

FIRE AUTHORITY



**CAMBRIDGESHIRE
& PETERBOROUGH
FIRE AUTHORITY**
Working together to improve community safety

Date: Thursday, 22 October 2020

14:00hr

**Virtual Meeting
[Venue Address]**

AGENDA

Open to Public and Press

1. **Apologies for absence and declarations of interest**
2. **Minutes of the Fire Authority Meeting held 25th June 2020** **1 - 14**
3. **Chairman's Announcements**
4. **Property Update** **15 - 20**
5. **National Fire Chiefs Council Building Risk Review Grant and Protection Uplift - Update** **21 - 24**
6. **Update on the Cambridgeshire Fire and Rescue Services response to the ongoing Covid-19 Pandemic** **25 - 32**
7. **Equality and Inclusion Compliance Report 2019-2020 (including Gender Pay Gap)** **33 - 76**

8. Audit Completion Report 2019-20

77 - 202

9. Dates of Fire Authority meetings 2021-2022

203 - 204

The Fire Authority comprises the following members:

For more information about this meeting, including access arrangements and facilities for people with disabilities, please contact

The Fire Authority is committed to open government and the public are welcome to attend from the start of the meeting.

It supports the principle of transparency and encourages filming, recording and taking photographs at meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening, as it happens. These arrangements operate in accordance with a protocol which can be accessed via the following link below or made available on request.

Public speaking on the agenda items above is encouraged. Speakers must register their intention to speak by contacting the Democratic Services Officer at least three working days before the meeting.

Full details of the public speaking scheme for the Fire Authority is available at

http://www.cambsfire.gov.uk/fireauthority/fa_meetings.php

Councillor Kevin Reynolds (Chairman) Councillor Andrew Bond Councillor Janet Goodwin
Councillor Mohammed Jamil and Councillor David Over Councillor Barbara Ashwood
Councillor Simon Bywater Councillor Ian Gardener Councillor Derek Giles Councillor
John Gowing Councillor Lynda Harford Councillor Bill Hunt Councillor Sebastian
Kindersley Councillor Mac McGuire Councillor Jocelyne Scutt Councillor Mike Shellens
and Councillor Mandy Smith

Clerk Name:	Dawn Cave
Clerk Telephone:	01223 699178
Clerk Email:	dawn.cave@cambridgeshire.gov.uk

CAMBRIDGESHIRE AND PETERBOROUGH FIRE AUTHORITY: MINUTES

Date: Thursday 25th June 2020

Time: 2.00 – 3.50pm

Venue: *Meeting held remotely in accordance with The Local Authorities (Coronavirus) (Flexibility of Local Authority Meetings) (England) Regulations 2020*

Present: Cambridgeshire County Council:

Councillors: B Ashwood, S Bywater, I Gardener, D Giles, J Gowing, B Hunt, S Kindersley, M McGuire, K Reynolds (Chairman), J Scutt, M Shellens and M Smith

Peterborough City Council:

Councillors: J Goodwin, M Jamil and D Over (Vice-Chairman)

Officers Present: C Strickland, M Warren, S Ismail, J Anderson and D Cave

A warm welcome was extended to Councillors Goodwin and Giles, who were both returning to meetings following illness.

137. ELECTION OF CHAIRMAN

It was resolved that Councillor K Reynolds be elected Chairman of the Fire Authority for the ensuing municipal year 2020-21.

138. APPOINTMENT OF VICE CHAIRMAN

It was resolved that Councillor Over be elected Vice-Chairman of the Fire Authority for the ensuing municipal year 2020-21.

139. APOLOGIES FOR ABSENCE AND DECLARATIONS OF INTEREST

Apologies for absence were received from Councillor Harford.

140. MINUTES OF THE FIRE AUTHORITY MEETING HELD 6TH FEBRUARY AND NOTES OF THE MEETING HELD 30TH MARCH 2020

The minutes of the Fire Authority meeting held 6th February and the notes of the meeting held on 30th March 2020 were agreed as a correct record.

141. CHAIRMAN'S ANNOUNCEMENTS

The Chairman referred to his announcements that had been circulated to Fire Authority Members in advance (attached at Appendix 1).

Members were very sorry to hear of the death of Firefighter Will Baker.

With regard to the Judicial Review, he invited the Monitoring Officer to update Members further.

The Monitoring Officer referred to a letter from the Secretary of State that had been circulated to Members, advising that he would not be acting on the transfer of governance of the Fire Service to the Police & Crime Commissioner (PCC), and setting out the reasons why. She reminded Members that there were three Judicial Reviews, as follows:

The first Judicial Review (JR1) was launched after the Secretary of State made the decision to transfer governance to the Police & Crime Commissioner, which related to the Business Case process. The hearing had been held just over a year ago, and the decision announced in July 2019. Whilst it had been acknowledged that the "3Es" test had not been applied, the decision had gone against the Fire Authority, as it had been argued that even if the 3Es had been applied, it would have resulted in the same decision. The decision to approve the transfer governance was made by the High Court, the Secretary of State could therefore have implemented the governance change.

However, in the a second Judicial Review (JR2) was brought, relating to the rejection of the St Neots and St Ives shared estate proposal by Cambridgeshire Constabulary, making the PCC's Business case even less viable. JR2 was paused pending outcome of Appeal on JR1.

The third Judicial Review (JR3) related to Monkswold no longer being available for the Fire Service's Training Centre, which again had been one of the main reasons put forward in the PCC's Business Case. JR3 was also on hold pending the appeal on JR1.

The appeal on JR1 was ultimately unsuccessful and the latest letter from the Home Office indicated that the transfer of governance would not now happen unless and until the new PCC, to be elected in May 2021, decided to bring forward a proposal.

In response to a Member query, it was confirmed that whilst the Government was supportive of the principle of Police & Crime Commissioners taking over Fire & Rescue Services, it would require the new, permanent Police & Crime Commissioner to make a fresh Business Case.

A number of Members commented positively on the latest developments. Congratulating the Chairman on his reappointment, one Member commented that whilst the Fire Authority was largely apolitical, it would be helpful for Members to ask their party's PCC candidates about their position in terms of the Fire Authority.

Members thanked the Monitoring Officer for her very clear explanation of the Judicial Review process to date and officers were thanked for the successful outcome.

142. FIRE AUTHORITY VIRTUAL MEETINGS PROTOCOL

The Monitoring Officer introduced a Virtual Meetings Protocol, which reflected government legislation introduced to deal with meetings in the Coronavirus pandemic, and the practice of constituent Councils, where virtual meetings were already being used to conduct business. In terms of voting, this would be by agreement if there appeared to be a consensus, or would be by a “roll call” vote if there was any dissent.

A Member thanked officers for making this process more straightforward than some other organisations. He suggested that regardless of how long the pandemic measures lasted, it would be sensible to continue to meet virtually for the majority of meetings, given the significant mileage undertaken by individual Members and officers, and the environmental and resource impacts of that travel. It was also saving valuable time for all those involved.

A number of Members agreed with this, highlighting the benefits of virtual meetings and conference calls for informal meetings and the majority of formal meetings, and it was noted that the legislation permitted virtual meetings up to the period ending May 2021. The LGA had taken advice from Peter Oldham QC and it was agreed that this advice would be circulated to Fire Authority Members. **Action required.** It was also noted that many organisations were looking to move to having some or all meetings virtually on an ongoing basis. It was agreed that officers would explore the potential to do this going forward. **Action required.**

Another Member accepted and agreed with many of the points raised, but said he was uncomfortable with the proposal that virtual meetings became the default option going forward, as there were benefits to interaction at face to face meetings, and it would be unwise to agree to such a fundamental change on a permanent basis at this point. He also commented that whilst the legislation permitted virtual meetings to be held until May 2021, they should not continue automatically until that date.

It was resolved unanimously to:

approve the Virtual Meeting Protocol attached at Appendix 1 to the report.

143. DRAFT ANNUAL GOVERNANCE STATEMENT 2019-2020

The draft Annual Governance Statement (AGS) for 2019-20 was presented for approval.

To meet the requirements of the relevant framework, local authorities were

- expected to review the existing arrangements against the relevant framework;
- maintain a local code of governance including arrangements for ensuring its on-going application and effectiveness;
- prepare an Annual Governance Statement in order to report publicly on the extent to which they comply with their own Code on an annual basis, including how they have monitored the effectiveness of their governance arrangements in the year and on any planned changes in the next period.

Due to the pandemic, the Overview and Scrutiny Committee had not met and the report had not been scrutinised by that Committee, but Councillor McGuire, Chairman of that

Committee, assured Members that governance issues were carefully monitored by that Committee throughout the year, and the Statement as presented had his full support.

Members noted progress made against issues identified in 2018-19, and actions to be taken against the significant governance issues raised in 2019-20, which were:

- CFRMIS – Collection and Update of Risk Information following the HMICFRS Review (partial assurance) – improvement of specific data entries, monitoring workflow and reduce duplication. Further, improve procedures and guidance and work to produce and deliver against an action plan.
- Human Resources – Training, Recording and Competency System (partial assurance) – improve currency of training policies and review schedule cognisant of national guidance and best practice controls

Significant improvement plans had been implemented to address both of these issues, and a dedicated team structure was now in place to ensure that everything was being recorded in a professional and appropriate manner. The view of the Head of Internal Audit was that the organisation has an adequate and effective framework for risk management, governance and internal control, but that further enhancements had been identified to the framework of risk management, governance and internal control to ensure that it remains adequate and effective.

It was resolved unanimously to:

approve the Annual Governance Statement attached at Appendix 1 to the report for external publication.

144. ANNUAL REPORT AND STATEMENT OF ASSURANCE

Members considered the draft Annual Report and Statement of Assurance 2019-20. The background and content of the document were briefly summarised. It was noted that the Statement of Assurance was a legal requirement, and that to enable the report to be published within a reasonable timescale, a draft version of the report was presented for approval, as a number of sections were still to be finalised.

Members noted the following highlights in the Annual Report:

- the Asian Fire Service Association awarded the Service second place for Excellence in Board Leadership in equality, diversity and inclusion;
- a large fire involving more than 50 trailer units at Hotpoint in Peterborough presented a significant challenge for crews. Firefighters from across the county, as well as neighbouring services, were needed to tackle the blaze;
- a contingent from the Shanghai Municipal Defence Office visited Huntingdon Fire Station and the training centre to gather knowledge and understanding of how the UK fire service operates;
- the annual Excellence Awards celebrated staff achievement and long service, which had been attended by around 140 members of staff and families;

- another engagement survey had been designed and delivered, with the number of staff who were fully engaged increasing from 60% to 66%. This demonstrated that the Service has one of the most highly engaged workforces when compared to other public and private sector organisations, where the national average was 45%. “Fully engaged” in this context mean that staff were advocates for their employer and enjoyed coming to work;
- the partnership between the Service and NHS Blood, saving NHS Blood considerable money in hiring premises, by offering fire stations free of charge;
- the introduction of smoke blocking curtains across the fleet.

Arising from the report, individual Members made the following comments:

- thanked officers for sharing the regular Covid updates to staff with Members;
- commented that an organisation was only as good as its senior management team, and he paid tribute to the senior officer team, whose leadership and guidance had led to such good results over the last few year. The Chairman agreed, commenting that the Fire Service was blessed with an exceptional senior management team, and outstanding personnel more generally. Officers responded that whilst they set the direction of the Fire Service, the Fire Service was staffed by wonderful people, and the current crisis had brought this into sharp focus, with everyone pulling together;
- one Member advised that last October, Cambridge Fire Station had sent a fire engine to her local Community Centre Family Fun Day, which was a wonderful example of the community work that the Service did. She added that it was these sort of actions that often went unnoticed, but were so important in terms of community engagement;
- that the Staff Survey was an important achievement, as it was so important for staff to be engaged and enthusiastic. The Member also commented positively on the response to a fire in her division, paying tribute to the firefighters for the work they did to save people, animals and buildings.

It was resolved unanimously to:

agree the draft Annual Report and Statement of Assurance 2019/20 attached at Appendix 1 to the report, subject to the conditions highlighted in paragraphs 5.1 to 5.4 of the report.

145. REVIEW OF INTEGRATED RISK MANAGEMENT PLAN PERFORMANCE

The Fire Authority received a report on the refreshed Integrated Risk Management Plan (IRMP) 2017-2020. It was noted that the period ran to the end of March 2020.

There had been a complete review of the IRMP in 2017, and the document presented reflected on the actions and risks that had been monitored over the previous twelve months. Members were reminded that the Fire and Rescue National Framework for England required fire authorities to produce a local IRMP. The Service was also required to develop an action plan saying how the actions in the Plan would be achieved.

Key achievements in the past twelve months included:

- the ongoing delivery of 'FireBreak' courses, which were now embedded;
- significant investment in operational response, including water rescue and turntable ladders;
- continued investment in staff development;
- average attendance in urban areas met the nine minute target, having reduced from 8 minutes 44 seconds to 8 minutes 33 seconds. Rural response times were slightly over the 12 minute target at 12 minutes 19 seconds. A lot of work was going on to identify the cause of the delays in rural areas. In terms of the targets for responding to 95% of all incidents within 18 minutes, 94.8% had been responded to within this time. The total number of fires had reduced, as had secondary fires, and there were also fewer non domestic fires;
- regrettably, there had been three fire fatalities in the year, but there had been a reduction in fire casualties. Killed and Seriously Injured (KSI) on roads had reduced by 42, but statistics were only available up to December 2019;
- in terms of workforce diversity, the number of women in operational work had increased, and there had also been an increase in the number of women in operational management, and similarly from Black, Asian and Minority Ethnic (BAME) communities.

Members commented favourably on the report generally, and raised the following issues:

- noting the increasing number of apprenticeships, asked if the entry route for all firefighters in future would be via apprenticeship. Officers confirmed that there had been a really positive experience of apprenticeships, for many areas of the Service including full-time firefighters, Business Support Group, Information Technology and Fleet Management. It was noted that new firefighter recruits go to the Fire Service College for an initial eight week training course, where they received a mixture of theory and practical tuition. Following Fire Service College, there was ongoing training but this was not delivered via traditional "day release" methods;
- discussed the changes to Maternity provision for firefighters, which had increased from the statutory six weeks, to 18 weeks at full pay;
- asked whether there was a graduate route for firefighters. Officers outlined the discussions they had been having around having two possible routes, including an accelerated route for those with aspirations to become a senior officer, whilst keeping the operational experience, as with the Police and other professions. There was also a discussion on an accelerated career path for those with relevant experience looking to become firefighters e.g. Armed Services;
- in response to a Member question, it was confirmed that the highest rank for a member of BAME operational staff was Station Commander;

- a number of Members praised the Firebreak scheme;
- discussed the issues relating to rural response times, which may require a fundamental rethink in to responses to rural call outs. There was also a discussion as to whether the statistics for the pandemic period would reveal any changes, given that more rural areas were covered by on-call firefighters, and more people were working at home.

It was resolved unanimously to:

Note the report.

146. FINAL REVENUE AND CAPITAL BUDGET POSITION 2019-20 AND TREASURY MANAGEMENT STATEMENT

The Fire Authority considered the final 2019-20 revenue and capital budget outturn position, plus an update on the treasury management position.

The statutory auditing deadlines for local authorities had been extended due to the Covid-19 pandemic. The revised publication date for statutory accounts had moved from 31 July to 30 November 2020, with the Fire Authority required to publish its draft accounts by the 31 August 2020. However, the accounts were pretty much ready, and no problems were anticipated meeting the revised deadlines.

The final outturn position on the revenue budget, before application of carry forwards, reflected the spending trend reported to the Policy and Resources Committee throughout the financial year. After applying these, the final position was an underspend of £715K. It was proposed to use this funding against the significant 2020-21 capital programme. There was a slight overspend on full-time firefighters, which had been anticipated, given the hard recruitment drive over the last few years. IT and Communications was the major area of underspend, with significant savings achieved through moving supplier for the Wide Area Network.

Two errors were noted: in Table 8.2 – the Total Reserve should read £3.185K; and Appendix 3 (earmarked reserves) still referenced Monkswood.

Turning to the Capital budget, there were issues in respect of carry forwards for service cars, vans and fire appliances ordered in 2019-20 but not received owing to continued supply chain issues with the vehicle provider. Two turntable ladders had been ordered but the factory was closed in March due to the pandemic; there were similar issues in terms of the delay at Wisbech, which meant that this expenditure had to be carried over.

The Deputy Chief Executive agreed to arrange a meeting with new Fire Authority Member, Councillor Hunt, to provide an outline of the Fire Authority's finances, especially around vehicles and insurance. **Action required.**

It was resolved unanimously to:

1. note the revenue and capital budget outturn position;
2. approve the requested budget holder carry forwards;
3. note the year-end balance sheet position as at 31 March 2020 as per the

- draft statement of accounts;
4. note the annual Treasury Management Statement.

147. ESTATES UPDATE

Fire Authority Members considered an update on the Huntingdon Community Fire and Rescue Station and Training Centre project, including a general update on property collaboration with Cambridgeshire Constabulary and the Interim Police and Crime Commissioner (PCC) for Cambridgeshire

Members were reminded of the background to the Training Centre relocation, which was originally going to be located at Cambridgeshire Constabulary's Monkswood site. This offer of land on the Monkswood site had subsequently been withdrawn by the Constabulary.

Since March the negotiation of the land price has also been finalised, with a price agreed and Heads of Terms for the sale currently going through the legal process. Alongside the land purchase, formal Heads of Terms and a development agreement had been formalised and the detailed building design for planning has commenced. The Service had appointed a Property Adviser and a Quantity Surveyor to ensure all cost projections are understood and challenged where appropriate. It was anticipated that the legal agreements would be finalised by mid July 2020; all would be subject to a positive planning decision.

In St Neots, it was proposed that the Police relocate into the fire station. Any relocation would be subject to building modifications and an extension financed by the Constabulary from the sale of their current St Neots site. It was clarified that they would also pay rent to the Fire Service. Formal plans were currently being developed by the Constabulary. Once complete, fire station employees would be consulted with and briefed on the proposed use of the site, which may include a police enquiry office.

In St Ives, the Service had been exploring the possibility of a new, joint site with the Police, but was now working with Health partners, as the Police were keen to retain a town centre presence.

In Cambridge, the Police were looking to relocate its main Police Station away from Parkside to a less central location, whilst still retaining a city centre presence. Options to share the space at the Fire Service's Parkside Fire Station were being explored.

It was noted that the Constabulary's recently appointed Director of Resources was keen to collaborate and achieve savings where possible. It was likely that a report with recommendations would be considered by the Fire Authority in early February.

In response to Member questions:

- officers advised that the Fire Service had approached the Ambulance Service on a number of occasions, and were happy to go back to them;
- the Wisbech project would not be resurrected, as it had turned out to be disproportionately expensive;

- It was confirmed that all collaborative projects with not only the Police, but all partners, were logged. The Chief Fire Officer restated that the Service had worked tirelessly to collaborate with Police over recent years.

It was resolved to:

Note the report.

(Jon Anderson left the meeting)

148. ASSISTANT CHIEF FIRE OFFICER APPOINTMENT

The Chief Fire Officer introduced a report on the outcome of the Assistant Chief Fire Officer (ACFO) assessment process. Members were advised that the Appointments Committee had met on 23rd June, and interviewed two candidates.

The post had been advertised nationally, and two shortlisted candidates had been interviewed by Councillors Reynolds, Over, Jamil and Kindersley. The process was outlined in the report.

Jon Anderson was consistently the highest scoring candidate in the interview and assessment process, which had been challenging and probing, and both candidates had scored well. Whilst it was a difficult decision between two great candidates, Jon was the clear leader.

In terms of the availability of the report, it was confirmed that this was publically available, but due to the tight timescales in terms of the interview process, had only become available on 24th June 2020.

(Jon Anderson rejoined the meeting)

On behalf of the Fire Authority, the Chairman congratulated Mr Anderson on his appointment, and said he looked forward to working with him. Mr Anderson thanked the Chairman and Fire Authority for their support.

It was resolved unanimously:

to approve the appointment of Jon Anderson as the new Assistant Chief Fire Officer.

149. APPOINTMENTS TO COMMITTEES, OUTSIDE ORGANISATIONS AND OTHER BODIES

It was resolved to:

To agree the appointments set out in the report and as reproduced as Appendix 2 to these minutes.

Chairman

CHAIRMAN'S ANNOUNCEMENTS – THURSDAY 25 JUNE 2020**JUDICIAL REVIEW UPDATE**

Update as per the letter from the Home Office; on 22 June 2020 CFO disseminated to all mail users within CFRS an update.

There has been a significant update in relation to the Police and Crime Commissioner (PCC) being granted permission to take over governance of our fire service. Both the Authority and the Service received a copy of a letter sent to the interim PCC by the Policing and Fire Minister (Kit Malthouse MP). The letter explains that in recognition of the length of time that has passed between the original business case and now, the Minister requires another business case to reflect the current situation. Owing to the pandemic and the deferred PCC elections to May 2021, he has said that he could not consider it until after the PCC elections. In light of this, the Authority has been asked to withdraw its second judicial review application and it is in the process of seeking legal advice on whether this is the right thing to do.

This, on the face of it, is positive news for the Authority and we very much welcome the fair and sensible decision by the Fire Minister that a new business case is now required if the PCC intends to pursue governance. The Authority's argument has always been that the original case was misleading and that a governance change was not required to enable collaboration to make the stated savings. We also know that a number of the projects that formed part of the business case's economic viability have now been deemed not possible such as Monks Wood for the training centre and utilising the Wisbech fire site as a joint premises with the police.

If the new PCC, when elected, wishes to pursue the governance change, we will of course cooperate with the formation of a new business case. At this point however, unless much changes, it's hard to see how a strong economic case could be made, taking everything into consideration and the fact we are open to, and positively welcome, collaboration where it is of benefit to both services.

So in summary, we remain as we are and await the appointment of a new PCC next May to see what their appetite is for a new business case. That said, the Authority will continue to fight to retain governance. The Service has proven to be one of the best performing and most efficient fire and rescue services in the country and our argument has always been why change what is working so well now.

Invite Shahin to comment**FF WILL BAKER, PETERBOROUGH VOLUNTEER FIRE BRIGADE**

The Authority would like to publicly record their condolences to the family of Firefighter Will Baker who sadly passed away on 26 May 2020. PVFB is a significant and much valued part of our Service and Will, who had been a volunteer firefighter for 12 years, like his colleagues at the station, had offered his time to the community, readily making sacrifices at home to respond to his pager and support Peterborough residents when they needed it. He epitomised the brigade's motto of 'always ready and willing'.

A book of condolence was opened online and on 2 and 3 June 2020, the Service held a two minute silence to remember Will. Firefighters lined up outside their stations and support staff and Officers, who could not join together in person due to pandemic restrictions, came together virtually to pay their respects. A copy of the video recording this was sent to the family who made specific reference to it (the 'beautiful video of staff remembering Will ...') in a letter of thanks.

Our thoughts remain with Will's family at this incredibly difficult time and as an Authority we will continue to do all we can to support them as well as Will's colleagues at the station.

COVID-19 ARRANGEMENTS

The timely implementation of robust business continuity plans has ensured the communities of Cambridgeshire and Peterborough have remained as safe as possible to date during the current pandemic. Some of our staff (especially On-Call) are working as volunteers in the community or with partners to provide essential services for example, driving ambulances or patient transport.

The Authority recognises the amazing efforts of staff, at all levels across the organisation, whatever they are doing and as we continue to observe government guidance and adjust our ways of working are grateful to everyone (their families and support networks) for their flexibility and commitment.

APPENDIX 2**APPOINTMENTS TO COMMITTEES, OUTSIDE ORGANISATIONS AND OTHER BODIES
POLICY & RESOURCES COMMITTEE (9 members)**

KEVIN REYNOLDS	C
DAVID OVER	C
SIMON BYWATER	C
<i>BILL HUNT</i>	<i>C</i>
MANDY SMITH	C
MIKE SHELLENS	LD
BARBARA ASHWOOD	LD
MOHAMMED JAMIL	L
DEREK GILES	IND

OVERVIEW AND SCRUTINY COMMITTEE**(8 members not to be appointed to the Policy and Resources Committee)**

IAN GARDENER	C
MAC MCGUIRE	C
LYNDA HARFORD	C
JANET GOODWIN	C
JOHN GOWING	C
SEBASTIAN KINDERSLEY	LD
ANDREW BOND	LD
JOCELYNNE SCUTT	L

APPOINTMENTS COMMITTEE (7 members)

KEVIN REYNOLDS	C
<i>BILL HUNT</i>	<i>C</i>
MAC MCGUIRE	C
DAVID OVER	C
MIKE SHELLENS	LD
SEBASTIAN KINDERSLEY	LD
MOHAMMED JAMIL	L

PERFORMANCE REVIEW COMMITTEE (3 Members + 2 Substitutes)

DAVID OVER	C	
KEVIN REYNOLDS	C	
SEBASTIAN KINDERSLEY	LD	
MAC MCGUIRE	C	Substitute
MIKE SHELLENS	LD	Substitute

APPEALS (PENSIONS) COMMITTEE (3 Members + 2 Substitutes)

DAVID OVER	C	
JOHN GOWING	C	
MIKE SHELLENS	LD	
<i>BILL HUNT</i>	<i>C</i>	<i>Substitute</i>
BARBARA ASHWOOD	LD	Substitute

FIRE AUTHORITY DISCIPLINE COMMITTEE (3 Members + 2 Substitutes)

LYNDA HARFORD	C	
SIMON BYWATER	C	
SEBASTIAN KINDERSLEY	LD	
MAC MCGUIRE	C	Substitute
ANDREW BOND	LD	Substitute

FIRE AUTHORITY APPEALS COMMITTEE (3 Members + 2 Substitutes)

KEVIN REYNOLDS	C	
IAN GARDENER	C	
BARBARA ASHWOOD	LD	
MANDY SMITH	C	Substitute
MIKE SHELLENS	LD	Substitute

JOINT CONSULTATIVE COMMITTEE (7 Members + 6 Employee Representatives)**[Not subject to proportionality]**

Fire Authority Members (7)	
SEBASTIAN KINDERSLEY	LD
BARBARA ASHWOOD	LD
KEVIN REYNOLDS	C
JANET GOODWIN	C
SIMON BYWATER	C
MAC MCGUIRE	C
JOCELYNNE SCUTT	L

LOCAL STRATEGIC PARTNERSHIPS**[Not subject to proportionality]**

Greater Peterborough Partnership	Vice-Chairman	
----------------------------------	---------------	--

COMBINED AUTHORITY

Combined Authority	Vice-Chairman	C
--------------------	---------------	---

MEMBER CHAMPIONS/LEAD MEMBERS**[Not subject to proportionality]**

Equality and Inclusion	MANDY SMITH
Health and Safety	SIMON BYWATER

LOCAL GOVERNMENT ASSOCIATION

KEVIN REYNOLDS		C
DAVID OVER		C
BARBARA ASHWOOD		LD

LOCAL GOVERNMENT ASSOCIATION FIRE SERVICES FORUM

KEVIN REYNOLDS		C
----------------	--	---

TO: Cambridgeshire and Peterborough Fire Authority
FROM: Deputy Chief Executive Officer (DCEO) - Matthew Warren
PRESENTING OFFICER(S): DCEO - Matthew Warren
Telephone 01480 444619
matthew.warren@cambsfire.gov.uk

DATE: 22 October 2020

PROPERTY UPDATE

1. Purpose

- 1.1 The purpose of this report is to provide the Fire Authority with an update on progress against police and fire collaborative property schemes.

2. Recommendations

- 2.1 The Authority is asked to;
- note the progress made to date,
 - approve the next steps.

3. Risk Assessment

- 3.1 **Political** – there is now a requirement for emergency services to collaborate. The sharing of land and property assets have been identified as a key aspect of fulfilling this requirement by both Cambridgeshire Constabulary and Cambridgeshire Fire and Rescue Service.

4. Background

- 4.1 Enabling legislation requiring the police, fire and ambulance services to collaborate to improve efficiency and/or effectiveness was passed in January 2017. In addition, the new legislation gave Police and Crime Commissioners (PCCs) the powers to take over responsibility for fire and rescue services, if a local business case was approved.
- 4.2 The PCC for Cambridgeshire submitted a business case to the Home Office in September 2017; the case was approved by the Home Secretary in March 2018. Subsequent to this approval the Authority, after talking legal advice, decided to challenge the Home Secretary's decision.

- 4.3 In November 2015, the Authority approved a business case to re-locate its headquarters, training centre and fire station in Huntingdon to a new site in the town. It was intended that the new site would accommodate all three facilities however subsequent to this decision the newly elected Cambridgeshire PCC offered the potential of utilising existing police land to locate both the fire station and training centre. The Authority chose to accept this offer and requested that Officers undertake an appraisal of the site, with emphasis on the training centre. However owing to the likely development of the current police training site at Alconbury for commercial or residential purposes, the practical use of Monkswood for both police and fire was deemed unworkable in early 2020.
- 4.4 In March 2020, the Chairman, in consultation with the wider Authority, used his executive powers to approve the alternative fire station/training centre scheme to be based on land currently owned by St John's College in Huntingdon. A number of additional collaborations are on-going with the constabulary; updates are provided at Paragraphs 6 and 7 below.

5. Fire Station/Training Centre Update

- 5.1 Formal planning has been submitted for the new fire station and training centre, with approval scheduled before Christmas. If approval is forthcoming within this timeframe, work on site should commence March/April 2021.
- 5.2 Once formal work on the site begins, the Service will seek to formally market the current Huntingdon site and also to explore the options for St Ives. The Service continues to have dialogue with the NHS regarding St Ives, as they own land adjacent that may also be sold for development.
- 5.3 The Service has communicated current timescales to all those impacted by the fire station and training centre development, including those living in service accommodation at The Brow in Huntingdon. The Service has committed to working with those affected to assist in finding alternative accommodation as the scheme develops.

6. St Neots Community Fire and Rescue Station

- 6.1 The police and fire property teams have worked collaboratively to fully understand the requirements for the police station to be incorporated into the fire station at St Neots. Plans have finally been agreed between the organisations, with the police now seeking to submit these for planning. The station has been involved throughout the process. Like Huntingdon, it is expected that work on site will begin early in the next financial year. The final plans are attached at Appendix 1 for Members information, with Option B being taken forward to planning.

7. Cambridge Community Fire and Rescue Station

- 7.1 Both police and fire continue to assess whether there is scope to accommodate an operational policing function at our site on Parkside in Cambridge. It is anticipated that a joint assessment of viability will be concluded by the end of the calendar year.

8. Combined Property Team

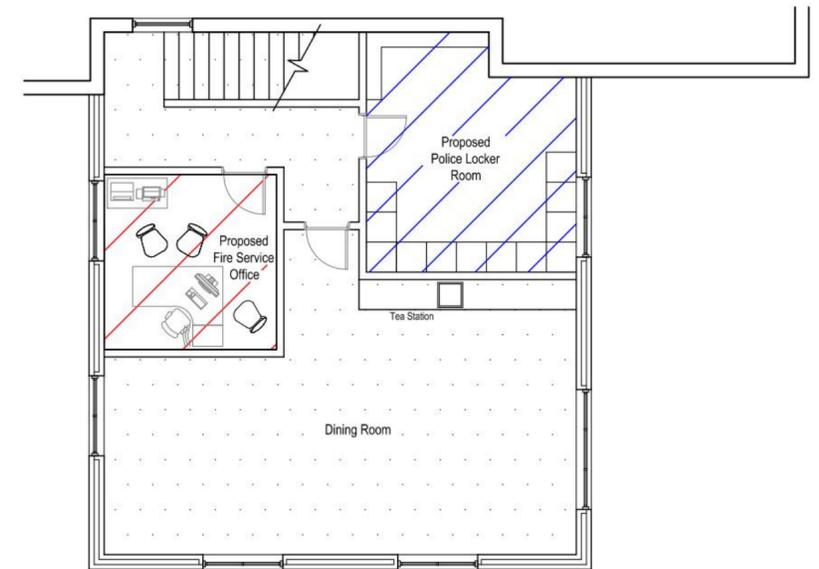
- 8.1 The Authority initially approved that the Service produce an outline business case for a combined property team with the police in February 2018. This piece of work was paused whilst the PCC business case was challenged. With the challenge now coming to an end, work on the business case has re-commenced and an outline business case is expected to be completed in time to present the findings to the Policy and Resources Committee in December 2020. If approved, a full business case will then be completed and presented for decision to the Authority in February 2021.

BIBLIOGRAPHY

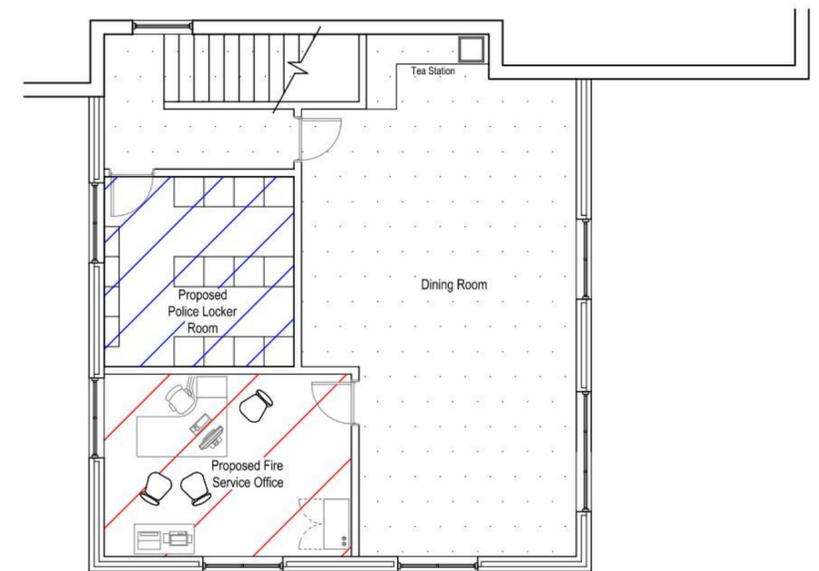
Source Document	Location	Contact Officer
Fire Authority Minutes February 2018	Fire Service HQ Hinchingsbrooke Cottage Brampton Road Huntingdon	Matthew Warren matthew.warren@cambsfire.gov.uk 01480 444619



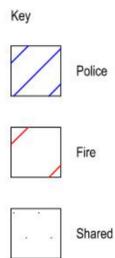
Ground Floor



First Floor - Option B



First Floor - Option A



NOTES
All dimensions must be checked on site and not scaled from this drawing.

Rev:

BUCKINGHAM
SURVEY & DESIGN

Yeomans
9 Hill Top Lane
Saffron Walden
Essex CB11 4AS.

Telephone : 01799 732120
Mobile: 07714 104604

David@dbsurveydesign.co.uk Page 21 of 206

CLIENT:
Cambridgeshire Constabulary

JOB TITLE:
St Neots Fire Station
Huntingdon Street
St Neots

SCALE:
1 : 100 @ A2

DRAWING TITLE:
Proposed Plans
(showing areas)

DATE:
June 2020

DRAWN:
DPB

DRAWING No:
032053 / 02

TO: Cambridgeshire and Peterborough Fire Authority

FROM: Area Commander Ryan Stacey

PRESENTING OFFICER(S): Chief Fire Officer (CFO) Chris Strickland

Telephone **01480 444500**
chris.strickland@cambsfire.gov.uk

DATE: 22 October 2020

NATIONAL FIRE CHIEFS COUNCIL BUILDING RISK REVIEW GRANT AND PROTECTION UPLIFT - UPDATE

1. Purpose

1.1 The purpose of this report is to provide the Fire Authority with an update on the National Fire Chiefs Council (NFCC) Building Risk Review and our planned use of the grant funding provided by central Government.

2. Recommendation

2.1 The Authority is requested to note the content of this update.

3. Risk Assessment

3.1 **Economic** – there is an impact in diverting resources away from our risk based audit programme to the building risk review programme.

3.2 **Social** – the objective of the building risk review programme is to provide public confidence in high risk building safety following the Grenfell Tower incident.

3.3 **Legal** – the Authority has a legal responsibility to act as the enforcement agency for the Regulatory Reform (Fire Safety) Order 2005. As a result, ensuring both compliance with (through the risk based audit programme) and support for business to achieve are core aspects of the fire and rescue service function to local communities.

4. Background

4.1 Following the tragic fire at Grenfell Tower on 14 June 2017, the Government announced a public inquiry and a review of building safety regulations.

4.2 Dame Judith Hackitt led the inquiry 'Building a safer future: proposals for reform of the building safety regulatory system' which was published in May 2018 and made a number of recommendations for reform of the regulatory framework around building regulations and fire safety.

4.3 The Rt Hon Sir Martin Moore-Bick chaired the Public Inquiry which published its findings for phase one in October 2019. Phase two started in January 2020 but was paused due to COVID-19; work resumed on 21 September 2020.

4.4 The building risk review programme, supported by Government funding, aims to meet the ambition set out by the Secretary of State for Housing, Communities and Local Government to, 'significantly increase the pace of inspection activity across high rise residential and other high-risk buildings.'

4.5 Following the first step in the national building risk review programme, which covered the inspection of aluminium composite material (ACM) clad high-rise residential buildings in England, phase two is now underway.

4.6 Phase two of the programme involves inspections of all high-rise residential buildings (18 metres and above in height) in England which were not already covered as part of phase one of the building risk review exercise.

5. Building Risk Review Grant

5.1 This grant of £60k is to support services to deliver a review of fire safety arrangements of all high rise buildings over 18 metres. These should be subject to an initial assessment and depending on outcome, visited or audited by the end of December 2021.

5.2 The protection team can achieve this at the expense of our existing risk based audit programme by December 2020. Even by extending this to the 2021 deadline, it will have some impact on day to day activity. We are seeing increases in the number of complex building consultations and our work with hospital sites means we are working creatively to ensure we maintain the high standards we have set.

5.3 One option considered was to use the funding to pay the wage of an additional fire protection inspecting officer. As this funding is limited to 12 months, we will lose that extra capacity when the funding runs out.

5.4 Our chosen approach is to continue to invest in Level 3 fire safety training for watch based staff, including two more that will be brought to the level of Fire Safety Advisor (the same level as our specialist fire protection team). This will allow watches to relieve pressure on the risk based audit programme and provide ongoing capacity after the grant is spent. Fire Safety Advisors within the protection team can pivot when required onto the building risk review work. We will also use the grant to provide specialist upskilling for these staff in cladding, compartmentation and fire stopping.

5.5 We currently provide returns to the NFCC Fire Protection Board who monitor progress quarterly. This return will be extended to include monitoring against this grant funding.

6. Protection Uplift Grant

6.1 The uplift grant of circa £114k is provided to bolster (long term) fire protection capability to deliver the Integrated Risk Management Plan (IRMP).

6.2 Throughout the period of austerity we continued to invest in our protection teams whilst other organisations made cuts. This gives us a solid foundation to build further capacity with modest investment.

6.3 We will use the grant to strengthen career pathways into fire protection, develop existing data systems to work better, develop existing products to provide a stable digital platform to share information between prevention/protection and response.

6.4 As there is a large technological component to this, the Digital Strategy Board will have sight of this and it will be managed through our Programme Board.

BIBLIOGRAPHY

Source Documents	Location	Contact Officer
Grenfell Tower Inquiry Phase 1 Executive Summary	<u>Grenfell Tower Inquiry Phase 1 Executive Summary</u>	Area Commander Ryan Stacey
Building a safer future: proposals for reform of the building safety regulatory system	<u>Building a safer future: proposals for reform of the building safety regulatory system</u>	

TO: Cambridgeshire and Peterborough Fire Authority

FROM: Chairman Overview and Scrutiny Committee

PRESENTING OFFICER(S): Chairman Overview and Scrutiny Committee
Area Commander Chris Parker

Telephone: 07900267893
chris.parker@cambsfire.gov.uk

DATE: 22 October 2020

UPDATE ON THE CAMBRIDGESHIRE FIRE AND RESCUE SERVICE RESPONSE TO THE ONGOING COVID-19 PANDEMIC

1. Purpose

1.1 The purpose of this report is to provide an update on the Cambridgeshire Fire and Rescue Service (CFRS) response to the ongoing COVID-19 pandemic including Member involvement.

2. Recommendation

2.1 The Fire Authority is asked to note the detail within the report.

3. Risk Assessment

3.1 **Economic** – there is a requirement to monitor the cost burden that COVID-19 has placed on CFRS, to minimise the impact on overall service delivery.

3.2 **Political** – there is requirement for CFRS to deliver its statutory duties under the Fire and Rescue Services Act 2004 whilst ensuring its support to the local COVID-19 response, alongside partners, is appropriate.

3.3 **Social** – there is a requirement to focus our response to COVID-19 around people to ensure the health and wellbeing of our staff and support to the wider public in terms of the service we provide.

3.4 **Legal** – CFRS has maintained its legal requirements under the Fire and Rescue Services Act 2004, Civil Contingencies Act 2004, Health and Safety at Work Act 1974 and Human Rights Act 1998.

4. Background

4.1 On 23 March 2020 the country was placed in lock down due to the COVID-19 pandemic. This report highlights key actions undertaken by the Service prior to and during lock down in ensuring the safety and welfare of our staff as well as continuing to provide our statutory functions to the public. Member involvement is detailed at Paragraph 6 below.

4.2 Pre COVID-19

Highlighted as a significant risk on the National Risk Register, work in conjunction with partners had been undertaken to plan for pandemic flu and the impact it could have within Cambridgeshire. The Pandemic Flu Plan is authored and reviewed by the Cambridgeshire and Peterborough Local Resilience Forum (CPLRF) Risk Group.

4.3 Early COVID-19 (two weeks leading up to lockdown)

To ensure strategic oversight, daily business continuity (BC) meetings were established to monitor the national picture and align the organisation to the response requirements of COVID-19. Activities completed during this initial phase included;

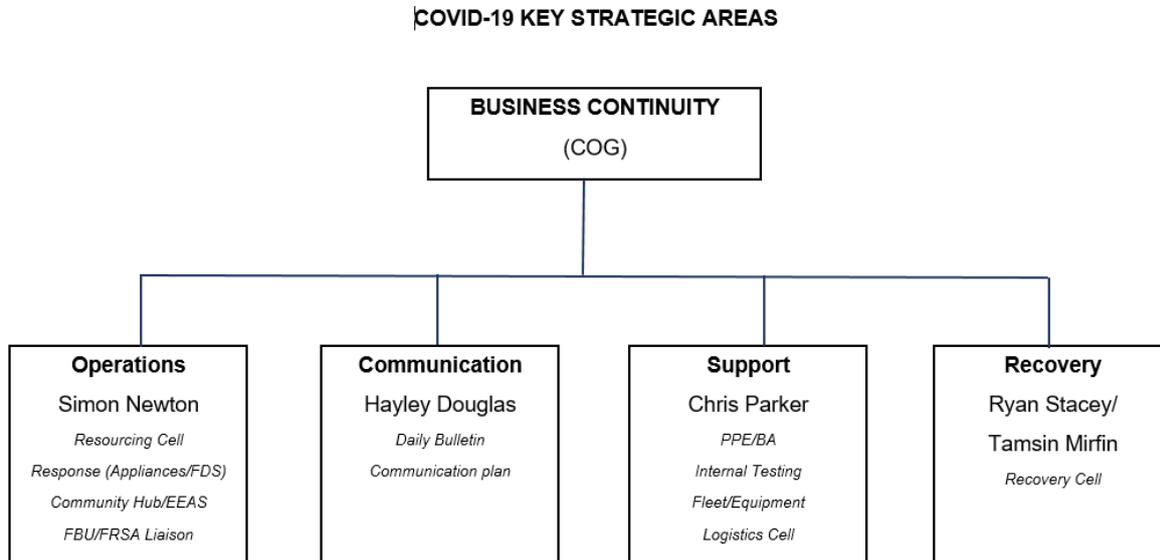
- **Station/Premises Lockdown** - reduced personnel attending our sites to operational personnel only across all our fire stations. For risk critical tasks authorisation was granted for contractors or internal personnel.
- **Home Working** – where possible, home working was introduced for all support staff across the Service.
- **Health and Safety** - COVID-19 risk assessments for all tasks and premises were completed.
- **Securing supply chains for Personal Protection Equipment (PPE)** - The support cell worked to ensure the supply chain for equipment and PPE was available, this included support and purchase of PPE for the CPLRF.
- **Crewing of Operational Appliances** - we reduced crewing to a maximum of four riders on each appliance to help maintain social distancing and limit the impact should a positive test have occurred. Where possible we used additional appliances to transport further personnel to the scene on whole time fire stations.
- **Establishment of Community Hub** - we engaged directly with the Community Hub to supply human resources, where required, to support activities such as checking on vulnerable people across our communities and fitting facemasks for clinical care settings.
- **Support to East of England Ambulance Service Trust (EEAST)** - through the Tripartite Agreement we arranged for operational staff to be seconded to EEAST to drive ambulances and provide specialist driver training for staff.
- **Establishment of other links to CPLRF Sub Groups** - we developed links into other key working groups such as the Multi-Agency Information Cell (MAIC - sharing of updates and issues for all local partners and provide support as required). We chaired the local business continuity sub group for partners to enable updates to be shared about what local continuity plans had been instigated.
- **Organisational Recovery Planning** - this was initiated during the response phase of the pandemic, allowing us to monitor organisational impact and improve efficiency of re-instigating activities during the recovery phase.

4.4 During COVID-19 (23 March 2020 onwards) - Response

During lock down we changed our initial response structure to align our response with strategic areas of responsibility. This enabled a more efficient

and effective way of working. These groups then fed directly into the BC meetings which were held daily in the early stage and later moved to twice weekly (currently).

Business Continuity Response Structure



Business Continuity Cell - the overarching strategic cell that took information from the Tactical Co-Ordinating Group (TCG), Strategic Co-Ordinating Group (SCG), CPLRF Sub Groups, Public Health England (PHE) Guidance and National Guidance. This allowed for key strategic decisions to be made in relation to the organisational response to COVID-19.

Resources Cell - the resources cell managed all resources (both human and physical) to ensure we could maintain our statutory duties under the Fire and Rescue Services Act 2004 by:

- Gaining and sharing of information across the Service.
- Liaising with the MAIC to understand local impacts and outbreaks.
- Provide returns to the National Fire Chiefs Council (NFCC) on the impact COVID-19 was having on CFRS.
- Engagement and consultation with representative bodies.
- Active engagement and support to the Community Hub.
- Formulate a strategy document to follow should the impact become unmanageable and we could not sustain our full crewing models. This included the use of retired or personnel who had left the Service as well as a reduction in number of appliances being crewed.

Support Cell - the COVID-19 support cell is responsible for the gathering and promulgation of information to ensure continuance of a timely supply of specialist COVID-19 PPE and related products for an unknown period of time, all key products and services across the Service and the timely receipt and delivery of same. It also ensured that, where permissible and reasonably practicable, business as usual is maintained and any potential risks and issues are acted up. The cell has;

- Ensured there is a hub of knowledge in relation to COVID-19 specialist PPE and consumables.
- Maintained contact with other agencies in relation to specific advice in relation to COVID-19.
- Maintained contact with key suppliers to review their BC arrangements.
- Ensured sufficient amounts of PPE items are available through identification of optimum stock levels over the period of this pandemic.
- Complied with and supported Government, NFCC and other agencies reporting requirements on status of specialist PPE and products and associated costs incurred.
- Identified lessons learnt as a result of the BC activities in relation to contracts and procurement function and wider service in relation to supply of goods and services to learn from in the future.
- Identified and quantified risks associated with the recovery phase in relation to the procurement of goods and services including external training.

Recovery Cell - the overarching recovery cell was formed to report back on the recovery work streams and give strategic oversight to five of the recovery sub groups which are; service improvement, economic, structures, business recovery and people and culture.

4.5 Highlights during COVID-19 Response

- **Impact on IRMP** - we have seen limited to no impact on our IRMP measures for response times and other areas within the IRMP such as the delivery of the new turntable ladders, the Huntingdon move to St John's and the ICCS and Mobilisation Projects.
- **On-Call and Wholetime Recruits Course** - we have delivered (as planned) our initial 2020 recruits course for 16 personnel joining the wholetime group. We were also able to deliver our On-Call planned recruits course in May. Our second cohort of 15 wholetime recruits has also joined the Service supporting our succession planning and to maintain our establishment.
- **Assessment Processes** - we have been able to deliver (as planned) all of our promotion processes including a wholetime transferee process, again allowing individuals to seek development and promotion across all ranks from Assistant Chief Fire Officer (ACFO) to Firefighter (FF).
- **Community Hub** - as part of the Community Hub we used On-Call colleagues as well as professional support staff to provide support to the requests from the Hub. This included visiting 356 homes of extremely clinically vulnerable members of the community, as well as fitting face masks (PPE) in clinical care settings.
- **East England Ambulance Service Trust (EEAST) Support** - our driver training team were seconded to provide 24 driving assessments to allow ambulance staff to drive non blue light ambulances. We also seconded 10 of our On-Call personnel to drive ambulances to approximately 2260 emergency calls over the eight week secondments. We also seconded one wholetime FF back to EEAST as a paramedic (previous role before becoming a FF to support their COVID-19 response for 12 weeks).

- **Staff Engagement** – through our daily bulletins and staff surveys we have ensured consistent and transparent communication through our response to COVID-19.
- **Testing Arrangements** – We have a single point of contact for employee testing. We also have access to the employers’ portal which allows us to gain priority tests for our staff and their families as required. We have seen approximately 100 personnel (including family members) sent for testing since the start of lock down.
- **Staff Wellbeing** – We have formulated a people and culture recovery sub group that focuses heavily on employee health and wellbeing. Letters on the subject of mental health and wellbeing, including signposting of where to find support, were sent to all employees and letters to those employees with children were sent (to the children) thanking them for supporting their parents whilst they were working from home. A wellbeing section on the intranet was created with links to support services/information and helplines. The Occupational Health Unit has seen all personnel who returned from shielding before they returned to work. We now have COVID-19 secure workplaces to allow staff, who wish to do so, come back into the workplace in a safe and secure manner.

5. Transition to Recovery

5.1 As the national guidance relaxed lock down measures, CFRS started to transition its response to recovery. This group has developed a recovery strategy with a focus on risk assessments and engagement with the representative bodies and staff to ensure areas of the business were turned back on safely and securely.

5.2 **Recovery Focus** – the current areas of focus for the recovery group are;

Crewing - how we return safely to the principles of our wholetime shift pattern.

COVID-19 Secure Workplaces - ensuring all of our premises are COVID-19 secure in line with national government guidance (for example, risk assessments, individual premises COVID-19 secure assurance document, hand sanitisers, floor stickers and one way systems).

Her Majesty’s Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) COVID-19 Inspection - preparation for the COVID-19 inspection in October 2020; the self-assessment for HMICFRS also went before the Overview and Scrutiny Committee as part of the submission process. Please see Paragraph 6 below.

Community Fire Safety/Technical Fire Safety - these core activities have been ongoing throughout COVID-19 and have been delivered by our Community Safety and Fire Protection Officers respectively. New ways of working have been identified and are being considered as we turn these activities safely back on for our operational crews.

Training (Operational Training, On-Call Drill Nights) - On-Call drill nights have been turned back on for some time but core training courses delivered by Training Centre are now also back to business as usual. This includes the use of off-site training venues with associated risk assessments.

Economic Recovery Costs - CFRS was given a COVID-19 government grant of circa £750,000; we have tracked our spending and at the time of writing this report have utilised the amounts in the table below to support our COVID-19 response.

1	Personal Protective Equipment	£271,780.14
2	Cleaning and contamination supplies	£111,158.75
3	Other protective equipment	£59,753.80
4	ICT infrastructure and licencing	£86,823.00
5	Other costs excluding protective equipment	£13,788.38
6	Fleet and equipment	£5,185.00
TOTAL SPEND TO DATE		£548,489.07

5.3 Recovery Summary

We have continued to engage with staff and representative bodies to listen to feedback, ensuring we capture positive ways of working (driven by working differently during COVID-19) and areas of learning that we can continue to review and action to improve the service delivery.

The senior leadership team are fully embedded into the wider local COVID-19 response groups and actively monitor data produced by PHE ensuring oversight of transmission rates within the districts of Cambridgeshire. This active monitoring will enable us to react to any change in local risk across the county in a timely manner, ensuring the safety of our staff.

5.4 Lessons Learnt

Feedback has been sought via two staff surveys during COVID-19 and a wider lessons learned document developed by leaders of the work stream groups. Highlights from this feedback and areas of improvement include;

- Improvement to virtual meeting software and the hardware available at stations to improve communication.
- Enhancement in remote working arrangements, for example more laptops available for staff working remotely.
- Development of a single strand of communication to limit a large amount of communication coming from different areas of the Service.
- Streamlining the mechanism for procuring and understanding the importance of pre planning for PPE and equipment that has enabled us to safely respond throughout COVID-19.
- The importance of engaging with the Business, Performance and Intelligence team earlier, to help support reporting in an automated way.
- Information Governance and Data Protection to be considered as part of all decision making processes.
- Automation of processes to allow a more efficient and effective way of working via our in-house Service Transformation and Efficiency Programme (STEP).

5.5 Changes to Ways of Working post COVID-19

Below are some examples of how we will utilise our response to COVID-19 to learn and improve our ways of working across key areas of the service.

Prevention and Protection Activities

- Enhanced information sharing with key partners - there are many areas where this will continue. The COVID-19 response has meant we have been able to access more granular data that can be used to overlay and support our existing data sets to inform our understanding about vulnerability across our communities.
- Considered use of technology - accepting that some prevention and protection work is most effective when delivered face to face such as interventions and high risk safe and well visits, we will continue to review effective technological alternatives for some of our initiatives.
- Enhanced regional working - a good example of this is our Area Commander for Prevention, Protection and Resilience chairing the Eastern Region Prevention Committee. Being aligned regionally has allowed the sharing of risk assessments when returning operational staff to undertaking prevention/protection activities.

People

- Working from home/remote working - not underestimating the importance of face to face connections, providing this flexibility increases efficiency and reduces the impact on the environment.
- Virtual meetings - continue the use of Skype, Teams and Zoom as ways of holding team meetings when face to face is not required.
- Training - continue to use webinars to further support training delivery and support our operational crews. Further use of this technology could see us hold webinars as a way of training external businesses.
- Changing the way we deliver our Combined Fire Control (CFC) initial training course. Changing the initial course which had a large impact on the control room from seven to three and a half weeks, focusing more heavily on emergency call handling and getting them engaged and on to watches in CFC quicker.
- Continued focus on staff wellbeing - we will continue to invest time and resource in improving the support we offer to **all** our employees.

6. Member Involvement

- 6.1 Throughout our COVID-19 response Members have been updated on key decisions and progress through regular internal communications and Officer updates with the Fire Authority Chairman.
- 6.2 In August 2020 the Service received notification that HMICFRS had been commissioned to inspect the response by all fire and rescue services to the COVID-19 pandemic. A pre inspection requirement was to fill out a self-assessment based on our COVID-19 response. On behalf of the Overview and Scrutiny Committee, Councillors McGuire and Gardener met (virtually) with Area Commander Parker to provide feedback on the self-assessment content, prior to submission.
- 6.3 On 23 September 2020, a Member seminar was held to provide the wider Authority with details of COVID-19 activities and the related HMICFRS inspection. This was an opportunity not only to provide the then available

information but for Members to discuss the content whilst also gaining assurance the Service was meeting its (legal) obligations during the pandemic.

- 6.4 CFRS was inspected and the Fire Authority Chairman interviewed during week commencing 5 October 2020. It is anticipated that the Authority will receive a letter, with an ungraded assessment, detailing the opinion of HMICFRS on the Service response to the COVID-19 pandemic before the end of the calendar year.

BIBLIOGRAPHY

Source Documents	Location	Contact Officer
Business Continuity Plan	Stored on CFRS ICT System DMS#593753	Area Commander Chris Parker
Strategic Resource Planning Strategy	Stored on CFRS ICT System DMS#592187	Group Commander Stuart Smith
Recovery Strategy	Stored on CFRS ICT System DMS#593461	Head of Service Transformation Tamsin Mirfin
COVID-19 Secure Workplace Strategy	Stored on CFRS ICT System DMS#597996	
Business Continuity Meeting Agenda and Action Log	Stored on CFRS ICT System DMS#591023	Executive Assistant Caz Lee
CPLRF Pandemic Flu Plan	Stored on Resilience Direct	Area Commander Chris Parker
COVID-19 Lessons Learnt	Stores on CFRS ICT System DMS#592340	Head of Service Transformation Tamsin Mirfin

TO: Cambridgeshire and Peterborough Fire Authority

FROM: Jacqui Gavin - Equality and Inclusion Adviser

PRESENTING OFFICER(S): Assistant Chief Fire Officer Jon Anderson
01480 444500
jon.anderson@cambsfire.gov.uk

DATE: 22 October 2020

EQUALITY AND INCLUSION COMPLIANCE REPORT 2019/20 (INCLUDING GENDER PAY GAP)

1. Purpose

- 1.1 The purpose of this report is to inform the Fire Authority about equality progress in the year 2019/20 and the gender pay gap as at March 2020. The annual Equality and Inclusion Compliance Report ensures the Authority meets the requirements of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2011 and 2017.

2. Recommendation

- 2.1 The Authority is asked to agree the content of the report (Appendix 1) or request any changes as deemed necessary. Once content is approved, the final design work and incorporation of appropriate images will be undertaken before publication.

3. Risk Assessment

- 3.1 **Legal** - the public sector equality duty requires the Authority to have due regard to the need to;
- eliminate discrimination including harassment and victimisation,
 - advance equality of opportunity between people who share a protected characteristic and those who don't,
 - foster good relations between people who share a relevant protected characteristic and those who don't.

The specific regulations (2011) require the publication of information, at least annually, that demonstrates compliance with the public sector equality duty including information relating to employees and others affected by policy and procedures such as service users. The 2017 regulations additionally require public sector employers with more than 150 staff to publish information about

any gender pay gap that exists. We achieve the publishing requirement by communicating this report to relevant partners and agencies and placing it on the Service website. In addition the gender pay gap report will be published on the Government Equalities Office website.

- 3.2 **Political** - by reporting equality trends and outcomes relevant to workforce and service delivery, the Authority is able to carry out its scrutiny role, ensuring positive outcomes for the most disadvantaged and vulnerable communities.
- 3.3 **Social** - by communicating our progress towards improved equality outcomes for communities, we aim to improve our engagement with disadvantaged and vulnerable groups. This in turn allows us to learn more about what they need from our services and how we can bring about positive outcomes for them.

BIBLIOGRAPHY

Source Documents	Location	Contact Officer
Cambridgeshire and Peterborough Fire Authority Equality Strategy and Action Plan 2018 to 2020	Service HQ Hinchingsbrooke Cottage Brampton Road Huntingdon	Jacqui Gavin Equality and Inclusion Adviser 01480 444500 Jacqui.gavin@cambsfire.gov.uk
Equality Act 2010		Samantha Smith Head of People 01480 444500 Samantha.smith@cambsfire.gov.uk
Service Equality Impact Assessments		



**CAMBRIDGESHIRE
FIRE & RESCUE SERVICE**



Equality and Inclusion Compliance Report

**Equality Act 2010 (Specific Duties) Regulations 2011
April 2019 – March 2020
(including Gender Pay Gap as at 31st March 2020)**



Glossary of terms

Introduction

Section 1 - Progress on Equality Objectives 2018-20

Section 2- Community Service

Reducing community risk

Inclusive services

Section 3 – Workforce

Workforce diversity and distribution

Analysis of leavers

Analysis of disciplinary, capability and grievance cases

Return to work after maternity leave

Section 4 - Recruitment analysis

Section 5 - Gender pay gap

Appendices:

Appendix 1 - Demography of Cambridgeshire and Peterborough (Census 2011)

Glossary

BAME	- Black, Asian and other minority ethnic
CFRS	- Cambridgeshire Fire and Rescue Service
FF	- firefighter
FRS	- Fire and Rescue Service
HFSC	- home fire safety check
HR	- human resources
ICT	- information and communication technology
LGBT	- lesbian, gay, bisexual and transgender
ONS	- office of national statistics
PPE	- personal, protective equipment
WT	- wholetime (firefighter)
PCs	- protected characteristics (defined by Equality Act 2010). These are age, disability, ethnicity (including race, national origin, nationality and colour), gender, gender reassignment, maternity and pregnancy, marriage or civil partnership, sexual orientation, religion or belief.

Introduction

This report aims to provide members of the public, service users, employees, Fire Authority, regulators and other interested parties with information relating to how Cambridgeshire Fire and Rescue Service (CFRS) complied with the public sector equality duty between April 2019 and March 2020 as required by the Equality Act 2010. The general equality duty requires the Authority to:

Eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Equality Act 2010.	Advance equality of opportunity between people who share a protected characteristic and those who do not.	Foster good relations between people who share a protected characteristic and those who do not.
--	--	--

There are **nine protected characteristics** defined by the Equality Act 2010: age, disability, ethnicity (including race, national origin, nationality and colour), gender, gender reassignment, maternity and pregnancy, marriage or civil partnership, sexual orientation, religion or belief.

Under the specific duties of the public sector equality duty, we are required to prepare and publish at least one equality objective which aims to meet the above general duty and to publish information that shows the diversity of our workforce. Our equality objectives are developed by the Inclusion Steering Group with support from our staff network, agreed by Chief Officers Group and ultimately the Fire Authority. They are set within the context of our corporate plan (Integrated Risk Management Plan) and are reviewed and revised annually. Our objectives for 2018 – 20 and progress against them are given below.

Section 1- Progress against our equality objectives 2019 – 20

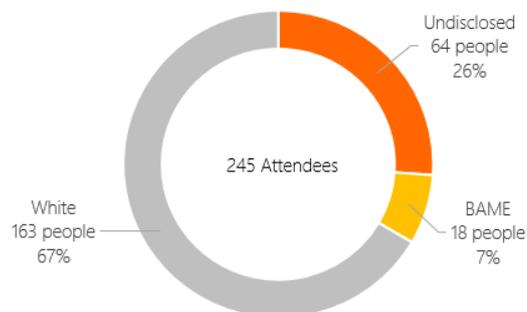
1. Improve attendance of all communities in Cambridgeshire at fire safety business seminars.

“High impact days” aimed at reaching business communities where risk is greatest were introduced in May 2018. These days aim to identify those who are most in need of support to keep their businesses and premises safe. This engagement is followed up with invitations to free seminars which help businesses better understand and conform to fire safety legislation relevant to their trade and the premises in which they operate.

We want to assess whether different ethnic communities have the same knowledge and access to these business seminars, as in the past limited English language has proved to be a barrier. Therefore we monitor the ethnicity and preferred language of attendees to assess whether all parts of business community know about and can access this service. 245 people attended 50 seminars across the county in the last year. 26% percent of those attending did not share their ethnic identity. Of those that did 18, 7% identified as BAME and 163 - 67% White ethnicity. This compares slightly down with the ethnic demographic profile of the county (10% BAME).



Ethnic Identity of Business Seminar Attendees
1st April 2019 to 31st March 2020



2. Ensure Safe and Well Visit data analysed to understand BAME engagement

Operational crews and Community Safety staff offer “safe and well” visits to communities most vulnerable to being injured or killed in a fire. Visits are aimed at older people who have a disability, impaired mobility or who are vulnerable in some other way (e.g. substance misuse, hoarding behaviours; mental ill-health) as our data tells us these people are most at risk. A visit involves assessing risk in the residents’ homes, providing advice to reduce risk and fitting smoke alarms. Clients are identified:

- from data shared by our partners (e.g. NHS trusts, adult social care)
- referred to us from other agencies (e.g. Police, mental health services, charities)
- referred by family, friends or self-referred.

When carrying out safe and well visits, equality data is collected where possible so levels of engagement and advice offered to our diverse communities can be assessed.

In the subject year, 5,250 safe and well visits were carried out of which 74% provided diversity data. Equality data from safe and well visits is analysed regularly to provide information on performance and to identify any reasons for non-engagement affecting different equality groups:

- 36% Male, 64% Female
- 14.3% Under 60, 28.2% Age 61 – 74, 57.2% Over 75
- 3% BAME, 97% White
- 45.9% Non-Disabled, 54.1% Disabled
- 14% Atheist, 86% with a Faith/Belief

In both Peterborough and Cambridge both cities have 18% of the local population that identify as BAME.

3. Improve staff skills in engaging with different communities

In 2018 we introduced a two day community safety module for our new Firefighter recruits, as part of their re-integration training, immediately following the completion of their initial operational training. This continued in 2019-20, with a further 44 new Firefighter recruits completing this training. Training covers all aspects of community safety work including:

- delivering safe and well visits
- vulnerable residents
- dementia awareness
- mental health wellbeing
- safeguarding session
- community diversity and inclusion

This is now embedded as a standard part of induction training for all new FFs and now forms part of the ongoing training for wholetime operational personnel.

4. Improve workforce diversity

Statistical improvement in workforce diversity is reported at section 3. The following highlights our efforts to bring this about.

Completed the first two years of our positive action work plan, resulting in a notable increase in the diversity of registrations for our 2019 Wholetime recruitment campaign and enhanced engagement with our diverse communities. Work this year has also focused on embedding understanding for staff of the value of positive action. We know there is more work to do in this area and our plan for the next two years reflects our successes and learning from the work previously carried out. Activities carried out from 1st April 19 – 31st March 20 include:

- Ely and Cambridge Pride celebrating LGBTQ+ communities
- Eid in the Park (Peterborough) celebrating the end of Ramadan
- Open Cambridge (this is now an annual event we will continue to attend)
- Millfield Festival
- Salaam Radio in the Park
- History of Peterborough event
- Diwali Festival
- Peterborough Environment Community Trust
- Compass Network (Roma Community)
- Various engagement events at Gladstone Centre
- Elderly Workshop
- BBC Radio Cambridgeshire – Ethnic Groups

In addition, the Positive Action and Recruitment teams, working with colleagues across the Service and other stakeholders, have co-ordinated the following activities to help improve attraction and applications from our diverse communities. Some activities include:

- Maintained our level of “taster” sessions have been held at recruiting on-call stations targeting women and men who want to know more about working for CFRS. One of these was for women only.
- We have delivered a series of “have a go” sessions to encourage both women and BAME groups to consider firefighting as a career with specific sessions for individuals from these groups.
- We have held career events at schools and colleges in various locations across the county to promote not just the role of Fire Fighter but to include that of the wide variety of different roles including that of professional support roles CFRS.
- Focus groups with BAME individuals at the Iqbal Centre in Peterborough and the Cambridge Ethnicity Forum to identify the barriers to applying for roles within CFRS.
- We have attended and presented to the Encompass Network (LGBT+) AGM for those individuals who identify as LGB or T to further bridge the gap with the Fire and Rescue service.
- We promoted the role of the service as a career choice in various Diverse media channels. This includes but is not limited to:
 - Radio Salaam
 - Fyne Times
 - Black History Month
 - Queen Bee (local to Peterborough)
 - Peterborough Matters

5. Ensure decision making in selection, training, development and promotion is as equitable as possible.

- Community “connectors” were once again invited to observe assessment day for recruit FFs to provide feedback on transparency and fairness with a view to joining interview and assessing panels in 2019.
- The Service is a signed up signatory to the DWP Disability Confident Scheme where we are now recognised at Level 2 of the scheme with an aim to be Disability Confident Level 3 within the next twelve months
- At the beginning of 2020 the CFO Group promoted the new Personal and Leadership Development Framework based on the four levels of Leadership
 - Leading Yourself
 - Leading Other
 - Leading the Function
 - Leading the Service

6. Retain diversity in workforce

- Continued to embed menopause awareness in the organisation by offering further awareness sessions and appointed an Inclusion ambassador for Menopause matters.
- Regular discussions with Station Commanders, Group Commanders and Area Commanders and Heads of Group to discuss and raise awareness around all things inclusion. This includes events and activities around the diversity calendar to ensure that all areas of the service are involved and included in activities.
- Updated guidance for managers about flexible working and close support to managers responding to flexible working requests to encourage them to be supported wherever possible.
- Coaching and supporting the embedding of Inclusion Ambassadors across the range of legally protected characteristics and also other areas of inclusion that are relevant and important to us, such as menopause and mental health and wellbeing.

7. Reduce concerns about bullying and harassing behaviours through delivery of year 1 RESPECT action plan.

RESPECT branding and key messages developed to raise awareness of need to challenge inappropriate behaviours and how to do so using the acronym - RESPECT

- Raise it at the time
- Explain your feelings
- Support Others
- Play your part
- Empathise with others
- Consider your impact
- Take time to reflect

“The RESPECT programme aims to improve the Service’s culture, so no-one needs to put up with bullying or harassing behaviours and everyone knows how to effectively stop them and bring about change”.

During the last twelve months we have further enhanced the Respect brand and promoted this through various means to ensure that it becomes a recognised brand of Cambridgeshire Fire & Rescue Service. This has included ensuring instant access via the desktop on every computer, pens and post-it notes to ensure a lifeline is available beyond that of the face-to-face sessions that we did previously to recognise the support for all staff experiencing unacceptable behaviours such as bullying and harassment.

To further embed this we ensured that as part of the promotion process we would seek through role play that potential new managers would signpost colleagues to the campaign as part of the scoring criteria. This was further enhanced by the more senior members of the service and that of Station Commanders sharing their own personal experiences of where they may previously experienced bullying in the workplace through the various communication channels across the service.

We have welcomed the opportunity to consider further updated data about perceptions of bullying and harassment following an employee engagement survey undertaken in October 2019, and have worked with colleagues and specialist external advisors to ensure a full understanding of what data is telling us, in order to inform future plans in this area.

8. Take action to understand and reduce gender pay gap.

An external specialist consultant was commissioned to carry out an equal pay audit in 2018-19, and this year we have implemented the recommendations made. The main recommendation was to design and implement a new pay structure for management band professional support staff, and we have worked with an external specialist consultant to design this. The new structure was originally due to implement at the end of this year however was delayed slightly by the start of the Covid-19 pandemic, therefore it will implement in the 2020-21 year.

The 2020 gender pay gap was 0.84% (mean hourly rate of pay) lower than previous year.

9. Ensure staff have skills and knowledge to achieve and value a diverse workforce.

It remains the case that learning opportunities in equality, diversity and inclusion start during induction when staff are required to read all equality policies and complete our "Equality Essentials" e-learning module (with an additional module for all managers called "Managing Diversity". Operational staff also have refresher on equality issues built into their training programme. An audit of managers' knowledge and understanding of equality and inclusion carried out in 2018 showed a good overall level of understanding and confidence in applying policies, and workshops have continued to be delivered throughout 2019-2020 to cover those areas (e.g. disability) where there was less confidence in applying knowledge, policies and procedures.

We have also continued with our programme which started in January 2019 to visit operational Watches in order to explore their understanding of positive action, the need for diversity and to answer any questions.

Our previous Equality Diversity & Inclusion Advisor retired in Autumn 2019 after 15 years' service. This has led to a change in the previous delivery. Although a change in personnel the number of visits to stations up until March 2020 saw an increase in the number of discussions with Watches and Station staff. These conversations have continued and will remain as a fixture.

10. Leaders demonstrate due regard to EDI in decision making.

This is a continuing objective to ensure that all projects, policies and relevant decision making take account of the impact the activity may have on different communities. We aim to continually improve this and in this year seven areas of work were considered for equality impact.

Throughout the 2019/20 we have continued session for:

- Inclusive Leadership, Making Fair and Inclusive Decisions
- Trans Inclusion Workshops
- Menopause Awareness
- E, D & I for beginners
- Professional Behaviours at work.

Due to the retirement of the outgoing Service E, D & I Advisor and the changes of personnel we have been postponed in 2020 due to the COVID-19 pandemic with a view to updating the sessions for 2021 when we will be able to resume.

Section 2 - Community Safety

Reducing community risk

Cambridgeshire Fire and Rescue Service has a vision of “a safe community where there are no preventable deaths or injuries in fires or other emergencies.” Fire incident and risk information is analysed regularly to identify those who are at highest risk of being injured or killed in a fire or other emergency incident so the Service can plan and make appropriate interventions. We work with a range of partners to identify and share relevant data so we can target our services appropriately.

Impact of Accidental Primary Fires: April 2019 – March 2020

The number of accidental primary fires resulting in a fire casualty decreased in 2019/20 with 31 accidental primary fires resulting in 39 fire casualties (including 3 fatalities) compared to 49 accidental primary fires in previous year. Of the 31 accidental primary fires, 58% occurred in a home. 67% of those injured were men and 26% were over 65. All casualties identified as white British or White Other.

Inclusive services – safe and well visits

As most accidental fires occur in the home, free safe and well visits are offered to those most at risk and involve a full assessment of the resident’s home and fitting of a smoke alarm where necessary. In 2017 we began working with partner agencies to improve the way we support the most vulnerable in our communities. This expanded our service to offer advice on other well-being and safety issues e.g. falls’ prevention; staying well and warm; alcohol use; crime reduction. The Service delivered 5,250 safe and well visits in the year. The table below shows the distribution of these by gender, age, ethnicity, religion and disability and compares the data with the percentage of population group in Cambridgeshire and Peterborough.

Characteristic		% Population ¹	2018-19	2019-20	5 year average
Gender	Male	49.8%	36%	36%	36%
	Female	50.2%	64%	64%	64%
Age groups	Under 24	31%	0.8%	1.3%	1.4%
	25-39	20.9%	3.8%	5.5%	6.1%
	40-59	26.6%	7.6%	7.5%	8.5%
	60-74	14.1%	27.6%	28.3%	27.4%
	75 +	7.4%	60.1%	57.4%	56.6%
Ethnic Group	White	90.3%	96.2	95.9%	95.9%
	BAME	9.7%	3.8%	3.4%	4.1%
Religion	No religion, belief	29.1%	18%	13.6%	18.1%
	Christian	57.9%	78%	83%	77.9%
	Muslim	3.3	2%	1.2%	1.6%
	Other religions ²	2.2%	2.4%	2.1%	2.3%
Disability	Day to day activities limited	16%			
	Disability		51.2%	54.1	51%

This data tells us that the majority of safe and well visits are being delivered to people over 60 and to those who have a disability.

¹ 2011 Census

² Each makes up less than 1% of population and includes Buddhist, Hindu, Jewish and Sikh faiths

Children and Young People

Our services to children and young people include:

- Delivering water and road safety messages in schools and the consequences of arson.
- Multi agency Safety Zones are held at Fire Stations aimed at Year 5 and 6 pupils from local schools
- Firebreak - an intensive 5 day intervention programme that provides a positive alternative learning environment for 10 – 18 year olds.

Section 3 – Workforce

Workforce diversity and distribution

One of the Service's priority areas is to have a workforce that better reflects the community we serve and encourages diversity of thought and perspective.

To measure progress in this area we monitor staff protected characteristics from the start of the recruitment process and provide staff with the facility to input or update their equality details in the HR database on a self-service basis. Our aspiration is to see ongoing improvement in relation to applications from women candidates (for operational jobs) and candidates from diverse backgrounds in general. These are areas where outcomes in Fire and Rescue Service nationally and historically have been poor. Additionally we would like to see more progression to managerial roles for women and BAME staff.

A cross-functional team work to deliver specific positive action measures to improve diversity. In 2019 we seconded a Station Commander to oversee positive action work, with a particular focus on improving links between operational staff and diverse communities and improving understanding among our staff. This secondment continued until August 2019. Our capacity and skills in this area have since been further enhanced by the appointment of a further fixed term Positive Action Officer to focus on building relationships with diverse communities in Cambridge. This has seen welcomed engagement with faith, LGBTQIA+ and ethnic groups in the city and saw CFRS lead the river parade at Cambridge Pride in June 2019.

As at 31st March 2020 we employed 613 staff. Staff profile by role, protected characteristic and changes over the last 5 years are given below:

Total number of People in each Staff Group						
Snapshot at	Wholetime	OnCall	Ops Total	Control	Support	Total
Month Ending	Number	Number	Number	Number	Number	Number
Mar-16	239	240	479	43	129	651
Mar-17	249	229	478	38	145	661
Mar-18	244	225	469	41	161	671
Mar-19	250	225	475	43	170	688
Mar-20	245	252	497	42	185	724

Guidance notes

The total number of people in each staff group is calculated from the number of people with a Wholetime role, an On-Call role, a Control role and a Support role. People are counted once in every staff group that they hold a post.

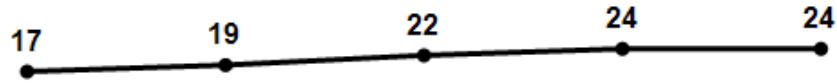
e.g. a person with a Wholetime role and an On-call role is counted twice, once in the Wholetime staff group and once in the On-Call staff group.

e.g. a person with two separate Support roles is counted once in the Support staff group.

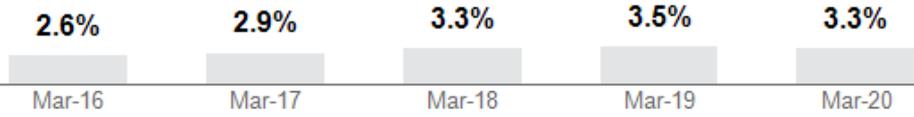
The number of staff is calculated from the HR database and counts employees with a start date within a 12 month period over five consecutive years and records them in any of the four staff groups based on when the role started.

Black and Minority Ethnic Staff

Total Number



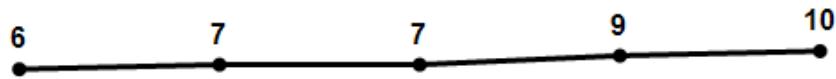
% of Total



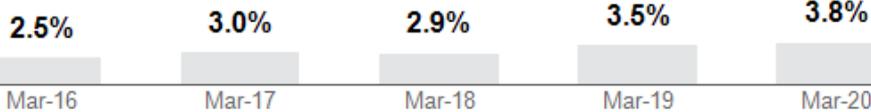
Snapshot at	Wholetime		OnCall		Operational		Control		Support		Non-Operational		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Mar-16	7	2.9%	4	1.7%	11	2.3%	1	2.3%	5	3.9%	6	3.5%	17	2.6%
Mar-17	7	2.8%	5	2.2%	12	2.5%	1	2.6%	6	4.1%	7	3.8%	19	2.9%
Mar-18	7	2.9%	5	2.2%	12	2.6%	1	2.4%	9	5.6%	10	5.0%	22	3.3%
Mar-19	6	2.4%	5	2.2%	11	2.3%	0	0.0%	13	7.6%	13	6.1%	24	3.5%
Mar-20	7	2.9%	6	2.4%	13	2.6%	1	2.4%	10	5.4%	11	4.8%	24	3.3%

Black and Minority Ethnic Managers

Total Number



% of Total



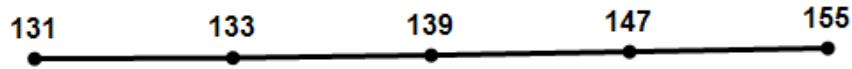
Snapshot at	Wholetime		OnCall		Operational		Control		Support		Non-Operational		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Mar-16	4	3.9%	0	0.0%	4	2.3%	0	0.0%	2	4.7%	2	3.1%	6	2.5%
Mar-17	4	3.9%	1	1.5%	5	2.9%	0	0.0%	2	4.4%	2	3.1%	7	3.0%
Mar-18	4	3.7%	0	0.0%	4	2.3%	1	4.8%	2	4.3%	3	4.4%	7	2.9%
Mar-19	4	3.6%	1	1.4%	5	2.7%	0	0.0%	4	7.7%	4	5.6%	9	3.5%
Mar-20	4	3.7%	2	2.4%	6	3.2%	0	0.0%	4	7.8%	4	5.5%	10	3.8%

While there has been improvement in the overall number of BAME staff and managers, this has mainly been among professional support staff. As 10% of our population identify as BME there needs to be a sustained effort into improving ethnic diversity of our workforce and this is the focus for our two Positive Action Officers. Feedback from BAME community groups tells us that CFRS is just not visible to them and that people from BAME communities have little connection with CFRS or understand what the role of a Firefighter is. Our work is therefore aimed at ensuring a higher visibility in these communities. This work has included:

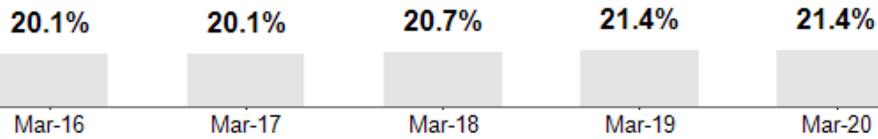
- Regular attendance from Watches at Mosques
- Attendance of CFO at Muslim Council of Peterborough
- Holding local “have go sessions” and promoting these to local communities including female only ‘have a go sessions’.
- Attending the multi-cultural Millfield Festival
- Attending and Leading the Cambridge Pride River Parade
- Attendance at Salam Radio Event Peterborough
- Attendance Black History Month Events
- Regular attendance at Compass Centre (Roman Community)
- Promoted a Local History Event of CFRS
- Diwali Festival
- Attendance at Parker Community Event (Polish and Eastern European Communities)

Female Staff

Total Number



% of Total

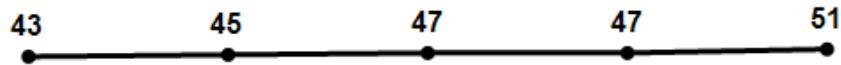


Snapshot at	Wholetime		OnCall		Operational		Control		Support		Non-Operational		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Mar-16	15	6.3%	11	4.6%	26	5.4%	37	86.0%	68	52.7%	105	61.0%	131	20.1%
Mar-17	18	7.2%	10	4.4%	28	5.9%	33	86.8%	72	49.7%	105	57.4%	133	20.1%
Mar-18	17	7.0%	14	6.2%	31	6.6%	32	78.0%	76	47.2%	108	53.5%	139	20.7%
Mar-19	18	7.2%	15	6.7%	33	6.9%	36	83.7%	78	45.9%	114	53.5%	147	21.4%
Mar-20	17	6.9%	17	6.7%	34	6.8%	35	83.3%	86	46.5%	121	53.3%	155	21.4%

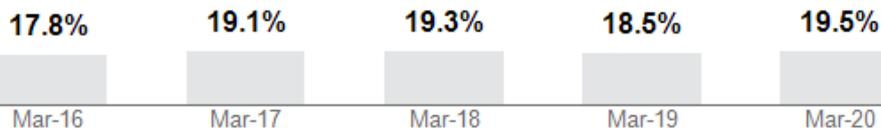
The proportion of female operational staff continues to grow and compares well with the national figure of 6.4% (2018/19).

Female Managers

Total Number



% of Total



Snapshot at	Wholetime		OnCall		Operational		Control		Support		Non-Operational		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Mar-16	2	1.9%	0	0.0%	2	1.1%	20	91%	21	48.8%	41	63.1%	43	17.8%
Mar-17	3	2.9%	1	1.5%	4	2.3%	18	90%	23	51.1%	41	63.1%	45	19.1%
Mar-18	3	2.8%	1	1.5%	4	2.3%	19	90%	24	51.1%	43	63.2%	47	19.3%
Mar-19	3	2.7%	2	2.7%	5	2.7%	15	79%	27	51.9%	42	59.2%	47	18.5%
Mar-20	3	2.8%	2	2.4%	5	2.6%	18	82%	28	54.9%	46	63.0%	51	19.5%

The number of female operational managers has grown slightly overall. It is positive to see an increase in the number of female managers in our Combined Fire Control. By far the biggest representation of female managers is among professional support staff and is once again the area where we have seen the largest increase in numbers.

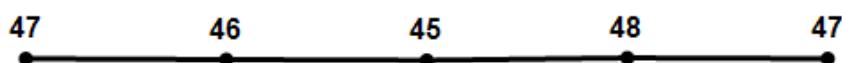
We continue to work with our Female Operational groups that is chaired by Fire Fighter out of Parkside Fire Station and the group meets on a quarterly basis out of various locations to allow for as wide an attendance as possible. This ensures the voice of all our operational female fighters that raises issues that are taken back to the relevant areas. This includes but is not limited to:

- Uniform issues
- Fitness issues (following pregnancy)
- Promotion Opportunities
- Sanitary Provision

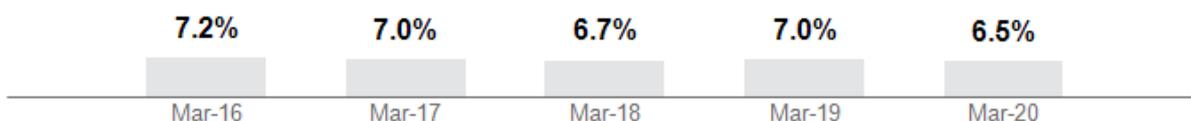
Following the introduction of the Gender Ambassador these issues are being taken to the top table on a regular occurrence.

Staff sharing a Disability

Total Number



% of Total



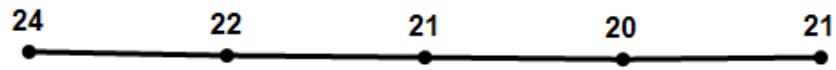
The number of disabled staff employed remains the same, albeit that the percentage has decreased slightly. Only 5.2% of non-operational staff have a disability compared to the estimated 19% of people of working age.

Efforts to improve recruitment are focused on meeting the commitment of the “Disability Confident” scheme. This is a government scheme to encourage and keep disabled people in work and we have an ambition to be level 3 accredited by April 2021. Under this scheme we have previously filled two work experience placements aimed at encouraging people back into work and have offered an internship through the Leonard Cheshire Change 100 scheme.

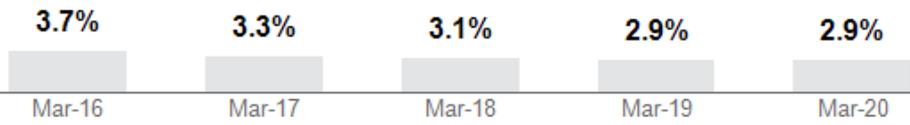
Additional training has been provided for managers on understanding disability and managing reasonable adjustments. Whilst we provide coaching for staff with neuro-diverse conditions in all forms and the relevant adjustments made we recognise that there is still a lot of stigma associated with these conditions. To help facilitate the conversation between the individual and their line manager we have launched a new Workplace Adjustment Passport which is designed to encourage a more open conversation between the individual and their line manager.

Staff declaring an Other Religion or Belief

Total Number

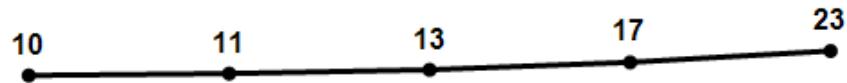


% of Total

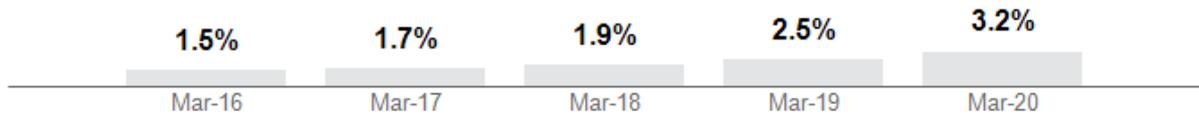


Staff who identify as Lesbian, Gay or Bisexual

Total Number

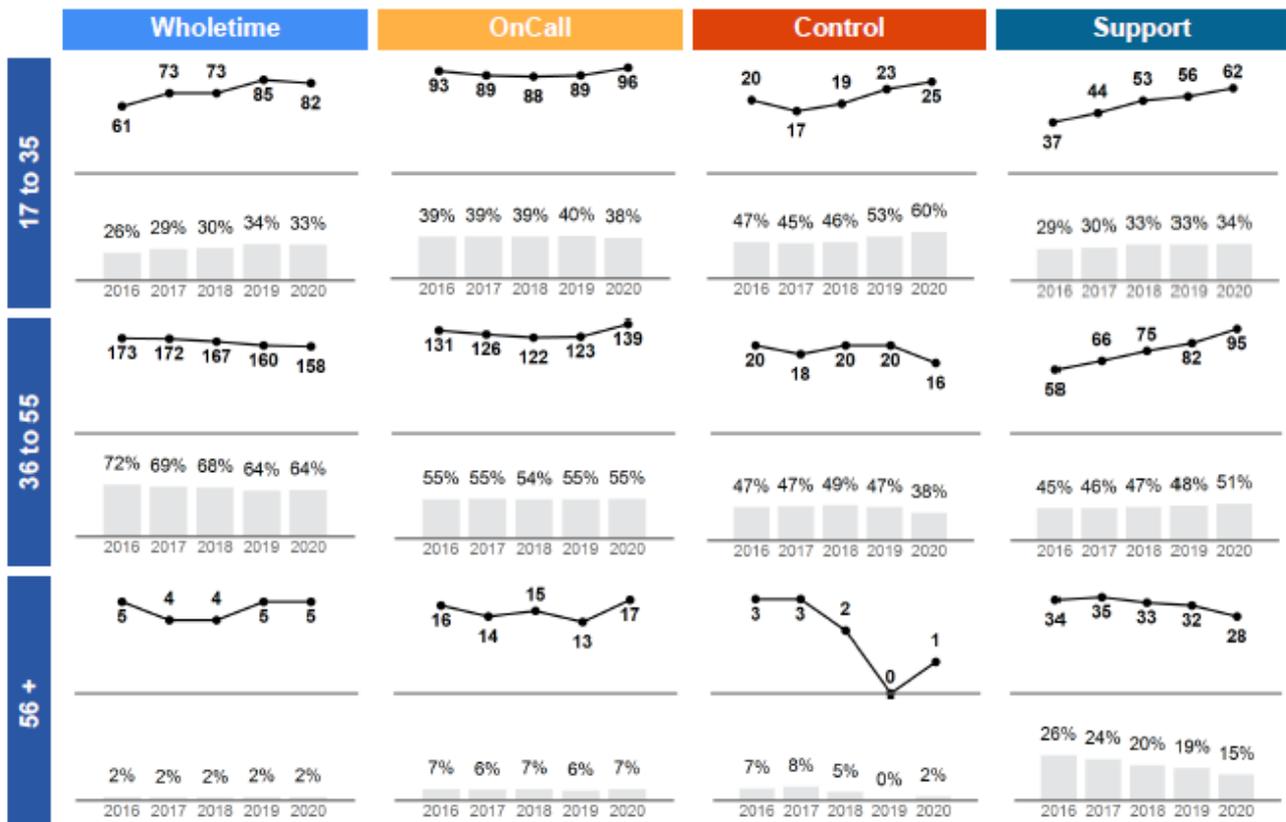


% of Total



The last 5 years have seen a steady increase in staff who identify as lesbian, gay or bisexual. Our continuing membership of Stonewall; support for LGBT History month in February of each year in conjunction with our blue light colleagues and included our wider involvement of the annual Cambridgeshire Police NEXUS LGBT Conference along with our support for local events (Ely and Cambridge Pride) and support for local LGBT networks help to show people of all sexual orientations that we are a welcoming and safe employer to work for.

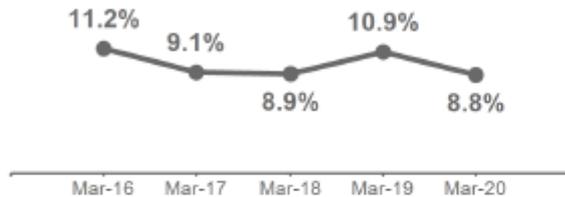
Age Profile



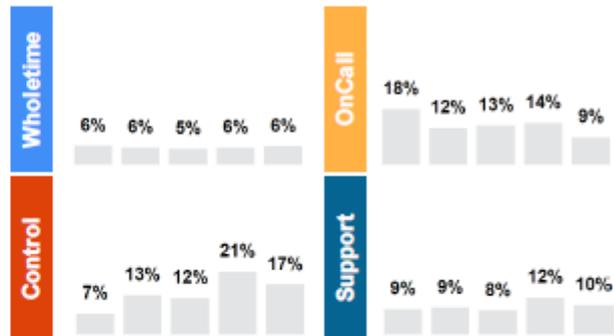
Five recruitment campaigns for wholetime Firefighters over recent 5 years, a number of retirements and turnover in Combined Fire Control have all contributed to an increase in the younger age groups. The only area where this is not the case is with On-call Firefighters which has seen a slight decline in staff member who fall into the younger age bracket.

Staff Turnover

Overall Percentage Staff Turnover



Percentage Staff Turnover by Staff Group



Number of staff

Snapshot at	Wholetime	OnCall	Control	Support	Total
Mar-16	239	240	43	129	651
Mar-17	249	229	38	145	661
Mar-18	244	225	41	161	671
Mar-19	250	225	43	170	688
Mar-20	245	252	42	185	724

based on the total number of unique people in each staff group

Number of Leavers

Year Ending	Wholetime	OnCall	Control	Support	Total
Mar-16	15	44	3	11	73
Mar-17	14	28	5	13	60
Mar-18	13	29	5	13	60
Mar-19	14	31	9	21	75
Mar-20	15	23	7	18	64

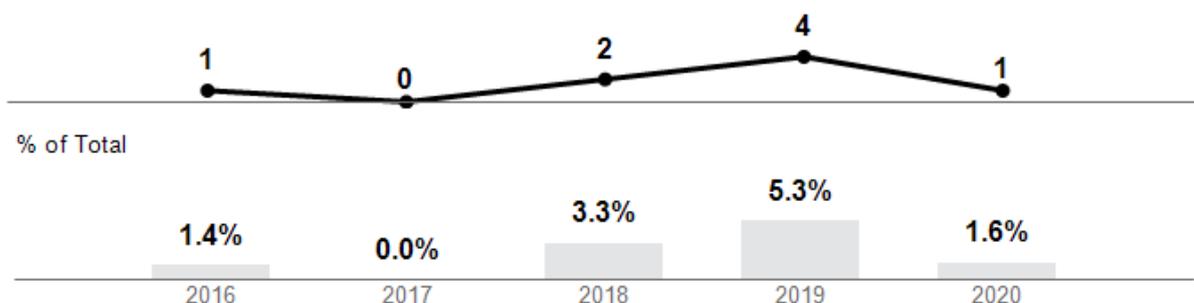
based on the total number of unique people in each staff group

Staff turnover is the number of staff that have left the Service expressed as a percentage of the average annual staff number. In the last year turnover has decreased in all areas of the business with the exception of Wholetime which remains consistent at 6% per annum over the last five years. The highest churn of staff remains within the Control environment although this itself has fallen by 4% in the last twelve months. For context, the national media turnover for 2019 was 9.2% for public sector.

Analysis of the protected characteristics of leavers shows a notable decrease in BAME staff turnover compared to the previous year.

Black and Minority Ethnic Leavers

Total Number

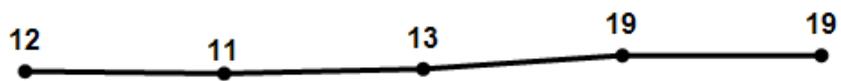


The number of women leaving (19) was disproportionately high at almost 30% of all leavers.

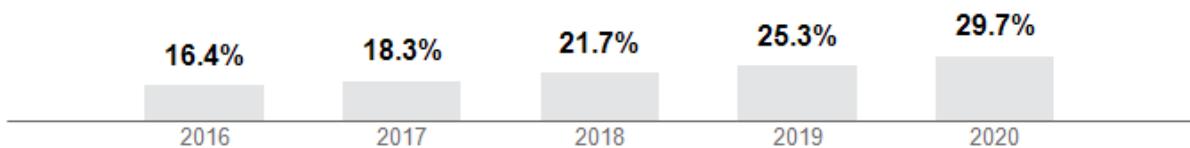
This was mainly from professional support and Combined Fire Control staff who made up 68% (13) of all female leavers. Where the number of leavers from a specific group is disproportionate, exit interviews and reasons for leaving are analysed to identify any trends. No single trend was identified for female or BAME leavers.

Female Leavers

Total Number



% of Total



Rolling 12 months	Wholetime		OnCall		Operational		Control		Support		Non-Operational		Total	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
Mar-16	1	6.7%	3	6.8%	4	6.8%	2	66.7%	6	54.5%	8	57.1%	12	16.4%
Mar-17	0	0.0%	3	10.7%	3	7.1%	4	80.0%	4	30.8%	8	44.4%	11	18.3%
Mar-18	1	7.7%	0	0.0%	1	2.4%	4	80.0%	8	61.5%	12	66.7%	13	21.7%
Mar-19	2	14.3%	0	0.0%	2	4.4%	6	66.7%	11	52.4%	17	56.7%	19	25.3%
Mar-20	1	6.7%	5	21.7%	6	15.8%	6	85.7%	7	38.9%	13	52.0%	19	29.7%

There were no leavers who identified as LG or B, individuals with a faith or who are female but the number leaving from an ethnic minority was the largest number of three people with one person with a disability. This shows that for some groups we are getting the culture right but in other areas there is still work to be done.

Analysis of discipline and capability cases

Disciplinary Cases		Informal Outcome		First Formal Warning		Final Formal Warning		Dismissal	
Total Numbers		18/19	19/20	18/19	19/20	18/19	19/20	18/19	19/20
		26	11	11	3	1	0	0	2
Issue	Availability & Attendance	12	4	2	0	0	0	0	0
	Failure to comply with policy	2	1	1	0	0	0	0	0
	Dishonesty	0	0	1	0	1	0	0	0
	Inappropriate Behaviour	3	0	1	1	0	0	0	0
	Driving	6	0	0	0	0	0	0	0
	Capability	3	5	6	2	0	0	0	0
	Probation	0	1	0	0	0	0	0	2

Total number of discipline and capability cases (16) was significantly lower than previous year (38) with 25% of these connected to availability and attendance. Majority were male staff of white British ethnicity which mirrors the profile of this staff group. While little detail can be given because numbers are so small there are no concerning trends for any specific protected characteristic.

Analysis of grievance cases

Grievance Cases					
		2018/19		2019/20	
Total Numbers		5	Outcomes	8	Outcomes
	Process	4	1 partially upheld 1 not upheld 2 informally resolved.	6	1 partially upheld 0 not upheld 5 informally resolved
	Unfair Treatment	1	Not upheld.	2	1 partially upheld 1 not upheld 0 informally resolved

The number of grievance cases is higher than previous years with no reported cases of bullying, harassment or other inappropriate behaviour. The proportion of each staff group raising grievances (e.g. men, women) is consistent with overall staff numbers.

Our network of RESPECT champions that were established to provide staff with a confidential route to discuss concerns about behaviour and to be signposted to different options for dealing with this. Our training programme on professional behaviour at work which sets the standards are expected to continue throughout the next twelve months.

Return to work after maternity leave

Eight members of staff took maternity leave in this year; five having returned with three still on leave. None have left the Service.

Section 4 - Recruitment analysis

The following tables and graphs show the number of applicants and successful recruits for all staff groups. Detailed analysis of the most recent wholetime FF recruitment process (2019) was reported in previous year's report.

Selection Standards

Panels of shortlisters and assessors have to undergo assessor training before being allowed to interview or assess. Panels aim to reflect both professional support and operational managers which provides a gender balance – and often an experience balance. Application forms are shortlisted with personal details like name, age, forms of address omitted and are scrutinised by the Recruitment Team. Work is underway to train and invite “community assessors” to join our selection panels.

Total number of Applicants and Recruits



Applicants						
Rolling 12 months	Wholetime	OnCall	Operational	Control	Support	Total
Ending	Number	Number	Number	Number	Number	Number
Mar-16	225	128	353	46	175	574
Mar-17	221	96	317	26	115	458
Mar-18	186	223	409	112	190	711
Mar-19	175	269	444	96	171	711
Mar-20	259	185	444	59	179	682

Recruits						
Rolling 12 months	Wholetime	OnCall	Operational	Control	Support	Total
Ending	Number	Number	Number	Number	Number	Number
Mar-16	16	39	55	5	15	75
Mar-17	9	24	33	0	8	41
Mar-18	5	26	31	6	21	58
Mar-19	10	32	42	11	22	75
Mar-20	5	34	39	5	17	61

People with a Black and Minority Ethnic Background

Total Number



% of Total



Applicants										
Rolling 12 months	Wholetime		On-Call		Operational		Control		Support	
Ending	No.	%	No.	%	No.	%	No.	%	No.	%
Mar-16	8	3.6%	10	7.8%	18	5.1%	0	0.0%	8	4.6%
Mar-17	14	6.3%	6	6.3%	20	6.3%	1	3.8%	4	3.5%
Mar-18	5	2.7%	13	5.8%	18	4.4%	3	2.7%	20	10.5%
Mar-19	6	3.4%	21	7.8%	27	6.1%	1	1.0%	20	11.7%
Mar-20	6	2.3%	15	8.1%	21	4.7%	10	16.9%	12	6.7%

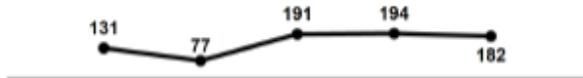
Recruits										
Rolling 12 months	Wholetime		On-Call		Operational		Control		Support	
Ending	No.	%	No.	%	No.	%	No.	%	No.	%
Mar-16	1	6.3%	1	2.6%	2	3.6%	0	0.0%	2	13.3%
Mar-17	0	0.0%	2	8.3%	2	6.1%	0	0.0%	0	0.0%
Mar-18	0	0.0%	0	0.0%	0	0.0%	0	0.0%	3	14.3%
Mar-19	0	0.0%	0	0.0%	0	0.0%	0	0.0%	5	22.7%
Mar-20	0	0.0%	1	2.9%	1	2.6%	0	0.0%	0	0.0%

Guidance notes Please interpret the percentages using the following example:
 Wholetime BME Applicants / All Wholetime Applicants OR Wholetime BME Recruits / All Wholetime Recruits.

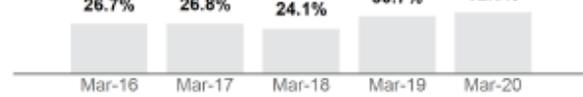
The number of applications from BAME candidates has decreased slightly after improvements in this are the previous last few years (with the notable exception of Control) however the number of recruits is disappointingly low. Our positive action work to raise the profile of CFRS as an employment choice with all communities will continue to effort to address this imbalance.

Female Applicants and Recruits

Total Number



% of Total



Applicants										
Rolling 12 months	Wholetime		On-Call		Operational		Control		Support	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ending	No.	%	No.	%	No.	%	No.	%	No.	%
Mar-16	17	8%	13	10%	30	8%	17	37%	84	48%
Mar-17	28	13%	9	9%	37	12%	7	27%	33	29%
Mar-18	19	10%	30	13%	49	12%	45	40%	97	51%
Mar-19	29	17%	36	13%	65	15%	54	56%	75	44%
Mar-20	31	12%	28	15%	59	13%	33	56%	90	50%

Recruits										
Rolling 12 months	Wholetime		On-Call		Operational		Control		Support	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ending	No.	%	No.	%	No.	%	No.	%	No.	%
Mar-16	4	25%	4	10%	8	15%	5	100%	7	47%
Mar-17	2	22%	2	8%	4	12%	0	0%	7	88%
Mar-18	0	0%	3	12%	3	10%	1	17%	10	48%
Mar-19	2	20%	2	6%	4	10%	10	91%	9	41%
Mar-20	0	0%	6	18%	6	15%	5	100%	9	53%

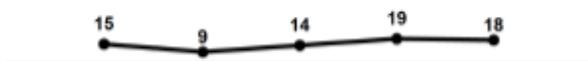
Guidance notes Please interpret the percentages using the following example:
 Wholetime Female Applicants / All Wholetime Applicants OR Wholetime Female Recruits / All Wholetime Recruits.

The number of women applying for posts although significantly high has decreased slightly year on year. While the proportion of women successful recruits has also increased this is not proportionate to those applying in all areas – although it is positive to see that 18% of on-call recruits were female. It is not necessarily positive to see that 100% of recruits to Combined Fire Control were female, as men are under-represented in this area of the Service.

We continue to review the equality impact of recruitment, selection and initial training processes to ensure there is no disadvantage to women or other groups who share a protected characteristic.

People sharing a Disability

Total Number



% of Total



Applicants										
Rolling 12 months	Wholetime		On-Call		Operational		Control		Support	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ending Mar-16	7	3.1%	5	3.9%	12	3.4%	0	0.0%	3	1.7%
Ending Mar-17	3	1.4%	3	3.1%	6	1.9%	0	0.0%	3	2.6%
Ending Mar-18	2	1.1%	6	2.7%	8	2.0%	4	3.6%	2	1.1%
Ending Mar-19	4	2.3%	4	1.5%	8	1.8%	6	6.3%	5	2.9%
Ending Mar-20	8	3.1%	2	1.1%	10	2.3%	5	8.5%	3	1.7%

Recruits										
Rolling 12 months	Wholetime		On-Call		Operational		Control		Support	
	No.	%	No.	%	No.	%	No.	%	No.	%
Ending Mar-16	1	6.3%	0	0.0%	1	1.8%	1	20.0%	0	0.0%
Ending Mar-17	2	22.2%	0	0.0%	2	6.1%	0	0.0%	1	12.5%
Ending Mar-18	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Ending Mar-19	0	0.0%	1	3.1%	1	2.4%	1	9.1%	0	0.0%
Ending Mar-20	1	20.0%	1	2.9%	2	5.1%	0	0.0%	3	17.6%

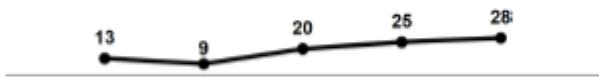
The number of disabled applicants still remain quite low and it is expected that this might be down to a number of reasons and specifically around neuro-diverse conditions where people might not understand that this is a recognised disability.

However the number of recruits declaring a disability has risen quite significantly although improvements are still needed to ensure that disabled staff are proportionately represented in all areas of the Service.

Commitment to improving in this area is shown through our Disability Confident Scheme as well as support for new recruits with dyslexia and more education being made available to existing staff attaining a diagnosis has significantly risen.

People declaring an Other Religion of Belief

Total Number



% of Total



Again applicants of minority religion are increasing slightly, and it is positive this year to see an increase in the proportion of new recruits declaring an-other religion or belief.

People who identify as Lesbian, Gay or Bisexual

Total Number

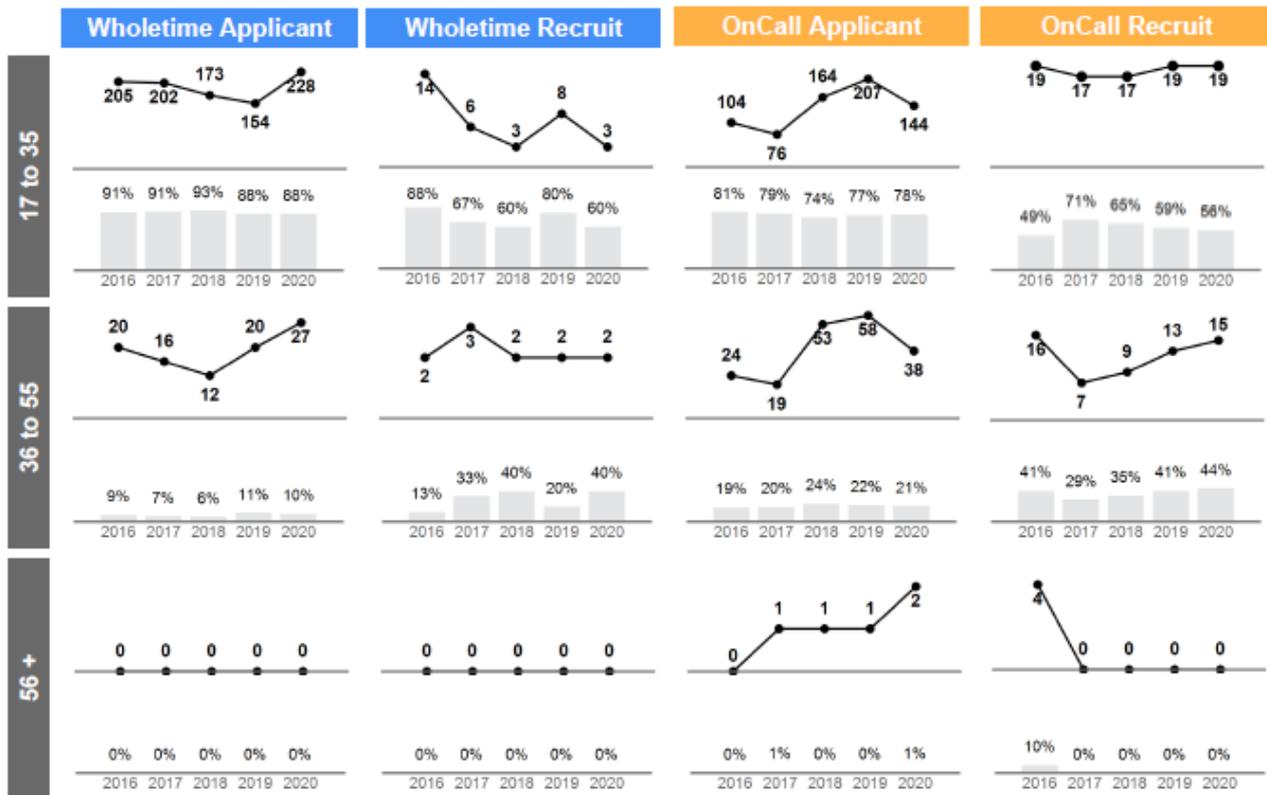


% of Total



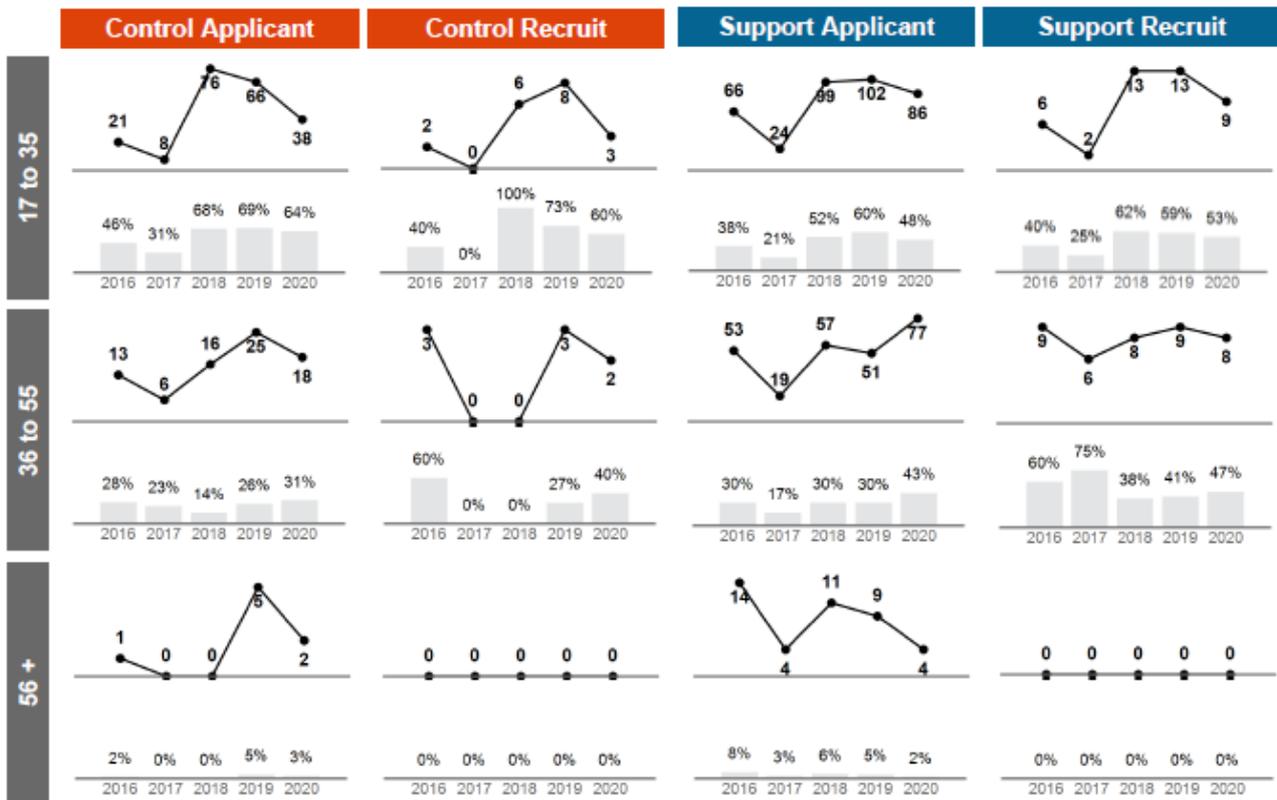
Last year saw a small decline in the proportion of applicants who declared that they identify as Lesbian, gay or Bisexual, although the number making it through saw a welcome significant increase. The service led the river parade at the first Cambridge Pride in June 2019 with other emergency services. We regularly include profiles and adverts in specific LGBT press as well as advertising selected vacancies through membership of Stonewall and local LGBT groups.

Age Profiles



The age profile of wholetime applicants is similar year on year and it is interesting to note that the proportion of wholetime recruits in the 36-55 age group is notably increased year on year, although the majority of recruits are still likely to be in the 17-35 age group. The age profile for on-call applicants and recruits remains similar year on year, with recruit numbers in the 36-55 age range being proportionately higher than applicants.

Age Profiles



There has been a notable decrease in the proportion of Control recruits falling into the younger age bracket and a notable increase in those falling into the 36-55 bracket. For professional support staff there is better correlation between numbers applying and being recruited in the two younger age groups but there is less likelihood of recruitment for those 56 and over.

Section 5 - Gender Pay Gap

Employers of more than 250 staff are required to calculate and publish information about the gender pay gap in their organisation (Equality Act 2010).

The gender pay gap shows the difference between the average earnings of men and women. As a concept it is different from “equal pay” which deals with any pay differences between men and women who carry out the same or similar jobs or jobs of equal value.

Calculating, analysing and reporting on the gender pay gap can provide a valuable measure of equality in the workplace. It is a long standing phenomenon globally and varies by occupation, age group and working patterns. It highlights any difference in men’s and women’s participation in work of different types and levels and how effectively talent is being maximised.

The gender pay gap regulations require us to calculate a number of gender pay gap measures with reference to all staff. However where it has been helpful to explain or further explore this pay gap, reference has been made to the pay (and gaps) between different groups of staff. The following calculations are required by the regulations and explained below. They are all expressed in percentages.

Mean Gender Pay Gap

The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees (regulation 8).

A **mean** average involves adding up all the numbers and dividing the result by how many numbers were listed.

Median gender pay gap

The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees (regulation 9).

A median average involves listing all numbers in numerical order. The median average is the middle number when there is an odd number of results.

Mean bonus gender pay gap

The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees (regulation 10b). For Cambridgeshire Fire and Rescue Service, “bonus” as defined in regulation 10b includes payment related to *“productivity, performance or incentive”*.

- **Productivity:**
 - resilience payments paid to operational staff for providing additional operational cover under certain conditions.
- **Performance:**
 - performance related supplements paid to Area Commanders and Group Commanders.
 - honorariums potentially payable to any staff group member as a one-off payment in recognition of particularly good work or effort.

- **Incentive:**

- Continuous professional development (CPD) payments to operational staff. This is not an automatic payment but dependent on evidence of CPD – hence interpreted as an incentive in accordance with LGA advisory bulletin 644 (January 17).

Median bonus gender pay gap

The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees (regulation 11).

Proportion of males and females receiving a bonus payment

The proportions of male and female relevant employees who were paid bonus pay (regulation 12).

Proportion of males and females in each quartile pay band

The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands (regulation 13).

Charts updated

Cambridgeshire Fire and Rescue Service GPG

Difference in mean hourly rate of pay	2017	2018	2019	2020
Mean hourly rate of pay for all male full-pay relevant employees	£18.25	£18.01	£18.11	£18.52
Mean hourly rate of pay for all female full-pay relevant employees	£14.86	£15.24	£15.26	£15.76
<i>% Difference in mean hourly rate of pay</i>	18.58%	15.38%	15.74%	14.90%

Difference in median hourly rate of pay	2017	2018	2019	2020
Median hourly rate of pay for all male full-pay relevant employees	£16.04	£15.75	£15.99	£16.39
Median hourly rate of pay for all female full-pay relevant employees	£13.81	£13.97	£14.04	£14.77
<i>% Difference in median hourly rate of pay</i>	13.90%	11.30%	12.20%	9.88%

Commentary: Both mean and median pay gaps have seen a decrease since last year and are in fact the lowest gap seen since reporting started in 2017. We recognise that there is a good news to celebrate that there has been more promotions offered and received within our female staff and there has also been a general uptake from female operational staff to stay with the service considerably longer and return to the service following maternity leave.

Difference in mean bonus pay	2017	2018	2019	2020
Mean bonus pay paid during the relevant period to male relevant employees who were paid bonus pay during that period	£54.19	£56.52	£55.62	£59.89
Mean bonus pay paid during the relevant period to female relevant employees who were paid bonus pay during that period	£53.88	£58.24	£50.09	£59.00
<i>% Difference in mean bonus pay</i>	<i>0.57%</i>	<i>-3.04%</i>	<i>9.94%</i>	<i>1.49%</i>

Commentary: The gap in mean bonus pay this year is much more equal, this is the smallest that this gap has been since reporting started in 2017 which is very positive news. This we recognise is due to a series of honorariums being paid to female staff including four more female drivers, three more returners from maternity leave and therefore CPD payments that were not recorded the year before are being paid. There has also been several promotions to female staff and a general uptake on female staff staying longer with the service.

Difference in median bonus pay	2017	2018	2019	2020
Median bonus pay paid during the relevant period to male relevant employees who were paid bonus pay during that period	£47.08	£47.58	£48.50	£49.50
Median bonus pay paid during the relevant period to female relevant employees who were paid bonus pay during that period	£47.08	£47.58	£48.50	£49.50
<i>% Difference in median bonus pay</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>

Proportion of male and female employees who received bonus pay	2017	2018	2019	2020
The number of male relevant employees who were paid bonus pay during the relevant period	317	291	290	303
The number of male relevant employees	516	506	525	519
<i>The proportion of male employees who received bonus pay</i>	<i>61.43%</i>	<i>57.51%</i>	<i>55.24%</i>	<i>58.38%</i>
The number of female relevant employees who were paid bonus pay during the relevant period	34	25	36	31
The number of female relevant employees	131	131	135	140
<i>The proportion of female employees who received bonus pay</i>	<i>25.95%</i>	<i>19.08%</i>	<i>26.67%</i>	<i>22.14%</i>

Commentary: The proportions of men and women who received bonus pay reflects the makeup of operational men and women in the Service.

Proportion of male and female employees according to quartile pay bands	2017	2018	2019	2020
The number of male full-pay relevant employees in the lower quartile pay bands	110	106	109	108
The number of full-pay relevant employees in that quartile pay band	163	159	162	163
<i>Proportion of male employees in the lower quartile pay band</i>	67.48%	66.67%	67.28%	66.26%
The number of female full-pay relevant employees in the lower quartile pay bands	53	53	53	55
The number of full-pay relevant employees in that quartile pay band	163	159	162	163
<i>Proportion of female employees in the lower quartile pay band</i>	32.52%	33.33%	32.72%	33.74%
The number of male full-pay relevant employees in the lower middle quartile pay bands	124	117	125	133
The number of full-pay relevant employees in that quartile pay band	163	158	166	172
<i>Proportion of male employees in the lower middle quartile pay band</i>	76.07%	74.05%	75.30%	77.33%
The number of female full-pay relevant employees in the lower middle quartile pay bands	39	41	41	39
The number of full-pay relevant employees in that quartile pay band	163	158	166	172
<i>Proportion of female employees in the lower middle quartile pay band</i>	23.93%	25.95%	24.70%	22.67%
The number of male full-pay relevant employees in the upper middle quartile pay bands	134	145	149	138
The number of full-pay relevant employees in that quartile pay band	160	161	168	159
<i>Proportion of male employees in the upper middle quartile pay band</i>	83.75%	90.06%	88.69%	86.79%
The number of female full-pay relevant employees in the upper middle quartile pay bands	26	16	19	21
The number of full-pay relevant employees in that quartile pay band	160	161	168	159
<i>Proportion of female employees in the upper middle quartile pay band</i>	16.25%	9.94%	11.31%	13.21%
The number of male full-pay relevant employees in the upper quartile pay bands	148	138	142	140
The number of full-pay relevant employees in that quartile pay band	161	159	164	165
<i>Proportion of male employees in the upper quartile pay band</i>	91.93%	86.79%	86.59%	84.85%
The number of female full-pay relevant employees in the upper quartile pay bands	13	21	22	25
The number of full-pay relevant employees in that quartile pay band	161	159	164	165
<i>Proportion of female employees in the upper quartile pay band</i>	8.07%	13.21%	13.41%	15.15%

It is positive to see an increase in the proportion of females in the upper middle and upper quartiles of the pay band. Recommendations from the equal pay audit carried out in 2018-19 are being implemented this year and full equality analysis is being undertaken as part of the work to design a new management band pay scale.

Demography of Cambridgeshire and Peterborough – Census 2011

Cambridgeshire and Peterborough

Population : 804,841

Gender

49.8% Male (400,419)
50.2% Female (404,422)

Average Age
39 years

Median Age
38 years

Long Term Health Problem or Disability

Day-to-day activities limited a lot : 7% (54,674)

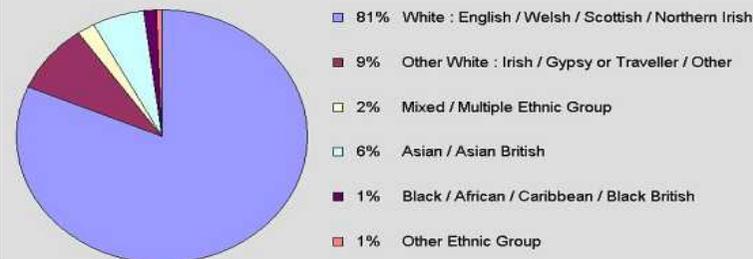
Day-to-day activities limited a little : 9% (70,944)

Day-to-day activities not limited : 84% (679,223)

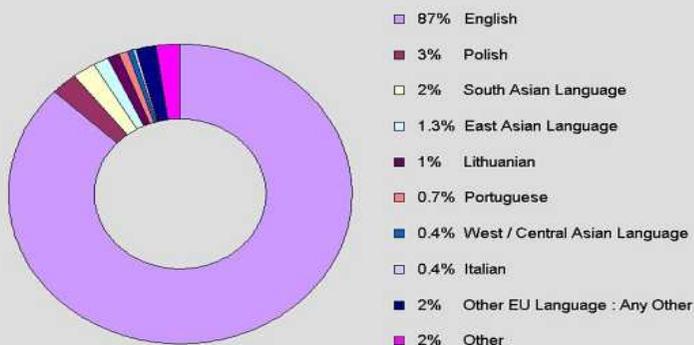
Age Range



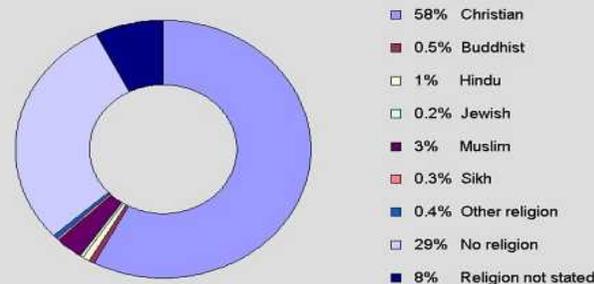
Ethnic Groups



First or Preferred Language aged 3 and over



Religion



Cambridge City District

Population : 123,867

Gender

50.8% Male (62,984)
49.2% Female (60,883)

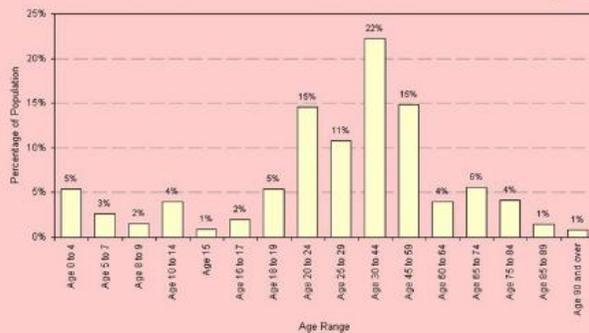
Average Age
36 years

Median Age
31 years

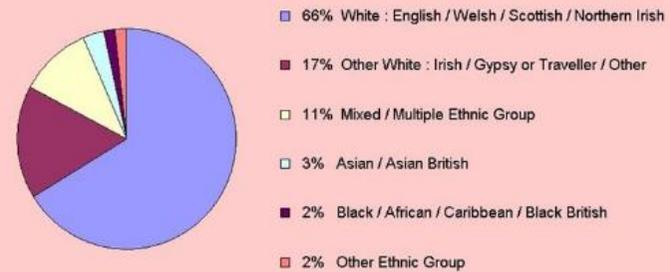
Long Term Health Problem or Disability

Day-to-day activities limited a lot : 5% (6,798)
Day-to-day activities limited a little : 7% (9,266)
Day-to-day activities not limited : 87% (107,803)

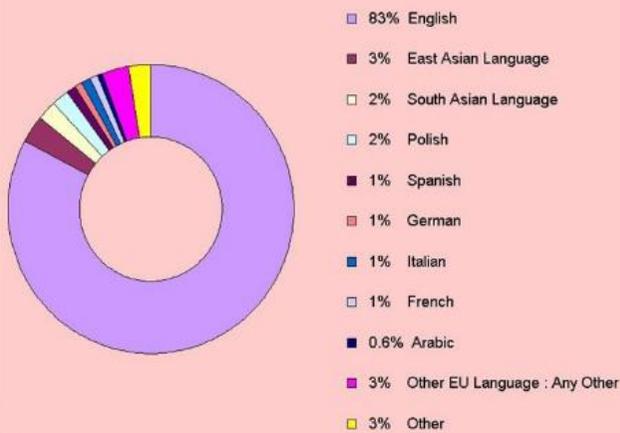
Age Range



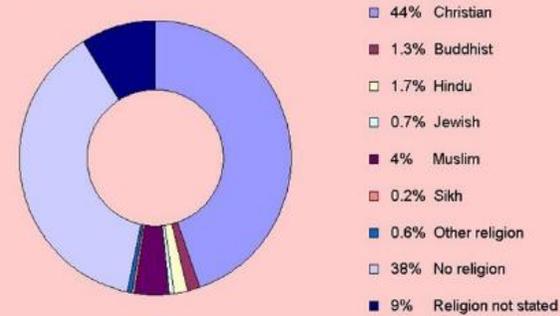
Ethnic Groups



First or Preferred Language aged 3 and over



Religion



Peterborough District

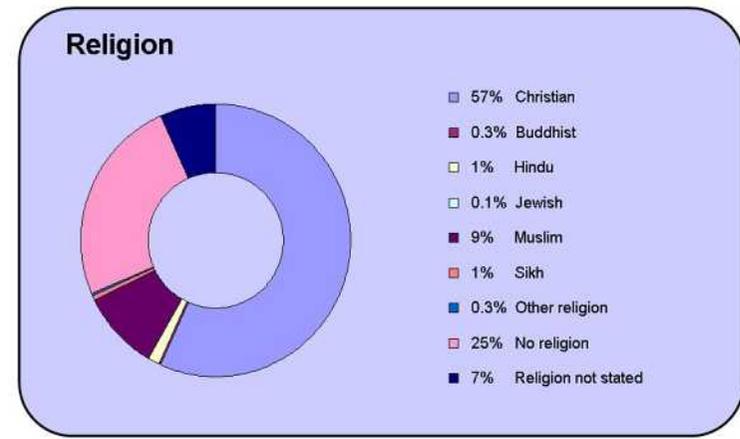
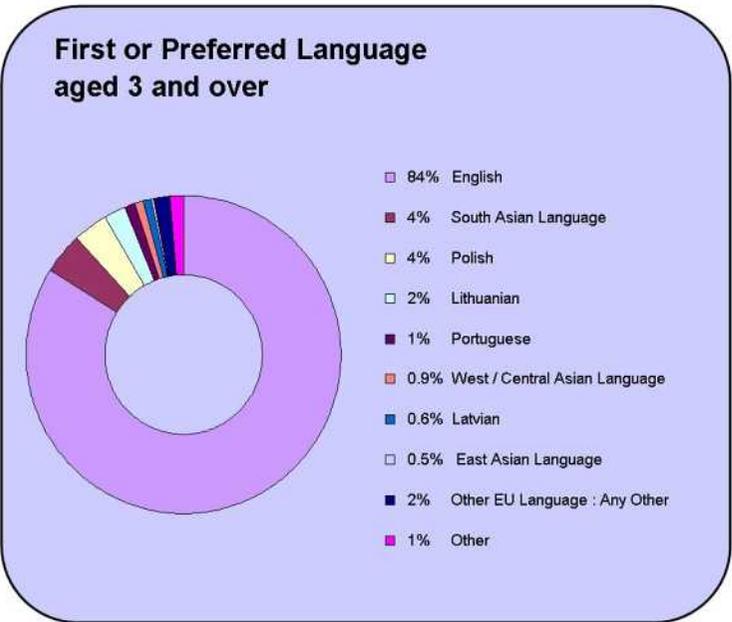
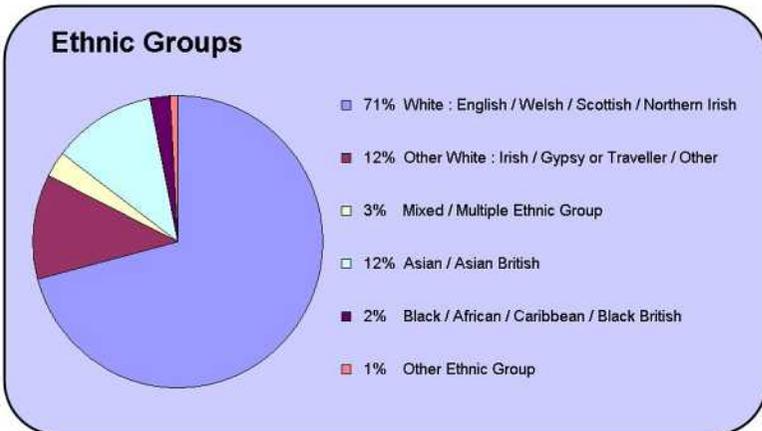
Population : 183,631

Gender
 49.5% Male (90,859)
 50.5% Female (92,772)

Average Age
37 years

Median Age
35 years

Long Term Health Problem or Disability
 Day-to-day activities limited a lot : 8% (14,053)
 Day-to-day activities limited a little : 9% (16,538)
 Day-to-day activities not limited : 83% (153,040)



TO: Cambridgeshire and Peterborough Fire Authority

FROM: Deputy Chief Executive Officer (DCEO) - Matthew Warren

PRESENTING OFFICER(S): DCEO Matthew Warren

Telephone 01480 444619
matthew.warren@cambsfire.gov.uk

DATE: 22 October 2020

AUDIT COMPLETION REPORT 2019/20

1. Purpose

1.1 The purpose of this report is to update the Fire Authority on the outcome of the appointed auditors' annual audit and audit completion report for 2019/20.

2. Recommendation

2.1 The Authority is asked to note the audit completion report for 2019/20 attached at Appendix 1.

3. Risk Assessment

3.1 **Economic and Technological** – recommendations raised within the report highlight specific action required to counter any potential financial loss of the current financial systems of internal control.

4. Background

4.1 BDO are the Authority's appointed external auditor. The audit completion report attached at Appendix 1 provides a summary of the 2019/20 audit work undertaken for Cambridgeshire and Peterborough Fire Authority.

4.2 With regard to the opinion on the financial statements and use of resources, unqualified opinions are anticipated. The S151 Officer has provided evidence that the Authority and Service continues to be a going concern, with no material uncertainties highlighted within the completion report.

4.3 For completeness the full draft accounts are attached, for information, at Appendix 2.

BIBLIOGRAPHY

Source Document	Location	Contact Officer
Annual Audit Completion Report	Hinchingsbrooke Cottage Brampton Road Huntingdon Cambs	Matthew Warren 01480 444619 matthew.warren@cambsfire.gov.uk



Report to the Fire Authority Committee
**CAMBRIDGESHIRE AND
PETERBOROUGH FIRE
AUTHORITY**

Audit Completion Report: year ended
31 March 2020

IDEAS | PEOPLE | TRUST



CONTENTS

1	Introduction	3			
	Welcome	3			
2	Executive summary	4			
	Overview	4			
	The numbers	5			
	Other matters	6			
3	Financial statements	7			
	Coronavirus	7			
	Coronavirus 2	8			
	Coronavirus 3	9			
	Our methodology	10			
	Audit risks overview	11			
	Management override of controls	12			
	Expenditure cut-off	13			
	Valuation of non-current assets	14			
	Valuation of land and buildings	15			
	Valuation of pension liability	16			
	Valuation of pension liability	17			
	Valuation of pension liability	18			
	Valuation of Pension Liability	19			
	Valuation of Pension Liability	20			
	Production of financial statements compliant with the Code	21			
	Going Concern	22			
	Matters requiring additional consideration	23			
4	Audit differences	24			
	Unadjusted audit differences: Summary	24			
	Unadjusted audit differences: Detail	25			
	Adjusted audit differences: Summary	26			
	Adjusted audit differences: Detail	27			
	Adjusted audit differences: Detail	28			
5	Other reporting matters	29			
	Reporting on other information	29			
	Whole of Government Accounts	30			
6	Use of resources	31			
	Overview	31			
7	Control environment	32			
	Significant deficiencies	32			
	Other deficiencies	33			
	Follow up of prior year deficiencies	34			
8	Audit report	35			
	Overview	35			
9	Independence and fees	36			
	Independence	36			
	Fees	37			
10	Appendices contents	38			

WELCOME

- Contents
- Introduction**
- Welcome
- Executive summary
- Financial statements
- Audit differences
- Other reporting matters
- Use of resources
- Control environment
- Audit report
- Independence and fees
- Appendices contents

We have pleasure in presenting our Audit Completion Report to the Fire Authority Committee. This report is an integral part of our communication strategy with you, a strategy which is designed to ensure effective two way communication throughout the audit process with those charged with governance.

It summarises the results of completing the planned audit approach for the year ended 31 March 2020, specific audit findings and areas requiring further discussion and/or the attention of the Fire Authority Committee. At the completion stage of the audit it is essential that we engage with the Fire Authority Committee on the results of our audit of the financial statements and use of resources comprising: audit work on key risk areas, including significant estimates and judgements made by management, critical accounting policies, any significant deficiencies in internal controls, and the presentation and disclosure in the financial statements.

We look forward to discussing these matters with you at the Fire Authority Committee meeting and to receiving your input.

In the meantime if you would like to discuss any aspects in advance of the meeting we would be happy to do so.

This report contains matters which should properly be considered by the Authority as a whole. We expect that the Fire Authority Committee will refer such matters to the Fire Authority, together with any recommendations, as it considers appropriate.

We would also like to take this opportunity to thank the management and staff of the Authority for the co-operation and assistance provided during the audit.

Rachel Brittain

12 October 2020



Rachel Brittain
Engagement lead

t: +44 (0)20 7893 2362

m: +44 (0)7971 716 487

e: rachel.brittain@bdo.co.uk



Matthew Weller
Audit Manager

t: +44(0)1473 320804

e: matthew.weller@bdo.co.uk



Azola Dudula
Audit senior

e: Azola.dudula@bdo.co.uk

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements and use of resources. This report has been prepared solely for the use of the Fire Authority Committee and Those Charged with Governance and should not be shown to any other person without our express permission in writing. In preparing this report we do not accept or assume responsibility for any other purpose or to any other person. For more information on our respective responsibilities please see the appendices.

OVERVIEW

Executive summary

Contents
Introduction
Executive summary
Overview
The numbers
Other matters
Financial statements
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report
Independence and fees
Appendices contents

This summary provides an overview of the audit matters that we believe are important to the Fire Authority Committee in reviewing the results of the audit of the financial statements and use of resources of the Authority for the year ended 31 March 2020.

It is also intended to promote effective communication and discussion and to ensure that the results of the audit appropriately incorporate input from those charged with governance.



Overview

Our audit work is substantially complete and subject to the successful resolution of outstanding matters, we anticipate issuing our opinion on the financial statements and use of resources for the year ended 31 March 2020 in line with the agreed timetable.

Outstanding matters are listed on page 42 in the appendices.

There were no significant changes to the planned audit approach and no additional significant audit risks have been identified.

No restrictions were placed on our work.

Audit report

We anticipate issuing an unmodified audit opinion on the Authority’s financial statements, subject to the completion of outstanding procedures.

Our opinion will include an emphasis of matter in respect of the valuation of land and buildings due to a material uncertainty included in the valuation report by the Authority’s valuer.

We have no exceptions to report in relation to the arrangements in place to secure economy, efficiency and effectiveness in the use of resources.

THE NUMBERS

Executive summary

- Contents
- Introduction
- Executive summary**
- Overview
- The numbers
- Other matters
- Financial statements
- Audit differences
- Other reporting matters
- Use of resources
- Control environment
- Audit report
- Independence and fees
- Appendices contents

Final materiality

Final materiality was determined based on gross expenditure.

Our materiality levels have not required reassessment since our audit planning report issued on 7 May 2020, but have been updated to reflect the gross expenditure reported in the draft financial statements presented for audit.

Material misstatements

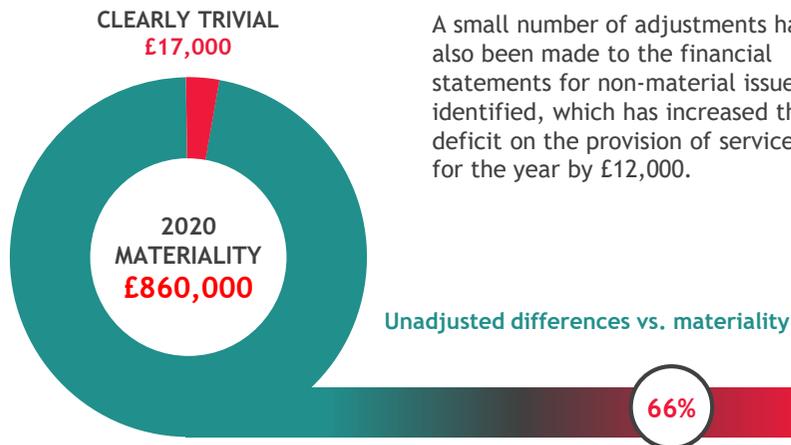
Our audit identified one material misstatement in relation to the misclassification of transactions and balances as detailed on page 24.

A material adjustment was also made to the accounts to reflect the impact of the revision to the McCloud judgement. The impact on the pension fund liability is a decrease of £1.3 million and decreased the deficit on the provision of services by £1.3 million.

A small number of adjustments have also been made to the financial statements for non-material issues identified, which has increased the deficit on the provision of services for the year by £12,000.

Unadjusted audit differences

There are three unadjusted audit differences identified by our audit work which would decrease the deficit on the provision of services for the year of £8.887 million by £409,000, and would increase net liabilities of £251.003 million by £160,000.



OTHER MATTERS

Executive summary

Contents
Introduction
Executive summary
Overview
The numbers
Other matters
Financial statements
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report
Independence and fees
Appendices contents

Financial reporting

- We have not identified any non-compliance with accounting policies or the applicable accounting framework.
- No significant accounting policy changes have been identified impacting the current year.
- Going concern disclosures are deemed sufficient.
- The Narrative Report and other information included in the Statement of Accounts with the financial statements is consistent with the financial statements and our knowledge acquired in the course of the audit.
- The Annual Governance Statement is not inconsistent or misleading with other information we are aware of.
- The Authority is below the audit threshold of £500 million for a full assurance review of the Whole of Government Accounts Data Collection Tool (DCT).

Other matters that require discussion or confirmation

- Confirmation on fraud, contingent liabilities and subsequent events.
- Letter of Representation.

Independence

We confirm that the firm and its partners and staff involved in the audit remain independent of the Authority in accordance with the Financial Reporting Council's (FRC's) Ethical Standard.



CORONAVIRUS

The effects on year-end reporting and auditing

- Contents
- Introduction
- Executive summary
- Financial statements**
- Coronavirus
- Coronavirus 2
- Coronavirus 3
- Our methodology
- Audit risks overview
- Management override of controls
- Expenditure cut-off
- Valuation of non-current assets
- Valuation of land and buildings
- Valuation of pension liability
- Production of financial statements compliant with the Code
- Going Concern
- Matters requiring additional consideration
- Audit differences
- Other reporting matters
- Use of resources
- Control environment
- Audit report

The emergence and spread of Coronavirus has had an effect on business and markets around the world. Guidance is now available to assist in identifying the potential reporting and auditing issues and consequences of the virus, and there have been a number of Local Government specific issues, including relaxations to accounts preparation and audit timetables.

However, given the fast moving and ever changing nature of the situation, aspects of this guidance will change over time. The outbreak is an in-year event and will impact the valuations, estimations and disclosures reflected in the financial statements for periods ending on or after 31 March 2020.

Going concern

In respect of going concern, officers are required to consider events that have occurred both before and after the balance sheet date when determining whether there is a material uncertainty over the ability to continue as a going concern. Consequently, forecast financial information, sensitivity analysis (which may require additional and/or different potential variances to be included) and compliance with bank and other covenants will need to factor in the estimated effects of the Coronavirus pandemic.

A common approach that is developing, and which BDO is encouraging from officers, in relation to each set of financial statements that is prepared for audit is:

- The assessment of going concern officers are required to undertake needs to explicitly consider the impact of Coronavirus to accommodate the uncertainty prevailing and must cover the period of at least 12 months from the date of signing the financial statements. The assessment may not be limited to this period if there are foreseen events or conditions beyond this period which may influence the economic decisions of users.

- The assessment needs to consider the Authority’s resilience through three lenses - operational capability (closed locations, reduced workforce through illness, breakdown in supply chain), demand for services (effect on income and expenditure) and structural finance (liquidity and access to committed facilities).
- If the officers consider that there are material uncertainties, this will need to be referenced in the relevant disclosure and will result in a material uncertainty reference in the audit report (albeit the audit opinion is not qualified).
- Going concern disclosures in the basis of preparation note in the financial statements will also need to be enhanced.

Within local government, the Government’s commitment to ensure that local authorities (including fire authorities) are adequately compensated for additional expenditure incurred or income lost directly as a result of the Coronavirus pandemic, removes some of the uncertainty faced by non-public sector entities. However, the officers’ assessment of going concern, and associated disclosures in the financial statements, are still expected to fully consider and record the impact of Coronavirus.

The auditor’s review of officers’ assessments must be greater than normal, will require more evidence, and will continue to be performed through to the point of signing the audit report.

CORONAVIRUS 2

The effects on year-end reporting and auditing

Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

Financial reporting implications

Grant funding

Grant funding received before 31 March 2020 to fund expenditure related to the Coronavirus pandemic will need to be assessed for conditions and recognised in accordance with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

Valuations of financial and non-financial assets and liabilities:

Data used in valuations of financial and non-financial assets and liabilities should be based on forecasts, projections and assumptions that were reasonable and supportable at the balance sheet date. For 31 March 2020 year ends, given that the significant development and spread of Coronavirus occurred within the financial year and that the World Health Organisation announced a global health emergency on 31 January 2020, the estimated impact of the Coronavirus pandemic will need to be factored into this data.

Subsequent events disclosure

Significant income and expenditure incurred as a result of the Coronavirus pandemic after 31 March 2020 and up to the date of signing may need to be disclosed as a non-adjusting post balance sheet event, if considered of such importance as to affect the ability of users of the financial statements to make proper evaluations.

Leases:

IFRS 16 Leases will be effective from 1 April 2021 (a further one year deferral).

Narrative reporting implications

The Annual Governance Statement should clearly set out the risks arising from Coronavirus.

Local authorities (including fire authorities) will need to monitor developments and ensure that they are providing up-to-date and meaningful disclosures when preparing their Statement of Accounts.

Other guidance

The National Audit Office (NAO) has published a Guide for audit committees (which includes the Fire Authority Committee) on financial reporting and management during the Coronavirus pandemic. This guide aims to help audit committee members support and challenge the organisations they work with in the following areas:

- Annual reports
- Financial reporting
- The control environment
- Regularity of expenditure.

In each section of the guide, the NAO has set out some questions to help audit committee members understand and challenge activities. Each section can be used on its own, although the NAO would recommend that audit committee members consider the whole guide, as the questions in other sections may be interrelated.

The guide may also be used as organisations and audit committees consider reporting in the 2020/21 period when more specific and detailed reporting on the outbreak will be required.

The guide is available through the following link:

<https://www.nao.org.uk/report/guidance-for-audit-and-risk-committees-on-financial-reporting-and-management-during-covid-19/>

CORONAVIRUS 3

The effects on year-end reporting and auditing

Implications for auditors

Risk assessment:

- The impact of Coronavirus on going concern is a risk focus area for the audit, and in some cases may be a significant risk. As part of our on-going risk assessment procedures, we need to think about other specific areas and balances where Coronavirus might cause an issue and if this presents an additional risk. This includes the specific considerations in relation to the risks of having services in an affected area and supply chain issues in relation to items coming from these locations. In summary there may be a heightened risk of misstatement for:
 - The valuation and disclosure of financial and non-financial assets including property, plant and equipment (PPE), investment properties, intangibles, investments and accounts receivable
 - The valuation and disclosure of financial obligations and any lending covenants
 - Going concern and/or working capital assessment and disclosure
 - Risk disclosures
 - Subsequent event disclosures
 - As noted above, entities need to consider their reporting of principal risks and uncertainties and we then need to consider this detail as part of our 'review and consider' of the Narrative Report and Annual Governance Statement, in particular where we believe there are risks missing from the detail.

Sufficient and appropriate audit evidence:

- Personnel from audited entities may be unable to carry out their roles on site and/or be available to meet physically with our audit teams. Likewise, our people may be unable to work at audited entity sites or to travel to our offices, thereby potentially affecting the performance, review and supervision of the engagement team, including that of component or other auditors. We need to:
 - Consider the impact on the audited entity
 - Consider alternative ways of working including the use of our technology tools
 - Consider implications for the quality of audit evidence and reporting.
- In undertaking audit work on the valuation of property, particularly specialised property valued using the Depreciated Replacement Cost method and Modern Equivalent Assets assumptions (including alternative site models), auditors are able to draw upon relevant information and indices collated, assessed and reported on by a firm of valuers, Gerald Eve, as commissioned on behalf of local public auditors by the NAO.
- Valuers are also encouraged by updated RICS guidance to include caveats within valuation reports relating to potential material uncertainties in their assessed valuations. In these cases, such caveats should be included within the Authority's financial statements and may be referred to by the auditor in their opinion/report.

Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

OUR METHODOLOGY

Summary

We obtain our audit evidence through substantive testing

As part of our risk assessment procedures we documented the systems and controls in place insofar as they are relevant to the preparation of the financial statements. Given the control activities we identified and the nature of activities, we determined that substantive testing to directly verify items in the Comprehensive Income and Expenditure Statement (CIES) and Balance Sheet would be the most effective approach for our audit. This is consistent with the approach we took in the prior year.



Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

AUDIT RISKS OVERVIEW

As identified in our Audit Planning Report dated 7 May 2020 we assessed the following matters as being the most significant risks of material misstatement in the financial statements. These include those risks which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit and the direction of the efforts of the engagement team.

Audit Risk	Risk Rating	Significant Management Judgement Involved	Use of Experts Required	Error Identified	Control Findings to be reported	Discussion points / Letter of Representation
Management override of controls	Significant	Yes	No	No	Yes	Yes
Expenditure cut-off	Normal	Yes	No	No	No	No
Valuation of non-current assets	Significant	Yes	Yes	Yes, adjusted	No	Yes
Valuation of pension liability	Significant	Yes	Yes	Yes, narrative	Yes	Yes
Production of financial statements compliant with the Code	Significant	No	No	No	No	No



 Areas requiring your attention

- Contents
- Introduction
- Executive summary
- Financial statements**
- Coronavirus
- Coronavirus 2
- Coronavirus 3
- Our methodology
- Audit risks overview**
- Management override of controls
- Expenditure cut-off
- Valuation of non-current assets
- Valuation of land and buildings
- Valuation of pension liability
- Production of financial statements compliant with the Code
- Going Concern
- Matters requiring additional consideration
- Audit differences
- Other reporting matters
- Use of resources
- Control environment
- Audit report

MANAGEMENT OVERRIDE OF CONTROLS

Auditing standards presume that management is in a unique position to perpetrate fraud by overriding controls.

Significant risk	
Normal risk	
Significant management judgement	
Use of experts	
Unadjusted error	
Adjusted error	
Additional disclosure required	
Significant control findings to be reported	
Letter of representation point	

Risk description

ISA (UK) 240 - The auditor's responsibilities relating to fraud in an audit of financial statements requires us to presume that the risk of management override of controls is present and significant in all entities.

Work performed

We carried out the following planned audit procedures:

- Reviewed and verified journal entries made in the year, agreeing the journals to supporting documentation. We determined key risk characteristics to filter the population of journals. We used our IT team and our data analytics tool to assist with the journal extraction and analysis;
- Reviewed estimates and judgements applied by management in the financial statements to assess their appropriateness and the existence of any systematic bias; and
- Reviewed unadjusted audit differences for indications of bias or deliberate misstatement.

Results

We have used our data analytics tools to inspect journals processed throughout the year and as part of the financial reporting closing process for any unusual transactions.

We identified a number of unusual journal entries posted during the year, having reviewed the journals population for any of the following:

- Journals lines with a blank nominal ledger account number
- Unbalanced journals entries
- Journals posted by generic user IDs

- Journals posted by individuals outside of the finance team
- Journals posted by senior management
- Potentially duplicate journals
- Manual journals posted by non finance/payroll staff
- Journals posted by non-employees
- Material manual journals posted in periods 13 and 14
- Journals with blank preparer, approver or ID fields
- Journals where the debit side of the transaction was debtors and credit side was expenditure (except for those that fell within our expectations)

Where journals meeting any of the above were identified, they were agreed to supporting documentation, with appropriate explanations obtained for all journals identified.

We have assessed and corroborated significant management estimates and judgements in the following key areas:

- Depreciation
- Accruals and accrued income
- Valuation of land and buildings
- Pension liability
- Going concern assumptions

We have found no evidence of management override or bias for these estimates.

A control deficiency was identified regarding the posting of journals entries by a generic user ID. A recommendation has been raised on page 34.

EXPENDITURE CUT-OFF

For public sector bodies there is a risk of fraud related to expenditure recognition.

Risk description

For net-spending bodies in the public sector there is a risk of fraud related to expenditure. For the Authority, we consider the risk of fraud to be in respect of the cut-off of expenditure at year-end.

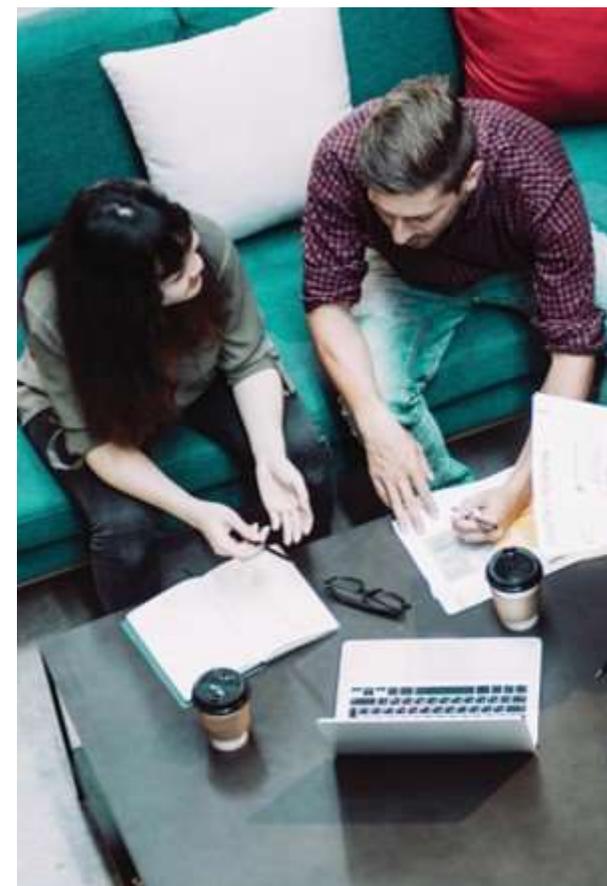
Work performed

We checked that expenditure is recognised in the correct accounting period by substantively testing an increased sample of expenditure items around year-end.

Results

We have tested all significant expenditure transactions identified from both the general ledger and the bank statements from 1 March 2020 to 31 May 2020. No issues have been identified from this testing.

Further testing will be performed up to the date of signing the audit.



Significant risk	
Normal risk	
Significant management judgement	
Use of experts	
Unadjusted error	
Adjusted error	
Additional disclosure required	
Significant control findings to be reported	
Letter of representation point	

Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

VALUATION OF NON-CURRENT ASSETS

Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

The valuation of non-current assets is a significant risk as it involves a high degree of estimation uncertainty.

Significant risk	■
Normal risk	
Significant management judgement	■
Use of experts	■
Unadjusted error	
Adjusted error	■
Additional disclosure required	■
Significant control findings to be reported	
Letter of representation point	■

Risk description

Authorities are required to ensure that the carrying value of land and buildings is not materially different to the current value (operational assets) at the balance sheet date. There is a risk over the valuation of these assets due to the high degree of estimation uncertainty and where updated valuations have not been provided for a class of assets at the year-end.

Work performed

We carried out the following planned audit procedures:

- A review of the instructions provided to the valuer and the valuer’s skills and expertise in order to determine if we could rely on the management expert;
- Confirmed that the basis of valuation for assets valued in year was appropriate based on their usage;
- Reviewed accuracy and completeness of information provided to the valuer, such as rental agreements and sizes;
- Reviewed assumptions used by the valuer and movements against relevant indices for similar classes of assets;
- Followed up valuation movements that appeared unusual; and
- Confirmed that assets not specifically valued in the year had been assessed to ensure their reported values remained materially correct.

Results

The Fire Authority engaged an external valuer to value all of its property assets as at 31 March 2020.

From our review of the instructions provided to the external valuer and the external valuer’s reports we were satisfied that we could rely on the management expert.

We confirmed that the basis of valuation for assets valued was appropriate based on the nature and use of the assets.

Misstatements were identified for a small number of assets where the split of the valuation movement between the revaluation reserve and the CIES had been applied incorrectly. An adjustment will be made for this in the final financial statements. Please see page 28 for details of this adjustment.

We confirmed that the source data provided to the external valuer was materially correct and that the assumptions used were reasonable. Please see also page 15.

VALUATION OF PENSION LIABILITY

The valuation of the pension liability is a significant risk as it involves a high degree of estimation uncertainty

Significant risk	
Normal risk	
Significant management judgement	
Use of experts	
Unadjusted error	
Adjusted error	
Additional disclosure required	
Significant control findings to be reported	
Letter of representation point	

Risk description

The valuation of the defined benefit obligation is a complex calculation involving a number of significant judgements and assumptions. The actuarial estimate of the pension fund liability uses information on current, deferred and retired member data and applies various actuarial assumptions over pension increases, salary increases, mortality, commutation take up and discount rates to calculate the net present value of the liability.

There is a risk that the membership data and cash flows provided to the actuary at year end may not be accurate, and that the actuary uses inappropriate assumptions to value the liability. Relatively small adjustments to assumptions used can have a material impact on the Authority's share of the scheme liability.

In addition, there is a scheduled triennial valuation of the pension fund in 2019/20, which represents another area of significant judgement.

Work performed

We carried out the following planned audit procedures:

- Agreed the disclosures to the information provided by the pension fund actuary;
- Reviewed the competence of the management expert (actuary);
- Reviewed the reasonableness of the assumptions used in the calculation against other local government actuaries and other observable data;
- Reviewed the controls in place for providing accurate membership data to the actuary;

- Contacted the pension fund auditor and requested confirmation of the controls in place for providing accurate membership data to the actuary and testing of that data; and
- Checked that any significant changes in membership data had been communicated to the actuary.

Results

We agreed the disclosures to the information provided by the actuary. Some of the disclosures had not been accurately recorded in the financial statements and will be adjusted. These consist of:

- In the breakdown of scheme assets disclosed for the Local Government pension scheme, the note is incorrectly missing: real estate UK property (£2.467 million), real estate overseas property (£400) and derivatives other (£5,500).
- Within the movement in the fair values of scheme liabilities disclosure for the firefighter's pension scheme, there is an amount of £200,000 missing from the disclosure in respect of transfers in from other authorities
- Within the movement in the fair values of scheme liabilities disclosure for the firefighter's pension scheme, the lines: actuarial gains/(losses) - experience, actuarial gains/(losses) from changes in demographic assumptions and actuarial gains/(losses) from changes in financial assumptions are all incorrectly split between the firefighters main scheme (overstated by £3.7 million) and the firefighters injury pensions (understated by £3.7 million).

Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

VALUATION OF PENSION LIABILITY

The valuation of the pension liability is a significant risk as it involves a high degree of estimation uncertainty

The assurances from the pension fund auditor have not been received at the time of writing. We are anticipating receipt of these assurances in October 2020.

There is a significant movement between the fund liability values provided by the actuary and the year-end values included in the pension fund account as a result of amendments relating to the McCloud judgement. An adjustment in respect of this (as detailed overleaf) will be made to the pension fund liability in the final financial statements.

Our review of assumptions used by the pension fund actuary is ongoing at the time of writing. We will provide a verbal update to the Fire Authority Committee.

Significant risk	
Normal risk	
Significant management judgement	
Use of experts	
Unadjusted error	
Adjusted error	
Additional disclosure required	
Significant control findings to be reported	
Letter of representation point	

Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

VALUATION OF PENSION LIABILITY

Continued

McCloud age discrimination

Following the ruling on age discrimination in the McCloud case, where members approaching retirement age received protected benefits moving to the career average relevant earnings scheme from the final salary scheme but employees more than 10 years from retirement did not receive this underpin of benefits, the valuation of both the Local Government pension scheme (LGPS), and firefighter's pension scheme were increased to remedy this discrimination in 2018/19. Subsequent to this, a determination was made that the increases applied were overstated and a further amendment is required to be made through the 2019/20 financial statements to rectify this issue.

The Fire Authority requested an updated valuation of the liability to take account of the impact of this ruling. In respect of the LGPS, the pension fund asset decreased from £36.180 million to £35.938 million, a decrease of £242,000. The liability has decreased from £46.761 million to £46.679 million, a decrease of £82,000. The net liability has therefore increased from £10.581 million to £10.741 million, an increase of £160,000. The movements on the LGPS are not therefore material, and an unadjusted misstatement has been raised on page 25.

In respect of the firefighter's pension fund, there is a movement in the year-end pension liability of £1.3 million. It was £292.8 million and has reduced to £291.5 million. An adjustment of £1.3 million is material to our audit. Management is expected to adjust the financial statements to include this amended liability for the firefighter's pension schemes.

Contents

Introduction

Executive summary

Financial statements

Coronavirus

Coronavirus 2

Coronavirus 3

Our methodology

Audit risks overview

Management override of controls

Expenditure cut-off

Valuation of non-current assets

Valuation of land and buildings

Valuation of pension liability

Production of financial statements compliant with the Code

Going Concern

Matters requiring additional consideration

Audit differences

Other reporting matters

Use of resources

Control environment

Audit report

VALUATION OF PENSION LIABILITY

Significant accounting estimates: Local Government Pension Scheme

Significant accounting estimates: £10.581m

Overview

The key assumptions include estimating future expected cash flows to pay pensions including inflation, salary increases and mortality of members; and the discount rate to calculate the present value of these cash outflows.

Discussion

The actuary has used the following assumptions to value the future pension liability:

	Actual used	Actuary range	PwC assessment of actuary range to market expectations
Rate of inflation	2.0%	1.8-2.0%	Top of expected range
Salary increase	2.3%	1.8-2.9%	Middle of expected range (derived from RPI above)
Pension increase	1.8%	1.8-2.0%	Bottom of expected range (derived from RPI above)
Discount rate curve	2.3%	2.3%	In line with expectation
Mortality - LGPS:			
- Male current	22.7 years	21.6-23.3	Reasonable
- Female current	25.5 years	24.6-26.3	Reasonable
- Male retired	22.0 years	20.5-22.2	Reasonable
- Female retired	24.0 years	22.9-24.3	Reasonable

Conclusion

The impact of the higher inflation rate and lower pension increase tend to counteract each other and the overall liability calculation is reasonable.

< lower

Impact of assumptions on the estimate/judgement

higher >

Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

VALUATION OF PENSION LIABILITY

Significant accounting estimates: Firefighter's Pension Scheme

Significant accounting estimates: £10.581m

Overview	Discussion			
The key assumptions include estimating future expected cash flows to pay pensions including inflation, salary increases and mortality of members; and the discount rate to calculate the present value of these cash outflows.	The actuary has used the following assumptions to value the future pension liability:			
		Actual used	Actuary range	PwC assessment of actuary range to market expectations
	Rate of inflation	2.0%	1.8-2.0%	Top of expected range
	Salary increase	2.8%	1.8-2.9%	Top of expected range (derived from RPI above)
	Pension increase	1.9%	1.8-2.0%	Middle of expected range (derived from RPI above)
	Discount rate curve	2.3%	2.3%	In line with expectation
	Mortality - firefighters:			
	- Male current	22.5 years	23.1-23.8	Outside of expected range
	- Female current	24.7 years	25.2-25.9	Outside of expected range
	- Male retired	21.4 years	21.7-22.4	Outside of expected range
- Female retired	23.5 years	23.7-24.4	Outside of expected range	
Conclusion				
Our review of the above assumptions remains ongoing at the time of writing. We will provide a verbal update to the Fire Authority committee.				



- Contents
- Introduction
- Executive summary
- Financial statements**
- Coronavirus
- Coronavirus 2
- Coronavirus 3
- Our methodology
- Audit risks overview
- Management override of controls
- Expenditure cut-off
- Valuation of non-current assets
- Valuation of land and buildings
- Valuation of pension liability
- Production of financial statements compliant with the Code
- Going Concern
- Matters requiring additional consideration
- Audit differences
- Other reporting matters
- Use of resources
- Control environment
- Audit report

PRODUCTION OF FINANCIAL STATEMENTS COMPLIANT WITH THE CODE

Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

Production of financial statements compliant with the Code
Significant risk
Normal risk
Significant management judgement
Use of experts
Unadjusted error
Adjusted error
Additional disclosure required
Significant control findings to be reported
Letter of representation point

Risk description

The initial draft of the 2018/19 financial statements did not reflect all the requirements of the Code. A high number of amendments were required to be made to the original approved draft financial statements. However, all required amendments were made in the final version of the financial statements to ensure they complied with the Code.

The Authority prepared their accounts using CIPFA’s ‘Big Red Button’ for the first time last year and has also used the software to produce the current year financial statements.

Given the issues arising from use of the “Big Red Button” in the prior year, we have identified a significant risk in relation to the production of Code compliant draft financial statements.

Work performed

We carried out the following planned audit procedures:

- A review of the controls implemented by the Authority to ensure that the chart of accounts had been mapped correctly in the ‘Big Red Button’ software;
- A review of the reconciliation between the trial balance and the financial statements including investigation into any non-trivial differences or omissions identified;
- A review of the prior period comparatives against the prior year signed financial statements;
- A review of the financial statements specifically focused on the areas where deficiencies were identified in the prior year; and

- A review of the disclosure checklist prepared by the Authority to confirm that all required disclosures had been correctly presented in the financial statements in accordance with the Code.

Results

Our initial review of the financial statements highlighted that the number and volume of issues identified was lower than has been identified in prior years. In particular we noted that the majority of the points raised specifically as issues in the prior year audit completion report had been addressed. This therefore evidences that an increased level of checks was performed on the financial statements by management.

We have reconciled the Fire Authority’s trial balance to the financial statements. No differences were identified. We identified some disclosure errors in the published unaudited accounts as follows:

- Some prior period comparatives did not agree to the prior year signed accounts.
- There were a number of inconsistencies identified between the values included within the main financial statements and values included in the supporting notes, and also between notes.
- Additional disclosures required for coronavirus were not included in the draft financial statements
- Some of the narrative had not been updated from the prior year and was no longer applicable
- Casting issues were identified within the primary statements and within a number of supporting notes.

All of the above issues will be amended in the final financial statements.

GOING CONCERN

We are required to highlight any judgements about events or conditions that may cast significant doubt over the entity's ability to continue as a going concern

Management's assessment of going concern

As at the time of writing, our going concern testing remains ongoing. A verbal update will be provided to the Fire Authority Committee.



Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

MATTERS REQUIRING ADDITIONAL CONSIDERATION

Contents
Introduction
Executive summary
Financial statements
Coronavirus
Coronavirus 2
Coronavirus 3
Our methodology
Audit risks overview
Management override of controls
Expenditure cut-off
Valuation of non-current assets
Valuation of land and buildings
Valuation of pension liability
Production of financial statements compliant with the Code
Going Concern
Matters requiring additional consideration
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report

Fraud

Whilst the officers have ultimate responsibility for prevention and detection of fraud, we are required to obtain reasonable assurance that the financial statements are free from material misstatement, including those arising as a result of fraud. Our audit procedures did not identify any fraud.

Related parties

Whilst you are responsible for the completeness of the disclosure of related party transactions in the financial statements, we are also required to consider related party transactions in the context of fraud as they may present greater risk for management override or concealment or fraud.

We did not identify any significant matters in connection with related parties.

Laws and regulations

We have made enquiries of management regarding compliance with laws and regulations and reviewed correspondence with the relevant authorities.

Our testing to date has not identified any non-compliance with laws and regulations that could have a material impact on the financial statements.

UNADJUSTED AUDIT DIFFERENCES: SUMMARY

Summary for the current year

Contents
Introduction
Executive summary
Financial statements
Audit differences
Unadjusted audit differences: Summary
Unadjusted audit differences: Detail
Adjusted audit differences: Summary
Adjusted audit differences: Detail
Adjusted audit differences: Detail
Other reporting matters
Use of resources
Control environment
Audit report
Independence and fees
Appendices contents



We are required to bring to your attention unadjusted differences and we request that you correct them.

There are three unadjusted audit differences identified by our audit work which would decrease the deficit on the provision of services for the year of £8.887 million by £409,000, and would increase net liabilities of £251.003 million by £160,000.

The general fund balance would decrease by £160,000 if these audit differences were adjusted.

You consider these differences to be immaterial in the context of the financial statements as a whole.

UNADJUSTED AUDIT DIFFERENCES: DETAIL

Details for the current year

	Income and expenditure			Balance Sheet	
	NET DR/(CR) £'000	DR £'000	(CR) £'000	DR £'000	(CR) £'000
Unadjusted audit differences					
Retained deficit on the provision of services for the year before adjustments	8,887				
Adjustment 1: Reclassification of valuation movements from revaluation reserve to CIES - impact of prior period unadjusted difference (judgemental)					
DR CIES	155	155			
CR General fund					155
Adjustment 2: Movement in value of pension fund asset between 31/12/2018 and 31/03/2019 - impact of prior period unadjusted difference (judgemental)					
DR General fund				724	
CR Re-measurement of the net defined benefit liability	(724)		724		
Adjustment 3: Impact of the McCloud judgement revision on the Local Government pension scheme (judgemental)					
DR CIES expenditure	160	160			
CR Pension fund liability					160
Total unadjusted audit differences	(409)	315	724	724	315
Deficit on the provision of services for the year if above issues adjusted	8,478				

Contents
Introduction
Executive summary
Financial statements
Audit differences
Unadjusted audit differences: Summary
Unadjusted audit differences: Detail
Adjusted audit differences: Summary
Adjusted audit differences: Detail
Adjusted audit differences: Detail
Other reporting matters
Use of resources
Control environment
Audit report
Independence and fees
Appendices contents

ADJUSTED AUDIT DIFFERENCES: SUMMARY

Summary for the current year



There were five audit differences identified by our audit work that were adjusted by management. This decreased the draft deficit on the provision of services of £8.887 million by £1.288 million and decreased draft net liabilities of £251.003 million by £1.288 million.

The general fund balance increased by £1.3 million as a result of these adjustments.

Contents
Introduction
Executive summary
Financial statements
Audit differences
Unadjusted audit differences: Summary
Unadjusted audit differences: Detail
Adjusted audit differences: Summary
Adjusted audit differences: Detail
Adjusted audit differences: Detail
Other reporting matters
Use of resources
Control environment
Audit report
Independence and fees
Appendices contents

ADJUSTED AUDIT DIFFERENCES: DETAIL

Details for the current year

	Income and expenditure			Balance Sheet	
	NET DR/(CR) £'000	DR £'000	(CR) £'000	DR £'000	(CR) £'000
Adjusted audit differences					
Retained deficit on the provision of services for the year before adjustments	8,887				
Adjustment 1: Reclassification of balances included within debtors (factual)					
DR Other receivable amounts				960	
CR Prepayments					245
CR Other payables					715
Adjustment 2: Additional depreciation for assets not previously depreciated (factual)					
DR Depreciation expense	12	12			
CR Property, plant and equipment					12
Adjustment 3: Correction for asset incorrectly transferred between assets under construction and land and buildings (factual)					
DR Assets under construction transfers				74	
CR Land and buildings transfers					74
DR Land and buildings disposals				74	
CR Assets under construction disposals					74

Contents
Introduction
Executive summary
Financial statements
Audit differences
Unadjusted audit differences: Summary
Unadjusted audit differences: Detail
Adjusted audit differences: Summary
Adjusted audit differences: Detail
Adjusted audit differences: Detail
Other reporting matters
Use of resources
Control environment
Audit report
Independence and fees
Appendices contents

ADJUSTED AUDIT DIFFERENCES: DETAIL

Details for the current year

Contents
Introduction
Executive summary
Financial statements
Audit differences
Unadjusted audit differences: Summary
Unadjusted audit differences: Detail
Adjusted audit differences: Summary
Adjusted audit differences: Detail
Other reporting matters
Use of resources
Control environment
Audit report
Independence and fees
Appendices contents

	Income and expenditure			Balance Sheet	
	NET DR/(CR) £'000	DR £'000	(CR) £'000	DR £'000	(CR) £'000
Adjusted audit differences					
Adjustment 4: Corrections for calculation errors in PPE note relating to split of valuation movements between revaluation reserve and CIES (judgemental)					
CR Revaluation increases/decrease recognised in the revaluation reserve					39
DR Revaluation increases/decrease recognised in the deficit on provision of services	39	39			
CR Depreciation written out to the revaluation reserve					38
DR Impairment losses/reversals recognised in the revaluation reserve				77	
CR Impairment losses/reversals recognised in the deficit on provision of services	(39)		39		
Adjustment 5: Impact of the McCloud judgement revision on the firefighter's pension scheme (judgemental)					
DR Pension fund liability				1,300	
CR CIES expenditure	(1,300)		1,300		
Total Adjusted audit differences	(1,288)	51	1,339	2,485	1,197
Adjusted retained deficit on the provision of services for the year	7,599				

REPORTING ON OTHER INFORMATION

- Contents
- Introduction
- Executive summary
- Financial statements
- Audit differences
- Other reporting matters**
- Reporting on other information
- Whole of Government Accounts
- Use of resources
- Control environment
- Audit report
- Independence and fees
- Appendices contents

We comment below on other reporting required to be considered in arriving at the final content of our audit report:

Matter	Comment
<p>We are required to report on whether the financial and non-financial information in the Narrative Report within the Statement of Accounts is consistent with the financial statements and the knowledge acquired by us in the course of our audit.</p>	<p>We are satisfied that the other information in the Narrative Report is consistent with the financial statements and our knowledge.</p>
<p>We are required to report by exception if the Annual Governance Statement is inconsistent or misleading with other information we are aware of from our audit of the financial statements, the evidence provided in the Authority’s review of effectiveness and our knowledge of the Authority.</p>	<p>We have no matters to report in relation to the consistency of the Annual Governance Statement with the financial statements and our knowledge.</p>

WHOLE OF GOVERNMENT ACCOUNTS

Contents
Introduction
Executive summary
Financial statements
Audit differences
Other reporting matters
Reporting on other information
Whole of Government Accounts
Use of resources
Control environment
Audit report
Independence and fees
Appendices contents

Matter	Comment
Auditors are required to review Whole of Government Accounts (WGA) information prepared by component bodies that are over the prescribed threshold of £500 million in any of: assets (excluding property, plant and equipment); liabilities (excluding pension liabilities); income or expenditure. The Authority falls below the threshold for review and there is no requirement for further work other than to submit the section on the WGA Assurance Statement to the WGA audit team with the total values for assets, liabilities, income and expenditure.	<p>Local authorities were required to submit the unaudited DCT to HM Treasury and auditors by 30 September 2020. The Authority met this deadline.</p> <p>We are planning to submit the relevant section of the assurance statement to the National Audit Office by the required deadline of 4 December 2020.</p>

OVERVIEW

Contents
Introduction
Executive summary
Financial statements
Audit differences
Other reporting matters
Use of resources
Overview
Control environment
Audit report
Independence and fees
Appendices contents

We are required to be satisfied that proper arrangements have been made to secure economy, efficiency and effectiveness in the use of resources (value for money) and report to you on an 'except for' basis. This is based on the following reporting criterion:

In all significant respects, the audited body had proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

As identified in our Audit Planning Report, our risk assessment did not identify any use of resources significant risks. We have since updated our risk assessment following our completion of our review of financial controls and review of the draft financial statements and we have not included any significant risks.

We have not identified any matters which require reporting to you.

There are three sub criteria that we consider as part of our overall risk assessment:

- Sustainable resource deployment
- Informed decision making
- Working with partners and other third parties.

SIGNIFICANT DEFICIENCIES

Contents
Introduction
Executive summary
Financial statements
Audit differences
Other reporting matters
Use of resources
Control environment
Significant deficiencies
Other deficiencies
Follow up of prior year deficiencies
Audit report
Independence and fees
Appendices contents

We are required to report to you, in writing, significant deficiencies in internal control that we have identified during the audit. These matters are limited to those which we have concluded are of sufficient importance to merit being reported to the Fire Authority Committee.

As the purpose of the audit is for us to express an opinion on the Authority’s financial statements and use of resources, you will appreciate that our audit cannot necessarily be expected to disclose all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist.

As part of our work, we considered internal control relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

Our audit to date has not identified any significant deficiencies in internal controls.



OTHER DEFICIENCIES

- Contents
- Introduction
- Executive summary
- Financial statements
- Audit differences
- Other reporting matters
- Use of resources
- Control environment**
- Significant deficiencies
- Other deficiencies
- Follow up of prior year deficiencies
- Audit report
- Independence and fees
- Appendices contents

Area	Observation & implication	Recommendation	Management response
Management review of valuation of the net pension liability.	<p>Management engage an actuary to value the net pension liability, which is a significant accounting estimate.</p> <p>Management have not undertaken a review of the outcome of the above engagement to ensure that it is consistent with their expectations.</p>	<p>As part of the accounts preparation process, identify significant accounting estimates and for high level expectations regarding movements in the associated assets and liabilities.</p> <p>Compare expectations to outputs generated by management’s expert. Challenge the expert where outputs are inconsistent with management’s expectation.</p>	[xx]

FOLLOW UP OF PRIOR YEAR DEFICIENCIES

Contents
Introduction
Executive summary
Financial statements
Audit differences
Other reporting matters
Use of resources
Control environment
Significant deficiencies
Other deficiencies
Follow up of prior year deficiencies
Audit report
Independence and fees
Appendices contents

Area	Issue and impact	Original recommendation	Progress	Management response
Generic User IDs	<p>We identified that journals had been posted using a generic user account called "SquareSum Database Administrator". There were two journals posted using this account during 2018/19. One of them is a credit note to cancel a previous invoice, the second to raise a new invoice for this same amount. Management have confirmed that they cancelled the original invoice in order to raise a new invoice to the correct debtor.</p> <p>Posting journals using generic accounts is not considered best practice, and increases the risk of fictitious journals being posted.</p>	All the journals should be posted using individual user accounts of each creator.	We identified one journal entry posted through the "SquareSum Database Administrator" account in 2019/20. This was a manual journal entry relating to payroll and pensions transactions, which had been posted by a member of the finance team.	[xx]
Related party declaration forms	<p>Some members did not respond to the declaration of interest requests sent by the Finance team.</p> <p>Not responding on declaration of interest requests could result in the omission of related parties in the statement of accounts.</p>	The Fire Authority needs to ensure they obtain signed declaration of interest forms from all members and officers.	As at the date of writing, the Fire Authority has not obtained all the declaration forms for 2019/20.	[xx]

OVERVIEW

Contents
Introduction
Executive summary
Financial statements
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report
Overview
Independence and fees
Appendices contents

Opinion on financial statements

We anticipate issuing an unmodified opinion on the financial statements.

An emphasis of matter will be raised in respect of the valuation of land and buildings due to a material uncertainty included in the valuation report by the Authority’s valuer.

Conclusion on use of resources

We are proposing to issue an unqualified use of resources conclusion.

Conclusion relating to going concern

We have nothing to report in respect of the applicability of the going concern basis of accounting or the Authority’s ability to continue as a going concern for a period of at least twelve months from the date of approval of the financial statements.

There are no material uncertainties in relation to going concern disclosed in the financial statements of which we are aware that we need to draw attention to in our report.

Other information

We have not identified any material misstatements that would need to be referred to in our report.

Annual Governance Statement

We have no matters to report in relation to the Annual Governance Statement as it is not inconsistent or misleading with other information we are aware of.

INDEPENDENCE

Contents
Introduction
Executive summary
Financial statements
Audit differences
Other reporting matters
Use of resources
Control environment
Audit report
Independence and fees
Independence
Fees
Appendices contents

Under ISAs (UK) and the FRC’s Ethical Standard we are required, as auditors, to confirm our independence.

Under ISAs (UK) and the FRC’s Ethical Standard, we are required as auditors to confirm our independence.

We have embedded the requirements of the Standards in our methodologies, tools and internal training programmes. Our internal procedures require that audit engagement partners are made aware of any matters which may reasonably be thought to bear on the integrity, objectivity or independence of the firm, the members of the engagement team or others who are in a position to influence the outcome of the engagement. This document considers such matters in the context of our audit for the year ended 31 March 2020.

Details of rotation arrangements for key members of the audit team and others involved in the engagement were provided in our Audit Planning Report.

We have not identified any relationships or threats that may reasonably be thought to bear on our objectivity and independence.

We confirm that the firm, the engagement team and other partners, directors, senior managers and managers conducting the audit comply with relevant ethical requirements including the FRC’s Ethical Standard or the IESBA Code of Ethics as appropriate and are independent of the Authority.

We also confirm that we have obtained confirmation of independence from non BDO auditors and external audit experts involved in the audit comply with relevant ethical requirements including the FRC’s Ethical Standard and are independent of the Authority.

Should you have any comments or queries regarding any independence matters we would welcome their discussion in more detail.

FEES

Fees summary	2019/20	2019/20	2018/19
	Actual	Planned	Actual
	£	£	£
Audit fee			
Code audit fee: financial statements and use of resources	24,536	24,536	24,536
Non-audit assurance services	-	-	-
Total fees	24,536	24,536	24,536

Amendments to the proposed fees

If we need to propose any amendments to the fees during the course of the audit, where our assessment of risk and complexity are significantly different from those reflected in the proposed fee or where we are required to carry out work in exercising our additional powers and duties, we will first discuss this with the Authority. Where this requires a variation to the scale fee set by PSAA we will seek approval from Public Sector Audit Appointments Limited (PSAA). If necessary, we will also prepare a report outlining the reasons why the fee needs to change for discussion with the Fire Authority Committee.

The 2019/20 planned Code fee is the PSAA-published level. The Scale is largely based on the historical position from 2012/13 and so, it does not reflect any of the changes in audit scope and depth linked to current audit requirements for property, plant and equipment or pensions liability valuation work. Discussions on the fee impact will be held initially with officers in the context of detailed operational planning and interim audit scope so as to best mitigate increases.

*Discussions are currently ongoing regarding re-basing the fee with effect from 2019/20.



- Contents
- Introduction
- Executive summary
- Financial statements
- Audit differences
- Other reporting matters
- Use of resources
- Control environment
- Audit report
- Independence and fees**
- Independence
- Fees
- Appendices contents

APPENDICES CONTENTS

A	Our responsibilities	39	G	Letter of representation	50
	Our responsibilities	39		Representative letter	50
	Additional matters we are required to report	40		Representative letter 2	51
B	Communication with you	41		Representative letter 3	52
	Communication with you	41	H	Audit quality	53
C	Outstanding matters	42		Audit quality	53
	Outstanding matters	42			
D	Latest regulatory developments	43			
	Latest regulatory developments	43			
	Latest regulatory developments 2	44			
	Latest regulatory developments 3	45			
	Latest regulatory developments 4	46			
	Latest regulatory developments 5	47			
E	Ethical standard	48			
	FRC Ethical standard	48			
F	Audit committee guidance	49			
	FRC Practice Aid for Audit Committees	49			

OUR RESPONSIBILITIES

Responsibilities and reporting

Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality

Our responsibilities and reporting

We are responsible for performing our audit under International Standards on Auditing (UK) to form and express an opinion on your financial statements. We report our opinion on the financial statements to the officers of the Authority.

We read and consider the ‘other information’ contained in the Statement of Accounts such as the Narrative Report. We will consider whether there is a material inconsistency between the other information and the financial statements or other information and our knowledge obtained during the audit.

We report where we consider that the Authority had not put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

What we don’t report

Our audit is not designed to identify all matters that may be relevant to the Fire Authority Committee and cannot be expected to identify all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist.



ADDITIONAL MATTERS WE ARE REQUIRED TO REPORT

Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality

	Issue	Comments
1	Significant difficulties encountered during the audit.	No exceptions to note.
2	Written representations which we seek.	We enclose a copy of our draft representation letter.
3	Any fraud or suspected fraud issues.	No exceptions to note.
4	Any suspected non-compliance with laws or regulations.	No exceptions to note.
5	Significant matters in connection with related parties.	No exceptions to note.

COMMUNICATION WITH YOU

- Contents
- Appendices contents
- Our responsibilities
- Additional matters we are required to report
- Communication with you
- Outstanding matters
- Latest regulatory developments
- Latest regulatory developments 2
- Latest regulatory developments 3
- Latest regulatory developments 4
- Latest regulatory developments 5
- Ethical standard
- Audit committee guidance
- Representative letter
- Representative letter 2
- Representative letter 3
- Audit quality

Those Charged with Governance (TCWG)

References in this report to Those Charged With Governance are to the Authority as a whole. For the purposes of our communication with those charged with governance you have agreed we will communicate primarily with the Fire Authority Committee.

Communication, meetings and feedback

We request feedback from you on our planning and completion report to promote two way communication throughout the audit process and to ensure that all risks are identified and considered; and at completion that the results of the audit are appropriately considered.

We have met with management throughout the audit process. We have issued regular updates driving the audit process with clear and timely communication, bringing in the right resource and experience to ensure efficient and timely resolution of issues.

Communication	Date (to be) communicated	To whom
Audit Plan	7 May 2020	By e-mail to members of Overview and Scrutiny Committee
Audit Progress Report	23 July 2020	Policy and Resources Committee
Audit Completion Report	22 October 2020	Fire Authority Committee
Annual Audit Letter	7 January 2021	Overview and Scrutiny Committee

OUTSTANDING MATTERS

Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality

We have substantially completed our audit work in respect of the financial statements and use of resources for the year ended 31 March 2020.

The following matters are outstanding at the date of this report and could impact our audit opinion. We will update you on their current status at the Fire Authority Committee meeting at which this report is considered:

- Clearance of outstanding requests currently with management
- Completion of audit testing in respect of:
 - Pensions (including assurance letter)
 - Income - two outstanding audit queries
 - Payroll - completion of main sample test
 - Going concern - management’s going concern assessment to be reviewed
 - Minute review post June 2020
- Final Manager and Partner review and clearance of review points within our file
- Final review and approval by you of the Statement of Accounts
- Completion procedures:
 - Checks on approved Statement of Accounts
 - Subsequent events review up to the date of signing
 - Management letter of representation, as attached on pages 50 to 52 to be approved and signed



LATEST REGULATORY DEVELOPMENTS

Future of Audit, Regulation and Market Competition

A number of corporate governance, financial reporting and audit failures since the ‘financial crises’ have led to auditing being the focus of the BEIS Select Committee and the commissioning of three separate, but related, independent reviews scrutinising audit, auditors and the corporate and audit regulatory environment. Although these independent reviews started at various times since 2018, none have yet fully concluded upon and further consultations on precisely what the implementation will look like is expected to take place during 2020. However, that is not to say that changes have not already begun: There are already a number of changes being made by the market participants themselves such as increased operational separation of audit from consulting and voluntary restriction of non-audit services. There have also been a number of changes arise through regulation such as the further restriction on non-audit services introduced with the new ethical standard in December 2019. Other expected changes will be implemented via a suite of consultations expected in 2020. Detailed below is a summary of the current reports issued and their status with a summary of the contents.

Initiative	Timeline 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Status
BEIS Select Committee	‘Carillion’ report issued 5/2018	‘Future of audit’ report issued 24/4/2019	Government response issued 7/6/2019			It is a priority area for the Committee which has a watching brief
Competition and Markets Authority (CMA) Report ‘Statutory Audit Services Market Study’	Launch of Market study 9/10/2018	Responses to consultation 21/1/2019	Report and recommendations published 18/4/2019	First BEIS consultation on implementation ended 13/9/2019		Further consultations expected in 2020
‘Report of the Independent Review in to the quality and Effectiveness of Audit’ - Sir Donald Brydon		Team appointed to undertake review 2/2019	Consultation ended 7/6/2019		Brydon report issued 9/12/2019	Further consultations expected in 2020
‘Independent Review of the FRC’ by Sir John Kingman	Kingman Report published - 83 recommendations 18/12/2018	Secretary of State announces plans for a new regulator (ARGA) 11/3/2019	48 recommendations to be implemented by FRC BEIS first implementation consultation ended 11/6/2019			Further consultations expected in 2020

LATEST REGULATORY DEVELOPMENTS 2

Continued

Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality

Report	Topic	Key points
'Independent Review of the FRC' by Sir John Kingman	December 2018 - Future of regulation and the FRC - requested by the Secretary of State	<ul style="list-style-type: none"> Highlighted deficiencies in FRC and its operating effectiveness New regulator to replace FRC 'Audit, Reporting and Governance Authority' Reconsideration of which entities are classed as 'public interest' <p>A number of changes require legislation changes but the FRC is working on implementation where possible.</p>
Related BEIS consultation	BEIS consultation - independent review of the FRC - March 2019 - Recommends adopting a significant number of the Kingman proposals without further consultation - ended June 2019	<p>The proposals being classed as:</p> <ul style="list-style-type: none"> FRC and BEIS will implement as soon as possible Can be implemented once considered, in advance of legislation Primary legislation required <p>Further consultations are expected and will form part of the 2020 suite of consultations undertaken.</p>
Competition and Markets Authority (CMA) Report 'Statutory Audit Services Market Study'	April 2019 - Future of market competition	<p>Report 18 April 2019 - suggestions include</p> <ul style="list-style-type: none"> Increased accountability of audit committees including a focus on how they select auditors and their consideration of audit quality Mandatory joint audits for largest companies including one member not from the big 4 and peer reviews An operational split between the audit and non audit practices of the big 4 A 5 year review of progress by the new regulator <p>Further consultations are expected and will form part of the 2020 suite of consultations undertaken.</p>

LATEST REGULATORY DEVELOPMENTS 3

Continued

Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality

Report	Topic	Key points
BEIS (Business, Energy and Industrial Strategy Committee) Report 'The Future of Audit' - 24 April	Consideration of 2 reports - CMA and Kingman - to ensure they will lead to coherent framework	<p>This report considers the CMA and Kingman reports and supports their recommendations and encourages implementation. In particular:</p> <ul style="list-style-type: none"> • Implement Kingman recommendations as soon as possible • Endorsement of CMAs suggestion to split firms operations between audit and non-audit • Segmented market cap and joint audits for FTSE 100 • Detecting fraud a priority • Tightening of dividend regime • Make audit more forward looking • Welcomes introduction of ARGAs - deal with failures more quickly and more stringently <p>Published June 2019.</p>

LATEST REGULATORY DEVELOPMENTS 4

Brydon

Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality

In December 2019 Sir Donald Brydon published his “Report of the Independent Review in to the quality and Effectiveness of Audit” . This report proposes a fundamental changes to the audit profession, the scope of audit and how the Audit Committee interacts with auditors and shareholders. The report introduces over 100 actions in a number of areas including:

- Audit Purpose, Audit Profession and Auditor reporting;
- Directors’ Reporting;
- Role of Shareholders;
- Other stakeholders;
- Internal Controls;
- Fraud;
- Transparency;
- Technology;
- Auditor Liability;
- Audit and Risk Committees;
- KPIs and APMs (Alternative Performance Measures); and
- ARGA - the new regulator.

Key considerations for Audit Firms

- A new definition of audit: “ The purpose of an audit is to help establish and maintain deserved confidence in a company, in its directors and in the information for which they have responsibility to report, including the financial statements.”
- Recognition of other stakeholders alongside the company’s shareholders;
- Creation of a standalone audit profession as opposed to an extension of the accounting profession;
- Introduce the need for ‘professional suspicion’ alongside ‘professional scepticism’;

- Replace ‘true and fair’ with ‘present fairly, in all material respects’;
- Retain binary audit opinion but create continuity between reports, increase transparency further, have regard to other public information;
- Report specifically on the directors’ statement in relation to fraud; and
- Audit firms ensure a clear separation between the team which negotiates the audit fees, and the team which carries out the audit.

Key considerations for Audit Committees are as follows

- Recommendations for Directors to present to shareholders a three year audit and assurance policy dealing with auditors appointment, assurance budget and risks;
- Directors to present an annual Public Interest Statement and Resilience Statement (replacing the going concern and viability statements) in the annual report;
- Directors to present an annual statement on the actions they have taken to prevent fraud;
- CEO and CFO to provide an annual attestation to the board of directors as to the effectiveness of the company’s internal controls over financial reporting;
- Directors be required to disclose when any material failure of their internal controls has taken place;
- Any Alternative Performance Measures reported by a company, and any use of Key Performance Indicators to underpin executive remuneration, should be subject to audit; and
- Publication by the directors of a risk report in advance of the audit with shareholders to be given a formal opportunity to propose matters to be covered in the audit and also permitted to question the Audit Committee Chair and the auditor.

LATEST REGULATORY DEVELOPMENTS 5

Redmond

On 8 September 2020, Sir Tony Redmond published his *Independent Review into the Oversight of Local Audit and the Transparency of Local Authority Financial Reporting*

The Report includes a number of key recommendations, including:

- The establishment of new body, the Office of Local Audit and Regulation (OLAR), be created to manage, oversee and regulate local audit, taking on certain responsibilities from Public Sector Audit Appointments (PSAA), Institute of Chartered Accountants in England and Wales (ICAEW), FRC/ARGA, and the Comptroller and Auditor General (C&AG)
- The governance arrangements within local authorities be reviewed by local councils with the purpose of:
 - an annual report being submitted to Full Council by the external auditor;
 - consideration being given to the appointment of at least one independent member, suitably qualified, to the Audit Committee; and
 - formalising the facility for the CEO, Monitoring Officer and Chief Financial Officer (CFO) to meet with the Key Audit Partner at least annually.
- The current fee structure for local audit be revised to ensure that adequate resources are deployed to meet the full extent of local audit requirements.
- Quality be consistent with the highest standards of audit within the revised fee structure. In cases where there are serious or persistent breaches of expected quality standards, OLAR has the scope to apply proportionate sanctions.
- The deadline for publishing audited local authority accounts be revisited with a view to extending it to 30 September from 31 July each year.
- The external auditor be required to present an Annual Audit Report to the first Full Council meeting after 30 September each year, irrespective of whether the accounts have been certified; OLAR to decide the framework for this report.

Contents

Appendices contents

Our responsibilities

Additional matters we are required to report

Communication with you

Outstanding matters

Latest regulatory developments

Latest regulatory developments 2

Latest regulatory developments 3

Latest regulatory developments 4

Latest regulatory developments 5

Ethical standard

Audit committee guidance

Representative letter

Representative letter 2

Representative letter 3

Audit quality

FRC ETHICAL STANDARD

Issued in December 2019

- Contents
- Appendices contents
- Our responsibilities
- Additional matters we are required to report
- Communication with you
- Outstanding matters
- Latest regulatory developments
- Latest regulatory developments 2
- Latest regulatory developments 3
- Latest regulatory developments 4
- Latest regulatory developments 5
- Ethical standard
- Audit committee guidance
- Representative letter
- Representative letter 2
- Representative letter 3
- Audit quality

In December 2019 the FRC published the Revised Ethical Standard 2019 ('ES'), which is applicable from 15 March 2020. There are some transitional provisions for services and arrangements that are not currently prohibited under the existing Standard. The ES aims to further strengthen auditor independence and enhance confidence in the profession. The table below provides a high level summary of the key headlines.

Key headlines	Impact
The objective, reasonable & informed third party test	Reinforcement that ethical principles take priority over rules. A need to take care where particular facts and circumstances are either not addressed directly by the rules or might appear to 'work around' the rules, or result in an outcome that is inconsistent with the general principles.
Extra-territorial impact	For group audits where the audited entity has overseas operations, the ES will require all BDO Member firms to be independent of the UK audited entity and its UK and overseas affiliates in accordance with the UK Ethical Standard, irrespective of if their audit work is relied upon.
Contingent fees	Non-audit services with contingent or success-based fee arrangements will be prohibited for audited entities.
Secondments	All secondments/loan staff to audited entities are prohibited with the exception of secondments to public sector entities.
Recruitment and remuneration services	Prohibition on providing remuneration services to audited entities such as advising on the quantum of the remuneration package or the measurement criteria for calculation of the package. In addition, the prohibition on providing recruitment services to an audited entity that would involve the firm taking responsibility for, or advising on the appointment of, any director or employee of the entity.
Non-audit services to a public interest entity (PIE)	Moving to a "white-list" of permitted non-audit services for PIEs. The white-list largely consists of services which are either audit-related or required by law and/or regulation. The provision of services not on the white-list are prohibited. The ES separates those permitted services which are exempt from the 70% fee cap and those services which are subject to the fee cap.
Other entities of public interest ('OEPI')	OEPI is a new term in the Ethical Standard. The FRC have imposed the 'white-list' applicable to PIE audited entities to also apply to OEPIs. OEPIs are entities which, according to the FRC, do not meet the definition of a PIE but nevertheless are of significant public interest to stakeholders. They include AIM listed entities which exceed the threshold to be an <i>SME listed entity</i> - generally those with a market cap of more than €200m; Lloyd's syndicates; Private sector pension schemes with more than 10,000 members and more than £1billion of assets; Entities that are subject to the governance requirements of The Companies (Miscellaneous Reporting) Regulations 2018 (SI/2018/860), excluding fund management entities which are included within a private equity or venture capital limited partnership fund structure. These would be entities which: <ul style="list-style-type: none"> - Have more than 2000 employees; and / or - Have a turnover of more than £200 million and a balance sheet total of more than £2 billion.

The FRC have noted that the rules applicable to OEPIs will apply from periods commencing on or after 15 December 2020.

FRC PRACTICE AID FOR AUDIT COMMITTEES

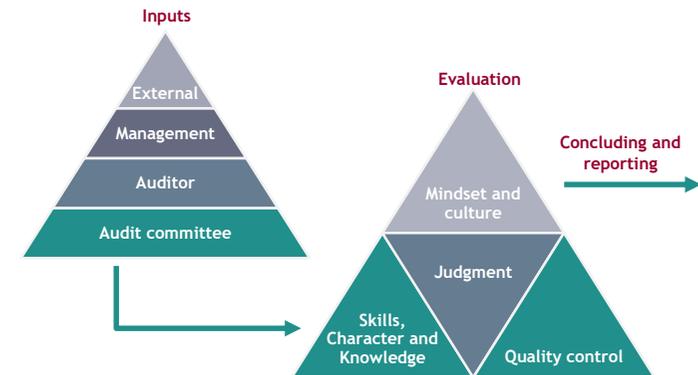
Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality

The FRC issued an updated practice aid for audit committees in December 2019 and a full copy can be found on the [FRC website](#). In their practice aid the FRC note: ‘The directors of a company (the Board as a whole) are responsible for ensuring its financial statements are prepared in accordance with the applicable financial reporting framework and for overseeing the company’s internal control framework. A high-quality audit provides investors and other stakeholders with a high level of assurance that the financial statements of an entity give a true and fair view and provide a reliable and trustworthy basis for taking decisions.’

The practice aid then discusses how the role of audit committees in serving the interests of investors and other stakeholders is through their independent oversight of the annual corporate reporting process including the audit. The FRC highlight that the responsibility for appointing the external auditor, approving their remuneration and any non audit services work, ensuring their independence and challenging them over the quality of their work falls to the audit committee and can play a key role in facilitating a high quality audit (see note below).

It gives guidance for Audit Committees in the following areas:

- Audit tenders and the tender process including audit fee negotiations and auditor independence
- A model for use by audit committees in making an overall assessment of an external auditor including inputs, evaluations and concluding:



- Transparency - reporting to the Board on how the audit committee has discharged these responsibilities
- Some guidance on key areas of audit judgement

The provision of high quality audits are a key focus of FRC and the new Executive Director of Supervision, David Rule, sent a letter to all audit firms in November 2019 explaining the factors he would expect to see in place in order to facilitate the delivery of high quality audits. A copy of the letter can be found on the [FRC website](#).

BDO LLP
55 Baker Street
London
W1U 7EU

Dear Sir / Madam

Financial statements of Cambridgeshire and Peterborough Fire Authority for the year ended 31 March 2020

We confirm that the following representations given to you in connection with your audit of the Authority’s financial statements for the year ended 31 March 2020 are made to the best of our knowledge and belief, and after having made appropriate enquiries of other officers and members of the Authority.

The Deputy Chief Executive has fulfilled his responsibilities for the preparation and presentation of the financial statements as set out in the Accounts and Audit Regulations 2015 and in particular that the financial statements give a true and fair view of the financial position of the Authority as of 31 March 2020 and of its income and expenditure and cash flows for the year then ended in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

We have fulfilled our responsibilities on behalf of the Authority, as set out in the Accounts and Audit Regulations 2015, to make arrangements for the proper administration of the Authority’s financial affairs, to conduct a review at least once in a year of the effectiveness of the system of internal control and approve the Annual Governance Statement, to approve the Statement of Accounts (which include the financial statements), and for making accurate representations to you.

We have provided you with unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence. In addition, all the accounting records of the Authority have been made available to you for the purpose of your audit and all the transactions undertaken by the Authority have been properly reflected and recorded in the accounting records. All other records and related information, including minutes of management and other meetings have been made available to you.

Going concern

We have made an assessment of the Authority’s ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements were approved for release. As a result of our assessment we consider that the Authority is able to continue to operate as a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

In making our assessment we did not consider there to be any material uncertainty relating to events or conditions that individually or collectively may cast significant doubt on the Authority’s ability to continue as a going concern.

Laws and regulations

In relation to those laws and regulations which provide the legal framework within which the Authority’s business is conducted and which are central to our ability to conduct our business, we have disclosed to you all instances of possible non-compliance of which we are aware and all actual or contingent consequences arising from such instances of non-compliance.

Post balance sheet events

There have been no events since the balance sheet date which either require changes to be made to the figures included in the financial statements or to be disclosed by way of a note. Should any material events of this type occur, we will advise you accordingly.

Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality

Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality

Fraud and error

We are responsible for adopting sound accounting policies, designing, implementing and maintaining internal control, to, among other things, help assure the preparation of the financial statements in conformity with generally accepted accounting principles and preventing and detecting fraud and error.

We have considered the risk that the financial statements may be materially misstated due to fraud and have identified no significant risks.

To the best of our knowledge we are not aware of any fraud or suspected fraud involving management or employees. Additionally, we are not aware of any fraud or suspected fraud involving any other party that could materially affect the financial statements.

To the best of our knowledge we are not aware of any allegations of fraud or suspected fraud affecting the financial statements that have been communicated by employees, former employees, analysts, regulators or any other party.

Misstatements

We attach a schedule showing uncorrected misstatements that you have identified, which we acknowledge that you request we correct. Where appropriate we have explained our reasons for not correcting such misstatements below. In our opinion, the effects of not recording such identified financial statement misstatements are, both individually and in the aggregate, immaterial to the financial statements as a whole.

Related party transactions

We have disclosed to you the identity of all related parties and all the related party relationships and transactions of which we are aware. We have appropriately accounted for and disclosed such relationships and transactions in accordance with the applicable financial reporting framework.

There were no loans, transactions or arrangements between the Authority and the members or their connected persons at any time in the year which were required to be disclosed.

Carrying value and classification of assets and liabilities

We have no plans or intentions that may materially affect the carrying value or classification of assets or liabilities reflected in the financial statements.

Accounting estimates

We confirm the following significant assumptions made in relation to accounting estimates (including fair value measurements) used in the preparation of the financial statements:

a) assumptions used by the actuary in the calculation of the pension fund liability

We confirm that the actuarial assumptions underlying the valuation of the Local Government Pension Scheme (LGPS) and Firefighters schemes liabilities, as applied by the schemes' actuary, are reasonable and consistent with our knowledge of the business. These assumptions include:

	LGPS	Firefighter's schemes
Rate of inflation (CPI)	2.0%	2.0%
Rate of increase in salaries	2.3%	2.8%
Rate of increase in pensions	1.8%	1.9%
Rate of discounting scheme liabilities	2.3%	2.3%

Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality

We also confirm that the actuary has applied up-to-date mortality tables for life expectancy of scheme members in calculating scheme liabilities.

b) assumptions used for land and buildings valuations.

We are satisfied that the useful economic lives of land and buildings, and their constituent components, used in the valuation of land and buildings, and the calculation of the depreciation charge for the year, are reasonable.

We confirm that the valuations applied to land and buildings revalued in the year, as provided by the valuer and accounted for in the financial statements, are reasonable and consistent with our knowledge of the business and current market prices.

Litigation and claims

We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and these have been accounted for and disclosed in accordance with the requirements of accounting standards.

Confirmation

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We confirm that the financial statements are free of material misstatements, including omissions.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each officer and member has taken all the steps that they ought to have taken as an officer or member of the Authority in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

Matthew Warren

Deputy Chief Executive

[date]

Councillor Reynolds

Chair of the Policy and Resources Committee

[date]

AUDIT QUALITY

Contents
Appendices contents
Our responsibilities
Additional matters we are required to report
Communication with you
Outstanding matters
Latest regulatory developments
Latest regulatory developments 2
Latest regulatory developments 3
Latest regulatory developments 4
Latest regulatory developments 5
Ethical standard
Audit committee guidance
Representative letter
Representative letter 2
Representative letter 3
Audit quality



BDO is totally committed to audit quality

It is a standing item on the agenda of BDO’s Leadership Team who, in conjunction with the Audit Stream Executive (which works to implement strategy and deliver on the audit stream’s objectives), monitor the actions required to maintain a high level of audit quality within the audit stream and address findings from external and internal inspections.

BDO welcomes feedback from external bodies and is committed to implementing necessary actions to address their findings.

We recognise the importance of continually seeking to improve audit quality and enhancing certain areas. Alongside reviews from a number of external reviewers, the AQR (the FRC’s Audit Quality Review team), QAD (the ICAEW Quality Assurance Department) and the PCAOB (Public Company Accounting Oversight Board who oversee the audits of US companies), the firm undertakes a thorough annual internal Audit Quality Assurance Review and as member firm of the BDO International network we are also subject to a quality review visit every three years.

We have also implemented additional quality control review processes for all listed and public interest audits.

More details can be found in our Transparency Report at www.bdo.co.uk

FOR MORE INFORMATION:

Rachel Brittain

t: +44 (0)20 7893 2362
m: +44 (0)7971 716 487
e: rachel.brittain@bdo.co.uk

Matthew Weller

t: +44(0)1473 320804
e: matthew.weller@bdo.co.uk

The matters raised in our report prepared in connection with the audit are those we believe should be brought to your attention. They do not purport to be a complete record of all matters arising. This report is prepared solely for the use of the company and may not be quoted nor copied without our prior written consent. No responsibility to any third party is accepted.

BDO is an award winning UK member firm of BDO International, the world's fifth largest accountancy network, with more than 1,500 offices in over 160 countries.

BDO LLP is a corporate establishment under the Limited Liability Partnership Act 2000 and a UK Member Firm of BDO International. BDO Northern Ireland, a separate partnership, operates under a licence agreement. BDO LLP and BDO Northern Ireland are both separately authorised and regulated by the Financial Conduct Authority to conduct investment business.

©2020 BDO LLP. All rights reserved.

www.bdo.co.uk



CAMBRIDGESHIRE
& PETERBOROUGH
FIRE AUTHORITY

Cambridgeshire and Peterborough Fire Authority

**Annual Accounts for the
year 2019/20**

Contents of the 2019/20 Statement of Accounts	Page No
Narrative Report	3
Summary of the 2019/20 Financial Year	5
Statement of Responsibilities for the Statement of Accounts	9
Expenditure and Funding Analysis	11
Core Financial Statements	
• Comprehensive Income and Expenditure Statement	12
• Movement in Reserves Statement	13
• Balance Sheet	15
• Cash Flow Statement	16
• Notes to the Financial Statements	17
• Firefighters Pension Fund Account	59
• Net Asset Statement	60
Independent Auditors' Report to the Members of Cambridgeshire and Peterborough Fire Authority	61
Glossary of Terms	64

Narrative Report

Cambridgeshire and Peterborough Fire Authority was formed on 1 April 1998 following Local Government reorganisation in Cambridgeshire.

The Fire Authority must prepare and publish a Statement of Accounts annually. Its purpose is to give electors, local taxpayers, Fire Authority Members, employees and other interested parties clear information about the Fire Authority's finances.

Publication of these accounts, which have been prepared in accordance with the 'Code of Practice on Local Authority Accounting in the United Kingdom for 2019/20', which is based on International Financial Reporting Standards (IFRS), is required under the Local Audit and Accountability Act 2014 and the Accounts and Audit (England) Regulations 2015.

The purpose of the Statement of Accounts aim is to provide information on:

- the cost of providing Fire Authority services in the financial year;
- how these services were paid for;
- what assets the Fire Authority owned at the end of the financial year; and
- what was owed, to and by, the Fire Authority at the end of the financial year.

This report gives a guide to the most important matters included in the Statement of Accounts.

Performance

The Authority has undertaken a full refresh of the Integrated Risk Management Plan (IRMP) for 2020-24. Performance against the current IRMP is regularly reported to the Fire Authority.

Financial Outlook

The Government's Comprehensive Spending Review (CSR) reduced levels of central government funding for Fire and Rescue Services. In response to this, the Fire Authority has an Efficiency Plan in place. This is to show how the Fire Authority plans to improve the service it provides whilst managing with reduced real-term funding levels. The Efficiency Plan can be viewed via the following link:

<https://www.cambsfire.gov.uk/media/2218/efficiency-plan-2016-2020.pdf>

The future governance role of the Fire Authority

The Government has announced that in Cambridgeshire, responsibility for the governance of the service will transfer from the Fire Authority to the Police and Crime Commissioner (PCC). At this time, the Fire Authority is going through a Judicial Review and timescales remain uncertain.

The Statement of Accounts for the year ended 31 March 2020 consists of the following:-

The Statement of Responsibilities for the Statement of Accounts

This sets out the respective responsibilities of the Fire Authority and the Treasurer for preparing the Statement of Accounts.

The Movement in Reserves Statement

This statement shows the movement in year on the different reserves held by the Fire Authority analysed between usable and other reserves. The surplus or (deficit) on the Provision of Services line shows the true economic cost of providing the Fire Authority's service, more details of which are shown in the Comprehensive Income and Expenditure Statement.

The Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Fire Authority raises taxation to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

The Balance Sheet

This shows information on the financial position of the Fire Authority as at the 31 March 2020, including the level of balances and reserves at the Fire Authority's disposal, its long term indebtedness and the value of the assets held by the Fire Authority.

The Cash Flow Statement

This shows the cash and cash equivalent movements in and out of the Fire Authority due to transactions with third parties for revenue and capital purposes.

The Statement of Accounting Policies

This summarises the accounting rules used to prepare the Statement of Accounts.

Notes to the Financial Statements

These explain in more detail a number of entries in the core financial statements.

The Firefighter Pension Fund Accounts

These set out the payments made and received in respect of the Firefighter Pension Schemes.

The Net Asset Statement

This sets out the balance of Firefighters Pension funding payable to / from central government.

External Borrowing

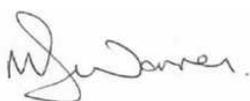
The Fire Authority has existing long term borrowing from the Public Works Loans Board (PWLB), totalling £3,200k, which has been taken out to fund the Fire Authority's historical capital programme. No new borrowing was taken during the financial year.

Pensions Liability

The Fire Authority participates in five defined benefit pension schemes. Although the benefits will not actually be payable until employees retire, the Fire Authority has a commitment, under International Accounting Standard 19 – Employee Benefits, to account for the significant liability that is disclosed within the Balance Sheet.

Opinion

In my opinion the statement of accounts present a true and fair view of the financial position of the Fire Authority at 31 March 2020 and its income and expenditure for the year then ended.



Matthew Warren CPFA

Treasurer
Date:

Signed on behalf of the Fire Authority:

I confirm that these accounts were approved and events after the 31 March 2020 up to the were taken into account by the Cambridgeshire and Peterborough Fire Authority.

Cllr Kevin Reynolds
On behalf of Cambridgeshire and Peterborough Fire Authority

Date:

For further information concerning any items contained in this Statement please write to:

The Treasurer
Cambridgeshire and Peterborough Fire Authority
Hinchingsbrooke Cottage
Brampton Road
Huntingdon
Cambs PE29 2NA

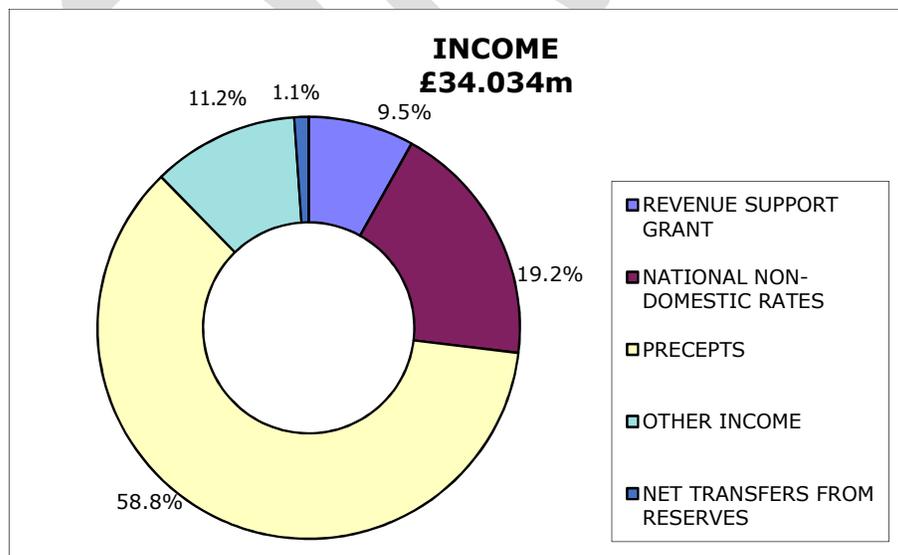
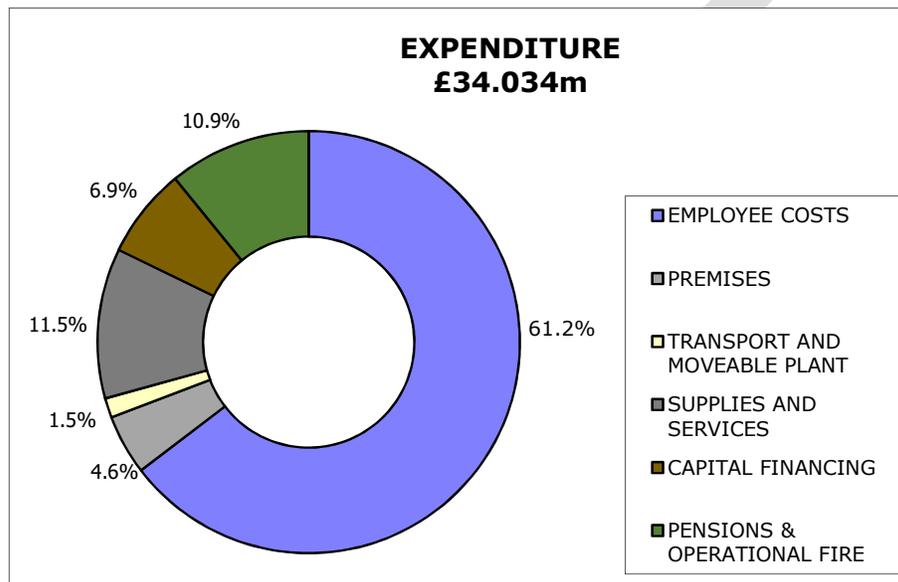
or telephone (01480) 444500

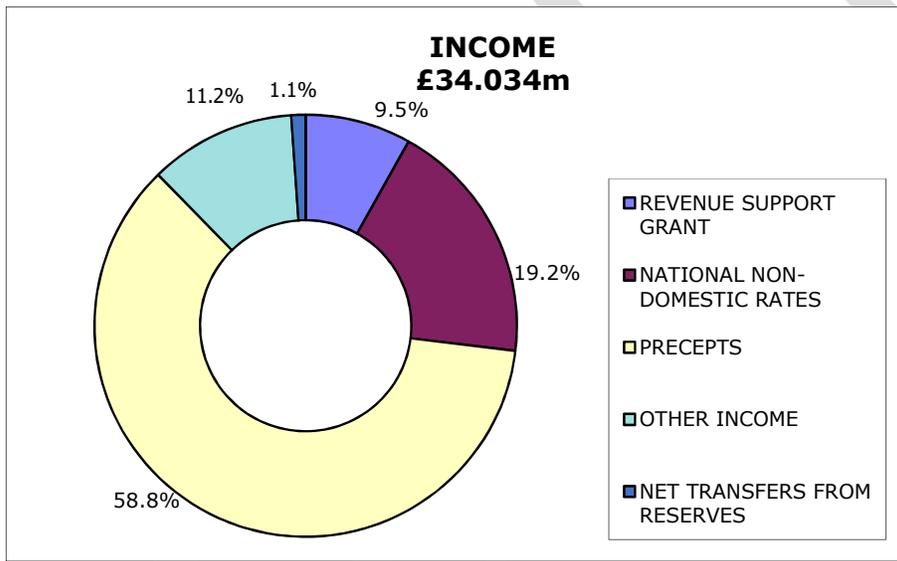
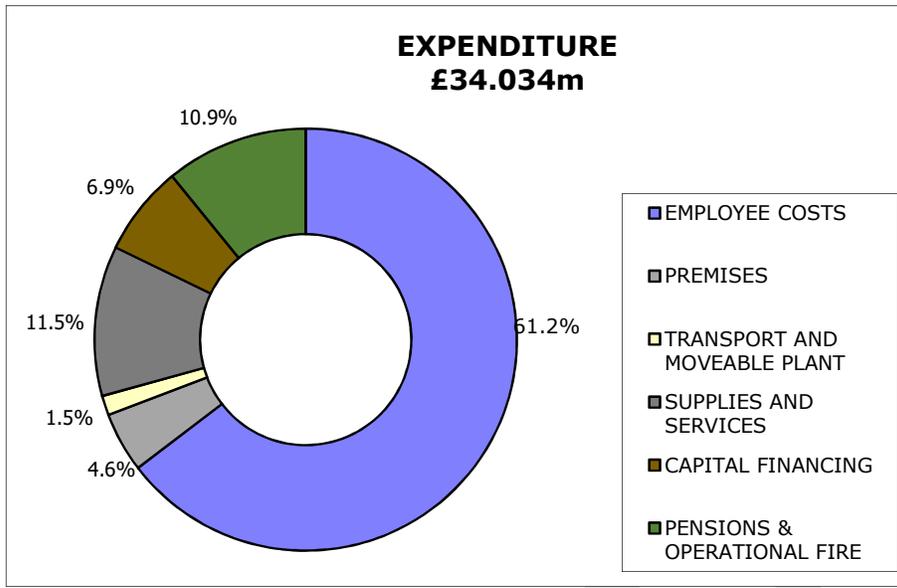
Summary of the Financial Year

Revenue Spending

The figures used in this summary are taken from the Fire Authority's management accounts and will be different in some areas to the numbers in the Statement of Accounts. The Fire Authority's total net expenditure was £30.224m. This is made up of £34.034m (expenditure) less £3.810m (other income). The following charts show where the monies we received came from and how we spent it.

Expenditure and income charts





The Fire Authority held £3.184m in general reserves as at 31 March 2020, which equals 10% of revenue budget. The General Reserve is required to provide the Fire Authority with financial flexibility when dealing with unexpected circumstances. Specific Reserves have also been established to provide for future or predicted liabilities. A statement detailing our earmarked reserves is set out at Note 9 to the Statement of Accounts.

A summarised comparison of the Fire Authority’s expenditure for the year to the budget is presented in the table on page 8. A reconciliation between the figures shown in this table and the Comprehensive Income and Expenditure Statement is shown in the Expenditure and Funding Analysis on page 10.

The table below shows the cash movements to reconcile with that in the Movement in Reserves Statement (page 13).

	£000's
General reserve balance as at 31st March 2019	2,506
Transfer from Revenue C/forwards Reserve	678
General reserve balance as at 31st March 2020	3,184

The Fire Authority undertook a wholetime recruitment campaign to ensure that operational firefighter numbers remained above or at the budgeted position. Owing to the lead time required to train firefighters and the estimated retirement profile over the next 18 months, additional firefighters over that budgeted were recruited. A separate reserve was earmarked to fund the additional cost and will be applied as is required. No application of this reserve was applied in 2019/20, owing to underspends elsewhere in the budget.

The primary underspend against the budget related to supplies and services. IT & communication expenses were underspent as the service is moving to new software providers and these projects will be delivered in 2020/21. The remaining underspend, after offsetting the cost of additional firefighters, has been applied to fund capital expenditure.

Summary Financial Table

Description	Revised Budget £	Actual to Date £	Variance £	Variance %
Full Time Firefighters	12,602	12,708	106	0.84%
Control Room Staff	1,549	1,613	64	4.13%
Local Govt. Employees	3,569	3,410	-159	-4.46%
Senior Management (Hay)	3,007	3,087	80	2.66%
Recruitment & Training	627	516	-111	-17.70%
Fire Allowances	617	691	74	11.99%
EMPLOYEE COSTS	21,971	22,023	51	0.23%
Property Maintenance	368	407	39	10.60%
Insurance	80	50	-30	-37.50%
Energy Costs	305	269	-36	-11.80%
Cleaning	160	149	-11	-6.88%
Rents & Rates	689	677	-12	-1.74%
PREMISES	1,602	1,551	-51	3.18%
Car & Cycle Allowances	70	89	19	27.14%
Vehicle Running Expenses	291	278	-13	-4.47%
Vehicle Insurance	142	134	-8	-5.63%
TRANSPORT AND MOVEABLE PLANT	502	500	-2	0.40%
Office Expenses	358	245	-113	-31.56%
IT & Communications Equip.	2,167	1,745	-422	-19.47%
Fire Equipment	325	358	33	10.15%
Uniforms & Clothing	535	448	-87	-16.26%
Other Supplies & Services	1,439	1,110	-329	-22.86%
SUPPLIES AND SERVICES	4,824	3,906	-918	19.03%
Debt Charges	2,142	2,338	196	9.15%
External Interest	-90	-123	-33	36.67%
CAPITAL FINANCING	2,052	2,216	164	7.99%
CONTROLLABLE EXPENDITURE	30,950	30,196	-754	2.44%
Other Income	-1,375	-1,852	-477	34.69%
Other Government Grants	-1,805	-1,835	-30	1.66%
CONTROLLABLE INCOME	-3,180	-3,688	-508	15.97%
NET CONTROLLABLE EXPENDITURE	27,771	26,508	-1,262	4.54%
Pensions - Injury Awards	633	665	32	5.06%
Operational Fire Budget	3,139	3,051	-88	-2.80%
SAFETY-NETTED EXPENDITURE	3,772	3,716	-57	1.51%
NET EXPENDITURE	31,543	30,224	-1,319	4.18%
Grant/Precept Income	-29,168	-29,845	-677	
Transfers to/from earmarked reserves	-2,375	-1,056	1,319	
Year end transfer to Capital Reserve		0	0	
CONTRIBUTIONS	-31,543	-30,901	642	
CONTRIBUTION TO GENERAL RESERVE	0	-677	-677	

Capital Spending

The table below details the capital expenditure and how this was financed.

Expenditure	£000's	£000's
Vehicles	668	
IT & Equipment	181	
Building Works	857	
Assets Under Construction	<u>524</u>	
		2,230
Financed By		
Application of Capital		
Receipts	162	
Revenue		
Contribution	<u>2,068</u>	
		2,230

This vehicles expenditure covers the purchase of operational and non-operational vehicles. During the year the Fire Authority commenced the build of two new aerial appliances and purchased 32 other vehicles.

This budget also covers the maintenance of existing properties and the investment in new facilities.

The equipment relates to heavy duty rescue equipment, thermal imaging camera's, and other rescue equipment.

The ICT capital budget covers the purchase of major IT systems, hardware and the upgrade of communications equipment.

Revenue Contribution includes the movement in creditors not funded in year.

Statement of Responsibilities for the Statement of Accounts

The Fire Authority's Responsibilities

The Fire Authority is required to:

- make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Fire Authority, that officer is the Treasurer;
- manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets;
- approve the Statement of Accounts.

The Treasurer's Responsibilities

The Treasurer is responsible for the preparation of the Fire Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that were reasonable and prudent and
- complied with the Code.

The Treasurer has also:

- kept proper accounting records which were up to date and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Matthew Warren CPFA
Treasurer

Date:

Expenditure and Funding Analysis

This analysis shows how annual expenditure is used and funded from resources (government grants, rents, council tax and business rates) by local authorities in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Please note this is not a primary statement to the accounts.

Net Expenditure Chargeable to the General Fund Balance	2018/19 Adjustments	Net Expenditure in the Compre- hensive Income and Expenditure Statement	Net Expenditure Chargeable to the General Fund Balance	2019/20 Adjustments	Net Expenditure in the Compre- hensive Income and Expenditure Statement	
£000	£000	£000	£000	£000	£000	
23,541	11,489	35,030	Employee Costs	25,404	(46)	25,358
1,584	0	1,584	Premises Costs	1,551	0	1,551
729	0	729	Transport and Plant	749	0	749
4,435	0	4,435	Supplies and Services	4,016	0	4,016
0	3,762	3,762	Depreciation and Amortisation	0	2,384	2,384
0	(1,934)	(1,934)	Other Income	0	(1,778)	(1,778)
30,289	13,317	43,606	Net Cost of Services	31,720	560	32,280
(28,799)	8,649	(20,150)	Other Income and Expenditure	(31,340)	7,948	(23,392)
1,490	21,966	23,456	Surplus or Deficit on Provision of Services	380	8,508	8,888
(12,505)			Opening Combined General Fund Balance	(11,015)		
1,490			Plus / less Surplus or Deficit on the General Fund Balance for the Year (Statutory basis)	380		
(11,015)			Closing Combined General Fund Balance	(10,635)		

Comprehensive Income and Expenditure Statement

The Comprehensive Income and Expenditure Statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Fire Authority raises taxation to cover expenditure in accordance with statutory requirements; this may be different from the accounting cost. The taxation position is shown in both the Expenditure and Funding Analysis and the Movement in Reserves Statement.

Expenditure	2018/19			2019/20		
	Income	Net		Expenditure	Income	Net
£000	£000	£000	£000	£000	£000	
35,030	-	35,030	Employee Costs	25,358	0	25,358
1,584	-	1,584	Premises Costs	1,551	0	1,551
729	-	729	Transport and Plant	749	0	749
4,435	-	4,435	Supplies and Services	4,016	0	4,016
3,762	-	3,762	Depreciation and Amortisation	2,384	0	2,384
-	(1,934)	(1,934)	Other Income	0	(1,778)	(1,778)
45,540	(1,934)	43,606	Cost of Services	34,057	(1,778)	32,279
288	-	288	Other Operating Expenditure	(16)	0	(16)
9,915	(1,034)	8,881	Financing and Investment Income and Expenditure	9,156	(1,019)	8,138
-	(29,319)	(29,319)	Taxation and Non Specific Grant Income	0	(31,514)	(31,514)
55,743	(32,287)	23,456	Surplus or Deficit on Provision of Services	43,197	(34,310)	8,887
		(727)	Surplus or deficit on revaluation of Property, Plant and Equipment			(312)
		(31)	Impairment adjustment on non-current assets applied to the Revaluation Reserve			(207)
		(2,564)	Remeasurement of the net defined benefit liability / asset			(44,198)
		(3,322)	Other Comprehensive Income and Expenditure			(44,716)
		20,134	Total Comprehensive Income and Expenditure			(35,829)

Movement in Reserves Statement

The Movement in Reserves Statement shows the movement from the start of the year to the end on the different reserves held by the Authority, analysed into 'usable reserves' (ie those that can be applied to fund expenditure or reduce local taxation) and other 'unusable reserves'. The Statement shows how the movements in year of the Fire Authority's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the statutory adjustments required to return to the amounts chargeable to council tax for the year. The Net Increase/Decrease line shows the statutory General Fund Balance movements in the year following those adjustments.

	General Fund Balance £000	Earmarked General Fund Reserves £000	Total General Fund Balance £000	Capital Receipts Reserve £000	Capital Grants Un-applied Account £000	Total Usable Reserves £000	Unusable Reserves £000	Total Reserves £000
Balance at 31 March 2019	(2,506)	(8,509)	(11,015)	(1,376)	(2,587)	(14,978)	301,811	286,833
Movement in reserves during 2018/19								
Surplus or deficit on the provision of services	8,887		8,887			8,887		8,887
Other Comprehensive Income / Expenditure							(44,887)	(44,887)
Total Comprehensive Income and Expenditure	8,887	0	8,887			8,887	(44,753)	(35,866)
Adjustments between accounting basis and funding basis under regulations	(8,509)		(8,509)	57	0	(8,452)	8,452	0
Net Increase or Decrease before Transfers to Earmarked Reserves	378	0	378	57	0	435	(36,264)	(35,829)
Transfers to / from Earmarked Reserves	(1,057)	1,057	0			0	0	0
Increase or Decrease in 2018/19	(679)	1,057	378	57	0	435	(36,264)	(35,829)
Balance at 31 March 2020	(3,185)	(7,452)	(10,637)	(1,319)	(2,587)	(14,543)	265,546	251,003

	General Fund Balance	Earmarked General Fund Reserves	Total General Fund Balance	Capital Receipts Reserve	Capital Grants Un-applied Account	Total Usable Reserves	Unusable Reserves	Total Reserves
	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 31 March 2018	(2,472)	(10,033)	(12,505)	(1,433)	(2,586)	(16,524)	283,223	266,699
Movement in reserves during 2017/18								
Surplus or deficit on the provision of services	23,456	-	23,456	-	-	23,456	-	23,456
Other Comprehensive Income / Expenditure	-	-	-	-	-	-	(3,322)	(3,322)
Total Comprehensive Income and Expenditure	23,456	-	23,456	-	-	23,456	(3,322)	20,134
Adjustments between accounting basis and funding basis under regulations	(21,966)	-	(21,966)	57	(1)	(21,910)	21,910	-
Net Increase or Decrease before Transfers to Earmarked Reserves	1,490	-	1,490	57	(1)	1,546	18,588	20,134
Transfers to / from Earmarked Reserves	(1,524)	1,524	-	-	-	-	-	-
Increase or Decrease in 2018/19	(34)	1,524	1,490	57	(1)	1,546	18,588	20,134
Balance at 31 March 2018	(2,506)	(8,509)	(11,015)	(1,376)	(2,587)	(14,978)	301,811	286,833

Balance Sheet

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Fire Authority. The net assets of the Fire Authority (assets less liabilities) are matched by the reserves held by the Fire Authority. Reserves are reported in two categories. The first category of reserves are usable reserves, ie those reserves that the Fire Authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Fire Authority is not able to use to provide services. This category of reserves includes reserves Statements that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31 March 2019		31 March 2020	
£000		£000	
41,708	Property, Plant and Equipment	Note 11	41,639
217	Intangible Assets	Note 12	487
41,925	Long Term Assets		42,126
10,257	Short-Term Investments	Note 13	11,249
7	Inventories		10
4,502	Short-Term Debtors	Note 15	2,423
3,370	Cash and Cash Equivalents	Note 16	4,197
18,136	Current Assets		17,879
(16)	Short-Term Borrowing	Note 13	(15)
(2,921)	Short-Term Creditors	Note 17	(3,283)
(450)	Provisions		(492)
(3,387)	Current Liabilities		(3,790)
(638)	Long-Term Creditors	Note 13	(637)
(3,200)	Long-Term Borrowing	Note 13	(3,200)
(339,669)	Other Long-Term Liabilities	Note 29	(303,381)
(343,507)	Long Term Liabilities		(307,218)
(286,833)	Net Assets		(251,003)
(14,978)	Usable Reserves	Note 18	(14,543)
301,811	Unusable Reserves	Note 19	265,546
286,833	Total Reserves		251,003

Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of taxation and grant income or from the recipients of services provided by the Authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

2018/19		2019/20
£000		£000
23,456	Net (surplus) or deficit on the provision of services	8,887
(23,718)	Adjustment to surplus or deficit on the provision of services for noncash movements	(12,944)
115	Adjustment for items included in the net surplus or deficit on the provision of services that are investing or financing activities	105
(147)	Net cash flows from operating activities	(3,952)
1,465	Net cash flows from investing activities	3,125
1,318	Net (increase) or decrease in cash and cash equivalents	(827)
4,688	Cash and cash equivalents at the beginning of the reporting period	3,370
3,370	Cash and cash equivalents at the end of the reporting period	4,197

Note 1 - Accounting Policies

A1.1 General Principles

The Statement of Accounts summarises the Fire Authority's transactions for the financial year and its position at the year-end. The Fire Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit (England) Regulations 2015. These Regulations require the Statement of Accounts to be prepared in accordance with proper accounting practices. These practices primarily comprise the Code of Practice on Local Authority Accounting in the United Kingdom for 19/20, supported by International Financial Reporting Standards (IFRS). The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments. The principal accounting policies have been applied consistently throughout the year.

A1.2 Accruals of Income and Expenditure

Activity is accounted for in the year that it takes place, not simply when cash payments are made or received. In particular:

- Revenue from the sale of goods is recognised when the Fire Authority transfers the significant risks and rewards of ownership to the purchaser and it is probable that economic benefits or service potential associated with the transaction will flow to the Fire Authority.
- Revenue from the provision of services is recognised when the Fire Authority can measure reliably the percentage of completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the Fire Authority.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the Balance Sheet.
- Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made.
- Interest receivable on investments and payable on borrowings is accounted for respectively as income and expenditure on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

A1.3 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

A1.4 Prior Period Adjustments, Changes in Accounting Policies and Estimates and Errors

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Fire Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied.

Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

A1.5 Charges to Revenue for Non-current Assets

The Comprehensive Income and Expenditure Statement is debited with the following amounts to record the cost of holding non-current assets during the year:

- depreciation attributable to the assets used by the relevant service
- revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- amortisation of intangible assets attributable to the service.

The Fire Authority is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisation. However, it is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement equal to an amount calculated on a prudent basis determined by the Fire Authority in accordance with statutory guidance. Depreciation, revaluation and impairment losses and amortisation are therefore replaced by the contribution in the General Fund Balance, by way of an adjusting transaction within the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

A1.6 Employee Benefits

Benefits Payable During Employment

Short-term employee benefits are those due to be settled wholly within twelve months of the year-end. They include such benefits as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits (e.g. cars) for current employees and are recognised as an expense for services in the year in which employees render service to the authority. An accrual is made for the cost of holiday entitlements (or any form of leave, e.g. time off in lieu) earned by employees but not taken before the year-end which employees can carry forward into the next financial year. The accrual is made at the wage and salary rates applicable in the following accounting year, being the period in which the employee takes the benefit. The accrual is charged to Surplus or Deficit on the Provision of Services, but then reversed out through the Movement in Reserves Statement so that holiday entitlements are charged to revenue in the financial year in which the holiday absence occurs.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Fire Authority to terminate an officer's employment before the normal retirement date or an officer's decision

to accept voluntary redundancy. They are charged on an accruals basis to the appropriate service in the Comprehensive Income and Expenditure Statement when the Fire Authority is demonstrably committed to the termination of employment of an officer or group of officers or making an offer to encourage voluntary redundancy.

Where termination benefits involve the enhancement of pensions, statutory provisions require the General Fund balance to be charged with the amount payable by the Fire Authority to the pension fund or pensioner in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, appropriations are required to and from the Pensions Reserve to remove the notional debits and credits for pension enhancement termination benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end.

There is a requirement for a disclosure note setting out the number of exit packages agreed, analysed between compulsory redundancies and other departures. The total cost of packages in each band must also be disclosed. Please see note 23 .

Post-employment Benefits

Employees of the Fire Authority are members of the following pension schemes:

- The Local Government Pension Scheme for non-uniformed and control room employees, administered by Cambridgeshire County Council. This is a funded scheme, meaning that the Fire Authority and employee pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment assets.
- The four Firefighters Pension schemes for uniformed employees. A separate account detailing the 2019/20 transactions and liabilities is shown within the Firefighter Pension Fund Account.

These schemes provide defined benefits to members (retirement lump sums and pensions), which are earned as employees worked for the Authority.

- The liabilities of the Cambridgeshire County Council pension fund attributable to the Fire Authority are included in the Balance Sheet, along with those of the Firefighters' schemes, on an actuarial basis using the projected unit method – i.e. an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc., and projections of projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate of 2.3% (based on the indicative rate of return on high quality AA rated corporate bonds).
- There are no assets in the Firefighters schemes. The assets of Cambridgeshire County Council pension fund attributable to the Fire Authority are included in the Balance Sheet at their fair value:
 - quoted securities – current bid price
 - unquoted securities – professional estimate
 - unitised securities – current bid price
 - property – market value.

The change in the net pensions liability is analysed into the following components:

- current service cost – the increase in the present value of a defined benefit obligation (liability) resulting from employee service in the current period. This is allocated in the Comprehensive Income and Expenditure Statement to the services for which the employees worked.
- past service costs – the change in the present value of the defined benefit obligation for employee service in prior periods, resulting from a plan (scheme) amendment (i.e. the introduction or withdrawal of, or change to, a defined benefit plan) or a curtailment (i.e. a significant reduction by the Fire Authority in the number of employees covered by a plan). It is debited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement.
- any gain or loss on settlements – a settlement is a transaction that eliminates all further legal or constructive obligations for part or all of the benefits provided under a defined benefit plan, other than a payment of benefits to, or on behalf of, employees that is set out in the terms of the plan and included in the actuarial assumptions. However, if the plan is replaced by a new plan that offers benefits that are, in substance, the same, the termination of a plan is not a settlement.
- net interest on the net defined benefit pensions' liability – the change during the period in the net defined benefit liability that arises from the passage of time. The net interest on the net defined benefit liability comprises the interest income on plan assets and interest cost on the defined benefit obligation. It is charged to the Financing and Investment Income and Expenditure line of the Comprehensive Income and Expenditure Statement and is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined benefit liability at the beginning of the period – taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments.
- Remeasurements comprising:
 - actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
 - return on plan assets – excluding amounts included in net interest on the net defined benefit liability – This is defined as interest, dividends and other income derived from the plan assets, together with realised and unrealised gains and losses on the plan assets, less:
 - any costs of managing plan assets, and
 - any tax payable by the plan itself, other than tax included in the actuarial assumptions used to measure the present value of the defined benefit obligation.

It is charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.

- Contributions paid to the Cambridgeshire County Council pension fund and Firefighters' funds – amounts paid by the employer to reduce scheme liabilities

In relation to retirement benefits, statutory provisions require the General Fund Balance to be charged with the amount payable by the Authority to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards. In the Movement in Reserves Statement, this means that there are appropriations to and from the Pensions Reserve to remove the notional debits and credits for retirement

benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year-end. The negative balance that arises on the Pensions Reserve thereby measures the beneficial impact to the General Fund of being required to account for retirement benefits on the basis of cash flows rather than as benefits are earned by employees.

Discretionary Benefits

The Fire Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

A1.7 Financial Instruments

A financial asset or liability is recognised on the Balance Sheet when the Fire Authority becomes party to the contractual provisions of the instrument. This will normally be the date that a contract is entered into but may be later if there are conditions that need to be satisfied.

Financial Liabilities

Financial liabilities are recognised on the Balance Sheet when the Fire Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and are subsequently carried at their amortised cost. Annual charges to the Financing and Investment Income and Expenditure line on the Comprehensive Income and Expenditure Statement for interest payable are based on the carrying amount of the liability, multiplied by the effective rate of interest for the instrument. The effective interest rate is the rate that exactly discounts estimated future cash payments over the life of the instrument to the amount at which it was originally recognised.

For most of the borrowing that the Fire Authority has, this means that the amount presented in the Balance Sheet is the outstanding principal repayable (plus accrued interest); and interest charged to the Comprehensive Income and Expenditure Statement is the amount payable for the year according to the loan agreement.

Financial Assets

Financial Assets at amortised cost are recognised on the Balance Sheet when the Fire Authority becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value. They are subsequently measured at their amortised cost. Annual credits to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement for interest receivable are based on the carrying amount of the asset multiplied by the effective rate of interest for the instrument.

The Fire Authority has no Available for Sale Assets.

A1.8 Government Grants and Contributions

Whether paid on account, by instalments or in arrears, government grants, third party contributions and donations are recognised as due to the Fire Authority when there is reasonable assurance that:

- the Fire Authority will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due to the Fire Authority are not credited to the Comprehensive Income and Expenditure Statement until conditions attached to the grant or contribution have been satisfied. Conditions are stipulations that specify that the future economic benefits or service potential embodied in the asset acquired using the grant or contribution are required to be consumed by the recipient as specified, or future economic benefits or service potential must be returned to the transferor.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation and Non-specific Grant Income and Expenditure (non-ringfenced revenue grants and all capital grants) in the Comprehensive Income and Expenditure Statement.

Where capital grants are credited to the Comprehensive Income and Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied reserve. Where it has been applied, it is posted to the Capital Adjustment Account.

A1.9 Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant and Equipment is capitalised on an accruals basis subject to a de minimis of £7,500 for vehicles and £10,000 for all other assets, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Fire Authority and the cost of the item can be measured reliably. Expenditure that is below the de minimis or maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management; and
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The Fire Authority does not capitalise borrowing costs incurred whilst assets are under construction.

The cost of assets acquired other than by purchase is deemed to be its current value, unless the acquisition does not have commercial substance (i.e. it will not lead to a variation in the cash flows of the Fire Authority). In the latter case, where an asset is acquired via an exchange, the cost of the acquisition is the carrying amount of the asset given up by the Fire Authority.

Assets are then carried in the Balance Sheet using the following measurement bases:

- Assets under construction and vehicles, plant, furniture and equipment – depreciated historical cost
- Land and buildings current value
- all other assets – current value, determined as the amount that would be paid for the asset in its existing use.

Where there is no market-based evidence of current value because of the specialist nature of an asset, depreciated replacement cost (DRC) is used as an estimate of current value.

Where non-property assets have short useful lives or low values (or both), depreciated historical cost basis is used as a proxy for current value.

Assets included in the Balance Sheet at current value are revalued sufficiently regularly to ensure that their carrying amount is not materially different from their current value at the year-end, but as a minimum every three years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

Where decreases in value are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement.

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. Gains arising before that date have been consolidated into the Capital Adjustment Account.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for as follows:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service lines in the Comprehensive Income and Expenditure Statement.

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service lines in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts over their useful lives. An exception is made for assets without a determinable finite useful life (i.e. freehold land) and assets that are not yet available for use (i.e. assets under construction).

A full year's depreciation is applied in the year of purchase and none applied in the year of sale.

Depreciation is calculated on the following bases:

- Buildings – straight-line allocation over the useful life of the property as estimated by the valuer.
- Vehicles, plant, furniture and equipment – straight line allocation, of each class of assets in the Balance Sheet, over the useful life of the asset as advised by a suitably qualified officer

Where an item of Property, Plant and Equipment asset has major components whose cost is significant in relation to the total cost of the item, the components are depreciated separately.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve to the Capital Adjustment Account.

Disposals

When an asset is disposed of or decommissioned, the carrying amount for the asset in the Balance Sheet (whether Property, Plant or Equipment) is written off to the other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal. Receipts from disposals are credited to the same line in the Comprehensive Income and Expenditure Statement also as part of the gain or loss on disposal (i.e. netted off against the carrying value of the asset at the time of disposal). Any revaluation gains accumulated for the asset in the Revaluation Reserve are transferred to the Capital Adjustment Account.

Capital receipts are generally categorised as those for which the disposal amount is in excess of £10,000, although some exceptions apply. Receipts are appropriated to the Reserve from the General Fund Balance in the Movement in Reserves Statement.

The written-off value of disposals is not a charge against council tax, as the cost of non-current assets is fully provided for under separate arrangements for capital financing. Amounts are appropriated to the Capital Adjustment Account from the General Fund Balance in the Movement in Reserves Statement.

Subsequent measurement is in accordance with the Property, Plant and Equipment policy and are depreciated accordingly.

A1.10 Reserves

The Fire Authority sets aside specific amounts as reserves for future policy purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the appropriate service in that year to score against the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure

Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserves Statement so that there is no net charge against council tax for the expenditure.

Certain reserves are kept to manage the accounting processes for non-current assets, financial instruments, retirement and employee benefits and do not represent usable resources for the Fire Authority – these reserves are explained in the relevant policies.

Note 2 - Accounting Standards Issued, Not Adopted

Accounting standards that have been issued but not adopted

Under The Code of Practice on Local Authority Accounting disclosure of the impact of accounting standards issued but not yet adopted is required. After a review of the relevant standards the following has been determined:

- Annual Improvements to IFRS Standards 2015 – 2017 cycle
- Amendments to IAS 19 Employee Benefits: Plan Amendment, Curtailment or Settlement.

The Fire Authority will continue to assess the impact of the relevant future standards above in order to determine whether there would be any material changes to the accounts if they were to be adopted.

Note 3 - Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out in Note 1, the Fire Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgements made in the Statement of Accounts are:

- There is a high degree of uncertainty about future levels of funding for local government. However, the Fire Authority has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Fire Authority might be impaired as a result of a need to close facilities and reduce levels of service provision.
- The fair value of the PWLB loan is disclosed in the accounts using the new loan rate from the market rather than the premature loan rate from PWLB. The new loan rate is felt to be more appropriate to use as there is no intention to repay the loan early. This treatment is consistent to that in previous years. The difference between the two is £2.292m based on the differing calculation methods.

Note 4 - Assumptions Made about the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Fire Authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Fire Authority's Balance Sheet at 31 March 2020 for which there is significant risk of material adjustment in the forthcoming financial year are as follows:

Land and Buildings (Carrying value £33,619K)

- Based on this year's movements in indices and revaluations the valuations in following years could have a material impact.
- The effect of a 1% difference in revaluations would equal £336k.

Pensions Liability (Carrying value £303,381K)

- Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement age, mortality rates and expected returns on pension fund assets. A firm of consulting actuaries is engaged to provide the Fire Authority with expert advice about the assumptions to be applied.
- The effect on net pension's liability of changes in individual assumptions can be measured. Assumptions are detailed in note 29.

Note 5 - Events After the Balance Sheet Date

There are no material items of income or expenditure arising in the year that require separate disclosure.

Note 6 – Note to the Expenditure and Funding Analysis

	Net Capital Statutory Adjustments	Net Pensions Statutory Adjustments	Other Statutory Adjustments	Total Adjustments
2019/20	£000	£000	£000	£000
Employee Costs	-	(210)	164	(46)
Depreciation and Amortisation	2,384	-	-	2,384
Other Income	-	-	(1,778)	(1,778)
Net Cost of Services	2,384	(210)	(1614)	560
Other Income and Expenditure	-	8,120	(172)	7,948
	2,384	7,910	(1,786)	8,508
Difference between the Statutory Charge and the Surplus or Deficit in the Comprehensive Income and Expenditure Statement				

	Net Capital Statutory Adjustments	Net Pensions Statutory Adjustments	Other Statutory Adjustments	Total Adjustments
2018/19	£000	£000	£000	£000
Employee Costs	-	11,414	75	11,489
Depreciation and Amortisation	3,762	-	-	3,762
Other Income	-	-	(1,934)	(1,934)
Net Cost of Services	3,762	11,414	(1,859)	13,317
Other Income and Expenditure	-	8,850	(201)	8,649
	3,762	20,264	(2,060)	21,966
Difference between the Statutory Charge and the Surplus or Deficit in the Comprehensive Income and Expenditure Statement				

Adjustments for capital purposes – this column adds in depreciation and impairment and revaluation gains and losses in the services line.

Net Change for the Pensions Adjustments - Net change for the removal of pension contributions and the addition of IAS 19 Employee Benefits pension related expenditure and income:

- For services this represents the removal of the employer pension contributions made by the Authority as allowed by statute and the replacement with current service costs and past service costs.

- For Financing and investment income and expenditure – the net interest on the defined benefit liability is charged to the CIES.

Other Differences - Other differences between amounts debited/credited to the Comprehensive Income and Expenditure Statement and amounts payable/receivable to be recognised under statute:

- The charge under Taxation and non-specific grant income and expenditure represents the difference between what is chargeable under statutory regulations for council tax and NNDR that was projected to be received at the start of the year and the income recognised under generally accepted accounting practices in the Code. This is a timing difference as any difference will be brought forward in future Surpluses or Deficits on the Collection Fund.

DRAFT

Note 7 - Adjustments between Accounting Basis and Funding Basis under Regulations

This note details the adjustments that are made to the total comprehensive income and expenditure recognised by the Fire Authority in the year in accordance with proper accounting practice to arrive at the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure. The following sets out a description of the reserves that the adjustments are made against.

- **General Fund Balance** - The General Fund is the statutory fund into which all the receipts of an authority are required to be paid and out of which all liabilities of the Authority are to be met, except to the extent that statutory rules might provide otherwise. These rules can also specify the financial year in which liabilities and payments should impact on the General Fund Balance, which is not necessarily in accordance with proper accounting practice. The General Fund Balance therefore summarises the resources that the Fire Authority is statutorily empowered to spend on its services or on capital investment (or the deficit of resources that the Council is required to recover) at the end of the financial year.

- **Capital Receipts Reserve** - The Capital Receipts Reserve holds the proceeds from the disposal of land or other assets, which are restricted by statute from being used other than to fund new capital expenditure or to be set aside to finance historical capital expenditure. The balance on the reserve shows the resources that have yet to be applied for these purposes at the year-end.

- **Capital Grants Unapplied** - The Capital Grants Unapplied Account (Reserve) holds the grants and contributions received towards capital projects for which the Fire Authority has met the conditions that would otherwise require repayment of the monies but which have yet to be applied to meet expenditure. The balance is restricted by grant terms as to the capital expenditure against which it can be applied and/or the financial year in which this can take place.

2019/2020	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
	£000	£000	£000	£000
Adjustments to the Revenue Resources				
Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:				
Pension cost (transferred to (or from) the Pensions Reserve)	(7,910)			7,910
Council tax and NDR (transfers to or from the Collection Fund)	(166)			166
Holiday pay (transferred to the Accumulated Absences reserve)	(164)			164
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(2,548)		0	2,548
Total Adjustments to Revenue Resources	(10,789)	0	0	10,789

Adjustments between Revenue and Capital Resources

Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	105	(105)		
Statutory Provision for the repayment of debt (transfer to the Capital Adjustment Account)	124			(124)
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	2,051			(2,051)
Total Adjustments between Revenue and Capital Resources	2,280	(105)	0	(2,175)

Adjustments to Capital Resources

Use of the Capital Receipts Reserve to finance capital expenditure		162		(162)
Total Adjustments to Capital Resources	0	162	0	(162)

Total Adjustments	(8,509)	57	0	8,452
--------------------------	----------------	-----------	----------	--------------

2018/2019	General Fund Balance	Capital Receipts Reserve	Capital Grants Unapplied	Movement in Unusable Reserves
	£000	£000	£000	£000

Adjustments to the Revenue Resources

Amounts by which income and expenditure included in the Comprehensive Income and Expenditure Statement are different from revenue for the year calculated in accordance with statutory requirements:

Pension cost (transferred to (or from) the Pensions Reserve)	(20,264)	-	-	20,264
Council tax and NDR (transfers to or from the Collection Fund)	(228)	-	-	228
Holiday pay (transferred to the Accumulated Absences reserve)	(75)	-	-	75
Reversal of entries included in the Surplus or Deficit on the Provision of Services in relation to capital expenditure (these items are charged to the Capital Adjustment Account)	(4,251)	-	(1)	4,251
Total Adjustments to Revenue Resources	(24,818)	-	(1)	24,818

Adjustments between Revenue and Capital Resources

Transfer of non-current asset sale proceeds from revenue to the Capital Receipts Reserve	115	(115)	-	-
Statutory Provision for the repayment of debt (transfer to the Capital Adjustment Account)	129	-	-	(129)
Capital expenditure financed from revenue balances (transfer to the Capital Adjustment Account)	2,608	-	-	(2,608)
Total Adjustments between Revenue and Capital Resources	2,852	(115)	-	(2,738)

Adjustments to Capital Resources

Application of capital grants to finance capital expenditure	-	171	-	(171)
Total Adjustments to Capital Resources	-	171	-	(171)

Total Adjustments	(21,966)	57	(1)	21,909
--------------------------	-----------------	-----------	------------	---------------

Note 8 - Transfers to/from Earmarked Reserves

This note sets out the amounts set aside from the General Fund in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure.

	Balance at 1 April 2018	Transfers In 2018/19	Transfers Out 2018/19	Balance at 31 March 2019	Transfers In 2019/20	Transfers Out 2019/20	Balance at 31 March 2020
	£000	£000	£000	£000	£000	£000	£000
General Fund Reserves:							
Community Safety Reserve	(200)	-	-	(200)	0	0	(200)
Revenue Pension Reserve	(824)	-	-	(824)	0	301	(523)
On Call Operations Reserve	(975)	-	-	(975)	0	0	(975)
Property Development Reserve	(4,444)	-	-	(4,444)	0	0	(4,444)
Revenue C/Forwards Reserve	(3,590)	(2,039)	3,563	(2,066)	(1,282)	2,038	(1,310)
Total General Fund	(10,033)	(2,038)	3,563	(8,509)	(1,282)	2,339	(7,452)

Note 9 - Financing and Investment Income and Expenditure

	2018/19 £000	2019/20 £000
141 Interest payable and similar charges		140
8,850 Net interest on the net defined benefit liability (asset)		8,120
(110) Interest receivable and similar income		(123)
8,881 Total		8,137

Note 10 - Taxation and Non-Specific Grant Income

	2018/19 £000	2019/20 £000
(19,163) Council tax income		(20,367)
(6,813) Non-domestic rates income and expenditure		(6,860)
(3,344) Non-ringfenced government grants		(4,287)
(29,319) Total		(31,514)

Note 11 - Property, Plant and Equipment

Movements to 31 March 2020

	Land and Buildings	Vehicles, Plant, Furniture & Equipment	Assets Under Construction	Total Property, Plant and Equipment
	£000	£000	£000	£000
Cost or Valuation				
at 1 April 2019	32,816	19,203	117	52,136
Additions	857	806	218	1,881
Revaluation increases/(decreases) recognised in the Revaluation Reserve	163	0	0	163
Revaluation increases/(decreases) recognised in the Surplus/Deficit on the Provision of Services	(239)	0	0	(239)
Derecognition – disposals	(95)	(700)	0	(795)
Reclassifications and transfer	117	0	(117)	0
at 31 March 2020	33,619	19,309	218	53,146
Accumulated Depreciation and Impairment				
at 1 April 2019	0	(10,427)	0	(10,427)
Depreciation charge	(525)	(1,711)	0	(2,236)
Depreciation written out to the Revaluation Reserve	149	0	0	149
Impairment losses/(reversals) recognised in the Revaluation Reserve	207	0	0	207
Impairment losses/(reversals) recognised in the Surplus/Deficit on the Provision of Services	170	0	0	170
Derecognition – disposals	0	631	0	631
at 31 March 2020	1	(11,507)	0	(11,506)
Net Book Value				
at 31 March 2020	33,620	7,802	218	41,640
at 31 March 2019	32,816	8,775	117	41,708

Movements to 31 March 2019

	Land and Buildings	Vehicles, Plant, Furniture & Equipment	Assets Under Construction	Total Property, Plant and Equipment
	£000	£000	£000	£000
Cost or Valuation				
at 1 April 2018	32,893	19,190	974	53,057
Additions	1,145	1,210	117	2,472
Revaluation increases/(decreases) recognised in the Revaluation Reserve	291	-	-	291
Derecognition – disposals	(1,297)	-	-	(1,297)
Reclassifications and transfer	(325)	(2,063)	-	(2,388)
at 31 March 2018	109	865	(974)	-
	32,816	19,202	117	52,135
Accumulated Depreciation and Impairment				
at 1 April 2018				
Depreciation charge	(46)	(10,405)	-	(10,451)
Depreciation written out to the Revaluation Reserve	(599)	(1,922)	-	(2,521)
Depreciation written out to the Surplus/Deficit on the Provision of Services	240	-	-	240
Impairment losses/(reversals) recognised in the Revaluation Reserve	260	-	-	260
Derecognition – disposals	145	-	-	145
at 31 March 2019	-	1,900	-	1,900
Net Book Value	-	(10,427)	-	(10,427)
at 31 March 2019	32,816	8,775	117	41,708
at 31 March 2018	32,847	8,785	974	42,606

Property, Plant and Equipment Revaluations

	Other Land and Buildings	Vehicles, Plant, Furniture and Equipment	Total
	£000	£000	£000
Carried at historical cost	-	7,803	7,803
Valued at current value as at:			
31/03/2020	33,619	0	33,619
Total Cost or Valuation	33,619	7,803	41,422

Valuations of all the Authority's property was carried out by the Appointed Valuer, Wilks, Head and Eve, by a Surveyor with a RICS qualification with an effective revaluation date of 31 March 2020.

The Valuer's general assumptions in regard to costs are that our valuations have been provided in gross form and do not include an allowance for purchaser's costs at the appropriate rate. The Valuer would expect purchaser's cost to be in the region of 0.5% and 5.0% dependant on the overall value of the asset and property type. The Valuer has made no allowance for any vendor's costs or taxation (actual or notional) nor has any allowance been made for any capital or annual grants or incentives to which a purchaser may be entitled. The Valuer has not been asked by the Fire Authority to specifically reflect these costs separately.

Note 12 - Intangible Assets

The Fire Authority accounts for its software as intangible assets, to the extent that the software is not an integral part of a particular IT system and accounted for as part of the hardware item of property, plant and equipment. The intangible assets include both purchased licenses and internally generally software. All software is given a finite useful life, based on assessments of the period that the software is expected to be of use to the Authority. The useful lives assigned to the major software suites used by the Authority are:

31st March 2019		31st March 2020
Total		Total
£000		£000
	Balance at start of year:	
2,509	Gross carrying amounts	1,833
(2,305)	Accumulated amortisation	(1,615)
	204 Net carrying amount at start of year	218
	Additions:	
107	Purchases	348
(783)	Other disposals	(13)
(94)	Amortisation for the period	(80)
783	Amortisation written off on disposal	13
	217 Net carrying amount at end of year	486
	Comprising:	
1,833	Gross carrying amounts	2,168
(1,616)	Accumulated amortisation	(1,682)
	217 Total	486

Note 13 - Financial Instruments

	Current Financial Assets						Total 31 March 2020 £000
	Investments		Debtors		Cash		
	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019	31 March 2020	
Amortised cost	10,257	11,249	443	338	3,370	4,197	15,784
Total financial assets	10,257	11,249	443	338	3,370	4,197	15,784

	Non-Current Financial Liabilities				
	Borrowings		Creditors		Total
	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2020 £000
Amortised cost	(3,200)	(3,200)	(638)	(637)	(3,837)
Total financial liabilities	(3,200)	(3,200)	(638)	(637)	(3,837)

	Current Financial Liabilities				
	Borrowings		Creditors		Total
	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2020 £000
Amortised cost	(16)	(15)	(2,409)	(2,843)	(2,858)
Total financial liabilities	(16)	(15)	(2,409)	(2,843)	(2,858)

Note 14 - Financial Instruments - Fair Value

Fair Values of Assets and Liabilities

Financial assets and liabilities are carried in the Balance Sheet at amortised cost. Their fair value can be assessed by calculating the present value of the cash flows that will take place over the remaining term of the instruments, using the following assumptions:

- For loans from the PWLB and other loans payable, new loan rates from the market have been applied to provide the fair value under PWLB debt redemption procedures
- For loans receivable prevailing benchmark market rates have been used to provide the fair value
- No early repayment or impairment is recognised
- Where an instrument will mature in the next 12 months or is a trade or other receivable, the fair value is taken to be the carrying amount or the billed amount
- The fair value of trade and other payables is taken to be the invoiced or billed amount.

The valuation basis adopted in calculating fair value uses level 2 inputs - i.e. inputs other than quoted prices that are observable for financial assets and financial liabilities. There has been no change to the valuation techniques applied in previous years.

The Fair Values of Financial Assets and Financial Liabilities that are not Measured at Fair Value (but for which Fair Value Disclosures are required)

Financial Liabilities

	31 March 2019		31 March 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	£000	£000	£000	£000
Financial Liabilities held at Amortised Cost	(3,200)	(4,777)	(3,200)	(4,532)
Total	(3,200)	(4,777)	(3,200)	(4,532)

The value of the liabilities is greater than the carry amount because the Authority's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the prevailing rates at the Balance Sheet date. Due to the short term repayment periods of the Authority's Assets the difference between the carrying value (in Note 13) and the fair value is immaterial.

Note 15 - Debtors

31 March 2019 £000		31 March 2020 £000
431	Trade Receivables	336
477	Prepayments	831
3,594	Other Receivable Amounts	1,256
4,502	Total	2,423

Note 16 - Cash and Cash Equivalents

31 March 2019 £000		31 March 2020 £000
17	Cash and Bank balances	11
3,353	Short Term Deposits	4,186
3,370	Total Cash and Cash Equivalents	4,197

Note 17 - Creditors

31 March 2019 £000		31 March 2020 £000
(42)	Trade payables	(549)
(2,879)	Other payables	(2,734)
(2,921)	Total Creditors	(3,283)

Note 18 - Usable Reserves

Movements in the Authority's usable reserves are detailed in the Movement in Reserves Statement

Capital Receipts Reserve

31 March 2019		31 March 2020
£000		£000
(1,433)	Balance 1 April	(1,376)
(115)	Capital Receipts in year	(105)
171	Capital Receipts used for financing	162
(1,377)	Balance 31 March	(1,319)

Capital Grants Unapplied

31 March 2019		31 March 2020
£000		£000
(2,586)	Balance 1 April	(2,587)
(1)	Capital grants recognised in year	0
-	- Capital grants and contributions applied	0
(2,587)	Balance 31 March	(2,587)

Note 19 - Unusable Reserves

31 March 2019		31 March 2020
£000		£000
(14,771)	Revaluation Reserve	(15,119)
(23,469)	Capital Adjustment Account	(23,428)
339,669	Pension Reserve	303,381
-	- Collection Fund Adjustment Account	166
382	Accumulated Absences Account	546
301,811	Total	265,546

Revaluation Reserve

31 March 2019 £000		31 March 2020 £000
(14,321)	Balance 1 April	(14,771)
(787)	Upward revaluation of assets	(363)
-	Downward revaluation of assets and impairment losses not charged to the Surplus or Deficit on the Provision of Services	(155)
(787)	Surplus or deficit on revaluation of non-current assets not charged to the Surplus or Deficit on the Provision of Services	(518)
117	Difference between fair value depreciation and historical cost depreciation	167
191	Accumulated gains on assets sold or scrapped	3
307	Amount written off to the Capital Adjustment Account	170
29	Other movements to Other Comprehensive Income and Expenditure	0
(14,771)	Balance 31 March	(15,119)

Capital Adjustment Account

31 March 2019 £000		31 March 2020 £000
(24,504)	Balance 1 April	(23,469)
2,375	Charges for depreciation and impairment of non-current assets	2,065
1,297	Revaluation losses on non-current assets	239
94	Amortisation of intangible assets	80
488	Amounts of non-current assets written off on disposal or sale as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	164
4,254	Reversal of Items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement	2,548
(311)	Adjusting Amounts written out of the Revaluation Reserve	(170)
3,943	Net written out amount of the cost of non-current assets consumed in the year	2,378
(171)	Use of Capital Receipts Reserve to finance new capital expenditure	(162)
-	Capital Grants and Contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	0
(129)	Statutory provision for the financing of capital investment charged against the General Fund	(124)
(2,608)	Capital expenditure charged against the General Fund balances	(2,051)
(2,908)	Capital financing applied in year:	(2,337)
(23,469)	Balance 31 March	(23,428)

Pension Reserve

31 March 2019 £000		31 March 2020 £000
321,969	Balance 1 April	339,669
(2,564)	Remeasurements of the net defined benefit (liability)/asset	(44,198)
28,428	Reversal of items relating to retirement benefits debited or credited to the Surplus or Deficit on the Provision of Services in the Comprehensive Income and Expenditure Statement	16,292
(8,164)	Employer's pensions contributions and direct payments to pensioners payable in the year	(8,382)
339,669	Balance 31 March	303,381

Note 20 - Cash Flow from Operating Activities

The cash flows for operating activities include the following items:

31 March 2019 £000		31 March 2020 £000
(126)	Interest received	(179)
141	Interest paid	149
15	Total	(30)

The surplus or deficit on the provision of services has been adjusted for the following non-cash movements:

31 March 2019 £000		31 March 2020 £000
(2,555)	Depreciation	(2,235)
(1,114)	Impairment and downward valuations	(69)
(94)	Amortisation	(80)
(69)	(Increase)/decrease in creditors	(362)
904	Increase/(decrease) in debtors	(2,079)
5	Increase/(decrease) in inventories	2
(20,264)	Movement in pension liability	(7,910)
(488)	Carrying amount of non-current assets and non-current assets held for sale, sold or derecognised	(164)
(43)	Other non-cash movements charged to the surplus or deficit on provision of services	(49)
(23,718)	Total	(12,946)

The surplus or deficit on the provision of services has been adjusted for the following items which are investing and financing activities:

31 March 2019 £000		31 March 2020 £000
115	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	105
115	Total	105

Note 21 - Cash Flow from Investing Activities

31 March 2019 £000		31 March 2020 £000
2,580	Purchase of property, plant and equipment, investment property and intangible assets	2,230
21,230	Purchase of short-term and long-term investments	22,460
(115)	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(105)
(22,230)	Proceeds from short-term and long-term investments	(21,460)
1,465	Net cash flows from investing activities	3,125

Note 22 - Members' Allowances

31 March 2019 £000		31 March 2020 £000
39	Salaries	40
35	Allowances	36
2	Expenses	1
76	Total Members' Allowances	77

Note 23 - Officers' Remuneration

Senior Officer Remuneration

		Salary, Fees and Allowances	Other Payments	Expenses Allowances	Pension Contribution	Total
2019/20		£	£	£	£	£
Chief Fire Officer - C Strickland	2019/20	148,583	0	78	0	148,661
	2018/19	145,670	0	65	0	145,735
Assistant Chief Fire Officer - R Hylton	2019/20	0	0	0	0	0
	2018/19	119,052	0	65	17,024	136,142
Deputy Chief Executive & Treasurer to the Fire Authority - M Warren	2019/20	129,543	0	11,289	24,095	164,927
	2018/19	127,203	0	9,758	23,623	160,583
Assistant Chief Fire Officer - J Anderson	2019/20	124,285	2,660	78	22,499	149,522
	2018/19	0	0	0	0	0
Total	2019/20	402,411	2,660	11,445	46,594	463,110
	2018/19	391,925	0	9,888	40,647	442,460

Officer Remuneration

Number of Employees

	2018/19	2019/20
£50,001 to £55,000	16	17
£55,001 to £60,000	20	25
£60,001 to £65,000	0	3
£65,001 to £70,000	6	3
£70,001 to £75,000	2	4
£80,001 to £85,000	2	1
£85,001 to £90,000	1	2
Total	47	55

Exit Packages

Exit package cost band (including special payments)	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band		Total cost of exit packages in each band (£)	
	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20	2018/19	2019/20
£0-£20,000	0	0	2	9	2	9	12,420	30,069
Total	0	0	2	9	2	9	12,420	30,069

The Expenses Allowances column reflects Benefits in Kind (e.g. Car Allowance). No figures required for Assistant Fire chief Fire Officer R Hylton due to being employed by another authority from 1st April 2019.

For 2019/20 part of the Treasurer's total remuneration, amounting to £9.5k, was recharged to the Cambridgeshire Police & Crime Commissioner for work on their behalf.

Note 24 - External Audit Costs

2018/19		2019/20
£000		£000
27	Fees payable to external auditors with regard to external audit services carried out by the appointed auditor for the year	25
27	Total	25

Note 25 - Grant Income

Grant Income Credited to Taxation and non-specific Grant Income and Expenditure

31 March 2019 £000		31 March 2020 £000
(3,140)	Revenue Support Grant	(2,750)
(190)	New Burdens Grant	(195)
(14)	Other Minor Grants	(6)
-	Home Office Grant	(1,335)
(3,344)	Total	(4,286)

Note 26 - Related Parties

The Fire Authority is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Fire Authority or to be controlled or influenced by the Fire Authority. Disclosure of these transactions allows readers to assess the extent to which the Fire Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the Fire Authority.

During the year Deputy Chief executive held the position of Chief Financial Officer (CFO) for the Police and Crime Commissioner. Cambridgeshire and Peterborough Fire Authority received £10k during the year in relation to Local Resilience contributions, rental income and the recharge for the CFO. The yearend debtor balance as at 31/03/20 was £0k.

Central Government

Central government has effective control over the general operations of the Fire Authority – it is responsible for providing the statutory framework within which the Fire Authority operates, provides the majority of its funding in the form of grants and prescribes the terms of many of the transactions that the Fire Authority has with other parties (e.g. Council Tax bills). Grants receipts outstanding at 31 March 2020 are included in Note 17.

Members

Members of the Fire Authority have direct control over the Fire Authority's financial and operating policies. The total of member's allowances paid in 2019/20 is shown in note 26. Contracts were entered into in full compliance with the Fire Authority's standing orders. We have consulted with all members of the Fire Authority with regard to Related Party Transactions for 2019/20 and there are no material transactions to disclose, (Nil in 2018/19). The Fire Authority has 17 elected members of which 13 are Cambridgeshire County Councillors and 4 are Peterborough City Councillors.

Officers

We have consulted with all Senior Managers of the Fire Authority with regard to Related Party Transactions for 2019/20 and there are no material transactions to disclose, (Nil in 2018/19).

Note 27 - Capital Expenditure and Capital Financing

Capital Expenditure and Capital Financing

31 March 2019 £000		31 March 2020 £000
3,101	Opening Capital Financing Requirement	2,772
	Capital Investment:	
2,472	Property Plant and Equipment	1,881
107	Intangible Assets	348
2,579	Total Capital Spending	2,229
	Sources of Finance:	
(171)	Capital receipts	(162)
-	- Government Grants and other contributions	-
	Sums set aside from revenue:	
(2,608)	- Direct revenue contributions	(2,051)
(129)	- Minimum revenue provision	(124)
(2,908)	Total Sources of Finance	(2,337)
2,772	Closing Capital Financing Requirement	2,666

Explanation of movements in year

31 March 2019 £000		31 March 2020 £000
(329)	Increase in underlying need to borrow (unsupported by government financial assistance)	(108)
(329)	Increase/(decrease) in Capital Financing Requirement	(108)

Note 28 - Leases

Parkside Fire Station

The Fire Authority retains the freehold of the land at Parkside, Cambridge. However the Authority leased out this land to allow for the development of 99 residential units, a commercial unit and a fire station.

On completion of the development the fire station was leased back to the Fire Authority in July 2013 for 999 years on a peppercorn rent.

Authority as Lessee - Finance Leases

The assets acquired under these leases are carried as Property, Plant and Equipment in the Balance Sheet at the following net amounts:

31 March 2019		31 March 2020
£000		£000
7,011	Other Land and Buildings	6,923
7,011	Total	6,923

Note 29 - Defined Benefit Pension Scheme

As part of the terms and conditions of employment of its officers and other employees, the Fire Authority makes contributions towards the cost of post employment benefits. Although these benefits will not actually be payable until employees retire, the Fire Authority has a commitment to make the payments that need to be disclosed at the time that employees earn their future entitlement.

The Fire Authority participates in five post employment schemes:

The Local Government Pension Scheme for non-uniformed and control room employees, administered by Cambridgeshire County Council. This is a funded defined benefit final salary scheme, meaning that the Fire Authority and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets.

There are four Firefighters' Pension schemes for uniformed employees. These are unfunded defined benefit schemes. The Firefighters' pension schemes have no assets. The total contributions, by both current members and the Fire Authority, are used to fund payments to the current pensioners regardless of which scheme they are in. A separate account detailing the 2019/20 transactions and liabilities is shown within the Firefighters' Pension Fund Account note.

The Local Government pension scheme is operated under the regulatory framework for the Local Government Pension Scheme and the governance of the scheme is the responsibility of the pensions committee of Cambridgeshire County Council. Policy is determined in accordance with the Pensions Fund Regulations.

The principal risks to the Authority of the scheme are the longevity assumptions, statutory changes to the scheme, structural changes to the scheme (i.e. large-scale withdrawals from the scheme), changes to inflation, bond yields and the performance of the equity investments held by the scheme. These are mitigated to a certain extent by the statutory requirements to charge to the General Fund the amounts required by statute as described in the accounting policies note.

The operation of the Firefighters' Pension Schemes is controlled by the Firefighters Pension Scheme (Amendment)(England) Order 2006 (SI 2006/1810) and The Firefighters' Pension Scheme (England) Regulations 2014. Employees' and employers' contributions into the Firefighter Pension Fund are determined by the Secretary of State on the advice of the Government Actuary. Payments of pensions and other retirement benefits are made from the Pension Fund. Government grant is payable to cover any shortfall on the Pension Fund account.

The principal risks to the Fire Authority are statutory change to the scheme and the number of ill health retirements and injury awards. The Authority contributes at the rate prescribed by the Fund's actuary.

The actuarial value of the fund's liabilities as at 31 March 2020, in accordance with International Accounting Standard (IAS) 19, was completed by the Government's Actuary Department on 31 March 2020, and subject to triennial valuation.

Transactions relating to retirement benefits

We recognise the cost of retirement benefits in the reported cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge we are required to make against council tax is based on the cash payable in the year, so the real cost of post employment/retirement benefits is reversed out of the General Fund via the Movement in Reserves Statement.

The Employer contributions figure includes the relief from MHCLG (Top-up Grant). The total contributions expected to be made to the Local Government Pension Scheme by the Authority in the year to 31 March 2021 will be £1,369k. Expected contributions to the Firefighters' Pension Scheme in the year to 31 March 2021 are £3,202k.

General Fund Transactions

2018/19				2019/20			
Firefighters LGPS Main Scheme	Firefighters Injury Pensions		Total	Firefighters LGPS Main Scheme	Firefighters Injury Pensions		Total
£000	£000	£000	£000	£000	£000	£000	£000
Comprehensive Income and Expenditure Statement							
Cost of Services							
			Service cost comprising:				
2,000	5,200	700	7,900	2,372	5,100	700	8,172
178	11,500	-	11,678	0	0	0	0
			Financing and Investment Income and Expenditure				
350	7,800	700	8,850	420	7,000	700	8,120
2,528	24,500	1,400	28,428	2,792	12,100	1,400	16,292
Total charged to Surplus and Deficit on Provision of Services							
Other post-employment benefits charged to the Comprehensive Income and Expenditure Statement							
£000	£000	£000	£000	£000	£000	£000	£000
			Re-measurement of the net defined benefit liability comprising:				
(1,328)	-	-	(1,328)	2,369	0	0	2,369
			Return on plan assets (excluding the amount included in the net interest expense)				
6	(6,900)	900	(5,994)	(2,854)	2,400	0	(454)
			Actuarial gains and losses - experience				
-	(25,900)	3,100	(22,800)	(1,248)	(10,000)	0	(11,248)
			Actuarial gains and losses arising on changes in demographic assumptions				
4,558	26,200	(3,200)	27,558	(6,065)	(28,900)	100	(34,865)
			Actuarial gains and losses arising on changes in financial assumptions				

DRAFT

**Movement in the Value of
Scheme Assets**

LGPS	2018/19			Total	LGPS	2019/20			Total
	Firefighters Main Scheme	Firefighters Injury Pensions				Firefighters Main Scheme	Firefighters Injury Pensions		
£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
33,873	-	-	33,873	Opening fair value of scheme assets	36,892	0	0	36,892	
924	-	-	924	Interest income	896	0	0	896	
				Re-measurement gain / (loss):					
1,328	-	-	1,328	- The return on plan assets, excluding the amount included in the net interest expense	(2,369)	0	0	(2,369)	
1,364	6,200	600	8,164	Contributions from employer	1,382	6,400	600	8,382	
351	1,400	-	1,751	Contributions from employees into the scheme	362	1,400	0	1,762	
(948)	(7,600)	(600)	(9,148)	Benefits / transfers paid	(983)	(8,000)	(600)	(9,583)	
36,892	-	-	36,892	Closing value of scheme assets	36,180	(200)	0	35,980	

**Movements in the Fair Value
of Scheme Liabilities**

2018/19				2019/20			
LGPS	Firefighters Main Scheme	Firefighters Injury Pensions	Total	LGPS	Firefighters Main Scheme	Firefighters Injury Pensions	Total
£000	£000	£000	£000	£000	£000	£000	£000
(46,442)	(283,100)	(26,300)	(355,842)	(53,861)	(294,800)	(27,900)	(376,561)
(2,000)	(5,200)	(700)	(7,900)	(2,372)	(5,100)	(700)	(8,172)
(1,274)	(7,800)	(700)	(9,774)	(1,316)	(7,000)	(700)	(9,016)
(351)	(1,400)	-	(1,751)	(362)	(1,400)	0	(1,762)
(6)	6,900	(900)	5,994	2,854	(2,400)	0	454
-	25,900	(3,100)	22,800	1,248	10,000	0	11,248
(4,558)	(26,200)	3,200	(27,558)	6,065	28,900	(100)	34,865
(178)	(11,500)	-	(11,678)	0	0	0	0
948	7,600	600	9,148	983	8,000	600	9,583
(53,861)	(294,800)	(27,900)	(376,561)	(46,761)	(263,800)	(28,800)	(339,361)

2018/19	LGPS	2019/20
Long term expected rate of return on assets		
2.4%	Equity Instruments	2.3%
2.4%	Bonds	2.3%
2.4%	Investment Funds and Unit Trusts	2.3%
Mortality assumptions		
Longevity at retirement for current pensioners		
22.4	Men	22.0
24.4	Women	24.0
Longevity at retirement for future pensioners		
24.0	Men	22.7
26.3	Women	25.5
Other assumptions		
2.5%	Rate of inflation	2.0%
2.8%	Rate of increase in salaries	2.3%
2.5%	Rate of increase in pensions	1.8%
2.4%	Rate for discounting scheme liabilities	2.3%

Impact of assumptions on the obligation:

Increase by 1%	LGPS Assumption	Decrease by 1%
£000		£000
902	Rate of increase in salaries	(902)
9,308	Rate of increase in pensions	(9,308)
10,278	Rate for discounting scheme liabilities	(10,278)

The significant assumptions used by the actuary have been:

2018/19	Firefighters Main Scheme	2019/20
Mortality assumptions		
Longevity at retirement for current pensioners		
27.3	Men	26.4
29.4	Women	28.5
Longevity at retirement for future pensioners		
28.4	Men	27.5
30.6	Women	29.7
Other assumptions		
2.5%	Rate of inflation	2.0%
3.5%	Rate of increase in salaries	2.8%
2.5%	Rate of increase in pensions	1.9%
2.4%	Rate for discounting scheme liabilities	2.3%

Impact of assumptions on the obligation:

Increase by 1%	Firefighters Main Scheme Assumption	Decrease by 1%
£000		£000
8,707	Longevity	(8,707)
6,596	Rate of increase in salaries	(6,596)
43,992	Rate of increase in pensions	(43,992)
56,250	Rate for discounting scheme liabilities	(56,250)

The table above shows the amount included in the Balance Sheet arising from the Authority's obligation in respect of its defined benefit plans.

Note 30 - Nature and Extent of Risks Arising from Financial Instruments

Disclosure of Nature and Extent of Risk Arising From Financial Instruments

All monies within these institutions are currently subject to the respective administration and policy.

Key Risks

The Fire Authority's activities expose it to a variety of financial risks. The key risks are:

- Credit risk – the possibility that other parties might fail to pay amounts due to the Authority.
- Liquidity risk – the possibility that the Authority might not have funds available to meet its commitments to make payments.
- Re-financing risk – the possibility that the Authority might be required to renew a financial instrument on maturity at disadvantageous interest rates or terms.
- Interest rate risk – the possibility that the Authority could pay higher costs on variable rate debt.
- Price risk – the possibility that the Authority could lose money on its investments.

Overall Procedures for Managing Risk

The Fire Authority's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by the finance team, under policies approved by the Fire Authority in the annual treasury management statement. The Fire Authority provides written principles for overall risk management, as well as written policies covering specific areas, such as interest rate risk, credit risk and the investment of surplus cash.

Credit risk

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the Authority's customers.

This risk is minimised through the annual treasury management statement, which requires that deposits are not made with banks and financial institutions unless they meet minimum credit criteria of A, as laid down by Moody, Fitch, Standard & Poor's Rating Services and Credit Default Spread data provided by Link Asset Services. The Fire Authority has a policy of not investing more than £4m with any one group of institutes unless it is UK Government backed where it is capped at £8m.

The Fire Authority's maximum exposure to credit risk in relation to its investments in banks and building societies of £11,230k cannot be assessed generally as the risk of any institution failing to make interest payments or repay the principal sum will be specific to each individual institution. Recent experience has shown that it is rare for such entities to be unable to meet their commitments. A risk of recoverability applies to all of the Fire Authority's deposits, but there was no evidence at the 31 March 2020 that this was likely to crystallise.

No credit limits were exceeded during the reporting period and the Fire Authority does not expect any losses from non-performance by any of its counterparties in relation to deposits.

Liquidity Risk

The Authority has a comprehensive cash flow management system that seeks to ensure that cash is available as needed. If unexpected movements happen, the Fire Authority has ready access to borrowings from the money markets and the Public Works Loans Board. There is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments. Instead, the risk is that the Fire Authority will be bound to replenish a significant proportion of its borrowings at a time of unfavourable interest rates. The Fire Authority sets limits on the proportion of its fixed rate borrowing during specified periods. The strategy is to ensure budget certainty through the use of long term funding secured at low rates of interest. The maturity analysis of financial liabilities is shown in the Liquidity Risk table below.

Liquidity Risk	31 March 2019	31 March 2020
	£000	£000
More Than 10 years	3,200	3,200
	3,200	3,200

Market Risk

Interest rate risk - The Authority is exposed to interest rate movements on its borrowings and investments. Movements in interest rates have a complex impact on the Authority, depending on how variable and fixed interest rates move across differing financial instrument periods. For instance, a rise in variable and fixed interest rates would have the following effects:

- Borrowings at variable rates – the interest expense charged to the Comprehensive Income and Expenditure Statement will rise
- Borrowings at fixed rates – the fair value of the borrowing will fall (no impact on revenue balances)
- Investments at variable rates – the interest income credited to the Comprehensive Income and Expenditure Statement will rise; and
- Investments at fixed rates – the fair value of the assets will fall (no impact on revenue balances).

Borrowings are not carried at fair value on the balance sheet, so nominal gains and losses on fixed rate borrowings would not impact on the Surplus or Deficit on the Provision of Services or Other Comprehensive Income and Expenditure. However, changes in interest payable and receivable on variable rate borrowings and investments will be posted to the Surplus or Deficit on the Provision of Services and affect the General Fund Balance, subject to influences from Government grants. Movements in the fair value of fixed rate investments that have a quoted market price will be reflected in the Other Comprehensive Income and Expenditure Statement.

The Fire Authority has a number of strategies for managing interest rate risk. The Annual Treasury Management Strategy draws together the Authority's prudential and treasury indicators and its expected treasury operations, including an expectation of interest rate movements. From this Strategy a treasury indicator is set which provides maximum limits for fixed and variable interest rate exposure. The central treasury team will monitor market and forecast interest rates within

the year to adjust exposures appropriately. For instance during periods of falling interest rates, and where economic circumstances make it favourable, fixed rate investments may be taken for longer periods to secure better long term returns, similarly the drawing of longer term fixed rates borrowing would be postponed.

The finance team has an active strategy for assessing interest rate exposure that feeds into the setting of the annual budget and which is used to update the budget quarterly during the year. This allows any adverse changes to be accommodated. The analysis will also advise whether new borrowing taken out is fixed or variable.

Sensitivity Analysis

According to this assessment strategy, at 31 March 2020, if interest rates had been 1% higher with all other variables held constant, the financial effect would be:

	£000s
Increase in interest receivable on variable rate investments	80
Increase in government grant receivable for financing costs	58
Impact on Surplus or Deficit on the Provision of Services	138
Decrease in fair value of fixed rate investment assets	(46)
Impact on Other Comprehensive Income and Expenditure	(46)

Decrease in fair value of fixed rate borrowings liabilities (no impact on the Surplus or Deficit on the provision of Services or Other Comprehensive Income and Expenditure). The impact of a 1% fall in interest rates would be as above but with the movements being reversed. 1% is not the Fire Authority's estimate of probable variation, it is used as an example to allow readers to easily work out comparisons using their own estimates.

Fire Fighters Pension Fund Account

Cambridgeshire And Peterborough Fire Authority

This account shows the contributions made to and payments from the Firefighters' Pension Schemes. The schemes are unfunded and consequently since the scheme has no investment assets, the difference between the contributions and payments is now fully financed by the Home Office. The net effect on the Fire Authority will always be nil.

The fund's financial statements do not take into account any liabilities to pay pension and other benefits after the period end.

2018/19		2019/20
£000's		£000's
	Contributions Receivable	
(1,629)	Employers	(3,115)
(45)	Ill-health retirements	(45)
(1,402)	Employees	(1,396)
(3,076)		(4,556)
(1)	Transfers in from other schemes	(181)
	Benefits Payable	
6,648	Pensions	6,977
1,693	Commutation of pension and lump sum retirement benefits	1,295
405	Transfers out to other schemes	0
5,669	Deficit/Surplus for the year before top up grant receivable/amount payable from/to sponsoring department	3,534
(5,669)	Top up grant receivable/amount payable from/to sponsoring department	(3,534)
-	Net amount payable/receivable for the year	-

Notes to the Fire Fighters Pension Fund Account

Note F1

Firefighters Pension Fund Statement Notes

- The fund was established under the Firefighters' Pensions Scheme (Amendment) (England) Order 2006. The scheme is an unfunded scheme and has no investment assets. The fund pays all Firefighters' retirement benefits with the exception of injury awards which are paid from the Fire Authority's account and included in the Comprehensive Income and Expenditure Statement on page 12.
- The fund displays the contributions receivable and the benefits paid out in respect of pensions and leavers. As there are no investment assets held within the fund the difference between the income, from employee and employer contributions, and expenditure is met by a contribution from / to the Department of Communities and Local Government, thus the fund is balanced to nil each year. The fund is administered by the LGSS (Local Government Shared Service) Pensions Section of Cambridgeshire County Council and managed by Cambridgeshire & Peterborough Fire Authority.
- The accounting policies followed are as stated in the Accounting Policies on page 15. The Pension Fund Account only relates to the liabilities incurred during the 2018/19 financial year. All future liabilities are accounted for on an IAS 19 basis and are included within the core financial statements.
- The employees' and employer's contributions are based on percentages of pensionable pay set nationally by the MHCLG and subject to triennial revaluation by the Government Actuary's Department.

Note F2

Net Assets Statement

2018/19		2018/19
1,868	Top-up grant due from/refundable to(-) the Government	352
(1,868)	Amount due to(-)/from General Fund	(352)
-	Long Term Assets	-
-		-
<hr/>		<hr/>

Independent Auditors' Report to the Members of Cambridgeshire and Peterborough Fire Authority

To be inserted here

DRAFT

DRAFT

DRAFT

Glossary

AAA FITCH RATING

Highest credit quality - 'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for timely payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

AA FITCH RATING

Very high credit quality - 'AA' ratings denote a very low expectation of credit risk. They indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

A FITCH RATING

High credit quality - 'A' ratings denote a low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than is the case for higher ratings.

ACCOUNTING PERIOD

The period of time covered by the accounts, normally a period of twelve months commencing on 1 April. The end of the accounting period is the Balance Sheet date.

ACCRUALS

Sums included in the final accounts to recognise revenue and capital income and expenditure earned or incurred in the financial year, but for which actual payment had not been received or made as at 31 March.

ACTUARIAL GAINS AND LOSSES

For a defined benefit pension scheme, the changes in actuarial surpluses or deficits that arise because:

- Events have not coincided with the actuarial assumptions made for the last valuation (experience gains and losses); or
- The actuarial assumptions have changed

ASSET

An item having value to the Authority in monetary terms. Assets are categorised as either current or non-current

- A current asset will be consumed or cease to have material value within the next financial year (e.g. cash and stock);
- A non-current asset provides benefits to the Authority and to the services it provides for a period of more than one year and may be tangible e.g. a community centre, or intangible, e.g. computer software licences.

AUDIT OF ACCOUNTS

An independent examination of the Authority's financial affairs.

BALANCE SHEET

A statement of the recorded assets, liabilities and other balances at the end of the accounting period.

BORROWING

Using cash provided by another party to pay for expenditure, on the basis of an agreement to repay the cash at a future point, usually incurring additional interest charges over and above the original amount.

BUDGET

A statement of the Fire Authority's policy expressed in financial terms.

CAPITAL EXPENDITURE

Expenditure on the acquisition of non-current assets or expenditure, which adds to the value of existing non-current assets, (i.e. over and above maintenance).

CAPITAL FINANCING

Funds raised to pay for capital expenditure. There are various methods of financing capital expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, capital contributions, revenue reserves and earmarked reserves.

CAPITAL PROGRAMME

The capital schemes the Fire Authority intends to carry out over a specific period of time.

CAPITAL RECEIPTS

Income from the sale of assets. Such income may only be used to repay loan debt or to finance new capital expenditure.

Chartered Institute of Public Finance and Accountancy (CIPFA)

The principal accountancy body dealing with local government finance.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

The account of the Fire Authority that reports the net cost for the year of the functions for which it is responsible and demonstrates how that cost has been financed from precepts, grants and other income.

CONSISTENCY

The concept that the accounting treatment of like items within an accounting period and from one period to the next are the same.

CONTINGENT ASSETS

A possible asset arising from past events, whose existence will only be confirmed by future events not wholly within the Fire Authority's control.

CONTINGENT LIABILITY

A contingent liability is either:

- A possible obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the Fire Authority's control; or
- A present obligation arising from past events where it is not probable that a transfer of economic benefits will be required, or the amount of the obligation cannot be measured with sufficient reliability.

CREDITORS

Amounts owed by the Fire Authority for which payment has not been made by the end of the financial year.

CURRENT SERVICE COST (PENSIONS)

The increase in the present value of a defined benefits pension scheme's liabilities, expected to arise from employee service in the current period.

DEBTORS

Amounts due to the Fire Authority but unpaid at the end of the financial year.

DEFINED BENEFIT PENSION SCHEME

Pension schemes in which the benefits received by the participants are independent of the contributions paid and are not directly related to the investments of the scheme.

DEPRECIATION

The measure of the cost of wearing out, consumption or other reduction in the useful economic life of the Fire Authority's non-current assets.

EQUITY

The Fire Authority's value of total assets less total liabilities.

EVENTS AFTER THE BALANCE SHEET DATE

Events after the Balance Sheet date are those events, favourable or unfavourable, that occur between the Balance Sheet date and the date when the Statement of Accounts is authorised for issue.

EXPECTED RETURN ON PENSION ASSETS

For a funded defined benefit scheme, this is the average rate of return, including both income and changes in fair value but net of scheme expenses, which is expected over the remaining life of the related obligation on the actual assets held by the scheme.

FAIR VALUE

The fair value of an asset is the price at which it could be exchanged in an arm's length transaction.

FINANCE LEASE

A lease that transfers substantially all of the risks and rewards of ownership of a fixed asset to the lessee.

GOING CONCERN

The concept that the Statement of Accounts is prepared on the assumption that the Fire Authority will continue in operational existence for the foreseeable future.

GOVERNMENT GRANTS

Grants made by the government towards either revenue or capital expenditure in return for past or future compliance with certain conditions relating to the activities of the Fire Authority. These grants may be specific to a particular scheme or may support the revenue spend of the Fire Authority in general.

IMPAIRMENT

A reduction in the value of a fixed asset to below its recoverable amount, the higher of the asset's fair value less costs to sell and its value in use.

INJURY AWARD

An injury award compensates an individual for the potential loss of earnings for injury sustained whilst on duty that results in some level of disablement which hinders or prevents them from working in the future. An injury award is a life time award.

INTANGIBLE ASSETS

An intangible (non-physical) item may be defined as an asset when access to the future economic benefits it represents is controlled by the reporting entity. This Fire Authority's intangible assets comprise computer software licences.

INTEREST COST (PENSIONS)

For a defined benefit scheme, the expected increase during the period of the present value of the scheme liabilities because the benefits are one period closer to settlement.

LIABILITY

A liability is where the Fire Authority owes payment to an individual or another organisation.

- A current liability is an amount which will become payable or could be called in within the next accounting period, e.g. creditors or cash overdrawn.
- A deferred liability is an amount which by arrangement is payable beyond the next year at some point in the future or to be paid off by an annual sum over a period of time.

LIQUID RESOURCES

Current asset investments that are readily disposable by the Fire Authority without disrupting its business and are either:

- Readily convertible to known amounts of cash at or close to the carrying amount; or
- Traded in an active market.

LONG TERM BORROWING

Loans raised to finance capital spending which have still to be repaid.

LONG-TERM CONTRACT

A contract entered into for the design, manufacture or construction of a single substantial asset or the provision of a service (or a combination of assets or services which together constitute a single project), where the time taken to substantially complete the contract is such that the contract activity falls into more than one accounting period.

MATERIALITY

The concept that the Statement of Accounts should include all amounts which, if omitted, or mis-stated, could be expected to lead to a distortion of the financial statements and ultimately mislead a user of the accounts.

NET BOOK VALUE

The amount at which fixed assets are included in the Balance Sheet, i.e. their historical costs or current value less the cumulative amounts provided for depreciation.

NET DEBT

The Authority's borrowings less cash and liquid resources.

OPERATING LEASE

A lease where the ownership of the fixed asset remains with the lessor.

PAST SERVICE COST (PENSIONS)

For a defined benefit pension scheme, the increase in the present value of the scheme liabilities related to employee service in prior periods arising in the current period as a result of the introduction of, or improvement to retirement benefits.

PENSION SCHEMES

a) Retirement Benefits

All forms of consideration given by an employer in exchange for services rendered by employees that are payable after the completion of employment. Retirement benefits do not include termination benefits payable as a result of: (i) an employer's decision to terminate an employee's employment before the normal retirement date or (ii) an employee's decision to accept redundancy in exchange for those benefits, because these are not given in exchange for services rendered by employees.

b) Scheme Liabilities

The liabilities of a defined benefit scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflects the benefits that the employer is committed to provide for service up to the valuation date.

PRECEPTING

The Fire Authority is deemed a major precepting authority and now has the power to levy a local Council Tax charge on the local taxpayer.

PRIOR YEAR ADJUSTMENT

Material adjustments applicable to previous years arising from changes in accounting policies or from the correction of fundamental errors. This does not include normal recurring corrections or adjustments of accounting estimates made in prior years.

PROPERTY, PLANT AND EQUIPMENT

Tangible assets that yield benefits to the Fire Authority for a period of more than one year.

PROVISION

An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur but the amounts or dates of when they will arise are uncertain.

PUBLIC WORKS LOAN BOARD (PWLB)

The government body that provides local authority loans.

RELATED PARTIES

There is a detailed definition of related parties in FRS 8. For the Council's purposes related parties are deemed to include the Fire Authority's members, the Chief Executive, its Directors and their close family and household members.

RELATED PARTY TRANSACTIONS

The Statement Of Recommended Practice requires the disclosure of any material transactions between the Authority and related parties to ensure that stakeholders are aware when these transactions occur and the amount and implications of such.

REMUNERATION

All sums paid to or receivable by an employee and sums due by way of expenses allowances (as far as those sums are chargeable to UK income tax) and the money value of any other benefits. Received other than in cash. Pension contributions payable by the employer are excluded.

RESERVES

The accumulation of surpluses, deficits and appropriations over past years. Reserves of a revenue nature are available and can be spent or earmarked at the discretion of the Fire Authority. Some capital reserves such as the fixed asset restatement account cannot be used to meet current expenditure.

RESIDUAL VALUE

The net realisable value of an asset at the end of its useful life.

REVENUE EXPENDITURE AND INCOME

Expenditure and income arising from the day to day operation of the Fire Authority.

REVENUE SUPPORT GRANT

A grant paid by Central Government to authorities, contributing towards the general cost of their services.

ROYAL INSTITUTE OF CHARTERED SURVEYORS (RICS)

The body dealing with property surveys.

STOCKS

Items of raw materials and stores an authority has procured and holds in expectation of future use. Examples are consumable stores, raw materials and products and services in intermediate stages of completion.

USEFUL ECONOMIC LIFE (UEL)

The period over which the Fire Authority will derive benefits from the use of a fixed asset.

TO: Cambridgeshire and Peterborough Fire Authority

FROM: Deputy Chief Executive Officer - Matthew Warren

PRESENTING OFFICER: Democratic Services Officer – Dawn Cave

Telephone 01223 699178
dawn.cave@cambridgeshire.gov.uk

DATE: 22 October 2020

DATES OF FIRE AUTHORITY MEETINGS 2021-22

1. PURPOSE

- 1.1 To consider the scheduling and co-ordination of dates of meetings of the Authority and its Committees.

2. RECOMMENDATIONS

- 2.1 The Authority is asked to agree the schedule of meetings for 2021/22.

3. RISK ASSESSMENT

- 3.1 **Political** – It is important to agree the schedule of meetings for 2021/22 in advance to ensure the effective operation of the Fire Authority’s democratic process.

4. SCHEDULE OF MEETINGS

- 4.1 A schedule of meetings for 2021/22 is attached at **Appendix A**. The schedule has been prepared taking into account future key meetings proposed for Cambridgeshire County Council and, where available, Peterborough City Council. School holidays, including half term dates, have also been avoided where possible.
- 4.2 The schedule includes the 2020/21 dates, including additional and date changes made during the year.

APPENDIX A**CALENDAR OR MEETINGS 2020/21**

MEETING	Time	July	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Overview & Scrutiny	2.00pm	23/07/20		01/10/20			07/01/21			15/04/21		
Policy & Resources	2.00pm	16/07/20		22/10/20		17/12/20	28/01/21		25/03/21			24/06/21
FIRE AUTHORITY Seminar	2.00pm (10:00am)			22/10/20				11/02/21				17/06/21
Performance Review	10.30am											
Appeals			10/09/20		10/11/20		21/01/21		25/03/21			03/06/21
Joint Consultative Committee	10.00am	16/07/20	20/09/20		26/11/20		07/01/21			01/04/21		29/06/21

CALENDAR OF MEETINGS 2021/22

MEETING	Time	July	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Overview & Scrutiny	2.00pm	22/07/21		07/10/21			12/01/22			21/04/22		
Policy & Resources	2:00pm	15/07/21		21/10/21		16/12/21	27/01/22			28/04/22		23/06/22
FIRE AUTHORITY Seminar	2.00pm (10:00am)				04/11/21			10/02/22				16/06/22
Performance Review	10.30am											
Appeals			02/09/21		09/11/21		20/01/22		24/03/22			02/06/22
Joint Consultative Committee	10.00am	15/07/21	23/09/21		30/11/21		12/01/22			21/04/22		28/06/22