



## **KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**Meeting of the Authority**

**Tuesday, 27 April 2021**

**10.30 am**



## **AGENDA**

### **KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**Tuesday, 27 April 2021, 10.30 am**

Ask for: **Marie Curry**

To be held virtually via Microsoft Teams

Telephone: **(01622) 692121 ext 8291**

#### **UNRESTRICTED ITEMS**

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

#### **A Routine Business**

- A1. Chairman's Announcements *(if any)*
- A2. Membership Changes and Apologies for Absence
- A3. Declarations of Interest in Items on this Agenda
- A4. Minutes of the Meeting of the Authority held on 23 February 2021 *(for approval)*
- A5. Minutes of the Appeal Hearing held on 23 February 2021 *(for information)*
- A6. Minutes of the Meeting of the Senior Officer Appointment and Conditions Committee held on 4 March 2021 *(for information)*

#### **B For Decision**

- B1. Performance Out-turn 2020/21
- B2. Financial Update for 2020/21
- B3. External Audit Plan for 2020/21
- B4. Internal Audit Plan for 2020/21
- B5. Corporate Risk Register
- B6. Policy and Governance Update
- B7. Pensions Update
- B8. Appointment of an Independent Person
- B9. Creation of an Audit and Governance Committee

#### **C For Information**

- C1. Customer Service Survey Presentation
- C2. Information Update (Consolidated Report)

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

**E Exempt Items**

E1. Motion to Exclude Press and Public

Under Section 100A of the Local Government Act 1972, the public be excluded from the meeting for the following business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 1 of Schedule 12A of the Act

**EXEMPT ITEMS**

E2. Abatement

Marie Curry  
Clerk to the Authority

15 April 2021

*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.*

## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

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MINUTES of a Meeting of the Kent and Medway Fire and Rescue Authority held virtually via Microsoft Teams on Tuesday, 23 February 2021.

PRESENT:- Mr N J D Chard (Chairman), Mrs A Allen, Mr M Angell, Mr A Booth, Mr D Brazier, Mr I Chittenden, Mr D Daley, Mr D Farrell, Mr P Harman, Mr B Kemp, Mr P Lake, Mr G Lymer, Mr S Manion, Mr V Maple, Mr J McInroy, Mr A Ridgers, Mr C Simkins, Mrs S Hohler, Mr B J Sweetland, Mr R Thorne and Mr S A Tranter (Vice-Chairman).

APOLOGIES:- Mr A Cook, Miss E Dawson, Mr N Collor, Miss Morton (formerly Marsh), Mr M Scott, Kent Police and Crime Commissioner and Mr B Watts, Monitoring Officer.

OFFICERS:- The Chief Executive, Miss Ann Millington QFSM; Director, Operations, Mr Chris Colgan; Director Finance and Corporate Services, Ms Alison Kilpatrick; Director, Prevention, Protection, Customer Engagement and Safety, Mr Jon Quinn; Assistant Director, Operational Response, Mr Mark Rist; Assistant Director HR and Learning, Ms Karen Irvine; Assistant Director, Resilience, Mr Lee Rose; Assistant Director, Corporate Services, Mr James Finch; Assistant Director, Customer and Building Safety, Mr Colin King and Clerk to the Authority, Mrs Marie Curry.

### UNRESTRICTED ITEMS

#### 36. Chairman's Announcements

*(Item A1)*

- (1) Members and Officers held a minute's silence in memory of Gary Whitworth, former Chief Fire Officer from 1984 – 1988.
- (2) Mr Chard, on behalf of the Authority, thanked officers and staff for their continued hard work and commitment shown in supporting the community of Kent during the pandemic.

#### 37. Minutes – 17 December 2020

*(Item A4)*

RESOLVED that the Minutes of the Authority meeting held on 17 December 2020 be approved and signed by the Chairman as a correct record.

#### 38. Draft Revenue and Capital Budgets 2021/22 and Draft Medium Term Financial Plan 2021-25

*(Item B1 - Report by Chief Executive)*

- (1) The Authority considered a report setting out proposals for its Revenue and Capital Budgets and Council Tax levels for 2021/22; the assumptions used in developing the Medium Term Financial Plan for 2021-25; the Annual Treasury Management and Investment Strategy and related Prudential Indicators; the Reserves Strategy and Capital Strategy. The report built on information presented to the Authority at its meeting on 15 October 2020. (Minute 26).
- (2) In addition, the Authority was provided with an update on the disposal of a number of surplus properties.
- (3) Mr Chard, on behalf of the Authority, thanked the Director of Finance and Corporate Services and her team for the excellent way in which the Authority's finances are managed and exceptionally so in what has been a very challenging year.
- (4) Mr Maple said that he could not agree with the proposed increase in Council Tax. He added that this year has been challenging for families and individuals alike so will be voting against. This view was echoed by Mr Farrell who will also be voting against the proposal.
- (5) RESOLVED that:-

- (a) The disposal of a vacant day-crewed house in Dernier Road, Tonbridge, which is deemed as surplus to requirements be approved;
- (b) the revenue budget proposals and the resulting net budget requirement for 2021/22 of £72,027m, as set out in Appendix 1, be approved;
- (c) a total requirement from Council Tax of £51,397m to be raised through the precept to meet the budget requirements, which requires an increase in Council Tax of 1.93%, resulting in the following annual charges for each Council Tax Band be approved;

Council Tax Band	Annual Charge
A	£53.88
B	£62.86
C	£71.84
<b>D</b>	<b>£80.82</b>
E	£98.78
F	£116.74
G	£134.70
H	£161.64

- (d) the Chief Executive, in consultation with the Chair of the Authority, to make any late adjustments which may be required to the next revenue budget, arising as a result of any late changes to the Council Tax, Business Rates, Collection Funds or Government Funding be approved;
- (e) the Capital Strategy, as set out in Appendix 4 to the report, be approved;
- (f) the Capital Budget of £10,406m for 2021/22 and related expenditure commitments following on in later years, together with the plans to use revenue contributions and capital receipts to fund the expenditure as set out in Appendix 1 to the report, be approved;
- (g) the Annual Treasury Management and Investment Strategy, including the appropriate Prudential Indicators as set out in Appendix 2 to the report, be approved;
- (h) the Reserves Strategy as set out in Appendix 3 to the report, be approved;
- (i) the assumptions being used to develop the Medium Term Financial Plan for 2021-25 as set out in Appendix 1 to the report , be approved.

Mr V Maple and Mr D Farrell asked that their opposition to the decision in (c) above be recorded.

### 39. Financial Governance

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

- (1) The Authority considered a report which set out the overarching summary of key financial governance changes from the financial year 2021 onwards as well as the creation of an Audit and Governance Committee to provide further reassurances and enhance the existing governance arrangements already in place.
- (2) RESOLVED that:-
  - (a) the creation of an Audit and Governance Committee to provide additional assurance and further enhance the existing governance arrangements already in place be approved;

- (b) Expand the annual Efficiency Statement to demonstrate the approach to delivering value for money whilst ensuring financial resilience across the organisation be approved;
- (c) the remaining contents of the report be noted.

**40. Pay Policy Statement 2021/22**

*(Item B3 – Report by Chief Executive)*

- (1) The Authority considered the draft Pay Policy Statement for 2021/22, which the Authority is required by the Localism Act 2011 to publish before the start of the new financial year.
- (2) Members also considered a Modern Slavery Policy, developed in line with the Authority's zero-tolerance approach to modern slavery, human trafficking and all forms of servitude, and forced and compulsory labour in all our own business and relationships or any of our supply chains.
- (3) Members gave their thanks to the Head of Commercial and Procurement for her continued hard work in driving forward the Modern Slavery agenda with Government.
- (4) RESOLVED that:-
  - (a) the Authority's draft Pay Policy Statement for 2021/22, as attached at Appendix 1 to the report, be approved;
  - (b) the Modern Slavery Policy as attached at Appendix 2 to the report, be approved;
  - (c) the update in relation to published privacy notices be noted.

**41. Appointment of Monitoring Officer**

*(Item B4 – Report by Chief Executive)*

- (1) The Authority considered a report which set out proposals to move the appointment of a new Monitoring Officer for a four year term to Medway Council when the current contract expires at the end of March 2021. All local authorities are required by law 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.
- (2) Members placed on record their thanks to Mr Benjamin Watts for the service he has provided to the Authority over the past three years as its Monitoring Officer.
- (3) RESOLVED that the Authority's Monitoring Officer role is moved to Medway Council with effect from 1 April 2021 for a four year period, but reviewed annually by both parties, be approved.

**42. Members' Allowances Scheme 2020/21**

*(Item B5 - Report by Clerk to the Authority)*

- (1) The Authority was advised that, even though it had previously adopted a Members' Allowances Scheme covering the four-year period from 1 November 2017 to 31 October 2021, it was a legal requirement to formally adopt its Members' Allowances Scheme each year;
- (2) RESOLVED that the existing Members' Allowances Scheme, as set out in Appendix 1 to the report, be formally re-adopted for 2021/22.

**43. Information Update**

*(Item C1 - Report by Chief Executive)*

- (1) The Authority considered information updates on:-

- A. Pandemic Update;
- B. Inspection Update;
- C. Performance Update;
- D. Operational Update;
- E. Prevention, Protection, Customer Engagement and Safety Update;
- F. Freedom of Information and Publication Scheme Update;
- G. European Union Transition Update
- H. Outcomes of Safety Plan
- I. Pensions Board Update.

(2) RESOLVED that the contents of the report, and subsequent discussions, be noted.



## **KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

### **HEARINGS PANEL**

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MINUTES of a meeting of a Hearings Panel of the Kent and Medway Fire and Rescue Authority held virtually by video conferencing facilities on Tuesday 23 February 2021.

PRESENT:- Mr N J D Chard, Mr I Chittenden, Mr D Farrell and Mr P Harman.

OFFICERS:- Mrs K Irvine, Assistant Director, HR and Learning (part of the meeting) and Clerk to the Authority, Mrs M Curry.

### **UNRESTRICTED ITEMS**

#### **1. Election of Chairman of the Panel**

Mr Chittenden proposed Mr Chard, Mr Harman seconded.

RESOLVED that, Mr Chard be elected Chairman of the Panel for this hearing.

#### **2. Declarations of Interest**

Mr Harman declared that he was an ex-London Firefighter and ex-Kent Retained Firefighter so was in receipt of Fire Service Pensions.

#### **2. Signing of Minutes**

RESOLVED that the Chairman be authorised to sign the agreed Minutes of the Hearing.

#### **3. Exclusion of Press and Public**

RESOLVED that, under Section 100A of the Local Government Act 1972, the public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 of Part I of Schedule 12A of the Act.

### **EXEMPT ITEM (Open Access to Minutes)**

#### **4. Pension Dispute – Stage 2 of the Internal Dispute Resolution Procedures (IDRP)** *(Item 5 - Report by Assistant Director HR and Learning)*

- (1) The Panel considered an appeal by a former fire service employee against the decision taken at the Stage 1 of the IDRP. The appellant's Stage 1 complaint was that he felt not all reasonable endeavours had been met to ensure that he had received the correct amount of interest on the underpaid pension income he should have been receiving since his retirement.
- (2) In her response to the Stage 1 complaint, the Assistant Director, HR and Learning, acknowledged that the appellant's pension payments had been incorrectly calculated by the previous pensions administrators and there had been

a delay whilst this was readjusted. She added that to ensure that the correct re-calculation was undertaken, due to the complexity of the guidance around the firefighters pension schemes, pension experts from the LGA were involved to work through the guidance in order that the correct calculation of the appellant's pension amount be applied. Taking in to consideration all of the circumstances and acknowledging the delay that was caused, it was agreed as part of the IRDP Stage 1 process, to pay the interest on the back-pay amount as the appellant had requested.

- (3) The Panel carefully considered all the papers relating to the appeal, including the appellant's original correspondence with the Local Pensions Partnership (LPP) dated 3<sup>rd</sup> March 2020; the appellant's complaint at Stage 1 dated 9 November 2020; the letter sent to the appellant by the Assistant Director, HR and Learning, in response to his complaint dated 17 November 2020; and the appellant's letters setting out his Stage 2 appeal dated 25 November 2020 and 14 January 2021 respectively.
- (4) The Panel then requested Assistant Director, HR and Learning to join the Hearing to answer some technical questions posed by Members.
- (5) Following the clarity they received on their technical questions, the Panel of Members then took in to account the error made by the previous administrators, the circumstances surrounding the delay of the back-pay as well as the inconvenience this had caused the appellant. The Panel also recognised the on-going complexities concerning the firefighter pension schemes and the difficulties this has on those who administer them.
- (6) Having considered very carefully all the written evidence submitted to it and the oral advice it had received, the Panel unanimously RESOLVED that:-
  - (a) The appellant be awarded the sum of £500 as a recompense in recognition of the inconvenience caused due to the delay in the conclusion of the underpaid pension amount.

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**  
**SENIOR OFFICER APPOINTMENT AND CONDITIONS COMMITTEE**

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MINUTES of a meeting of the Senior Officer Appointment and Conditions Committee held via Microsoft Teams on Thursday, 4 March 2021.

PRESENT:- Mr N J D Chard (Chairman), Mr D Brazier, Mr V Maple and Mr S Tranter.

APOLOGIES:- Mr D Daley

OFFICERS:- The Chief Executive, Miss A Millington QFSM; the Assistant Director, Human Resources and Learning, Mrs K Irvine; and the Clerk to the Authority, Mrs M Curry.

**UNRESTRICTED ITEMS**

**1. Membership**

*(Item 1)*

The Committee noted its membership for 2020/21

**2. Election of Vice-Chairman**

*(Item 3)*

- (1) Mr Chard proposed and Mr Maple seconded that Mr Tranter be elected Vice-Chairman of the Committee,
- (2) There being no other nominations, Mr S Tranter was declared elected Vice-Chairman of the Committee for the remainder of 2020/21.

**3. Minutes**

*(Item 4)*

RESOLVED that, because of the infrequency of meetings, the Chairman of the Committee be authorised to sign the agreed Minutes of the meeting.

**4. Appointment of Director**

*(Item 5 – Report by the Chief Executive)*

- (1) Members considered proposals for the appointment of a successor to Mr Chris Colgan who had indicated that he intended to retire from his post as Director, Operations, in July 2021.
- (2) RESOLVED that:-
  - (a) On the retirement of Mr Colgan, the vacant post of Director, Operations, be filled;
  - (b) The start to the recruitment process for the role of Director, Operations, as set out in paragraph 5 of the report, be agreed;
  - (c) The proposed Remuneration Package for the new appointment, as set out in paragraph 6 of the report, and the Job Description and Person Specification, as set out in **Appendix A** to the report, be agreed;
  - (d) The job advertisement for the post as set out in paragraph 8 and **Appendix B**, be agreed;
  - (e) The timetable for the appointment process as set out in paragraph 13, be agreed;

- (f) The Interview Panel for the appointment comprise the Chairman and Vice Chairman of the Authority, plus the other Members of the Senior Officer Appointments and Conditions Committee.

By: Chief Executive  
To: Kent and Medway Fire and Rescue Authority – 27 April 2021  
Subject: PERFORMANCE OUT-TURN 2020/21  
Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

This report details how the Authority has performed over the last financial year and over the medium term period of 2018-21. Performance is considered against targets and alongside how it compares nationally and with the CIPFA Nearest Neighbour Group, where possible. Targets for the new medium term period will be brought for Member approval to the Authority meeting to be held in July 2021.

The opportunity has also been taken to remind Members of the work completed by the Authority during the COVID pandemic.

### **RECOMMENDATION**

Members are requested to:

1. Receive and consider the provisional year end performance report.

LEAD/CONTACT OFFICER: Assistant Director, Corporate Services – James Finch  
TELEPHONE NUMBER: 01622 692121 ext 8453  
EMAIL: james.finch@kent.fire-uk.org  
BACKGROUND PAPERS:

## COMMENTS

### Context of 2020/21 Performance

1. The financial year 2020/21 was unique, and will be remembered as the nation's greatest and most significant peace time emergency. The multiagency Strategic Coordination Group covering Kent and Medway declared the Covid-19 pandemic a major incident on 24 March 2020. At the time of writing, more than 126,000 people nationally have sadly lost their lives as a result of the pandemic, and our way of life is only just beginning to find its adjusted normal. The performance being reported later in the report needs to be seen in that context – a unique set of circumstances through which rapid and sometimes conflicting challenges were faced. At all times, our service to our customers has remained, and we have also maintained all of our statutory duties.
2. The Authority was also inspected remotely by Her Majesty's Inspectorate of Constabularies and Fire and Rescue Services. The very positive outcome of this inspection was reported to the February 2021 meeting of the Authority.
3. **Communications to Members:** Members will recall regular updates have been provided over the last year detailing the Authority's response to the pandemic and these have given detail on activities that have been undertaken outside of our normal working practices. At the outset of the pandemic, the Authority was keen to ensure we provided as much assistance as possible to the more vulnerable members of our communities.
4. **Support to partners:** It is important that Members have a sense of the scale of the support being given by the Authority to partners across Kent and Medway and the community, whilst at all times also maintaining its own statutory duties. Below is a list of all the Covid-19 related partner support it is currently doing – mostly it is in support of the South East Coast Ambulance Service (SECamb) or the NHS but also our partners in local authorities too:
  - Home birth support – we will on request transport midwives under blue lights from hospitals to home births;
  - Delivery of O<sub>2</sub> cylinders – this has been undertaken on a number of occasions, usually out of hours, to move cylinders from bulk drop to make ready centres. This offer is open to repeat as required;
  - Firefighters driving ambulances began on Thursday 14 January, with eight firefighters in the first tranche, and a second group subsequently trained. A Kent Fire and Rescue Service site was used as the training venue;

- Mobilised fire engines (including non-co-responders) to cardiac arrests when SECamb was busy – this reduced their attendance by one ambulance, allowing that one to attend other calls;
- Any fire engine will attend lower category calls to SECamb with a single paramedic to release an ambulance for other calls;
- Our Technical Rescue Team was on standby to support specialist ambulance teams;
- Our Fleet engineers were available to assist with ambulance breakdowns on request;
- We supported SECamb at their make ready centre at Paddock Wood with logistics and deliveries;
- Our driving examiner undertook driving tests for SECamb as DVLA centres were closed (or had limited capacity). This was to give new SECamb staff the right licence type to legally drive ambulances;
- Access was made available to our face fit testers and equipment to assist ambulance personnel as required when fitting face masks;
- Our Liaison Officer was deployed to the SECamb's call handling centre when their waiting call numbers were high to maximise the value of our support;
- We continue to support co-responding which is business as usual for many of our crews as well as premises sharing to allow SECamb crews welfare breaks and pre-position vehicles in our communities;
- Firefighters delivered pulse oximeters in the East Kent NHS area;
- Firefighters assisted in the opening of mass vaccination sites in Folkestone, Tonbridge, Gravesend and Chatham;
- Working with partners across the public and voluntary sector, we supported a mass tracing event over four days in Maidstone beginning 2 February 2021, linked to the South African Covid-19 variant.
- An approach was made to the Authority from NHS Kent and Medway Clinical Commissioning Group in late May requesting some assistance to deliver training in care homes. A team of trainers were resourced who then went out into care homes to deliver some supportive training on infection and prevention control and the correct usage of PPE. Almost 1,000 care home staff attended a training session delivered by the team.

- Continued to support our partners, with 25,720 deliveries completed since March 2020. This includes Age UK meals on wheels, SECAMB and many others. The Authority is currently working with six Age UK hubs but as the second lockdown took effect new requests began to be received. We have asked everyone that works for us get in contact if they are in the position to support with humanitarian aid.
  - Our Customer Safety team averaged 800 visits a month with no member of the team having to self-isolate due to a visit carried out in the course of their work.
5. In addition to the support for partners and the voluntary sector, the Authority released staff to lead on a number of cells within the Local Resilience Forum response and on national issues. The Authority is chairing and managing both the multi-agency information cell and the recovery cell on behalf of the Local Resilience Forum. There is a dedicated team of four personnel leading the national supply chain for the fire sector whilst also managing the PPE requirements of the Local Resilience Forum.
  6. **Kent Together:** The #KentTogether social media campaign was born out of the pandemic and initially reached more than six million people across the Authority's social media accounts. It was a way of sharing accurate and trusted information and advice, as well as reassurance messaging, educational/home schooling videos, good news stories and fun, heartwarming content to make people smile and feel connected during an uncertain time. The digital campaign which was created by the Authority was quickly shared and adopted by the Kent Resilience Forum, with Kent County Council and other local authorities in Kent and Medway tailoring it to their own organisations. Through news media coverage of the campaign and related Covid-19 safety messaging, we reached approximately 14.1 million people.
  7. **Joint Learning:** As Members would expect a full debrief on the pandemic and the actions the Authority took have been commissioned, as part of the Authority's operational assessment process. The debrief is intended to articulate what worked well and ensure that any learning points are embedded in policy for the future. Members may also wish to note that a debrief on behalf of the Local Resilience Forum has also been commissioned, and the Authority contributed to it. Without question, the Authority has supported the smooth running of the Local resilience Forum throughout the pandemic period. This was also reflected in the outcomes of the Covid inspection.
  8. **Covid cases:** Overall our cases of Covid amongst everyone that works for us have been very low. Whilst there have been some small outbreaks in locations across Kent and Medway at fire stations these have been quickly isolated and the stations and vehicles fully cleaned. We are comfortable that we have taken all possible precautions and that view is shared by Public Health England's Kent Advisory team.



## **The Future**

9. Whilst fire stations themselves broadly continued to operate as normal, and training has resumed, the impact for corporate staff remains significant. A very early decision was taken ahead of the declaration of a major incident to close offices and to ask all corporate staff to work from home for the foreseeable period. This has worked extremely well overall, due partly to a tried and tested business continuity plan, and also due to investment Members supported some years ago in laptops and the ability of all staff to remotely access the network. It is fair to say not all fire and rescue services nationally will have had the same capability. We have focused significant attention on the wellbeing of everyone that works for us throughout the Covid-19 period, and have supported those that needed extra support through supplying additional screens for home working, allowing colleagues to “borrow” their office chairs for an extended period, and regular wellbeing checks by managers.
10. We are now discussing with everyone that can work from home to do so for a period of their working week part of their new adjusted normal. In support of this we are developing plans to reconfigure part of the Godlands estate whilst it is mostly empty of staff to make it more open planned, which encourages integration and discussion between teams. This can then be replicated at other sites over time. We are also awaiting guidance from Government on the future arrangements for meetings of the Authority, and will brief Members as soon as possible.
11. We are exceptionally proud of the efforts made by everyone that works for us during this extraordinary time.

## **Performance 2020/21**

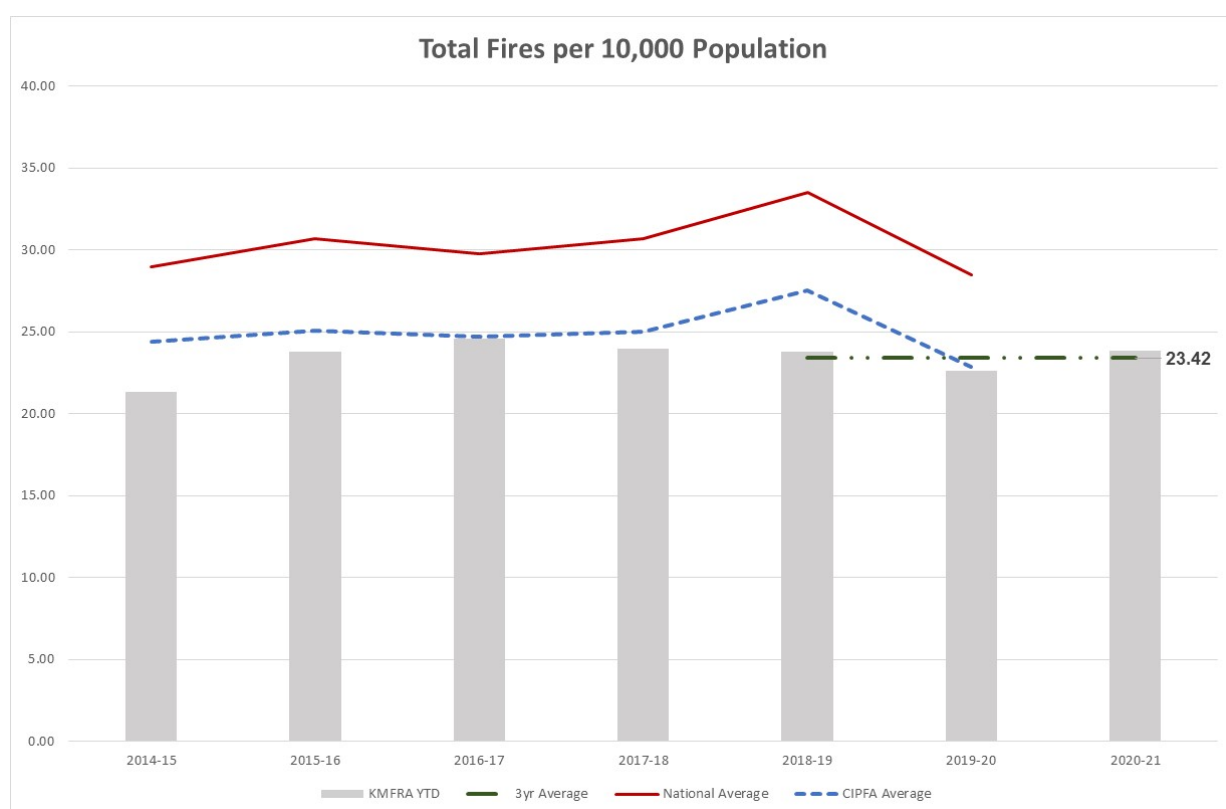
12. The medium term reporting period came to an end on 31 March 2021. This paper reports performance against the targets for the three year period and make comparisons, where possible, to how we compare nationally with other fire services.
13. At the time of writing this report, all year-end figures contained within are subject to end of year verification and therefore are provisional figures only. We do not expect huge variation in the final outturn but the figures are subject to change.

## **Total Fires**

14. The Authority attended 4,437 fires in 2020/21 which is higher than the number reported in 2019/20, however it is a consistent level of activity with 2017/18 and 2018/19. The three year average outturn for the 2018-21 period was 4,326, which is higher than the target of 4,091.
15. The lower level of fire activity experienced in 2019/20 can be attributed to a lower number of outdoor fires. Outdoor fires were the highest they have been over the

medium term reporting period in the 2020/21 year. There were considerably more calls to bonfires over the first lockdown period in the year which will have attributed to this rise, alongside a warm dry summer which will always influence the outturn of this indicator.

16. The increase in fire activity over recent years is not a trend that has only affected this Authority, it is also true nationally and amongst our CIPFA nearest neighbour<sup>1</sup> cohort which can be seen in the chart below. Encouragingly, the chart also depicts that this Authority is experiencing fewer fires per 10,000 population than both the national average and the CIPFA average. The published data for 2018/2019 details that Kent ranks 6<sup>th</sup> for the number of fires per 10,000 population out of 45 services.



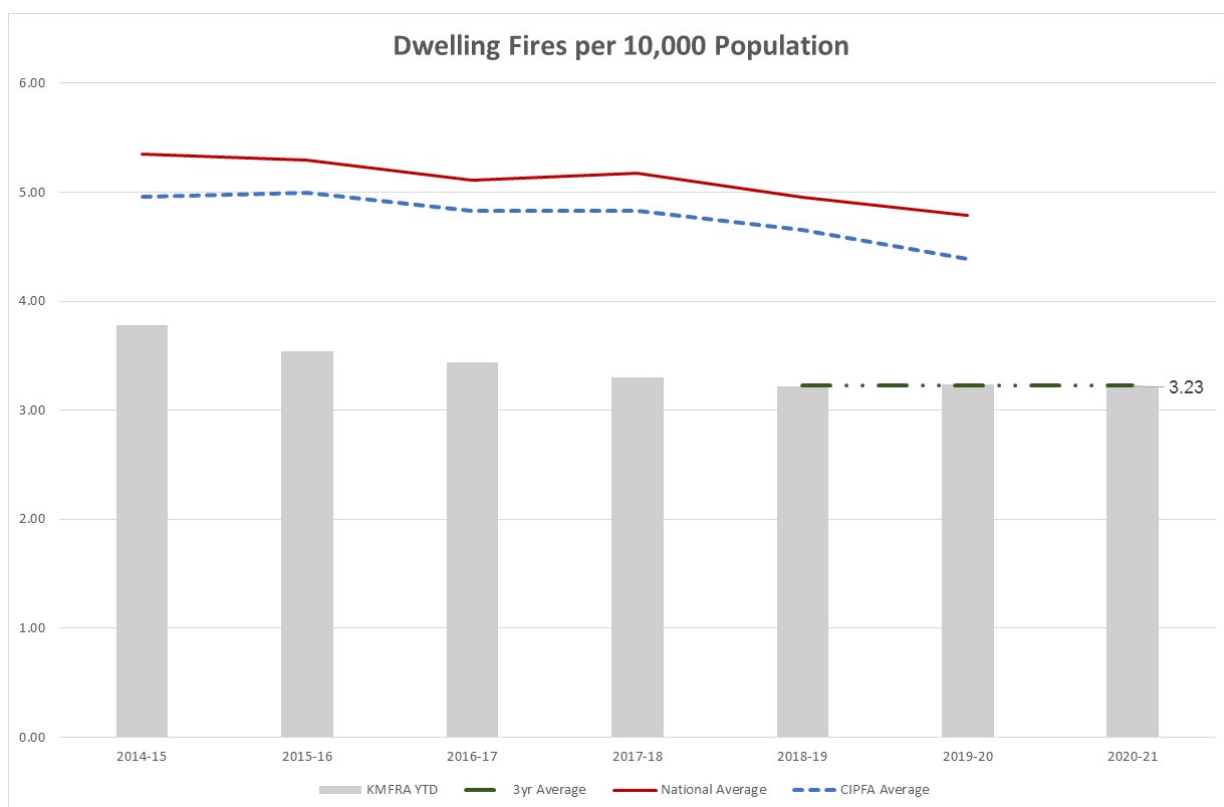
## Dwelling Fires

17. In recent years the Authority has reported the lowest ever number of accidental fires in the home and, encouragingly this trend is continuing. In 2020/21 545 incidents were attended which is higher than the levels seen in the previous two years (+20) but was

<sup>1</sup> This model was developed by CIPFA to aid local authorities in comparative and benchmarking exercises. This model allows users to generate family groups based upon a wide range of socio-economic indicators. The CIPFA Nearest Neighbours Model adopts a scientific approach to measuring the similarity between authorities, taking factors such as the social and physical characteristics of the authorities into account. The authorities included in our CIPFA group are: Hampshire, Essex, Lancashire, Derbyshire, Staffordshire, Hertfordshire, Suffolk, Devon & Somerset, West Sussex, Cheshire, Nottinghamshire, Humberside, Hereford & Worcester, Northamptonshire and Norfolk.

still lower than the target. The three year average performance for the medium term period (2018-21) was 531 which is 2.9% better than the target of 547.

18. Unfortunately accessing comparable information for fire services that fit this Authority's local performance indicator definitions is difficult. It is not possible to obtain accidental fires in the home detailed by individual authorities nor is it possible to obtain the number of dwellings in each Authority area. For the purposes of benchmarking ourselves against others we can compare all fires in the home, which although that will include those started deliberately the numbers are relatively small in comparison to those started accidentally. To ensure the number of incidents is more representative of the size of the community that is served we have used population as the denominator.
19. The chart below shows that a reduction in the number of fires in the home is not a trend that has only been experienced by this Authority and that it is reflected both nationally and with CIPFA.
20. Members will notice that whilst the trend is the same, this Authority is experiencing fewer fires in the home per 10,000 population than both the national average and the CIPFA average. The published data for 2018/2019, the latest available information, details that Kent ranks 1st, reporting the lowest number of fires in the home per 10,000 population out of 45 services
21. The causes of fires in the home rarely change, with cooking relating incidents accounting for 36% of all the incidents over the last three years and a further 20% being attributed to electrical appliances



### Fatalities and Casualties in Accidental Fires

22. Accidental fires accounted for 62% of the total fires attended last year and, as a result of these fires, seven people died and 80 people suffered fire related injuries. There was also one fatality, two serious injuries and 10 slight injuries reported as a result of deliberate fires.
23. The table below details the status of recorded casualties in accidental fires over the last three financial years. Members will notice that the overall numbers of casualties has remained reasonably static and that there has not been any real fluctuation in the number of fatalities. Please note that the difference in numbers reported against slight injuries, first aid and precautionary checks in 2020/21 when compared to previous years is due a quality assurance process highlighting an error in casualty classification. Overall the numbers remain consistent but those being recorded as slight casualties should in fact have been recorded as first aid at scene or precautionary check recommended.

	2018/19	2019/20	2020/21	Total
Fatal	6	5	7	18
Serious injury	12	17	21	50
Slight injury	86	104	59	249

First aid given at scene	39	42	69	150
Precautionary check	47	36	42	125
Total	190	204	198	592

Note: Only fire related injuries and deaths are included in these figures.

### **Road Traffic Collisions (RTCs)**

24. The Authority attended 673 road traffic collisions last year which is 291 fewer than in 2019/20. We saw a reduction in road traffic collisions in each month in 2020/21 compared to the previous year which includes a large reduction during the lockdown periods; the months of April and May had only a third of the expected levels activity for those months and November and January had half the expected levels.
25. As a result of these incidents 23 people have died and 89 have been seriously injured.

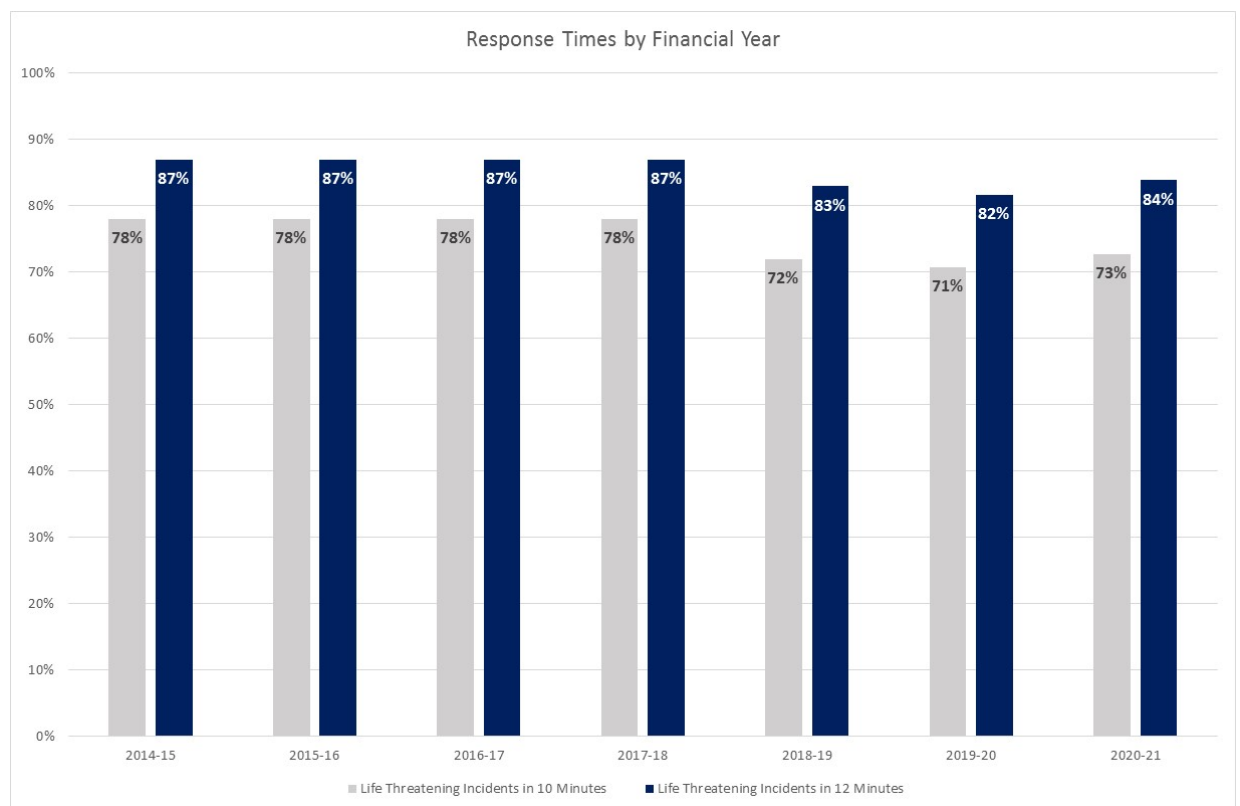
### **Other Emergency Special Service Incidents**

26. The Authority continue to provide emergency medical response in support of SECamb. During 2020/21, 2,445 incidents were responded to and 2,266 were attended. On 212 occasions the Authority's resources were stood down before they arrived.
27. The vast majority of these incidents were attended by a crew in a fire engine, however we do have officers responding in cars which accounted for 349 of the incidents (15%).
28. Over the last financial year the Authority has responded to assist other agencies, for example to lift a person or assist in the search for a missing person, 1,738 times. In addition to these crews have also responded to 1,240 incidents to gain entry to a property for either the occupier or for our emergency services colleagues.

### **Response Times**

29. Last year 72.7% of life-threatening incidents were reached within 10 minutes and 83.9% within 12 minutes. Overall performance is higher than the targets set for these indicators. Members will recall that the targets for these indicators were changed for the 2020/21 financial year to 71% and 82% respectively
30. The Authority attended life-threatening fire incidents within 10 minutes on 73.7% occasions whilst life-threatening road traffic collisions were reached within 10 minutes on 61.7% of occasions. Non-life threatening incidents were attended within 15 minutes on 91.4% of occasions.

31. Whilst the Authority's response times to incidents improved last year, it is important to note that due to the pandemic more on-call fire engines were available during the day time period due to firefighters being furloughed from their primary employment, which when combined with lower levels of incident activity at the beginning of the year had an influence on the performance for these indicators. Although this had a cost implication, it was partially funded by the Government's Covid grant and increased the number of available fire engines



## Availability

32. The Authority aims to have an average of 50 fire engines available day and night across Kent and Medway. The number of fire engines available is heavily influenced by the availability of on-call firefighters and can therefore fluctuate over a 24 hour period. The table below details the average number of fire engines available during the day (9am-6pm) and in the evening (6pm to 9am). Of the number available, 26 of these are full-time fire engines and the remainder on-call.

	2018/19	2019/20	2020/21
Day	33	34	44
Night	51	50	57

33. The average number of available fire engines across both day and night time periods increased in the last year which has already mentioned, can be attributed to the pandemic. The Authority saw more on-call firefighters available, particularly during the day time, as a result of changes to their primary employment such as furlough. It is anticipated that this level of availability will not continue as we return to normal.

## Customer and Business Safety

34. Despite Covid restrictions in 2020/21, the Authority's Customer Safety teams have still delivered 8,412 Safe and Well Visits to customers across the County. In addition to these visits, 1,287 telephone assessments have been carried out.
35. The level of building consultations received by the Authority from local authority building control in 2020/21 has remained consistent with the previous year; there has been little impact on this workload from Covid restrictions. Of the 300 received last year we responded to them within 21 days on 96% of occasions which is slightly under the target of 98%.
36. Building consultations received from Approved Inspectors have been completed within 21 days on 98% of occasions this year which is higher than the target of 95%. The number of these consultations has increased this year from 884 in 2019/20 to 954.1653 audits of business premises were also completed.

## Corporate Health

37. During 2020/21, 3.12% of all contracted hours have been lost due to sickness which is lower than 2019/20 (3.83%). Operational staff lost 3.78% of contracted hours to sickness and corporate teams' staff lost 1.51%. We did not see sickness levels change significantly during the first lockdown period, however levels did increase over

December and January which is a reflection of the increased presence of Covid-19 across Kent and Medway. It is important to note that any periods of isolation is not included in sickness figures.

38. RIDDOR-reportable injuries are those that the Authority is required to report to the Health and Safety Executive under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995. Two RIDDOR-reportable injuries were recorded in 2020/21, which is considerably lower than the eight incidents recorded in the previous year.

#### **IMPACT ASSESSMENT**

39. There are no impacts arising from this report.

#### **RECOMMENDATION**

40. Members are requested to:
  - 40.1 Receive and consider the provisional year end performance report.



By: Director Finance and Corporate Services

To: Kent and Medway Fire and Rescue Authority – 27 April 2021

Subject: FINANCIAL UPDATE FOR 2020/21

Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

This is the penultimate financial update report for 2020/21 with the final outturn report and year end accounts, being presented to the Authority in July. This report contains a number of financial updates and proposals, specifically in relation to the following:

- The latest forecast outturns against the revenue and capital for the 2020/21 financial year;
- Proposed use of the 2020/21 revenue budget underspend and related reserve adjustments;
- A treasury update for 2020/21 and a proposed amendment to the 2021/22 Treasury Strategy;
- A budget transfer is required in relation to essential improvements / repairs required on a number of flat roofs;
- An update on the disposal of the vacant land at Medway fire station;
- Details of an amendment to the 2021/22 revenue budget following confirmation of the accounting treatment in relation to the Local Tax Income Guarantee Scheme Grant, announced as part of the Government's 2021/22 Covid-19 Support Package.

### **RECOMMENDATIONS**

Members are requested to:

1. Agree the transfer of £1m of the final underspend to the Infrastructure Reserve (paragraph 9 refers);
2. Agree that any underspend in excess of £1m be transferred to the Insurance and Resource Reserve (paragraph 9 refers);

3. Agree to the removal of the £15m limit on the total amount that can be invested in Money Market Funds (paragraph 17 and 18 refer);
4. Agree that an additional £550k is allocated from the Infrastructure Reserve to fund urgent roof repairs (paragraph 26 refers);
5. Consider and note the remaining contents of the report.

LEAD/CONTACT OFFICER: Finance Manager – Barrie Fullbrook  
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EMAIL: [barrie.fullbrook@kent.fire-uk.org](mailto:barrie.fullbrook@kent.fire-uk.org)  
BACKGROUND PAPERS: None

## COMMENTS

### Revenue and Capital Budgets

1. This report provides Members with the latest forecast financial position for the 2020/21 financial year. This includes an update in relation to day-to-day revenue expenditure, forecast capital expenditure, forecast year-end reserve balances and the latest treasury position.
2. There are a number of detailed appendices attached which provide further information to support the summary in this covering report. **Appendices 1 – 4** detail the changes in the revenue budget since the last detailed report was presented to the Authority in October; **Appendices 5 – 8** detail the subjective and functional analysis of the latest forecast revenue spend; **Appendices 9 and 10** detail the changes to the capital budget since October and the latest forecast position on the Infrastructure Plan; **Appendix 11** shows the forecast year-end position on General and Earmarked Reserves (excluding the 2020/21 forecast underspend); and finally **Appendix 12** shows the forecast position on the Firefighters' Pension Fund for 2020/21.
3. **Revenue Budget Changes** - Since the budget was presented to Members in October 2020 it has been necessary to action some further adjustments to the budget in the form of virements. These virements do not change the overall budget but will show as movements between budget headings that net to zero. Details of all reportable 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).
4. **Revenue Budget Summary** - The forecast underspend on the revenue budget has increased from the £2.4m reported to Members in February to £2.757m. The latest position includes a forecast net underspend of £2.147m on pay-related budget headings and £610k on non-pay budget headings. These are net savings as in excess of £1m has been charged to the Covid-19 grant, which was allocated for specific Covid-19 related activity that was undertaken by this Authority.
5. The forecast pay underspend mainly relates to operational pay (£1.033m) and is partly due to a reduction in wholetime recruit pay costs. The 2020/21 pay budget assumed that all wholetime recruits would be trained as apprentices and would therefore be over establishment until they had successfully completed their two-year apprenticeship. It was subsequently agreed that the service would step away from using apprenticeships to support the development of firefighters enabling the training to be more targeted and aligned to National Operational Guidance. The new modular trainee firefighter course allows both wholetime and on-call trainees to proceed at the same rate of learning which was not possible with the apprenticeship programme. The revised approach means that recruits

will now fill station vacancies once their initial 20 week training programme is successfully completed. In addition, some wholetime station vacancies have been filled by fast-tracking on-call station staff into wholetime vacancies requiring just an eight week conversion course to be completed. During the year 11 staff were transferred into wholetime stations from on-call stations and at the end of 2020/21, 16 new recruits were brought into the service. This change in approach has resulted in a forecast underspend on pay budgets of £927k.

6. In addition, wholetime fire stations have been running under establishment for most of 2020/21. The staffing shortfalls have been covered by a number of cost-effective measures, including; the use of competent staff from the Learning and Development team, where capacity has arisen due to the cancellation of training courses due to Covid-19; deployment of corporate staff with separate on-call firefighter contracts to wholetime fire stations to carry out their day to day work whilst enabling them to be available for operational response; and the use of around 1,000 banked shifts originally pre-allocated to training that have either been cancelled or delivered in a different way due to Covid-19. Although some training courses have been cancelled, operational competence has been maintained with all mandatory training continuing to be delivered. Wholetime station vacancies and reduced overtime costs have resulted in a forecast underspend on pay budgets of £849k. Additionally, the on-call pay budget is also forecast to underspend by £260k. However, of this gross underspend, some £1.003m of these costs relate specifically to Covid-19 activity and as such they have been charged to Covid-19 grant.
7. Other pay underspends total £1.114m with the main areas being; Control (£166k), Customer Safety (£285k), Business Safety (£167k), Business Support Team (£64k), Human Resources and Corporate Team Apprentice's (£268k) and Information Technology (£60k). Covid-19 has had an impact on recruitment so some vacancies have taken longer to fill than expected leading to greater underspends. In addition, when a post becomes vacant the opportunity is taken to review the post and, consequently, some vacant posts have been deleted from the establishment generating additional underspend in 2020/21. The most significant non-pay underspends are forecast on training expenditure (£237k); equipment and supplies (£321k); and communications and computing (£381k). These are partly offset by a forecast overspend of £156k on direct pension costs and investment income is forecast to be £139k lower than budgeted due to a general reduction in interest rates.
8. **Revenue Budget Forecast Variances** - The revenue budget and forecast outturn is presented both subjectively (**Appendix 5**, by type of expenditure) and functionally (**Appendix 7**, by service area) with further explanations for the most significant differences between the budget and forecast outturn described in **Appendices 6 and 8** respectively.

9. **Use of the Revenue Underspend** - Given the anticipated underspend Members are asked to agree to the transfer of £1m of the final underspend to the Infrastructure Reserve and the balance to the Insurance and Resource Reserve. The one off allocation to the Infrastructure reserve will fund improvements and alterations at a number of premises across the County, including Service Headquarters. The opportunity has arisen to improve the working environment at a number of stations and Service Headquarters, more than was originally planned for in the current budget allocated for 2021/22. This will create more collaborative and inclusive workspaces and support the flexible working environment that we have become more used to. The use of more flexible working will also help contribute to reducing our carbon emissions as colleagues travel less frequently into the workplace. The remaining balance of the underspend will help support any additional funding pressures that may arise in year, as a result of either trade tariffs or rising prices for example. As such Members are asked to approve the transfer of £1m to the Infrastructure reserve and the balance, likely to be approximately £1.7m to the Insurance and Resource reserve.
10. **Infrastructure Plan** - The Infrastructure Plan contains all planned capital expenditure and some large one-off revenue expenditure, such as investment in IT projects. Details of the Infrastructure Plan can be seen in **Appendices 9 and 10**.
11. **Capital Receipts and Other Usable Reserves** - Details of the 31 March 2021 forecast balances on each reserve are attached at **Appendix 11**. Forecast closing balances do not include transfers to reserve as a result of the 2020/21 forecast underspend (proposed above in paragraph 9).

## **Budget Issues and Risks**

12. Despite the report being presented in April, there are still a number of adjustments that need to take place in order to produce the final year-end accounts. There is, therefore, the potential in the last few weeks of the year for issues to arise, particularly in the following areas, which may have an impact on the final outturn for the year:-
  - a) **Pay** - Additional activity payments are paid two months in arrears so any deviation from the costs that have been estimated will give rise to a variance.
  - b) **Ill-Health Retirements** - An increase in ill-health retirements notified before the end of the financial year will lead to an increase in costs.
  - c) **Delivery of Goods and Services** - Forecasts assume that certain expenditure will be incurred before 31 March 2021. In the event that plans change or there are supplier delays, new underspends may arise. In some

cases funds will be rolled forward in the Rolling Budget Reserve to meet commitments which will move into 2021/22.

## **Other Financial Issues**

### **Property Update**

13. **Update on Disposal of Surplus Land at Medway Fire Station Site** - Following the first phase of below ground investigations at Watling Street, MHS Homes, Medway Council's preferred social housing provider, have decided to withdraw from negotiations, however, we have since been approached by another interested party with regard to the purchase of the site. Any offer made is subject to a further phase 3 ground survey to understand the cost of remediation works and progress is now being made to commission this. Members will be updated at a future meeting when more information becomes available.

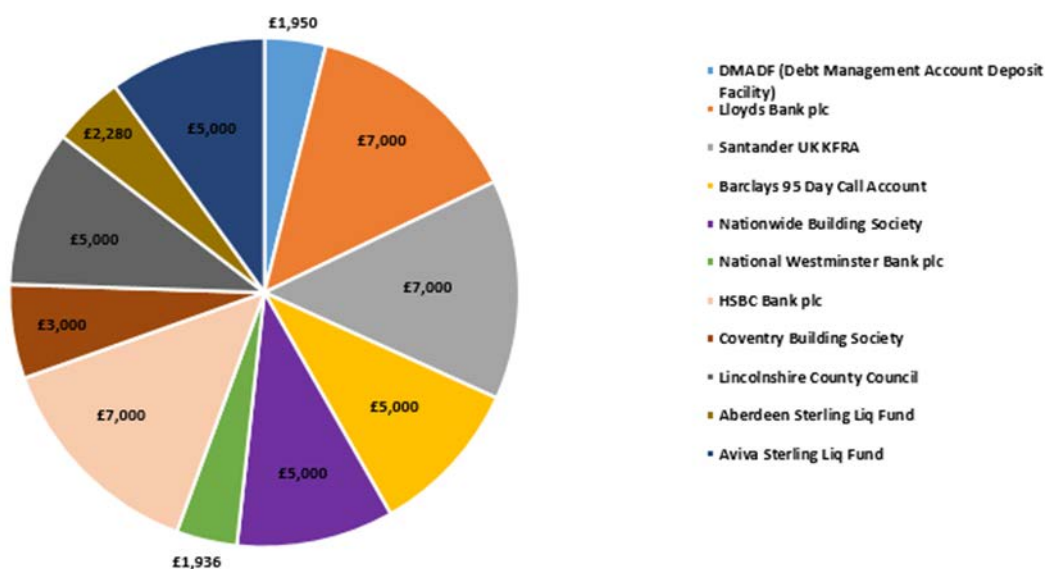
### **Grant Update**

14. **Covid-19 Grant Usage Update** - To date, the Authority has received Government funding, in the form of Section 31 grants, totalling £1.652m to cover all additional costs incurred as a direct result of the Covid-19 pandemic. However, we have recently been notified that we are due to receive a further Section 31 Covid-19 grant in April, which totals £199k. The current forecast projects that the Authority will have incurred additional costs attributable to Covid-19 amounting to £1.305m by 31 March 2021. Additionally, the Authority will have lost around £139k in investment income due to a general reduction in interest rates. Some underspends have also arisen, most notably on training expenditure and vehicle fuel and travel costs.
15. **Fire Protection Accreditation Grant** - On 12 March 2021 the Government announced that an additional grant of £45k would be made available to the Authority this financial year. This is a one-off funding arrangement intended to fund the accreditation and recognised prior learning costs of fire protection officers and fire safety engineers. Acceptance of the grant was submitted to the Home Office on 16 March 2021.

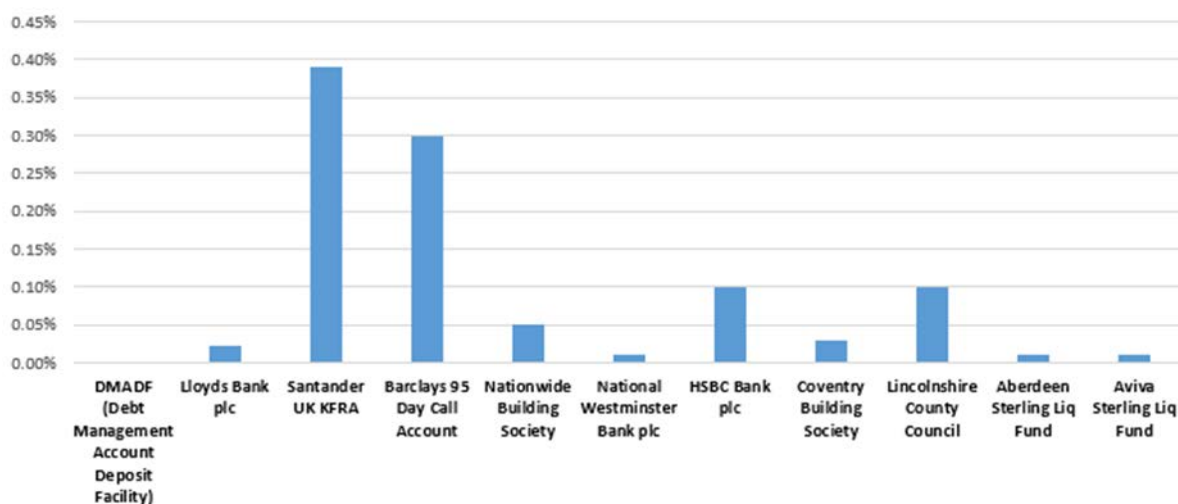
### **Treasury Update**

16. **Cash Invested** - Between April 2020 and February 2021 the Authority invested an average cash balance of £50.2m. The pie chart below shows the balance invested at the end of February 2021 (£50.17m) which has a forecast investment income for the year of £97k. The bar chart details the current interest rate levels paid on these deposits. Below are details of investment balances and interest rates as at 28 February 2021.

**Cash Invested Per Counterparty as at February 21 (£000's)**



**Average Interest Rate Per Counterparty as at Feb 21**



17. **2021/22 Treasury Strategy** - Since the Treasury Strategy was agreed at the Authority meeting on 23 February 2021, there has been additional grants allocated and therefore this has increased cash balances in the interim, which has resulted in the need to review the available facilities for deposits. Initially the Authority agreed a restriction of £15m in total deposits across the money market sector. However, in light of potential future balances and availability of deposits, this has highlighted the need to review the £15m restriction. Consequently, Members are now asked to agree to the lifting the £15m restriction on money market deposits to enable further deposits to be accessed which will allow cash to be withdraw in line with cash flow requirements.
18. However, Members can be assured that if the restriction is lifted appropriate governance will continue to remain in place to protect as much as is possible the

security of the Authority's money. Money Market Funds offer a high degree of security, being AAA-rated, with next day instant access. The Authority currently invests in both Constant Net Asset Value (CNAV) and Low Volatility Net Asset Value (LVNAV) money market funds. With regard to the LVNAV money market funds, the units within the fund are purchased or redeemed at a constant price so long as they do not deviate by more than 0.2% from par. Our current Treasury Strategy does not permit investments in Variable Net Asset Value funds as they are considered not appropriate for the Authority's investment risk appetite. Each fund is reviewed to ascertain the products in which it invests and are monitored through the Institutional Cash Distributors Treasury portal.

### **Firefighters Pension Fund 2020/21**

19. **The Firefighters' Pension Fund for 2020/21** - Attached at **Appendix 12** is the forecast outturn for the Firefighters' Pension Fund for 2020/21. 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 the 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.

### **Changes to the Accounts and Audit Regulations**

20. **Revised Accounts and Audit Regulations for England for 2020/21 and 2021/22** - The regulations on Financial Statement publication and sign-off have been amended for the 2020/21 and 2021/22 financial years. The Accounts and Audit (Amendment) Regulations 2021 were presented to Parliament on 9 March 2021 and come into force on 31 March 2021. The regulations apply to local authorities in England including Police and Crime Commissioners, Chief Constables and Fire and Rescue Authorities.
21. Following the recent consultation exercise, MHCLG has confirmed that the revised regulations will adopt the dates that were proposed. For 2020/21 and 2021/22, the publication date of the audited accounts in England will therefore be extended from 31 July to 30 September.
22. It was also confirmed that in respect of the period for the exercise of public rights, the common inspection date is being removed, requiring instead that the draft accounts be published no later than 1 August. This also applies to 2020/21 and 2021/22.

### **Consultation Responses**

23. **CIPFA Prudential Code Consultation** - This consultation was primarily a technical consultation released by CIPFA following growing concerns over local



government commercial property investments. The Prudential Code is a professional code of practice that aims to ensure financial plans are affordable, prudent and sustainable. The Director, Finance and Corporate Services has responded to the consultation.

24. **CIPFA Treasury Management Consultation** - The proposed technical consultation to the changes to the Treasury Management Practices guidance includes increased monitoring of training and skills and a formal policy requirement to document training. There is a proposal to introduce new guidance for environmental, social and governance risk management, so that Authority's consider the ecological impact of the company they are looking to work with and there is a proposed introduction of a dedicated committee to review treasury management decisions and strategies. The Director, Finance and Corporate Services has responded to this consultation.

## 2021/22 Revenue Budget

25. **Amendment to the 2021/22 Net Revenue Budget** - On the 5 March 2021 the Government published an update on the 2021/22 Covid-19 Support Package. The update confirmed that, following discussions with the Chartered Institute of Public Finance and Accountancy (CIPFA), the Local Tax Income Guarantee Scheme grant should be accounted for in the 2020/21 financial year. Although the overall level of funding available to the authority remains unchanged the accounting treatment does impact on the presentation of the 2021/22 budget. The grant receipt (estimated at £454k) will now be recognised in 2020/21 (and not 2021/22) with an equivalent amount transferred into reserves to be drawn down over the following three financial years, to match reporting of the 2020/21 irrecoverable Collection Fund deficit. The impact of this change has been discussed with the Chief Executive who has agreed to the changes highlighted below in consultation with the Chair. The figures highlighted below show the impact of this accounting change:

<b>Revenue Budget 2021/22</b>	<b>Feb. £'000</b>	<b>Revised £'000</b>
Base budget brought forward	74,258	74,258
Pay, pensions, prices and other pressures	1,780	1,780
Savings	-989	-989
Transfer to General Reserve – base budget removed	-200	-200
<b>Base Revenue Budget</b>	<b>74,849</b>	<b>74,849</b>
Transfer from Reserves - Local Tax Income Guarantee	303	-151
Transfer from Reserves - 2020/21 Expanded Retail Reliefs	-3,175	-3,175
Transfer to General Reserve	50	50
<b>Net Revenue Budget</b>	<b>72,027</b>	<b>71,573</b>

**Budget Funded by:**

Revenue Support Grant	6,457	6,457
Business Rates and Top-up grant	16,402	16,402
Council Tax	51,397	51,397
Local Council Tax Support Grant	956	956
Local Tax Income Guarantee Scheme	454	0
Net Deficit on Collection Funds	-3,639	-3,639
<b>Total Funding</b>	<b>72,027</b>	<b>71,573</b>

## **2021/22 Capital Budget**

26. **Amendment to the 2021/22 Capital Budget** – The Authority agreed the 2021/22 capital budget at the February Authority meeting. Since then a recent roof condition survey has identified that a further £550k of expenditure is required for essential urgent improvements work to the roofs. As such Members are asked to approve an increase to the Roofing Capital Programme of £550k funded from the Infrastructure Reserve, this will increase the total roofing budget for 2021/22 to £600k.

## **IMPACT ASSESSMENT**

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

## **RECOMMENDATIONS**

28. Members are requested to:
- 28.1 Agree the transfer of £1m of the final underspend to the Infrastructure Reserve (paragraph 9 refers);
  - 28.2 Agree that any underspend in excess of £1m be transferred to the Insurance and Resource Reserve (paragraph 9 refers);
  - 28.3 Agree to the removal of the £15m limit on the total amount that can be invested in Money Market Funds (paragraph 17 and 18 refer);
  - 28.4 Agree that an additional £550k is allocated from the Infrastructure Reserve to fund urgent roof repairs (paragraph 26 refers);
  - 28.5 Consider and note the remaining contents of the report.

**Appendix 1 to  
Item No: B2**

**2020/21 Revenue Budget Adjustments**

Figures shown are in £'000			
	<b>Oct-20 Budget</b>	<b>Budget Changes</b>	<b>Revised Budget</b>
Salaries, allowances and on-costs	61,857	-87	61,770
Training expenses	749	5	754
Other employee costs (inc. Insurance)	684	0	684
Direct pension costs	1,889	0	1,889
<b>Total Employee Costs</b>	<b>65,179</b>	<b>-82</b>	<b>65,097</b>
Repairs, maintenance and other costs	2,617	-259	2,358
Utility costs	2,393	0	2,393
<b>Total Premises Costs</b>	<b>5,010</b>	<b>-259</b>	<b>4,751</b>
Vehicle running costs	2,206	0	2,206
Travel allowances and expenses	101	-11	90
<b>Total Transport Costs</b>	<b>2,307</b>	<b>-11</b>	<b>2,296</b>
Equipment and supplies	2,798	42	2,840
Fees and services	1,550	-246	1,304
Communications and computing	4,670	-583	4,087
Other supplies and services	695	-10	685
<b>Total Supplies and Services Costs</b>	<b>9,713</b>	<b>-797</b>	<b>8,916</b>
Capital financing costs	1,042	0	1,042
Revenue contributions to Capital Plan	2,340	0	2,340
<b>Total Capital Financing Costs</b>	<b>3,382</b>	<b>0</b>	<b>3,382</b>
Grants and contributions	-8,409	-21	-8,430
Investment income	-236	0	-236
Other income	-310	0	-310
Transfers to/(from) reserves	-2,378	1,170	-1,208
<b>Total Income</b>	<b>-11,333</b>	<b>1,149</b>	<b>-10,184</b>
<b>Net Revenue Budget</b>	<b>74,258</b>	<b>0</b>	<b>74,258</b>

## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

### 2020/21 Revenue Budget Adjustments Since October 2020 - Subjective Analysis Explanations

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.

Reportable virements are detailed below;

- (a) **Salaries, allowances and on-costs (£87k Decrease)** - This budget decrease mainly relates to the rephasing of the National Training Framework project budget whilst training specifications continue to be developed, so £49k is offset by a transfer back to the Service Transformation and Productivity Reserve for use in 2021/22. Additionally, the Station Based Training project has been rephased due to Covid-19 so another £5k is offset by a transfer back to the Service Transformation and Productivity Reserve for use in 2021/22. Other minor net changes total £33k and are also offset by reserve transfers.
- (b) **Repairs, maintenance and other costs (£259k Decrease)** - This budget decrease is entirely offset by a transfer back to the Infrastructure Reserve where property works have been rephased to 2021/22 due to delays as a result of Covid-19.
- (c) **Fees and services (£246k Decrease)** - A large proportion of this decrease is offset by a transfer to the Infrastructure Reserve (£205k) and relates to professional fees associated with the property works that have been rephased to 2021/22 (see (b)). Other minor net changes total £41k.
- (d) **Communications and computing (£583k Decrease)** - The majority of this decrease is offset by a transfer to the Infrastructure Reserve and is due to the rephasing of IT projects to 2021/22. The most significant being; £412k in relation to the Improvement of Customers and Premises Risk Management project due to contract delays; and a total of £150k for the Asset Management System and the Control project. Other minor net changes total £21k.
- (e) **Transfers from reserves (£1.170m Reduction)** - The majority of this reduced transfer from reserves is explained by the corresponding reserve adjustments detailed in (a) to (d).

**Appendix 3 to  
Item No: B2**

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY  
2020/21 Revenue Budget Adjustments – Functional Analysis**

Figures shown are in £'000	<b>Oct-20 Budget</b>	<b>Budget Changes</b>	<b>Revised Budget</b>
Firefighting and Rescue Services	31,300	8	31,308
Control	2,012	0	2,012
<b>Total Operational Response</b>	<b>33,312</b>	<b>8</b>	<b>33,320</b>
Customer Safety	2,915	-26	2,889
Business Safety	2,461	-23	2,438
<b>Total Customer and Business Safety</b>	<b>5,376</b>	<b>-49</b>	<b>5,327</b>
Operational Policy and Resilience	3,451	88	3,539
<b>Total Operational Policy and Resilience</b>	<b>3,451</b>	<b>88</b>	<b>3,539</b>
Corporate Management and Business Support Team	2,196	-27	2,169
Member Allowances and Expenses	102	0	102
Human Resources and Training	7,299	-101	7,198
Information Technology	6,230	-590	5,640
Property, Environmental and Facilities	5,822	-464	5,358
Fleet and Transport	2,851	1	2,852
Finance, Insurance and Procurement	2,327	-88	2,239
Policy and Performance	1,052	-18	1,034
Engagement Team	762	-3	759
<b>Total Organisational Support</b>	<b>28,641</b>	<b>-1,290</b>	<b>27,351</b>
Pension Cost	1,889	0	1,889
Net Financing Costs	806	0	806
Infrastructure Funding and Other Reserves	673	1,243	1,916
Non-ringfenced Grants	0	0	0
Admin for Council Tax Support Schemes	110	0	110
<b>Total Pensions, Financing and Other Costs</b>	<b>3,478</b>	<b>1,243</b>	<b>4,721</b>
<b>Net Revenue Budget</b>	<b>74,258</b>	<b>0</b>	<b>74,258</b>

## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

### 2020/21 Revenue Budget Adjustments – Functional Analysis Explanations

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.

Reportable virements are detailed below;

- (f) **Operational Policy and Resilience (£88k Increase)** - The operational equipment budget has been increased by £16k to fund the replacement of old life jackets and the purchase of new operational equipment for training appliances. This is offset by a transfer from the Infrastructure Reserve. Pay budgets have been increased by £72k to fund some temporary posts in the Operational Planning team due to increased workloads and to provide cover for long-term absences. This is offset by a transfer from the Service Transformation and Productivity Reserve.
- (g) **Human Resources and Training (£101k Decrease)** - As an underspend on pay budgets has occurred due to in-year vacancies in the Learning and Development team the temporary pay budgets allocated to fund some temporary staff have been reversed. This is offset by a transfer to the Service Transformation and Productivity Reserve.
- (h) **Information Technology (£590k Decrease)** - The majority of this change is explained in (d).
- (i) **Property, Environmental and Facilities (£464k Decrease)** - This change is explained in (b) and (c).
- (j) **Finance, Insurance and Procurement (£88k Decrease)** - This change mainly relates to two national procurement projects where funding has been rephased to 2021/22. The National Specialist PPE project (£31k) and the National Training Framework (£49k) both of which are offset by a transfer to the Service Transformation and Productivity Reserve. Other minor changes total £8k.
- (k) **Infrastructure Funding and Other Reserves (£1.243m Increase)** - The majority of this change is explained in (f) to (j). Where expenditure funded from the Infrastructure Reserve or the Service Transformation Reserve has been rephased it is offset by a transfer to reserves which appears under this functional heading.

**Appendix 5 to  
Item No: B2**

**Revenue Budget - Subjective Analysis**

Figures shown are in £'000	Original Budget	Revised Budget	Forecast Outturn	Total Variance
Salaries, allowances and on-costs	61,445	61,770	59,623	-2,147
Training expenses	739	754	517	-237
Other employee costs(inc. Insurance)	684	684	668	-16
Direct pension costs	1,889	1,889	2,045	156
<b>Total Employee Costs</b>	<b>64,757</b>	<b>65,097</b>	<b>62,853</b>	<b>-2,244</b>
Repairs, maintenance & other costs	2,789	2,358	2,300	-58
Utility costs	2,244	2,393	2,381	-12
<b>Total Premises Costs</b>	<b>5,033</b>	<b>4,751</b>	<b>4,681</b>	<b>-70</b>
Vehicle running costs	2,192	2,206	2,104	-102
Travel allowances and expenses	99	90	36	-54
<b>Total Transport Costs</b>	<b>2,291</b>	<b>2,296</b>	<b>2,140</b>	<b>-156</b>
Equipment and supplies	2,297	2,840	2,519	-321
Fees and services	1,447	1,304	1,291	-13
Communications and computing	5,367	4,087	3,706	-381
Other supplies and services	677	685	609	-76
<b>Total Supplies and Services Costs</b>	<b>9,788</b>	<b>8,916</b>	<b>8,125</b>	<b>-791</b>
Capital financing costs	1,042	1,042	1,042	0
Revenue contributions to Capital	2,340	2,340	2,340	0
<b>Total Capital Financing Costs</b>	<b>3,382</b>	<b>3,382</b>	<b>3,382</b>	<b>0</b>
Grants and contributions	-7,835	-8,430	-13,523	-5,093
Investment income	-236	-236	-97	139
Other income	-252	-310	-357	-47
Transfers to/(from) reserves	-2,670	-1,208	4,297	5,505
<b>Total Income</b>	<b>-10,993</b>	<b>-10,184</b>	<b>-9,680</b>	<b>504</b>
<b>Net Revenue Budget</b>	<b>74,258</b>	<b>74,258</b>	<b>71,501</b>	<b>-2,757</b>



## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

### Significant Variances and Movements in the 2020/21 Revenue Budget

#### Subjective Variance Analysis

The forecast net underspend of £2.757m is made up of 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 (£2.147m Underspend)** - This underspend is explained in the main body of the report in paragraphs 5 - 7. Further explanations are also provided in the Functional Variance Analysis at **Appendix 8**.
- (b) **Training expenses (£237k Underspend)** - A different approach has been taken to wholetime recruit training than initially expected, meaning there have been savings of £58k on recruit training costs due to the new recruits not attending a residential training course, as the training was delivered on site in county. A number of corporate team apprentice posts have remained vacant this year so the budget allocated for training apprentices is forecast to underspend by a further £58k, though this will be offset by a reduction in income from the drawdown of training costs from the apprenticeship levy. The Covid-19 pandemic saw various training venues close during 2020/21 resulting in some courses being cancelled or delivered in a different way at a reduced cost to the Authority, leading to additional underspend against the training budget (£121k).
- (c) **Direct Pension Costs (£156k overspend)** - There have been two unbudgeted ill health retirements in 2020/21 which has resulted in an additional contribution to the Pension Fund for unabated pensions.
- (d) **Vehicle running costs (£102k Underspend)** - A £270k underspend is forecast against the fuel budget, mainly due to a decrease in normal activity levels and by making use of BP's offer of free fuel to all emergency services during periods of the pandemic. This is partly offset by an overspend on vehicle repair and maintenance costs mainly due to the increasing age profile of the current fleet. The capital programme contains significant investment in the replacement of fire appliances and a large number of response and pool vehicles in 2021/22.

- (e) **Equipment and supplies (£321k Underspend)** - Covid-19 has resulted in a reduction in the number of Safe and Well visits and Home Fire Safety visits carried out in 2020/21. This has led to a forecast underspend of around £98k on equipment purchases, such as smoke alarms. It is anticipated that additional visits will be carried out in 2021/22 so £20k of the forecast underspend is offset by a transfer to the Rolling Budget Reserve for use in 2021/22. Covid-19 has also resulted in a forecast underspend of around £125k on the printing, stationery, janitorial and refreshments budgets where staff have been working from home and meetings have been carried out online. In addition, a £50k underspend is forecast against clothing and workwear where ad-hoc spend has been lower than anticipated. Other minor net variances total £48k.
- (f) **Communications and computing (£381k Underspend)** - Expenditure on the Website Upgrade project (£40k), Network Upgrade project (£76k), Command and Control project (£10k) and Cloud Migration project (£9k) have been rephased to 2021/22 so these are offset by a transfer to reserves. Underspends have been generated from reductions in the use of consultancy services in relation to various IT projects (£122k). The KFRS share of costs towards the Kent Services Public Network have reduced by £48k due to more partners joining the scheme. The Airwave service charge has reduced now that the core power upgrade costs and previous call-off items have stopped being charged resulting in an underspend of £46k. Other minor net variances total £30k.
- (g) **Other supplies and services (£76k Underspend)** - As a result of lockdown measures introduced by the Government to combat Covid-19 there has been a significant reduction in conference expenses this year resulting in a forecast underspend of £44k. Other minor net variances total £32k.
- (h) **Grants and contributions (£5.093m Additional Income)** - The Government has confirmed that the Authority will receive additional grant funding for 2020/21. The first of these grants will cover the cost of the additional business rates reliefs granted by the Government in 2020/21 amounting to £3.175m, and the second will cover 75% of irrecoverable losses on the Council Tax and Business Rates Collection Funds currently estimated at £454k. Both grants will be recognised in 2020/21 and transferred to Earmarked Reserves to be released over the next three years to match the reporting of Council Tax and Business Rates Collection Fund deficits. Earlier in the year the Government announced that the Authority would receive a £1.390m grant to cover expenditure directly attributable to Covid-19 (in addition to the £262k grant received in 2019/20). It has subsequently been confirmed that an additional grant of £199k will be paid to the Authority from the Fire Covid-19 Contingency Fund set up by the Home Office for 2020/21. The additional funding is partly offset by a reduction in funding drawn down from the apprenticeship levy (£177k) where wholtime recruits are no longer being trained through the apprenticeship route. Other minor net variances total £52k.

- (i) **Investment income (£139k Reduced Income)** - The Bank of England base rate was quickly reduced to 0.1% due to the Covid-19 pandemic meaning interest earned on balances invested has reduced considerably this year. Although the reduction in income is significant, pro-active treasury management has ensured that the forecast has improved over recent months.
- (j) **Transfers to Reserves (£5.505m Increased Transfer to Reserves)** - Grant funding that has not been spent will be rolled forward for use in future years (see (h)). Additionally, where project spend and infrastructure spend has been rephased this will also be offset by a transfer to Earmarked Reserves for use in later years.

**KENT AND MEDWAY FIRE AND RESCUE  
AUTHORITY**

**Revenue Budget - Functional Analysis**

Figures shown are in £'000	Original Budget	Revised Budget	Forecast Outturn	Total Variance
Firefighting and Rescue Services	31,222	31,308	30,297	-1,011
Control	2,054	2,012	1,879	-133
<b>Total Operational Response</b>	<b>33,276</b>	<b>33,320</b>	<b>32,176</b>	<b>-1,144</b>
Customer Safety	2,930	2,889	2,557	-332
Business Safety	2,425	2,438	2,266	-172
<b>Total Customer and Business Safety</b>	<b>5,355</b>	<b>5,327</b>	<b>4,823</b>	<b>-504</b>
Operational Policy and Resilience	3,070	3,539	3,792	253
<b>Total Operational Policy and Resilience</b>	<b>3,070</b>	<b>3,539</b>	<b>3,792</b>	<b>253</b>
Corporate Management and Business Support Team	2,553	2,169	1,960	-209
Member Allowances and Expenses	102	102	102	0
Human Resources and Training	7,725	7,198	7,183	-15
Information Technology	6,884	5,640	5,275	-365
Property, Environmental and Facilities	5,677	5,358	5,342	-16
Fleet and Transport	2,840	2,852	2,774	-78
Finance, Insurance and Procurement	2,220	2,239	2,291	52
Policy and Performance	1,056	1,034	1,039	5
Engagement Team	745	759	797	38
<b>Total Organisational Support</b>	<b>29,802</b>	<b>27,351</b>	<b>26,763</b>	<b>-588</b>
Pension Cost	1,889	1,889	2,045	156
Net Financing Costs	806	806	945	139
Infrastructure Funding and Other Reserves	-50	1,916	2,443	527
Non-ringfenced Grants	0	0	-1,601	-1,601
Admin for Council Tax Support Schemes	110	110	115	5
<b>Total Pensions, Financing and Other Costs</b>	<b>2,755</b>	<b>4,721</b>	<b>3,947</b>	<b>-774</b>
<b>Net Revenue Budget</b>	<b>74,258</b>	<b>74,258</b>	<b>71,501</b>	<b>-2,757</b>

## KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

### Significant Variances and Movements in the 2020/21 Revenue Budget

#### Functional Variance Analysis

The forecast net underspend of £2.757m is made up of a variety of underspend and overspends, and the reasons for the most significant variances are commented on below:-

#### Base Budget Variances

- (k) **Firefighting and Rescue Services (£1.011m Underspend)** - This forecast underspend is explained in the main body of the report in paragraphs 5 and 6.
- (l) **Control (£133k Underspend)** - The team has been operating with a small number of vacancies throughout this financial year. Although the number of vacancies increased at the start of 2021, five new members of staff have recently been recruited and will join the team in April 2021. The pay underspend (£166k) is offset by an overspend of £33k against the budget for the shared control room arrangement with Kent Police.
- (m) **Customer Safety (£332k Underspend)** - The majority of this underspend relates to pay budgets (£285k), where vacancies have taken longer to fill due to Covid-19. It has also been agreed that some vacant posts will be deleted from the team structure, so have been deleted from the establishment for 2021/22. The remaining underspend is mainly due to a reduced number of Safe and Well visits and Home Fire Safety visits during 2020/21 as a result of Covid-19 (£72k) (see (e)). Other minor net variances total an overspend of £25k.
- (n) **Business Safety (£172k Underspend)** - This underspend is mainly related to in-year vacancies within the Business Safety Team (£167k). The Covid-19 pandemic has had an impact on recruitment but several Fire Safety Inspector roles have recently been filled.
- (o) **Operational Policy and Resilience (£253k Overspend)** - This overspend mainly relates to expenditure on Personal Protective Equipment which is attributable to Covid-19 and is therefore offset by additional Covid-19 grant income.
- (p) **Corporate Management and Business Support Team (£209k underspend)** - There is a pay underspend of £64k due to in-year vacancies within the Business Support Team. Additionally, the Collaboration budget is forecast to underspend by £145k.

- (q) **Human Resources and Training (£15k Underspend)** - There is a forecast pay underspend of £268k due to vacancies within Corporate Teams apprentice posts (£130k) and the Training team, of which some posts have been deleted from the establishment for 2021/22. There is an additional underspend of £237k against Training expenditure (see (b)). These underspends are offset by; reduced income from drawdown from the apprenticeship levy of £177k where less apprentices have been appointed to Corporate Teams than initially expected and whole time recruits are no longer trained through the apprenticeship route; transfers to the Rolling Budget Reserve to cover the costs of new gym equipment for stations (£165k) and to provide assistance to support staff to return to work following absence due to injury (£50k); and the cost of membership and first year subscription to the Institute of Fire Engineers for operational staff.
- (r) **Information Technology (£365k Underspend)** - The main explanations for this variance are provided in (f).
- (s) **Fleet & Transport (£78k Underspend)** - The main explanations for this underspend are provided in (d). Other minor net variances total £24k.
- (t) **Pension Costs (£156k overspend)** - see (c).
- (u) **Net Financing Costs (£139k overspend)** - see (i) regarding reduced investment income.
- (v) **Infrastructure Funding and Other Reserves (£527k Increased Transfer)** - This increased transfer to reserves relates to the rephasing of project expenditure (£47k) and infrastructure expenditure (£281k) to later years. The Infrastructure Plan and Infrastructure Funding is shown at **Appendix 9**. An additional £199k is forecast as a transfer to reserves following confirmation of additional grant funding from the Fire Covid-19 Contingency Fund set up by the Home Office for 2020/21.
- (w) **Non-ring-fenced Grants (£1.601m Additional Income)** - This additional income mainly relates to the £1.390m Covid-19 grant received in 2020/21 and the £199k grant to be paid to the Authority from the Fire Covid-19 Contingency Fund. The grant is partly offset by forecast expenditure against pay headings (£1.003m) and operational equipment (o).

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**2020/21 Infrastructure Budget Adjustments and Forecast**

Figures shown are in £'000	October Budget	Budget Changes	Revised Budget	Forecast	Var.
<b>Infrastructure Capital Budget</b>					
Ashford Fire Station	385	-195	190	85	-105
<b>Total Station Development</b>	<b>385</b>	<b>-195</b>	<b>190</b>	<b>85</b>	<b>-105</b>
Generators	50	-36	14	14	0
Roofing Works	85	-5	80	80	0
Boilers	105	29	134	140	6
<b>Total Premises</b>	<b>240</b>	<b>-12</b>	<b>228</b>	<b>234</b>	<b>6</b>
Mobile Data Terminals	481	-430	51	51	0
<b>Total Information and Communication Systems</b>	<b>481</b>	<b>-430</b>	<b>51</b>	<b>51</b>	<b>0</b>
Appliances	2,305	0	2,305	2,303	-2
Specialist Units and Vehicles	388	-101	287	245	-42
Cars and Vans	660	-10	650	645	-5
<b>Total Vehicles and Equipment</b>	<b>3,353</b>	<b>-111</b>	<b>3,242</b>	<b>3,193</b>	<b>-49</b>
<b>Total Infrastructure Capital Budget</b>	<b>4,459</b>	<b>-748</b>	<b>3,711</b>	<b>3,563</b>	<b>-148</b>
<b>Infrastructure Revenue Budget</b>					
Premises	974	-469	505	475	-30
Equipment	45	16	61	48	-13
Information and Comms. Systems	2,104	-554	1,550	1,453	-97
<b>Total Infrastructure Revenue Budget</b>	<b>3,123</b>	<b>-1,007</b>	<b>2,116</b>	<b>1,976</b>	<b>-140</b>
<b>Total Infrastructure Revenue and Capital Budgets</b>	<b>7,582</b>	<b>-1,775</b>	<b>5,827</b>	<b>5,539</b>	<b>-288</b>
<b>Funded from:-</b>					
Base Revenue Contributions	3,792	0	3,792	3,792	0
Infrastructure Reserve	1,569	1,029	540	259	-281
One-off funding & grants	102	-22	124	117	-7
Capital Receipts Reserve	2,119	748	1,371	1,371	0
<b>Total Funding</b>	<b>7,582</b>	<b>1,755</b>	<b>5,827</b>	<b>5,539</b>	<b>-288</b>

**KENT AND MEDWAY FIRE AND RESCUE AUTHORITY**

**2020/21 Infrastructure Capital Budget Adjustments and Variances – Explanations**

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 prior Member approval.

Reportable virements and explanations for the most significant variances are detailed below;

- a) **Ashford Fire Station (£195k Decrease)** - The budget for this project was reduced by £195k to reflect anticipated rephasing of expenditure into later years. The latest forecast shows additional rephasing of expenditure with a further reduction of £105k due to delays in the appointment of a contractor.
- b) **Mobile Data Terminals (£430k Decrease)** - This budget has been rephased to 2021/22 due to delays in signing-off the first release of devices, though this issue has now been resolved. In addition, there have been some delays in the project because of lockdown due to Covid-19.
- c) **Specialist Units and Vehicles (£101k Decrease)** - This budget was reduced to reflect the rephasing of a small number of vehicle purchases to 2021/22. Subsequently the forecast has been reduced by a further £42k following the rephasing of an additional vehicle purchase to 2021/22.

**2020/21 Infrastructure Revenue Budget Adjustments and Variances** - The main reasons for the budget changes and details of the variances are contained within the overall revenue budget analysis in **Appendices 1 to 8**.



KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2020/21 General and Earmarked Reserves

Figures shown are in £'000		Opening Balance 01-Apr-20	Forecast Transfer 2020/21	Forecast Closing Balance 31-Mar-21*
General Reserve	(A)	3,510	200	3,710
<i>Earmarked Reserves:</i>				
Government Grants	(B)	748	4,003	4,751
Infrastructure	(C)	26,183	-259	25,924
Insurance and Resource	(C)	1,748	0	1,748
Rolling Budget	(C)	370	192	562
Service Transformation and Productivity	(C)	850	-38	812
Total Earmarked Reserves		29,899	3,898	33,797
<b>Total Revenue Reserves</b>		<b>33,409</b>	<b>4,098</b>	<b>37,507</b>
Capital Receipts	(D)	9,234	-1,371	7,863
<b>Total Capital Reserves</b>		<b>9,234</b>	<b>-1,371</b>	<b>7,863</b>
<b>Total Usable Reserves</b>		<b>42,643</b>	<b>2,727</b>	<b>45,370</b>

\* Forecast Earmarked Reserve balances at 31 March 2021 exclude any transfer to reserves that may be required at year end as a result of the forecast underspend on the 2020/21 revenue budget.

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 (although the flexibility to use capital receipts to meet the revenue costs of transformation has been extended to 31 March 2022)

KENT AND MEDWAY FIRE AND RESCUE AUTHORITY

2020/21 Firefighters' Pension Fund

	Original Budget	Home Office Return (Sept 20)	Forecast Outturn	Variance (Home Office Return)
Figures shown are in £'000				
<b>Pension Outgoings:</b>				
Pension payments	23,269	23,558	23,479	-79
Transfer values paid out	0	0	93	93
<b>Total Expenditure</b>	<b>23,269</b>	<b>23,558</b>	<b>23,572</b>	<b>14</b>
<b>Pension Income:</b>				
Employee contributions	-3,665	-3,638	-3,701	-63
Employer contributions	-8,059	-8,206	-8,327	-121
In-year ill-health charge income	-306	-254	-351	-97
Non-abated pension income	-73	-90	-186	-96
Transfer values received in	0	0	-146	-146
Government top-up grant	-11,166	-11,370	-10,861	509
<b>Total Income</b>	<b>-23,269</b>	<b>-23,558</b>	<b>-23,572</b>	<b>-14</b>
<b>Net Fund Expenditure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

By: Director of Finance and Corporate Services

To: Kent and Medway Fire and Rescue Authority - 27 April 2021

Subject: EXTERNAL AUDITORS' DRAFT AUDIT PLAN FOR 2020/21

Classification: Unrestricted

## FOR DECISION

### SUMMARY

This report presents the External Auditors' Draft Audit Plan for the 2020/21 financial year and also provides a summary of the key areas which the Auditors are required review, to ensure compliance with auditing standards. Whilst the Auditors approach to the audit will be risk-based, it reflects the fact that they have gained a thorough understanding of the Authority's business. The scope of the audit is set in accordance with the Code of Audit Practice and the International Standards on Auditing (ISAs) (UK), and the Auditors will be expressing, at the end of their review, an opinion on the Financial Statements for 2020/21 and the Value for Money arrangements that are in place. The Audit Plan will be presented at the meeting by a representative of Grant Thornton.

### RECOMMENDATIONS

Members are requested to:

1. Consider and approve the Audit Risk Assessment (paragraphs 2 to 5 and **Appendix 1** refer);
2. Consider and approve the draft External Audit Plan for 2020/21 (paragraphs 6 to 8 and **Appendix 2** refer).

LEAD/CONTACT OFFICER: Director of Finance and Corporate Services - Alison Kilpatrick  
TELEPHONE NUMBER: 01622 692121 ext. 8262  
EMAIL: [alison.kilpatrick@kent.fire-uk.org](mailto:alison.kilpatrick@kent.fire-uk.org)  
BACKGROUND PAPERS: None

## COMMENTS

### Background

1. Usually at this time of year, Members will be aware that the External Auditors present those charged with governance, their plan of work to address and review the final accounts for the year just ended. This year is no different in that respect, and as such details on the plan are set out in the paragraphs that follow.
2. However, it is also quite clear that the expectations placed on External Auditors, by the Financial Reporting Council (FRC) are increasing considerably. There is an increased focus on the accounting estimates applied by management in the accounts as well as the risk of mis-statement arising from fraud. Consequently for the first time we are now required by our External Auditors to provide far more evidence of our approach and controls in these areas and as such we have been asked to complete the template, attached at **Appendix 1**, which Members are asked to review and approve. The completion of this template aids the Auditors in their risk assessment.

### Informing the Audit Risk Assessment 2020/21

3. The International Standards on Auditing (UK) sets out the Auditors responsibilities in assessing the risk of misstatement in the Financial Statements arising from fraud, error and the risk of misstatement due to the accounting estimates applied by management.
4. These areas require the Auditors to obtain an understanding of management processes and to gain a view on the Authority's oversight of these areas. The key areas set out in **Appendix 1** are detailed below;
  - (a) **General enquiries of management** – Ascertains that management have given due consideration to events during the year that may impact on the Financial Statements;
  - (b) **Fraud risk assessment** – Seeks assurance that Management and the Authority have an understanding of key areas at risk of fraud and have adequate controls in place to detect and reduce the risk of fraud;
  - (c) **Law and regulations** – Seeks assurance that the Authority has operated in accordance with the law and regulation;
  - (d) **Related parties** - Ascertains the procedures in place to identify related party transactions.

5. Revised International Standards on Auditing (ISA) 540 require Auditors to understand and assess the Authority's internal controls over accounting estimates and these have been set out in the latter part of **Appendix 1**.

#### **Audit Plan for 2020/21**

6. At this time of year the External Auditors prepare their Draft Audit Plan for the year ended 31 March 2021. The Plan outlines their strategy in delivering the audit, ensuring that it reflects recommended practice. The Plan therefore covers the following areas:-
- (a) **Key matters** - Sets out the external factors that need to be taken into account when undertaking the Audit;
  - (b) **Introduction and headlines** - This section sets out the Audit risk based approach from an understanding of the Authority's business. It identifies the Auditing standards under which the Audit will take place and the information that Grant Thornton will be expressing an opinion on;
  - (c) **Risks** - This section considers various potential risks with some of the areas of focus being nationally prescribed. The Auditors will examine any that may be significant in nature and those that have a potential to be mis-stated in the final accounts;
  - (d) **Accounting estimates and related disclosures** - This is a new section following the revision to Internal Standards in Auditing and sets out the areas that the Auditors will be reviewing to ascertain that the Authority has internal controls over accounting estimates within the accounts and that members understand what they are and the risk and governance around them.
  - (e) **Materiality levels** - Here the Auditors set out what they consider to be the value of materiality variances, as well as setting the level for those adjustments that are considered to be trivial in nature, for the purposes of the audit;
  - (f) **Value for Money (VFM) arrangements** - Here the Auditors explain the revised approach on which they will assess their value for money work for 2020/21, as defined by the new update of the National Audit Office Code.
  - (g) **Risks of significant VFM weaknesses** - Identifies those key areas of focus for VFM and details of the new types of recommendations that members can expect in the new reporting style.

7. The Draft Audit Plan for 2020/21 is attached at **Appendix 2** for Members' consideration and approval.
8. Once the External Auditors have concluded their review of the Financial Statements and discussed it with officers, they will present their Audit Findings Report to the Authority's next available meeting. This will reflect any issues arising from the audit and their anticipated opinion on the accounts for 2020/21. This year as part of the new regulations it is understood that the value for money conclusion will form part of the new Auditor's report that will be presented to members at the October Authority meeting.

## **IMPACT ASSESSMENT**

9. This audit update provides further assurance for Members that the Authority is complying with all the necessary statutory reporting requirements. The assessments of both the Financial Statements and the Value for Money conclusion will involve close scrutiny of processes and documented evidence.

## **RECOMMENDATIONS**

10. Members are requested to:
  - 10.1 Consider and approve Informing the Audit Risk Assessment (paragraphs 2 to 5 and **Appendix 1** refer);
  - 10.2 Consider and approve the draft External Audit Plan for 2020/21 (paragraphs 6 to 8 and **Appendix 2** refer).

# Informing the audit risk assessment for Kent and Medway Fire and Rescue Authority 2020/21

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



# Table of Contents

Section	Page
Purpose	4
General Enquiries of Management	6
Fraud	9
Fraud Risk Assessment	10
Laws and Regulations	15
Impact of Laws and Regulations	16
Related Parties	18
Accounting Estimates	20
Accounting Estimates - General Enquiries of Management	21
Appendix A – Accounting Estimates	24

## Purpose

The purpose of this report is to contribute towards the effective two-way communication between Kent and Medway Fire and Rescue Authority's (the 'Authority') external auditors and the Authority's committee, as 'those charged with governance'. The report covers some important areas of the auditor risk assessment where we are required to make inquiries of the Authority committee under auditing standards.

### Background

Under International Standards on Auditing (UK), (ISA(UK)) auditors have specific responsibilities to communicate with the Authority committee. ISA(UK) emphasise the importance of two-way communication between the auditor and the Authority committee and also specify matters that should be communicated.

This two-way communication assists both the auditor and the Authority committee in understanding matters relating to the audit and developing a constructive working relationship. It also enables the auditor to obtain information relevant to the audit from the Authority committee and supports the Authority committee in fulfilling its responsibilities in relation to the financial reporting process.

### Communication

As part of our risk assessment procedures we are required to obtain an understanding of management processes and the Authority's oversight of the following areas:

- General enquiries of management;
- Fraud;
- Laws and regulations;
- Related parties; and
- Accounting estimates.

## Purpose

This report includes a series of questions on each of these areas and the response we have received from the Authority's management. The Authority committee should consider whether these responses are consistent with its understanding and whether there are any further comments it wishes to make.

# General Enquiries of Management

Question	Management response
1. What do you regard as the key events or issues that will have a significant impact on the financial statements for 2020/21?	The only issues we are currently aware of are the two national issues regarding pensions (ie, the McCloud and O'brein case). If however a significant financial issue arose in year, then we currently have healthy reserves which we could utilise, should this be required to help resolve the issue in the short term.
2. Have you considered the appropriateness of the accounting policies adopted by the Authority?  Have there been any events or transactions that may cause you to change or adopt new accounting policies?	A review of accounting policies is undertaken each year to ensure they are still relevant.  The property valuation policy has been enhanced to advise that premises material in value will be subject to a full valuation annually with the remaining stock subject to a full valuation on a 25% rolling basis over the subsequent 4 years. The remaining properties are revalued annually on a desktop basis by the Authority's Valuer
3. Is there any use of financial instruments, including derivatives?	In line with the approved Treasury Strategy the Authority makes use of Treasury Bills, and has placed funds in the Government's Debt Management Office account, bank and building society deposit accounts and bank call and notice accounts, money market funds and Local Authority lending.
4. Are you aware of any significant transactions outside the normal course of business?	We are not aware of any significant transactions outside the normal course of business

# General Enquiries of Management

Question	Management response
5. Are you aware of any changes in circumstances that would lead to impairment of non-current assets?	Currently we are not aware of any impairments
6. Are you aware of any guarantee contracts?	<p>As far as we are aware the Authority is not party to any guarantee contracts. However, you may wish to note that when a public sector body (e.g. KMTFA) creates framework agreement(s) against which it and other FRSs can enter into contracts, there is a law that could mean in the event of a failure or legal challenge the named Authority could be liable.</p> <p>Kent is named as lead authority on the following national framework agreements –</p> <ul style="list-style-type: none"> <li>• PPE</li> <li>• Training</li> <li>• Workwear</li> <li>• Specialist PPE</li> <li>• Ladders Framework</li> <li>• COVID-19 Framework</li> </ul>
7. Are you aware of the existence of loss contingencies and/or un-asserted claims that may affect the financial statements?	<p>The Authority continues to be a member of the Fire and Rescue Indemnity Company (FRIC), one of eleven FRA's that are part of the insurance mutual for cover.</p> <p>At the end of each financial year a review of the insurance reserve and outstanding claims is undertaken and where appropriate a provision is made within the accounts.</p>
8. Other than in-house solicitors, can you provide details of those solicitors utilised by the Authority during the year. Please indicate where they are working on open litigation or contingencies from prior years?	<p>DLA Piper UK LLP– Procurement and Contract Advice</p> <p>Invicta Law – Property &amp; HR</p> <p>Stotesbury/Red Lion Chambers – Technical Fire Safety</p>

# General Enquiries of Management

Question	Management response
9. Have any of the Authority's service providers reported any items of fraud, non-compliance with laws and regulations or uncorrected misstatements which would affect the financial statements?	No reports have been made
10. Can you provide details of other advisors consulted during the year and the issues on which they were consulted?	<p>The Authority's insurers provide estimates of outstanding liabilities (reserves) in respect of insurance claims pending against the Authority which are used to calculate any insurance provisions necessary in the accounts.</p> <p>Avison Young advise on property valuations for accounting purposes and Barnet Waddingham LLP provide the information in relation to IAS 19 disclosures.</p> <p>Link Asset Services provide the Authority with Treasury and Leasing advice and daily updates.</p>

# Fraud

## Issue

### Matters in relation to fraud

ISA (UK) 240 covers auditors responsibilities relating to fraud in an audit of financial statements.

The primary responsibility to prevent and detect fraud rests with both the Authority committee and management. Management, with the oversight of the Authority committee, needs to ensure a strong emphasis on fraud prevention and deterrence and encourage a culture of honest and ethical behaviour. As part of its oversight, the Authority committee should consider the potential for override of controls and inappropriate influence over the financial reporting process.

As the Authority's external auditor, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error. We are required to maintain professional scepticism throughout the audit, considering the potential for management override of controls.

As part of our audit risk assessment procedures we are required to consider risks of fraud. This includes considering the arrangements management has put in place with regard to fraud risks including:

- assessment that the financial statements could be materially misstated due to fraud;
- process for identifying and responding to risks of fraud, including any identified specific risks;
- communication with the Authority committee regarding its processes for identifying and responding to risks of fraud; and
- communication to employees regarding business practices and ethical behaviour.

We need to understand how the Authority committee oversees the above processes. We are also required to make inquiries of both management and the Authority committee as to their knowledge of any actual, suspected or alleged fraud. These areas have been set out in the fraud risk assessment questions below together with responses from the Authority's management.

# Fraud risk assessment

Question	Management response
<p>1. Has the Authority assessed the risk of material misstatement in the financial statements due to fraud?</p> <p>How has the process of identifying and responding to the risk of fraud been undertaken and what are the results of this process?</p> <p>How do the Authority's risk management processes link to financial reporting?</p>	<p>The Authority has assessed the risk of material misstatement in the financial statements due to fraud, through the approved Code of Governance Framework which identifies the systems and processes by which the Authority ensures it delivers its aim and objectives and complies with the principle of good governance. Members are required to approve the annual Statement of Accounts". The Authority has a suitably qualified and experienced S.151 Officer who is responsible for ensuring that there are robust systems and processes in place to ensure that the Authority's accounting transactions are captured promptly and recorded accurately in order to report on progress against budgets and to facilitate the production of the financial statements. We receive regular updates on the Authority's financial position during the year and details of any variances from the approved budget and the extent to which this may impact on reserves. The Accounts include a reconciliation of the revenue budget outturn and the statutory financial statements and any significant variances are explained in the accompanying report and appendices.</p> <p>It is through the Governance Framework that the Authority has assessed the risk of material misstatement in the financial statements due to fraud as very low risk.</p>
<p>2. What have you determined to be the classes of accounts, transactions and disclosures most at risk to fraud?</p>	<p>The risk of fraud can be either internal or external with the internal attempts potentially being through claiming for pay/overtime or expenses or in the misuse of assets and thus we would expect robust controls to be in place to mitigate this risk. Regular training takes place to ensure teams are aware of potential issues. However, the attempted risk of theft / fraud still remains a threat from external sources. Vigilance and strong controls in the team help identify erroneous / fraudulent emails purporting to be from any one of our suppliers and have identified early attempts to clone a procurement card.</p>



# Fraud risk assessment

Question	Management response
<p>3. Are you aware of any instances of actual, suspected or alleged fraud, errors or other irregularities either within the Authority as a whole or within specific departments since 1 April 2020?</p> <p>As a management team, how do you communicate risk issues (including fraud) to those charged with governance?</p>	<p>We are only aware of an external fraud where one of the Authority's procurement cards was cloned. However, due to the controls in place this was detected early and action was taken with the bank to cancel the card, the bank agreed the card had been cloned and were undertaking their own investigations. Additionally a number of spam emails have been received within the organisation, which attempt to request the payment of fraudulent invoices. Controls are such that these are deleted as span emails when received and none have progressed to the payment stage.</p> <p>Responsibility for Governance arrangements and for agreeing and receiving reports on Internal and External Audit plans rests with the Authority. Members of the Authority periodically receive training, as part of the committee process, in order to support them in their role in overseeing this process. The Annual Governance Assurance Report is produced setting out any changes, identifies weaknesses or planned amendments to the governance framework. The KCC Audit Manager assigned to the Authority's contract fulfils the role of Head of Internal Audit for the Authority and provides Members with an annual report on the outcomes of the audit plan, including any fraud investigations undertaken.</p>
<p>4. Have you identified any specific fraud risks?</p> <p>Do you have any concerns there are areas that are at risk of fraud?</p> <p>Are there particular locations within the Authority where fraud is more likely to occur?</p>	<p>The risk of fraud can be either internal or external with the internal attempts potentially being through claiming for pay/overtime or expenses or in the misuse of assets and thus we would expect robust controls to be in place to mitigate this risk. Regular training takes place to ensure teams are aware of potential issues. However, the attempted risk of theft / fraud still remains a threat from external sources. Vigilance and strong controls in the team help identify erroneous / fraudulent emails purporting to be from any one of our suppliers and have identified early attempts to clone a procurement card.</p>
<p>5. What processes does the Authority have in place to identify and respond to risks of fraud?</p>	<p>The Authority has policies underpinned by regulations and procedures that set out arrangements for financial planning, financial management and financial systems and procedures as well as the management of risk. The Anti-fraud and Corruption procedure contains within its guidance any action that should be taken should an employee suspect a fraud or irregularity. All such policies are considered and approved by Corporate Management Board and where significant updates are required, these are reported to the Authority for approval</p>

# Fraud risk assessment

Question	Management response
<p>6. How do you assess the overall control environment for the Authority, including:</p> <ul style="list-style-type: none"> <li>the existence of internal controls, including segregation of duties; and</li> <li>the process for reviewing the effectiveness the system of internal control?</li> </ul> <p>If internal controls are not in place or not effective where are the risk areas and what mitigating actions have been taken?</p> <p>What other controls are in place to help prevent, deter or detect fraud?</p> <p>Are there any areas where there is a potential for override of controls or inappropriate influence over the financial reporting process (for example because of undue pressure to achieve financial targets)?</p>	<p>The Authority operates an effective control environment, policies set out the controls and delegations for the operation of the organisations. The Authority has a Service Level Agreement in place with Kent County Council, for the provision of an Internal Audit Service to Kent Fire and Rescue. They provide an independent and objective assurance on the effectiveness on the controls that are in place. Their reports are reviewed by the responsible Corporate Management Board (CMB) Member and where improvements have been identified an action plan is agreed and monitored for implementation. The CMB (at KFRS) receive regular quarterly internal reports and monitor the progress against action plans. The Head of Internal Audit provides independent reports to the Authority meeting on the outcomes of the reviews undertaken and progress made on identified actions. The Head of Internal Audit has independent access to the Chief Executive, and should they so wish, to any Member of the Fire Authority.</p> <p>The Internal Audit team is also involved in the testing of new systems as and when they are introduced, and this was the case with the implementation of the Auto pay Bacs payment system. Discussions are usually undertaken with Internal Audit on proposed system control changes. The Authority operates a range of controls to prevent and detect fraud, theft and misuse of funds. This includes arrangements to ensure that staff and stakeholders can raise any concerns or complaints about the way finance is utilised, including where necessary independent access to the Authority's auditors. A fraud register has now been established to record all reported or suspected cases, regardless of whether fraud is eventually proven to have occurred. The Authority has an Anti-Fraud and Corruptions Framework which was updated in April 2018 to reflect the updated policies which underpin that Framework. Within the Framework is an action plan which details the provision for a regular fraud risk assessment with support from the anti-fraud specialist.</p> <p>We are not aware of any areas where there is a potential for override of controls or inappropriate influence over the financial reporting process.</p>

Question	Management Response
7. Are there any areas where there is potential for misreporting?	No not as far as we are aware.

# Fraud risk assessment

Question	Management response
<p>8. How does the Authority communicate and encourage ethical behaviours and business processes of its staff and contractors?</p> <p>How do you encourage staff to report their concerns about fraud?</p> <p>What concerns are staff expected to report about fraud?</p> <p>Have any significant issues been reported?</p>	<p>The Authority has policies underpinned by regulations and procedures that set out arrangements for financial planning, financial management and financial systems and procedures as well as the management of risk. The Anti-fraud and Corruption procedure contains within its guidance any action that should be taken should an employee suspect a fraud or irregularity. All such policies are considered and approved by Corporate Management Board and where significant updates are required, these are reported to the Authority for approval. Regular staff seminars, staff focus groups, an internal intranet and a monthly Chief's update are a selection of the number of ways in which we communicate and discuss key issues with staff. This year we particularly concentrated on the Nolan principles and staff were asked over a number of months to consider within their teams certain hypothetical ethical dilemmas and discuss what should/could have been done.</p> <p>Staff are expected to report any activity where deception is used for personal gain to cause a loss to another. There are a number of ways that staff can report suspected fraud, they can raise it with their Line Manager, direct to the Director, Finance and Corporate Services, through the Speak Up Policy.</p> <p>No significant issues have been reported this Financial year.</p>

Question	Management response
<p>9. From a fraud and corruption perspective, what are considered to be high-risk posts?</p> <p>How are the risks relating to these posts identified, assessed and managed?</p>	<p>High risk posts are determined as those that have authorisation access to the Authority's bank accounts and financial systems, and those posts that have authority to sign off large items of expenditure, expenses, overtime claims and with authority to enter into large contractual commitments.</p> <p>Risks in relation to those posts are determined through their job description and job role and the access available to them . Senior Finance staff with banking access are expected to undertake a DBS check to ensure there is no prior history of fraudulent activity. Roles and processes are set up to ensure a separation of duties in that no one person can process a transaction from start to finish.</p>
<p>10. Are you aware of any related party relationships or transactions that could give rise to instances of fraud?</p> <p>How do you mitigate the risks associated with fraud related to related party relationships and transactions?</p>	<p>We are not aware of any related party relationships or transactions that could give rise to instances of fraud.</p> <p>The Authority has a register of Member interests and all staff are required to declare if they have any secondary employment. Members, Senior Officers, Budget Managers and all those involved in procurement are required to complete an annual return providing details of any possible related party transactions.</p> <p>Enquiries are made to the Committee Clerk for details of changes in Members appointed to the Authority from the previous year and during the year.</p>

# Fraud risk assessment

Question	Management response
<p>11. What arrangements are in place to report fraud issues and risks to the Authority committee?</p> <p>How does the Authority committee exercise oversight over management's processes for identifying and responding to risks of fraud and breaches of internal control?</p> <p>What has been the outcome of these arrangements so far this year?</p>	<p>Every detailed Financial outturn report presented to the Authority highlights any potential in-year financial risks that may affect the outturn for that year. However, there is also the Corporate Risk Register which is reported to the Authority, at least annually, but reviewed quarterly by CMB.</p> <p>The Authority has a Service Level Agreement in place with Kent County Council, for the provision of an Internal Audit Service to Kent Fire and Rescue. They provide an independent and objective assurance on the effectiveness on the controls that are in place. Their reports are reviewed by the responsible Corporate Management Board (CMB) Member and where improvements have been identified an action plan is agreed and monitored for implementation. The CMB (at KFRS) receive regular quarterly internal reports and monitor the progress against action plans.</p> <p>The Head of Internal Audit provides independent reports to the Authority meeting on the outcomes of the reviews undertaken and progress made on identified actions. The Head of Internal Audit has independent access to the Chief Executive, and should they so wish, to any Member of the Fire Authority.</p> <p>No internal fraud has been reported or detected.</p>
<p>12. Are you aware of any whistle blowing potential or complaints by potential whistle blowers? If so, what has been your response?</p>	<p>To date the Authority has not had any reported whistle blowing tips or complaints.</p>
<p>13. Have any reports been made under the Bribery Act?</p>	<p>To date the Authority has not had any reports made under the Bribery Act</p>

# Law and regulations

## Issue

### Matters in relation to laws and regulations

ISA (UK) 250 requires us to consider the impact of laws and regulations in an audit of the financial statements.

Management, with the oversight of the Authority committee, is responsible for ensuring that the Authority's operations are conducted in accordance with laws and regulations including those that determine amounts in the financial statements.

As auditor, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error, taking into account the appropriate legal and regulatory framework. As part of our risk assessment procedures we are required to make inquiries of management and the Authority committee as to whether the entity is in compliance with laws and regulations. Where we become aware of information of non-compliance or suspected non-compliance we need to gain an understanding of the non-compliance and the possible effect on the financial statements.

Risk assessment questions have been set out below together with responses from management.

# Impact of laws and regulations

Question	Management response
<p>1. How does management gain assurance that all relevant laws and regulations have been complied with?</p> <p>What arrangements does the Authority have in place to prevent and detect non-compliance with laws and regulations?</p> <p>Are you aware of any changes to the Authority's regulatory environment that may have a significant impact on the Authority's financial statements?</p>	<p>Mr Ben Watts (General Counsel and Monitoring Officer for Kent County Council) is the Authority's Monitoring Officer with Ms Lauren McCann, Principal Solicitor and Deputy Monitoring Officer for Kent County Council appointed as the Authority's Deputy Monitoring Officer, for the period until 31 March 2021. As has always been the case, the Monitoring Officer continues to receive all draft reports so that he is able to advise the Chief Executive should a potential breach of law or regulation be suspected. Officers of the Authority would of course seek legal advice where there was any uncertainty surrounding a particular course of action or question of interpretation of law or regulation and include any issues relevant to the decision in reports to the Authority.</p> <p>As part of the annual governance assurance self-assessment, senior managers assess the compliance with internal controls, including those designed to ensure compliance with the law. These assessments are validated independently. A system for identifying and considering changes in the law is in place to ensure any implications are picked up and complied with. Policies list relevant legislation applicable to the subject matter.</p> <p>The Authority also receives annual reports on the level of assurance around the Authority's governance controls, supported by assessments from Internal and External Audit, which includes compliance with relevant legislation.</p> <p>To date we are not aware of any such instances</p>



# Impact of laws and regulations

Question	Management response
2. How is the Authority committee provided with assurance that all relevant laws and regulations have been complied with?	<p>The Authority receives the Annual Governance Statement annually for consideration, which includes compliance with internal controls, including those designed to ensure compliance with the law. The Authority's Monitoring Officer receives a copy of all draft reports to ensure compliance with the law. The Authority also receive annual reports on the level of assurance around the Authority's governance controls, supported by assessments from Internal and External Audit which includes compliance with relevant legislation.</p> <p>The Clerk to the Authority oversees all Committee meetings and would have a role in advising Members and Officers of any potential breach of law or regulation particularly in relation to committee procedures.</p>
3. Have there been any instances of non-compliance or suspected non-compliance with laws and regulation since 1 April 2020 with an on-going impact on the 2020/21 financial statements?	To date we are not aware of any such instances
4. Is there any actual or potential litigation or claims that would affect the financial statements?	<p>The Authority continues to be a member of the Fire and Rescue Indemnity Company (FRIC), one of eleven FRA's that are in the insurance mutual for cover.</p> <p>At the end of each financial year a review of the insurance reserve and outstanding claims is undertaken and where appropriate a provision is made within the accounts.</p>
5. What arrangements does the Authority have in place to identify, evaluate and account for litigation or claims?	Legal expenses have their own account code so they can be easily identified at the end of the financial year. Enquiries are made at financial year end to the Monitoring Officer and Invicta Law of any litigation or claims they may be made aware of. The Director of Finance and Corporate services is made aware of any potential litigation or claims that could have a financial impact.
6. Have there been any report from other regulatory bodies, such as HM Revenues and Customs which indicate non-compliance?	To date we are not aware of any such instances

# Related Parties

## Issue

### Matters in relation to Related Parties

The Authority is required to disclose transactions with entities/individuals that would be classed as related parties. These may include:

- entities that directly, or indirectly through one or more intermediaries, control, or are controlled by the Authority;
- associates;
- joint ventures;
- an entity that has an interest in the authority that gives it significant influence over the Authority;
- key management personnel, and close members of the family of key management personnel; and
- post-employment benefit plans (pension fund) for the benefit of employees of the Authority, or of any entity that is a related party of the Authority.

A disclosure is required if a transaction (or series of transactions) is material on either side, i.e. if a transaction is immaterial from the Authority's perspective but material from a related party viewpoint then the Authority must disclose it.

ISA (UK) 550 requires us to review your procedures for identifying related party transactions and obtain an understanding of the controls that you have established to identify such transactions. We will also carry out testing to ensure the related party transaction disclosures you make in the financial statements are complete and accurate.

## Related Parties

Question	Management response
<p>1. Have there been any changes in the related parties disclosed in the Authority's 2019/20 financial statements?</p> <p>If so please summarise:</p> <ul style="list-style-type: none"> <li>the nature of the relationship between these related parties and the Authority;</li> <li>whether the Authority has entered into or plans to enter into any transactions with these related parties; and</li> <li>the type and purpose of these transactions.</li> </ul>	<p>To date we are not aware of any changes in relation to related parties as disclosed in the Authority's 19/20 financial statements.</p>
<p>2. What controls does the Authority have in place to identify, account for and disclose related party transactions and relationships?</p>	<p>The Authority has a register of Member interests and all staff are required to declare if they have any secondary employment. Members, Senior Officers, Budget Managers and all those involved in procurement are required to complete an annual return providing details of any possible related party transactions.</p> <p>Enquiries are made to the Committee Clerk for details of changes in Members appointed to the Authority from the previous year and during the year.</p>
<p>3. What controls are in place to authorise and approve significant transactions and arrangements with related parties?</p>	<p>The authority has a number of policies in place to ensure separation of duties and related disclosure when procuring, ordering and purchasing services and or goods. Budgets Managers have designated cost centres and budgetary limits within which they can authorise.</p>
<p>4. What controls are in place to authorise and approve significant transactions outside of the normal course of business?</p>	<p>Significant transactions outside of the normal course of business are limited to a number of key individuals as designated by the Director of Finance and Corporate Services, within the existing policies that ensure separation of duties.</p>

# Accounting estimates

## Issue

### Matters in relation to Related Accounting estimates

ISA (UK) 540 (Revised December 2018) requires auditors to understand and assess an entity's internal controls over accounting estimates, including:

- The nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates;
- How management identifies the need for and applies specialised skills or knowledge related to accounting estimates;
- How the entity's risk management process identifies and addresses risks relating to accounting estimates;
- The entity's information system as it relates to accounting estimates;
- The entity's control activities in relation to accounting estimates; and
- How management reviews the outcomes of previous accounting estimates.

As part of this process auditors also need to obtain an understanding of the role of those charged with governance, which is particularly important where the estimates have high estimation uncertainty, or require significant judgement.

Specifically do Authority committee members:

- Understand the characteristics of the methods and models used to make the accounting estimates and the risks related to them;
- Oversee management's process for making accounting estimates, including the use of models, and the monitoring activities undertaken by management; and
- Evaluate how management made the accounting estimates?

We would ask the Authority committee to satisfy itself that the arrangements for accounting estimates are adequate.

# Accounting Estimates - General Enquiries of Management

Question	Management response
<p>1. What are the classes of transactions, events and conditions, that are significant to the financial statements that give rise to the need for, or changes in, accounting estimate and related disclosures?</p>	<p>The recent ruling with regard to the McCloud Sergeant pension case has yet to ascertain how "Remedy" will be effected and we continue to keep a watching brief on all the latest announcements, although we understand it may be sometime before guidance is issued. Further information was obtained from our actuaries who made some assumptions with regard to this case and as such the 20/21 accounts reflected these assumptions.</p> <p>Property valuations undertaken by the Authority's valuers last year were advised that due to the impact on the economy due to Covid-19 that there was 'material valuation uncertainty' and that consequently, less certainty and higher degree of caution should be attached to the valuation than would normally be the case and would require valuations to be kept under regular review.</p>
<p>2. How does the Authority's risk management process identify and addresses risks relating to accounting estimates?</p>	<p>The Authority's financial management team review current risks to the accounting estimates by keeping abreast of emerging issues through regular meetings with other Chief Financial Officers, Fire Finance Network, regular CIPFA briefings and workshops, regular financial news alerts. Regular dialogue is undertaken with the Authority's property valuers, pension actuaries and Treasury advisors.</p>
<p>3. How do management identify the methods, assumptions or source data, and the need for changes in them, in relation to key accounting estimates?</p>	<p>The Authority obtains advice for specialist areas of valuation, for Property we appoint Avison Young and for pensions we engage the advice of Barnet Waddingham LLP for Treasury we engage Link Asset Group. The CIPFA code of accounting practice is used to ascertain the correct accounting treatment.</p>
<p>4. How do management review the outcomes of previous accounting estimates?</p>	<p>The new financial year accounting estimates are compared to the previous year's accounting estimates for large variance analysis and reasonableness and where necessary explanations are sought from the Authority's specialist advisors.</p>

# Accounting Estimates - General Enquiries of Management

Question	Management response
5. Were any changes made to the estimation processes in 2020/21 and, if so, what was the reason for these?	The property valuation policy has been enhanced to advise that premises material in value will be subject to a full valuation annually with the remaining stock subject to a full valuation on a 25% rolling basis over the subsequent 4 years. The remaining properties are revalued annually on a desktop basis by the Authority's valuer. This process was changed to reduce the risk of a material error in property valuation estimates by ensuring those properties that are material to the accounts have a full valuation each year as opposed to estimate on their valuation.
6. How do management identify the need for and apply specialised skills or knowledge related to accounting estimates?	Where the Authority does not have the in-house skill set to undertake estimates in specialised areas then experts outside the Authority are engaged, for example property valuations require them to be undertaken as per Royal Institute of Chartered Surveyors.
7. How does the Authority determine what control activities are needed for significant accounting estimates, including the controls at any service providers or management experts?	Inevitably accounting estimates are required at year end where final information is not available. Estimations are invariably made based on a combination of past experience and costs incurred in the respective year. Reasonableness checks are undertaken when the estimate is determined. Any estimates provided by service providers for the year end process will be supported by the necessary evidence and narrative around the basis of their calculation, so this can be considered by officers.
8. How do management monitor the operation of control activities related to accounting estimates, including the key controls at any service providers or management experts?	The production and calculation of estimates are clearly documented, so these are often validated by other colleagues within the team, on the basis of an independent check. Any estimates provided by external providers will be reviewed for reasonableness and excessive variances in figures will be challenged and discussed to determine and understand the rationale.

# Accounting Estimates - General Enquiries of Management

Question	Management response
<p>9. What is the nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates, including:</p> <ul style="list-style-type: none"> <li>- Management's process for making significant accounting estimates;</li> <li>- The methods and models used; and</li> <li>- The resultant accounting estimates included in the financial statements.</li> </ul>	<p>The calculation of all estimates are clearly documented. The methodology used for each type of significant estimate is documented in the accounts. There is a review process established within the team for independent reviews of the calculations performed</p>
<p>10. Are management aware of transactions, events, conditions (or changes in these) that may give rise to recognition or disclosure of significant accounting estimates that require significant judgement (other than those in Appendix A)?</p>	<p>See Question 1 Accounting Estimates</p>
<p>11. Are the management arrangements for the accounting estimates, as detailed in Appendix A reasonable?</p>	<p>Yes</p>
<p>12. How is the Authority committee provided with assurance that the arrangements for accounting estimates are adequate ?</p>	<p>The Financial statements clearly state the principles used in determining the value of any estimates needed in the accounts. The Authority review and scrutinise the accounts and there is the opportunity for any Member to ask any question of detail on the estimates or any figures in the accounts.</p>

## Appendix A Accounting Estimates

Estimate	Method / model used to make the estimate	Controls used to identify estimates	Whether Management have used an expert	Underlying assumptions: - Assessment of degree of uncertainty - Consideration of alternative estimates	Has there been a change in accounting method in year?
Land and buildings valuations	Full year valuation every 5 years on the whole portfolio. Properties material in value are subject to a full valuation each year. The remaining properties are subject to a 25% of portfolio rolling full valuation with the other 75% subject to a desktop valuation.	CIPFA Code of Practice and RICS International Valuation Standards	Yes	<p>The following measurement basis are applied:-</p> <ul style="list-style-type: none"> <li>- <b>Fire Stations and specialised buildings</b> – Current Value using a depreciated replacement cost methodology</li> <li>- <b>Houses and non specialised buildings</b> – Current Value based on existing use</li> <li>- <b>Assets under construction</b>- Actual Cost</li> <li>- <b>Surplus and Held for Sale Assets</b> – Fair Value based on the price that would be received on the sale.</li> </ul>	No
Depreciation	Straight Line Method	CIPFA Code of Practice	No	<ul style="list-style-type: none"> <li>- Estimation of Useful Life reviewed annually</li> <li>- Could use the reducing balance depreciation methodology but it is not usual practice for Local Authority assets.</li> </ul>	No



## Appendix A Accounting Estimates

Estimate	Method / model used to make the estimate	Controls used to identify estimates	Whether Management have used an expert	Underlying assumptions: - Assessment of degree of uncertainty - Consideration of alternative estimates	Has there been a change in accounting method in year?
Provisions	<p><b>Insurance and General Provisions</b> - An estimate is made of the excess that could be payable for claims notified but not yet settled.</p> <p><b>Non-domestic Rate Appeals</b> – Shows the Authority's share of the amounts provided for by the Kent billing authorities.</p>	Estimates for the settlement figures are provided by REGIS (FRIC claims management company). The Authority then reviews its financial exposure to those claims and sets funds asides.	Yes	<ul style="list-style-type: none"> <li>- Insurance settlement estimates are based on the latest information available at that time.</li> <li>- Non domestic rate appeals are taken from the billing authorities NNDR3 returns from central government and subject to external audit later in year. Figures may be subject change following Audit sign off.</li> </ul>	No
Valuation of defined benefit net pension fund liabilities	A full actuarial valuation is carried out by the appointed actuary every four years with a roll forward approach taken in other years. Membership data is reviewed annually and updated when necessary.	CIPFA Code of practice IAS 19	Yes	<ul style="list-style-type: none"> <li>-Continuous Mortality Investigation's model</li> <li>-Discount rate set using Single Equivalent Discount Rate approach</li> <li>-RPI set using a Single Equivalent Inflation Rate approach</li> <li>-CPI based on adjustment to RPI</li> </ul>	No

## Appendix A Accounting Estimates

Estimate	Method / model used to make the estimate	Controls used to identify estimates	Whether Management have used an expert	Underlying assumptions: - Assessment of degree of uncertainty - Consideration of alternative estimates	Has there been a change in accounting method in year?
Investments	Investments are categorised into those that have an active market with quoted prices (Level1) and those that have some directly observable market information (Level2)	CIPFA Code of Practice	Yes	- Calculations are based on market information as at 31 March 2021	No
Fair value estimates	Fair Value estimates for PWLB loans are based on new borrowing discount rates.	CIPFA Code of Practice	Yes	<ul style="list-style-type: none"> <li>- Calculations will be based on new borrowing discount rates as at 31 March 2021</li> <li>- The Debt Management Office provides details of the exit costs for PWLB loans, the Authority uses this for disclosure comparison only.</li> </ul>	No
	Fair Value estimates for Treasury Bills are based on the mid price value.		Yes	- Calculations will be based on the mid price value as at 31 March 2021	No

## Appendix A Accounting Estimates

Estimate	Method / model used to make the estimate	Controls used to identify estimates	Whether Management have used an expert	Underlying assumptions: - Assessment of degree of uncertainty - Consideration of alternative estimates	Has there been a change in accounting method in year?
Accruals	Actual information is used where it is available. System activity reports are provided to make estimates in relation to payroll accruals and the annual leave accrual.	CIPFA Code of Practice	No	A Goods Received Not Invoiced (GRNI) system report forms the basis of most non-payroll accruals. This is reviewed by Finance and Budget Managers for accuracy before a final journal is posted. Manual accruals require backup paperwork confirming the amount to be accrued (such as a late invoice). Overtime and activity payments are paid two months in arrears so system activity reports confirming approved activity are used to estimate the accrual. System reports confirming actual days/hours are also provided to produce the annual leave accrual.	No
Credit loss and impairment allowances	Expected losses are calculated annually for significant credit risk using a provision matrix based on historic write off of debt, whilst expected credit losses for investments are calculated based on the historic risk of default for each counterparty provided by the Authority's Treasury advisors. Debtors in the balance sheet are reduced by the impairment allowance.	CIPFA Code of Practice	Yes	- Expected losses are based on historic default information.	No



# Kent and Medway Fire and Rescue Authority audit plan

**Year ending 31 March 2021**

Kent and Medway Fire and Rescue  
Authority

27 April 2021



# Contents



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## Section

Key matters	3
Introduction and headlines	4
Significant risks identified	5
Other risks identified	7
Accounting estimates and related disclosures	8
Other matters	10
Materiality	11
Value for Money Arrangements	12
Risks of significant VFM weaknesses	13
Audit logistics and team	14
Audit fees	15
Independence and non-audit services	17
Appendix 1: Revised Auditor Standards and application guidance	18

## Page

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

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# Key matters

## Factors

### Impact of Covid 19 pandemic

The outbreak of the coronavirus (Covid-19) pandemic has had an impact on the normal operations of the Fire Authority. With short notice, the Authority was able to implement remote working. Your people supported communities in ways that extended far beyond their statutory duties, stepping up to take on a range of pandemic activities, including driving ambulances and delivering essential items to the most vulnerable and personal protective equipment (PPE) to those working in healthcare.

Financially, in the short term, fire has been impacted less than other public sector bodies. In 2020/21, income and funding is largely unaffected, given the majority of it is grant funded or raised through taxation. Costs have also been impacted by increased PPE and overtime, although this has, to an extent, been offset by government Covid-19 related funding. However, the true financial impact of the pandemic is likely to materialise over the medium-term as public finances are squeezed in the post-pandemic environment, and in particular should council tax and business rates collections fall as the economic impact of the pandemic is realised.

The Authority is now considering how to take forward the benefits from remote working necessitated by the pandemic. This includes further use of flexible working, effective use of office space and reviewing service delivery models to ensure that residents and local communities continue to receive a cost effective, efficient quality fire and rescue service.

### Adoption of new auditing standards - Estimates

The Financial Reporting Council issued an updated ISA (UK) 540 (revised): Auditing Accounting Estimates and Related Disclosures which includes significant enhancements in respect of the audit risk assessment process for accounting estimates. As we explain in more detail on page 7 this will require greater disclosure by the Authority as well as additional work by the auditor.

### New Code of Audit Practice

On 1 April 2020, the National Audit Office introduced a new Code of Audit Practice which comes into effect from audit year 2020/21. The Code introduced a revised approach to the audit of Value for Money (VFM). These changes are explained in more detail on page 13 but the key points are that there are a new set of key criteria, there is more extensive reporting requirements and the replacement of the binary qualified approach to VFM conclusions, with far more sophisticated judgements on performance, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

## Our response

- At this time we have not identified a specific COVID-19 significant audit risk (as we did for local government and fire authority audits in 2019/20 which covered a number of risks including the availability of staff to produce accounts, year end stock take completion and valuation uncertainties in relation to land and buildings). We will revisit this assessment should the current pressures the sector faces continues and impacts year end accounting and auditing processes.
- We will consider the impact of Covid-19 as part of our value for money procedures.
- We will continue to provide you with sector updates from via our progress reports.
- The revisions to the standard have been incorporated into our audit approach and methodology. We have already identified the material accounting estimates likely to be impacted by the new auditing standard and will work with management to agree the information required and the disclosures required in the financial statements.
- As part of our planning work, we considered whether there were any risks of significant weakness in the body's arrangements for securing economy, efficiency and effectiveness in its use of resources that we needed to perform further procedures on.
- We will consider your arrangements for managing and reporting your financial resources as part of our work in completing our Value for Money work.

# Introduction and headlines

## Purpose

This document provides an overview of the planned scope and timing of the statutory audit of Kent and Medway Fire and Rescue Authority (the “Authority”) for those charged with governance.

## Respective responsibilities

The National Audit Office (‘the NAO’) has issued a document entitled Code of Audit Practice (‘the Code’). This summarises where the responsibilities of auditors begin and end and what is expected from the audited body. Our respective responsibilities are also set out in the agreed in the Terms of Appointment and Statement of Responsibilities issued by Public Sector Audit Appointments (PSAA), the body responsible for appointing us as auditor of Kent and Medway Fire and Rescue Authority. We draw your attention to both of these documents.

## Scope of our audit

The scope of our audit is set in accordance with the Code and International Standards on Auditing (ISAs) (UK). We are responsible for forming and expressing an opinion on the:

- Authority’s financial statements that have been prepared by management with the oversight of those charged with governance (the Authority); and
- Value for Money arrangements in place at the Authority for securing economy, efficiency and effectiveness in your use of resources.

The audit of the financial statements does not relieve management or the Authority of your responsibilities. It is the responsibility of the Authority to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Authority is fulfilling these responsibilities.

Our audit approach is based on a thorough understanding of the Authority's business and is risk based.

## Significant risks

Those risks requiring special audit consideration and procedures to address the likelihood of a material financial statement error have been identified as:

- Management override of controls
- Fraud in expenditure recognition
- Valuation of net pension liability
- Valuation of land and buildings

We will communicate significant findings on these areas as well as any other significant matters arising from the audit to you in our Audit Findings (ISA 260) Report.

## Materiality

We have determined planning materiality to be £1.9m (PY £2m) for the Authority, which equates to 2% of your prior year gross expenditure for the year. We are obliged to report uncorrected omissions or misstatements other than those which are ‘clearly trivial’ to those charged with governance. Clearly trivial has been set at £95k (PY £100k).

## Value for Money arrangements

Our risk assessment regarding your arrangements to secure value for money has not identified any risks of significant weakness.

## Audit logistics

Our final visit will take place in May and June 2021. Our key deliverables are this Audit Plan, our Audit Findings Report and Auditor’s Annual Report. Our audit approach is detailed in Appendix A.

Our proposed fee for the audit will be £43,418 (PY: £37,918) for the Authority, subject to the Authority delivering a good set of financial statements and working papers. At this time the proposed 2020/21 fee of £43,418 or the prior year fee of £37,918 have not been agreed with management or approved by the PSAA.

We have complied with the Financial Reporting Council's Ethical Standard (revised 2019) and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements.



# Significant risks identified

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

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
<b>The revenue cycle includes fraudulent transactions (rebutted)</b>	<p>Under ISA (UK) 240 there is a rebuttable presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p> <p>Having considered the risk factors set out in ISA240 and the nature of the revenue streams at the Authority, we have determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> <li>• there is little incentive to manipulate revenue recognition</li> <li>• opportunities to manipulate revenue recognition are very limited</li> <li>• the culture and ethical frameworks of local authorities, including Kent and Medway Fire and Rescue Authority, mean that all forms of fraud are seen as unacceptable</li> </ul>	We do not consider this to be a significant risk for the Authority
<b>Management over-ride of controls</b>	<p>Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities.</p> <p>We therefore identified management override of control, in particular journals, management estimates and transactions outside the course of business as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• evaluate the design effectiveness of management controls over journals</li> <li>• analyse the journals listing and determine the criteria for selecting high risk unusual journals</li> <li>• test unusual journals recorded during the year and after the draft accounts stage for appropriateness and corroboration</li> <li>• gain an understanding of the accounting estimates and critical judgements applied made by management and consider their reasonableness with regard to corroborative evidence</li> <li>• evaluate the rationale for any changes in accounting policies, estimates or significant unusual transactions.</li> </ul>

# Significant risks identified

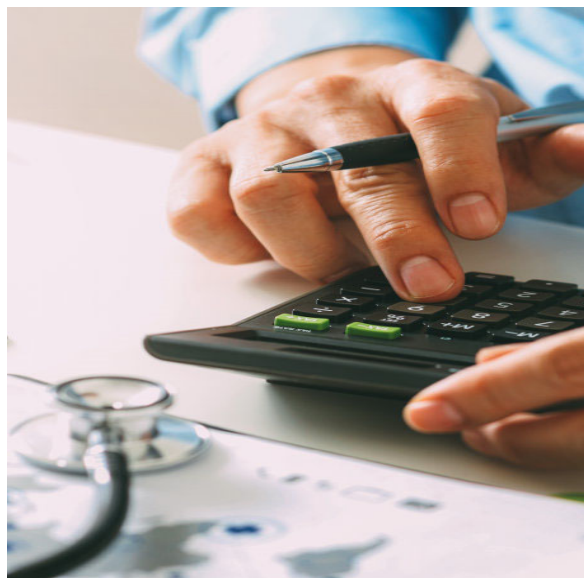
Risk	Reason for risk identification	Key aspects of our proposed response to the risk
<b>Fraud in expenditure recognition</b>	<p>As most public bodies are net spending bodies, then the risk of material misstatement due to fraud related to expenditure recognition may be greater than the risk of fraud related to revenue recognition. There is a risk the Authority may manipulate expenditure to budgets and set targets and we had regard to this when planning and performing our audit procedures.</p> <p>Management could defer recognition of expenditure by under-accruing for expenses that have been incurred during the period but which were not paid until after the year-end or not record expenses accurately in order to improve the financial results.</p>	<p>Work planned:</p> <ul style="list-style-type: none"> <li>inspect transactions incurred around the end of the financial year to assess whether they had been included in the correct accounting period.</li> <li>inspect a sample of accruals made at year end for expenditure but not yet invoiced to assess whether the valuation of the accrual was consistent with the value billed after the year. We will also compare listings of accruals to the previous year to ensure completeness of accrued items.</li> <li>investigate manual journals posted as part of the year end accounts preparation that reduces expenditure to assess whether there is appropriate supporting evidence for the reduction in expenditure.</li> </ul>
<b>Valuation of the pension fund net liability</b>	<p>The Authority's pension fund net liability, as reflected in its balance sheet as the net defined benefit liability, represents a significant estimate in the financial statements.</p> <p>The pension fund net liability is considered a significant estimate due to the size of the numbers involved and the sensitivity of the estimate to changes in key assumptions.</p> <p>We therefore identified valuation of the Authority's pension fund net liability as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>update our understanding of the processes and controls put in place by management to ensure that the Authority's pension fund net liability is not materially misstated and evaluate the design of the associated controls;</li> <li>evaluate the instructions issued by management to their management expert (an actuary) for this estimate and the scope of the actuary's work;</li> <li>assess the competence, capabilities and objectivity of the actuary who carried out the Authority's pension fund valuation;</li> <li>assess the accuracy and completeness of the information provided by the Authority to the actuary to estimate the liability;</li> <li>test the consistency of the pension fund asset and liability and disclosures in the notes to the core financial statements with the actuarial report from the actuary;</li> <li>undertake procedures to confirm the reasonableness of the actuarial assumptions made by reviewing the report of the consulting actuary (as auditor's expert) and performing any additional procedures suggested within the report; and</li> <li>obtain assurances from the auditor of Kent Pension Fund as to the controls surrounding the validity and accuracy of membership data; contributions data and benefits data sent to the actuary by the pension fund and the fund assets valuation in the pension fund financial statements.</li> </ul>

# Significant risks identified

Risk	Reason for risk identification	Key aspects of our proposed response to the risk
Valuation of land and buildings	<p>The Authority revalues its land and buildings on an annual basis to ensure that the carrying value is not materially different from the current value at the financial statements date. This valuation represents a significant estimate by management in the financial statements due to the size of the numbers involved and the sensitivity of this estimate to changes in key assumptions.</p> <p>Management have engaged the services of a valuer to estimate the current value as at 31 March 2021.</p> <p>We therefore identified valuation of land and buildings, particularly revaluations and impairments, as a significant risk, which was one of the most significant assessed risks of material misstatement.</p>	<p>We will:</p> <ul style="list-style-type: none"> <li>• evaluate management's processes and assumptions for the calculation of the estimate, the instructions issued to the valuation experts and the scope of their work</li> <li>• evaluate the competence, capabilities and objectivity of the valuation expert</li> <li>• write to the valuer to confirm the basis on which the valuations were carried out</li> <li>• challenge the information and assumptions used by the valuer to assess completeness and consistency with our understanding, the Authority's valuer's report and the assumptions that underpin the valuation. This will include how the impact of Covid-19 impacts on the valuations</li> <li>• test, on a sample basis, revaluations made during the year to ensure they have been input correctly into the Authority's asset register</li> <li>• evaluate the assumptions made by management for any assets not revalued during the year and how management has satisfied themselves that these are not materially different to current value.</li> </ul>

# Accounting estimates and related disclosures

The Financial Reporting Council issued an updated ISA (UK) 540 (revised): *Auditing Accounting Estimates and Related Disclosures* which includes significant enhancements in respect of the audit risk assessment process for accounting estimates.



## Introduction

Under ISA (UK) 540 (Revised December 2018) auditors are required to understand and assess an entity's internal controls over accounting estimates, including:

- The nature and extent of oversight and governance over management's financial reporting process relevant to accounting estimates;
- How management identifies the need for and applies specialised skills or knowledge related to accounting estimates;
- How the entity's risk management process identifies and addresses risks relating to accounting estimates;
- The entity's information system as it relates to accounting estimates;
- The entity's control activities in relation to accounting estimates; and
- How management reviews the outcomes of previous accounting estimates.

As part of this process auditors also need to obtain an understanding of the role of those charged with governance, which is particularly important where the estimates have high estimation uncertainty, or require significant judgement.

Specifically do Authority members:

- Understand the characteristics of the methods and models used to make the accounting estimates and the risks related to them;
- Oversee management's process for making accounting estimates, including the use of models, and the monitoring activities undertaken by management; and
- Evaluate how management made the accounting estimates?

## Additional information that will be required

To ensure our compliance with this revised auditing standard, we will be requesting further information from management and those charged with governance during our audit for the year ended 31 March 2021. Based on our knowledge of the Authority we have identified the following material accounting estimates for which this is likely to apply:

- Valuations of land and buildings
- Depreciation
- Valuation of defined benefit net pension fund liabilities
- Fair value estimates

# Accounting estimates and related disclosures

## The Authority's Information systems

In respect of the Authority's information systems we are required to consider how management identifies the methods, assumptions and source data used for each material accounting estimate and the need for any changes to these. This includes how management selects, or designs, the methods, assumptions and data to be used and applies the methods used in the valuations.

When the models used include increased complexity or subjectivity, as is the case for many valuation models, auditors need to understand and assess the controls in place over the models and the data included therein. Where adequate controls are not in place we may need to report this as a significant control deficiency and this could affect the amount of detailed substantive testing required during the audit.

If management has changed the method for making an accounting estimate we will need to fully understand management's rationale for this change. Any unexpected changes are likely to raise the audit risk profile of this accounting estimate and may result in the need for additional audit procedures.

We are aware that the Authority uses management experts in deriving some of its more complex estimates, e.g. asset valuations and pensions liabilities. However, it is important to note that the use of management experts does not diminish the responsibilities of management and those charged with governance to ensure that:

All accounting estimates and related disclosures included in the financial statements have been prepared in accordance with the requirements of the financial reporting framework, and are materially accurate;

There are adequate controls in place at the Authority (and where applicable its service provider or management expert) over the models, assumptions and source data used in the preparation of accounting estimates.

## Estimation uncertainty

Under ISA (UK) 540 we are required to consider the following:

- How management understands the degree of estimation uncertainty related to each accounting estimate; and
- How management address this estimation uncertainty when selecting their point estimate.

For example, how management identified and considered alternative, methods, assumptions or source data that would be equally valid under the financial reporting framework, and why these alternatives were rejected in favour of the point estimate used.

The revised standard includes increased emphasis on the importance of the financial statement disclosures. Under ISA (UK) 540 (Revised December 2018), auditors are required to assess whether both the accounting estimates themselves and the related disclosures are reasonable.

Where there is a material uncertainty, that is where there is a significant risk of a material change to the estimated carrying value of an asset or liability within the next year, there needs to be additional disclosures. Note that not all material estimates will have a material uncertainty and it is also possible that an estimate that is not material could have a risk of material uncertainty.

Where there is material estimation uncertainty, we would expect the financial statement disclosures to detail:

- **What the assumptions and uncertainties are;**
- **How sensitive the assets and liabilities are to those assumptions, and why;**
- **The expected resolution of the uncertainty and the range of reasonably possible outcomes for the next financial year; and**
- **An explanation of any changes made to past assumptions if the uncertainty is unresolved.**

## Planning enquiries

As part of our planning risk assessment procedures we have included inquiries within our management letters shared with the Authority. We have received responses to these queries.

## Further information

Further details on the requirements of ISA (UK) 540 (Revised December 2018) can be found in the auditing standard on the Financial Reporting Council's website:

[https://www.frc.org.uk/getattachment/0fa69c03-49ec-49ae-a8c9-cc7a2b65382a/ISA-\(UK\)-540-Revised-December-2018-final.pdf](https://www.frc.org.uk/getattachment/0fa69c03-49ec-49ae-a8c9-cc7a2b65382a/ISA-(UK)-540-Revised-December-2018-final.pdf)

# Other matters

## Other work

In addition to our responsibilities under the Code of Practice, we have a number of other audit responsibilities, as follows:

- We read your Narrative Report and Annual Governance Statement and any other information published alongside your financial statements to check that they are consistent with the financial statements on which we give an opinion and our knowledge of the Authority.
- We carry out work to satisfy ourselves that disclosures made in your Annual Governance Statement are in line with requirements set by CIPFA.
- We carry out work on your consolidation schedules for the Whole of Government Accounts process in accordance with NAO group audit instructions.
- We consider our other duties under legislation and the Code, as and when required, including:
  - giving electors the opportunity to raise questions about your 2020/21 financial statements, consider and decide upon any objections received in relation to the 2020/21 financial statements;
  - issuing a report in the public interest or written recommendations to the Authority under section 24 of the Local Audit and Accountability Act 2014 (the Act).
  - application to the court for a declaration that an item of account is contrary to law under section 28 or a judicial review under section 31 of the Act
  - issuing an advisory notice under section 29 of the Act
- We certify completion of our audit.

## Other material balances and transactions

Under International Standards on Auditing, "irrespective of the assessed risks of material misstatement, the auditor shall design and perform substantive procedures for each material class of transactions, account balance and disclosure". All other material balances and transaction streams will therefore be audited. However, the procedures will not be as extensive as the procedures adopted for the risks identified in this report.

## Going concern

As auditors, we are required to obtain sufficient appropriate audit evidence regarding, and conclude on:

- whether a material uncertainty related to going concern exists; and
- the appropriateness of management's use of the going concern basis of accounting in the preparation of the financial statements.

The Public Audit Forum has been designated by the Financial Reporting Council as a "SORP-making body" for the purposes of maintaining and updating Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom (PN 10). It is intended that auditors of public sector bodies read PN 10 in conjunction with (ISAs) (UK).

PN 10 has recently been updated to take account of revisions to ISAs (UK), including ISA (UK) 570 on going concern. The revisions to PN 10 in respect of going concern are important and mark a significant departure from how this concept has been audited in the public sector in the past. In particular, PN 10 allows auditors to apply a 'continued provision of service approach' to auditing going concern, where appropriate. Applying such an approach should enable us to increase our focus on wider financial resilience (as part of our VfM work) and ensure that our work on going concern is proportionate for public sector bodies. We will review the Authority's arrangements for securing financial sustainability as part of our Value for Money work and provide a commentary on this in our Auditor's Annual Report (see page 12).

# Materiality

## The concept of materiality

Materiality is fundamental to the preparation of the financial statements and the audit process and applies not only to the monetary misstatements but also to disclosure requirements and adherence to acceptable accounting practice and applicable law. Misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

## Materiality for planning purposes

We have determined financial statement materiality based on a proportion of the gross expenditure of the Authority for the financial year. In the prior year we used the same benchmark. Materiality at the planning stage of our audit is £1.9m (PY £2m) for the Authority, which equates to 2% of your gross expenditure for the prior year. We design our procedures to detect errors in specific accounts at a lower level of precision which we have determined to be £50k for Senior officer remuneration.

We reconsider planning materiality if, during the course of our audit engagement, we become aware of facts and circumstances that would have caused us to make a different determination of planning materiality.

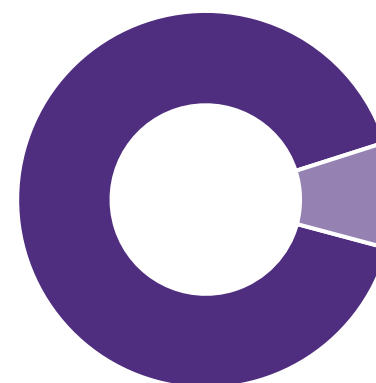
## Matters we will report to the Authority

Whilst our audit procedures are designed to identify misstatements which are material to our opinion on the financial statements as a whole, we nevertheless report to the Audit Committee any unadjusted misstatements of lesser amounts to the extent that these are identified by our audit work. Under ISA 260 (UK) 'Communication with those charged with governance', we are obliged to report uncorrected omissions or misstatements other than those which are 'clearly trivial' to those charged with governance. ISA 260 (UK) defines 'clearly trivial' as matters that are clearly inconsequential, whether taken individually or in aggregate and whether judged by any quantitative or qualitative criteria. In the context of the Authority, we propose that an individual difference could normally be considered to be clearly trivial if it is less than £95k (PY £100k).

If management have corrected material misstatements identified during the course of the audit, we will consider whether those corrections should be communicated to the Authority to assist it in fulfilling its governance responsibilities.

## Prior year gross operating costs

£93.7m Authority



■ Prior year gross operating costs

## Materiality

£1.9m

Authority financial statements materiality (PY: £2m)



£95k

Misstatements reported to the Authority (PY: £100k)



# Value for Money arrangements

## Revised approach to Value for Money work for 2020/21

On 1 April 2020, the National Audit Office introduced a new Code of Audit Practice which comes into effect from audit year 2020/21. The Code introduced a revised approach to the audit of Value for Money. (VFM)

There are three main changes arising from the NAO's new approach:

- A new set of key criteria, covering financial sustainability, governance and improvements in economy, efficiency and effectiveness
- More extensive reporting, with a requirement on the auditor to produce a commentary on arrangements across all of the key criteria, rather than the current 'reporting by exception' approach
- The replacement of the binary approach to VFM conclusions, with far more sophisticated judgements on performance, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

The Code requires auditors to consider whether the body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. When reporting on these arrangements, the Code requires auditors to structure their commentary on arrangements under three specified reporting criteria. These are as set out below:



### Improving economy, efficiency and effectiveness

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



### Financial Sustainability

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



### Governance

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





# Risks of significant VFM weaknesses

As part of our planning work, we considered whether there were any risks of significant weakness in the body's arrangements for securing economy, efficiency and effectiveness in its use of resources that we needed to perform further procedures on. We have not identified any risks of significant VFM weaknesses although we set out the areas of focus we intend to review to enable us to produce commentary on arrangements across all of the key criteria. We may need to make recommendations following the completion of our work. The potential different types of recommendations we could make are set out.

## Key areas of focus

The public sector operating environment has been significantly impacted by the pandemic. Financially, in the short term, fire has been impacted less than other public sector bodies. However there are still risks particularly once the true financial impact of the pandemic materialises. Our Value for Money work will primarily focus on the aspects listed below, but may increase in scope as further work is performed

- The Authority's arrangements in response to the COVID-19 pandemic and capitalising on the benefits from the different models of service delivery and ways of working brought about by the pandemic;
- The Authority's arrangements for setting the Medium-Term Financial Plan and achieving financial sustainability specifically how the Authority plans to achieve a balanced budget in the medium-term financial plan;
- The Authority's arrangements for working with its key partners to deliver services more efficiently; and
- The Authority's governance arrangement in terms of managing risk, responding to COVID-19 and ensuring overall service delivery.

## Potential types of recommendations

A range of different recommendations could be made following the completion of work on risks of significant weakness, as follows:



### Statutory recommendation

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



### Key recommendation

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



### Improvement recommendation

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

# Audit logistics and team



## Paul Cuttle, Engagement Lead

Responsible for overall quality control; accounts opinions; final authorisation of reports; liaison with the Authority.

## Trevor Greenlee, Audit Manager

Responsible for overall audit management, quality assurance of audit work and output and liaison with the Authority.

## Mary Adeson, Audit Incharge

Mary will lead the onsite team and will be the day to day contact for the audit. Mary will monitor the deliverables, manage the query log with your finance team and highlight any significant issues and adjustments to senior management. Mary will undertake the more technical aspects of the audit, coach members of the team and review the team's work.

## Audited body responsibilities

Where audited bodies do not deliver to the timetable agreed, we need to ensure that this does not impact on audit quality or absorb a disproportionate amount of time, thereby disadvantaging other audits. Where the elapsed time to complete an audit exceeds that agreed due to a client not meeting its obligations we will not be able to maintain a team on site. Similarly, where additional resources are needed to complete the audit due to a client not meeting their obligations we are not able to guarantee the delivery of the audit to the agreed timescales. In addition, delayed audits will incur additional audit fees.

## Our requirements

To minimise the risk of a delayed audit, you need to ensure that you:

- produce draft financial statements of good quality by the agreed timetable you have agreed with us, including all notes, the Narrative Report and the Annual Governance Statement
- ensure that good quality working papers are available at the start of the audit, in accordance with the working paper requirements schedule that we have shared with you
- ensure that the agreed data reports are available to us at the start of the audit and are reconciled to the values in the accounts, in order to facilitate our selection of samples for testing
- ensure that all appropriate staff are available on site throughout (or as otherwise agreed) the planned period of the audit
- respond promptly and adequately to audit queries.

# Audit fees

As referred to on page 13, the 2020/21 Code introduces a revised approach to our VFM work. This requires auditors to produce a commentary on arrangements across all of the key criteria, rather than the current 'reporting by exception' approach. Auditors now have to make far more sophisticated judgements on performance, as well as issue key recommendations if any significant weaknesses in arrangements are identified during the audit. We will be working with the NAO and other audit firms to discuss and share learning in respect of common issues arising across the sector.

The new approach will be more challenging for audited bodies, involving discussions at a wider and more strategic level. Both the reporting, and the planning and risk assessment which underpins it, will require more audit time, delivered through a richer skill mix than in previous years.

Additionally, across all sectors and firms, the FRC has set out its expectation of improved financial reporting from organisations and the need for auditors to demonstrate increased scepticism and challenge and to undertake additional and more robust testing, as noted in the number of revised ISA's issued by the FRC that are applicable to audits of financial statements commencing on or after 15 December 2019, as detailed in Appendix 1..

As a firm, we are absolutely committed to meeting the expectations of the FRC with regard to audit quality and public sector financial reporting. We have engaged an audit expert to improve the level of assurance we require for property valuations estimates, which has been included in our proposed audit fee. Our proposed work and fee for 2020/21 is set out below and detailed overleaf. As part of its response to the Redmond Review in December 2020, MHCLG committed an extra £15m to support the delivery of local audit in 2020/21. We understand that the Authority will receive a grant to support 2020/21 audit fees in the next few weeks. At the time of issuing this plan the proposed 2020/21 fee of £43,418 and variations relating to the 2019/20 fee of £37,918 have not been agreed with management or approved by the PSAA.

	Fee 2019/20	Proposed fee 2020/21
Kent and Medway Fire and Rescue Authority Audit	£37,918	£43,418

## Assumptions

In setting the above fees, we have assumed that the Authority will:

- prepare a good quality set of accounts, supported by comprehensive and well presented working papers which are ready at the start of the audit
- provide appropriate analysis, support and evidence to support all critical judgements and significant judgements made during the course of preparing the financial statements
- provide early notice of proposed complex or unusual transactions which could have a material impact on the financial statements.

## Relevant professional standards

In preparing our fee estimate, we have had regard to all relevant professional standards, including paragraphs 4.1 and 4.2 of the FRC's [Ethical Standard \(revised 2019\)](#) which stipulate that the Engagement Lead (Key Audit Partner) must set a fee sufficient to enable the resourcing of the audit with partners and staff with appropriate time and skill to deliver an audit to the required professional and Ethical standards.

# Audit fees – detailed analysis

Scale fee published by PSAA	£27,418
Previously communicated annual increases (e.g. regulatory changes, enhanced audit procedures)*	£5,500
<b>COVID-19 fee impact*</b>	<b>£5,000</b>
<b>Revised 2020/21 baseline (without one off COVID-19 fee)</b>	<b>£32,918</b>
Additional work on Value for Money (VfM) under new NAO Code*	£5,500
Increased audit requirements of revised ISAs*	£5,000
<b>Proposed increase to agreed 2019/20 fee</b>	<b>£10,500</b>
<b>Total audit fees (excluding VAT)</b>	<b>£43,418</b>

\* At the time of issuing this plan none of the fee variations proposed have been agreed with management or approved by the PSAA.

# Independence and non-audit services

## Auditor independence

Ethical Standards and ISA (UK) 260 require us to give you timely disclosure of all significant facts and matters that may bear upon the integrity, objectivity and independence of the firm or covered persons, relating to our independence. We encourage you to contact us to discuss these or any other independence issues with us. We will also discuss with you if we make additional significant judgements surrounding independence matters.

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Financial Reporting Council's Ethical Standard (Revised 2019) and we as a firm, and each covered person, confirm that we are independent and are able to express an objective opinion on the financial statements. Further, we have complied with the requirements of the National Audit Office's Auditor Guidance Note 01 issued in May 2020 which sets out supplementary guidance on ethical requirements for auditors of local public bodies.

We confirm that we have implemented policies and procedures to meet the requirements of the Ethical Standard. For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams providing services to the Authority.

## Other services

No other services provided by Grant Thornton were identified.









# Appendix 1: Revised Auditor Standards and application guidance

## FRC revisions to Auditor Standards and associated application guidance

The following Auditing Standards and associated application guidance that were applicable to 19/20 audits, have been revised or updated by the FRC, with additional requirements for auditors for implementation in 2020/21 audits and beyond.

	Date of revision	Application to 2020/21 Audits
ISQC (UK) 1 – Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Service Engagements	November 2019	✓
ISA (UK) 200 – Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing (UK)	January 2020	✓
ISA (UK) 220 – Quality Control for an Audit of Financial Statements	November 2019	✓
ISA (UK) 230 – Audit Documentation	January 2020	✓
ISA (UK) 240 – The Auditor’s Responsibilities Relating to Fraud in an Audit of Financial Statements	January 2020	✓
ISA (UK) 250 Section A – Consideration of Laws and Regulations in an Audit of Financial Statements	November 2019	✓
ISA (UK) 250 Section B – The Auditor’s Statutory Right and Duty to Report to Regulators of Public Interest Entities and Regulators of Other Entities in the Financial Sector	November 2019	✓

# Appendix 1: Revised Auditor Standards and application guidance continued

	Date of revision	Application to 2020/21 Audits
ISA (UK) 260 – Communication With Those Charged With Governance	January 2020	
ISA (UK) 315 – Identifying and Assessing the Risks of Material Misstatement Through Understanding of the Entity and Its Environment	July 2020	
ISA (UK) 500 – Audit Evidence	January 2020	
ISA (UK) 540 – Auditing Accounting Estimates and Related Disclosures	December 2018	
ISA (UK) 570 – Going Concern	September 2019	
ISA (UK) 580 – Written Representations	January 2020	
ISA (UK) 600 – Special considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)	November 2019	
ISA (UK) 620 – Using the Work of an Auditor’s Expert	November 2019	
ISA (UK) 700 – Forming an Opinion and Reporting on Financial Statements	January 2020	

# Appendix 1: Revised Auditor Standards and application guidance continued

	Date of revision	Application to 2020/21 Audits
ISA (UK) 701 – Communicating Key Audit Matters in the Independent Auditor’s Report	January 2020	✓
ISA (UK) 720 – The Auditor’s Responsibilities Relating to Other Information	November 2019	✓
Practice Note 10: Audit of Financial Statements of Public Sector Bodies in the United Kingdom	December 2020	✓





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By: Director, Finance and Corporate Services  
To: Kent and Medway Fire and Rescue Authority – 27 April 2021  
Subject: INTERNAL AUDIT PLAN 2021/22  
Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

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.

Attached to this report is the proposed Internal Audit Plan for 2021/22, along with the Audit Charter and Key Performance Indicators for Members to review and agree.

### **RECOMMENDATIONS**

Members are requested to:

1. Agree the Internal Audit Plan for 2021/22 (**Appendix 1** and paragraph 2 refers);
2. Approve the Internal Audit Charter (**Appendix 2** and paragraph 4 refers);
3. Approve the Key Performance Indicators (**Appendix 3** and paragraph 5 refers);
4. Note the remaining content of the report.

LEAD/CONTACT OFFICER: Finance Manager – Nikki Walker  
TELEPHONE NUMBER: 01622 692121 ext 6122  
EMAIL: Nicola.walker@kent.fire-uk.org  
BACKGROUND PAPERS: None

## COMMENTS

### Background

1. Under the Public Sector Internal Audit Standards (PSIAS), the Head of Internal Audit is required to develop a risk-based Internal Audit Plan. It is intended that the audit work will be completed within the year in order to inform the overall annual assurance opinion. The Internal Audit Plan is produced prior to the start of each financial year but remains under review throughout the year to ensure continued relevance and alignment with corporate risks and objectives.

### The Internal Audit Plan 2021/2022

2. The Internal Audit Plan 2021/2022 (**Appendix 1**) has been created through consultation with senior management and key officers, where significant risk areas and priorities have been identified alongside the Corporate Risk Register, review of strategies and horizon scanning. Each audit engagement will incorporate the Authority's Fraud and Bribery Risk Assessments as a matter of course.
3. There are eight audits currently planned for 2021/22 focusing on Operational Planning and Response, IT Development and Cyber Security, Treasury Management, Vehicle and Equipment Replacement Programme, Talent Management and an Equality, Diversity and Inclusion Review. Resources will also be made available to develop and provide Fraud Awareness Training to officers and Members. Members are asked to agree the Audit Plan for 2021/22.

### Internal Audit Charter

4. The Internal Audit Charter, which is mandatory for internal audit practices, formally defines the nature of internal audit activity in line with the PSIAS. It sets out the scope and purpose of internal audit, confirms their independence and defines reporting arrangements. The Charter was last approved by the Authority in April 2020 and as such Members are asked to agree the updated version set out in **Appendix 2**.

### Key Performance Indicators (KPIs)

5. In order to facilitate the Authority's responsibility to monitor the performance and effectiveness of internal audit within the organisation, a suite of Key Performance Indicators (KPIs) has been created as a measurement of performance. **Appendix 3** sets out the proposed KPIs for 2021/22 to which Members are asked to agree.

## **Self-Assessment against Public Sector Internal Audit Standards**

6. Every five years Internal Audit are required to have an External Quality Assessment (EQA), which seeks to provide an independent assessment of their compliance with the PSIAS. To ensure independence an external assessor is appointed to undertake this assessment, as it is an important means of assurance. At the time of drafting this report the External Quality Assessment was underway, but had not yet been completed. As such an update will be provide by Internal Audit at the Authority meeting.

## **IMPACT ASSESSMENT**

7. There are no budgetary issues arising from this report.

## **RECOMMENDATIONS**

8. Members are requested to:
  - 8.1 Agree the Internal Audit Plan for 2021/22 (**Appendix 1** and paragraph 2 refers);
  - 8.2 Approve the Internal Audit Charter (**Appendix 2** and paragraph 4 refers);
  - 8.3 Approve the Key Performance Indicators (**Appendix 3** and paragraph 5 refer);
  - 8.4 Note the remaining content of the report.

# **Kent and Medway Fire and Rescue Authority**

## **2021/22 Internal Audit Annual Plan**



## **Introduction**

1. This report details the 2021/22 Internal Audit Plan, Audit Charter and Key Performance Indicators for approval. The report also provides an update on our External Quality Assessment (EQA) which was ongoing at the time of drafting this report.

## **Internal Audit Plan**

2. Under the Public Sector Internal Audit Standards (PSIAS), the Head of Internal Audit is required to develop a risk-based internal audit plan of all work to be completed to inform the annual overall assurance opinion. To enable an annual assurance opinion to be provided, the Internal Audit Plan is produced prior to the start of each financial year. However, it is kept under review throughout the year to ensure continued relevance and alignment with corporate risks and objectives.
3. The draft Internal Audit Plan (the Plan) for 2021/22 (**Appendix 1**) has been drawn up in consultation with Senior Management following a risk-based audit planning process. Significant risk areas and priorities have been identified by interviewing key officers, reviewing Strategies and the Corporate Risk Register, external horizon scanning and our own organisational knowledge. There are no areas that we were prevented from including in the Plan. **Appendix 1** sets out how the proposed audits link to the Corporate Risk Register.
4. When completed the outcomes of all the proposed audits will contribute towards our overall annual audit opinion in relation to the 2021/22 financial year.
5. As a whole the Plan is designed to fulfil the remit of Internal Audit, as set out in the Charter, and to:
  - Enable the Head of Internal Audit to provide an assurance opinion at the end of the year on the overall effectiveness of systems of governance, risk management and internal control
  - Be focused on key risks, and provide assurance on the organisation's management of these risks
  - Provide assurance on core systems & management controls
  - Support the organisation to embed a strong counter-fraud culture
  - Provide advice and information based on management requests, usually in relation to new and developing systems and processes
6. When audit planning for each engagement, we will consider the organisation's Fraud and Bribery risk assessments, which are currently being reviewed and updated.
7. KFRS are due for a second HMICFRS inspection in 2022. It is possible that the audit plan may need to be adapted to respond to emergent findings. It is also good practice to keep the audit plan under review throughout the year to ensure that it continues to remain focused on areas of key importance. Consequently, we will review the Plan at the mid-year point and bring any revisions back to the Authority or Audit and Governance Committee for approval.

## **Resourcing**

8. Internal Audit services are provided and resourced by Kent County Council under a Service Level Agreement which commits a total of 95 days audit delivery per year. This is divided as follows:

Category	Days
Audit projects	73
Counter fraud support	5
Follow ups	6
Adhoc consultancy / advice	3
Audit management	3
Contingency	5
<b>TOTAL</b>	<b>95</b>

9. I consider the total days to be sufficient to provide the required assurances. Should this change and additional assurance or consultancy work be required, the SLA does allow for extra days to be purchased.
10. I have reviewed the resources available to ensure that the appropriate mix of knowledge and skills can be provided and that there is sufficient resource to complete the Plan.



## **Internal Audit Charter**

11. Under the PSIAS (which are mandatory for internal audit practice in the public sector) the nature of Internal Audit activity must be formally defined in an Audit Charter (Charter). Our Charter sets out the purpose and scope of internal audit within KFRS; it also confirms our independence, defines reporting arrangements and authorises our access to all systems, records, personnel and assets that we deem necessary in order to undertake our work. The Charter was last approved by Authority in April 2020.
12. For 2021/22, the Charter has been reviewed and updated. The Authority is asked to review and approve the updated Charter attached at **Appendix 2**.

## **Performance of Internal Audit**

13. In order to facilitate the Authority's responsibility to monitor the performance and effectiveness of Internal Audit within the organisation, we have a suite of Key Performance Indicators (KPIs) which will be reported to the Authority alongside the Annual Report and any progress updates. The proposed KPIs are set out in **Appendix 3**; the Authority is asked to approve these as the measurements of performance to be reported.

## **External Quality Assessment (EQA)**

14. Internal Audit is required to have an External Quality Assessment (EQA) every five years. This provides an independent assessment of compliance with PSIAS from an independent and qualified assessor. This is an important means of assurance.
15. The EQA was underway at the time of drafting this report so an update on progress will be provided at the Authority meeting.

## **Conclusion**

16. Through the Charter and Audit Plan we will be able to provide assurance on the controls in place to manage the key risks facing the Authority. The outcomes of individual audits and the resultant overall opinion on systems of risk management, governance and control will be reported to Members as part of the Head of Internal Audit's Annual Report in 2022.

### **Contact Details:**

Frankie.smith@kent.gov.uk  
03000 419434

## Appendix 1

DRAFT 2021/22 INTERNAL AUDIT PLAN					
Audit	Audit Owner	Key Contact(s)	Link to Corporate Risk Register	Days	Timing
<b>Ops Planning</b> To review the adequacy and effectiveness of the Ops Planning service delivery during Covid-19, including sustaining core services, whilst providing additional support services in the community and to partner agencies.	Chris Colgan	Mark Rist	Risk 3 Risk 12 Risk 18	10	Q3/Q4
<b>Cyber Security</b> Assurance mapping exercise to identify 1st, 2nd and 3rd lines of assurance on Cyber Security across the whole Authority. To identify any potential assurance gaps to inform a future years' audit planning.	Alison Kilpatrick	James Finch	Risk 3 Risk 12	12	Q4
<b>Operational Response – Training</b> To determine whether there is adequate integration / co-ordination between the Operational Response Team and the corporate Learning & Development function.  To assess the adequacy and effectiveness of controls over: <ul style="list-style-type: none"> <li>- The identification of gaps for statutory / mandatory training</li> <li>- The retention of Operational Response training records</li> </ul>	Chris Colgan	Mark Rist	Risk 4 Risk 6	10	Q1

DRAFT 2021/22 INTERNAL AUDIT PLAN					
Audit	Audit Owner	Key Contact(s)	Link to Corporate Risk Register	Days	Timing
<b>Treasury Management</b> To determine whether treasury management transactions are processed in accordance with the Treasury Management Strategy and agreed procedures.  To establish whether Kent County Council are fulfilling their contractual obligations in relation to the provision of a treasury management service to KFRS.	Alison Kilpatrick	Nicola Walker	Risk 8 Core Assurance	10	Q2
<b>IT Development</b> To determine the adequacy and effectiveness of the management and delivery of IT development projects (2020/21)	Alison Kilpatrick	James Finch	Risk 3 Risk 15	10	Q2/Q3
<b>Talent Management</b> To document the Authority's ambitions for 'talent management' and assess delivery of the agreed objectives, as set out in the 'People Plan'.  To review the effectiveness of the new Authority's continuous appraisal process.	Alison Kilpatrick	Karen Irvine	Risk 4 Risk 10	10	Q2
<b>Equality, Diversity &amp; Inclusion</b> To review the adequacy and effectiveness of the controls in place over the collection, processing and retention of staff and customer equality data including personal and sensitive data	Alison Kilpatrick	Karen Irvine	Core Assurance	5	Q2/Q3

DRAFT 2021/22 INTERNAL AUDIT PLAN					
Audit	Audit Owner	Key Contact(s)	Link to Corporate Risk Register	Days	Timing
<b>Vehicle &amp; Equipment Replacement Programme (VERP)</b> To review the adequacy and effectiveness of controls in place to ensure the operational vehicle and equipment requirements (set out VERP) are incorporated into KFRS' Medium Term Financial Plan. To include budget planning, management and monitoring over the VERP	Alison Kilpatrick	Mark Rist	Risk 3 Risk 12	10	Q2/Q3
<b>Counter Fraud Support</b> To deliver fraud awareness training to Officers and Members To review and update the Counter Fraud video To provide adhoc advice / support as needed	Alison Kilpatrick	Nikki Walker	IACF Fraud & Bribery Risk Assessment (2019)	5	Ongoing
<b>Follow-ups</b> To complete follow ups to issues raised with audit reports.	NA	NA	N/A	6	Ongoing
<b>Audit Management</b> Attendance at Authority meetings Preparation of the Annual Audit Plan Review / update of Audit Charter Preparation of a mid-year progress reports Preparation of Annual Report & Audit Opinion Periodic liaison with client lead Periodic liaison with External Audit	NA	NA		4	Ongoing
<b>Contingency</b>				3	
<b>Total</b>				<b>95</b>	

## Appendix 2 – Internal Audit Charter



**Kent** Fire &  
Rescue Service

# KENT COUNTY COUNCIL

## Internal Audit Charter – Kent and Medway Fire and Rescue Authority

### INTRODUCTION

This Internal Audit Charter formally defines the purpose, authority and responsibility of the Internal Audit service within Kent and Medway Fire and Rescue Authority. It is consistent with the mandatory requirements of the Public Sector Internal Audit Standards (PSIAS) and the supporting Local Authority Guidance Note (LGAN) produced by the Chartered Institute of Public Finance and Accountancy (and the Chartered Institute of Internal Auditors (IIA)). The Charter will be reviewed at least annually to ensure it is up-to-date and reflects the PSIAS.

### PURPOSE AND MISSION

The definition of Internal Audit is a mandatory part of the PSIAS and is as follows:

*'Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes'. Its mission is to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.*

Kent County Council's Internal Audit mission statement is, 'To support service delivery by providing an independent and objective evaluation of our clients' ability to accomplish their business objectives, manage their risks effectively and, where relevant, provide advice and insight'.

### AUTHORITY

The requirement for the Authority to 'maintain an adequate and effective system of internal audit of its accounting record and its systems of internal control' is contained in the Accounts and Audit Regulations 2015. This supplements the requirements of Section 151 of the Local Government Act 1972 for the Authority to make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has responsibility for the administration of those affairs. The Authority has delegated this responsibility to Director – Finance & Corporate Services.

### STATUS OF INTERNAL AUDIT WITHIN THE ORGANISATION

The Head of Internal Audit reports functionally to full Authority three times a year, with the option to meet with the Chair as and when required. The Head of Internal Audit will also report to Corporate Management Board, Monitoring Officer and Members when necessary. The Head of Internal Audit reports administratively to the Director of Finance and Corporate Services with regard to delivery of the Service Level Agreement (SLA).

The Authority is responsible for ensuring Internal Audit are independent of the activities it audits, is effective, has sufficient experience and expertise and the scope of the work to be carried out is appropriate. The Authority will approve the Charter every year within the Annual Audit (the Plan).

The Head of Internal Audit has direct access to the Chair and has the opportunity to meet separately where appropriate.

The Authority currently is responsible for the following activities, however the Authority has recently agreed to set up an Audit and Governance Committee, and once this committee is established it is proposed that it will take responsibility for many of these functions:

- Ensuring Internal Audit is independent of the activities it audits, is effective, has sufficient experience and expertise and the scope of the work to be carried out is appropriate.
- Approving the Internal Audit activity's Charter every year.
- Approving the risk-based Internal Audit plan.
- Approving the Internal Audit activity's budget and resource plan.
- Receiving communications from the Head of Internal Audit on the Internal Audit activity's performance relative to its plan and other matters.
- Making appropriate enquires of management and Head of Internal Audit to determine whether there are inappropriate scope or resources limitations.

The Head of Internal Audit for the Authority is a senior officer in KCC's Internal Audit team holding relevant qualifications and experience; as such the appointment and termination of the individual to fulfil the role is agreed with KCC senior management and reported to Authority via the Service Level Agreement.

## **RESPONSIBILITY**

It is the responsibility of Management to establish and maintain systems of corporate governance, risk management and internal control to provide assurance that the Authority's objectives are being achieved and to minimise the risk of fraud or irregularity.

Internal Audit will contribute to the corporate governance process by providing an assurance on the effectiveness of these systems of risk management and internal control, making practical recommendations for enhancements where considered necessary. Management has responsibility to implement agreed actions in relation to issues raised by audit or to accept the risks resulting from not acting. However, Internal Audit will consider taking matters to higher levels of management or to the Authority, if it is felt that the risk should not (or need not) be borne, or management fails to implement agreed actions timely.

## **PROFESSIONAL STANDARDS**

The Authority's Internal Audit activity will conform to standards and guidance contained in the Public Sector Internal Audit Standards. The PSIAS encompasses the mandatory elements of the Institute of Internal Auditors (IIA) International Professional Practices Framework which include:

- the Definition of Internal Auditing;
- the Core Principles;
- the Code of Ethics; and
- the International Standards for the Professional Practice of Internal Auditing.

Compliance, by all those involved in the delivery of Internal Audit services with the Code of Ethics laid down in the PSIAS enhances the environment of trust between Internal Audit and senior management. Fundamentally, the following ethical standards are observed:

- Integrity – performing work with honesty, diligence and responsibility;
- Objectivity – making a balanced assessment of relevant circumstances not unduly influenced by personal interests or by others in forming judgements;
- Confidentiality – respecting the value and ownership of information obtained and not disclosing without appropriate authority, unless there is a legal or professional obligation to do so;
- Competence and Due Professional Care – applying the knowledge, skills and experience needed in the performance of work.

Additional requirements and interpretations for the UK public sector have been incorporated.

The Authority's Internal Audit activity will also have regard to the Committee on Standards in Public Life, and to the Seven Principles of Public Life.

Our professional standards make specific reference to Senior Management and the Board. Within the Authority, Senior Management is defined as Corporate Management Board (CMB) and the Board is defined as Authority.

The Head of Internal Audit will report annually to CMB and the Authority regarding the Internal Audit Activity's conformance to the Code of Ethics and the Standards.

## INDEPENDENCE AND OBJECTIVITY

Internal Audit will be sufficiently independent of the activities it audits to enable auditors to perform their duties in a manner that facilitates impartial and effective professional judgements and recommendations.

The Head of Internal Audit will have free and unrestricted access and freedom to report in his/her own name to the Director of Finance and Corporate Services, the Chief Executive and the Chair of the Authority, as well as to Corporate Management Board and the Authority.

In addition, Internal Audit will be responsible for determining its priorities based on an evaluation of risk. Auditable areas which are deemed to represent the most significant controls that are operating in order that the Authority delivers its business objectives are identified from strategies, risk registers, business plans, consultation with managers and Internal Audit's experience of the organisation. These are used to determine the strategic and annual audit plans. The audit plan will be flexible enough to accommodate the needs of senior management and Members depending on the relative significance of emerging risks and the potential for consultancy engagements. The Authority will approve the plan and mid-year will receive a report summarising significant findings of audit work undertaken.

Internal Audit will also report to Authority, as part of the Annual Report, progress on the implementation of actions plans drawn up in response to issues raised by Internal Audit.

Objectivity will be preserved by ensuring that all members of staff are free from any conflicts of interest and do not undertake any duties that they could later be called upon to audit. The Head of Internal Audit has no operational responsibilities and individual auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, internal auditors will not be responsible for implementing internal controls, developing procedures, installing systems and preparing records. This will not prevent internal audit from carrying out consultancy work, particularly in relation to the development and design of systems or processes; the Head of Internal Audit will manage any potential threats to objectivity through, for example, rotation of staff. Internal auditors will not engage in any other activity that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing any operational duties for the organisation or its affiliates.

- Initiating or approving transactions external to the Internal Audit activity.
- Directing the activities of the organisations employees not employed by the Internal Audit activity, except to the extent that such employees have been appropriately assigned to auditing team or to otherwise assist Internal Auditors.

Should the independence or objectivity of the Internal Audit service be impaired in fact or appearance, the Head of Internal Audit will disclose details of the impairment to the Director of Finance and Corporate Services and / or Chair, depending upon the nature of the impairment.

When requested to undertake any additional roles or responsibilities outside of Internal Auditing, the Head of Internal Audit must highlight to the Authority any potential or perceived impairment to independence and objectivity having regard to the principles contained within the Code of Ethics. The Authority must approve and periodically review any safeguards put in place to limit impairments to independence and objectivity.

## SCOPE & NATURE OF INTERNAL AUDIT

Internal Audit activity will be undertaken to provide assurance to senior management (Corporate Management Board) and the Authority as to the adequacy and effectiveness of the Authority's systems for corporate governance, risk management and internal control. Our remit covers the whole organisation and will include:

- Evaluating whether risks relating to the achievement of strategic objectives are appropriately identified and managed;
- Evaluating whether the results of operations or programmes are consistent with established goals and objectives;
- Evaluating whether operations or programmes are being carried out effectively and efficiently;
- Evaluating whether established processes and systems enable compliance with policies, procedures, legislation and regulations that could significantly impact the organisation;
- Reviewing the soundness, adequacy and application of financial and other management controls;
- Considering potential efficiency gains in all work that is undertaken;
- Reviewing the extent to which the organisation's assets and interests are accounted for and safeguarded from losses arising from:
  - Fraud and other offences
  - Waste, extravagance and inefficient administration, poor value for money and other causes;
- Reviewing the suitability and reliability of financial and other management data developed within the organisation;
- Reviewing awareness of risk and its control and providing advice to management on risk mitigation and internal control in financial or operational areas where new systems are being developed or where improvements are sought in the efficiency of existing systems;
- Promoting and raising awareness of fraud and corruption;
- Investigating allegations of fraud and corruption (if commissioned to do so);
- Providing advice (consultancy) to the organisation for a variety of issues, such as project assurance, controls advisory requests, areas of concern and lessons learnt reviews.

In performing consulting engagements, internal auditors must ensure that the scope of the engagement is sufficient



to address the agreed-upon objectives. If internal auditors develop reservations about the scope during the engagement, these reservations must be discussed with the client to determine whether to continue with the engagement. Internal auditors will address controls consistent with the engagement's objectives and be alert to significant control issues.

Internal Audit's activities extend to any remote establishments, subsidiary companies, trading activities and partnerships.

Internal Audit is not relieved of its responsibilities in areas of the Authority's business that are subject to review by others but will assess the extent to which it can rely upon the work of others and co-ordinate its audit planning with the plans of such review agencies.

The Head of Internal Audit will provide an annual audit opinion as to the adequacy of the Authority's systems of governance, risk management and internal controls. This will be used to support the Annual Governance Statement.

## **ADDITIONAL ROLES / RESPONSIBILITIES**

When requested to undertake any additional roles or responsibilities outside of Internal Auditing, the Head of Internal Audit must highlight to the Authority any potential or perceived impairment to independence and objectivity having regard to the principles contained within the Code of Ethics. Any subsequent internal audit reviews within these additional areas of responsibility should be completed by an independent person. The Authority must approve and periodically review any safeguards put in place to limit impairments to independence and objectivity.

## **PROVISION OF ASSURANCE TO THIRD PARTIES**

The Internal Audit service is sometimes requested to undertake Internal Audit and assurance activity for third parties. The same principles detailed in this Charter will be applied to these engagements.

## **FRAUD AND IRREGULARITY**

All cases of fraud and irregularity must be reported to the Head of Internal Audit. Responsibility for investigation of cases of fraud and irregularity lies with the Service; Internal Audit does not routinely set aside days in the Plan for these investigations. However, Internal Audit will carry out investigations into fraud / irregularity using counter-fraud expertise available in the section if separately commissioned to do so. Internal Audit may report these cases to the Authority, and they may inform the Annual Opinion provided on systems of internal control. Internal Audit also operates a Whistleblowing Helpline to which all staff and Members have access.

## **RIGHT OF ACCESS**

To fulfil its objectives, Internal Audit will be granted unrestricted access to all staff, Members, records (documentary and electronic), assets and premises, deemed necessary in the course of its duties. Internal Audit will ensure that all information received as part of their work is treated confidentially at all times.

## **INTERNAL AUDIT RESOURCES**

The Internal Audit Plan is developed annually which takes into account the work that is needed to enable the Head of Internal Audit to provide an assurance opinion on risk management, governance and control across the

Authority. Internal Audit is currently commissioned to provide 95 days of service delivery per annum. In order to ensure this is sufficient to provide a robust opinion, the Head of Internal Audit draws up a risk-based Plan each year and assesses the likely days required against the priority areas. The Head of Internal Audit will request additional days if this is considered necessary. The Head of Internal Audit will also identify the knowledge and experience of staff, and the level of supervision required, to ensure that the right skills mix is available to deliver the plan. The Head of Internal Audit may use a combination of in-house, partner or third parties to deliver aspects of the plan to the best expertise and value for money. When engaging a partner, the Head of Internal Audit will ensure the partner has the appropriate knowledge and experience to deliver the engagement, applies the quality assurance standards of the section and has access to all information and explanation required to undertake the engagement.

## **REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT**

In accordance with the Accounts and Audit Regulations (2015) and the PSIAS, there is a requirement for an annual review of the effectiveness of the system of internal audit. This is also part of the wider annual review of the effectiveness of the system of internal control. The Head of Internal Audit will carry out an annual review of the Internal Audit function, in accordance with the Quality Assurance and Improvement Programme (QAIP) outlined below, and will report the results to Authority as part of the Annual Opinion to enable it to consider the findings of the review. In addition, the Head of Internal Audit will arrange for an independent review to be carried out, at least every five years which will be reported to the Authority. The Head of Internal Audit will review the Charter annually and report to Members accordingly.

## **QUALITY ASSURANCE AND IMPROVEMENT PROGRAMME**

The Head of Internal Audit will maintain a Quality Assurance and Improvement Programme (QAIP) that covers all aspects of the internal audit activity. The programme will include an evaluation of the internal audit activity's conformance with the Definition of Internal Auditing and the International Standards and an evaluation of whether internal auditors apply the Code of Ethics. The programme also assesses the efficiency and effectiveness of the internal audit activity and identifies opportunities for improvement.

The Head of Internal Audit will communicate to the Director of Finance and Corporate Resources and the Authority on the internal audit activity's QAIP, including results of ongoing internal assessments and external assessments conducted at least every five years.

## Appendix 3 – 2021/22 Key Performance Indicators

Internal Audit & Counter Fraud		
	Indicator	Target
1.	Engagement Plan issued 2 weeks prior to commencement of fieldwork start date	90%
2.	Verbal feedback to be provided within one week of completion of audit fieldwork	100%
3.	Draft Reports to be issued by the date specified in the Engagement Plan	90%
4.	Comments on Prospects for Improvement to be issued within 5 working days of receipt of Action Plan	90%
5.	Final Report to be issued within 5 working days of receiving correspondence for Prospects for Improvement	90%
6.	Client Satisfaction Questionnaires to be issued for all audits / investigations completed with the final report	100%
7.	% Positive Client feedback	90%
8.	% completion of Annual Internal Audit Plan @ 31 March 2022	90%

KMFRA		
	Indicator	Target
1.	Agreement of Engagement Plan to be provided prior to fieldwork start date	100%
2.	Response to Draft Report and Action Plan to be provided within 10 working days of issue	90%
3.	Respond to comments on Prospects for Improvement assessment within 5 working days	90%
4.	Client Satisfaction Questionnaires to be completed and returned within 10 working days of Final Report	100%
5.	Actions plans in response to High and Medium Priority issues raised to be implemented within agreed timescales	90%

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By: Director Finance and Corporate Services  
To: Kent and Medway Fire and Rescue Authority – 27 April 2021  
Subject: CORPORATE RISK REGISTER  
Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

Members last received an update on the Corporate Risk Register at the December 2020 Authority meeting. Good progress continues to be made on a number of action plans, which will help mitigate or reduce the respective potential risk, however one additional corporate risk has arisen, relating to the McCloud Pension case. Members are therefore asked to review and agree the updated Risk Register detailed in this report.

### **RECOMMENDATIONS**

Members are requested to:

1. Agree amendments to the Corporate Risk Register as shown in **Appendix 1** and paragraphs 2 to 9 refers;
2. Note the content of the report.

LEAD/CONTACT OFFICER: Nikki Walker – Finance Manager  
TELEPHONE NUMBER: 01622 692121 ext: 6122  
EMAIL: Nicola.walker@kent.fire-uk.org  
BACKGROUND PAPERS: None

## COMMENTS

### Background

1. Members last received an update on the Corporate Risk Register at the December 2020 Authority meeting. Since then good progress has been made on a number of action plans, which will help mitigate or reduce the respective potential risk going forward. Corporate Management Board regularly monitor and review the Risk Register to ensure it is kept up to date and relevant. Any changes that have been applied since the Authority last reviewed the Risk Register are detailed in the following paragraphs and the full register is attached at **Appendix 1** for Members information and approval.

### Summary

2. **Risk 1** – Refresher training continues with courses aligning to the National Guidance and the approved Fire Standards. As all courses have refreshers in place and KFRS is National Guidance compliant, it is recommended that this action is now closed.
3. **Risk 2** – The impact of Covid-19 enabled a ‘real life’ test of the business continuity plans and focused on two elements;
  - Supply Chain – Stock held by the supplier was determined to be sufficient for 4 month’s supply;
  - Service Centres – A fall-back provision across the two service centres to enable a period of 48 hours for de-contamination of either site without impact on the service provision. There is further provision in place with the supplier in case both service centres were unable to be used.

The supplier tests specific areas of the Business Continuity plan throughout the year.

4. **Risk 3** – The test of system failure plans was initially delayed due to the impact of Covid-19, but is now planned for May 2021. The identification of key person weaknesses and addressing of skill deficiency has been completed.
5. **Risk 4** – All actions are now completed, however it is intended to retain the risk as a key risk to the Authority on the Corporate Risk Register. Monitoring and evaluation will continue to be undertaken by the Learning and Development team and any increase in risk will be evaluated within the Service Risk Register and escalated as necessary.
6. **Risk 5** – Finance for externally funded services continues and the Authority is not aware of any immediate reductions to external funding. However, given the current economic climate the risk has seen a minor increase to acknowledge the unprecedented economic times and the uncertainty that surrounds it.

7. **Risk 10** – All actions have been completed. However, given the potential impact of recent pension rulings and the evaluation of their impact on the service, it is important to continue to keep the succession planning of the Authority regularly reviewed on the Corporate Risk Register.
8. **Risk 17** – The Authority's Insurance cover became due for renewal at the end of October, and the Fire and Rescue Indemnity Company (FRIC) have been successful in obtaining the same level of cover in a difficult market. However, the consequence of that is that whilst the Authority has been able to maintain the same level of cover it has seen an increase in premiums particularly around Liability policies. The immediate risk has now subsided until renewal again in October, therefore a minor reduction in risk has been reflected in this risk.
9. **Risk 20** – A new risk has been added to the Corporate Risk Register to recognise the impact of the delay in guidance to support the recent legal ruling in relation to the McCloud pension case. Further information regarding this case is detailed later on in this agenda.

## **IMPACT ASSESSMENT**

10. Officers regularly review the actions plans that underpin each corporate risk to ensure wherever possible the risk is either minimised or mitigated as much as possible. The risks are regularly reviewed and overseen by Corporate Management Board and by the relevant Strategic Board. This report shows that the Authority considers the assessment of risk as a key part of the governance of the Authority.

## **RECOMMENDATIONS**

11. Members are requested to:-
  - 11.1 Agree amendments to the Corporate Risk Register as shown in **Appendix 1** and paragraphs 2 to 9 refers;
  - 11.2 Note the content of the report.

**Corporate Risk Register**

**Risk Tolerance Table**

<b>Descriptor</b>	<b>Definition</b>
Very Severe	The Authority is extremely concerned about this risk as the impact is potentially highly disruptive for the Authority's key objectives, projects or targets. Management action in the form of a comprehensive action plan is required immediately to reduce the risk and progress will be assessed by CMB.
Severe	The Authority is concerned about this risk. The consequences could have a significant impact for the Authority. The proposed action to reduce this risk to an acceptable level should be established and reported to CMB. Monitoring reports are required by CMB on a quarterly basis thereafter.
Material	The Authority is uneasy about this risk as the consequences, though not severe, will be disruptive to the delivery of the objectives. Proposals should be drawn up to reduce the risk to an acceptable level within six months and reported to CMB.
Manageable	The Authority is content to carry the risk as the likelihood and impact are within acceptable tolerances. The status of the risk should be reviewed regularly by the risk-owner to ensure that it remains within acceptable tolerances, and reported to CMB.

<b>Acronym Key for Risk Register</b>	
MDT Project	Mobile Data Terminals
EMR	Emergency Medical Response
BC	Business Continuity
CRM/PRM	Customer Relationship Management and Premises Risk Management



### Summary Risk Register for Authority Reports

Risk No	Risk	Potential Consequences	Owner	Current Rating	Direction of Travel	Planned Risk Management Actions
1	IF the Authority is affected by prolonged industrial action THEN an effective emergency response wouldn't be maintained	Major Loss of life or property	AD Resilience	Material	No Change	Review Industrial action BC plan and update
		Fines or claims against the Authority				
		Increased financial costs				
		Public and media condemnation of the Service				Provide refresher training to officers in appliance equipment etc.
		Government intervention in the management of the Service				
2	IF sufficient firefighting PPE of the required standard was unavailable THEN an effective emergency response couldn't be maintained	Major Loss of life or property	AD Response	Severe	No Change	Review and test Disaster Recovery arrangements for current contract
		Fines or claims against the Authority				
		Increased financial costs				
		Public and media condemnation of the Service				Annual Audit held and regular meetings established with incumbent supplier, with regard to operational continuity of supply of goods and services
		Government intervention in the management of the Service				
3	IF the arrangements for mobilising emergency resources failed THEN an effective emergency response couldn't be maintained	Major Loss of life or property	AD Corporate Services	Material	No Change	Test system failure plans
		Fines or claims against the Authority				
		Increased financial costs				
		Public and media condemnation of the Service				Identify key person weaknesses and address skill deficiency
		Government intervention in the management of the Service				

Risk No	Risk	Potential Consequences	Owner	Current Rating	Direction of Travel	Planned Risk Management Actions
4	IF emergency response skills and management are not maintained THEN operational intervention will become ineffective	Public condemnation of the Service	AD HR	Manageable	Minor Reduction	Address issue of recording of training and competencies
		Adverse media comments				Monitor attendance at training course for non-attendance
		Criticism from Fire Service inspectorate				Roll-out of Kirkpatrick model of training evaluation
		Legal action against the Authority				
5	IF Finance for externally funded services is withdrawn THEN the Authority will have to absorb existing staff over a short period	Industrial unrest	AD Response, AD Resilience	Material	Minor Increase	Consider possibility of utilising earmarked reserves in short term. In the longer term establishment levels will be considered against recruitment needs.
		Staff Redundancies				Review overhead costs and scale back accordingly
		Adverse media comments				
		Overspending				
6	IF an employee is seriously injured/killed whilst on duty THEN a series of formal investigations will be instigated	Disruption at senior management level	Dir Operations	Material	No Change	Exercise a significant safety event/injury scenario
		Enforcement action against the Authority				
		Claims against the Authority				
		Resignation or dismissal of senior staff				
7	IF the government's funding plans ( funding formula / spending review) disadvantage KFRS THEN its MTFP will be compromised	Further savings would be required	Dir Finance & Corp Serv	Material	No Change	Regular reviews of the MTFP
						Respond to any consultation document issued.

Risk No	Risk	Potential Consequences	Owner	Current Rating	Direction of Travel	Planned Risk Management Actions
8	IF the Authority suffers a major unfunded loss/cost THEN additional in year savings would be required	A reduction in reserves	Dir Finance & Corp Serv	Material	No Change	Explore the potential use or earmarked reserves in the short term. Establish if new in year savings could be generated.
		Delay in delivering projects and investments				
		Further savings required				
9	IF customer and premises information cannot be made available to operational staff THEN there is an increased risk that an inappropriate response to an emergency might be delivered	Increased health and safety risk to staff and customers	Dir Operations	Material	No Change	CRM/PRM project in progress to address this
		Adverse comments from public and media				MDT replacement project in progress
		Legal action against the authority				
		Intervention by HSE or other agencies				
10	IF workforce planning and development is ineffective THEN the Authority would not be able to maintain the range and breadth of non-statutory services	A reduction in service quality	AD HR	Material	No Change	Roll-out of Kirkpatrick model of training evaluation
		Loss of collaborative opportunities				Embed inspiring leadership framework into career planning
		Public dissatisfaction with the Service				
		Loss of staff				
11	IF a Kent run major procurement arrangement fails to meet expectations THEN partners' trust and reliance of the Authority will be damaged	Credibility affected, which may have an impact in future on leading other national collaborative procurement projects	Dir Finance & Corp Serv	Material	No Change	Clarify expectations at the outset with partners/ stakeholders
		Higher procurement costs				Establish clear mechanisms to monitor delivery of arrangements
		Legal action against the Authority				Review and improve standard terms and conditions

Risk No	Risk	Potential Consequences	Owner	Current Rating	Direction of Travel	Planned Risk Management Actions
12	IF the Authority is unable to maintain mission critical services following an external disruption THEN the Authority could fail to meet its statutory duties	Loss Of Staff - Short or Long Term	AD Resilience	Material	No Change	Transport disruption planning to be completed as part of EU exit preparation
		Loss of Premises - Including access to site(s)				Annual exercise completed and learning identified
		Loss of Information and Communication Technology (ICT) services				
		Loss of utilities				Review section business impact analysis
		Loss of critical suppliers/ contractors				
		Loss of vehicles and essential equipment				
		Transport disruption - including severe weather				
		Shortage of fuel supply				
13	IF changes to the Fire Safety Order and the creation of the Building Safety Regulator require changes THEN the Authority will need to review working practices and staffing levels.	Increased financial costs	Dir Protection, Prevention	Material	No change	Monitor the progress of the Fire Safety Bill and Building Safety Bill
		Public dissatisfaction with the Service				

Risk No	Risk	Potential Consequences	Owner	Current Rating	Direction of Travel	Planned Risk Management Actions
14	IF costs increase as a result of legislative changes THEN the Authority's MTFP will be compromised.	Increased financial costs	Dir Finance & Corp Serv	Material	No change	Consider possibility of utilising earmarked reserves in short term. In the longer term a higher level of savings will need to be identified.
		Further savings would be required				Keep a watching brief for legislation changes
		A reduction in reserves				Request a revised pension report to understand the increased pension liability
15	IF a project/ programme board does not recognise and manage financial risks of project delivery THEN the Authority's MTFP will be compromised.	Increased financial costs	Dir Finance & Corp Serv	Material	No Change	Consider possibility of utilising earmarked reserves in short term. In the longer term a higher level of savings will need to be identified or the project scaled back.
		Further savings would be required				Appropriate plans to be in place to highlight risk and steps taken to manage such risks
		A reduction in reserves				
16	IF the Council Tax base reduces as a result of an economic recession THEN the Authority's MTFP will be compromised	Further savings would be required	Dir Finance & Corp Serv	Material	No change	Consider possibility of utilising earmarked reserves in short term. In the longer term a higher level of savings will need to be identified
						Maintain regular contact with District Councils to understand the potential impact
		A reduction in reserves				Respond to any Government Consultation/ Monitoring

Risk No	Risk	Potential Consequences	Owner	Current Rating	Direction of Travel	Planned Risk Management Actions
17	IF the insurance market changes as a result of increased liability THEN the Authority's costs may increase.	Increased financial costs	Dir Finance & Corp Serv	Material	Minor Reduction	Maintain regular contact with FRIC to understand the potential impact
		Reduced collaboration due to increased risk exposure of no insurance cover				Consider possibility of increasing earmarked reserves in short term. In the longer term continue to review the market to see if cover is available at a later date.
		Greater level of reserves required due to increased levels of self insurance				Ensure appropriate Policies and Procedures across the organisation
						Respond to any Government consultation/monitoring
18	IF the Authority fails to act appropriately within the requirements and restrictions of the Covid 19 National Pandemic Then the Authority could fail to meet its statutory duties	Loss of Staff - Short Term or Long Term	AD Resilience	Material	No Change	Compliance with latest Government guidance
		Loss of Premises - including access to site(s)				Weekly Covid Management meetings
		Loss of critical suppliers/contractors/ third party support agencies				Review section business impact analysis in light of COVID
						Complete Covid Risk Assessments
		Increased financial costs				Authority's Estate Reviewed for Covid Compliance
		Fines or claims against the Authority				Purchase Covid Compliant PPE for Staff
		Public dissatisfaction with the Service				Engagement with the Local Resilience Forum
						Review of staff homeworking requirements

Risk No	Risk	Potential Consequences	Owner	Current Rating	Direction of Travel	Planned Risk Management Actions
19	IF the Authority does not reduce its carbon footprint THEN the Authority could fail to meet Government targets for 2050	Longer term impact on the Health and Environment of Kent Residents	AD Resilience AD Corp Serv	Material	No Change	Ensure Policies and Procedures reflect the Authority's commitment to carbon reduction
		Public dissatisfaction with the Service				Incorporate an emissions reduction plan within the Asset Management Strategy
		Fines against the Authority				Increase knowledge across the Authority on carbon reduction
						Review smarter working policies to reduce staff mileage
20	IF there is a delay in the release of the technical guidance to support the recent legal ruling in relation to the McCloud pension case THEN the Authority could be subject to legal challenge	Public and staff dissatisfaction with the service	AD HR	Material	New Risk	Remain engaged and maintain awareness of progress by the Scheme Advisory Board
		The exit of significant staff and loss of expertise				Engage with other FRS to consider necessary approach
		Legal action against the Authority				Ensure communication takes place to all those affected
						Ensure we are fully prepared to deliver outcomes when the guidance is available

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By: Chief Executive

To: Kent and Medway Fire and Rescue Authority – 27 April 2021

Subject: POLICY AND GOVERNANCE UPDATE

Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

This report seeks Members approval to two new Policies. The first relates to the stance of the Authority in relation to domestic abuse. The second is a new Policy related to People Impact Assessment.

The report seeks Members endorsement of the National Core Code of Ethics produced by the National Fire Chiefs' Council. Finally the report updates Members of the development of the Authority's Customer Safety Plan and its supporting strategies.

### **RECOMMENDATIONS**

Members are requested to:

1. Approve the Domestic Abuse Policy (paragraph 2 and **Appendix 1** refers);
2. Approve the People Impact Assessment Policy (paragraph 4 and **Appendix 2** refers);
3. Note the National Fire Chiefs' Council Core Code of Ethics (paragraph 6 and **Appendix 3** refers)
4. Note the update on the development of the Authority's Customer Safety Plan (paragraphs 7-12 refers).

LEAD/CONTACT OFFICER: See each section  
TELEPHONE NUMBER:  
EMAIL:  
BACKGROUND PAPERS:

## COMMENTS

### A. Domestic Abuse Policy

*Lead/Contact Officer: Karen Irvine, Assistant Director, Human Resources and Learning 01622 692121 ext 8298, [karen.irvine@kent.fire-uk.org](mailto:karen.irvine@kent.fire-uk.org)*

1. We want to raise awareness of domestic abuse amongst everyone that works for us, ensure that we have a network of trained people who are able to provide support and implement support measures identified through an assessment of support people need at work. This will hopefully encourage people who experience domestic abuse to access help they need.
2. The Policy sets out the Authority's approach, both to those experiencing domestic violence in their private life, and potential perpetrators. It is attached at **Appendix 1** for Members' consideration.

### B. People Impact Assessment Policy

*Lead/Contact Officer: Karen Irvine, Assistant Director, Human Resources and Learning 01622 692121 ext 8298, [karen.irvine@kent.fire-uk.org](mailto:karen.irvine@kent.fire-uk.org)*

3. People Impact Assessment is a tool to help us to think through the relevance and implications of our decisions on different groups of people. Put simply it's a form of risk assessment, and is underpinned in law by the Equality Act 2010, and the Public Sector Equality Duty.
4. A new Policy has been developed to clarify our approach to People Impact Assessment. It is attached at **Appendix 2** for Members' consideration.

### C. National Fire Chiefs' Council Core Code of Ethics

*Lead/Contact Officer: Karen Irvine, Assistant Director, Human Resources and Learning 01622 692121 ext 8298, [karen.irvine@kent.fire-uk.org](mailto:karen.irvine@kent.fire-uk.org)*

5. The National Fire Chiefs' Council is currently consulting with fire and rescue services on their proposed Core Code of Ethics. This Code has been developed using the Nolan Seven Principles of Life as its foundation. This Code has been developed in partnership with the Local Government Association and the Association of Police and Crime Commissioners.
6. We introduced our own Ethical Code last year, following extensive consultation with everyone that works for us, which is also underpinned by the Nolan principles. Once signed nationally we will include this Code as an appendix with our current Code. We will also raise awareness of staff through a series of case studies based around the National Code to promote debate and refresh understanding of the Nolan principles. The draft National Code is attached at **Appendix 3** for Members' information.

**D. Development of the Authority's Customer Safety Plan and its supporting strategies**

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services  
01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)*

7. The Authority's Corporate Plan is called the Customer Safety Plan. It meets all our requirements as set out in legislation such as the National Framework for Fire and Rescue Services. It is fully supported by the Medium Term Financial Plan, which articulates the resources allocated to the work we want to progress.
8. Covering the projects and actions we plan to take, the Plan has traditionally had a four year timeframe in line with the Medium Term Financial Plan. The next iteration of the Plan is however going to look further to the future at the risks and challenges that Kent and Medway will face from a fire and rescue service perspective. This future look is important, as it sets the scene for the immediate actions we want to take, and gives a sense of where in the longer term we are trying to reach. It is generated from a wide range of research, drawn from professional bodies, scientific research, and the view of both the National Fire Chiefs' Council and National Police Chiefs' Council.
9. The Plan will also include an accessible narrative on key issues which will begin to be addressed in the coming four years, and discussed in more detail in each of the supporting strategies. One of these themes will be inclusion, both as an employer and as a provider of services to customers. The narrative will pitch philosophically why inclusion is important as a service and give tangible real examples of how it can improve service to customers and increase access to our services. Other themes are operational excellence, transparency and wellbeing. The Plan will also demonstrate the Authority's approach to meeting any published national standards issues by the fire National Standards Board.
10. Six strategies supporting the Customer Safety Plan are being developed covering:
  - Operational response and resilience
  - Customer safety and engagement
  - People
  - Environment and assets
  - Commercial and Procurement
  - Business change, information and technology
11. Each of these will have the "golden threads discussed above embedded in them. They will also be supported by an evidence pack including a strengths, weaknesses, threats and opportunities assessment.
12. Due to the level of staff engagement required to make these documents as realistic and deliverable as possible, the complete set will be brought to the July meeting of the Authority for Members' consideration.

## **IMPACT ASSESSMENT**

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

## **RECOMMENDATIONS**

14. Members are requested to:
  - 14.1 Approve the Domestic Abuse policy (paragraph 2 and **Appendix 1** refers);
  - 14.2 Approve the People Impact Assessment Policy (paragraph 4 and **Appendix 2** refers);
  - 14.3 Note the National Fire Chiefs' Council Core Code of Ethics (paragraph 6 and **Appendix 3** refers)
  - 14.4 Note the update on the development of the Authority's Customer Safety Plan (paragraphs 7-12 refers).

# Human Resources and Learning



## Supporting employees experiencing domestic abuse Policy

Author	Dominika Kimber		HR Business Manager
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### Introduction

Domestic abuse is a complex issue that needs sensitive handling by people who are best placed to offer support at work.

Domestic violence and abuse against anyone is unacceptable and it is a breach of their human rights. Research demonstrates that domestic abuse has a major impact on individual's mental and physical wellbeing.

While domestic abuse may occur in the home, its impact stretches into every aspect of victims' lives – including their working life. As many as one in five people may need to take time off work because of abuse. Given this prevalence of domestic abuse it is very likely that all workplaces have people who have experienced or are experiencing domestic abuse.

Domestic abuse also frequently extends into work itself, with different surveys showing that between 36% to 75% people are harassed by abusive partners while at work.

Having a job and spending time away from perpetrators can offer a degree of independence and financial self-sufficiency, which is so important for those suffering abuse. Their workplace can provide them with a network outside of the home that they can draw on for support and can be one of the few places where victims feel safe to speak out about what they are going through. However, for many, the abuse continues while they are at work through harassment, interruptions and even the perpetrator showing up at their workplace.

For many people domestic abuse can have a detrimental impact on their ability to concentrate and perform at work, which may lead to capability or performance issues.

In some cases presenteeism rather than sickness absence can be a sign of domestic abuse as the individual may be safer at work than at home.

We want to raise awareness of domestic abuse within the service, ensure that we have a network of trained people who are able to provide support and implement support measures identified through an assessment of support you need at work. This will hopefully encourage people who experience domestic abuse to access help they need.

### Legal Consequences

As an employer, we have a broad duty of care to our employees, which means that we should take all steps which are reasonable possible to ensure their health, safety and wellbeing.

We do not tolerate any form of harassment or bullying in the workplace and our approach to this is outlined within our Code of Ethical Conduct and Bullying and Harassment Policy.

In addition to this, we are responsible for the health and safety of our employees, be it physical or emotional, under the:

- Health and Safety at Work Act 1974
- Management of Health and Safety at Work Regulations 1992

This gives us legal responsibility should a member of our staff be targeted at work to protect both – them and other people at work, to provide our staff with safe working environment where risks to health and wellbeing are considered and dealt with efficiently.

In addition to the common law duty of care, health and safety and employment laws, we also recognise moral and ethical reasons why we should act.

## **Service Policy**

As an employer we are committed to treat domestic abuse seriously, understand the risks and consequences in the workplace and provide our full support to the colleagues who experience any form of domestic abuse.

To achieve this, we will take the following steps:

### **We will strive to recognise the problem**

- We recognise that most people who endure domestic abuse will make their first disclosure in a workplace, to a colleague or 'friend'.
- We will make training on domestic abuse available to the managers and people who would typically be approached for support e.g. domestic abuse link team
- We will raise awareness of the signs of domestic abuse so that these can be spotted early

### **We will respond**

- If you suffer domestic abuse, we will believe you
- We will reassure you that the service has an understanding of how domestic abuse may affect your work performance and the support that can be offered

### **We will assess risk and provide support**

- We will take all appropriate steps to ensure your safety at work

### **We will refer to the appropriate help**

- We will signpost to the appropriate help and have this information readily available to access
- We will offer you flexibility to enable you to balance work with the consequences of domestic abuse
- We will offer you flexibility so you can deal with the consequences of domestic abuse

### **We will challenge perpetrators**

- We will challenge members of staff who are responsible for perpetrating domestic abuse
- If appropriate, we will support an employee who is seeking help to address their behaviour.

### **We will prioritise confidentiality wherever possible**

- We will afford confidentiality to everyone reporting domestic abuse to us, unless there are safeguarding measures involving colleagues, children, young people or adults at risk, which necessitate wider information sharing to prevent risk and harm.

### **We will make domestic abuse part of our wellbeing strategy**

- We will embed this policy in wider frameworks and organisational culture

## **What is domestic abuse?**

1. According to NICE 'domestic abuse is categorised by any incident or pattern of incidents of controlling, coercive or threatening behaviour, violence or abuse between those aged 16 or over who are or have been intimate partners or family members regardless of gender or sexuality'.
2. Domestic abuse can affect anyone, regardless of their sexual orientation, faith, age, race or dis/ability status. Women are more likely to experience repeated victimisation, be physically injured or killed as result of domestic abuse and experience non-physical abuse (including emotional and financial abuse), than men.
3. Men are also victims of domestic abuse. Whilst they may experience many similar types of abuse as women, men can face specific barriers, including shame and fear of stigmatisation, which may be due to myths around masculinity and that men cannot be victims of domestic abuse.
4. Individuals experience multiple and different types of abusive behaviours because of their specific characteristics, such as race, religion, ethnicity, socio-economic position, gender identity and sexual orientation which may overlap. The situation and previous experience of a person can also make it more difficult to disclose abuse, and to access services and support which meets their needs.
5. Examples below demonstrate that no single act of abuse or harassment defines domestic abuse and it can encompass many different types of abuse, as domestic abuse is often a pattern of acts of coercive, controlling or abusive behaviour.
6. It is not always easy to detect when an employee is experiencing domestic abuse. Some indicators of domestic abuse are listed in Appendix 1.

## **Emotional or psychological abuse**

7. Someone who endures domestic abuse may not experience any physical violence or abuse e.g. bruising and scars. Unfortunately, emotional and psychological abuse is often minimised or overlooked—even by the person being abused.
8. Emotional abuse includes, but is not limited to, verbal abuse such as yelling, name-calling, blaming, shaming and undermining confidence. Isolation and controlling behaviour also fall under emotional abuse.
9. Examples of psychological abuse include intimidation, insulting, isolating the person from friends and family, criticizing, treating the person as an inferior, making the person question their own memory, perception, and sanity (sometimes referred to as gas-lighting), and threatening to harm children or take them away or threatening to report them to their workplace or turn up their workplace.
10. Examples also include stalking can be defined as persistent and unwanted attention that makes you feel pestered and harassed and which causes you to feel alarmed or distressed of fear that violence might be used against you.

## **Physical abuse**

11. Physical abuse is the use of physical force against someone in a way that injures or endangers that person. The police have the power and authority to protect them from physical attacks as well as any other type of domestic abuse e.g. coercive control.
12. Examples of physical abuse include shaking, smacking, punching, kicking, biting, pinching, twisting, grabbing, starving, tying up, stabbing, strangulation, suffocation and throwing things.

## **Sexual abuse**

13. Sexual abuse is a form of physical abuse. Forced sex or rape, even through intimidation by a spouse or intimate partner with whom you also have consensual sex, putting someone down sexually or doing things that make them feel 'bad or physically hurt them' are acts of aggression and violence.

## **Financial abuse**

14. Examples of financial abuse include not letting the person work, undermining their efforts to find work or study, refusing to give money, not letting the person have access to their own money, asking for an explanation of how every penny is spent, making the person beg for money, taking all the money the person earns, gambling, taking out debt in their name and not paying bills.

## **Economic abuse**

15. Examples of economic abuse could be hiding the person's keys/mode of transport to stop them from getting to work, breaking company property i.e. laptop/work phone so person cannot do their work, not allowing them to dress 'appropriately' for work etc.

## **Forced marriage**

16. By forced marriage we understand 'a marriage in which one or both spouses do not (or, in the case of some adults with learning or physical disabilities, cannot) consent to the marriage but are forced into it using physical, psychological, financial, sexual, or emotional pressure. It is distinct from an arranged marriage, which both partners enter into freely'.
17. Forced marriage should not be confused with an arranged marriage, where parties involved have the choice to accept the arrangement or not. Forced marriage is when one party is threatened or bullied into making such a marriage.

## **'Honour' – based violence**

18. By 'honour'-based violence we understand 'a crime or incident committed (or possibly committed) to protect or defend the perceived 'honour' of a family or community'.
19. There is no honour in threatening or harming vulnerable people with violence. However, a small minority of both women and men experience violence and threats at the hands of their family or community in order to protect their perceived 'honour'.
20. The warning signs of honour-based abuse are:



- forms of communication being severed between victim and friends
- withdrawal from education or workplace
- criticism of victim for adoption of 'Western' culture, including clothing or make-up
- restrictions in leaving the house or chaperoning outside the home
- onset of depression or suicidal tendencies in an otherwise happy person

## **Female genital mutilation**

21. Female genital mutilation is a procedure where the female genital organs are injured or changed for non-medical reasons.

## **Controlling behaviour**

22. Controlling behaviour is defined as a range of acts designed to make a person subordinate and/or dependent.

23. These acts include but are not limited to:

- isolating them from sources of support
- exploiting their resources and capacities for personal gain
- depriving them of the means needed for independence, resistance and escape
- regulating their everyday behaviour, including checking up on them at work

## **Coercive behaviour**

24. Coercive behaviour is defined as a continuing act or a pattern of acts of assault, threats, humiliation, and intimidation or other abuse that is used to harm, punish, or frighten the person into compliance with the perpetrator's demands.

## **Additional risk factors**

25. Domestic abuse occurs across the whole society, regardless of race, ethnicity, gender, age or economic status.

26. There are however additional factors which increase the risk of experiencing domestic abuse if someone:

- Is female
- Has a long term illness or disability
- Has mental health problems e.g. PTSD, anxiety or depressive disorder
- Has a history of previous domestic abuse or experienced domestic abuse in childhood
- Is socially isolated from friends and family
- Is a woman who is separated (there is an additional risk of abuse around the time of separation)
- Is a woman who is pregnant or has recently given birth
- Identifies as LGBT (particular consideration for transgender colleagues where as many as 1 in 2 people may experience domestic abuse)

## **Domestic abuse link team – roles and responsibilities**

### **Safeguarding Manager**

27. Safeguarding manager will:

- Be the designated contact for further information on this policy
- Signpost to the most appropriate sources of advice
- Oversee the implementation of the actions agreed within your Safety at Work Plan, if you chose to involve them in your case

## **Human Resources Business Partners**

28. Human Resources Business Partners will:

- Offer advice and confidential support to the staff members experiencing domestic abuse
- Facilitate appropriate support mechanisms to reduce the risk of further abuse, while they are at work
- Recommend updates to policies, procedures and practices that are linked and could affect the implementation of this policy
- Signpost to the most appropriate sources of advice
- Oversee the implementation of the actions agreed within your Safety at Work Plan, if you chose to involve them in your case

## **Welfare Manager and Welfare Support Officers**

29. [Welfare Support team](#) will:

- Provide psychological support
- Signpost to the most appropriate sources of advice and support
- Oversee the implementation of the actions agreed within your Safety at Work Plan, if you chose to involve them in your case

## **How we will support you and your safety**

30. We appreciate that sharing private and sensitive information about domestic abuse or seeking help and support at work can be a difficult decision to make. We want to remove barriers and have in place a variety of methods that can be chosen, depending on personal preference. Below are the steps we will take to help you.

## **We may ask if you are experiencing domestic abuse**

31. Research shows that people who experience domestic abuse wish somebody had asked them about it. We will help managers build confidence to ask, if they suspect domestic abuse.

## **How to tell us**

32. We have a designated team of domestic abuse link staff, who can be approached in confidence, if you would prefer not to go through your manager: They are not counsellors but be provided with specific training and have clear responsibilities.

- Safeguarding Manager
- HR Business Partners
- Wellbeing Manager
- Welfare Support Officers
- White Ribbon Champions
- Health and Safety Advisors

33. You can also approach your manager, one of the Wellbeing Champions/Allies or any other colleague. With your permission, they will be able to connect you with anyone from the designated team.

34. We will always seek your consent and discuss the next steps with you, before implementing any actions or discussing your situation with any other people within the organisation. Exceptions to this

may be where there is imminent Health and Safety risk to yourself or others. Before we share any information from you, we will also consider risks to you or other people see: We will maintain your confidentiality below.

## **We will believe you**

35. We understand that it can be extremely difficult to disclose domestic abuse. We will believe in your experience and will not question it or ask for proof.

## **We will respond**

36. We will listen to what you are telling us and will take it seriously. As part of our initial response we will also:

- Reassure you that we have an understanding of how domestic abuse may be affecting your work performance and what can be done about this
- Assure you of confidentiality but highlight scenarios where confidentiality may have to be broken and information shared with external agencies (see: How we will maintain your confidentiality)
- Offer you information about specialist domestic violence organisations that can offer expert support
- Carry out an assessment of your support needs and draw up your **Safety at Work Plan**
- Offer practical support as far as possible
- Ensure your safety and wellbeing is monitored

## **We will maintain your confidentiality**

37. We will treat all information from you as confidential and will not share it without your consent.

38. We might however need to take the necessary precautions to protect the safety of other people (see Confidentiality and information sharing below)

## **We will carry out an assessment of your support needs and plan your safety**

39. The dangers of domestic abuse should not be underestimated. If domestic abuse is disclosed, assessment of your support needs can ensure that the potential risk to you and other colleagues is identified and safeguards put in place designed to reduce risk. (see **Appendix 2**)

40. If domestic abuse is disclosed, we will undertake an assessment of your support needs with you, to ensure that the potential risk to you and other people is minimised. This assessment can be carried out by any member of the designated domestic abuse team, with assistance from the Health and Safety advisors. This team will also be responsible for the implementation of the agreed measures, this may involve liaison in confidence with other teams e.g. IT, Premises.

41. If we have reason to consider that your family member presents a risk to other employees, we may also consider taking legal action to protect the workplace.

42. We will also encourage you to contact a specialist domestic violence service who can assess risk by using a risk assessment tool such as the Domestic Abuse, Stalking and Harassment and Honour Based Violence (DASH, 2009).

## **We will ensure that you make the decisions**

43. We might make certain recommendations based on the information we receive from you, for example signpost you to services you might want to access. Whether or not you choose to take these steps, will be your own decision.

44. We will also consider together with you what steps the service might take to address your support needs.

## **We will consider practical and supportive safety measures**

45. There can be a number of steps identified which will ensure that you are able to work in a safe and supportive workplace. This may include

### **46. Safe leave**

- This includes reasonable paid time off to resettle and access support e.g. dealing with police, attending courts, banks, social services, schools, mediation, meeting or calling a solicitor, applying for benefits, seeking medical help/counselling, moving into a new home or refuge accommodation, getting advice from domestic abuse organisations etc.

### **47. Flexible working**

- We may agree changing your working patterns or workloads to allow more flexible working to facilitate ad hoc appointments resulting from the abuse. This may be needed for some time after the abuse has stopped.
- More permanent changes to working hours and times can be agreed in accordance with the Flexible Working Policy.

### **48. Workplace changes**

- This includes permanent or temporary changes to help with your safety e.g. change of workplace, working times/patterns or changes in specific duties, such as not expecting you to answer external telephone lines or sit on reception.

### **49. Performance and productivity**

- Any performance or productivity issues due to domestic abuse will be dealt with sympathetically. Your manager will need to be made aware of this and work with you and your Human resources Business Partner to find solutions e.g. by adjusting workloads, extending deadlines or reassigning responsibilities.
- Consider additional support/supervision/debriefing sessions.

### **50. Security measures**

- If you are receiving harassing calls or emails, we may need to divert phone calls and email messages and/or changing your phone extension.
- We may need to notify reception if the abuser is known to come to the workplace and provide a copy of any existing orders against the abuser and a photograph of the abuser to reception staff.
- We may also need to agree with you what to tell colleagues and how they should respond if their ex/ partner telephones or visits the workplace
- In addition, as a part of safety planning, we may need to consider steps to ensure that the abuser cannot identify your whereabouts.
- We will draw up a '**Safety at Work Plan**' with information about what to do if the abuser calls or comes to the workplace and how to record your whereabouts during the day.

### **51. Lone working**

- We may agree that you do not work alone or in an isolated area (See Lone Working Policy)

### **52. Transport**

- This includes ensuring that you have arrangements for getting safely to and from home, including parking in close proximity to secure buildings, where available.

### **53. Access to your money**

- We will assist you to be able to access your money, whether through paying your salary into a dedicated bank account or offering financial support.

### **54. Financial support**

- We may make salary advances in extreme situations where it is identified that this may help you flee an abusive situation.

#### **55. Ensuring your personal information is up to date**

- We will review content of personal information, such as temporary or new addresses, bank or health care details
- We will ask you to confirm an up to date emergency contact number for a trusted friend or family member and next of kin information

#### **56. Occupational Health support**

- We may refer you, with your consent, to our Occupational Health doctor if necessary.

#### **57. Record of incidents of abuse in the workplace**

- Keep a record of any incidents of abuse within the workplace, including persistent telephone calls, emails or visits to the workplace.

### **We will signpost you to local and national support and advice agencies**

58. We will signpost you to the services providing vital support and advice on financial, health and housing issues, as well as legal assistance. See **Appendix 3** for details.

### **We will assess risk to other members of staff**

59. If there is a perceived safety risk to other members of staff as a consequence of domestic abuse (for instance, if they are affected by on the job harassment by someone), it may be necessary to inform other employees so that they can take appropriate precautions.
60. If this risk is identified we will agree with you the best way to approach this and the minimum information we will need to share on a need-to-know basis with other members of staff to ensure their safety and/or prevent any tensions about your attendance or work performance.

### **Perpetrators of domestic abuse who are employees**

61. We may become aware of a member of staff who is a perpetrator of domestic abuse, for example through:

- Self-disclosure
- Personal crisis e.g. an arrest or requirement to attend court
- An allegation made by another member of staff experiencing abuse e.g. where both partners are employed by the service
- An allegation made by a family member, friend or colleague
- Notification by the police or through a DBS check

### **Support for perpetrators seeking help**

62. Managers who suspect that domestic abuse may be an issue should have the confidence to discuss this with the employee. When doing so, they should ensure that their own safety is not compromised.
63. When domestic abuse as an issue is confirmed, we will engage with perpetrators in a constructive way, highlighting the following:
- The fact that domestic abuse will not be tolerated in any form
  - Encourage employees to address violent and abusive behaviours of all kinds
  - Signpost to available specialist support to help change their behaviour
64. Managers should keep a confidential record of a disclosure and any action/decisions that they have taken and stored securely. Good records may subsequently help in any legal proceedings or disciplinary hearing involving the perpetrator.

## Disciplinary considerations

65. In certain situations we may need to consider taking disciplinary actions against perpetrators of domestic abuse. These may include:
- Take formal action against any employee who incurs, during their period of employment, a criminal conviction relating to domestic violence and abuse.
  - Take disciplinary action against any employee who uses their job position, time, property or the resources of the service to abuse a partner or family member.
66. Any member of staff whose role requires an Enhanced DBS check will be required to declare if they have any convictions or orders in place against them, for example a Non Molestation Order or Occupation Order.
67. If the perpetrator and their victim both work for the service, we will take the appropriate steps to minimise the potential for a perpetrator to use their position or resources to find out the whereabouts, or other details, of their partner or ex-partner.

## Confidentiality and information sharing

68. Anyone involved in providing support to a member of staff affected by domestic abuse will treat this information as strictly confidential. This means that this information will not be shared without prior consent and generally no records will be recorded or retained, unless the matter is disclosed as part of an internal procedure e.g. sickness, performance management or discipline.
69. In most cases we will only share information with the individual's consent but there may be circumstances when we might need to override it. We may need to share information about domestic abuse to protect other people from harm, for example any children, young people or adults at risk or work colleagues.
70. Knowing when and how to share the information is not always easy. If you are in any doubt, you should seek guidance from the Safeguarding Manager to consider the safety and wellbeing of the individual or other people and whether information sharing is necessary, proportionate and accurate.

## Further Information

[Domestic abuse: get help during the coronavirus \(COVID-19\) outbreak - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/domestic-abuse-get-help-during-the-coronavirus-covid-19-outbreak)

[Workplace support for victims of domestic abuse - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/workplace-support-for-victims-of-domestic-abuse)

[Workplace support for victims of domestic abuse: review report \(accessible webpage\) - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/workplace-support-for-victims-of-domestic-abuse-review-report)

[DV Employer's guidance FINAL Update 3 - SafeLives rebranded.pdf](#)

[Domestic abuse: workplace policies and managing and supporting employees | Equality and Human Rights Commission \(equalityhumanrights.com\)](https://equalityhumanrights.com/domestic-abuse-workplace-policies-and-managing-and-supporting-employees/)

## **Appendix 1**

### **Indicators of possible domestic violence or abuse**

The following symptoms or conditions are indicators of possible domestic violence or abuse:

#### **Work productivity**

- Change in the person's working patterns: for example, frequent absence, lateness or needing to leave work early
- Reduced quality and quantity of work: missing deadlines, a drop in usual performance standards
- Change or response in the use of the phone/email: for example, a large number of personal calls/texts, avoiding calls or a strong reaction to calls/texts/emails
- Spending an increased number of hours at work for no reason
- Frequent visits to work by the employee's partner, which may indicate controlling behaviours
- Partner exerts unusual amount of control/demands over work schedule – employee may be dropped off and picked up from work and is unable to attend business trips or functions
- High absenteeism rate without explanation
- Needing regular time off for "appointments"
- Changes in quality of work performance for unexplained reasons: may suddenly start missing deadlines and show additional performance problems despite a previously strong record
- Receipt of repeated upsetting calls/faxes/e-mails
- Reluctance to turn off mobile phone at work
- Increased hours being worked for no apparent reason i.e. very early arrival at work and/or working late

#### **Psychological signs - changes in behaviour or demeanour**

- Conduct out of character with previous behaviour
- Changes in behaviour: for example, becoming very quiet, anxious, frightened, tearful, aggressive, distracted, or depressed
- Being isolated from colleagues
- Changes in behaviour or demeanour
- Obsession with leaving work on time
- Secretive regarding home life
- Worried about leaving children at home
- May always eat alone
- may not talk to others unless someone speaks to her first
- Uncharacteristic depression, anxiety, distraction, problems with concentration
- Obsession with time
- May cry at work or be very anxious
- May exhibit fearful behaviour such as startled reactions
- May avoid eye contact when being spoken to
- Fear of partner/references to anger
- Expresses fears about leaving children home alone with the abuser
- Secretive regarding home life

## **Physical signs**

- Visible bruising or single or repeated injury with unlikely explanations
- Explanations for injuries that do not fit the injuries displayed
- Change in the pattern or amount of makeup used
- Change in the manner of dress: for example, clothes that do not suit the climate which may be used to hide injuries or as a result of restriction of free will
- Substance use/misuse
- Fatigue/sleep disorders
- Symptoms of depression, anxiety, post-traumatic stress disorder, sleep disorders
- Suicidal thoughts or self-harming
- Unexplained chronic gastrointestinal symptoms
- Problems with the central nervous system – headaches, cognitive problems, hearing loss
- Repeated health consultations with no clear diagnosis
- Frequent and/or sudden/unexpected medical problems/sickness absences

## **Other indicators**

- Partner or ex-partner stalking employee in or around the workplace or on social media
- Partner or ex-partner harassing employee using friends or relatives
- Partner or ex-partner exerting unusual amount of control or demands over work schedule
- Isolation from family/friends
- Avoiding lunch breaks or socialising at the end of the working day; isolating themselves at work
- Isolation from friends and family
- Flowers/gifts sent to employee by partner for no apparent reason
- Insufficient resources



## **Appendix 2**

### **Assessing your support needs and Safety at Work Plan**

#### **Questions to consider during the assessment and examples of workplace adjustments:**

##### **Questions for the employee**

- Does the alleged abuser know where the employee works?
- Have they ever been followed on their way to/from work?
- Is the employee frightened of anything specific that might take place at work or to and from work?
- Does the employee fear for their physical safety, or that of their children/relatives (if applicable)?
- Does their alleged abuser have a history of violence, either to them or previous partners/relations (either suspected or confirmed)?
- Does the abuser have their work email address and/or work telephone number?
- What information can be shared with the wider team or relevant staff to ensure any changes are implemented and they can deliver an appropriate response?

##### **Contact arrangements**

- Retain both a work contact and an emergency contact at home (not the abuser).
- Arrange in advance when and who to contact if an employee doesn't come into work (family member/police/neighbour etc.).
- Maintain communication with the individual during any absence, while keeping their whereabouts confidential from the abuser and other agreed persons.

##### **Safety to and from work**

- Change the route to and from work (e.g. different bus or train time).
- Change the location of where they work or consider a transfer.
- Change the start and finish time of work hours.
- Provide a security escort to and from a car / transport links.

##### **Safety while at work**

- Change the locks/codes to enter the workplace.
- Consider a personal or workstation alarm.
- Consider an alternative entrance to, or exit from the workplace.
- Consider relocating their work area away from windows or glazed areas visible from public spaces
- Consider screening access to the workplace. If possible and required, enable reception/security to identify the abuser (photo, car registration), and advise them on what to do if the abuser arrives at the workplace.

##### **Communication safety**

- Review the security of all employee records and personal information.
- Change email addresses/work phone number or divert incoming phone calls and emails.
- Issue instructions to all staff NOT to reveal the employee's personal details or their whereabouts to anyone, including family members (once their permission to discuss this has been obtained).

## **Appendix 3**

### **Organisations and charities offering help and support**

#### **Black Association of Women Step Out (BAWSO)**

- [www.bawso.org.uk](http://www.bawso.org.uk)
- BAWSO are a specialist agency which can provide culturally sensitive and appropriate information and services to black and other minority ethnic groups.

#### **Bright Sky App**

- Bright Sky App is a free to download mobile app from the App Store or Google Play.
- It provides a service directory for anyone who may be experiencing domestic abuse or is concerned about someone they know. It enables users to locate their nearest support services, with information on leaving an abusive relationship, helping someone you know and listing abusive behaviour.

#### **Depression Alliance**

- <http://www.depressionalliance.org/>
- Depression Alliance brings people together with the aim of ending the loneliness and isolation of depression. They offer 'Friends in Need' communities both on the web and off; self-help groups in your local areas and online resources. The Depression Alliance do not have a helpline, yet their website has a list of useful contacts, including phone numbers.

#### **Eaves**

- <http://www.eavesforwomen.org.uk/>
- Eaves aims to address and eliminate violence against women and girls in the UK. They specialize in trafficking, exiting prostitution, and sexual violence. In addition to aid they provide housing and employment services, and aid those who have been in contact with the criminal justice system.

#### **Everyone's Business Advice Line**

- [The Everyone's Business Advice Line | Hestia](#)
- Everyone's Business Advice Line is available to any business or organisation in the United Kingdom who would like free guidance and information regarding domestic abuse and how to support employees and colleagues enduring domestic abuse in the workplace.
- The Advice Line can offer support, guidance and information to employers, managers and HR leads and others regarding issues relating to domestic violence and abuse.

## **Forced Marriage**

- [Forced marriage - GOV.UK \(www.gov.uk\)](#)
- Contact the Forced Marriage Unit (FMU) if you're trying to stop a forced marriage or you need help leaving a marriage you've been forced into.

## **FORWARD (Foundation for Women's Health Research and Development)**

- [About us | FORWARD \(forwarduk.org.uk\)](#)
- Tackles female genital mutilation (FGM), child marriage and related rights of girls and young women. Includes a helpline.

## **Galop**

- [Galop – The LGBT+ anti-violence charity](#)
- Charity supporting all LGBT+ people who have experienced hate crime, domestic abuse or sexual violence

## **National Stalking HelpLine**

- <http://www.stalkinghelpline.org/>
- A small team of highly trained staff and professionals respond to nearly 3,000 calls regarding stalking annually and help victims by giving them information on the laws surrounding stalking, directions on how to report it, how to gather evidence and staying safe.

## **NSPCC**

- <http://www.nspcc.org.uk/>
- NSPCC are the leading children's charity fighting to end child abuse. They help children who have been abused, protect those at risk and find the best way to prevent it from ever happening. NSPCC provides support for children and parents and work to address gaps in the law.

## **Man Kind Initiative**

- [www.mankind.org.uk](http://www.mankind.org.uk)
- The Man Kind Initiative is a national charity that provides help and support for male victims of domestic abuse.

## **Men's Advice Line**

- [www.mensadviceline.org.uk](http://www.mensadviceline.org.uk)
- The Men's Advice Line offers practical advice, information and support to male victims of domestic abuse as well as concerned friends and families.

## **Paladin**

- <http://paladinservice.co.uk/>
- Paladin is the National Stalking Advocacy Service, which aims to provide advice and support to high-risk victims of stalking. They campaign on behalf of victims, create a network of support for victims and address the laws surrounding stalking in the UK.

## **Rape Crisis**

- [Coronavirus | Rape Crisis England & Wales](#)
- Rape Crisis Centres provide specialist support and services for survivors of sexual violence, whether it happened recently or a long time ago

## **Refuge**

- [www.refuge.org.uk](http://www.refuge.org.uk)
- Refuge is one of the largest single providers of specialist accommodation and services to women and children escaping domestic violence, supporting over 1,000 women and children every day.

## **Respect**

- [www.respect.uk.net](http://www.respect.uk.net)
- Respect is the association for professionals working with domestic violence perpetrators and associated support services. The organisation's key aim is to increase the safety of those experiencing domestic violence through promoting effective interventions with perpetrators.

## **Rising Sun**

- [www.risingsunkent.com/get-help](http://www.risingsunkent.com/get-help)
- Rising Sun Domestic Violence & Abuse Service supports women and children affected by domestic abuse in Canterbury and East Kent, through every step of removing abuse from their lives and improving their safety.

## **Save Lives**

- [Spotlight #2: Disabled people and domestic abuse | Safelives](#)
- UK wide charity supporting disabled people at risk of domestic abuse

## **Southall Black Sisters**

- <http://www.southallblacksisters.org.uk/>
- Southall Black Sisters provide advice and information on domestic abuse, racial harassment, welfare and immigration, primarily for Asian, African and African Caribbean women.

## **The Freedom Programme**

- <http://thefreedomprogramme.co.uk>
- The Freedom Programme is a domestic violence programme which examines the roles played by attitudes and beliefs on the actions of abusive men and the responses of victims and survivors. The aim is to help them to make sense of and understand what has happened to them, instead of the whole experience just feeling like a horrible mess.

## **Women's Aid**

- <http://www.womensaid.org.uk/>
- Women's Aid is the national domestic abuse charity that helps up to 250,000 women and children every year. They work to end violence against women and children and support over 500 domestic and sexual violence services across the country.

## **Women's Trust**

- <http://www.womanstrust.org.uk/>
- Women's Trust is a support and mental health service for women affected by domestic violence. They provide one-to-one counselling, support groups and workshops.

## National helplines

If someone is in immediate danger, they should always call 999 in an emergency. If they are unable to speak while on the phone, they should use the 'silent solution' system by pressing 55 where the operator will transfer the call to the relevant police force.

### Domestic Violence Freephone

- Helpline – 0808 2000 247
- This is run by Women's Aid and Refuge

### Domestic Violence Assist

- Phone: 0800 195 8699
- Specialises in assistance to obtain emergency injunctions from being further abused.

### Hourglass

- Phone: 0808 808 8141
- The Hourglass confidential helpline provides information and support to anyone concerned about harm, abuse or exploitation of an older person.

### Karma Nirvana

- Helpline number 08005999247
- Email [support@karmanirvana.org.uk](mailto:support@karmanirvana.org.uk)
- Confidential helpline providing emotional and practical support and advice for victims and survivors (male and female) of forced marriage and/or honour-based violence.

### Men's Advice Line

- Phone: 0808 801 0327
- Confidential helpline for male victims of domestic abuse.

### National Centre for Domestic Violence

- Phone: 0800 970 2070
- Specialises in assistance to get emergency injunctions from being further abused

### National LGBT Domestic Abuse Helpline

- Phone: 0800 999 5428
- Emotional and practical support for LGBT+ people.

### National Stalking Helpline

- Phone: 0808 802 0300
- Guidance on the law, how to report stalking, gathering evidence, staying safe and reducing the risk.

### Women's Aid Domestic Violence Helpline

- Phone: 0808 2000 247
- Free 24-hour national helpline run by Women's Aid and Refuge

**Victim Support**

- Phone: 0808 1689 111
- Free and confidential help to victims of crime, witnesses, their family and friends.

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# Collaboration



## People Impact Assessment Policy

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### Introduction

People Impact Assessment also known as Equality Impact Assessment is a tool to help us to think through the relevance and implications of our decisions on different groups of people. Put simply it's a form of risk assessment.

### Legal Consequences

The Public Sector Equality Duty came in to force in April 2011, it required public authorities like Kent Fire and Rescue Service, in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010 to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

To ensure transparency, and to assist in the performance of this duty, the Equality Act 2010 (Specific Duties) Regulations 2011 requires us to evidence compliance with the public sector equality duty. We use PIA as a means of evidencing that compliance.

### Policy

Good decisions are made when they are based on sound evidence from a range of perspectives to ensure that the differing needs of people are, as much as it is practicable to do so, considered.

The effective and efficient delivery of public services depends on not only a good understanding of the needs of the customer (internal and external) but also activity seeking to take account of these needs, recognising that one size does not fit all.

We will achieve this by utilising information relating to Equality of Access and undertaking People Impact Assessments routinely, at the planning and implementation stages of key organisational decision making such as CMB papers, policies and projects.

### Why do I need to do it?

1. Apart from it being good practice and right thing to do, in order to have due regard to the aims of the general equality duty, you will need to understand the impact of your decisions on groups of people who are, as a minimum, protected by the Equality Act.

2. A balanced approach is needed to consider the **likely effect on people** of the decisions being made at KFRS, which we will call proposals for short but which include: policies, practices, projects, activities, informal customs and practices. These usually they fall into three main categories:
  - Organisational projects and functions
  - Key decisions (e.g. a decision considering cuts to services)
  - Policies that set criteria or guidelines for others to use.
3. People impact assessments should be applied to both existing and new proposals.
4. For new proposals we should consider equality throughout the development process. You should not wait for information to be available on the actual impact (i.e. when the policy, project or plan etc. it is implemented) as this will prevent your assessment from influencing your proposal development and decision-making.
5. When data on the actual impact of your final decision does becomes available, you will need to establish whether your earlier assessment was correct, or whether refinements are necessary in light of the new information.
6. It's important to recognise, not all of our proposals can be expected to benefit everyone equally, our focus is to redress inequality. For example, a policy may be designed to target or address particular problem/s affecting one group of people, for example; women with learning disabilities.

## How do you do a People Impact Assessment?

7. We have a template and guidance to help you, but essentially the document is made up of three parts:

### Part one - The Evidence

8. You need to find out as much as you can about the group or groups your proposal will affect, you might consider early decisions. There are a range of differing types of evidence can be used: consultation should be part of the evidence set, decisions will need to take into account information deficiencies and reach the best judgement possible using what is available. Things to consider might include:
  - What are the factors driving your proposal?
  - What reports/documents have you used to form your proposal?
  - Who have you spoken with to solicit views on your proposal?
  - What other policies, if any, does your proposal link to?
  - What will be the outcome of your proposal and does it offer equality of outcome?

## Part 2 – The analysis - who do I consider in a People Impact Assessment?

9. As mentioned The Equality Act 2010, provides the legal framework for equality assessment, but we often want to factor in other considerations in addition because we know there is potentially inequality arising.
10. The benefit of undertaking a PIA is that it enables you to consider additional factors that may be specific to your decision not covered in the Equality Act but which may need focus if inequality is to be avoided. These may include additional factors such as; geographical location, urbanisation, rurality, socio-economics etc.
11. The PIA incorporates consideration to 9 protected characteristics legally requiring consideration (legally termed “due regard”). According to the Equality Act 2010, protected characteristics are “aspects of a person’s identity that make them who they are”. Protected Characteristics include:

## **Age**

12. A person belonging to a particular age (for example 32 year olds) or range of ages (for example 18 to 30 year olds).

## **Disability**

13. A person has a disability if she or he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.

## **Gender reassignment**

14. The process of transitioning from one gender to another.

## **Marriage and civil partnership**

15. The union of a man and a woman or between a same-sex couples.

## **Pregnancy and maternity**

16. Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth, and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.

## **Race**

17. Refers to the protected characteristic of race. It refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins. Race - Refers to the protected characteristic of race. It refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

## **Religion and belief**

18. Religion refers to any religion, including a lack of religion. Belief refers to any religious or philosophical belief and includes a lack of belief. Generally, a belief should affect your life choices or the way you live for it to be included in the definition.

## **Sex**

19. A man or a woman.

## **Sexual orientation**

20. Whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes.

## **Other Inequality considerations:**

### **Rurality**

21. Being rural, which may include low population density, abundance of farmland or remoteness from urban areas. Considerations may include, access resources (such education and public transport), their ability to use these resources, and their ownership of them.

### **Urban**

22. "Related to a city". In that sense, the term may refer to: Urban area, which may include high population density, inequalities in groups, households and individuals to access resources such as; income, land, inputs, capital and education, their ability to use these resources, and their ownership of them.

## **Geography**

23. If not captured in urban or rural ways it might refer to a specific area a decision applies to.

## **Health**

24. Health inequalities are unfair and avoidable differences in health across the population, and between different groups within society. Health inequalities arise because of the conditions in which we are born, grow, live, work and age.

## **Socio-Economic**

25. Socio-economic inequality relates to disparities that individuals might have in both their economic and social resources that are linked to their social class. These disparities include but aren't limited to their earnings, education, and/or income.
26. This list of other inequality considerations is not exhaustive, groups may for example also be impacted by access to information, education, technology and social mobility but provides some things you may wish to consider either in relation to the protected characteristic or as a significant impactor.

## **Intersectionality**

27. You should also consider the interplay between the different protected characteristics on your proposal. Intersectionality is a term refers to injustices that are felt by people due to a combination of factors. For example, a black woman might face discrimination from a business that is not distinctly due to her race (because the business does not discriminate against black men) nor distinctly due to her gender (because the business does not discriminate against white women), but due to a unique combination of the two factors.

## **Part 3 - The Action Plan**

28. As you gather evidence and check your proposal against what you know or research is telling you about differing groups you will be able to identify ways in which you can foster better relations which different groups and provide better outcomes. For example, older people often can't read small print, by making your message simpler and larger you will be able to have it read and understood by more people which would improve accessibility.
29. It is very likely as you progress you will identify things you need to do increase accessibility and reach. Ensuring these actions are recorded monitored, reviewed and evaluated is an essential part of a good People Impact Assessment.

## **Why doing a People Impact Assessment before the decision is made matters**

30. A key point of a People Impact Assessment is that you take account of equality as you develop your proposal into a policy, project or plan etc. You start by thinking about your idea in terms of risk to people with any of the 9 protected characteristics above. If you identify a risk or impact to any of the groups that you could not objectively justify, then you know you need to consider a PIA.
31. You might be asking what does objectively justify mean. Objective justification gives a defence for applying a policy, rule or practice that would otherwise be unlawful indirect discrimination the aim must be a real, objective consideration, and not in itself discriminatory (for example, ensuring the health and safety of others would be a legitimate aim).
32. Leaving a People Impact Assessment until after you have processed your decision will not enable you to properly consult and involve and opportunities for picking up issues and making adjustments as part of the policy development will be missed. It won't save time and may in fact lead to delay or even fundamental repositioning.

33. People Impact Assessments are set up to be an integral part of the policy development and review, rather than a one-off exercise. There is no reason that a People Impact Assessment cannot be completed quickly. The quality of a People Impact Assessment is not measured by page count but by quality of the analysis and action taken. Much of the process can be systemised, and benefits can be had from up-front thinking and using existing research such as; the Equality of Access to Services and Employment documents for specific groups and communities accessible on the Intranet "Inclusion" Pages.
34. By using the Equal Access Documents, Example People Impact Assessment, Reports and Useful Documents you are already on your way to writing a good People Impact Assessment. These resources will be further enhanced with a suite of considerations, smart questions you might be wanting to ask yourself and other tools to make completing People Impact Assessment easier.

### **Don't let your PIA gather dust**

35. People Impact Assessment are not an end in themselves they work best as "live" documents adjusting and informing decisions.
36. It is, perhaps, easy to think nobody would notice if we don't do People Impact Assessment, but simply this is not true, there are many examples of customer's service users who have successfully challenged decisions that have been taken by public authorities because "due regard" could not be evidenced.
37. Ultimately People Impact Assessment must demonstrably be used to inform the final decision, but not just because it's protects the organisation from legal challenge but because it's the right thing to do.

### **Further Information**

[Inclusion: People Impact Assessments \(sharepoint.com\)](#)

[Inclusion: Smart Questions \(sharepoint.com\)](#)

[Inclusion: People Impact Assessment Templates \(sharepoint.com\)](#)

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By: Chief Executive

To: Kent and Medway Fire and Rescue Authority – 27 April 2021

Subject: PENSIONS UPDATE

Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

The world of pensions is ever changing and complex. The recent Employment Tribunal cases, highlights these complexities, so it is important that as an Authority we consider the impact of these and ensure that our pension provisions are up to date and relevant to enable us to deliver the necessary outcomes.

This report provides a detailed update on the recent Employment Tribunal ruling for the McCloud vs Sargeant case. The implementation of this case ruling will result in a largescale pension's administration exercise, where many pensions will need to be re-calculated. The calculations are complex, and clarification on the approach and methodology is still awaited from central Government and Her Majesty's Treasury. This report therefore, provides an overview of the case and an updated position statement and asks Members for their approval to a number of recommendations.

Additionally, this report also provides Members with an update on a range of other pension related matters including the O'Brien Employment Tribunal case, discretions regarding transfers-in of pensions and the revoking of The Restriction of the Public Sector Exit Payments Regulations 2020.

### **RECOMMENDATIONS**

Members are requested to:

1. Agree to delay the implementation of the remedy actions from the O'Brien case until there is sufficient guidance from the Home Office (paragraph 32 refers);
2. Agree to discretion of allowing the transfer-in of previous pension provision for new employees, to occur only within the first 12 months of starting employment with this organisation (paragraph 36 refers);
3. Note the remaining contents of the report.

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BACKGROUND PAPERS:

## COMMENTS

### Background

#### McCloud/Sargeant Employment Tribunal Remedy – Firefighters Pension Scheme

1. In 2014/15 most public service pension schemes were reformed and changed from a Final Salary scheme to a CARE scheme (Career Average Revalued Earnings Pension). This change applied from 2015 for the Firefighters' Pension Scheme (FPS) and part of this schemes' reform included "transitional protection" for people closest to retirement.
2. However, in December 2018, the Court of Appeal ruled that the "transitional protection" element of the 2015 public service pension reforms constituted unlawful age discrimination in the Firefighters' Pension Schemes.
3. Age discrimination was found on the "transitional protection" because it was based on age and therefore prevented equal access to the scheme. The transitional protections were as follows:
  - Members who were within ten years of the schemes Normal Pension Age as at 1 April 2012 were fully protected and were able to remain in the 1992 FPS or 2006 NFPS final salary scheme, now known as the 'legacy' scheme;
  - Members who were within 14 years of the schemes Normal Pension Age as at 1 April 2012 were able to delay their move to the reformed scheme, and as such tapered protection was applied based on their date of birth. These employees are referred to as "tapered members".
4. The actual moving of people into the 2015 scheme was not discriminatory but what was deemed discriminatory was the protection periods that were applied. Consequently, discrimination only occurred between 1 April 2015 (the introduction of the FPS 2015 scheme) and 31 April 2022 (when the protection and all tapering ceased). This period is now known as the 'remedy' period.
5. The Government appealed The Court of Appeal ruling, but this was subsequently rejected in July 2019 and as a result was then referred to the Employment Tribunal for a remedy to be established.
6. The Employment Tribunal ruled that the discrimination must be removed for the period that the discrimination occurred i.e. the remedy period. Once the discrimination is removed, then everyone will be treated equally in that they will have access to the same scheme at the same time.
7. The Government will have to compensate those who were treated with less favourable treatment. On the face of it, this means that the younger members are entitled to have their benefits "levelled up" so that they are treated as having the same protection as the older members i.e. the younger members who have been accruing benefits in the CARE scheme since 2015 will have the option to have these benefits re-calculated on the basis that they had remained in the legacy scheme for this period.



8. **Government Consultation** - There is no doubt that the remedy of this case is technically complex and there are a multitude of issues that need addressing before this can be moved forward. The Government recognises these complexities and so during the summer of 2020 a consultation exercise was launched to gain views on how this ruling could be implemented. What was also apparent was that a number of pension regulations would need to be amended to enable the remedy to be applied. Currently it is clear that the resolution of some of these issues is still some way off.
9. **Immediate Detriment** - However, anticipating that there would be a delay in the issuing of new regulations, The Fire Brigades Union (FBU) requested that the Home Office issue guidance to employers on how to deal with “immediate detriment” cases, which are defined as employees who were either due to retire, could retire as a result of the changes or potential ill health cases before 1 April 2022. Consequently further ‘immediate detriment’ guidance was issued on 21 August 2020.
10. But on reviewing the “immediate detriment” guidance it was quite clear that there were still a number of unknowns regarding the final application of this remedy. Discussions were progressed with our pension’s administrators (LPPA), the Local Government Association (LGA), who provides the Authority with pensions support and other Fire and Rescue Services, following which it was agreed that no action would be taken until the outcome of the Government’s consultation was published. The expectation was that the outcome of the consultation would provide sufficient information so as begin the re-calculation of the relevant pensions.
11. Many expected that the Fire Sector as a whole would adopt that stance, however, that did not prove to be the case and to date, a small number of Services have implemented the proposed remedy, based on the ‘immediate detriment’ guidance that was issued, applying the current legislation on pension and tax related issues. But in doing so there must be an acceptance by the retiree, effectively signing a waiver, that they are aware that HMT and revised Pension legislation could be such that it may adversely affect their recalculated pension, and it may be quite some months before this is confirmed. There is no doubt that until all the necessary information is made available in relation to the outstanding issues, final pension figures to retirees cannot be guaranteed. The points in the paragraphs that follow highlight some of these issues. However, the Authority does recognise it has a duty of care as an employer, so whilst the best scenario would be to not progress any recalculation until all the guidance is issued, those colleagues who are affected adversely by this current situation may not view this stance in the same light. The Authority does recognise their concern over this very important issue and as such is exploring all opportunities that may be available. Consequently, Members will be provided with the latest update on this situation, no later than a day before this meeting is held, as this is a very changeable situation.
12. **Outcome of the Consultation** - The Government consultation ended on 11 October 2020 and the outcomes were published at the beginning of February 2021. Having now reviewed the outcomes there is still a lack of clarity and uncertainty around a number of elements, which still we believe, prevents us from commencing the implementation of the remedy. The key points are as follows:

- A lack of clarity as to how to convert the 2015 pension scheme value (a career average scheme) back into a Final Salary scheme value;
  - Individuals appear to only have the choice to be in one scheme for the remedy period. For individuals, who choose to work over the age of 50, the 2015 scheme supports them to work until 60. But as it currently stands for the remedy period these individuals can only be in one scheme for that total period. It does not appear to be the case that they can split their membership across the two schemes for this period. This could have a significant financial impact on individuals if they choose to remain in employment or it could force them to retire even if they had wished to continue to working.
  - Pension contributions made by individuals are higher in the Final Salary scheme than the Career Average scheme. This will mean that those reverting to the Final Salary scheme will need to make additional pension contributions. However, it has been suggested that the Government may charge interest on these payments but as yet we have no further details to confirm that this is the case. In addition tax relief will need to be re-calculated over the seven year period.
  - The pension will need to be re-calculated for pension growth for each pension year i.e. 7 years during the remedy period, which could result in annual/life time allowance breaches.
13. **Tax issues** - Clarification of the tax treatment in relation to all of these issues is likely to be an important factor for many. Apart from the potential annual and life time tax allowance another significant issue relates to those retirees whose pension is already in payment. If these individuals decide to return to the legacy scheme they could be entitled to an additional lump sum. Her Majesty's Treasury (HMT) would consider this additional payment to be an unauthorised payment as it is a payment being made to an individual after they have left and as such it would be taxed at 40%. Lump sum payments, which are part of the pension payment are normally tax free to a certain level if paid at retirement. It is possible that the HMT will put in place a compensation scheme to overcome many of these tax issues, however no such information is currently available.
14. **Deferred Choice** - Another factor in the consultation, was that individuals would be allowed to defer their choice as to which scheme they wish to retire from during the remedy period. This will mean keeping pay information for all affected employees and calculating two sets of pension's figures. Pensions administrators are looking for technological IT solutions to carry out these calculations, but these will undoubtedly take time to be written and developed.
15. **Summary** - The Authority, as the Scheme Manager, is responsible for ensuring that pensions are calculated correctly. Throughout the consultation process it has been

made clear by Government that Scheme Managers must be in a position to give individuals correct and adequate information so they can make appropriate and important pension decisions. However, the Authority does recognise the concerns of those colleagues who are affected by this very important issue and as such is exploring all opportunities that may be available. Consequently, Members will be provided with the latest update on this situation, no later than a day before this meeting is held, as this is a very changeable situation.

16. Officers continue to work in the background on gathering all the necessary information to enable the revised calculations to be made when the issues are resolved and finalised. In the meantime the LGA are also looking to achieve clarity on the Immediate Detriment issues as a priority, and as such discussions are ongoing with the Home Office and HMT.
17. Members should be aware that these changes do not prevent individuals from retiring from the Service and drawing a pension, before the immediate detriment remedy is applied, but it may not be their full and final pension if they are impacted by this case. It will however mean, that once we are able to progress with these changes, their pension values could potentially change and we will of course make the necessary adjustments post their retirement.

#### **Impact of McCloud/Sargeant - Local Government Pension Scheme (LGPS)**

18. When the LGPS changed from a Final Salary scheme to a CARE scheme in 2014, members who were within 10 years of their Normal Pension Age (usually age 65) on 1 April 2012 were provided with a protection called the 'underpin'. When a protected member takes their pension, the benefits payable under the CARE and Final salary schemes are compared and the higher amount is paid.
19. The McCloud/Sargeant case will affect members of the LGPS who were in service on 31 March 2012 and also have service after 31 March 2014 (without a break of more than five years).
20. Whilst the principles of the McCloud ruling apply to those in the LGPS scheme, it will affect far fewer employees compared to those in the firefighter's scheme. It is only likely to have an impact on those employees who have benefitted from a pay rise which is significantly above inflation in the period between 2014 and March 2022, possibly by having gained a significant promotion. However, a calculation will be performed by the pension's administrators (KCC) in 2022/23, to determine which scheme best benefits the individual during that eight year timeframe.
21. However, despite the issues affecting far fewer pensioners or employees, it is still important to ensure that all the necessary information is available, to enable accurate

figures can be provided. The biggest issue is likely to be the tax implications in relation to individuals potentially exceeding their annual / lifetime allowance.

### **O'Brien and Matthews Cases**

22. **Matthews Case** - In July 2000, a case was taken to the Employment Tribunal which claimed that retained firefighters were being discriminated against because as part-time workers they were not afforded the same benefits as full time employees i.e. access to sick pay and a pension scheme. This was known as the Matthews case.
23. This case took several years to conclude and during this period the Government amended pension provisions for firefighters by introducing a new scheme (known as the '2006 Scheme'). The '2006 Scheme' did allow retained firefighters to join this scheme.
24. The Matthew's case was concluded in favour of retained firefighters and in 2014 Fire and Rescue Services' were provided with the regulations and guidance to implement these changes.
25. The courts ruled that individuals affected should be given the opportunity to join a pension scheme from the date that the Part-Time Workers Regulations came into force (7 April 2000) and not just from the date the 'FPS 2006 Scheme' commenced, which was the 6 April 2006.
26. Amendments were made to the FPS 2006 scheme to allow "Special Members" access to benefits on modified terms. This is more commonly known as the "Modified Scheme" and is an amendment of the FPS 2006 to which certain members (known as "Special Members") were able to opt to join the scheme through an options exercise. Individuals were offered the opportunity to purchase benefits within the "Modified Scheme" for the period 1 July 2000 to 6 April 2006. The eligibility period is slightly wrong and the Government appears to accept that the period should have started from 7 April 2000 and not 1 July 2000.
27. **O'Brien Case** - Mr O'Brien challenged the outcome of the Matthews' case by raising a further Employment Tribunal claim. He stated that if he was classified as a part-time worker then his ability to access a pension scheme should be afforded to him for his whole period of his service and not from the date that the Part-Time Workers Regulations came into force. Therefore, the discrimination identified in the Matthews case applied as he was being treated unfairly as he still did not have access to the same benefits as a full time employee.
28. In November 2018 the European Court of Justice found in favour of Mr O'Brien. The court found that the period of service before the Part-Time Workers Regulations came into force must now be taken into consideration for the purpose of calculating a retirement pension. In July 2019 the Supreme Court upheld this decision.

29. Since this ruling we have not received any further guidance to enable us to implement this change. The pension regulations will again need to be amended to accommodate these changes.
30. This will be a huge pension's administration exercise which will mean trying to locate ex-employees who may have left with no pension provision and therefore no reason to keep us informed of a change of address.
31. Until we receive guidance and or the new regulations, we do not know if those that declined the offer to join the "Modified Scheme" will have the option to re-apply, if the estates of ex-employees, who have subsequently died will be able to apply for lost benefits or the extent by which we will be expected to seek out ex-employees.
32. We therefore request that Members support our decision to not progress the implementation of the outcomes of the O'Brien case until further information has been received from Government.

### **Transfer-In of Pensions**

33. When individuals join the organisation we have for many years had an informal arrangement which allows them to transfer-in their pension pots from other pension schemes. This enables them to convert their previously accrued pension provision into either the firefighter's or LGPS scheme, whichever is relevant to the role to which they have been appointed.
34. Whilst we have applied this discretion for a number of years, we have also limited the timeframe for such transfer-ins to be within the first 12 months of joining the organisation. This allows the new employee sufficient time to make the necessary arrangements to transfer their pension provision.
35. Clearly the transfer-in of any pension provision does have a financial impact on the Authority, as new long term pension commitments arise from these transfers.
36. As with other discretions in the pension schemes, Members are asked to agree the principles that should be applied to such discretions, in this case that the transfer-in of any previous pension provision is allowed but it must be actioned within the first 12 months of joining the organisation. It would seem that the process of transfer-ins has been an informal arrangement in the past and as such going forward this discretion needs to be added to the list of formally agreed discretions previously agreed by the Authority. Consequently Members are asked to agree to the 12 month timeframe for transferring in external pensions to one of the Authority's schemes, and only in exceptional circumstances will a transfer-in be accepted beyond that timeframe.

## **Abolishment of £95k Exit Cap**

37. Members may recall that on two previous occasions in the past, the Authority has provided a response to consultations launched by the Government, in relation to implementing a cap on exit payments. The proposal to implement a £95k exit cap has been waiting in the wings for some time, so finally the Restriction of Public Sector Exit Payments Regulations 2020, restricting the value of severance packages to £95k in the public sector, was signed on 14 October 2020 and subsequently came into force on 4 November 2020.
38. Those most likely to be adversely affected by this new ruling were those employees over the age of 55, if they were made redundant and were in the LGPS. This was because the new exit payment regulation contradicted the LGPS regulations. The LGPS regulations currently state that early retirement (55 years and over) when initiated by the Authority must be for business efficiencies and therefore redundancy would be payable. The exit payment regulation however contradicted this by stating that the redundancy payment should be forfeited to support the pension strain costs that the Authority will incur by allowing the individual to draw their pension early, but unreduced.
39. However, it would seem that after having launched the implementation of the cap of £95k, this contradiction came to light, consequently a further consultation was launched in October 2020.
40. In December 2020, whilst this consultation was taking place, three requests were given permission to proceed to Judicial Reviews of the Restriction of Public Sector Exit Payment Regulations 2020. These requests contested the regulations on a number of grounds, including their effect on the Local Government Pension Scheme (LGPS) regulations.
41. In February 2021 the Government suddenly revoked the Restriction of Public Sector Exit Payments Regulations 2020, stating that it had recognised serious deficiencies in the Regulations. It further stated that it would be looking at alternative ways by which to eliminate “unjustifiable” exit payments made to public sector employees and further guidance would follow. Members may wish to note that no such redundancies took place in this Authority during the short timeframe of this Exit cap being in place. Members will be updated in due course as future guidance is released.

## **IMPACT ASSESSMENT**

42. The McCloud/Sargeant case identified age discrimination in the application of the tapering from the Final salary into the CARE scheme. That discrimination will exist until the Employment Tribunal Remedy has been implemented.

43. The O'Brien case identified the discrimination of part-time workers because they had not been afforded the same pensions rights as full time employees. Once again this discrimination will exist until the Employment Tribunal remedy has been implemented.
44. It is the Authority's intention where the pension regulations allow, to apply equal access to benefits. Therefore in applying the discretion for the transfer-in of external pensions, the same 12 month timeframe restriction will apply to both the firefighters and LGPS scheme.
45. There may well be some financial consequences that arise as a result of the issues described in this report, however the scale of these are not yet known. But the expectation is that the impact of these changes will be reflected in future actuarial valuations of the respective pension fund, following which there may need to be an increase in employer contribution rates.

## **RECOMMENDATIONS**

46. Members are requested to:
  - 46.1 Agree to delay the implementation of the remedy actions from the O'Brien case until there is sufficient information or guidance from the Home Office (paragraph 32 refers);
  - 46.2 Agree to discretion of allowing the transfer-in of previous pension provision for new employees, to occur only within the first 12 months of starting employment with this organisation (paragraph 36 refers);
  - 46.3 Note the remaining contents of the report.

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By: Chief Executive  
To: Kent and Medway Fire and Rescue Authority – 27 April 2021  
Subject: APPOINTMENT OF AN INDEPENDENT PERSON  
Classification: Unrestricted

## **FOR DECISION**

### **SUMMARY**

The provisions of the Localism Act 2011 require that every local authority appoints at least one Independent Person (IP) whose view must be sought before reaching a decision following investigation of any allegation made that a Member of the Authority has breached its Code of Conduct. Therefore Members' agreement is sought to undertake a recruitment process to appoint an Independent Person for the purposes as set out in this report.

### **RECOMMENDATIONS**

Members are requested to:

1. Agree the proposed recruitment process to appoint an Independent Person for a three year term for reasons outlined in the report (paragraph 3 refers);
2. Approve the Job Description and Person Specification for the recruitment of an Independent Person (**Appendix 1** and paragraph 3 refers);
3. Approve the advertisement for the recruitment of an Independent Person (**Appendix 2** and paragraph 3 refers);
4. Agree the remuneration for the Authority's Independent Person (paragraph 4 refers);
5. Agree that shortlisting and interviewing be undertaken by a Panel comprising the Chair of the Authority, Vice-Chair and the two Opposition Group Leaders or their nominees (paragraph 5 refers).

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BACKGROUND PAPERS: None

## COMMENTS

### Background

1. When the relevant provisions of the Localism Act came into effect in 2012, the Authority at the time decided that it should appoint just one IP and agreed with Kent County Council (KCC), which also decided to appoint just one IP, that the Authority's IP acts as a substitute for KCC's (if theirs should be unable to act through, for example, holiday, illness, or a conflict of interest) and vice versa. The proposal for this arrangement remains unchanged for the future.
2. Members will recall that the Authority's IP stood down from her role in March 2020 for personal reasons. Since then, and due to the current Covid-19 restrictions, the Authority has not been able to undertake a formal recruitment exercise to find a replacement until now. However, during this period there has been arrangements in place with KCC to utilise their IP should the need have arisen.

### Appointment of an Independent Person

3. From 1 July 2020, KCC made a re-appointment of their current IP for another four year term. It is proposed that this Authority undertakes a recruitment exercise to appoint one IP for a term of three years which will then bring the process back in line with the reciprocal arrangements this Authority has in place with KCC. The Job Description and Person Specification for the Independent Person role is attached at **Appendix 1** and the job advertisement at **Appendix 2** both of which require Members' approval.
4. Although there has not been the need in the past for this Authority's IP to deal with any allegations against its elected Members, there was a requirement for the IP to regularly liaise with officers, attend meetings where appropriate and keep in touch with local developments and best practice on standards issues. Members are therefore requested to approve that a remuneration of £250 per annum is paid to the IP as a retainer fee, plus a daily rate of £100 (pro rata for part of the day) for whenever any duties are undertaken in addition to any travel expenses at the standard rate.

### Timetable

5. Subject to Member's approval of the recommendations in this report, it is proposed to commence the advertising process following this meeting with the Panel comprising of the Chair of the Authority, Vice-Chair and the two opposition Group Leaders or their nominees to meet at the end of May/early June to interview any shortlisted candidates. Any appointment will then be ratified by the Authority at its meeting on 22 July 2021.

## **IMPACT ASSESSMENT**

6. Under the Localism Act, the Authority is required to appoint at least one Independent Person and by doing so assists the Authority to maintain the current high standards of conduct demonstrated by its Members.

## **RECOMMENDATION**

7. Members are requested to:
  - 7.1 Agree the proposed recruitment process to appoint an Independent Person for a three year term for reasons outlined in the report (paragraph 3 refers);
  - 7.2 Approve the Job Description and Person Specification for the recruitment of an Independent Person (**Appendix 1** and paragraph 3 refers);
  - 7.3 Approve the advertisement for the recruitment of an Independent Person (**Appendix 2** and paragraph 3 refers);
  - 7.4 Agree the remuneration for the Authority's Independent Person (paragraph 4 refers);
  - 7.5 Agree that shortlisting and interviewing be undertaken by a panel comprising the Chair of the Authority, Vice-Chair and the two Opposition Group Leaders or their nominees (paragraph 5 refers).

## **KENT AND MEDWAY FIRE AND RESCUE AUTHORITY INDEPENDENT PERSON**

**Location:** Maidstone

**Remuneration:** £250 Annual Retainer plus a daily rate of £100 (pro rata for part of the day) for whenever duties are undertaken as well as travel expenses at the standard rate.

### **Job Purpose:**

The postholder will be the Authority's Independent Person for the purposes of Section 28(7) of the Localism Act 2011 and will assist the Authority and its Members to deal with any allegation that a Member has breached the Authority's Code of Conduct.

There may, on occasions, be the requirement for the Kent and Medway Fire and Rescue Authority Independent Person to substitute for Kent County Council's Independent Person if theirs should be unable to act through holiday, illness, or a conflict of interest and vice versa.

Kent and Medway Fire and Rescue Authority and Kent County Council operates a jointy adopted Code of Conduct.

### **Main Duties and Responsibilities**

1. To advise the Authority before it takes its decision on any allegation that it has investigated that a Member has breached the Authority's Code of Conduct.
2. To advise the Authority on any allegation that a Member has breached the Authority's Code of Conduct, in other circumstances at its request.
3. To advise their view where consulted by any elected member of the Authority who is the subject of an allegation that he or she has breached the Authority's Code of Conduct.
4. To reach balanced and reasoned conclusions having considered complex material and applied an impartial and fair approach to all of the written and oral material provided.
5. To undertake any training where required that enables effective performance of the role.
6. To attend meetings of KCC and KMFRA when required.
7. To participate in any forums established for Independent Persons.

8. The person appointed as an Independent Person must:
- be committed to the need for high standards in public life;
  - demonstrate that they can remain independent in their thinking and decision making;
  - be able to make judgments based on evidence or information presented;
  - be able to work within an area of public life which is open and transparent.

### **Knowledge, Skills and Experience**

The postholder will ideally have:

- Good understanding of the ethical standards required of people holding public office and the impact of ethical issues within a local authority context;
- A calm, rational approach to problem solving which considers detailed evidence to reach a balanced judgement;
- Good interpersonal skills, demonstrated through a considered, measured and consultative approach when dealing with potentially difficult or complex issue;
- High degree of personal integrity;
- Experience in dealing with difficult issues which need constructive and sensitive solutions;
- Experience of partnership working, where politically or ethically sensitive issues have had to be considered;
- Experience of dealing with issues of ethical conduct in employment or public service.

### **Job Context:**

The postholder's duties are likely to be very occasional. He or she will be working essentially on a voluntary basis, but will be paid an annual retainer and reimbursed for travel expenses whenever required to carry out any duties.

The appointment will be for three years initially and may be renewed for a further four year term by mutual agreement.

To apply for the post, applicants must live or work within the area served by the Authority (ie the Kent County Council and Medway Council areas). The applicant must not be at the time of application or have been at any time in the previous 5 years a Member, Co-opted Member or employee of the Authority or the Kent Fire and Rescue Service, nor be a relative or close friend of a current Member or employee.

## **INDEPENDENT PERSON**

Kent and Medway Fire and Rescue Authority

Location: Maidstone

Remuneration: Annual retainer of £250, plus £100 per day (pro rata for part day) and travel expenses when required to undertake any duties

Kent and Medway Fire and Rescue Authority (KMFRA) invite applications from any person who wishes to take on the role of 'Independent Person' to assist the Authority in its duty of promoting and maintaining high standards amongst its elected Members.

Under the Localism Act 2011, the Authority is required to have procedures in place for handling complaints about the conduct of its elected Members. The Authority has adopted a Code of Conduct for Members and has agreed arrangements for dealing with any allegation that a Member has breached the Code. These procedures include the involvement of an Independent Person who will be called upon to attend meetings and/or participate in discussions in cases where a complaint is received in order to consider whether, and if so what, action should be taken, and also to represent and give their views during any formal hearing that takes place if it is decided to investigate a complaint.

We are looking for someone who has a keen interest in matters of probity and integrity in public life and who is independently minded, impartial and objective, possesses good communication skills and is able to work as part of a team. The Independent Person will need to be able to devote time to the work as meetings will normally be held during the daytime. In addition to being called upon to give a view on matters which have been investigated, the Independent Person may, on occasions, also act as a substitute for Kent County Council's (KCC) Independent Person in accordance with the two authorities' identical Member Codes of Conduct.

To apply for the post, applicants must live or work within the area served by the Authority (i.e. the Kent County Council and Medway Council areas).

### **Applicants must not:**

- (a) be, or have been during the last 5 years, a Member, Co-opted Member or Officer of KCC or KMFRA; or
- (b) be a relative or close friend of a Member, Co-opted Member or Officer of KCC or KMFRA.

The appointment will be for three years initially and may be renewed for a further four year term by mutual agreement.

If you wish to apply please send details of how you meet the person specification and a copy of your CV.

By: Chief Executive

To: Kent and Medway Fire and Rescue Authority – 27 April 2021

Subject: Creation of an Audit and Governance Committee

Classification: Unrestricted

## FOR DECISION

### SUMMARY

Following a decision taken by the Authority in February to the creation of an Audit and Governance Committee, this report is a follow-up to that decision which sets out the proposed Terms of Reference for the Committee as well as agreement to the recruitment of an Independent Member in line with the Chartered Institute of Public Finance and Accountancy's (CIPFA) recommended good practice.

### RECOMMENDATIONS

Members are requested to:

1. Agree to adopt the Terms of Reference for the Audit and Governance Committee (paragraph 2 and **Appendix 1** refer);
2. Approve the appointment of an Independent Member to Chair the Audit and Governance Committee (paragraph 4 and **Appendix 2** refer);
3. Approve the Job Description and Person Specification for the recruitment of an Independent Member as Chair of the Audit and Governance Committee (paragraph 4 and **Appendix 2** refer);
4. Approve the advertisement for the Independent Member as Chair of the Audit and Governance Committee (paragraph 4 and **Appendix 2** refer);
5. Agree that the membership on the Audit and Governance Committee will be established in consultation with the Chair of the Authority and Group Leaders and in line with the Authority's Standing Orders (paragraph 4 refers);
6. Agree for the Authority to undertake a joint external recruitment exercise in collaboration with Kent Police and that the same remuneration package is offered to the successful candidate (paragraph 5 refers);
7. Note the remaining contents of the report.

LEAD/CONTACT OFFICER: Director Finance and Corporate Services – Alison Kilpatrick

TELEPHONE NUMBER: 01622 692121 ext 8262

EMAIL: [alison.kilpatrick@kent.fire-uk.org](mailto:alison.kilpatrick@kent.fire-uk.org)

BACKGROUND PAPERS: None

## COMMENTS

### Background

1. Members will recall that at the February 2021 meeting of this 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. 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.

### Membership and Functions of the Audit and Governance Committee

2. The core functions that an Audit Committee should undertake must reflect both standard practice as well as specific legislative and professional standards. CIPFA's guidance sets out the core functions of an Audit Committee along with possible wider functions that the Committee can take. Taking this into consideration, the proposed Terms of Reference for this Authority's Audit and Governance Committee are attached at **Appendix 1** for Members' consideration and approval.
3. The composition of the Committee will also be a key factor in achieving the characteristics of a good Audit Committee. The membership should be balanced, objective, independent of mind, knowledgeable and properly trained to fulfil their role. CIPFA's recommended good practice is clear that authorities should consider the appointment of at least one Independent Member which will bring additional knowledge, experience and expertise to the Committee, particularly in areas such as governance, finance, risk management and audit. The guidance goes further to recommend that Audit Committees should have a strong independently minded Chair to help reinforce the political neutrality and independence of the Committee.
4. Having reviewed all of the guidance issued by CIPFA and taking this in to consideration Members are requested to agree to the recruitment of an Independent Member as Chair of this Authority's Audit and Governance Committee, alongside approving the Job Description, Person Specification and advertisement attached at **Appendix 2**. The remaining membership of the Committee will be agreed in consultation with the Chair of the Authority and Group Leaders and will take in to account nominations from the appropriate political groups.



5. Following recent discussions with Kent Police, it appears that they are also looking to recruit a Chair for their Joint Audit Committee and have already made initial enquiries through an external recruitment provider. Upon reviewing both Independent Member job profiles, the requirements from both organisations are almost exactly the same with some minor exceptions. It is therefore proposed that the Authority takes this opportunity to work in collaboration with Kent Police to undertake a joint external recruitment exercise to fill both positions and in doing so the same remuneration package will be offered to the successful candidates.
6. **Timing** - It is the intention that the Audit and Governance Committee will meet at least three times a year to tie in with key financial timescales, with the first Committee taking place in November 2021. However, since a number of reports will now be taken to the Audit and Governance Committee for approval, this will undoubtedly have an impact on the frequency of the Authority meetings and as such they may reduce in number.

## IMPACT ASSESSMENT

7. There will be some impact on resources to support this new Committee. With the introduction of the Audit and Governance Committee, it also provides an excellent opportunity to undertake a review of the Authority's Standing Orders and associated governance framework, in conjunction with our Monitoring Officer, to ensure that it remains fit for purpose. A report on the findings of that review will be presented to Members at the meeting of the Authority in July 2021.

## RECOMMENDATIONS

8. Members are requested to:
  - 8.1 Agree to adopt the Terms of Reference for the Audit and Governance Committee (paragraph 2 and **Appendix 1** refer);
  - 8.2 Approve the appointment of an Independent Member to Chair the Audit and Governance Committee (paragraph 34 and **Appendix 2** refer);
  - 8.3 Approve the Job Description and Person Specification for the recruitment of an Independent Member as Chair of the Audit and Governance Committee (paragraph 4 and **Appendix 2** refer);
  - 8.4 Approve the advertisement for the Independent Member as Chair of the Audit and Governance Committee (paragraph 4 and **Appendix 2** refer);
  - 8.5 Agree that the membership on the Audit and Governance Committee will be established in consultation with the Chair of the Authority and Group Leaders and in line with the Authority's Standing Orders (paragraph 4 refers);

- 8.6 Agree for the Authority to undertake a joint external recruitment exercise in collaboration with Kent Police and that the same remuneration package is offered to the successful candidate (paragraph 5 refers);
- 8.7 Note the remaining contents of the report.

## **Audit and Governance Committee Terms of Reference**

### **Statement of Purpose**

The Audit and Governance Committee will be a key component of KMFRA's corporate governance. It will provide an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.

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. It will provide an independent review of KMFRA's governance, risk management and control frameworks and will oversee the financial reporting and annual governance processes. It will also oversee internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

### **Governance, Risk and Control**

1. To approve the Authority's corporate governance arrangements against the good governance framework, including the ethical framework and consider the local Code of Governance.
2. To review the financial Annual Governance Statement (AGS) prior to approval and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the council's framework of governance, risk management and control.
3. To consider the Authority's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
4. To approve the Authority's framework of governance assurance (excl Operational assurance) and ensure that it adequately addresses the risks and priorities of the Authority.
5. To monitor and approve the effective development and operation of fraud and risk management in the Authority.
6. To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
7. To review the governance and assurance arrangements for significant partnerships or collaborations.

## **Internal Audit**

8. To approve the Internal Audit Charter.
9. To approve proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.
10. To approve the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
11. To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the head of internal audit. To approve and periodically review safeguards to limit such impairments.
12. To consider reports from the Head of Internal Audit on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
  - To consider the Head of Internal Audit's Annual report:
  - To consider summaries of specific internal audit reports as requested.
  - To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.
13. To consider a report on the effectiveness of internal audit to support the AGS, where required to do so by the Accounts and Audit Regulations.

## **External Audit**

14. Consider the external auditor's annual assessment of its independence and review of any issues raised by Public Sector Audit Appointments (PSAA).
15. To consider the external auditor's Audit Plan, Audit Findings Report and Annual letter.
16. To comment on the scope and depth of external audit work and to ensure it gives value for money.

## **Financial Reporting**

17. To consider the Audit Risk Assessment, review of accounting policies and the basis of accounting estimates and assumptions applied by management

18. To review the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Authority.
19. To consider the Authority's Treasury Strategy, Mid-year Treasury Update and Treasury Outturn Report

### **Accountability Arrangements**

20. To report annually to those charged with governance on the committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks, financial reporting arrangements, and internal and external audit functions.

## **INDEPENDENT MEMBER TO CHAIR KENT AND MEDWAY FIRE AND RESCUE AUTHORITY'S AUDIT AND GOVERNANCE COMMITTEE**

Kent and Medway Fire and Rescue Authority has an Audit and Governance Committee whose role is to:

### **Provide the Authority with:**

- Assurance on the arrangements that underpin good governance and financial standards;
- An independent and high level focus on audit, assurance, reporting arrangements, risk management, treasury management and control frameworks.

### **Oversee:**

- The financial reporting (final statement of accounts) and annual governance processes;
- Internal audit and external audit, helping to ensure effective relationships exist and efficient and effective assurance arrangements are in place;
- Internal controls;
- Risk Management;
- Treasury Management.

The full Terms of Reference for the Audit and Governance Committee are attached. It operates in compliance with the Chartered Institute of Public Finance and Accountancy's (CIPFA) good practice guidance and Position Statements 2018.

### **Duties and Responsibilities**

- To Chair Audit and Governance Committee meetings as and when required. The Committee will meet three times a year in April, July and November. All meetings will be held during the day, usually at Fire Service HQ in Tovil, Maidstone;
- To actively promote good governance, risk management and control in the delivery of the Authority's functions;
- To be an independent source of support for the Authority's Audit and Governance Committee providing independent challenge and scrutiny in response to reports presented to it;
- To abide with the Authority's Standing Orders and relevant elements of the Members Code of Conduct;
- To attend training events as required which are normally held prior to the start of each meeting.

- To present an annual report to the Authority on the work of the Audit and Governance Committee

### **Knowledge and Skills**

The candidate for the position of Independent Chair of the Audit and Governance Committee will ideally have:

- Experience of chairing meetings or experience of working with or being a Member of an Audit Committee
- A financial or audit type background and appropriate experience of financial management;
- A good understanding of governance, risk management and control;
- Integrity, objectivity, discretion and the ability to make decisions;
- An ability to analyse complex information, question, probe and seek clarification so to come to an independent and unbiased view;
- An understanding of the political environment that the Fire Authority operates within;
- Good interpersonal and communication skills.

### **You should not:**

- Have been a member or employee of the Authority at any time during the last 2 years
- Be a relative or close friend of a Member or Officer of the Authority
- Be engaged in any party political activity
- Have any criminal convictions or have been bankrupt

### **Remuneration:**

An allowance and remuneration for expenses will be paid

## **Kent and Medway Fire and Rescue Authority**

### **Independent Member to Chair Audit and Governance Committee**

Kent and Medway Fire and Rescue Authority is looking for an Independent Member to Chair its Audit and Governance Committee.

The Audit and Governance Committee provides independent assurances on the adequacy of the Authority's risk management, internal control, financial reporting and governance. The expectation is that the Committee will meet three times a year and the meetings will be held during the day.

Attached is the Job Description and Person Specification for the role as well as the Terms of Reference for the Audit and Governance Committee.

If successfully shortlisted, you will be invited for a short interview with a panel of Members from the Authority at a mutually convenient date.

If you are interested in this position, please send a CV to [recruitment.hr@kent.fire-uk.org](mailto:recruitment.hr@kent.fire-uk.org)

#### **Remuneration:**

An allowance and remuneration for expenses will be paid



By: Chief Executive  
To: Kent and Medway Fire and Rescue Authority – 27 April 2021  
Subject: CUSTOMER SERVICE SURVEY PRESENTATION  
Classification: Unrestricted

**FOR INFORMATION**

**SUMMARY**

The Customer Service Survey Presentation will be presented on the day of the meeting.

LEAD/CONTACT OFFICER: Customer Experience and Behaviour Change Lead -  
Richard Stanford-Beale  
TELEPHONE NUMBER: 01622 692121 ext 8454  
EMAIL: richard.stanford-beale@kent.fire-uk.org  
BACKGROUND PAPERS: None

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By: Chief Executive

To: Kent and Medway Fire and Rescue Authority – 27 April 2021

Subject: INFORMATION UPDATE

Classification: Unrestricted

## **FOR INFORMATION**

### **SUMMARY**

This information update covers the following topics:

- A.** Pandemic Update (paragraphs 1 – 5 refer);
- B.** Inspection and National Issues Update (paragraphs 6 - 8 refer);
- C.** Performance Update (paragraphs 9 – 11 refer);
- D.** Operational Update (paragraphs 12 - 18 refer);
- E.** Prevention, Protection, Customer Engagement and Safety Update (paragraphs 19 – 56 refer);
- F.** Freedom of Information and Publication Scheme update (paragraphs 57 - 63 refer);
- G.** Electronic Communications Code Consultation (paragraphs 64 - 65 and **Appendix 1** refer);
- H.** Pensions and Pensions Board Update (paragraph 66 and **Appendix 2** refer).

## **CONCLUSION**

Members are requested to:

1. Consider and note the contents of the report.

LEAD/CONTACT OFFICER: See each section  
TELEPHONE NUMBER:  
EMAIL:  
BACKGROUND PAPERS:

## COMMENTS

### Background

#### A. Pandemic Update

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services*  
01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)

1. The Government has published its roadmap to recovery, articulating the steps by which national restrictions will be eased. By the time of this meeting, it is expected that non-essential businesses will be able to reopen, including pubs and restaurants able to serve outside, hairdressers, and outdoor hospitality venues such as zoos. All restrictions are intended to be lifted by 21 June, subject to infections rates nationally as time progresses towards this date.
2. More than 30 million people now have received at least one dose of the vaccine, and the Government is still committed to every adult in the country having one dose by the end of July. Recent supply issues have been identified with vaccines being imported from the continent so this commitment may change.
3. We continue to support partners across Kent and Medway in responding to the pandemic, but levels of activity are beginning to normalise from those experienced through last summer and towards Christmas. All the actions reported to Members in the last meeting of the Authority have continued and in addition firefighters were involved in the creation of a vaccination centre in Chatham. We were involved in moving some vaccines stocks from doctors' surgeries where it was in danger of going out of date to mass vaccination centres so it gets used not wasted.
4. We have strengthened the presence of the ongoing Covid-19 safety and reassurance messaging. We have also reintroduced 'Kent Together' content and messages about reassurance and information sharing. As part of this work the Authority continued to help share vital safety messages from partner agencies, including Kent County Council, Medway Council and Public Health England.
5. Those that can work from home continue to do so, and this will be the case until all restrictions are eased. At that stage, we will begin to allow use of buildings across the estate for team meetings and one to ones, whilst at the same time performing some works across the estate using the learning from Covid so that those that can reasonably work from home continue to do so for a portion of their working week.

#### B. Inspection and National Issues Update

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services*  
01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)

6. **State of Fire:** On 17 March 2021, Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services published the second annual "State of Fire" report. Drawn from the recent Covid-19 inspections, and building on the first publication, it praises fire and

rescue services for rising to the challenge of Covid. It is however highly critical of some of the national machinery and the tripartite agreement between the employers, the Local Government Association and staff representative bodies. The full report is available [here](#).

7. **Grenfell Tower Inquiry:** The Grenfell Tower Inquiry Phase 1 report was published in October 2019. In August 2020, the Home Secretary asked Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services to review London Fire Brigade's progress against the recommendations from the Phase 1 report. Their report was published on 12 February 2021. They found that the London Fire Brigade has made good progress, but three and a half years since the fire, there is still a significant amount of work to do. The full report is available [here](#).
  8. **National issues:** the Secretary of State for Fire announced in March that their department would bring forward a white paper in the summer to outline the Home Office's programme of legislative reform for the sector. This is will be brought to a future meeting for Members' consideration.
- C. Performance Update**  
*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services*  
01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)
9. **Performance:** Performance from the financial year 2020/21 is considered elsewhere on this agenda.
  10. **International Women's Day and the Gender Pay Gap:** The Authority celebrated International Women's Day. We have a small median gender pay gap in favour of men (0.9% or 1p in every £1). This is a change from previous years where the gap has been in favour of women. Although we are not required to publish this report in March, as a result of Covid-19, we have chosen to do so on the Authority's [website](#). We have also taken steps to publish both an ethnicity pay gap and disability pay gap on our website as part of the same disclosure.
  11. Reporting is dependent on good rates of data disclosure from everyone that works for us and we believe this a good first step towards transparency. We have been looking to improve our declaration rates of protected characteristics and have been encouraging staff to ensure their data is up to date. This is something we will be looking to do annually in preparation for our Home Office return each March.

**D. Operational Update**

*Lead/Contact Officer: Chris Colgan, Director, Operations*  
01622 692121 ext 8231, [chris.colgan@kent.fire-uk.org](mailto:chris.colgan@kent.fire-uk.org)

**Recent Incidents of Interest**

12. There has been a number of significant recent incidents, which are worthy of being brought to Members' attention.

13. **Industrial unit fire, Park Farm, Wrotham – initial call 13:44 hrs, 06/02/2021:** Firefighters were called to reports of a fire in a workshop used for classic car restoration. The fire was reported to be in the rear of the building, originating from an area where batteries were being charged. At the height of the incident eight fire engines were needed to deal with the incident and due to the rural location of the property water supplies were difficult in the early stages. Firefighters worked hard to extinguish the fire in adverse weather conditions and did prevent the fire from spreading to the house attached to the workshop. The response to this incident was scaled down from 1800 but firefighters remained in attendance overnight ensuring any remaining hot spots were extinguished. No formal fire investigation was carried out, however an experienced fire investigation officer was in attendance as part of the response and advice was sought as to the likely cause. It was determined that the cause of the fire was most likely due to a fault in either the battery or charging lead and was therefore accidental in nature.
14. **Outdoor fire, West Hougham – initial call 20:00 hrs, 07/02/2021:** Two wooden outbuildings, of a type commonly referred to as shepherds' huts, were deliberately set alight. The huts were set approximately 15 metres apart and located in a small field adjacent to the owner's house. The owner stated that on discovery, a window had been broken on one hut, while the other hut was fully engulfed in flames. The incident was reported to the police as the owner stated that he had witnessed two people running from the scene.
15. **Outbuilding fire, Tong Farm, Tonbridge – initial call 05:56 hrs, 10/02/2021:** Firefighters arrived to find a fully developed fire in a large, open-fronted, concrete portal frame farm building. The building was approximately 100 metres long by 20 metres wide and was constructed with block walling and asbestos corrugated cladding. The fire had vented through the asbestos roof and approximately one third of the building was alight. Two cars were also alight, one of which was located just inside the front of the building, the other outside of the building. An additional hazard was the presence of six liquid petroleum gas cylinders located at the far end of the building. Firefighters acted quickly to evacuate agricultural workers living in caravans at the rear of the building. They also cooled the liquid petroleum gas cylinders and removed them from the building. Firefighters extinguished the fires in the vehicles and the main fire within the open area of the building. They also prevented the fire from spreading to an adjacent storage building. Such was the size and severity of the fire that at the height of the incident, seven fire engines were in attendance. The Fire Investigation team attended and working with Kent Police conducted a fire scene investigation, which also utilised one of the Authority's drones. The fire investigation identified three separate seats of fire, leading to the conclusion the cause was most likely deliberate.
16. **Flat fire, Ebbsfleet, Swanscombe – initial call 11:03 hrs, 23/02/2021:** A call was received to a report of a roof alight in a newly built, three storey block of flats. The building was in the final phase before handover, with cleaners, painters and other contractors completing the last stages of the build. Due to the swift actions of the developer's on-site staff, all contractors had been evacuated from the building by the

time firefighters arrived and there were no casualties. Upon arrival, firefighters found a fire developing within the photovoltaic panels that formed part of the roof of the building. Rather than the photovoltaic panels being mounted onto top of the roof tiles, these were fitted directly onto the battens of the roof and tiled around their periphery. All utilities were isolated and the drainage systems monitored and dammed to ensure fire water did not enter the water course. The firefighters quickly formulated and put into operation a plan to use a water shuttle and attack the fire from two sides of the building in order to get large volumes of water onto the roof – this being of particular importance when dealing with fires involving roof-mounted photovoltaic panels. This in turn allowed firefighters in breathing apparatus to safely enter the building and move up through the main stairwell to the second floor, where they opened the loft hatches and then used hose reel jets to limit the spread of the fire through the internal voids of the building.

17. As well as nine fire engines, one of the Authority's height vehicles was mobilised to this incident. The value and flexibility of the height vehicles was demonstrated as this one was used to perform a range of invaluable tasks which included: gaining access to unexposed areas of the building; functioning as a water tower; and assisting the Fire Investigation team. Once the fire was extinguished, the Fire Investigation team examined the scene and determined that the fire originated on the panels on the external part of the roof, spread to the felt of the roof, then downwards into the roof space and the flats below. Forty per cent of the roof of the building was severely damaged by fire and two top floor flats were destroyed by the fire. The remainder of the top floor was severely damaged by smoke and water damage. The cause of the fire is believed to be a malfunction on or in the photovoltaic panels.
18. **House fire, Templar Street, Dover – initial call 04:47 hrs, 04/03/2021:** The Authority's control room received a call to a fire, but were unable to confirm the address before the caller hung up. However, by using GPS and mobile telephone mast triangulation, the control room were able to identify the approximate location of the call. This allowed them to mobilise two fire engines to the area, which meant that when the exact location was confirmed there would be no delay to the response. The property had been evacuated prior to firefighters' arrival and police had arrested someone in connection with the fire. The fire was identified as being in a bedsit flat on the top floor of a terraced Edwardian townhouse spread over four floors, which had been converted into flats. Firefighters wearing breathing apparatus entered the property and made their way to the top floor and found a fully developed fire in the flat. This was successfully extinguished and the flat ventilated to remove the smoke.

## **E. Prevention, Protection, Customer Engagement and Safety Update**

*Lead/Contact Officer: Jon Quinn, Director, Protection, Prevention, Customer Engagement and Safety 01622 692121 ext 7806, [jon.quinn@kent.fire-uk.org](mailto:jon.quinn@kent.fire-uk.org)*

19. This section of the report provides Members with an update on the current activities, campaigns and initiatives within the Building Safety; Customer Safety; Customer Experience and Behaviour Change; and Engagement teams.

### **Building Safety Update**

20. A revised memorandum of understanding between the Authority and the Kent and Medway Housing Authorities has been adopted. This is to improve joint working practices between local authority housing teams and the Authority to keep people safe in premises where both the Housing Act 2004 and the Fire Safety Order 2005 apply.
21. The team continues to deliver the Tall Building inspection programme under the Building Risk Review and visited over 131 buildings. As part of the non-compliant cladding removal process the Building Safety team has developed a very close relationship with the Health and Safety Executive to provide a safer built environment for our customers.
22. Due to the Covid-19 restrictions, the team has limited visits to care home only when the potential fire risk outweighed the risk of the pandemic for the residents. Due to the successful vaccination programme and the availability of lateral flow tests, the team restarted the risk based inspection programme in care homes from 30 March 2021. We continually support our customer with regular updates on our website and social media following the government's Covid-19 roadmap out of lockdown.
23. Additional funding for Building Safety issues received from the Government is discussed elsewhere on this agenda.

### **Customer Safety Update**

24. **Safe and well:** Safe and Well Officers continue to carry out visits, as they have been doing throughout the pandemic. A trial has been completed issuing electric lighters to bed restricted customers who previously used gas canisters to refill lighters. This has been the cause of a number of fires, some of which were sadly. We have found that they are popular with customers, making them feel safer when they have previously been reluctant to change their behaviour.
25. **Education team:** The Education team is receiving enquires now schools have returned. Bookings are being made for a range of virtual and face to face sessions both in the classroom and outdoors following Covid-19 guidelines. Firesetter interventions are also taking place in the same way.
26. **Safeguarding:** Safeguarding case numbers have been increasing with cases open for longer and the type of cases becoming more prolonged and complex. These have included modern day slavery, threats of suicide and long term hoarding and self-



neglect. Additional training and awareness sessions for teams dealing with these concerns have resulted in an increase in staff understanding of safeguarding and how to use the Designated Safeguarding Officer line for support and advice. We are also receiving more enquiries that don't always necessarily need to progress to a safeguarding case, often they require contact with other agencies for advice or information sharing.

27. **Emergency Home Safety Visits – Arson Prevention equipment:** Additional equipment to supplement the existing Home Safety Visit provision has been rolled out in March 2021. This enables an immediate response to seal any letterboxes as part of an emergency home safety visit where Kent Police identify a significant arson risk. Any emergency visits are followed up by the Safe and Well team as a priority referral. This additional resource is enabled through a Memorandum of Understanding with Kent Police.
28. **Working with Community Safety Partnerships:** our engagement with Community Safety Partnerships has been adjusted. A number of officers have been broadly aligned to district boundaries and represent the Authority with the support of the Collaboration team. This is benefitting all partners through improved intelligence sharing. We launched the Firestoppers Scheme via Community Safety Partnerships in April 2021. We have developed a supporting campaign to raise awareness of 'Fire Stoppers' a national campaign to target deliberate fire setters and to reduce incidents of arson. This is delivered by Crime stoppers, but focuses on arson. We will be developing our own materials – both digital and printed, that will also be available for partners to use. The aim will be to focus on hot spot areas where fires occur and this will support the rural/farming community, as well as people living near key areas like Dartford Heath.

### **Collaboration (and Inclusion) Update**

29. **Benefits Tracker:** A benefits tracker is being used to record the benefits of all the different pieces of work that the Authority is involved in from a customer safety perspective. This information captures the main benefit such as operational, financial or equality of access benefits. It also describe what success in any customer safety project looks like, how it makes our organisation more efficient or effective and where relevant an end date on projects or pieces of work.
30. **Re-housed Homeless Project:** at the outset of the pandemic, the government rehoused homeless people in a very short period of time. We noted two initial incidents in Dover that involved newly re-housed homeless customers. On further investigation it became quickly apparent that this was a new vulnerable group we were previously unsighted on. Working with several organisations such as Porchlight, Outreach and homeless care professionals, multi-agency visits were completed with many newly housed homeless people, providing fire safety advice and a 'wellbeing pack with some foodstuffs, and gloves and hats etc. It is reasonably challenging project, as by their very nature they have had very little social interaction but by working closely with

partners we have visited and successfully interacted with upwards of 200 people so far. Covid19 has slowed the interaction due to distancing rules but as restrictions lift we will be visiting as many people throughout Kent as possible. We will also provide sign-posting for care professionals to be able to access our services. We have shared our approach with the National Fire Chiefs' Council.

31. **Napier Barracks Equality of Access:** After a serious fire incident at the Napier Barracks in Folkestone with the Immigration Centre service users, we identified that as well as the obvious operational considerations in regard to any further possible fires, there was a need to also address the 'people' side of the incident with a view to hopefully preventing such further incidents in the future. We have been interacting with the management at the site and have agreed a short and mid-term plan for ongoing interaction and to offer fire safety advice to this vulnerable group.
32. As there are language, cultural and even mistrust issues, there is a very considered approach with first familiarity with the site and people working there, followed by a gentle interaction with local firefighters and as new service users come in. We will interact with each cohort with local firefighters early within the stay, offering this safety advice that although simple will be the same advice that can be used when they move on to other premises.
33. **Gypsy and Traveller communicates:** we have visited all of Kent County Council's sites, carrying out site familiarisation and completing safe and well visits. This offer will shortly be made to Medway Council.
34. **Equality of Access and People Impact Assessment:** The first three national equality of access cases have been published, based on the work led by Kent Fire and Rescue Service, which has previously reported to Members. These are neurodiversity, sexual orientation or gender identity, and those who ethnic identity is Black. Learning from these papers will then be embedded into the organisation in the form of an action plan.
35. We have a good understanding of people impact assessment and this is a mechanism in which Members can be assured that compliance is achieved with the Public Sector Equality Duty. The Policy supporting this process is elsewhere on this agenda.

## **Engagement Team Update**

36. **Recruitment Marketing:** Over the last few months we have been working to refresh the way we market and advertise our current vacancies in corporate teams, map the customer journey that they have when looking for a new job and how it ties in with our brand. The plans will include redevelopment of the job webpages to bring them in line with our branding, developing new content to tell stories of the job vacancies, and creating job advertising templates to provide consistency.
37. **Audience Mapping:** We are developing a digital map of audience/customer types living in Kent and Medway. The map breaks down what audience types are most common in specific areas through the use of Mosaic data. It also includes their digital

habits and communication preferences. The information will help shape the audience profiling that the research team are working on and ultimately help build a better picture of our customer and better delivery of campaigns.

## **Campaigns**

38. **Grass Fire Prevention:** We are about to start work on a campaign to prevent accidental grass fires, following research which highlighted that a majority of grass fires we attend are started accidentally. The campaign is set to run from late spring to September this year, and a variety of channels and methods will be used to reach target audiences and influence behaviour change.
39. **Smoking:** Working with public health partners at Medway Council and Kent County Council, we are set to launch a collaborative campaign in the spring to highlight the dangers of smoking in the home, and encourage smokers to do so outdoors. Research is underway to help shape the campaign and the behaviour change techniques to be used.
40. **'Safe and Well' Literature and Webpages:** Safe and Well materials for the Authority have been launched and are now in circulation. Two new leaflets have been developed to support customer engagement and behaviour change. They will support the customers visited by Safe and Well Officers and firefighters. Alongside the literature, the web pages for Safe and Well are also receiving a new look and feel – to bring a consistent friendly approach. The aim of this is to improve customer experience, but to support customers in the way they have expressed they would appreciate. Following on from the safe and well refreshed work, areas of our web pages focused on safety have also started to be refreshed. This is an ongoing piece of work that will be migrated over to the new website when it is launched.

## **Social Media Review**

41. A review of the Authority's Social Media Policy is currently taking place. This will allow the Authority to support staff and will focus on increasing awareness of how our staff use their own social media profiles and why it's important to make sure they are protected and consider their own wellbeing and reputation. This will be delivered through a series of guides and eLearning modules.

## **Events**

42. Due to the on-going pandemic and the restrictions placed upon the events industry, our events calendar was postponed for the first few months of 2021. The Authority is preparing a trial 'Covid Safe' activity - when the time is right. This will happen towards the end of June/early July. The event will be in line with Government and industry regulations and recommendations at the time. We will host a limited number of visitors to test protocols and processes. Once the Authority can hold events again, plans are ready to hold a small number of events towards late summer and early autumn.

43. Future events delivered at fire stations will be focused on quality engagement and will only be accessible through a booking system – this is to manage numbers of customers. We will also be increasing the accessibility of our events for those who don't get a ticket. This will be done through the use of video streaming and the technology of 'Facebook LIVE'.

### **Volunteering Update**

44. The Authority has formally signed up to the 'Investing in Volunteers' Award. The Investing in Volunteers is the UK quality standard for good practice in volunteer management. It will allow the Authority to assess the quality of its volunteer management and involvement, prove and improve the effectiveness of its work with volunteers, and enhance its reputation as a good place to volunteer. In preparation, work was carried out during the volunteer review - reviewing all documentation including induction and training modules. We will look to deliver a programme of work to support the application, with a view to secure the award in early 2022.
45. A new volunteer area has been launched on the website. Additional sections to be added in the coming months to include more volunteer stories and motivations behind their reason for volunteering and a volunteer portal will be developed containing useful resources and information for current volunteers.
46. Work has begun to map out two customer experience journeys:
- The experiences of our volunteers when they interact with the Authority from the their first connection at recruitment to their first engagement representing us;
  - How our volunteers interact with the Authority's customers.
47. This piece of work will give us a good overview on the success of the scheme and improve the experiences of volunteers and customers to maximise the benefit the scheme brings to the Authority. This work will support our objective of securing the Investing in Volunteers Award.
48. Plans are in place for celebrating the 10th anniversary of the Volunteer Scheme in June. We will open up another window for recruitment and mark 'Volunteers Week' at the same time. June will be Volunteer Month.

### **Customer Experience and Behaviour Change**

49. The Customer Experience and Behaviour Change team supports a wide range of initiatives and programmes, especially within Prevention, Protection, Customer Engagement and Safety. This has enabled the Authority to continue its innovative approach to customer service and ensures its initiatives are evidence based and evaluated.

50. A literature review has been undertaken identifying worldwide secondary research to identify the characteristics and behaviours which put people at greater risk from accidental fires at home. The evidence has been used by the Kent Public Health Observatory to complete a commissioned report which identifies fire risks associated with health. Both of these reports will be used to support the continuous development of the Authority's risk-based approach to prevention initiatives, such as Safe and Well visits.
51. The Customer Experience and Behaviour Change Lead is continuing to support the development of a national on-line fire risk self-assessment in conjunction with the Fire Kills team at the Home Office. This is expected to be piloted over the coming months with a national rollout in the summer. The tool will be aimed at lower risk households that do not need a Safe and Well visit and will form another useful channel for people to receive bespoke home fire safety advice.
52. Smoking continues to be the most frequent cause of fatalities in accidental dwelling fires and reducing the likelihood and impact of these fires is a priority. Research has been carried out into the behaviours and motivations surrounding smoking. Using this evidence, a multi-agency campaign is being developed for this year to encourage people to have 'smoke free homes' either by stopping smoking entirely or by committing to only smoke outdoors. By not smoking in the home, customers will not only remove the fire risk but also the health risks associated with second hand smoke.
53. Another area of research has explored grassland, woodland and crop fires, which continue to peak in the later spring and summer months. A literature review and incident data analyses were undertaken to investigate the behaviours and characteristics of people behind these types of fires. The research is currently being used in the design of a public communications behaviour change campaign aimed at reducing the number of grassland, woodland and crop fires, which is due to be launched in summer 2021. Evidence gained from the research has determined accidental grassland, woodland and crop fires as the priority, rather than deliberate, and will inform the sociodemographic groups and behaviours to target.
54. Working through multi-disciplinary planning groups, the team help to ensure customer needs are the primary focus for example by undertaking customer journey mapping. To inform this work 'personas' are being developed for the most frequent customer groups. These personas will identify characteristics about the customers, their behaviours, motivations and communication channels. The personas will continue to develop as research and engagement with customers is completed to gain further insights. Therefore, the personas will become pivotal in ensuring that services are designed to meet every customer's needs.
55. **Institute of Customer Service:** Results of a recent survey completed by Kent and Medway residents, and conducted by the Institute of Customer Service, revealed the Authority is providing an exceptional level of customer service across the board - including emergency response, safe and well home visits and building fire safety

inspections. When benchmarked against other local public services in the institute's UK Customer Satisfaction Index, the Authority's scores compare exceptionally well across all the areas measured; experience, customer ethos, emotional connection, ethics and complaint handling. The Authority also compared well against the all-sector UK Customer Satisfaction Index average, which includes private sector organisations. For overall customer satisfaction, we achieved a score of 95.3 out of 100 in the survey of its customers, compared to the public service UK Customer Satisfaction Index average of 75.3, and the all-sector average of 77.

56. A second survey has been completed by Authority staff to measure how customer focused the organisation is, based on the premise that world-class service relies on a customer focused strategy leading to customer-centric culture, effective people management and effective processes. The results of this survey showed that the Authority is better on average than its local public sector benchmark group. The results of these two surveys confirms that the Authority is highly performing in terms of customer service but also helps to identify areas for further improvement. An application has now been submitted for ServiceMark, a highly sought-after accreditation by the Institute of Customer Service in recognition of excellent customer service. More detail is provided for Members by way of a presentation elsewhere on the agenda.

#### **F. Freedom of Information and Publication Scheme Update**

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services*  
01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)

57. As part of the Authority's commitment to transparency and good governance, a regular update is brought to Members' attention on the number of Freedom of Information requests received by the Authority along with more detailed information about the way such requests have been processed.
58. A total of 207 of Freedom of Information requests have so far been received in 2020/21 (up to and including 16/03/2021). For comparison, for 2019/20 the Authority received 263 of Freedom of Information requests. All of Freedom of Information requests received so far in 2020/21 have been dealt with within the statutory limit of 20 working days (starting with the first working day after the request was received).
59. Four Subject Access Requests have so far been received in 2020/21 (up to and including 16/03/2021). All Subject Access Requests received in 2020/21 have been dealt with within the statutory limit (from the day the Authority receives the request [whether it is a working day or not] until the corresponding calendar date in the next month). At the time of writing, the most recently received Subject Access Request is still being processed, but this will be completed within the statutory time limit.
60. **Revised Code of Practice for Freedom of Information Requests:** In 2018, the Cabinet Office published a revised Code of Practice for Freedom of Information requests. The Code of Practice provides guidance for public authorities on best practice in meeting their responsibilities under Part 1 (right of access to information) of

the Freedom of Information Act. This Code of Practice is designed to be considered alongside the current guidance on best practice published by the Information Commissioner's Office.

61. Section 8 of this Code of Practice covers publication schemes and provides more specific guidance on two areas which supplements the existing guidance published by the Information Commissioner's Office. These are: Compliance Statistics and Senior Executive Pay and Benefits. With Compliance Statistics, the intention is for authorities to provide more detailed information on their performance in handling Freedom of Information requests. Unless otherwise stated, the information should be published on a quarterly basis and include the following:
- The number of requests received during the period;
  - The number of the received requests that have not yet been processed;
  - The number of the received requests that were processed in full (including numbers for those that were met within the statutory deadline, those where the deadline was extended and those where the processing took longer than the statutory deadline);
  - The number of requests where the information was granted in full;
  - The number of requests where the information was refused in full;
  - The number of requests where the information was granted in part and refused in part;
  - The number of requests received that have been referred for internal review (reported annually).
62. The requirement is for this to be reported on a quarterly basis in line with central Government and the Authority is fully compliant with this. The reporting periods are as follows:
- Q1: April to June  
Q2: July to September  
Q3: October to December  
Q4: January to March
63. An update is brought to Members' attention as part of the Information Update Report that forms part of each agenda for the Authority. This means the data are normally reported five times a year which exceeds requirements of the Code. Table 1 presents the current update for 2020/21:

**Table 1: Reporting against the revised Code of Practice 2020/21**

	2020/21			
	Q1	Q2	Q3	Q4*
The number of requests received during the period	43	58	59	47
The number of the received requests that have not yet been processed	0	0	0	15
The number of the received requests that were processed in full	43	58	59	32
The number of requests where the information was granted in full	26	39	44	24
The number of requests where the information was refused in full	1	11	3	1
The number of requests where the information was granted in part and refused in part	16	8	12	7
The number of requests received that have been referred for internal review	0	0	0	0
Number of subject access requests**	1	1	0	2

\* Q4 is currently incomplete as it covers the period from 01/01/2021 to 16/03/2021

\*\*Although this is not a requirement in the Code, it is reported to Members.

## **G. Electronic Communications Code Consultation**

*Lead/Contact Officer: James Finch, Assistant Director, Corporate Services*  
01622 692121 ext 8453, [james.finch@kent.fire-uk.org](mailto:james.finch@kent.fire-uk.org)

64. Kent Fire and Rescue Service has and will, continue to collaborate with telecoms operators by permitting access to our sites and sharing our land to support the telecoms network while the Code terms are reasonable and do not adversely impact training, disposal of land and financial income. However, provisions under the new Electronic Communications Code have alerted us to the potential risks of detriment to the emergency response we provide. Primarily, these risks are associated with impacts on training capability, access to and use of sites, land disposal and financial income.
65. A consultation on proposed changes to the Code was issued, with a closing date on 23 March 2021. A response was agreed with the Chair of the Authority as urgent action and is attached at **Appendix 1** for Members' information.



## **H. Pensions and Pensions Board Update**

*Lead/Contact Officer: Lee Rose, Assistant Director, Channel Tunnel and Resilience  
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66. Members will recall that, in accordance with the Public Service Pensions Act 2013, the Authority established a Pension Board in relation to the Firefighters' Pension Schemes comprising representatives of both the employer and employees. To ensure that Members are kept informed of the issues discussed and can be reassured that the Authority is complying with its duties under the Act, Minutes of the Pension Board meetings are routinely reported to the Authority. Accordingly, the Minutes of the last meeting of the Authority's Pension Board are attached at **Appendix 2** for Members' information.

## **IMPACT ASSESSMENT**

67. There are no cost implications arising directly from this report.

## **CONCLUSION**

68. Members are requested to:
- 68.1 Consider and note the contents of the report.

Electronic Communications Code Reforms Consultation Digital  
Infrastructure Directorate  
Department for Digital, Culture, Media & Sport  
100 Parliament Street  
London SW1A 2BQ

## Opening Statement

Kent Fire and Rescue Service support the Government's ambitions to make the UK a global leader in digital connectivity. We recognise the huge economic and social benefits that a nationwide rollout of broadband and 5G networks will bring however, this should not adversely impact the emergency services and their ability to carry out their statutory responsibilities. Whilst a connected community is welcomed, our duty is to ensure a safe community which must take precedence.

Kent Fire and Rescue Service have and will, continue to collaborate with telecoms operators by permitting access to our sites and sharing our land to support the telecoms network while the Code terms are reasonable and do not adversely impact training, disposal of land and financial income.

However, provisions under the new Code have alerted Kent Fire and Rescue Service to the potential risks of detriment to the emergency response we provide. Primarily, these risks are associated with impacts on training capability, access to and use of sites, land disposal and financial income.

In order to maintain operational status of emergency services, it is vital that Kent Fire and Rescue Service continue to meet their mandatory training needs by retaining unobstructed access to their sites and equipment (drill towers, turntable ladders etc.).

Kent Fire and Rescue Service therefore appeal to the Infrastructure Directorate of the Department for Digital, Culture, Media and Sport to reconsider the terms of the proposed Code and make reasonable adjustments to ensure that the impact on Fire Services that share sites with Telecoms Operators is minimised so as not to cause detriment to the essential services they provide to the public.

## Question 1

[Do you agree with the assessment of the main problems relating to negotiations for and the completion of new agreements set out in Chapter Two?](#)

Issues relating to obtaining and using Code agreements

Operators want:

1. Quicker agreements (Penalise slow response)
2. Agreements that can be amended during the term. Including ones that predate the Code.

Rights to upgrade and share

Operators want:

1. Unlimited rights to upgrade and share.
2. For this to be retrospective.

Expired Agreements

1. Want to remove the black hole (understandable)
2. Remove the tapering of having a LTA 1954 renewal.

Response

### **Fire and Rescue Services – National Fire Estates Group (NFEG) & National Fire Chief's Council (NFCC)**

Drill towers have been used to fix ECA, directly, but also via other, additional structures, such as stub masts, as is seen at our Sevenoaks station.

Although increased costs (indeed any costs) are covered by the compensation provisions of the ECC. The greater issue is more to do with operators accepting those costs, which we find is rarely the case unless evidence is provided to support it.

KFRS are concerned that the new 5G equipment could have a prejudicial impact on the ability for Fire Services to use their drill towers and properties safely due to the much bigger impact of wider ICNIRP exclusion zones in both the horizontal and vertical plane. We already have concerns for the safety of officers using these drill towers, especially where ladder training is required, which brings them into areas around and below existing ECA.

Furthermore, fire fighters are often living at the fire stations, potentially within the exclusion zones.

Equally, operators are required to design out risk, in accordance with CDM regulations. We are not convinced this is happening under the existing arrangements and fear that greater rights and flexibility of agreements will give rise to even greater concern and lack of utility.

Ultimately, we recognise that it is important to improve digital connectivity, but this should not be at the expense of our service to the public.

We have a duty to train our staff and to provide training facilities that are appropriate. If we require our staff to work at height, then we consider that a drill tower is necessary to ensure that fire fighters are trained at height.

### **Question 2**

Do you have any suggestions of other legislative or non-legislative changes that might support faster and more collaborative negotiations other than those discussed in Chapter Two? **In answering this, please note that we do not intend to revisit the statutory valuation regime.**

We believe that changes to the existing Code should only be considered following a holistic review, i.e from a Site Providers perspective as well. The Code has already reduced Landowner protections so a further reduction would seem one sided.

We believe that a fair approach would allow for the parties to agree a template document for use for all Fire & Rescue Services. This could be achieved through simple negotiation that factors in our exceptional circumstances. Often, operators seek to change access policies to fit their rights, rather than look at how they can work with their landlord's requirements for safe operation.

### **Obtaining and using code agreements Compliance with the Ofcom Code of Practice**

#### **Question 3**

Do you think there should be a statutory process available to look at cases where an operator has failed to comply with the Ofcom Code of Practice?

YES, and it should hold powers of authority.

If such a process was introduced:

#### **Question 3(a)**

Do you think that the process should deal with **any** failure to comply, or exclude minor or technical breaches, or focus on a specific range of issues?

Experience suggests, it is quite difficult to gain any traction with operators for matters which are not in their interest. Landlords will always seek redress for tenant matters, directly in the first instance, but where this falls on deaf ears or an unsatisfactory response is received, there should be a further channel to explore for all matters. The operators are being granted rights which may be contrary to the landlord's interests. With such rights should come binding obligations.

#### **Question 3 (b)**

Do you think the Ofcom Code of Practice would need to be reviewed to provide more specific guidelines? If so, what might these helpfully include?

Gravity similar to say the Water companies Code of Practice for pipelaying powers in private land. This has become self policing and more effective after review.

Residential lettings. The Property Ombudsman and Property Redress Scheme can issue fines or demand apologies.

### **Question 3(c)**

What remedies do you think should be available under any statutory process? For example: should these be limited to putting right the failure to comply, or should financial penalties be available in some circumstances?

To encourage good practice by operator's, fines should be based on their turnover. Groceries Code Adjudicator can levy turnover based penalties for dominant supermarkets OFCOM must have the ability to remove the right to exercise Code Powers as a further sanction.

### **Question 4**

Do you think the court should have specific jurisdiction to take into account failures to comply with the Ofcom Code of Practice during the negotiation stage? For example, in awarding costs or providing some other remedy?

YES.

General jurisdiction can be inferred from comments made at the time of the Code of Practice being introduced.

If the court had this jurisdiction:

### **Question 4(a)**

What should be the purpose of such a process? Should the court's main aim be to ensure that parties comply with the terms of agreements? Or should it aim to punish breaches already made and to deter future breaches?

The Process is currently not fit for purpose with a 28 day notice after which an operator can issue proceedings at any time including 10 years later. There should be a cut off process with option to extend.

This should not overly burdensome on landowners who will often not have much of an idea about Telecoms or the Code or the impact of the Code Agreements.

## **Obtaining and using Code agreements Alternative Dispute Resolution**

The Upper Tribunal carries out the formal dispute resolution function for disputes in relation to compensation claims. It is widely agreed that taking a case to the Tribunal is expensive and that this deters many claimants from pursuing it as an option, particularly for lower value claims. However, there is already strong encouragement for parties to use alternative dispute resolution (ADR) in order to ease the pressure on the courts. Taken together with the cost of taking a case to the Tribunal, that already acts as an incentive for the parties to consider ADR options. The point is made in the consultation paper that existing forms of

ADR are not binding on the parties. That is true, but this proposal is also for a non-binding expert assessment, so in that regard it is no different.

We note that RICS may be proposing the introduction of a Telecoms ADR scheme which would be similar to the CPO scheme they are proposing elsewhere based on Independent Neutral Evaluation.

We are not convinced of the need for a new ADR procedure to be formalised when the parties can already agree to use existing methods, such as mediation or third party expert determination. However we do see value in encouraging parties to take up those existing options and equipping them with the skills and knowledge to be able to do so and we believe that that would be a better use of resources than creating a new ADR procedure. There is no reason why existing arbitration routes should not be used or better promoted as a means of resolving disputes.

While a new bespoke scheme may seem superficially attractive we question whether there will be sufficient numbers of respected expert candidates for the role to be able to offer expertise across geographical and subject areas. It will also be difficult to find practitioners with no conflicts of interest, as an ever smaller number of large firms specialise in this area. The small pool of qualified arbitrators who have knowledge of the Code and are independent may prove to be a difficulty if such a scheme is to have any credibility whatsoever. There is a very high degree of polarisation between those agents who act on behalf of the telecom companies and those who act on behalf of the landowners. Government should be aware that operators have shown a propensity to challenge the appointment of arbitrators who have awarded rents at levels they deem excessive.

It should be noted that the RICS is not the only body able to offer ADR schemes and this should be addressed in any revised legislation.

Government should also recognise that there are different arbitration laws in Scotland

Mediation with binding contracts may also work, but any process has to be seen as a default stage, rather than an option to which both parties have to agree. Otherwise, the status quo will persist with operators relying on their belief that for the majority of landlords, the cost of referral to the ULT is prohibitive.

## **Question 5**

Do you think Alternative Dispute Resolution (ADR) would assist in resolving disagreements where eg. the disputes points are not related to legal interpretation?

YES.

Valuation with sufficient controls, obligation and time.

If so:

## **Question 5(a)**

What sort of situations do you think might be suitable for bringing to ADR?

Valuation and interpreting the extent of code rights

### Question 5(b)

Which type or types of ADR (e.g. mediation, arbitration, other) do you think could be best suited for each of these situations?

Expert determination, mediation and arbitration.

### Question 6

If an ADR scheme was introduced do you have any comments on how ADR should work in practice? For example:

- Who should pay the costs of ADR?
  - Operators.
- Should both parties have to consent to its use?
  - Yes. This should be obligatory. Operators are more likely to avoid this process where they feel the threat of ULT will yield a better result.
- Do you envisage any procedural issues and how could these best be solved?
- Do you think parties should be required to consider / attempt some form of ADR before bringing a case before the court, or before being allowed to continue with it, if the court thinks that ADR should be attempted first?
  - Only if this is cost neutral and not used as a further mechanism to force Landowners to sign agreements.
- Do you think the court should have powers to take into account any refusal or failure to engage with ADR. For example, in awarding costs?
  - Maybe

### **Obtaining and using Code agreements: fast track judicial**

#### **process**

### Question 7

Do you think there are situations where a fast track application to a court should be available, bearing in mind the implications of this in terms of judicial resources and the listing of other cases?

NO.

Fast track – highly prejudicial to landowners who do not then have time to seek expert advice. The operators already have the ability to refer Paragraph 20 notices to the court on 28 days' notice and for any other circumstance, they already have the benefit of an existing agreement

If so:

**Question 7(a)**

In what situations do you think a fast-track procedure should be available and why?

None

**Question 7(b)**

Should such cases be dealt with by the Upper Tribunal or by a different court/tribunal, for example, the First-tier Tribunal?

Not applicable, but if imposed, Upper Tribunal

**Question 7(c)**

What time limits would be required for a fast track procedure to address difficulties with the current timescales for hearings and how do we ensure these provide sufficient opportunity for each party to respond?

Need time for landowners to prepare at the beginning – to appoint experts and solicitors and have sufficient time to consider the papers served on them.

**Question 7(d)**

Do you think any additional remedies would need to be available to the court in the situations you describe?

NO.

**Question 7(e)**

How can we ensure that any fast track procedures give priority to the most appropriate cases?

**Obtaining and using Code agreements: failures to respond to requests for Code rights**

**Question 8**

Do you think our assessment of the impact of non-responsive occupiers and landowners on network deployment is accurate? Please provide any available evidence demonstrating the impact of failures to respond on the pace, scale and cost of deployment as well as any other impacts.



KFRS have ensured that 5G roll out on our sites has been unobstructed and have supported all operator requests expediently.

KFRS have experienced difficulties in gaining health and safety, ICNIRP and structural plans from third parties acting on behalf of operators.

We would refer to the case of a partner organization that has offered an operator a right to upgrade its existing site to 5G, even though their agreement had expired in exchange for working with a Programme of Works to repair the building's roof. The Operator's response was to say no, they would only commit to the POW if an agreement to renew the current lease was first entered. If this is about Roll Out, this would suggest that the Operator hasn't got the message.

### **Question 9**

Do you think there are any other ways that we can encourage unresponsive occupiers and landowners to engage with requests for Code rights (further to those already included in the Telecommunications Infrastructure (Leasehold Property) Bill?

You could offer at the start, sufficient undertakings for costs dealing with these applications. Provide neutral and fair information about the Code

Explain the need to take legal and expert advice

Transparency about the impact of the equipment and what this might entail for the property if installed.

### **Question 10**

Do you think there should be a streamlined process for operators to secure Code rights in cases where an occupier (or other relevant party) fails to respond to a request for these rights?

NO.

Only in extremely rare circumstances which would not apply to Fire & Rescue Services. There is a presumption when it comes to compulsory purchase that this is an extreme remedy impacting on property rights.

Significant controls on process and critical that the Operator makes every effort to contact the right person and makes multiple attempts to write to the right person.

If so

### **Question 10(a)**

Do you think this kind of streamlined process should be administered by the Upper Tribunal or by a different court?

Upper Tribunal

### Question 10(b)

What sort of timescales do you think would be appropriate for this kind of process?

12 – 18 months!

### Question 10(c)

What kind of measures and safeguards do you think such a process would need to include in order to maintain a balance between the public interest in network deployment, and the private rights of occupiers and landowners? (for example, - how many times, and at what intervals, should the operator have to request the rights before they can access the procedure; how long should the occupier have to respond etc).

- Operators need to provide detailed drawings and undertakings for landlords to assess GDCs and to ensure ICNIRP compliance. These are rarely offered.
- Build works need to be overseen by landlord's engineers to ensure good practice and the build being in accordance with a design.
- Too often, operators claim to be undertaking minor works and do not provide a design for that work. CDM regs require builds to be designed and fit for purpose. Without such certainty, landlords risk their premises being subject to potential danger from loose or badly fitted ECA
  - The above is also evidenced from bad practice observed by KFRS engineers (MFDCI) when overseeing fixings being made in to mortar rather than brick work

### **Obtaining and using Code agreements: who confers Code rights where an operator is in occupation of a site.**

#### Question 11

Do you agree that if a Code operator is in occupation of land, it should be:

- the person who owns or has control over the land; or
- the person who granted the rights allowing that operator to be in occupation; or
- Someone else, and if so, whose agreement should be required for any new or renewal agreement?

The current case of Compton Beauchamp maintains the operator is the party in occupation. This has been referred to the Supreme Court, from which the final decision will be known. It is important to understand that, whilst the operator is the occupier, the landlord continues to benefit from its agreement with that operator and receive rent from it.

### **Question 12**

Are there any other situations where you think it may be appropriate for someone other than (or in addition to) the occupier of land to be able grant Code rights?

In addition – should be tenant and freeholder and intermediate tenants.

### **Obtaining and using Code agreements: compliance with agreements**

### **Question 13**

Are you aware of, or have you experienced, any difficulties relating to compliance with the terms of a Code agreement?

Operational disruption -Drill towers are a good example of the impact a poorly designed installation has on the use of essential apparatus

Damage to property.

Disposal – KFRS have experienced significant reductions in land valuations when disposing of land that has a telecoms mast with an operator in occupation.

If so:

### **Question 13(a)**

Was paragraph 93 - or any other provision - of the Code the cause of those difficulties?

We have not had a code agreement enforced by the courts

### **Question 13(b)**

How were those difficulties dealt with and was the outcome satisfactory?

As above

### **Question 14**

Are there other ways that you think we can encourage compliance with the terms of Code agreements? For example:

- Could Alternative Dispute Resolution provide a route for dealing with compliance issues?
  - We believe ADR is a suitable method for dealing with such matters, as long as it is affordable
- Should there be scope for Code agreements to include financial penalties for non compliance?
  - Such a provision can only hurt landlords as the operators have significantly deep pockets. Where such a provision may be incorporated, perhaps a measure of turnover or the agreement's P24 value, should be assessed.

## **Obtaining and using Code agreement: modifying agreements**

### **Question 15**

Do you think that operators and site providers should be able to ask a court to impose new, additional or modified rights or terms after an agreement has been concluded, but before it expires?

No. This would be highly prejudicial and an anathema to UK law. Landowners should not be put at risk during the term of leases to threats of Tribunal action if certain changes are not made.

If this were to happen then all costs should be paid by the Operator and only take place in exceptional and very limited circumstances.

If this was permitted:

### **Question 15(a)**

Do you think the circumstances in which this option is available to site providers and operators should be limited to maintain an appropriate balance between the need for certainty and allowing a degree of flexibility? For example: should this option only be available where an operator needs an additional right to those contained in the original agreement.

The operators enjoy an extensive level of rights as currently afforded by the code. Existing measures are in place to gauge the impact of upgrades and sharing and where that flexibility already resides. The balance currently struck, still weighs in favour of the operator and should therefore be left or even, moderated, further.

### **Question 15(b)**

In deciding whether to impose additional, new or modified rights or terms, should a court apply a similar test to the one in paragraph 21, as used in relation to requests for new Code agreements? How (if at all) should this test be modified in this context?

This bar is set very high and only in extreme circumstances are the courts likely to find in favour of landlords. We feel that such a change would be inequitable.

### **Question 15(c)**

Should a court take other, or additional factors into account in deciding whether to grant any new or additional Code right sought by a party?

All of the above.

### **Question 15(d)**

If a court were to decide to impose a new or additional Code right, should the terms be based

on the existing Code framework, or should additional / other factors be taken into account?

The court already has the power to add provisions as it sees appropriate and where an operator has made such a request and it is therefore difficult to comprehend why further rights should be sought

#### **Question 15(e)**

If a court were to decide to impose new or additional Code rights, should the calculation of any consideration or compensation payable be based on the existing provisions, or on a different basis?

As the rights being sought have to assume a no scheme scenario, it is only compensation which can be assessed. Operators have made no allowance for the price of a grantor's agreement to be bound by such rights, which the courts have cemented by wrapping up, "site payments" into a single figure, combining P24 and P25 valuations. Operators will often ignore any breakdown of the court's finding and rarely (if ever) provide valuation breakdowns of their own. In the absence of an agreed valuation process, such determination is likely to be arbitrary and would therefore have to be pre-empted by a set of specific valuation principles, similar to the three stage process KFRS agent uses and as recommended by the court.

#### **Rights to upgrade and share apparatus: the automatic right conditions**

#### **Question 16**

In what circumstances do you think automatic rights to upgrade and share should be available?

Refer to Law Commission report for reasoning why rights to upgrade & share should be limited to para 17.

The wording of the current Code enables operators to unilaterally replace or add to equipment, or permit a third party to use a site or a route and add to the equipment in terms of the Code. Any initiative in resolving a breach of the conditionality of paragraph 17 will have to be taken by the landlord - by taking on the burden of legal proceedings to seek to satisfy a judge that appearances have been affected more than minimally or that an additional burden has been imposed on him.

Operators seek wider rights than the provisions of paragraph 17 so the apparatus to which the agreement relates is open ended. It is therefore difficult to assess the test under paragraph 21 (2) of the Code in that changes of the equipment over time change the impact on the property may change.

It is my experience that operators frequently suggest that, provided that at the time when an order is made, they are able to satisfy the Court that its purposes are "*statutory purposes*" as

defined in the Code for which a compulsory agreement may be granted, they are thereafter free to use the site for all and any other purposes.

Any additional installation of equipment etc could affect the balancing act and it would seem therefore that an operator should only be entitled to obtain rights to use the site for the relevant equipment as defined at the onset. In this context I note that the Code Rights set out in paragraph 3 do not include any right to add to the apparatus.

To illustrate this consider a hypothetical mast near to the Ankerwicke Yew<sup>1</sup>. The Tribunal grants the rights sought by the Claimant in this dispute on the basis of the rights sought in that the equipment proposed in the application will not affect the yew. Subsequently the operator installs a new dish which requires a 'microwave shoot' through the middle of the 2,000 year old tree which may, theoretically, require it to be 'lopped' under clause 7.4 of the agreement sought by the Claimant. Had such rights been sought at the outset it is questionable whether the test set out in paragraph 23 (2) would have been met and the rights sought granted.

### **Question 17**

Do you think the current conditions relating to the paragraph 17 automatic rights should be amended?

NO.

Not without revisiting the test under paragraph 21 and the valuation – otherwise just replace with consent not to be unreasonably withheld or delayed as you find in any other agreement.

If so:

### **Question 17(a)**

What changes could we make to paragraph 17 that would make the practical application of the automatic rights clearer for operators and site providers?

Put this back to consent not to be unreasonably withheld or delayed. Requirement for operators to provide clear information on the proposed change including full details of occupational and public exclusion zones and undertake structural surveys where additional antennas or dishes. Need to review structure not just in relation to use for the equipment but also the use made by the landowner. In our case the impact needs to be assessed against the use of the drill tower for fire training. Significant concerns are raised by the assumptions that Operators use when considering additional infrastructure. Landlord's need to be able to have comfort that all steps are being taken to ensure the least amount of risk and there should be limited use of virtual surveys.

### **Question 17(b)**

Are there any additional measures we could include to protect the interests and address the concerns of site providers in relation to the automatic rights to upgrade and share? (For

<sup>1</sup> The Ankerwicke Yew is an ancient yew tree near Wraysbury in Berkshire, England. The tree is at least 1,400 years old, and could be as old as 2,500 years. It is an example of something that could not be replaced by money.

example: the introduction of notice requirements, or specific confirmation that automatic rights to upgrade and share are subject to the original terms of the agreement as they relate to notice / access requirements).

Detailed designs for all forms of work, unless within the operator's cabin

ICNIRP plots for any changes to antennas their output or their frequency range and for the same to be provided, on a regular basis – say every other year.

Method statements

Risk Assessments

Sufficient Notice

Right for landlord's engineers to scrutinise designs and build at the tenant's cost

### **Rights to upgrade and share separate to the automatic rights**

#### **Question 18**

Do you think that a court should be able to impose rights that allow more extensive upgrading and sharing than is permitted under the automatic rights in paragraph 17 in any, or all, of the following situations:

- If the court is imposing a new agreement and such rights are requested?
- If the court is imposing a renewal agreement and such rights are requested?
- If the court is asked to grant new or modified rights to upgrade and share apparatus during the term of a completed agreement? (noting that this would only be relevant if changes permitting modification of an agreement prior to expiry is introduced, and would be subject to any safeguards put in place for such modifications).

NO.

In none of these cases - the protection should be a minimum not a maximum.

This proposal fundamentally undermines the legal and Parliamentary process that has been followed when reaching the definition of Para 17 as it stands. It should be noted that assurances were requested in Parliament by Lord Grantchester from Lord Ashton of Hyde The Parliamentary Under-Secretary of State, DCMS, that the rights to be granted to operators for upgrading apparatus would not be automatic to which Lord Ashton replied *"Amendment 30 seeks to limit the exercise of new automatic rights to upgrade and share apparatus. The code already has a process for upgrades, including serving a notice on a site provider; while I hope parties will be able to agree, where they cannot, the matter can be referred to the courts."* [Hansard para after column 1183 timed @ 9pm.]

The provision for notice to the site provider was not included. If operators are now granted automatic rights, it would compound this error and lead to many site providers being forced to seek to terminate their agreements in order to protect their own operations, training and in the case of police and security services, National Security.

**Question 19**

Do you think the court's jurisdiction to impose these rights needs to be expressly stated in the legislation, given that the Upper Tribunal has already held that this is possible?

YES

The court should not have jurisdiction to override Statute. It should abide by it and not choose to re-interpret it in ignorance of the reasons why these protections were first introduced.

**Question 20**

Do you think the court should be required to take specific factors into account in deciding whether it is appropriate to allow upgrading and sharing rights which are more extensive than those allowed by paragraph 17?

The court should not be allowed to allow rights that breach statute/are more extensive than allowed by Para 17. IF unlimited sharing without notification to the landlord is allowed, existing sites would be lost as the risk of technical interference with the landlords own systems or the risk of the landlord being unable to use the site for its own use, would become an unacceptable burden. A balance between the landowners own use and its own ability to upgrade, add, maintain and alter its own apparatus that shares the same roof or structure as the MNO's needs to be considered. This is a major reason why landlords do not want MNO apparatus on their land.

Moreover, the right to unlimited rights also gives rise to a right to occupy the whole premises, no matter what the landowner's intention for the premises might be, as code rights are only measured in monetary terms and only where the prejudice injured by a landowner cannot be recompensed by money, would a code right be rejected. In such a circumstance and under the current legislation, a landowner is the party which has to find alternative premises to accommodate its real estate intentions. Increased rights will further add to that burden

**Question 21**

Do you think the court should be required to take any specific factors into account in deciding what the terms relating to upgrading and sharing rights should be?

YES.

KFRS needs to be able to continue to use its own training towers. These were not designed as antenna support structures. The presence of ECA on training towers already impacts upon training. Strict controls in leases are required to protect the FRA's ability to use this vital training facility. The MNO's must not be allowed to do what they want, when they want.



Moreover, other structures within the grounds of KFRS premises, will impose limitations on the use of the surrounding estate, especially if the impact of 5G technology, is a measure of the impact and where further technology may simply increase that burden (as we have witnessed in the transition from 1G through to 5G)

## **Question 22**

What additional factors (if any) should be included in the situations described at questions 20 and 21 to strike an appropriate balance between the importance of upgrading and sharing and the potential impacts on the site provider?

The MNO should firstly serve a formal notice on the landlord setting out in detail what it intends to do, providing technical and other details in justification (site specific) for doing so and inviting a response. This notice should also confirm that it will pay the landlords costs for entering into this new process and the MNO should be required to pay these costs- including but not limited to, experts, surveyors, legal and professional costs.

The landlord should respond within a specific time to

- a) confirm receipt and
- b) advise that it approves the amendment or
- c) cannot accept the amendment or
- d) requires controls to be attached to the amendment.

In the case of c or d the landlord will then need to set out in broad terms why, and in the case of d, outline what those controls should be.

If the operator does not agree, then it will need to serve another notice and issue proceedings. If technical expert evidence is presented, then the 2 experts should be allowed to discuss the technical aspects of the case to see if a compromise can be reached, or controls put in place.

Where build safety is concerned and under CDM regs, it is incumbent upon a designer to design risk out of that design

If they can then the operator should issue another formal notice setting out what has been agreed and to bring the process to an end. The operator will pay the landlords costs.

If the 2 parties still cannot find a solution, then either party may seek a hearing. This will prevent the operator from abusing this process for other an alternative agenda/ulterior motive.

## Rights to upgrade and share apparatus: retrospective rights to upgrade and share

Consider law Commission recommendations re this  
See answer to Q 18.

Retrospective legislation is generally defined as legislation which ‘*takes away or impairs any vested right acquired under existing laws, or creates a new obligation, or imposes a new duty, or attaches a new disability in respect to transactions or considerations already past*’<sup>2</sup>.

The presumption is against legislation impairing rights that are already vested such as those restricting or permitting upgrading or sharing in existing leases. This is exactly what is being proposed.

The authorities also refer to a further presumption that legislation does not apply to actions which are pending at the time when it comes into force unless the language of the legislation compels the conclusion that Parliament intended that it should. There are such cases ongoing which would be affected by such a proposal. In *Zielinski -v- France*<sup>3</sup> it was said:

*The court reaffirms that while in principle the legislature is not precluded in civil matters from adopting new retrospective provisions to regulate rights under existing laws, the principle of the rule of law and the notion of fair trial enshrined in article 6 preclude any interference by the legislature – other than on compelling grounds of the general interest – with the administration of justice designed to influence the judicial determination of a dispute”.*

It has been held that retrospective legislation must be treated with “*the greatest possible degree of circumspection*”<sup>4</sup> and that is what must be considered in respect of this proposal.

[Note - While the Code is UK wide it is worth noting that Acts of the Scottish Parliament, of course, are subject to being struck down under the Scotland Act if they are incompatible with Convention rights. Raises interesting issues!]

It is also worth noting that such existing agreements were entered at a rent commensurate with the rights granted and generally under the old code. Any retrospective amendments must account for the terms under which the agreement was entered (by willing parties) and an appropriate adjustment (in consideration of when it was entered) to that rent

### **Question 23**

What would be the specific impacts of creating an automatic right to upgrade and share apparatus in relation to agreements completed before 28 December 2017? *Please provide details of **all impacts** including those on site providers, on coverage and connectivity, and on wider public considerations (such as reducing any disruption from unnecessary works or the impact on the environment of additional installations).*

<sup>2</sup> *Craies on Legislation*, 9th edition, p432 n136

<sup>3</sup> (1999) 31 EHRR 19 para 57

<sup>4</sup> *National & Provincial Building Society -v- UK* 1997 (25) EHRR 127

Potentially catastrophic impact on the operational effectiveness of Fire & Rescue Services.  
See supporting statement for impacts.  
Loss of ability to use training towers  
Impact on use of adjoining buildings  
Training at height may be impacted

Would create a significant desire to push for removal of operators from drill towers and where other structures impact the operational efficacy of the FRS.

*The Law Commission found that there was already a functioning market for communications wayleaves. Among other things, it found that there was a sufficient base of comparable transactions to guide price-setting and that there had been few disputes<sup>5</sup>. The introduction of retrospective rights will impact on rights freely agreed in the marketplace.*

## Question 24

Do you think operators should have **any** automatic rights to upgrade and share apparatus relating to agreements completed before the 2017 reforms came into effect, where there is a strong case that this would be in the wider public interest and there would be no, or very little, impact on the site provider?

NO. The MNO's cannot be trusted to behave responsibly. A recent NCSC paper referenced the MNO's primary business driver as being cost savings and this had introduced risk. If MNO's are to be allowed to create what will in all intents and purposes be a national network, then they should be forced to invest the millions of savings that they have made into their networks.

It is clear that the operators have no intention of doing so. In fact it has been reported in a recent article in Bloomberg (9 March 2021, 06:34 GMT Updated on 9 March 2021, 11:38 GMT) that the tower side of Vodafone's European operations, Vantage, "plans to pay out 60% of recurring free cash flow annually in dividends, and intends to distribute 280 million euros in July for this financial year"

*The U.K. telecommunication giant plans to sell shares in Vantage Towers AG at 22.50 euros to 29 euros apiece, according to a statement Tuesday. Vodafone is targeting maximum proceeds of 2.8 billion euros from the offering, which would include an option to increase the deal size and an over-allotment. The final number of shares sold will depend on where the IPO prices. Vodafone shares climbed 2% to 128.60 pence at 11:18 a.m. in London.*

*Two investment funds, Digital Colony and RRJ, agreed to buy 500 million euros and 450 million euros of stock, respectively, in the offering, which will run through March 17. The new stock will start trading on March 18. The IPO values Vantage at as much as 14.7 billion euros. Vodafone will use the proceeds to pay down some of its debt pile, the company has said.*

*Vodafone and other European carriers, hit by increasing competition, regulations and the Covid-19 pandemic, are looking to squeeze value from their mast and fiber assets. The push to roll out fifth-generation networks is also driving demand for more tower capacity, fueling a wave of consolidation and restructuring.*

*And for yield-hungry investors, these assets promise steady returns as tower companies typically sign long-term contracts, linked to inflation, for the space they rent out to mobile operators.*

*Vantage plans to pay out 60% of recurring free cash flow annually in dividends, and intends to distribute 280 million euros in July for this financial year, the company said last month.*

If these rights were introduced:

#### **Question 24(a)**

Do you think they should be subject to the same conditions as the paragraph 17 automatic rights, or should a different and more stringent set of conditions apply to protect site provider interests? If you think different conditions should apply, what might those conditions be?

Operators should not be granted these rights. Many existing leases contain these restrictions not simply to generate additional income for the landlord as the operators would have you believe, but for property management and business protection measures including, but not limited to:-

Prevent technical interference with own communications or other electrical apparatus.

Protect the building structure

Retain control over the property asset- in the case of FRA's, the training tower in order to ring fence their ability to comply with their own statutory requirements as first responders to emergency situations.

#### **Question 24(b)**

Are there any other measures we could introduce that would secure the benefits of upgrading and sharing apparatus installed under pre-December 2017 agreements, while protecting the interests of site providers?

Make it a statutory requirement for the MNO's to provide in advance:-

- all supporting H&S documentation including confirmation of compliance with planning law, building regulations and various H&S Acts and Regulations, such as CDM
- structural calculations and landowner's engineer's oversight of the construction phase at the operator's cost
- ICNIRP drawings to include general public exclusion zones

## **Expired agreements**

### **Question 25**

Do you agree that the Part 5 provisions should apply to all agreements once the original term of the agreements expires or has expired? Is there any reason why they shouldn't?

NO

Parliament intended there to be a tapering period. This was not meant to be a guillotine

If Part 5 provisions are applied to all expired agreements:

### **Question 25(a)**

Do you think any special provisions should be included for agreements that were previously subject to different statutory regimes to ensure that any protections are preserved (where these do not conflict with the framework of the Code)?

We accept that the black hole should be removed

### **Question 26**

Do you think there are any circumstances in which it would be more appropriate for an operator to use the Part 4 (new agreement) process to obtain a new agreement, rather than the Part 5 (renewal agreement) process?

NO

The position works. It just does not work as the operator wants it to. You would make Part 5 irrelevant if you allowed Part 4.

### **Question 27**

Do you think that there should be a statutory requirement for disputes relating to the modification of an expired agreement to be heard within six months of the date the application is made?

If this is allowed the process should be as friendly to the landowner as possible who should not have to be burdened with multiple Court processes costs and strict time limits.

Land owners who are unrepresented should be able to seek the legal services of a specialist solicitor at the operators cost. This should speed up the legal process, reduce the burden on courts and prevent the operators from "bullying" land owners.

It should also be noted, agreements under this code do not expire, because of the provisions of Part 5, Paragraph 30 which provide rights into perpetuity.

## **Question 28**

Do you think that there should be a statutory requirement for disputes relating to the termination of a Code agreement to be heard within six months of the date the application is made?

YES

Even a shorter timescale where a sale or development of the Property is proposed. Especially where an operator is claiming that the Code still applies to apparatus that is redundant- but “still connected to their network” and therefore still capable of being used in the future despite the land owner wanting it removed to facilitate a redevelopment that cannot proceed with it in situ.

The Landowner should be allowed to issue the application as soon as the notice is served. Financial penalties should be introduced if the operator seeks deliberately to frustrate redevelopment. The Government stated that it intended that the revisions to the ECC would give the land owner certainty in being able to remove the operator, but in return, the operator would be given a longer period-,18 months to find an alternative site.

We now see operators routinely submitting objections to landlord’s applications for planning consent to redevelop their own land in a crude attempt to prevent that redevelopment.

Once again, the operators have totally undermined Governments best intentions.

The recent University of Arts case saw CTIL commencing proceedings with an application that the termination notice was defective and therefore ineffective. This was despite there being no dispute that the site was to be redeveloped and in full knowledge that an 18 month delay would impact the land owner financially.

What message does this send to land owners- especially for those who cannot afford the massive legal fees that these cases incur.

If so:

## **Question 28(a)**

What would be the benefits of a statutory time limit in relation to these disputes being introduced?

Important for developers to be able to get operators removed quickly. Delivering the promises that the Government made to land owners.

Reducing costs for landowners who otherwise have to mothball sites, pay rates, security etc in the interim.

**Question 28(b)**

What might be the drawback of a statutory time limit in relation to these disputes?

Increased cost

Increased burden on the landowner. These can be mitigated by allowing the landowner to claw back all of its costs where the operator is blocking redevelopment and other situations, such as when the continued presence of the apparatus prevents the landlord from using the site for its own purposes- eg fire station training towers

**Question 29**

Do you think operators and site providers should be able to seek interim orders in relation to renewal agreements?

Maybe but could be open to abuse

The lower standard of proof relating to interim orders is already something that the courts have stated could be abused by operators. Even if the court deals with such instances of abuse, many landowners will remain unrepresented and potentially open to exploitation. Interim orders should only be available where the land owner is willing but cannot reach agreement on terms.

If so:

**Question 29(a)**

What should the interim agreements cover (Code rights, pricing, etc)?

The operator should be required to prove that it has a requirement for the interim rights and the court must have a duty to satisfy itself that this need is genuine, not simply that the applicant site is a "better" site than existing. It should not be sufficient for the court to rely upon the operator simply stating that it has a need for the interim rights as these could be used as part of the operators negotiating position, undermining the land owner's negotiating position. Para 24 states that both parties must be equal. The revisions made to the ECC by the court have resulted in this assumption being almost impossible to achieve, fundamentally undermining the basis of the ECC.

**Question 29(b)**

Are any safeguards necessary to prevent abuse of the process?

YES.

A strict limitation on what can be installed. Prohibition on sharing and subletting- exploiting loopholes in ability of the operator to grant rights to another operator whilst "in occupation". Evidence of a genuine requirement. Otherwise we will continue to see operators wishing to relocate to avoid having to pay the higher rents for existing sites where they are "trapped" by the existing cods up on L&T Act etc



### Question 30

Do you think a court should be able to backdate the financial terms of a renewal agreement to the date that a request for an interim order is made?

NO.

On the basis that the consideration is likely to reduce the effect would be to make these agreements even less popular with landowners.

The numerous previous consultations, costs analysis and other reviews prepared in support of the proposed changes to the ECC were focused upon the operators achieving substantial cost savings with anticipated rent reductions of 40%. I refer you to the Govt House of Commons briefing paper of June 2016.

But what actually happened? The operators demanded rental savings of approximately 99%. These sums were a fraction of the previously stable telecoms market. In many instances, the operators offered just £50 in rent. That was not what Government intended or stated would happen.

This fundamentally undermined all the impact assessments, financial studies and analysis upon which the changes to the Code were based.

In one fell swoop, the operators washed away the very foundations upon which the revisions to the Code were based.

Everything that the operators have done since then appears to have been deliberately designed to alienate the site provider- to drive a wedge between operator and land owner and to undermine the Governments aims.

To allow the operators to backdate financial terms of a renewal agreement would be catastrophic to the industry. It would exacerbate an already broken system. Compound the error. More landowners would react with hostility, refusing access. The courts would probably become flooded with claims for compensation dating back over the same time period. It is lunacy to think that this would be anything but an "own goal".

### Question 31

Are there any other ways you think we can help ensure that negotiations for renewals are dealt with in a timely and collaborative manner?

Allow the market to develop and increase protections for landowners and stop listening to the operators whose primary driver is to increase shareholders profits by cost cutting and not providing a national network.

### Other issues

**Blue light emergency services should be granted an exemption from the provisions of the ECC. This would allow them to enter into openly negotiated and mutually beneficial agreements for sites that otherwise would not be made available to them.**



**The ECC and the proposals outlined in this consultation document undermine the controls that fire and police authorities need to be able to protect their own infrastructure, services, training regimes and ability to deliver their statutory duties.**

The wording of the Code has raised a potential issue with regard to leases involving Code rights in Scotland.

Part 5 of the Code deals with the termination and renewal of agreements. Note that paragraph 29 excludes leases with protection under Part II of the 1954 Act (where the primary purpose was not to grant Code rights) only from Part 5 of the Code. It does not purport to exclude such leases from any other part of the Code (including Part 4). This suggests that a lease in Scotland with any Code rights may fall within the ambit of the Code even though that is not its primary purpose!

The rights of land owners to be able to use their own land for their own use must be supported. Where operators apparatus prevents the landowner from being able to say deploy more machinery or apparatus (air conditioning units, extractor vents etc) on a roof say, then there must be provision for the landlord to seek the removal of that apparatus.

This is especially relevant for buildings such as hotels and commercial or retail properties where the landowner needs to modernize, upgrade and add its own apparatus. The presumption that the operator's apparatus should be considered before the landowners needs to be reversed.

Provision must be made for landowners costs incurred in seeking "lift and shift" to be paid by the operator and for the landowner to be able to serve a notice upon the operator requesting that the apparatus be removed or relocated to:-

- a) Facilitate renewal or repairs of existing plant, the roof surface or fabric of the building
- b) Installation of new plant

The focus should be shifted from the operators "optimum operational design" to the landlords own use of the site and what is required to ensure that the landlord is able to look after its own business interests and not be prevented from developing its business.

Instances exist where operators are seeking to alter existing and necessary Access Policies to fit their own needs rather than identifying where those needs are in conflict with the operational needs of the Blue Light force and adjusting their expectations, accordingly.

Operators should be prevented from attempting to frustrate landowners own redevelopment proposals by submitting objections to landowners applications or demanding that any redevelopment must include provision for their apparatus.

## MINUTES OF THE EXTRAORDINARY PENSION BOARD MEETING

1 MARCH 2021

This extraordinary Pension Board meeting was called to discuss the proposed course of actions in relation to the Remedy to the McCloud vs Sargeant Case

### Present:

Lee Rose	KFRS (Employer Representative) Chair
James Finch (JF)	KFRS (Employer Representative)
Danny Barrett (DB)	FBU (Employee Representative)
Lawrence Pater (LP)	FOA (Employee Representative)
Karen Irvine (KI)	Assistant Director, HR and Learning
Mark Rist (MR)	Assistant Director, Response
David Broughton (DBr)	Firefighter, Tonbridge
Karen Pointer (KP)	Group Manager, Collaboration
Marie Curry (MC)	Business Support Manager/ Clerk

### Apologies:

Dylan McEvoy	FRSA Representative (Employee Representative)
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<b>NEXT MEETING</b>	Date: 11 May 2021
	Venue: Skype
	Time: 10.00

**1. Declarations of Interest on Items on the Agenda**

LR declared that he had an interest in relation to the remedy outcomes to the McCloud vs Sargeant Case as he is one of the members affected by this. Therefore LR took the decision to stand down as Chair for this meeting.

Following a vote by Members of the Board, Mark Rist took the Chair.

**2. Minutes of the Last Meeting held on 2nd February**

The minutes of the last Pension Board meeting held on 2nd February 2021 were agreed.

**3. Remedy Actions – Changes to the Transitional Arrangements to the 2015 Schemes**

DB and LP called this meeting on behalf of their respective members to discuss what potential arrangements can now be progressed following the issuing of the immediate detriment guidance. DB emphasised the fact that his members are getting increasingly frustrated with the unknown and feel that being no further forward is unacceptable. KI said that she hears the frustrations but there is still a considerable lack of clarity behind the mechanics of the guidance. DB asked whether the Board can place this issue in front of Authority Members for debate and in turn whether there was any way pressure could be applied to the LGA for answers. KI said that our Chair is aware of the situation and has a good understanding of the difficulties faced for both scheme managers and its members because of the various forums he sits on. MR also added that regular updates are provided to the Authority on the situation. DB said that he understands KI's position is difficult but his members are quite rightly questioning why at least one FRA has decided to action the immediate detriment position and why we are not exploring what they have been doing with their calculations. KI responded by saying that these calculations are more than likely being done on assumptions because the technical detail isn't available yet to support the guidance. For example, what the tax implications for scheme members will be or what the rate of contributions are in order that this can be dealt with satisfactorily. She added that doing these calculations without the legislation to support it is a risk because the level of complexity it involves means that it's highly likely that pensions will need to be re-calculated down the line. She added that, as the Scheme Manager, it is the Authority's responsibility for ensuring that pensions are calculated correctly and having too many unanswered questions relating to the tax and other pension related issues could have a significant and direct impact on individuals. She added that there just isn't the information available at present to allow scheme members to make an informed decision.

LP said that there has been a lot of information circulated out to scheme members already so he believes there is a general understanding of the issues, he said it is more about providing reassurances that members will be able to have the deferred choice and this will be looked in to. DB said that he is aware Mark Belchamber, who is an independent pension specialist, works with the LGA and other FRAs already so would this be a route for individuals to pursue if they wish to get advice. KI reiterated that the Authority will not be making recommendations to use any specific pension specialist, if individuals wish to get pension advice then they need to do this themselves. KI finished by saying that due to the amount of complex work involved with both the McCloud case and following any announcement from the O'Brien case, it was agreed

recently by Corporate Management Board, that there will be the recruitment of a dedicated person to manage the administration in support of the outcomes of both cases which will be beneficial for scheme members to have that direct contact.

It was agreed to

- Prepare a report to go to the next meeting of the Authority on behalf of the Pension Board outlining its position;
- KI to share the Home Office guidance and FAQs in respect of the immediate detriment as well as the FRS42 Pensions Bulletin with Members of the Board; **(Action: KI)**
- Note the update on the additional post within KI's team to help support the administration of the outcomes of both the McCloud vs Sargeant and O'Brien cases.