should be included) assets of national security information deemed inappropriate for public access as a result of data protection and/or disclosure controls (eg. such as refuge houses). <p>Information on social housing is also excluded from this specific dataset.</p> <p>For each land or building asset, the following information must be published together in one place:</p> <ul style="list-style-type: none"> Unique Property Reference Number Unique asset identity - the local reference identifier used by the local body, sometimes known as local name or building block. There should be one entry per asset or user/owner (e.g. on one site there could be several buildings or in one building there could be several users, floors/rooms etc – where this is the case, each of these will have a separate asset identity). This must include the original reference number from the data source plus authority code name of the building/land or both street number or numbers - any sets of 2 or more numbers should be separated with the '-' symbol (eg. 10-15 London Road) 	<p>appropriate conversion factors and state the conversion factor used</p> <ul style="list-style-type: none"> the services offered from the asset, using the services listed in the Effective Services Delivery government service function list http://doc.esd.org.uk/FunctionList/1.00.html (listing up to five main services) the reason for holding asset such as, it is occupied by the local authority or it is providing a service in its behalf, it is an investment property, it supports economic development (e.g. provision of small businesses or incubator space), it is surplus to the authority's requirements, it is awaiting development, it is under construction, it provides infrastructure or it is a community asset whether or not the asset is either one which is an asset in the authority's ownership that is listed under Part 5 Chapter 3 of the Localism Act 2011 (assets of community value) and/or an asset where the authority is actively seeking transfer to the community total building operation (revenue) costs as defined in the corporate value for money indicators for public services required maintenance - the cost to bring the property from its present state up to the state reasonably required by the authority to deliver the service and/or to meet statutory or contract obligations and maintain it at that standard. This should exclude improvement projects but include works necessary to comply with new legislation (eg. asbestos and legionella) functional suitability rating using the scale: <ul style="list-style-type: none"> good – performing well and operating efficiently (supports the needs of staff and the delivery of services) satisfactory – performing well but with minor problems (generally 	<p>Work is currently underway to ensure compliance with all of the recommended requirements.</p>
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	<ul style="list-style-type: none"> • street name – this is the postal road address • post town • United Kingdom postcode • map reference – local authorities may use either Ordnance Survey or ISO6709 systems to identify the location of an asset, but must make clear which is being used. Where an Ordnance Survey mapping system is used (the grid system) then assets will be identified using Eastings before Northings. Where geocoding in accordance with ISO 6709 is being used to identify the centre point of the asset location then that reference must indicate its ISO coordinates • whether the local authority owns the freehold or a lease for the asset and for whichever category applies, the local authority must list all the characteristics that apply from the options given below: <p><i>for freehold assets:</i></p> <ul style="list-style-type: none"> ▪ occupied by the local authority ▪ ground leasehold ▪ leasehold ▪ licence ▪ vacant (for vacant properties, local authorities should not publish the full address details and should only publish the first part of the postcode) <p><i>for leasehold assets:</i></p> <ul style="list-style-type: none"> ▪ occupied by the local authority ▪ ground leasehold ▪ sub leasehold ▪ licence <p><i>for other assets:</i></p> <ul style="list-style-type: none"> • free text description eg. rights of way, access etc. • whether or not the asset is land only (without permanent buildings) or it is land with a permanent building. 	<p>supports the needs of staff and the delivery of services)</p> <ul style="list-style-type: none"> ▪ poor – showing major problems and/or not operating optimally (impedes the performance off staff and/or the delivery of services) ▪ unsuitable – does not support or actually impedes the delivery of services. <ul style="list-style-type: none"> • energy performance rating as stated on the Display Energy Certificate under the Energy Performance of Buildings (England and Wales) Regulations 2012 (as amended). 	
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Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
5. Social housing asset value	<p>Annual publication Publish details on the value of social housing assets within local authorities' Housing Revenue Account. Information to be published using the specified value bands and postal sector:</p> <ul style="list-style-type: none"> • total number of homes • the aggregate value and mean value of the dwellings for both existing use value (social housing) and market value, and • percentage of homes that are vacant and that are tenanted. <p>Information to be published at a general level:</p> <ul style="list-style-type: none"> • an explanation of the difference between the tenanted sale value of homes within the Housing Revenue Account and their market sale value, and • an assurance that the publication of this information is not intended to suggest that tenancies should end to realise the market value of properties. <p>Other residential tenanted properties that the authority may hold within their General Fund are excluded from this specific dataset, as is information on other building assets or land that local authorities hold within their Housing Revenue Account.</p>		<p>This is not applicable to the Authority.</p>
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
6. Grants to voluntary, community and social enterprise organisations	<p>Annual publication Publish details of all grants to voluntary, community and social enterprise organisations. This can be achieved by either:</p> <ul style="list-style-type: none"> • tagging and hence specifically identifying transactions which relate to voluntary, community and social enterprise organisations within published data on expenditure over £500 or published procurement information, or 	<ul style="list-style-type: none"> • Publish information on a monthly instead of annual basis where payments are made more frequently than a single annual payment, or ideally, as soon as the data becomes available and therefore known to the authority (commonly known as 'real-time' publication). • information disaggregated by voluntary and community sector category (e.g. whether it 	<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>Yes</p> <p>The published data meet all of the mandatory requirements.</p> <p>The monthly spend reports that are published show 'Grants and Contributions' as an expenses type where relevant.</p>

	<ul style="list-style-type: none"> by publishing a separate list or register. <p>For each identified grant, the following information must be published as a minimum:</p> <ul style="list-style-type: none"> date the grant was awarded. time period for which the grant has been given. local authority department which awarded the grant beneficiary beneficiary's registration number summary of the purpose of the grant amount 	is registered with Companies House, charity or charitable incorporated organisation, community interest company, industrial and provident society, housing association etc).	https://www.kent.fire-uk.org/financial-information INFORMATION RECOMMENDED FOR PUBLICATION Yes The published data meet all of the recommended requirements. Where grants are made, additional columns are added to the right-hand side of the transparency spend reports identifying additional details in line with the code.
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
7. Organisation chart	Annual publication Publish an organisation chart covering staff in the top three levels of the organisation. The following information must be included for each member of staff included in the chart: <ul style="list-style-type: none"> grade job title local authority department and team whether permanent or temporary staff contact details. salary in £5,000 brackets, consistent with the details published for Senior Salaries salary ceiling (the maximum salary for the grade). 	Local authorities should publish: <ul style="list-style-type: none"> charts including all employees in the local authority whose salary exceeds £50,000. the salary band for each employee included in the chart(s) information about current vacant posts, or signpost vacancies that are going to be advertised in the future. 	INFORMATION THAT MUST BE PUBLISHED Yes The published data meet all of the mandatory requirements. The Authority publishes information about senior employees. This is available via the following link https://www.kent.fire-uk.org/who-we-are and on pages 55-57 of the statement of accounts for 2022/23 : Full pay details of all members of the Corporate Management Board (CMB) are published on the 'Senior officers' pay' section of the website. https://www.kent.fire-uk.org/financial-information INFORMATION RECOMMENDED FOR PUBLICATION In part The published data meet most of the recommended requirements. Full pay details of

			<p>all members of the Corporate Management Board (CMB) are published on the 'Senior officers' pay' section of the website. https://www.kent.fire-uk.org/financial-information</p> <p>The number of employees receiving more than £50k per year is set out in in £5k bands and is published in the statement of accounts for 2022/23 (pp55-57). This also includes salary information for CMB.</p> <p>However, apart from CMB, the Authority deliberately chooses not to publish details of the individual pay of any Grey or Customer Service (Green Book) employee earning more than £50k.</p> <p>This is because we are of the reasonably held view that it would breach principle 1(a) of Article 5 of the UK GDPR. To that end, the Authority has a clear position statement on this. https://www.kent.fire-uk.org/financial-information</p>
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
8. Trade union facility time	<p>Annual publication Publish the following information:</p> <ul style="list-style-type: none"> total number (absolute number and full time equivalent) of staff who are union representatives (including general, learning and health and safety representatives) total number (absolute number and full time equivalent) of union representatives who devote at least 50 per cent of their time to union duties names of all trade unions represented in the local authority a basic estimate of spending on unions (calculated as the number of full-time 		<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>Yes</p> <p>The published data meet all of the mandatory requirements. The Authority publish information in line with both the Local Government Transparency Code 2015 and the Trade Union (Facility Time Publication Requirements) Regulations 2017. This is available here: https://www.kent.fire-uk.org/financial-information</p>

	<p>equivalent days spent on union duties multiplied by the average salary), and</p> <ul style="list-style-type: none"> • a basic estimate of spending on unions as a percentage of the total pay bill (calculated as the number of full-time equivalent days spent on union duties multiplied by the average salary divided by the total pay bill). 		
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
9. Parking account	<p>Annual publication Publish on their website, or place a link on their website to this data published elsewhere:</p> <ul style="list-style-type: none"> • a breakdown of income and expenditure on the authority's parking account. The breakdown of income must include details of revenue collected from on-street parking, off-street parking and Penalty Charge Notices • a breakdown of how the authority has spent a surplus on its parking account. 		This is not relevant to the Authority.
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
10. Parking spaces	<p>Annual publication Publish the number of marked out controlled on and off-street parking spaces within their area, or an estimate of the number of spaces where controlled parking space is not marked out in individual parking bays or spaces.</p>	<p>Local authorities should publish the number of:</p> <ul style="list-style-type: none"> • free parking spaces available in the local authority's area and which are provided directly by the local authority, and • parking spaces where charges apply that are available in the local authority's area and which are provided directly by the local authority. <p>Where parking space is not marked out in individual parking bays or spaces, local authorities should estimate the number of spaces available for the two categories.</p>	<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>This is not relevant to the Authority.</p> <p>INFORMATION RECOMMENDED FOR PUBLICATION</p> <p>This is not relevant to the Authority.</p>
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
11. Senior salaries	<p>Annual publication Local authorities must place a link on their website to the following data or must place the data itself on their website:</p>		<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>In part</p> <p>The published data meet most of the mandatory requirements.</p>

	<ul style="list-style-type: none"> the number of employees whose remuneration in that year was at least £50,000 in brackets of £5,000 details of remuneration and job title of certain senior employees whose salary is at least £50,000 employees whose salaries are £150,000 or more must also be identified by name a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff) and details of bonuses and 'benefits in kind', for all employees whose salary exceeds £50,000. 		<p>Full pay details of all members of CMB are published on the 'Senior officers' pay' section of the website. https://www.kent.fire-uk.org/financial-information</p> <p>The number of employees receiving more than £50k per year is set out in in £5k bands and is published in the statement of accounts for 2022/23 (pp55-57). This also includes salary information for the CMB.</p> <p>For these employees, their role-related responsibilities are published on the Pay Policies section of the website. https://www.kent.fire-uk.org/financial-information</p> <p>However, apart from CMB, the Authority deliberately chooses not to publish details of the individual pay of any Grey or Customer Service (Green Book) employee earning more than £50k.</p> <p>This is because we are of the reasonably held view that it would breach principle 1(a) of Article 5 of the UK GDPR. To that end, the Authority has a clear position statement on this. https://www.kent.fire-uk.org/financial-information</p> <p>INFORMATION RECOMMENDED FOR PUBLICATION</p> <p>N/A</p>
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
12. Constitution	<p>Annual publication Local authorities must publish their Constitution on their website.</p>		<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>Yes</p>

			<p>The published data meet all of the mandatory requirements. For the Authority what may be considered the constitution comprises a series of documents. The Kent Fire Services (Combination Scheme) Order 1997 is the Parliamentary Order that established the Authority. A copy of this, along with all of our other constitutional documents, is available on the 'Governance' section of our website.</p> <p>https://www.kent.fire-uk.org/financial-information</p> <p>INFORMATION RECOMMENDED FOR PUBLICATION</p> <p>N/A</p>
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
13. Pay multiple	<p>Annual publication Publish the pay multiple on their website defined as the ratio between the highest taxable earnings for the given year (including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind) and the median earnings figure of the whole of the authority's workforce. The measure must:</p> <ul style="list-style-type: none"> cover all elements of remuneration that can be valued (e.g., all taxable earnings for the given year, including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind) use the median earnings figure as the denominator, which should be that of all employees of the local authority on a fixed date each year, coinciding with reporting at the end of the financial year. exclude changes in pension benefits, which due to their variety and complexity cannot be accurately included in a pay multiple disclosure. 		<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>Yes</p> <p>This information is published in our annual Pay Policy Statement, which can be found of the 'Pay Policies' section of the website. https://www.kent.fire-uk.org/financial-information</p> <p>NB: One area differs. The Authority's Pay Policy Statement 2023/24 (p155) lists the pay multiple as:</p> <p><i>"The Authority is required to publish information which expresses as a ratio the difference between the pay of its highest paid employee and the average pay for all other employees".</i></p> <p>However, to comply this will need to be amended from the average pay for all other employees to the <u>median</u> pay (i.e. the figure at the midpoint in the distribution).</p>

			<p>INFORMATION RECOMMENDED FOR PUBLICATION</p> <p>N/A</p>
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
14. Fraud	<p>Annual publication Publish the following information:</p> <ul style="list-style-type: none"> • number of occasions they use powers under the Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 2014, or similar powers. • total number (absolute and full time equivalent) of employees undertaking investigations and prosecutions of fraud. • total number (absolute and full time equivalent) of professionally accredited counter fraud specialists. • total amount spent by the authority on the investigation and prosecution of fraud. • total number of fraud cases investigated. 	<p>Local authorities should publish:</p> <ul style="list-style-type: none"> • total number of cases of irregularity investigated. • total number of occasions on which a) fraud and b) irregularity was identified. • total monetary value of a) the fraud and b) the irregularity that was detected, and • total monetary value of a) the fraud and b) the irregularity that was recovered. 	<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>Yes</p> <p>The published data meet the requirements. This is set out in the 'Fraud Transparency' section of our website. https://www.kent.fire-uk.org/financial-information</p> <p>INFORMATION RECOMMENDED FOR PUBLICATION</p> <p>Yes</p> <p>The published data meet the requirements. This is set out in the 'Fraud Transparency' section of our website. https://www.kent.fire-uk.org/financial-information</p>
Information title	Information which must be published	Information recommended for publication	Is KFRS compliant with this?
15. Waste contracts	<p>One-off publication Local authorities must publish details of their existing waste collection contracts, in line with the details contained in paragraphs 32 of the Code, at the point they first publish quarterly contract information under Part 2 of this Code.</p>		<p>INFORMATION THAT MUST BE PUBLISHED</p> <p>This requirement is not relevant to the Authority.</p> <p>INFORMATION RECOMMENDED FOR PUBLICATION</p> <p>N/A</p>

Compliance Summary document – Local Government Transparency Code 2015 and the Trade Union (Facility Time Publication Requirements) Regulations 2017

Information title	Information which must be published	Information recommended for publication	Additional information
1. Expenditure exceeding £500	Yes. The published data meet all of the mandatory requirements.	Yes. The published data meet all of the recommended requirements.	
Information title	Information which must be published	Information recommended for publication	Additional information
2. Government Procurement Card transactions	Yes. The published data meet all of the mandatory requirements.	Yes. The published data meet all of the recommended requirements.	
Information title	Information which must be published	Information recommended for publication	Additional information
3. Procurement information	Yes. The published data meet all of the mandatory requirements. KFRS has a clear position statement for the following areas: <ul style="list-style-type: none"> • ITTs under £10k • Supplier details beyond the name • Non-recoverable VAT 	Where appropriate, KFRS adds information to the GOV.UK contracts finder and Kent Business Portal Contracts Finder. KFRS has a clear position statement on why it does not issue ITTs under £10k	
Information title	Information which must be published	Information recommended for publication	Additional information
4. Local authority land	Yes. The published data meet all of the mandatory requirements.	Work is currently underway to ensure compliance with all of the recommended requirements.	
Information title	Information which must be published	Information recommended for publication	Additional information
5. Social housing asset value	This is not applicable to the Authority	This is not applicable to the Authority	
Information title	Information which must be published	Information recommended for publication	Additional information

6. Grants to voluntary, community and social enterprise organisations	<p>Yes. The published data meet all of the mandatory requirements.</p> <p>The only outstanding area relates to the time period for which grants are awarded, although this will be dependent upon whether grants are actually time limited.</p>	The published data meet the recommended requirements.	
Information title	Information which must be published	Information recommended for publication	Additional information
7. Organisation chart	<p>Yes. This is published in a format that suits the needs of the website.</p> <p>Nonetheless, the data published meet all of the mandatory requirements.</p>	<p>The published data meet the majority of the recommended requirements.</p> <p>The only area where this area is not fully compliant is because the Authority deliberately chooses not to publish details of the individual pay of any Grey or Customer Service (Green Book) employee earning more than £50k.</p> <p>This is because we are of the reasonably held view that it would breach principle 1(a) of Article 5 of the UK GDPR. To that end, the Authority has a clear position statement on this.</p>	
Information title	Information which must be published	Information recommended for publication	Additional information
8. Trade union facility time	Yes. The published data meet all of the mandatory requirements.	No recommended information	
Information title	Information which must be published	Information recommended for publication	Additional information
9. Parking account	This is not applicable to the Authority	This is not applicable to the Authority	
Information title	Information which must be published	Information recommended for publication	Additional information
10. Parking spaces	This is not applicable to the Authority	This is not applicable to the Authority	
Information title	Information which must be published	Information recommended for publication	Additional information

11. Senior salaries	In part. The published data meet the majority of the mandatory requirements. The only area where this area is not fully compliant is because the Authority deliberately chooses not to publish details of the individual pay of any Grey or Customer Service (Green Book) employee earning more than £50k. This is because we are of the reasonably held view that it would breach principle 1(a) of Article 5 of the UK GDPR. To that end, the Authority has a clear position statement on this.	No recommended information	
Information title	Information which must be published	Information recommended for publication	Additional information
12. Constitution	Yes. The published data meet all of the mandatory requirements.	No recommended information	
Information title	Information which must be published	Information recommended for publication	Additional information
13. Pay multiple	Yes. The published data meet all of the mandatory requirements.	No recommended information	One area needs to be considered: the calculation for the pay multiple is still calculated on the mean earnings. To meet the technical requirements this should be calculated based on the median earnings.
Information title	Information which must be published	Information recommended for publication	Additional information
14. Fraud	Yes. The published data meet all of the mandatory requirements.	The published data meet the recommended requirements.	
Information title	Information which must be published	Information recommended for publication	Additional information
15. Waste contracts	This is not applicable to the Authority.	This is not applicable to the Authority.	

By: Director, Finance and Corporate Services
To: Kent and Medway Fire and Rescue Authority– 19 October 2023
Subject: TREASURY MANAGEMENT ANNUAL REPORT FOR 2022/23
Classification: Unrestricted

FOR DECISION

SUMMARY

The Authority is required by the Local Government Act 2003 to produce an annual review of treasury management activities and the estimated and actual prudential and treasury indicators for the year. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.

A provisional outturn report was provided to members of the Audit and Governance Committee at the April 2023 meeting. However, this report now sets out the final treasury position for 2022/23 to support the draft Financial Statements, but it reflects a slight increase of £3k on the interest received on balances to that reported previously. The Authority continued to prioritise security and liquidity over potential yield in line with CIPFA guidance. Interest rates on deposits continued to rise throughout the year, in line with the Bank of England's base rate increases, with the Authority receiving total investment income of £1,138k on an average cash balance of £53.3m.

RECOMMENDATION

Members are requested to:

1. Approve this year-end report on Treasury Management activity for 2022/23.

LEAD/CONTACT OFFICER: Head of Finance, Treasury and Pensions - Nicola Walker
TELEPHONE NUMBER: 01622 692121 ext. 6122
EMAIL: nicola.walker@kent.fire-uk.org
BACKGROUND PAPERS:

COMMENTS

Introduction

1. The Authority approved the Annual Treasury Management and Investment Strategy for 2022/23 at its meeting on 21 February 2022 (Minute 38) and received a mid-year update at its meeting on 13 October 2022 (Minute 24). The report reviewed the main aspects of the Authority's Treasury Management up to the end of July 2022 (mid-year), as required by the Local Government Act 2003 and the CIPFA Code on Treasury Management and Capital Finance. However, Treasury Management updates have also been reported to the September 2022 and April 2023 meetings of this Audit and Governance committee.
2. The regulatory environment places a responsibility on Members for the review and scrutiny of the Treasury Management Policy and related activities. This report, is therefore, important in providing details of the 2022/23 outturn position for treasury activities during the year and highlights compliance with the Authority's policies previously approved by Members.

Annual Treasury Management Review 2022/23

3. **Economy and Interest rates** – The Bank of England's Monetary Policy Committee increased interest rates at every meeting during 2022/23, starting with a 0.25% increase to 1% in May, and finishing at the end of the financial year in March 2023 with a base rate of 4.25%. This meant that opportunities for investment returns were greater than previous years, with significant movement in both shorter and longer-term deposit rates.
4. **Inflation** - The Bank of England has for some time had an inflation target of 2%. However, due to rising energy and food prices, inflation remained above 9% during 2022 and was still at 10.1% in March 2023. Crude oil prices have been falling since the end of May 2022; however, this did not reduce household utility spending until later into 2023, and the continuation of the War in Ukraine continues to affect the inflation of food prices. The constant elevated level of inflation has triggered a wave of pay demands to compensate workers for the loss of spending power.
5. **Treasury Position as at 31 March 2023** - The Capital Financing Requirement (CFR) at 31 March 2023 is the net amount of capital expenditure not yet fully funded. The difference between the CFR and the amount of outstanding loans is the element of capital expenditure being temporarily funded from internal cash balances (under-borrowing). **Table 1** shows this comparison to the previous year.

Table 1 – Treasury Position Compared to Previous Year

	31-Mar-22	31-Mar-23
	£'000	£'000
Capital Financing Requirement (CFR)	1,829	1,654
External PWLB Borrowing	-1,001	-701
Internal Borrowing (Under-borrowing)	828	953
Total Deposits	49,621	45,535
Less PWLB Borrowing	-1,001	-701
Net Deposits	48,620	44,834

6. **Strategy for 2022/23** - The Investment Strategy for 2022/23, agreed at the February 2022 Authority meeting, saw no changes from the 2021/22 Strategy.
7. The Authority deposits cash balances in a number of different bank deposit and call accounts, money market funds and makes use of the Debt Management Office Treasury Bills. This provides a spread of risk across the accounts and enables the Authority to make the best use of the available rates whilst still prioritising Security and Liquidity over Yield. Treasury Bills started off the year with an average interest rate of 0.68% and later returned an average interest rate of 3.78% at the end of the year. During the year, the Authority began using the Agency Treasury Service provided by the Authority's Treasury Advisor Link Asset Services Group. This facility gives us access to a number of fixed term and notice accounts that we currently do not have access too due to the minimum deposit requirements set by some banks, but it also enables us to access a higher deposit rate than we can achieve by going direct to the institution. The Treasury team continue to meet with our Bank Relationship Managers to identify new products and available rates.
8. **Borrowing in 2022/23** - The 2022/23 Treasury Management Strategy showed that no new borrowing was planned, however some expenditure has been incurred in this financial year in relation to the Ashford Live Fire development and it was agreed this project will be funded from internal borrowing. During 2022/23, the Authority maintained an under-borrowed position. This meant that the capital borrowing need (the Capital Financing Requirement), was not fully funded with loan debt as cash supporting the Authority's reserves, balances and cashflow was used as an interim measure.
9. Borrowing outturn for 2022/23 - During 2022/23 the Authority repaid one loan totalling £300k, which had an interest rate of 4.82%. The balance of outstanding loans at 31 March 2023 is £701k. **Table 2** below details the maturity structure of the remaining

loans held by the Authority as at 31 March 2023, all of which are provided by the PWLB at a fixed rate interest.

Table 2 – Maturity Structure of Remaining Loan Portfolio

	31-Mar-23
	£'000
Less than one year	301
Between one and two years	400
Total	701

10. **Ratio of Financing Costs to Net Revenue Stream** - This indicator shows the impact of the capital plans on the Authority's overall finances (borrowing costs net of investment income), as shown in **Table 3**. **Table 4** details how the net borrowing figure is calculated.

Table 3 – Borrowing Costs net of Investment Income

	2022/23
	Outturn
	£'000
Net Revenue Outturn for 22/23	78,247
Net Borrowing *see Table 4 below for calculation	-265
Ratio	-0.34%

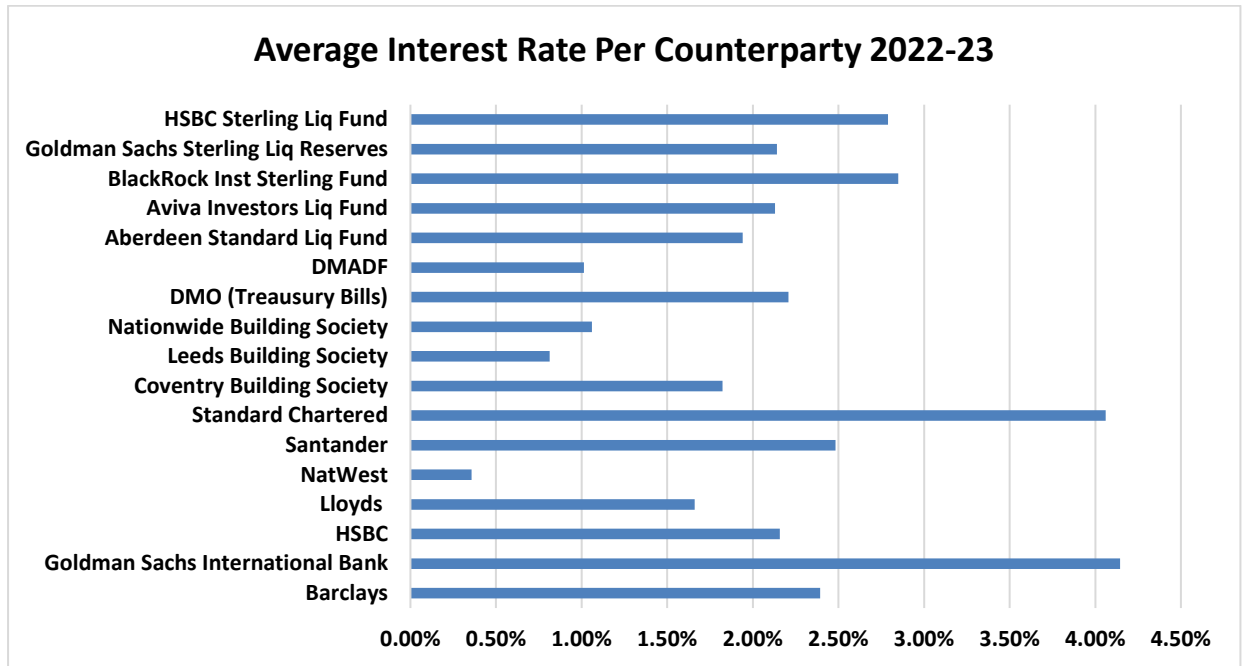
Table 4 – Calculation of Net Borrowing Figure

	2022/23
	Outturn
	£'000
Minimum Revenue Provision and Voluntary Revenue Provision*	828
Interest paid for borrowing	45
Interest and Investment Income	-1,138
Net Borrowing	-265

* The provision made by the Authority to finance its CFR.

11. **Investment Rates in 2022/23** - The Authority maintained an average cash balance of £53.3m which when deposited earned an average annual rate of return of 2.14%. **Graph 1** below shows the average annual rate of interest earned per counterparty on deposits placed over the year.

Graph 1



12. **Prudential and Treasury Indicators** - The Table in **Appendix 1** shows the original Prudential and Treasury indicators for 2022/23 together with the actuals for 2021/22 and provisional outturn for 2022/23. There were no breaches of limits in 2022/23.

13. **MIFID II Regulations** - These regulations govern the relationship that financial institutions conducting lending and borrowing transactions have with local authorities from 2018. The Authority 'opted up' to become a professional client to ensure that it continued to receive the same level of advice on investments and borrowing, and access to the same instruments. As agreed in the mid-year update the Treasury function has been brought in-house and the financial institutions have been notified through updated authorisations.

14. **Treasury Management Training** - The Treasury Code of Practice states that authorities should ensure that the appropriate level of training is delivered to both Members and staff who participate in the delivery and scrutiny of the treasury management function. Audit and Governance members received two presentations from Link Asset Group, the Authority's Treasury Advisor before the April 2022 Audit and Governance meeting with a subsequent training session on the latest economic forecast and changes to the Prudential Code and Treasury Management practices scheduled prior to the September 2022 meeting, again provided by Link Asset Group. Officers within the Finance team with direct responsibility, regularly attend seminars and conferences to ensure specialist Treasury and Investment knowledge is kept up to

date and a number of them have also completed their CIPFA Treasury e-learning modules.

IMPACT ASSESSMENT

15. All financial implications associated with servicing the Treasury Management functions can be contained within the overall budget.

RECOMMENDATION

16. Members are requested to:
 - 16.1 Approve the year-end report on Treasury Management activity for 2022/23.

Prudential and Treasury Management Indicators

	2021/22	2022/23	2022/23
	Outturn	Original Forecast	Outturn
Prudential Indicators for affordability, prudence and capital expenditure			
	£'000	£'000	£'000
Revenue Expenditure	69,866	77,429	78,247
Revenue Provision for debt repayment	969	828	828
Capital expenditure	1,989	13,191	4,235
CFR as at 31 March	1,829	1,001	1,654
Total loans outstanding as at 31 March	1,001	701	701
Ratio of Financing Costs to Net Revenue Stream	1.36%	0.88%	0.34%
Treasury Indicators			
Assumed Operational Boundary for external debt	18,000	21,000	21,000
Assumed Authorised Limit for external debt	22,000	25,000	25,000
Interest rate exposure for borrowing at fixed rates	100%	100%	100%
Interest rate exposure for borrowing at variable rates	20%	20%	20%
Interest rate exposure for investing at fixed rates	100%	100%	100%
Interest rate exposure for investing at variable rates	100%	75%	75%

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By: Director, Finance and Corporate Services
To: Kent and Medway Fire and Rescue Authority – 19 October 2023
Subject: MID - YEAR TREASURY MANAGEMENT AND INVESTMENT
UPDATE 2023/24
Classification: Unrestricted

FOR DECISION

SUMMARY

The CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code require the Authority to determine and set the Treasury Management Strategy for the financial year ahead. This was agreed at the Authority meeting on 21 February 2023 and a requirement of the Strategy is to provide a Mid-year update on treasury activity undertaken and the extent of compliance with the agreed prudential indicators.

The Authority continues to prioritise security and liquidity over potential yield, in line with CIPFA guidance. So far this financial year, interest rates have continued to increase, so returns on deposits are higher than they were this time last year. For the first five months of this financial year average cash balances have been approximately £46.3m, which has resulted in an interest yield of £896.4k for that period.

RECOMMENDATION

Members are requested to:

1. Approve the mid-year report on Treasury Management activity for 2023/24.

LEAD/CONTACT OFFICER: Head of Finance, Treasury and Pensions – Nicola Walker
TELEPHONE NUMBER: 01622 692121 ext. 6122
EMAIL: Nicola.walker@kent.fire-uk.org
BACKGROUND PAPERS:

COMMENTS

Introduction

1. The Authority operates a balanced budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low-risk counterparties, so as to ensure sufficient funds are available to meet anticipated expenditure before any other consideration is given to optimising investment returns.
2. The second main function of the treasury management service is to ensure that the necessary funding is available, when needed, to meet the agreed commitments set out in the Authority's Capital Plan, whether that's by using the Authority's own cash balances or undertaking any new borrowing. Hence, good treasury management and cashflow planning is key to enable the Authority to meet its capital and infrastructure spending programme.
3. This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2021).

Economic Outlook

4. The Bank of England's Monetary Policy Committee (MPC) increased the Bank Rate for the fourteenth consecutive time, at their meeting in August, taking it to 5.25%. Despite the continued increase in the Bank Rate the UK is not forecast to fall into a recession this year, but expectations are that the Base rate could rise still further.
5. **Inflation** - Consumer Price Inflation (CPI) is currently at 6.8% which is well above the MPC's target of 2%. At the start of the year, it was 8.7% and therefore it is falling however this is mainly due to energy prices decreasing sharply over this period and not because inflation as whole is reducing. This is shown within the Core Consumer Price Inflation (CPI without energy and food) which was 6.8% in April and is now at 6.9% which means the MPC are likely to continue increasing the Bank Rate to reduce inflation.
6. **Interest Rate Forecast** - Rates available on deposits from counterparties are significantly higher than those of a year ago. The Authority is currently forecasting investment income of £2,244k for the year compared to a budget set in February of £1,391.5k, but if rates continue to increase the forecast could increase still further. The Authority's Treasury Advisor, Link Asset Services, has provided the following interest rate forecasts:

LINK GROUP – JULY 2023

	End Q3 2023	End Q4 2023	End Q1 2024	End Q2 2024	End Q3 2024	End Q4 2024	End Q1 2025	End Q2 2025	End Q3 2025	End Q4 2025	End Q1 2026	End Q2 2026
Bank Rate	5.50%	5.50%	5.50%	5.25%	4.75%	4.25%	3.75%	3.25%	2.75%	2.75%	2.50%	2.50%
5yr PWLB Rate	5.60%	5.30%	5.10%	4.80%	4.50%	4.20%	3.90%	3.60%	3.40%	3.30%	3.30%	3.20%
10yr PWLB Rate	5.20%	5.00%	4.90%	4.70%	4.40%	4.20%	3.90%	3.70%	3.50%	3.50%	3.50%	3.40%
25yr PWLB Rate	5.40%	5.20%	5.10%	4.90%	4.70%	4.50%	4.20%	4.00%	3.90%	3.80%	3.80%	3.70%
50yr PWLB Rate	5.10%	5.00%	4.90%	4.70%	4.50%	4.30%	4.00%	3.80%	3.60%	3.60%	3.50%	3.50%

(PWLB – Public Works Loan Board is a statutory body of the UK Government that provides loans to public bodies)

Treasury Management Strategy and Annual Investment Update

- The Treasury Management Strategy (TMS) for 2023/24 was approved by the Authority on 21 February 2023. This report reflects the current position of the Authority's deposits, which are in line with the Treasury Management Strategy. The appropriate Prudential Indicators can be found at paragraph 14 within this report.
- The table below shows the forecast of funds available for investing, reflecting the expectation that the balance reduces over the year. Depending on how projects progress the investment balance often changes which can result in a higher level of funding being available for depositing with the agreed counterparties.

Table 1 Reserves and Balances	2022/23	2022/23	2023/24	2023/24
Reserves and Balances	Forecast	Outturn	Budget	Revised
	£'000	£'000	£'000	£'000
General reserve	3,970	3,970	4,260	4,260
Earmarked reserves	30,580	31,833	27,106	29,327
Insurance Provision	129	60	129	60
Capital Receipts	9,855	9,856	6,489	8,046
Total Core Funds	44,534	45,719	37,984	41,693
Working Capital Surplus	2,273	887	2,273	887
Under-borrowing	- 1,700	- 953	- 10,508	- 2,765
Expected Investments	45,107	45,653	29,749	39,815

Investment Portfolio

- The Authority's key priority is to ensure security of capital and liquidity and to obtain an appropriate level of return consistent with the Authority's risk appetite. Over the last year,

returns on deposits have been gradually increasing, in line with the Bank of England's bank rate.

10. The Authority held £56.2m of deposits as of 31 August 2023 (£45.5m on 31 March 2023). A breakdown of the Authority's actual deposits and the average interest rates on 31 March 2023 are compared to actual deposits and actual interest rates as at 31 August 2023 in the table below:-

Table 2 Investments and Average Interest Rates	As At 31.03.23		As At 31.08.23	
	Total Investment (£000's)	Average Interest Rate	Total Investment (£000's)	Average Interest Rate
Debt Management Office (Including Treasury Bills)	7,669	3.71%	7,782	5.60%
RBS Group: Royal Bank of Scotland & NatWest	300	1.00%	5,100	5.55%
Barclays Bank plc	5,000	4.30%	5,000	5.40%
Santander UK plc	4,350	3.76%	4,350	4.56%
HSBC	7,000	4.15%	5,000	5.15%
Standard Chartered Bank	5,000	4.06%	5,000	5.29%
Lloyds Bank	6,690	4.30%	7,000	5.71%
Goldman Sachs International Bank	2,000	4.15%	5,000	5.15%
Aberdeen Liq. Fund	-	-	5,000	5.15%
BlackRock Institutional Sterling Liq. Fund	2,526	4.01%	-	-
Aviva Investors Liq. Fund	5,000	4.11%	5,000	5.24%
Goldman Sachs Liq. Reserves	-	-	2,022	5.13%
HSBC Liq. Fund	-	-	-	-
Totals	45,535	4.04%	56,254	5.33%

11. The Director of Finance and Corporate Services confirms that the approved limits were within the Annual Investment Strategy and that there is no expectation that these will be breached.

Borrowing

12. The Authority's capital financing requirement (CFR) for 2022/23 is £1,654k. The CFR denotes the Authority's underlying need to borrow for capital purposes. Of the Authority's underlying borrowing need, £701k has been borrowed from the Public Works Loans Board (PWLb) and £953k has been utilised from the internal cash flow of the authority in lieu of borrowing. This is a prudent and cost-effective approach in the current economic climate. The Authority continues to pay off outstanding external loans as they

become due for repayment and has identified no need to borrow externally to fund the existing Capital Strategy, in the current financial year.

13. The current forecast for the CFR for 2023/24 is £3,408k based on the latest capital monitoring. This reflects a reduction from the initial budget as the spend on the Ashford project, which is being funded through internal borrowing, for the short term until interest rates on borrowing have reduced.

Prudential Indicators

14. A Summary of the Prudential Indicators agreed at the Authority meeting in February are detailed below and shown against the 2022/23 outturn figures and revised projections for 2023/24.

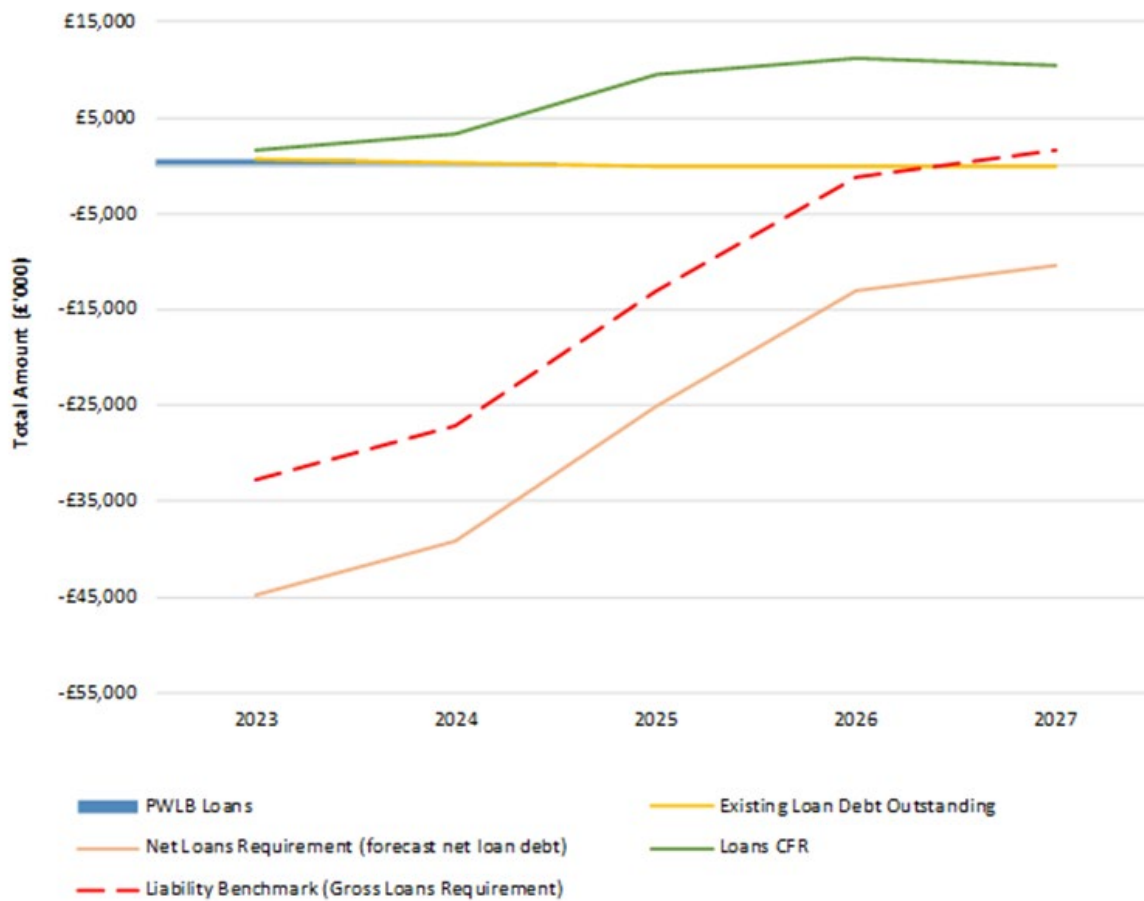
Table 3 Prudential Indicators for affordability, prudence and capital expenditure

	2022/23	2023/24	2023/24
	Outturn	Budget	Revised Budget
	£'000	£'000	£'000
Revenue Expenditure	78,247	85,292	85,292
Revenue Provision for debt repayment	828	1,263	573
Capital expenditure	4,235	16,492	6,859
CFR as at 31 March	1,654	12,167	3,408
Total loans outstanding as at 31 March	701	400	400
Ratio of Financing Costs to Net Revenue Stream	0.34%	1.50%	0.70%

Treasury Indicators

Assumed Operational Boundary for external debt	21,000	23,500	23,500
Assumed Authorised Limit for external debt	25,000	27,500	27,500
Interest rate exposure for borrowing at fixed rates	100%	100%	100%
Interest rate exposure for borrowing at variable rates	20%	20%	20%
Interest rate exposure for investing at fixed rates	100%	100%	100%
Interest rate exposure for investing at variable rates	75%	100%	100%

15. **Debt Liability Benchmark:** is a projection of the optimum amount of loan debt outstanding which the authority needs each year into the future, in order to fund its existing debt liabilities, planned prudential borrowing and other cash flows.
16. As the Authority is currently operating with a net cash surplus, the indicator is a measure of the forecast net investment requirement and guides the appropriate size and maturity of investments needed – there is currently no need to borrow externally for capital financing purposes.



IMPACT ASSESSMENT

17. All financial implications associated with servicing the Authority’s loans are able to be contained within the overall budget.

RECOMMENDATION

18. Members are requested to:

18.1 Approve the mid-year report on Treasury Management activity for 2023/24.

By: Clerk to the Authority
To: Kent and Medway Fire and Rescue Authority – 19 October 2023
Subject: PROPOSED CALENDAR OF MEMBER MEETINGS AND OTHER
EVENTS FOR 2024/25
Classification: Unrestricted

FOR DECISION

SUMMARY

This report sets out for Members' consideration and approval, the proposed Calendar of Member Meetings and Other Events for 2024/25.

RECOMMENDATION

Members are requested to:

1. Approve the proposed Calendar of Member Meetings for 2024/25 as set out in **Appendix 1** (paragraphs 2 and 3 refers).

LEAD/CONTACT OFFICER: Clerk to the Authority – Marie Curry
TELEPHONE NUMBER: 01622 692121 Ext 8291
EMAIL: marie.curry@kent.fire-uk.org
BACKGROUND PAPERS: None

COMMENTS

Introduction

1. It is the Authority's normal practice to approve the programme of Member meetings for the forthcoming municipal year (June to June).

Member Meetings for the Remainder of 2023/24 Calendar Year

2. In October 2022 (Minute 25), the Authority set and agreed the dates for its meetings for the remainder of the current Authority year (through to the Annual Meeting in June 2024). Members are required to note the existing calendar of dates which are identified in Part 1 of **Appendix 1**.

Proposed Meeting Dates for 2024/25

3. Suggested dates for the proposed Authority and Audit and Governance Committee meetings from June 2024 until June 2025 are shown in Part 2 of **Appendix 1** for Members' consideration and approval.
4. All currently known dates which have an influence on the meetings programme (such as local elections, LGA Conferences, and annual meetings of the constituent authorities) are also shown where known.
5. The suggested dates for 2024/25 follow a similar pattern to that adopted for 2023/24, avoiding school holiday periods as far as reasonably possible.
6. As usual, in drawing up the proposed calendar of meetings, discussions have taken place with relevant officers at both Kent County Council and Medway Council to try to avoid any significant date clashes. As it is often necessary for the constituent Councils to call meetings at short notice, it is inevitable that clashes will occur from time to time, despite the best efforts of all parties.
7. Once Member agreement has been sought to the proposed dates, the Clerk will send out formal calendar invitations.

IMPACT ASSESSMENT

8. All costs associated with the meetings are contained within existing budgetary provisions.

RECOMMENDATION

9. Members are requested to:
 - 9.1 Approve the proposed Calendar of Member Meetings for 2024/25 as set out in **Appendix 1** (paragraphs 2 and 3 refers).

PROPOSED CALENDAR OF MEMBER MEETINGS AND OTHER EVENTS 2024/25

Part 1: Dates for remainder 2023/24- Previously Approved by the Authority at its meeting on 13 October 2022

2023

Audit and Governance Committee Tuesday 5 December at 10.30am

2024

Kent and Medway Fire and Rescue Authority
Budget Meeting Tuesday 20 February at 10.30am

*LGA Annual Fire
Conference Dates TBC*

Audit and Governance Committee Thursday 25 April at 10.30am

Police and Crime Commissioner Elections Thursday 2 May

*LGA Annual Conference and Exhibition
Harrogate Tuesday 2 – Thursday 4 July*

Kent and Medway Fire and Rescue Authority
Annual Meeting Thursday 4 July at 10.30am

Part 2 – Proposed dates for remainder of 2024/25 – for Member approval

2025

Kent and Medway Fire and Rescue Authority
Budget meeting Tuesday 18 February at 10.30am

LGA Annual Fire Conference Dates TBC

Audit and Governance Committee Thursday 24 April at 10.30am

Kent County Council Elections Thursday 8 May

Kent and Medway Fire and Rescue
Authority AGM Thursday 26 June at 10.30am

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By: Chair of Audit and Governance Committee
To: Kent and Medway Fire and Rescue Authority – 19 October 2023
Subject: CHAIR OF AUDIT AND GOVERNANCE COMMITTEE'S
REPORT TO THE AUTHORITY
Classification: Unrestricted

FOR INFORMATION

SUMMARY

This report provides a summary of the activities undertaken during the year by this Committee and therefore demonstrates to the Authority the effectiveness of this Committee in assessing and maintaining the organisation's internal control environment and governance arrangements.

Members of the Audit and Governance Committee have received specialist training and presentations to not only enhance their understanding and knowledge but to also support them in gaining assurance in the breadth of issues within the remit of this Committee. A number of reports have been reviewed and recommendations made.

CONCLUSION

Members are requested to:

1. Note the contents of the report.

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BACKGROUND PAPERS:

COMMENTS

Background

1. At the February 2021 meeting of the Authority, it was agreed that an Audit and Governance Committee would be established to help support and enhance all the key aspects of good governance. The Chartered Institute of Public Finance and Accountancy (CIPFA) provides clear guidance and a Position Statement on the function and operation of Audit Committees alongside recommended best practice.
2. Audit Committees are a key component of any authority's governance framework and are there to provide an independent and high-level resource to support good governance and strong public financial management. It also provides independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and governance processes. By overseeing internal and external audit, it makes an important contribution to ensuring that effective assurance arrangements are in place.
3. This annual report of the Committee's work covers the period from September 2022 to September 2023, during which there have been three meetings held. The meetings are essentially timed around key aspects of work that are to be reviewed in a financial year, hence the meetings have been held in, April, September and December and as such cover these main areas of activity: Governance, Risk and Control, Internal Audit, External Audit, Financial Reporting.

Audit and Governance Committee

4. The Committee consists of eleven members and are independent from the Full Authority, meeting three times a year. Mr Vince Maple is the presiding Chair with Mr Stuart Tranter as Vice Chair up to May 2023. The Chief Executive, Director of Finance and Corporate Services, Director of Prevention, Protection Customer Safety and Engagement, Assistant Director of Response, External and Internal Auditors are invited to all Committee meetings.
5. Training is an essential element for an Audit Committee. This year the Committee has received one presentation from Link Asset Group, the Authority's Treasury advisors, which covered the latest economic update and provided an overview and benchmarking of the Treasury functions of the Authority. Further training has also been provided by the Counter Fraud Manager at KCC on Fraud awareness, and the Head of IT has provided a member briefing on Cyber Security following a request from the Committee.

6. The Committee has developed a structured work programme which maps out its activities on an annual basis.

Governance, Risk and Control

7. Members of the Audit and Governance Committee have received and reviewed two reports on the Corporate Risk Register. Members continue to monitor and review the progress made against the identified risk actions of the fifteen Corporate Risks. The Head of IT was invited to attend and present to members a briefing on Cyber Security to ensure members fully understood the potential risks and mitigating actions.
8. The Committee reviewed the Treasury Reports of the Authority and have received a benchmarking presentation from Richard Bason at Link Asset Group which gave assurance that the investments of the Authority were within acceptable risk profiles in comparison with other Fire Authorities and the debt profile of the Authority was in a better position than most comparators. Members of the Committee have also reviewed the key delegations of the Treasury Management function as set out in the Treasury Management Practices and the Mid-Year Treasury report and recommended them to the full Authority for approval at its October 2022 meeting.
9. The Authority is required to formally review its governance arrangements annually and the Audit and Governance Committee carries out this work on its behalf. This is achieved by the production of an Annual Governance Statement (AGS). As part of the governance review, the Committee recommended to the Authority the appointment of an Independent Member to enhance the knowledge and skills of the Committee. Members reviewed the job description and person specification prior to recruitment. An Independent Member to the Audit and Governance Committee was appointed at the June 2023 Authority meeting.

Internal Audit

10. The Internal Audit Service is provided by Kent County Council and the Committee oversees the work undertaken. At the beginning of the year the Committee approved the Internal Audit Plan for 2022/23 which set out the individual audits to be carried out during the financial year.
11. Performance against the plan is monitored through progress reports provided to each meeting, with a verbal update provided by the Internal Audit Manager, who attends the committee meetings. The Annual Report for 2021/22 was presented to the November Audit and Governance Committee for review and consideration and the 2022/23 Internal Audit Annual Report is to be reviewed and considered as part of the Committees suite of papers for the September 2023 meeting.

External Audit

12. The Audit and Governance Committee receives and approves the External Auditor's Annual Audit Plan, which includes the proposed fee and work programme by Grant Thornton, based on the initial fees set by Public Sector Audit Appointments Ltd (the independent company set up by Government to oversee the procurement process). This was presented and reviewed at the April 2023 meeting of this Committee.
13. In order to assist with the External Audit Risk Assessment, it is now a requirement for Officers to provide details of processes around, Fraud, compliance with Laws and Regulations, related parties, an assessment of the Authority as a "Going Concern" and the Authority's accounting estimates. This document was reviewed at the April meeting of this Committee.
14. The Chair of the Authority and the Chair of Audit and Governance have met with the Authority's appointed External Audit Engagement Lead, to discuss the national Audit situation and understand the impact of the timing and resourcing of the audit of the Authority's Financial Statements. They also received an update on the Government proposals to resolve the issues that are now compounding on Local Authority external audits and sign off-of the Financial Statements.

Financial Reporting

15. The Committee has received and considered the draft Financial Statements for 2022/23 as approved by the Director, Finance and Corporate Services. A shorter Summary version of the Statements was also provided alongside a presentation of the key areas by officers of the Authority.

Effectiveness of the Audit and Governance Committee

16. This is the second year of the newly formed Audit and Governance Committee during which specialist knowledge has continued to grow and develop supported by the training that has been provided. This has enabled the Committee to focus in more detail on areas of activity within the remit of this Committee and enables the Authority to demonstrate that it applies relevant guidance to aid best practice.
17. This report has provided a summary of the work completed over the last twelve months, indicating that it is functioning in accordance with best practice and providing independent assurance of the Authority's governance arrangements.

IMPACT ASSESSMENT

18. This update provides further assurance for Members that the Authority has robust governance arrangements in place.

CONCLUSION

19. Members are requested to:

- 19.1 Note the contents of the report.

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