

2024/25



HUMBERSIDE
Fire & Rescue Service

Humberside Fire Authority Annual Accounts 2024/25

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Narrative Report by the Executive Director of Finance/Section 151 Officer

Introduction

The Statement of Accounts summarises the financial performance of the Authority for year ended 31 March 2025. These accounts have been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 published by the Chartered Institute of Public Finance and Accountancy (CIPFA).

The purpose of the narrative report is to offer interested parties a fair, balanced and easily understandable guide to the most significant matters reported in the accounts. The inevitable use of technical language has been kept to a minimum. A 'Glossary of Terms' (to help explain some of the technical terms) can be found in the appendices.

Organisational Summary

Humberside Fire and Rescue Service (HFRS) serves the communities within the areas of East Riding of Yorkshire Council, Hull City Council, North East Lincolnshire Council and North Lincolnshire Council. Governance of HFRS is provided through Humberside Fire Authority (HFA) made up of elected Members, nominated by each local authority.

Detailed in the 'Fire and Rescue National Framework for England', as approved under section 21 of the Fire and Rescue Services Act 2004, are the priorities of a fire and rescue authority, required in order to fulfil their statutory duty, to ensure provision of core functions:

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

Humberside

HFRS serves a population of almost one million people across a geographical area of 1,358 square miles. Each of the unitary authority areas present the Service with different challenges, consisting of urban, rural, and coastal communities with some affluent areas and some areas suffering from significant deprivation.

The service area also includes a broad range of industrial and heavy commercial risks, having the second highest number of high hazard industrial sites in the UK. These include major petrochemical sites, natural gas storage, pharmaceutical industries, and large port complexes. Almost a quarter of the UK's sea borne trade passes through the Humber ports of Hull, Immingham, Grimsby, and Goole including 20 per cent of the UK's gas supply.

Service Statistics

- Number of fire stations: 31
- Number of fire engines: 43 frontline and 11 reserve
- Number of specialist emergency response vehicles: 14 + 32 Flexible Duty System vehicles
- Number of Co-Responding and Falls vehicles: 11
- Number of staff: 909 (headcount)

Structure and Fire Station Locations

HFRS operates under a Service delivery structure of four districts (mirroring the four local authority areas), divided by the physical boundary of the Humber Estuary and river into North (Kingston upon Hull and East Riding) and South (North Lincolnshire and North East Lincolnshire). The respective Service delivery teams have the responsibility for all operational and safety matters in their area.



Community Risk Management Plan (CRMP) and Strategic Plan 2021 - 2025

Each Fire and Rescue Authority must produce a CRMP, which is available to the public. The plan must reflect the following information:

- reflect up to date risk analyses including an assessment of all foreseeable fire and rescue related risks that could affect the area of the authority;
- demonstrate how prevention, protection and response activities will best be used to prevent fires and other incidents and mitigate the impact of identified risks on its communities, through authorities working either individually or collectively, in a way that makes best use of available resources;
- outline required service delivery outcomes including the allocation of resources for the mitigation of risks;
- set out its management strategy and risk-based programme for enforcing the provisions of the Regulatory Reform (Fire Safety) Order 2005 in accordance with the principles of better regulation set out in the Statutory Code of Compliance for Regulators, and the Enforcement Concordat;
- cover at least a three-year time span and be reviewed and revised as often as it is necessary to ensure that the authority is able to deliver the requirements set out in this Framework;
- reflect effective consultation throughout its development and at all review stages with the community, its workforce and representative bodies and partners; and
- be easily accessible and publicly available.

The Chief Fire Officer must, in exercising their functions, have regard to the Fire and Rescue Authority's CRMP and any set objectives and priorities which may then be outlined in a Strategic Plan. The Fire and Rescue Authority should give due regard to the professional advice of the Chief Fire Officer while developing the CRMP and when making decisions affecting the fire and rescue service.

The CRMP and Strategic Plan can be found at <https://humbershirefire.gov.uk/about-us/our-vision-and-plans>

The work of HFRS

HFRS has a legal duty to provide a fire and rescue service that meets the needs of the local communities, in accordance with the Service's CRMP. HFRS is prepared to deal with a wide range of emergencies, from house fires and road traffic collisions, to floods and chemical spills.

HFRS is responsible for the enforcement of fire prevention, petroleum, and explosives legislation, working with our communities to help keep people and property safe, providing a fire and rescue service for the people that live, work, and visit the Humber area.

HFRS's emergency medical response teams are trained to respond immediately to life threatening calls received by the ambulance service, providing first responder intervention and increasing the chances of survival. In partnership with other agencies in the Hull City Council and East Riding of Yorkshire Council areas, HFRS has formed a Falls, Intervention Response, Safety Team (F.I.R.S.T) to deal with non-immediate life threatening incidents, predominantly following a fall, aiming to prevent the medical impact of such incidents while increasing and reducing the impact of less urgent calls on frontline services for both the health service and HFRS.

HFRS believes the most effective way to save lives and reduce injuries, to lessen the broader community impact from emergencies, is to engage in preventative activities to decrease the number of incidents that occur. To support such activities HFRS works closely with partner organisations and communities. Through the use of dedicated HFRS staff teams employed to work within the community, such as Prevention Advisors, they are able to engage with those people most vulnerable to fire, providing information and education. This includes signposting people who are vulnerable from issues not directly related to the fire service such as older people who may be at risk from severe weather, or household security.

HFRS has legal responsibilities to enforce fire safety legislation and do this by providing free advice to businesses to support their compliance with legislative requirements. If it is necessary, to keep the public and our firefighters safe, HFRS will prohibit or restrict the use of premises and prosecute persons responsible for breaches of legislation.

Response Standards

HFRS response standards set the target times for getting a fire engine to an incident.

For dwelling fires, the service area is divided into equal grid squares to eliminate any historical bias from previous boundaries. To better align emergency response with prevention efforts, the number of households matching the highest-risk Fire Fatality Profile (FFP) is assessed within each square. These areas are then categorised as High, Medium, or Low risk.

For Road Traffic Collisions (RTCs), the response standard is based on the 'golden hour' principle, the critical first hour after a traumatic injury, during which the chances of survival are significantly improved if the casualty reaches a trauma centre. The response model includes three key time elements: a 15-minute attendance target for the fire engine to arrive on scene; an average of 15 minutes for casualty extraction based on historical incident data; and up to 30 minutes of travel time to reach a trauma centre. Trauma centres have been mapped and average travel times calculated, particularly in high demand areas, to support this standard.

In managing these risks, HFRS sends two fire engines to every fire in a home and to road traffic collisions, aiming to arrive within the time frames categorised below:

- **High Risk Area:** 8 Minutes
- **Medium Risk Area:** 12 Minutes
- **Low Risk Area:** 20 Minutes
- **Road Traffic Collision:** 15 Minutes

The performance target for the **first engine** in attendance, is to accomplish the response standards on a least 90% of occasions. In 2024/25 the first engine exceeded these standards achieving 98% on all occasions.

The performance target for the **second engine** in attendance, is to accomplish the response standards on a least 80% of occasions. In 2024/25 the second engine exceeded these standards achieving 90% on all occasions.

Service Performance Summary 2024/25

Service Performance Indicator (SPI)	Service Target	Actual Performance
SPI 1 Total Fatalities	Aspirational Zero	8
SPI 1.1 Total Casualties	Aspirational Zero	34 (<i>Fire related incidents</i>)

The proceeding data is a breakdown of the total number of key incidents across 2024/25. Where appropriate Service Performance Indicators (SPI) are performance managed against calculated thresholds to define the range between high and low performance values for each of the different incidents. Thresholds enable the Service to analyse trends more accurately and less reactionary, enabling the deployment of resources and / or intervention activities more effectively.

Red	Performance that is a concern and needs addressing (above the upper threshold limits)
Green	Performance is positive and should be replicated (below the lower threshold limits)
Blank	Performance is stable between upper and lower thresholds

SPI	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	Total
SPI 2.2 Total Deliberate Fires	32	37	46	39	48	38	40	44	19	20	26	22	411
SPI 2.3 Accidental Dwelling Fires	22	20	25	27	22	25	32	33	29	37	27	17	316
SPI 2.4 Deliberate Secondary Fires	103	111	122	136	218	154	146	180	57	42	67	221	1557
SPI 2.5b False Alarm Non-Domestic	32	39	31	53	49	29	55	46	45	35	29	21	464
Total	189	207	224	255	337	246	273	303	150	134	149	281	2748

More detailed information on each of the above SPIs can be found in our Annual Performance Report published on our website under the section 'Our Performance':

<https://humberSidedefire.gov.uk/about-us/our-vision-and-plans>

The Authority's Accounts for the year 2024/25 are set out on pages 1-66 and in addition to this narrative report they consist of:

The Statement of Responsibilities details the responsibilities of the Authority and the Executive Director of Finance/S.151 Officer for the Accounts. This statement is signed and dated by the Executive Director of Finance/S.151 Officer under a statement that the Accounts give a True and Fair View of the financial position of the Authority at the accounting date and its income and expenditure for the year ended 31 March 2025.

The Movement in Reserves Statement shows the movement in the year on the different Reserves held by the Authority. This statement is split into usable and unusable Reserves; the usable Reserves are those that can be used by the Authority to fund expenditure; and the unusable Reserves are those Reserves that are required to mitigate the effect of some transactions on council tax and those Reserves that are created to mitigate unrealised gains and losses.

The Comprehensive Income and Expenditure Statement shows the accounting cost of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. The Authority raises taxation in accordance with regulations which are different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement (the movement on usable reserves).

The Balance Sheet which shows the value of the Assets and Liabilities recognised by the Authority at the Balance Sheet date.

The Cash Flow Statement which shows the changes in cash and cash equivalents during the year. This statement shows how the Authority generates and uses its cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

The Pension Fund Account which shows the movements relating to the Firefighters' Pension Fund.

2024/25 Financial Year

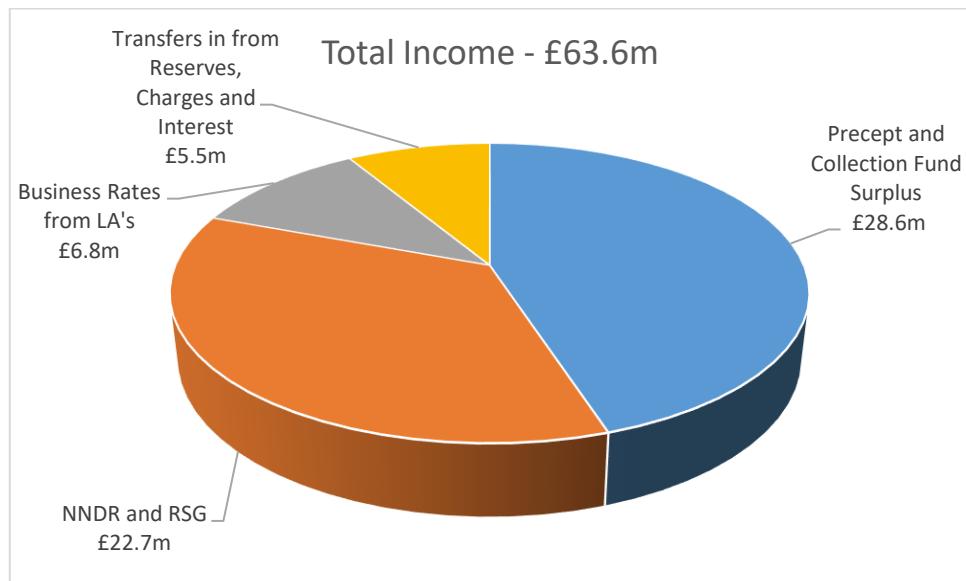
Despite significant financial challenges over recent years the Authority continues to take a very prudent approach to its finances.

Historically, the Authority has lived within its means and delivered a modest underspend in recent years.

The 2024/25 financial year has seen the Authority deliver a balanced budget position indicating good financial management given increased cost pressures.

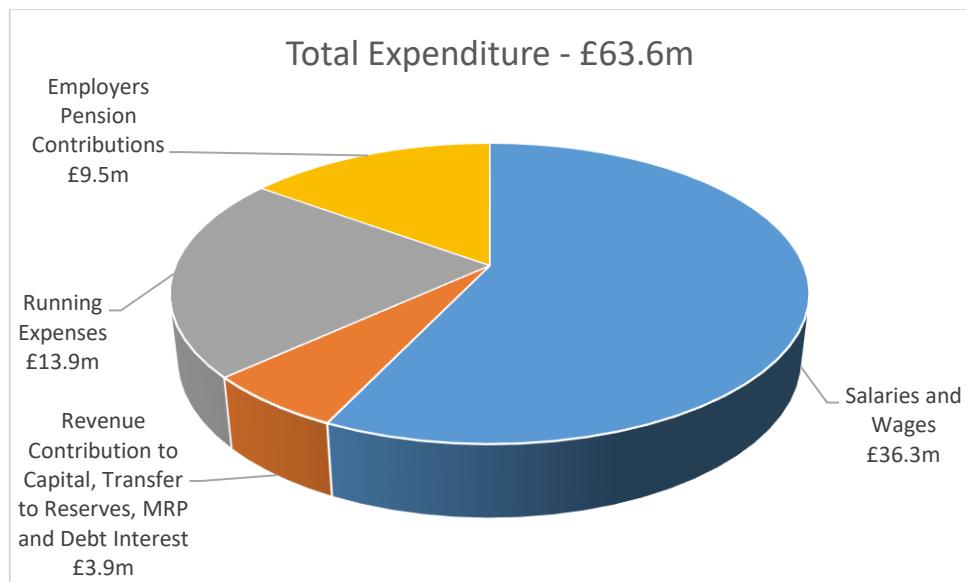
The Authority's position over the medium-term is sound but will be kept under continuous review particularly with regard the increased cost of employers National Insurance, pressures arising, and any pay awards agreed against a backdrop of high but reducing levels of general inflation and tight financial settlements from the Government.

Income



In 2024/25, the Authority received Revenue Support Grant and an allocation of pooled National Non-Domestic Rates directly from Central Government. It also sets a Precept (council tax) throughout the Humberside area for the balance of its expenditure requirements. The Precept set for 2024/25 was £28.33m (2023/24 was £27.06m) which equated to a Council Tax Band D Equivalent of £97.94 (2023/24 was £95.10).

Expenditure



Budget Outturn Position

Income of £63.609m was received by the Authority of which £63.638m was incurred on expenditure during 2024/25 leaving a deficit of £0.029m (appendix 1 shows how this reconciles with the Movement in Reserves Statement and the Expenditure and Funding Analysis in note 2).

Analysis of the Major Revenue Variances (a comprehensive table is presented in Appendix 1)

Non-Pay Variances

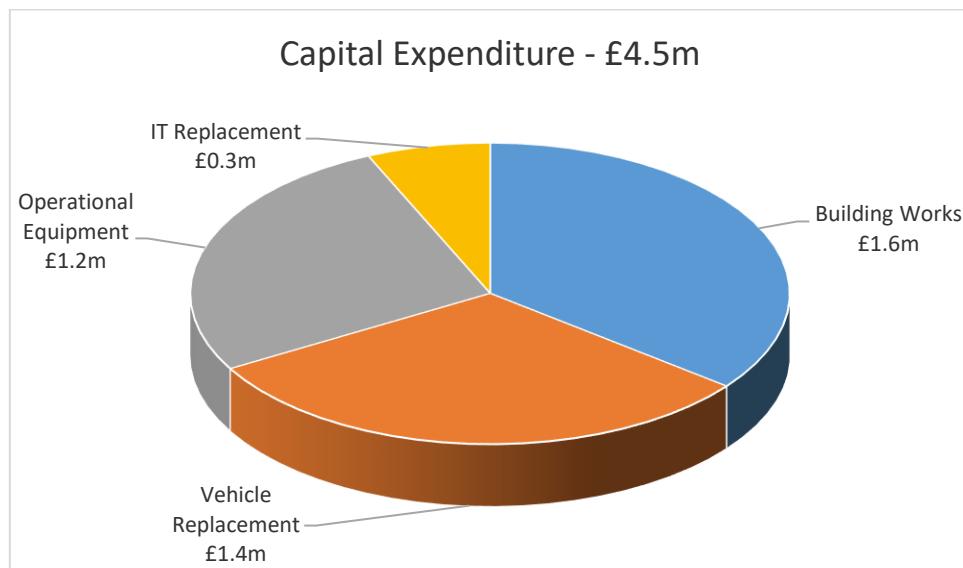
During 2024/25, the overall variance across all non-pay budgets was an overspend of £1.1m. This was primarily due to the implementation costs of the new Control room system

Income

During 2024/25 the Authority received £0.8m additional income relating mainly to additional Government grants, staff secondments, funding of the Road Safety team and income in relation to an insurance claim. In addition to this the Authority received additional investment income of £0.4m due to higher cash balances and interest rates.

Capital Expenditure

During 2024/25, £4.5m was invested in capital projects against a budget of £10.9m due to putting various schemes on hold whilst the Service conducted a 6 facet building review and a sustainability review of the fleet. These projects include various building works across the estate, replacement programmes for vehicles, operational equipment and IT replacement. (A more detailed breakdown is provided in Appendix 2).



Financing of Capital Expenditure

The Authority has a rolling capital programme that is reviewed throughout the year. The programme is financed by external borrowing, capital receipts and revenue contributions.

Humberside Fire Authority Reserves

Balances at 1 April 2024 stood at £15.088m. By deducting the deficit for the year of £29k and adding in the net movement on earmarked reserves of £620k, reserve balances at 31 March 2025 now stand at £15.679m (exclusive of the ESFM (Humberside) Ltd Reserve).

Future Spending Plans

The Authority has published a Medium-Term Resource Strategy for 2025/26 – 2029/30 which sets out the overall shape of the Authority's budget. It establishes how available resources will best deliver corporate objectives and mitigate corporate risks identified in the Strategic Plan. The current level of borrowing, including long-term leases held by the Authority, is £16.954m. The operational boundary is £35.0m and the authorised limit is £40.0m (these are part of the Authority's prudential indicators that have been previously agreed in the Authority's Treasury Management report; Fire Authority March 2024).

International Accounting Standard 19 (IAS 19)

IAS 19 requires employers to report the full cost of pension benefits as they are earned, regardless of whether they have been paid for. The Local Government Pension Scheme has a liability of £0.029m (2023/24 was an asset of £0.032m) and the liability on the Firefighters' Pension Scheme is £475.570m (2023/24 was £526.270m). The Authority's liability includes the Firefighters' Pension Scheme 1992, the Firefighters' Pension Scheme 2006,

Firefighters' Pension Scheme 2015 and the Modified Firefighters' Pension Scheme. It should be noted that IAS 19 does not impact upon the level of balances held by the Authority. (Under IAS19 injury awards are now recognised in the accounts of the Authority).

Humberside Fire Authority Pension Fund Account

The Financial Statements include a separate section for the Humberside Fire Authority Pension Fund Account. Under the pension funding arrangements each Authority in England is required by legislation to operate a Pension Fund and the amounts that must be paid into and out of the fund are specified by regulation.

Change in Statutory Function

There have been no changes to the Authority's statutory functions during 2024/25.

Significant Change in Accounting Policies

Mandatory implementation of IFRS16 Leases is required by all Authorities for the financial year 2024/25. The main impact of the new requirements is that for arrangements previously accounted for as operating leases (i.e., without recognising the leased property as an asset and future rents as a liability) a right-of-use asset and a lease liability are to be brought into the balance sheet at 1 April 2024. Leases for items of low value and lease that expire on or before 31 March 2025 are exempt from the new arrangements.

This has resulted in the following additions to the balance sheet:

- £0.104m Property, plant and equipment – land and buildings (right-of-use assets)
- £0.054m non-current creditors (lease liabilities)
- £0.050m Current creditors (lease liabilities)

Material Events after 31 March

There are no material events after 31 March to disclose.

Going Concern

The savings proposals previously agreed have resulted in a balanced budget for 2025/26 and over the life of the Medium-Term Resource Strategy so the Authority will remain a Going Concern. Practice Note 10 of the Financial Reporting Council's Statement of Recommended Practice assumes that public sector organisations will remain as going concerns provided the services continue of which there is no plan to stop delivering a Fire and Rescue Service for Humberside.

Further Information

The Statement of Accounts is intended to give electors, Members, employees and other interested parties clear information about the Authority's finances. I would welcome any comments, which would help to improve the information. To this end a questionnaire has been devised and included in the Accounts.

Further information about the accounts is available from the Finance Section, Service Headquarters, Summergroves Way, Hull, HU4 7BB. In addition, interested members of the public have a statutory right to inspect the accounts before the audit is completed. The availability of the accounts for inspection is advertised on the Authority's website www.humbersidefire.gov.uk.

Acknowledgment

I would like to express my appreciation to Shaun Edwards, Antoinette Diovisalvi and colleagues within the Finance team for their assistance in compiling the financial statements.

Martyn Ransom FCCA

Executive Director of Finance/Section 151 Officer – May 2025

Independent auditor's report to the members of Humberside Fire Authority

Report on the audit of the financial statements

Opinion on the financial statements

We have audited the financial statements of Humberside Fire Authority ("the Authority") for the year ended 31 March 2025, which comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, Firefighters' Pension Fund Account, Net Assets Statement and notes to the financial statements, including material accounting policy information.

The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Authority as at 31st March 2025 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, and taking into account the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Executive Director of Finance with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Responsibilities of the Executive Director of Finance for the financial statements

As explained more fully in the Statement of the Executive Director of Finance's Responsibilities, the Executive Director of Finance is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25, and for being satisfied that they give a true and fair view. The Executive Director of Finance is also responsible for such internal control as the Executive Director of Finance determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Executive Director of Finance is required to comply with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 and prepare the financial statements on a going concern basis on the assumption that the functions of the Authority will continue in operational existence for the foreseeable future. The Executive Director of Finance is responsible for assessing each year whether or not it is appropriate for the Authority to prepare its accounts on the going concern basis and disclosing, as applicable, matters related to going concern.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Authority, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, data protection, environmental protection, corruption and anti-bribery.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- gaining an understanding of the legal and regulatory framework applicable to the Authority, the environment in which it operates, and the structure of the Authority, and considering the risk of acts by the Authority which were contrary to the applicable laws and regulations, including fraud;
- inquiring with management and the Governance, Audit and Scrutiny Committee, as to whether the Authority is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- reviewing relevant meeting minutes in the year;
- communicating identified laws and regulations through to our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Authority which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the Local Government Act 2003 (and associated regulations made under section 21), the Local Government Finance Acts of 1988, 1992 and 2012, and the Accounts and Audit Regulations 2015.

In addition, we evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of management, Internal Audit and the Governance, Audit and Scrutiny Committee on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud, rests with both management and the Governance, Audit and Scrutiny Committee.

As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

We are also required to conclude on whether the Executive Director of Finance's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We performed our work in accordance with Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom, (Revised 2024) and Supplementary Guidance Note 01, issued by the National Audit Office in November 2024.

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

Report on the Authority's arrangements for securing economy, efficiency, and effectiveness in its use of resources

Matter on which we are required to report by exception

We are required to report to you if, in our view we are not satisfied that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025.

We have nothing to report in this respect.

Responsibilities of the Authority

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

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

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

We have undertaken our work in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in November 2024.

Matters on which we are required to report by exception under the Code of Audit Practice

We are required by the Code of Audit Practice to report to you if:

- we issue a report in the public interest under section 24 of the Local Audit and Accountability Act 2014;
- we make a recommendation under section 24 of the Local Audit and Accountability Act 2014; or
- we exercise any other special powers of the auditor under sections 28, 29 or 31 of the Local Audit and Accountability Act 2014.

We have nothing to report in these respects.

Use of the audit report

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

Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate until we have:

- received confirmation from the NAO that the group audit of the Whole of Government Account has been completed and that no further work is required to be completed by us



Key Audit Partner
For and on behalf of Forvis Mazars LLP (Local Auditor)

The Corner, Bank Chambers, 26 Mosley Street, Newcastle upon Tyne, NE1
1DF

I confirm that these accounts were approved at the Fire Authority meeting held on 28 November 2025.

Signed		Date	28 November 2025
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**Executive Director of Finance
and Section 151 Officer
Responsibilities**

The Executive Director of Finance and Section 151 Officer is responsible for the preparation of the Authority's Statement of Accounts which, in accordance with the *Code of Practice on Local Authority Accounting in Great Britain* (the 'Code of Practice'), issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) is required to present fairly the financial position of the Authority at the accounting date, and its income and expenditure for year ended 31 March 2023.

In preparing this Statement of Accounts, the Executive Director of Finance/Section 151 Officer has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the Code of Practice.

The Executive Director of Finance and Section 151 Officer has also:

- Kept proper accounting records which are up to date;
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with regulation 9(1) of the Accounts and Audit Regulations 2015, I certify that the attached Statement of Accounts presents a True and Fair View of the financial position of the Authority as at 31 March 2025 and its income and expenditure for the year

Signed		Date	14 January 2026
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STATEMENT OF ACCOUNTS

MOVEMENTS IN RESERVES STATEMENT

This statement shows the movement in the year on the different Reserves held by the Authority, analysed into 'Usable Reserves' (i.e. those that can be applied to fund expenditure or reduce local taxation) and other Reserves. The Surplus or (Deficit) on the Provision of Services line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different to the statutory amounts required to be charged to the General Reserve Balance for council tax setting purposes. The Net Increase / (Decrease) before transfers to Earmarked Reserves shows the statutory General Fund before any discretionary transfers to or from Earmarked Reserves undertaken by the Authority.

2024/25	Usable Capital						Collection			Total Authority Reserves £'000
	Earmarked Reserves £'000	General Fund Balance £'000	Receipts Reserve £'000	Total Usable Reserves £'000	Pensions Reserve £'000	Capital Adjustment Account £'000	Revaluation Reserve £'000	Fund Adjustment Account £'000	Accumulated Absences Account £'000	
	7	2	4	7	7	7	576	(180)	(470,360)	
Note(s)										
Balance at 31 March 2024	8,411	7,225	94	15,730	(526,292)	16,001	23,802	576	(180)	(470,360)
Surplus or (Deficit) on Provision of Services (accounting basis)			(19,666)		(19,666)					(19,666)
Other Comprehensive Income and Expenditure				-	68,696		(1,773)			66,923
Total Comprehensive Income and Expenditure	-	(19,666)	-	(19,666)	68,696	-	(1,773)	-	-	47,257
Adjustments between Accounting Basis & Funding Basis under Regulations (Note 10)		20,239	33	20,272	(18,013)	(1,766)	(434)	48	(107)	-
Net Increase / (Decrease) before transfers to Earmarked Reserves	-	573	33	606	50,683	(1,766)	(2,207)	48	(107)	47,257
Transfers to / (from) Earmarked Reserves	1,827	(1,827)		-						-
Increase / (Decrease) in Year	1,827	(1,254)	33	606	50,683	(1,766)	(2,207)	48	(107)	47,257
Balance at 31 March 2025	10,238	5,971	127	16,336	(475,609)	14,237	21,596	624	(287)	(423,103)

The accompanying notes form part of these Financial Statements.

MOVEMENT IN RESERVES STATEMENT

2023/24	Movement in Reserves Statement								Collection Fund Adjustment Account £'000	Accumulated Absences Account £'000	Total Authority Reserves £'000
	Earmarked Reserves £'000	General Fund Balance £'000	Usable Capital Receipts Reserve £'000	Total Usable Reserves £'000	Pensions Reserve £'000	Capital Adjustment Account £'000	Revaluation Reserve £'000				
Note(s)	7	2			4	7	7				
Balance at 31 March 2023	8,819	6,345	-	15,165	(515,041)	17,139	23,739	617	(440)	(458,819)	
Surplus or (Deficit) on Provision of Services (accounting basis)			(20,598)		(20,598)					(20,598)	
Other Comprehensive Income and Expenditure				-	8,562		494			9,056	
Total Comprehensive Income and Expenditure	-	(20,598)	-	(20,598)	8,562	-	494	-	-	(11,542)	
Adjustments between Accounting Basis & Funding Basis under Regulations (Note 10)		21,071	94	21,165	(19,813)	(1,140)	(431)	(41)	260	-	
Net Increase / (Decrease) before transfers to Earmarked Reserves	-	473	94	567	(11,251)	(1,140)	63	(41)	260	(11,542)	
Transfers to / (from) Earmarked Reserves	(408)	408		-							-
Increase / (Decrease) in Year	(408)	880	94	566	(11,251)	(1,140)	63	(41)	260	(11,542)	
Balance at 31 March 2024	8,411	7,225	94	15,730	(526,292)	16,001	23,802	576	(180)	(470,360)	

The accompanying notes form part of these Financial Statements.

COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT

This statement shows the accounting cost in the year for providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.

Year ended 31 March 2024			Year ended 31 March 2025		
£'000	£'000	£'000	£'000	£'000	£'000
Gross	Gross	Net	Gross	Gross	Net
Expenditure	Income	Expenditure	Note(s)	Expenditure	Income
3,330	(438)	2,892 Community Fire Safety		3,506	(431)
32,560	(601)	31,959 Fire Fighting & Rescue Operations *		35,410	(645)
17,930	(709)	17,221 Management and Support		19,986	(1,327)
128	-	128 Corporate and Democratic Core		128	-
58	-	58 Corporate Management		99	-
		- Non Distributed Cost/(Income)		177	177
54,006	(1,748)	52,259 Cost of Services		59,306	(2,403)
537	(94)	443 Other Operating Expenditure	12	-	(109)
23,967	(811)	23,156 Financing and Investment Income and Expenditure	12	24,469	(1,191)
-	(55,259)	(55,259) Taxation and Non-Specific Grant Income	12	-	(60,405)
		20,598 (Surplus) or Deficit on Provision of Services			19,666
		(494) (Surplus) or Deficit on Revaluation of Non Current Assets	5		1,773
		(8,562) Remeasurement of the net defined liability / (asset)	4		(68,696)
		(9,056) Other Comprehensive Income and Expenditure (Surplus)/Deficit			(66,923)
		11,542 Total Comprehensive Income and Expenditure (Surplus)/Deficit			(47,257)

* included within Fire Fighting & Rescue Operations are the costs of Safety work carried out by Firefighters who provide response duties.

The accompanying notes form part of these Financial Statements.

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date, of the Assets and Liabilities recognised by the Authority. The net Assets of the Authority (Assets less Liabilities) are matched by the Reserves held by the Authority. Reserves are reported in two categories; the first category of Reserves are usable Reserves, i.e. those Reserves that the 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 includes amounts that would only become available to provide services if the assets were sold; and Reserves that hold a timing difference as shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations.'

31 March 2024	31 March 2025
£'000	Note(s)
59,755 Property, Plant & Equipment	5
165 Intangible Assets	5
59,920 Long-Term Assets	58,029
569 Inventories	621
10,168 Short-Term Investments	8
9,317 Short-Term Debtors	9
82 Cash and Cash Equivalents	17
20,136 Current Assets	34,115
(5,937) Short-Term Creditors	9
(340) Short-Term Provisions	(170)
(946) Short-Term Borrowing	8
(7,223) Current Liabilities	(23,591)
(15,828) Long-Term Borrowing	8
(527,364) Other Long-Term Liabilities	4/8
(543,192) Long-Term Liabilities	(491,656)
<hr/> (470,360) Net Assets/(Liabilities)	<hr/> (423,103)
15,730 Usable Reserves	2/7
(486,090) Unusable Reserves	4/7
<hr/> (470,360) Total Reserves	<hr/> (423,103)

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the accounting 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.

31 March 2024		31 March 2025
£'000		£'000
(20,598) Net Surplus or (Deficit) on the Provision of Services	2	(19,666)
25,121 Cash Movements	17	35,440
(94) Provision of Services that are Investing and Financing Activities	17	(33)
<u>4,429 Net Cash Flows from Operating Activities</u>		<u>15,741</u>
(2,979) Investing Activities	17	(18,787)
(1,479) Financing Activities	17	3,039
<u>(30) Net Increase or (Decrease) in Cash and Cash Equivalents</u>		<u>(8)</u>
Cash and Cash Equivalents at the Beginning of the Reporting Period		
112	17	82
Cash and Cash Equivalents at the End of the Reporting Period		
82	17	74
<u>(30) Total Movement</u>		<u>(8)</u>

The accompanying notes form part of these Financial Statements.

Notes to the Financial Statements

1. Accounting Policies

The Financial Statements must meet the accounting requirements of the CIPFA Code of Practice on Local Authority Accounting which has been agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the CIPFA Code of Practice on Local Authority Accounting 2023/24. The accounting policies contained in the CIPFA Code of Practice follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to Local Authority Accounts, as determined by HM Treasury, who are advised by the Financial Reporting Advisory Board. Where the CIPFA Code of Practice on Local Authority Accounting permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Authority for the purpose of presenting fairly the position of the Authority is selected. The particular policies adopted by the Authority are described below and they have been applied consistently in dealing with items considered material in relation to the Accounts.

Accounting Convention

These Accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment, intangible assets and inventories. Where appropriate, financial assets and liabilities have been impaired or discounted to bring them to fair value.

Acquisitions and Discontinued Operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another. The Authority has not acquired or discontinued any operations during the reporting period.

Going Concern

After making enquiries, the Authority has formed a judgement, at the time of approving the Financial Statements that there is a reasonable expectation that the Authority has access to adequate resources to continue in operational existence for the foreseeable future. For this reason, the Authority continues to adopt the Going Concern basis in preparing the accounts.

Critical Judgements in Applying Accounting Policies

In applying the accounting policies of the Authority, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. Where a critical judgement is required for the accounts, the judgement is made using the knowledge and experience of relevant officers.

The Authority has to decide whether the leases it enters into should be treated as operating or finance leases and whether contractual arrangements it enters into have the substance of a lease. These judgements are made on the professional opinion of the Authority's valuers, accountants and procurement officer.

The Authority has to decide whether there is a group relationship between the Authority and other entities. The accountants assess each relationship that exists between the Authority and other entities that may result in a group accounts relationship.

Judgement is required to determine whether the Authority can be reasonably assured that the conditions of grant and contribution monies received have been met before recognising them as income in the Comprehensive Income and Expenditure Statement. Where conditions require specified expenditure to have taken place, the grant monies will not be recognised until this happens. Equally, where conditions specify that a grant or contribution must be repaid in the event of non-expenditure, the income is not recognised until expenditure is incurred.

Key Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the 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 Authority's Balance Sheet at 31 March for which there is a significant risk of material adjustment in the following financial year are those relating to Pensions and PPE valuations, details of which can be found on page 31. Revisions to accounting estimates are recognised in the period in which the estimate is revised and if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Pensions Liability and Reserve

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 ages, mortality rates and expected return on Pension Fund assets. Hymans Robertson (Actuaries) are contracted to provide an estimate of the net liability relating to the Local Government Pension Scheme. The Government Actuaries Department are contracted to provide an estimate of the net liability relating to the Firefighters' Pension Schemes.

Valuation and Depreciation Charges

Professional opinions of the values of land and buildings are made by Clark Weightman Ltd, who are contracted to provide valuation advice to the Authority. Estimates of the useful lives of property, plant and equipment are made by the relevant officers who have knowledge of such issues based on their professional judgement.

Revenue

Revenue in respect of services provided is recognised when the performance occurs, and is measured at the Fair Value of the consideration receivable.

Where income is received for a specific activity that is to be delivered in the following year the income is deferred.

Goods are sold on an incidental basis. Income is recognised at the point the sale transaction occurs.

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 accordance with section 2.7 of IFRS15. In particular:

- Revenue from the provision of services is recognised when the Authority can measure reliably the completion of the transaction.
- Supplies are recorded as expenditure when they are consumed.
- 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.
- Fees, charges and rents due are accounted for as income at the date the Authority provides the relevant goods or services.
- Interest payable on borrowings and receivable on investments is accounted for as expenditure or income respectively 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 income and expenditure has been recognised but cash has not yet been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Overheads and Support Services

Management and Support Services form part of the overall net cost of service and are reflected as they are reported to management and the Fire Authority with the exceptions of the two headings below which are separately disclosed within net cost of services.

- Corporate and Democratic Core – costs relating to the democratic processes of the Authority and other corporate costs.
- Non Distributed Costs – the cost of discretionary benefits awarded to employees retiring early and impairment losses chargeable on Assets Held for Sale.

These two cost categories are accounted for as separate headings in the Comprehensive Income and Expenditure Statement as part of Cost of Services.

Agency Income

Precept income is collected on behalf of the Authority by the four unitary authorities (East Riding of Yorkshire Council, Kingston upon Hull City Council, North East Lincolnshire Council and North Lincolnshire Council). This income is collected under an agency arrangement with the Authority including an appropriate share of taxpayer transactions within the financial statements.

Employee Benefits

Benefits Payable during Employment

Short-term employee benefits are those due to be settled within 12 months of the year-end. They include benefits such as salaries, paid annual leave and flexitime, bonuses and non-monetary benefits (for example cars) for current employees and are recognised as an expense in the year in which employees render service to the Authority. The CIPFA Code of Practice on Local Authority Accounting requires the Authority to recognise the amount of untaken annual leave at the 31st March as a liability which is reflected on the Balance Sheet.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or of an officer's decision to accept voluntary redundancy in exchange for those benefits. These are charged on an Accruals basis to the Comprehensive Income and Expenditure Statement at the earlier of when the Authority can no longer withdraw the offer of those benefits or when the Authority recognises costs for a restructuring.

When termination benefits involve the enhancement of pensions, statutory provisions require the General Fund Balance to be charged with the amount payable by the 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.

Retirement Benefits

Employees of the Authority are members of the following pensions schemes:

- The Firefighters' Pension Schemes (FPS) - this is an unfunded scheme, which means that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet the actual payments as they fall due. The Authority is required by legislation to operate a Pension Fund, with the amounts that must be paid into or out of the Pension Fund being specified by regulation. The Authority set up a Pension Fund on 1 April 2006 from which pension payments are made and into which contributions, from the Authority and employees, are received. The Pension Fund receives a top-up grant from the Government equal to the deficit each year, with any surplus on the Pension Fund being repaid to the Government. The Pension Fund is shown separately in the Accounts.
- The Local Government Pension Scheme (LGPS) for support staff, administered by the East Riding of Yorkshire Pension Fund, is a funded scheme, which means that the Authority and

employees pay contributions into a fund, calculated at a level intended to balance the pensions liabilities with investment Assets.

The above schemes provide defined benefits to members (retirement lump sums and pensions), earned as employees work for the Authority. They are accounted for in accordance with the requirements for Defined Benefits Schemes, based on the principle that an organisation should account for retirement benefits when it is committed to give them, even though this may be many years into the future.

A pensions Asset or Liability is recognised in the Balance Sheet, made up of the net position of retirement Liabilities and pension scheme Assets. Retirement Liabilities are measured on an actuarial basis using the projected unit method, by assessing 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 and projections of earnings for current employees. Pension scheme assets (LGPS only) attributable to the Authority are included at their Fair Value. The Authority currently has a net pensions liability and this is matched in the Balance Sheet by a Pensions Reserve.

The change in net pensions Liability during the year is analysed into the following components:

Service cost comprising:

- Current service cost – the increase in Liabilities as a result of service earned by employees in the current year. This is charged to services within the Comprehensive Income and Expenditure Statement.
- Past service cost – the increase in Liabilities as a result of a scheme amendment or curtailment whose effect relates to service earned in earlier years. This is part of Non Distributed Costs in the Comprehensive Income and Expenditure Statement.
- Net interest on the net defined benefit Liability – the change during the period in the net defined benefit Liability that arises from the passage of time. This 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 end 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. This is charged to the Financing and Investment Income and Expenditure line within the Comprehensive Income and Expenditure Statement.

Remeasurements comprising:

- The return on plan assets (LGPS only) – this excludes amounts included in net interest on the net defined benefit Liability and is charged to the Pensions Reserve as Other Comprehensive Income and Expenditure
- 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. This is charged to the Pensions Reserve as Other Comprehensive Income and Expenditure.
- Contributions paid / benefits paid – cash paid as employer's contribution by the Authority either to LGPS or directly to pensioners to reduce the scheme Liabilities.

Statutory provisions require that the amount charged to the General Fund Balance is that payable by the Authority to Pensions Funds or directly to pensioners during the year rather than that calculated under accounting standards. This means that an appropriation to or from the Pensions Reserve is done within the Movement in Reserves Statement to replace the notional sums for retirement benefits with the actual pension costs. The negative balance 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.

Other Expenses

Other operating expenses are recognised when, and to the extent that, the goods or services have been received. They are measured at the Fair Value of the consideration payable.

Property, Plant and Equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administration purposes;
- it is probable that service potential will be provided to the Authority;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has a cost of at least £6,000.

Donated Assets are recognised at their value and are defined in the CIPFA Code of Practice on Local Government Accounting as those Assets that are transferred at nil value or acquired at less than Fair Value. Donated Assets that are from other public bodies are accounted for as a government grant (as required by IAS 20).

Valuation

All property, plant and equipment are measured initially at cost, representing the cost attributable to acquiring or constructing the Asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. All Assets are measured subsequently at Fair Value.

Land and buildings used by the Authority are stated in the Balance Sheet at their re-valued amounts, being the Fair Value at the date of valuation. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the Reporting Period. Fair Values are determined as follows:

- Operational Buildings – Depreciated Replacement cost.
- Land and non-specialised buildings – market value for existing use.
- Vehicles, plant and equipment – historic cost less accumulated depreciation (as a proxy for current replacement cost).

Properties in the course of construction are carried at cost, less any impairment loss. Costs include professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at Fair Value. Assets are re-valued and Depreciation commences when they are brought into use.

An increase arising on revaluation is taken to the Revaluation Reserve except when it reverses an impairment previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease is recognised as an Impairment charged to the Revaluation Reserve to the extent that there is a balance on the Reserve for the Asset, and, thereafter, to expenditure. Gains and losses recognised in the Revaluation Reserve are reported as other comprehensive income in the Comprehensive Income and Expenditure Statement.

Subsequent Expenditure

Where subsequent expenditure enhances an Asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the Asset to its original specification, the expenditure is capitalised and any existing carrying value of the item replaced is written-off and charged to the Comprehensive Income and Expenditure Statement.

Disposals

Capital receipts from the sale of non-current assets are held in the Capital Receipts Unapplied Account until such time as they are used to finance other Capital Expenditure or to repay debt. Gains and losses on the disposal of non-current assets are recognised in the Comprehensive Income and Expenditure Statement.

Intangible Assets

Recognition

Intangible assets are non-monetary Assets without physical substance, which are capable of sale separately from the rest of the Authority's business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits or service potential will be provided to the Authority; where the cost of the Asset can be measured reliably, and where the cost is at least £6,000.

Intangible Assets recognised by the Authority are purchased IT software systems and are Amortised over 5 years.

Intangible Assets acquired separately are initially recognised at Fair Value. Software that is integral to the operating of hardware, for example an operating system is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an Intangible Asset.

Measurement

The amount initially recognised for internally-generated Intangible Assets is the sum of the expenditure incurred from the date when the criteria are initially met. Where no internally-generated Intangible Assets can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, Intangible Assets are carried at Fair Value by reference to an active market, or where no active market exists, at Amortised replacement cost (modern equivalent assets basis). Internally-developed software is held at historic cost to reflect the opposing effects of increases and development costs and technological advances.

Depreciation, Amortisation and Impairments

Assets under construction are not Depreciated. Otherwise, Depreciation and Amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their Useful Economic Lives, on a reducing balance basis (with the exception of assets acquired under finance leases). The Useful Economic Life of an Asset is the period over which the Authority expects to obtain economic benefits or service potential from the Asset. This is specific to the Authority and may be shorter than the physical life of the Asset itself. The Useful Economic Life and Residual Values are reviewed each year end, with the effect of any changes recognised on a prospective basis. The approximate average useful lives (depreciation periods) are categorised below:

• Buildings	40 years
• Vehicles – Fire Appliances	15 years
• Vehicles – Lorries and Vans	7 years
• Vehicles – Non FDS Cars and Light Vans	7 years
• Vehicles – FDS Cars	5 years
• Equipment	5 years
• Specialised Equipment (e.g. Breathing Apparatus)	10 Years

Assets acquired under Finance Leases are Depreciated over the term of the lease (or the life of the asset if this is lower than the term of the lease) on a straight-line basis.

At each reporting period end, the Authority checks whether there is any indication that any of its tangible or intangible non-current Assets have suffered an impairment loss. If there is indication of an Impairment loss, the recoverable amount of the Asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible Assets not yet available for use are tested for Impairment annually.

If there has been an Impairment loss, the Asset is written down to its recoverable amount, with the loss charged to the Revaluation Reserve to the extent that there is a balance on the Reserve for the Asset and, thereafter, to expenditure. Where an impairment loss subsequently reverses, the carrying amount of the Asset is increased to the revised estimate of the recoverable amount but capped at the amount that would have been determined had there been no initial impairment loss. The reversal

of the impairment loss is credited to expenditure to the extent of the decrease previously charged there and thereafter to the Revaluation Reserve.

The Authority is not required to raise council tax to cover Depreciation, Impairment or Amortisation, however it is required to make an Annual Provision from its revenue budget to contribute towards the reduction in its overall borrowing requirement, the Minimum Revenue Provision (MRP). This is equal to 4% of the adjusted capital financing requirement at 31 March and subsequent supported borrowing, together with an amount equal to any Capital Expenditure funded from unsupported borrowing, apportioned over the Useful Economic Life of the Asset.

Government Grants

Government grants are grants from Government bodies. Revenue grants are matched against the expenditure to which they relate. Capital grants are credited to income once any conditions of the grant have been satisfied. Assets purchased from government grants are valued, Depreciated and Impaired as described for purchased Assets.

Non-Current Assets Held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the Asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current Assets held for sale are measured at the lower of their previous carrying amount and Fair Value less costs to sell. Fair Value is open market value including alternative uses.

The profit or loss arising on the disposal of an Asset is the difference between the sale proceeds and the carrying amount and is recognised in the Comprehensive Income and Expenditure Statement. On disposal, the balance for the Asset on the Revaluation Reserve is transferred to the Capital Adjustment Account.

Property, Plant and Equipment that is to be scrapped or demolished does not qualify for recognition as Held for Sale. Instead, it is retained as an operational Asset and its Useful Economic Life is adjusted. The asset is de-recognised when it is scrapped or demolished.

Leases

The Authority classifies contracts as leases based on their substance. Contracts and parts of contracts are analysed to determine whether they convey the right to control the use of an individual asset, through rights both to obtain substantially all the economic benefits or service potential from the asset and to direct its use. This includes arrangements with nil consideration, peppercorn or nominal payments.

The Authority As A Lessee

Initial Measurement

Leases are recognised as right-of-use assets with a corresponding liability at the date from which the leased asset is available for use (or the IFRS 16 transition date of 1 April 2024 if later). The leases are typically for fixed periods in excess of one year but may have extension or break clause options within them. The Authority uses the best available information at the time of preparing the accounts to determine if any of these options will be taken.

The Authority initially recognises lease liabilities measured at the present value of lease payments, discounting by applying the incremental borrowing rate wherever the interest rate implicit in the lease cannot be determined. Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments which depend on an index or rate and lease payments in an optional renewal period.

The right-of-use asset is measured at the amount of the lease liability, adjusted for any prepayments made, plus any direct costs incurred to dismantle and remove the underlying asset or restore the underlying asset on the site on which it is located, less any lease incentives received.

However, for peppercorn, nominal payments or nil consideration leases, the asset is measured at fair value.

Subsequent Measurement

The right-of-use asset is subsequently measured using the fair value model. The Authority considers the cost model to be a reasonable proxy except for:

- assets held under non-commercial leases;
- leases where rent reviews do not necessarily reflect market conditions;
- leases with terms of more than five years that do not have any provision for rent reviews;
- leases where rent reviews will be at periods of more than five years.

For these leases, the asset is carried at a revalued amount.

The right-of-use asset is depreciated straight-line over the shorter period of the remaining lease term and useful life of the underlying asset as at the date of adoption.

The lease liability is subsequently measured at amortised cost, using the effective interest method.

The liability is remeasured when:

- there is a change in future lease payments arising from a change in index or rate
- there is a change in the Authority's estimate of the amount expected to be payable under a residual value guarantee
- the Authority changes its assessment if whether it will exercise a purchase, extension or termination option, or
- there is a revised in-substance fixed lease payment.

When such a remeasurement occurs, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

Low Value and Short-Term Lease exemptions

As permitted by the CIPFA Code, the Authority excludes leases:

- for low value items that cost less than £6,000 when new, provided they are not highly dependent on or integrated with other items, and
- with a term shorter than 12 months

Lease rental payments for these exemptions are posted against the relevant command area within the surplus or deficit against service provision.

The Authority As A Lessor

Leases are classified as finance leases where the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the property, plant or equipment from the lessor to the lessee. All other leases are classified as operating leases.

Where the Authority grants an operating lease over a property or an item of plant or equipment, the asset is retained in the Balance Sheet. Rental income is credited to revenue in the CIES.

Inventories

Inventories are valued at the lower of cost and Net Realisable Value using the average cost method. This is considered to be a reasonable approximation to Fair Value.

Cash and Cash Equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. The balances on the current account and the business reserve account are cash. The balance in the liquidity manager account is a cash equivalent (as this is held for investment purposes until a sufficient balance is achieved and a short-term investment entered into).

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Authority's cash management.

Provisions

Provisions are recognised when the Authority has a present legal or constructive obligation as a result of a past event, it is probable that the Authority will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties.

Contingencies

A Contingent Liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. A Contingent Liability is disclosed unless the possibility of payment is remote.

A Contingent Asset is a possible Asset that arises from past events, the existence of which will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority. A Contingent Asset is disclosed where an inflow of economic benefits is virtually certain.

Where the time value of money is material, contingencies are disclosed at their present value.

Reserves

The Authority sets aside specific reserves for future policy purposes. The Authority has a number of revenue reserves:

- General Reserve
- Capital Funding Reserve
- National Flood Resilience Centre Reserve
- Resilience Reserve
- Emergency Services Fleet Management (Humberside) Ltd Reserve
- Insurance Reserve
- ESMCP Reserve
- Pay and Prices Reserve
- Grenfell and Protection Reserve
- Strategic Transformation Fund Reserve
- East Coast & Hertfordshire Control Room Consortium Reserve
- Environmental Initiative Reserve

The Authority has three capital reserves:

- Capital Adjustment Account
- Revaluation Reserve
- Capital Receipts Reserve

Other reserves held by the Authority, are held to meet accounting requirements:

- Pensions Reserve
- Collection Fund Adjustment Account
- Accumulated Absences Reserve

Financial Assets

Financial assets are recognised when the Authority becomes party to the Financial Instrument contract or in the case of trade receivables, when goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the Asset has been transferred. Financial Assets are initially recognised at Fair Value.

Financial Assets are classified into the following categories: Financial Assets at Fair Value through profit and loss; held to maturity investments; available for sale Financial Assets, and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Loans and Receivables

Loans and receivables are non-derivative Financial Assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at Amortised cost using the Effective Interest Method, less any Impairment. Interest is recognised using the Effective Interest Rate Method.

Fair Value is determined by reference to quoted market prices where possible or failing that by reference to similar arms-length transactions between knowledgeable and willing parties.

The Effective Interest Rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset.

At the end of the reporting period the Authority assesses whether any Financial Assets, other than those held at 'Fair Value through profit and loss' are impaired. Financial assets are impaired and Impairment losses recognised if there is objective evidence of impairment, as a result of one or more events which occurred after the initial recognition of the Asset and which has an impact on the estimated future cash flows of the Asset.

For Financial Assets carried at amortised cost, the amount of the Impairment loss is measured as the difference between the Assets carrying amount and the present value of the revised future cash flows discounted at the Asset's original effective interest rate. The loss is recognised in expenditure and the carrying amount of the Asset reduced directly.

If, in a subsequent period, the amount of the Impairment loss decreases and the decrease can be related objectively to an event occurring after the Impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the Impairment is reversed does not exceed what the amortised cost would have been had the Impairment not been recognised.

Financial Liabilities

Financial Liabilities are recognised in the Balance Sheet when the Authority becomes party to the contractual provisions of the Financial Instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are derecognised when the liability has been discharged, that is, the Liability has been paid or expired. Financial Liabilities are recognised at Fair Value.

Foreign Currencies

The Authority's functional currency and presentational currency is sterling. Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of transactions. At the end of the Reporting Period, monetary items denominated in foreign currencies are retranslated at the spot exchange rate on 31 March. Resulting exchange gains and losses from either of these are recognised in the Authority's surplus/deficit in the period in which they arise.

Joint Operations

Joint operations are activities undertaken by the Authority in conjunction with one or more other parties but which are not performed through a separate entity.

Accounting Standards That Have Been Issued But Have Not Yet Been Adopted

The following standards and amendment to standards have been issued but not yet adopted:

- IAS 21 The Effects of Changes in Foreign Exchange Risk (Lack of Exchangeability)
- IFRS 17 Insurance Contracts
- Changes in measurement of non-investment assets (IAS16 and IAS38)

None of the above amendments are expected to have any material impact on future financial statements.

Accounting Standards Issued That Have Been Adopted Early

There are no accounting standards issued that have been adopted early.

Exceptional Items

Exceptional items shall be included in the costs of the service to which they relate and noted accordingly.

Prior Period Adjustments

Unless otherwise sanctioned by the Code of Practice on Local Authority Accounting, material prior period adjustments shall result in restatement of prior year figures and disclosure of the effect.

Events After The Reporting Period

Material events after the Balance Sheet date shall be disclosed as a note to the Accounts and amended in the Accounts as required. Other events after the Balance Sheet date will be disclosed in a note with an estimate of the likely effect.

Group Accounts

Each reporting period the Authority will review its interests and influence on all types of entities including, but not limited to, other authorities and similar statutory bodies, common good trust funds, charities, companies, joint committees and other joint arrangements. If appropriate, then Group Accounts will be prepared in accordance with the Code of Practice on Local Authority Accounting.

VAT

Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of Non-Current Assets.

2. Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate to council tax payers how the funding available to the Authority (i.e. government grants, council tax and business rates) for the year has been used in providing services in comparison with those resources consumed or earned by authorities in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes within the Authority. Income and expenditure accounted for under generally accepted accounting practices is presented more fully in the Comprehensive Income and Expenditure Statement.

Year ended 31 March 2024			Year ended 31 March 2025			
£'000 Net Expenditure Chargeable to the General Fund	£'000 Adjustments between the funding and accounting basis	£'000 Net Expenditure in the Comprehensive Income and Expenditure Statement	Note	£'000 Net Expenditure Chargeable to the General Fund	£'000 Adjustments between the funding and accounting basis	£'000 Net Expenditure in the Comprehensive Income and Expenditure Statement
2,932	39	2,893 Community Fire Safety	11	3,194	119	3,075
31,797	(162)	31,959 Fire Fighting & Rescue Operations	11	35,315	550	34,765
17,003	(218)	17,221 Management and Support	11	18,748	89	18,659
128	-	128 Corporate and Democratic Core	11	128	-	128
58	-	58 Corporate Management	11	99	-	99
Non Distributed Cost			11	-	(177)	177
51,918	(341)	52,259 Net Cost of Services		57,484	581	56,903
(52,798)	(21,138)	(31,660) Other Income and Expenditure	11	(56,230)	(18,993)	(37,237)
(880)	(21,479)	20,599 (Surplus) or Deficit		1,254	(18,412)	19,666
6,345			Opening General Fund Balance			
			7,225			
(880)			Less/Plus (Surplus) or Deficit on the General Fund in the Year			
			1,254			
7,225			Closing General Fund Balance at 31 March			
			5,971			

3. Material Risk and Uncertainty

Item	Uncertainties	Effect if actual results differ from assumptions
Pensions Liability (Firefighters' Pension Scheme)	The 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 and mortality ages. The Authority receives advice from two separate actuaries, one for the Firefighters' Pension Schemes and one for the Local Government Pension Scheme.	The opening balance on the Firefighters' pension Liabilities at 1 April 2024 was £526.250m. The effects on the net pension Liabilities of changes in individual assumptions can be measured. For instance, a 0.5% decrease in the discount rate would result in an increase in the pension liabilities of £30m. However, the assumptions interact in complex ways so changes in individual assumptions should be treated with caution.
Pensions Liability (Local Government Pension Scheme)	The 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 and mortality ages and expected returns on investment funds. The Authority receives advice from two separate actuaries, one for the Firefighters' Pension Scheme and one for the Local Government Pension Scheme.	The opening balance on the Local Government pension Liabilities at 1 April 2024 was £41.093m (The opening balance on scheme Assets was £56.527m). The effects on the net pension Liabilities of changes in individual assumptions can be measured. For instance, a 0.5% decrease in the real discount rate would result in an increase in the pension Liabilities of £3.570m. However, the assumptions interact in complex ways so changes in individual assumptions should be treated with caution.
Property, Plant and Equipment	Assets are regularly re-valued by an external valuer to ensure values are a true reflection of the market at the 31 March. Asset values could be under or overstated. Depreciation is calculated based on the estimated useful life of the asset.	For each 1% of under/over statement the value of Property would need to be adjusted by £476k. The carrying value of Property, Plant and Equipment is £58.691m. If the estimated useful life is under or overestimated by one year then the depreciation charge to the Comprehensive Income and Expenditure would be increased or reduced by £790k. The Depreciation charge is £3.963m.

4. Pensions

Participation in Pension Schemes

As part of the terms and conditions of employment of its officers and other employees, the Authority offers retirement benefits. Although these will not actually be payable until employees retire, the Authority has a commitment to make the payments and these should be disclosed at the time that employees earn their future entitlement.

The Authority participates in five pension schemes:

- The 1992, 2006, 2015 and Modified (1992) Firefighters' Pension Schemes (FPS) - these are unfunded schemes, which means that there are no investment assets built up to meet the pensions liabilities, and cash has to be generated to meet the actual payments as they fall due. The Authority is required by legislation to operate a Pension Fund, with the amounts that must be paid into or out of the Pension Fund being specified by regulation. The Authority set up a Pension Fund on 1 April 2006 from which pension payments are made and into which contributions, from the Authority and employees, are received. The Pension Fund receives a top-up grant from the Government equal to the deficit each year, with any surplus on the Pension Fund being repaid to the Government. The Pension Fund is shown separately in the Accounts.
- The Local Government Pension Scheme for non-uniformed employees, administered by the East Riding of Yorkshire Council, is a funded scheme which means that the Authority and employees pay contributions into a fund, calculated at a level estimated to balance pension liabilities with investment assets.

The table below shows the key features of the four Firefighters' Pension Schemes and details of the Local Government Pension Scheme.

Key Features	1992 Firefighters' Scheme	2006 Firefighters' Scheme	Modified (1992) Pension Scheme	2015 Firefighters' Scheme	Local Government Pension Scheme
Status	Closed	Closed	Closed	Open	Open
Contribution Rate	<ul style="list-style-type: none"> • employee 11% to 17% 37.3% • employer 5.2% • ill health 	<ul style="list-style-type: none"> • employee 8.5% to 12.5% 27.4% • employer 3.2% 	<ul style="list-style-type: none"> • employee 11% to 17% 37.3% • employer 28.8% 	<ul style="list-style-type: none"> • employee 11% to 14.5% 28.8% • employer 5.5% to 12.5% 18.5% 	
Benefits	<ul style="list-style-type: none"> • maximum pension 2/3 final salary • minimum lump sum 	<ul style="list-style-type: none"> • maximum pension ½ final salary 		<ul style="list-style-type: none"> • CARE Scheme 	<ul style="list-style-type: none"> • Varies • Nil or 3/80ths
Maximum pensionable service	30 years	None	30 years	None	None
Normal retirement age	55 years	60 years	55 Years	60 years	68 years
Accrual rate	<ul style="list-style-type: none"> • 1/60th for 20 years • 2/60th for 20+ years up to a maximum of 30 years 	<ul style="list-style-type: none"> • 1/60th 	<ul style="list-style-type: none"> • 1/45th 	<ul style="list-style-type: none"> • 1/59.7th 	<ul style="list-style-type: none"> • 1/49th

Transactions Relating to Retirement Benefits

The costs of retirement benefits are recognised in the Net Cost of Services when they are earned by employees, rather than when the benefits are eventually paid as pensions. The charge the Authority is required to make against the levies raised is based on the cash payable in the year, so the real cost of retirement benefits is reversed out of the revenue account after Net Operating Expenditure.

The following transactions have been made in the Comprehensive Income and Expenditure Account during the year.

	Firefighters' 1992 Pension Scheme		Firefighters' 2006 Pension Scheme		Firefighters' 2015 Pension Scheme		Local Government Pension Scheme	
	2024/25 £'000	2023/24 £'000	2024/25 £'000	2023/24 £'000	2024/25 £'000	2023/24 £'000	2024/25 £'000	2023/24 £'000
	Net Cost of Service							
Current Service Cost	(160)	(100)	40	(30)	(2,360)	(2,380)	(1,414)	(1,506)
Unfunded Benefits	-	-	-	-	-	-	-	-
Past Service Costs	-	-	-	-	-	-	-	-
Net Operating Expenditure								
	Interest Cost	(22,320)	(21,890)	(1,140)	(1,080)	(1,060)	(890)	(2,014)
Expected Return on Assets in the Scheme	-	-	-	-	-	-	2,761	2,467
Retirement costs included in the Comprehensive Income and Expenditure Statement	(22,480)	(21,990)	(1,100)	(1,110)	(3,420)	(3,270)	(667)	(961)

In addition to the recognised gains and losses included in the Comprehensive Income and Expenditure Account (shown in the table above), actuarial gains of £68.696m were included in the Statement of Comprehensive Income and Expenditure (£8.562m for 2023/24).

The estimated contributions payable to the Authority's pension schemes for 2025/26 is £10.414m (£9.728m for 2024/25).

Actuarial gains and losses comprise:

- Experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred), and
- The effect of changes in actuarial assumptions.

Actuarial gains and losses are recognised in the Comprehensive Income and Expenditure Statement.

Assets and Liabilities in Relation to Retirement Benefits

Reconciliation of present value of the scheme Asset/Liabilities and Net Obligation of the Firefighters' Pension Schemes:

Reconciliation of present value of the scheme Assets/Liabilities and Net Obligation of Local Government Pension Scheme:

	Assets		Liability		Net (Obligation) / Surplus	
	2024/25 £'000	2023/24 £'000	2024/25 £'000	2023/24 £'000	2024/25 £'000	2023/24 £'000
Fair value of employer assets	56,527	51,592			56,527	51,592
Present value of funded liabilities	-	-	(41,061)	(40,068)	(41,061)	(40,068)
Present value of unfunded liabilities	-	-	(32)	(33)	(32)	(33)
Opening Position as at 31 March	56,527	51,592	(41,093)	(40,101)	15,434	11,491
Service Cost						
Current Service Cost	-	-	(1,414)	(1,506)	(1,414)	(1,506)
Past Service Cost (inc curtailments)	-	-	(177)	-	(177)	-
Effect of Settlements	-	-	-	-	-	-
Total Service Cost	-	-	(1,591)	(1,506)	(1,591)	(1,506)
Net Interest						
Interest income on plan assets	2,761	2,467			2,761	2,467
Interest cost on defined benefit obligation			(2,014)	(1,922)	(2,014)	(1,922)
Impact of asset ceiling on net interest			-	-	-	-
Total net interest	2,761	2,467	(2,014)	(1,922)	747	545
Total defined benefit cost recognised in Income and Expenditure	2,761	2,467	(3,605)	(3,428)	(844)	(961)
Cashflows						
Plan participants' contributions	534	502	(534)	(502)	-	-
Employer Contributions	1,539	1,446	-	-	1,539	1,446
Contributions in respect of unfunded benefits	5	4	-	-	5	4
Benefits paid	(1,202)	(1,266)	1,202	1,266	-	-
Unfunded benefits paid	(5)	(4)	5	4	-	-
Expected closing position	60,159	54,741	(44,025)	(42,761)	16,134	11,980
Remeasurements						
Changes in demographic assumptions	-	-	73	245	73	245
Changes in financial assumptions	-	-	7,362	2,710	7,362	2,710
Other experience	-	-	377	(1,287)	377	(1,287)
Return on assets excluding amounts included in net interest	(220)	1,786	-	-	(220)	1,786
Total remeasurements recognised in Other Comprehensive income	(220)	1,786	7,812	1,668	7,592	3,454
Exchange differences						
Effect of business combinations and disposals						
Fair Value of employer assets	59,939	56,527	-	-	59,939	56,527
Present value of funded liabilities	-	-	(36,184)	(41,061)	(36,184)	(41,061)
Present value of unfunded liabilities	-	-	(29)	(32)	(29)	(32)
Closing position as at 31 March	59,939	56,527	(36,213)	(41,093)	23,726	15,434
Effect of Asset Ceiling						
Effect of the Asset Ceiling B/Fwd	(15,466)	(4,552)	-	-	(15,466)	(4,552)
Changes to the Asset Ceiling in Year	(8,289)	(10,914)	-	-	(8,289)	(10,914)
Effect of the Asset Ceiling C/Fwd	(23,755)	(15,466)	-	-	(23,755)	(15,466)
Closing Position as at 31 March (Incl. Asset Ceiling)	36,184	41,061	(36,213)	(41,093)	(29)	(32)

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. Expected returns on equity investments reflect long-term real rates of return experienced in the respective markets.

Asset Ceiling

Following the pensions valuation by the Authority's actuary, Hymans Robertson, the Authority determined that the fair value of its pension plan assets outweighed the present value of the plan obligations at 31 March 2025 resulting in a pension plan asset. IAS 19 Employee Benefits requires that, where a pension plan asset exists, it is measured at the lower of:

- The surplus in the defined benefit plan; and
- The asset ceiling.

The calculation has been completed by the actuary as at 31 March 2025, resulting in an adjustment that has floored the pension plan asset to nil.

Reconciliation of opening and closing surplus/(deficit):

Scheme History

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Present Value of Liabilities					
Local Government Pension Scheme	(61,279)	(59,849)	(40,101)	(41,093)	(36,213)
Firefighters' 1992 Pension Scheme	(612,130)	(591,350)	(470,800)	(470,630)	(433,410)
Firefighters' Injury Awards	(11,090)	(12,230)	(9,340)	(8,920)	(7,930)
Firefighters' 2006 Pension Scheme	(33,030)	(32,650)	(23,310)	(24,140)	(21,820)
Firefighters' 2015 Pension Scheme	(47,200)	(65,160)	(18,530)	(22,560)	(12,410)
<hr/>					
Fair Value of Assets					
Local Government Pension Scheme	45,707	50,475	47,040	41,061	36,184
Firefighters' 1992 Pension Scheme	-	-	-	-	-
Firefighters' Injury Awards	-	-	-	-	-
Firefighters' 2006 Pension Scheme	-	-	-	-	-
Firefighters' 2015 Pension Scheme	-	-	-	-	-
<hr/>					
Surplus/(Deficit) in the Scheme					
Local Government Pension Scheme	(15,572)	(9,374)	6,939	(32)	(29)
Firefighters' 1992 Pension Scheme	(612,130)	(591,350)	(470,800)	(470,630)	(433,410)
Firefighters' Injury Awards	(11,090)	(12,230)	(9,340)	(8,920)	(7,930)
Firefighters' 2006 Pension Scheme	(33,030)	(32,650)	(23,310)	(24,140)	(21,820)
Firefighters' 2015 Pension Scheme	(47,200)	(65,160)	(18,530)	(22,560)	(12,410)
	<u>(719,022)</u>	<u>(710,764)</u>	<u>(515,041)</u>	<u>(526,282)</u>	<u>(475,609)</u>

The Fair Value of Assets in the above table have been restated as permitted by IAS 19.

The Liabilities show the underlying commitments that the Authority has in the long run to pay retirement benefits. The total net Liability of £475.609m (£526.282m in 2023/24) has a substantial impact on the net worth of the Authority as recorded in the Balance Sheet, resulting in a negative overall balance of £423.103m (£470.360m in 2023/24). However, there are statutory provisions (most recently, S13 of the Local Government Act 2003) for funding any Local Authority deficit. In addition, the surplus on the Local Government Scheme will be made good by decreased contributions over the remaining working life of employees as assessed by the scheme actuary.

Finance is only required to be raised to cover firefighters' pensions when pensions are actually paid, i.e. as they actually retire.

Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the Projected Unit Method by Hymans Robertson, an independent firm of actuaries for the Local Government Pension Scheme and by the Government Actuaries Department (GAD) in relation to the Firefighters' Pension Schemes. Estimates for the Local Government Pension Scheme administered by the East Riding of Yorkshire Council have been based on the latest full valuation of the scheme as at 31 March 2022.

The principal assumptions used by the actuaries have been:

	Local Government Pension Scheme		Firefighters' Pension Schemes	
	2024/25	2023/24	2024/25	2023/24
Longevity at 65 for current pensioners:				
Men	20.5	20.6	21.3	21.3
Women	23.5	23.5	21.3	21.3
Longevity at 65 for future pensioners: (45 for Firefighters' Pension Scheme)				
Men	21.2	21.4	22.7	22.9
Women	25.0	25.0	22.7	22.9
Rate of Inflation	2.8%	2.8%	2.7%	2.6%
Rate of increase in salaries	2.8%	2.8%	3.5%	3.9%
Rate of increase in pensions	2.8%	2.8%	2.7%	2.6%
Rate for discounting scheme liabilities	5.8%	4.9%	5.7%	4.8%
Take-up of option to convert annual pension into retirement lump sum	65.0%	65.0%	25.0%	25.0%

Mortality rates are projected using published tables and future mortality improvements are in line with the 2022-based population projections.

The sensitivity of scheme liabilities to the changes in the main assumptions are as follows:

2024/25

Change in assumption:	Firefighters' Pension Schemes		Local Government Pension Scheme	
	%	£'000	%	£'000
0.5% increase in salaries increase rate	1.0	4,000	0.5	150
0.5% increase in pensions increase rate	6.0	29,000	10.0	3,520
0.5% decrease in discounting of liabilities rate	6.5	30,000	10.0	3,570
1 year increase in member life expectancy rate	2.5	11,000	4.0	1,449

2023/24

Change in assumption:	Firefighters' Pension %		Local Government £'000	
	%	£'000	%	£'000
0.5% increase in salaries increase rate	1.0	5,000	1.0	520
0.5% increase in pensions increase rate	7.0	35,000	10.0	3,840
0.5% decrease in discounting of liabilities rate	7.0	37,000	10.0	4,280
1 year increase in member life expectancy rate	2.5	13,000	4.0	1,644

Assets

Firefighters' Pension Schemes have no Assets to cover their Liabilities. Assets in the Local Government Pension Scheme administered by the East Riding of Yorkshire Council are valued at bid value and consist of the following categories, of the total Assets held by the East Riding Pension Fund:

Asset Category	Period Ended 31 March 2025				Period Ended 31 March 2024			
	Quoted prices in active markets £(000)	Quoted prices not in active markets £(000)	Total Assets £(000)	Percentage of Total Assets	Quoted prices in active markets £(000)	Quoted prices not in active markets £(000)	Total Assets £(000)	Percentage of Total Assets
	£(000)	£(000)	£(000)		£(000)	£(000)	£(000)	
Equity Securities:								
Consumer	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Manufacturing	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Energy and Utilities	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Financial Institutions	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Health and Care	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Information Technology	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Other	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Debt Securities:								
Corporate Bonds (investment grade)	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Corporate Bonds (non-investment grade)	1,175.5	1,972.2	3,147.7	5%	1,108.6	1,859.9	2,968.5	5%
UK Government	1,036.5	0.0	1,036.5	2%	977.5	0.0	977.5	2%
Other	486.1	0.0	486.1	1%	458.5	0.0	458.5	1%
Private Equity:								
All	702.8	3,035.2	3,738.0	6%	662.8	2,862.5	3,525.3	6%
Real Estate:								
UK Property	621.4	4,359.2	4,980.6	8%	586.0	4,111.0	4,697.0	8%
Overseas Property	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Investment Funds and Unit Trusts:								
Equities	30,026.6	0.0	30,026.6	50%	28,317.3	0.0	28,317.3	50%
Bonds	4,663.6	497.1	5,160.7	9%	4,398.1	468.8	4,866.9	9%
Hedge Funds	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Commodities	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Infrastructure	454.9	3,695.0	4,149.9	7%	429.0	3,484.7	3,913.7	7%
Other	4,492.3	2,060.4	6,552.7	11%	4,236.5	1,943.1	6,179.6	11%
Derivatives:								
Inflation	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Interest Rate	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Foreign Exchange	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Other	0.0	0.0	0.0	0%	0.0	0.0	0.0	0%
Cash and Cash Equivalents:								
All	660.2	0.0	660.2	1%	622.6	0.0	622.6	1%
Totals	44,320	15,619	59,939	100.00%	41,797	14,730	56,527	100.00%

The Actuarial Gains identified as movements on the Pensions Reserve in 2024/25 can be analysed into the following categories, measured as a percentage of Assets or Liabilities at the 31 March 2025:

	2020/21 %	2021/22 %	2022/23 %	2023/24 %	2024/25 %
Local Government Pension Scheme					
Difference between the expected and actual return on assets	15.30	7.01	(1.86)	3.46	(0.39)
Experience gains and (losses) on liabilities	2.02	1.54	2.33	6.15	6.72
Firefighters' Pension Scheme 1992					
Experience gains and (losses) on liabilities	(18.05)	2.20	22.50	0.60	8.42
Firefighters' Injury Awards					
Experience gains and (losses) on liabilities	11.89	(9.83)	24.45	5.03	11.77
Firefighters' Pension Scheme 2006					
Experience gains and (losses) on liabilities	10.13	2.85	36.42	-	12.47
Firefighters' Pension Scheme 2015					
Experience gains and (losses) on liabilities	18.87	(8.71)	60.35	(10.26)	46.87

The Fire Authority of Humberside, along with other Fire Authorities, currently have a number of claims lodged against them with the Central London Employment Tribunal. The claims are in respect of alleged unlawful discrimination arising from the Transitional Provisions in the Fire Pension Regulations 2015. Claims of unlawful discrimination have also been made in relation to the changes to the Judiciary and Firefighters Pension regulations. The Central London Employment Tribunal have upheld the claims and the remedy needed to make good these claims has been considered by Government and Legislation was published in October 2023. The Service is currently working with its Pensions administrator to implement the changes resulting from the remedy, with the exercise being concluded by June 2025.

The Actuaries (GAD and Hymans Robertson) have included a reasonable estimate for the effect of the McCloud judgement within the overall scheme liabilities. The impact of an increase in scheme liabilities arising from these claims will be measured through the pension valuation process, which determines employer and employee contribution rates.

The Fire Pension valuation took place in 2020 with implementation of the results planned for 2024/25 and Fire Authorities will need to plan for the impact of this on employer contribution rates alongside other changes identified through the valuation process. The impact of an increase in annual pension payments arising from McCloud / Sargeant is determined through The Fire Pension Fund Regulations 2007. These require a Fire Authority to maintain a fire pension fund into which officer and employer contributions are paid and out of which pension payments to retired officers are made. If the fire pension fund does not have enough funds to meet the cost of pensions in year the amount required to meet the deficit is then paid by the Secretary of State to the Fire Authority in the form of a central government top-up grant.

5. Non-Current Assets

	Operational Assets				Operational Assets (Intangible)	Non-operational Assets			Total Assets
	Land and Buildings £'000	Vehicles £'000	Plant and Equipment £'000	TOTAL £'000		Assets Under Construction £'000	Surplus Assets £'000		
Cost or Valuation									
1 April 2024	50,934	19,146	6,753	76,833	165	0	350	77,348	
Additions/Enhancement	1,212	108	1,558	2,878				4,571	
Donated/Other Additions	379	64		443				443	
Revaluation increases / (decreases) to Revaluation Reserve	(3,063)			(3,063)				(3,063)	
Revaluation increases / (decreases) to Comprehensive Income and Expenditure Statement	(1,252)			(1,252)				(1,252)	
Derecognition - Disposals			(1,349)	(1,351)				(2,700)	
Other movements	(525)							525	0
At 31 March 2025	47,685	17,969	6,960	72,614	165	1,693	875	75,347	
Depreciation/Impairment									
1 April 2024	1,759	11,831	3,921	17,511	0	0	18	17,529	
Charge for the year	1,550	1,437	913	3,900			9	3,943	
Depreciation written out to the Revaluation Reserve	(1,291)			(1,291)				(1,291)	
Derecognition - Disposals	(1,684)		(1,091)	(2,775)				(2,775)	
At 31 March 2025	2,018	11,584	3,743	17,345	33	0	27	17,406	
Net Book Value									
1st April 2024	49,175	7,315	2,832	59,322	165	0	332	59,813	
31 March 2025*	45,667	6,386	3,217	55,270	132	1,693	848	57,935	

*£93k is included in non-current assets (on the Balance Sheet) that are owned by ESFM (Humber) Ltd, please see note 13 for details.

2023/24 Comparatives

	Operational Assets				Operational Assets (Intangible)	Non-operational Assets		
	Land and Buildings £'000	Vehicles £'000	Plant and Equipment £'000	TOTAL £'000		Assets Under Construction £'000	Surplus Assets £'000	Total Assets £'000
Cost or Valuation								
1 April 2023	49,959	19,544	6,857	76,361	36	0	350	76,747
Additions/Enhancement	1,344	108	479	1,931	165	0	0	2,096
Revaluation increases / (decreases) to Revaluation Reserve	(240)			(240)				(240)
Revaluation increases / (decreases) to Comprehensive Income and Expenditure Statement	(129)			(129)				(129)
Derecognition - Disposals								
Other movements								
At 31 March 2024	50,934	19,146	6,753	76,834	165	0	350	77,349
Depreciation/Impairment								
1 April 2023	1,010	10,577	3,448	15,035	21	0	9	15,065
Charge for the year	1,484	1,413	877	3,774	4		9	3,787
Depreciation written out to the Revaluation Reserve	(735)			(735)				(735)
Derecognition - Disposals								(588)
At 31 March 2024	1,759	11,831	3,921	17,511	0	0	18	17,529
Net Book Value								
1st April 2023	48,949	8,967	3,409	61,326	15	0	341	61,676
31 March 2024*	49,175	7,315	2,832	59,323	165	0	332	59,813

*£107k is included in non-current assets (on the Balance Sheet) that are owned by ESFM (Humber) Ltd, please see note 13 for details.

Asset Classes

The table below analyses the major types of Assets and the numbers held in each category:

Category of Asset	No. Held 31 March 2025	No. Held 31 March 2024
Operational Land & Buildings		
Service Headquarters	1	1
Fire Stations	30	31
Other Offices	2	2
Operational Vehicles		
Fire Appliances	61	68
Lorries	1	1
Vans	52	31
Cars	81	111
Others	5	7
New Dimensions Assets	6	5

Capital Financing Requirement

Movements in the Capital Financing Requirement for the year 2024/25 are shown in the table below:

	2024/25 £'000	2023/24 £'000
Opening Capital Financing Requirement	18,499	19,412
Capital Investment		
Operational Assets	2,878	1,994
Non Operational Assets	1,693	-
Right of Use Assets	443	-
Sources of Finance		
Capital Receipts		-
Minimum Revenue Provision	(999)	(913)
Revenue Contributions to Capital Outlay	(1,600)	(1,994)
	<u>20,914</u>	<u>18,499</u>
Explanation of Movements in Year		
Increase/(Decrease) in the Underlying Need to Borrow Unsupported by Government Financial Assistance	2,415	(913)
	<u>2,415</u>	<u>(913)</u>

Capital Commitments

The Authority had outstanding commitments under capital contracts as at 31 March 2025 to the value of £3.474m which will take place during 2025/26.

Valuation of Property carried at Current Value

The following statement shows the progress of the Authority's rolling programme for the revaluation of non-current Assets. The valuation of the building stock is carried out by the Clark Weightman Ltd and has an effective date of 1 April each year. The basis for valuation of the different categories of Asset is set out in Note 1 of the Notes to the Financial Statements.

2024/25

	Operational Assets			Non Operational Assets		
	Other Land & Buildings	Vehicles	Plant & Equipment	Assets Under Construction	Surplus Assets	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Value as at Historical Cost		6,386	3,217	1,693		11,296
Value at Current Value in:						
2024/25	27,965				525	28,490
2023/24	7,166					7,166
2022/23	1,621					1,621
2021/22	8,915				323	9,238
Value as at 31 March 2025	45,667	6,386	3,217	1,693	848	57,804
Nature of asset holding						
Leased	1,849	32				1,881
Owned	43,818	6,354	3,217	1,693	848	55,930
	45,667	6,386	3,217	1,693	848	57,804

Note: the above valuations as at 31 March 2025 are net of accumulated Depreciation to that date.

6. Leases

Change in Accounting Policy and Transition to IFRS 16 Lease Accounting

Mandatory implementation of IFRS16 Leases is required by all Local Authorities for the financial year 2024/25. The main impact of the standard is to remove (for lessees) the traditional distinction between finance and operating leases.

Under the previous standard for Leases, IAS17, finance leases were effectively accounted for as acquisitions (with the asset on the Balance Sheet, together with a liability to pay for the asset acquired). In contrast, operating leases have been treated as 'pay as you go' arrangements, with rentals expensed in the year they are paid. IFRS 16 requires all substantial leases to be accounted for using acquisition approach, recognizing the rights acquired to use the asset.

Accounting arrangements for lessors have not changed substantially under IFRS16, adjustments will not generally be needed.

A summary of the transitional accounting arrangements under IFRS16 are follows:

- The standard is applied prospectively, meaning an authority does not need to reassess whether a contract is (or contains) a lease where that consideration has already taken place under IAS 17 and IFRIC 4 principles, **unless the arrangement is for nil consideration**. This protection only applies whilst the contract remains unchanged from the 1/4/24 position.
- There are exemptions under the standard for leases of short term (12 months or less) or low value.
- As IFRS16 is applied prospectively, no prior period adjustments are needed. Only the balance sheet on transition (at 1/4/24) requires adjustment for the cumulative impact.
- Lease liabilities are measured at the present value of the remaining lease payments at 1 April 2024, discounted by the Authority's incremental borrowing rate at that date.

- The weighted average of the incremental borrowing rates used to discount liabilities was 5.31%
- Right-of-use assets are measured at the amount for the lease liability, adjusted for any prepaid or accrued lease payments that were in the balance sheet on 31 March 2024.

Exemptions:

- **Short Term** - the definition of short term under IFRS16 is a lease term of 12 months (unless due to be extended) - due to finish during 2024/25
- **Low Value** - an authority can elect not to apply IFRS16 to leases of low value. FRS16 does not define low value a local policy decision being taken considering materiality and de-minimis thresholds. For Humberside Fire and Rescue, this is £6,000 for equipment leases.

This has resulted in the following additions to the balance sheet:

- £0.104m Property, plant and equipment – land and buildings (right-of-use assets)
- £0.054m non-current creditors (lease liabilities)
- £0.050m Current creditors (lease liabilities)

Authority as a Lessee – 2024/25

The Authority lease contracts comprise of leases of operational land and buildings used as part of the overall estate strategy and vehicles as part of the overall vehicle strategy. During 2024/25 the Authority had 4 individual contracts in place for leases which have been deemed to come under IFRS16 and are therefore included within the balance sheet.

- Right of Use Assets

The table below shows the change in value of right of use assets held under leases by the Authority in 2024/25:

	2024/25				
	Land	Buildings	Vehicles	Plant and Equipment	Total
	£'000	£'000	£'000	£'000	£'000
ROU as at 31st March 2024	-	1,582	-	-	1,582
New ROU under IFRS 16	340	39	64	-	443
Balance as at 1 April 2024	340	1,621	64	-	2,025
Additions	-	-	-	-	-
Revaluations	-	-	-	-	-
Depreciation	-	(113)	(32)	-	(145)
Disposals	-	-	-	-	-
Balance as at 31 March 2025	340	1,508	32	-	1,880

- Lease Liabilities

The table below shows the movement in both long- and short-term liabilities with leases held by the Authority in 2024/25:

	Short Term		Long Term	
	Lease	Lease	Liabilities	Liabilities
	£'000	£'000	£'000	£'000
Lease Liabilities as at 31 March 2024	23		1,072	
New Leases under IFRS 16	50		54	
Balance as at 1 April 2024	73		1,126	
Additions	-		-	
Remeasurements	-		-	
Disposals	-		-	
Repayment of Principal	(73)		-	
Transfer from Long to Short Term Liability	79		(79)	
Balance as at 31 March 2025	79		1,047	

- Transactions Under Lease

The Authority incurred the following expenses and cashflows in relation to leases:

	2024/25
	£'000
Comprehensive Income and Expenditure Statement	
Interest expense on lease liabilities	109
Expense relating to short-term leases	73
Expense relating to exempt leases of low-value items	-
Income from Sub-Letting right-of-use asset	-
Gains or losses arising from sale and leaseback transactions	-
Cash Flow Statement	
Total cash outflow for leases	182

- Maturity Analysis of Lease Liabilities

The lease liabilities are due to be settled over the following time bands (measured at the undiscounted amounts of expected cash payments):

	31st March 2025	31st March 2024
	£'000	£'000
No later than one year	79	73
Later than one year and not later than five years	125	168
Later than five years	922	958
Total Undiscounted Liabilities	1,126	1,199

7. Reserves held by the Authority

Useable Reserves

The Authority retains a number of Reserves which are available to fund Expenditure.

General Fund Balance - This is retained to fund unforeseen expenditure pressures.

Earmarked Reserves - These reserves are retained to fund particular items of expenditure and are reviewed each year, currently the Earmarked Reserves balance is £10.238m (£8.411m at the end of 2023/24). Please see the description of each reserve below.

31 March 2024 £'000	Earmarked Reserves	31 March 2025 £'000
500	Resilience Reserve	500
3,410	Capital Funding Reserve	5,335
500	Insurance Reserve	500
1,000	National Flood Resilience Centre Reserve	1,000
546	Share of ESFM (Humber) Ltd Net Assets	528
215	ESMCP Reserve	-
110	Grenfell and Protection Reserve	-
500	Strategic Transformation Fund	500
1,000	East Coast & Humber Control Room Consortium Reserve	1,245
600	Pay and Prices Reserve	600
30	Environmental Reserve	30
8,411	Total Earmarked Reserves	10,238

Resilience Reserve – This can be used to fund any costs associated with the resilience of the service.

Capital Funding Reserve - This reserve is utilised to fund items of Capital expenditure.

Insurance Reserve – This reserve is to fund any costs that are not covered by the Authority's insurance policies.

National Flood Resilience Centre Reserve – This funding is identified to fund the National Flood Resilience Centre development with other partners.

Share of ESFM (Humber) Ltd Net Assets – This reflects the Authority's share of ESFM (Humber) Ltd net assets at the balance sheet date.

ESMCP Reserve – The Emergency Services Mobile Communications Programme (ESMCP) Reserve is a grant given by Government to assist with the upgrade of our mobile communications.

Grenfell and Protection Reserve – This is the remaining balance of grants issued by Government to respond to the Grenfell Tower Inquiry findings and Protection investment.

Strategic Transformation Fund – This funding is identified to support transformation initiatives.

East Coast & Hertfordshire Control Room Consortium Reserve – This funding is identified to meet Humber's share of the infrastructure costs of the East Coast and Hertfordshire Control Room Consortium.

Pay and Prices Reserve – This funding is identified to cover any pay and prices increases in excess of budget assumptions.

Environmental Reserve – This funding is identified to develop environmental infrastructure.

Capital Receipts Reserve - This can be used to fund items of Capital Expenditure.

Unusable Reserves

The Authority now retains five unusable reserves:

Capital Adjustment Account – This Reserve is required by the CIPFA Code of Practice on Local Authority Accounting and is used to allow the Authority to nullify the effect of Non-current Asset expenses on the Accounts.

Revaluation Reserve – This Reserve is required by the Code of Practice on Local Authority Accounting and reflects the amount to which the value of the property owned by the Authority has increased. A transfer can be made from the Revaluation Reserve to the Capital Adjustment Account to reflect the amount of additional Depreciation that has been charged due to the increase in value of the property, should the value of a previously revalued property fall some or all of the loss can be offset against the amount remaining in the Revaluation Reserve.

Pensions Reserve – Please see Note 4 Pensions.

Collection Fund Adjustment Account – This Reserve is required by the CIPFA Code of Practice on Local Authority Accounting for Adjustment Account billing and precepting Authorities regarding the collection and distribution of collection fund receipts.

Accumulated Absence Account – This Reserve is required by CIPFA Code of Practice on Local Authority Accounting to neutralise the impact on the General Funding Balance for the accruing of compensated absences earned but not yet taken in the year e.g. annual leave entitlement carried forward at 31 March.

Movement on Capital Reserves**Revaluation Reserve**

	2024/25 £'000	2023/24 £'000
Gains on Revaluation of Non Current Assets	(1,421)	(915)
Losses on Revaluation of Non Current Assets	3,193	421
Compensatory adjustment from the Revaluation Reserve to convert current value depreciation debits to historical cost.	434	431
Total Movement on Reserve	2,206	(63)
Balance Brought Forward 1 April	(23,802)	(23,739)
Balance Carried Forward at 31 March	(21,596)	(23,802)

Capital Adjustment Account

	2024/25 £'000	2023/24 £'000
Net Book Value of Assets disposed of	271	537
Depreciation	3,963	3,808
Impairments	1,252	129
Compensatory adjustment from the Revaluation Reserve to convert current value depreciation debits to historical cost.	(434)	(430)
Deferred Grants and Contributions applied	(1,940)	(1,994)
Provision for Repayments of External Loans (MRP)	(999)	(913)
Total Movement on Reserve	2,113	1,137
Balance Brought Forward 1 April	(16,348)	(17,138)
Balance Carried Forward at 31 March	(14,237)	(16,001)

8. Borrowing and Investments

Long Term Liabilities

The outstanding borrowings and Liabilities of the Authority are disclosed below:

	2024/25			2023/24		
	Repayable within 12 months	Repayable after 12 months	Total	Repayable within 12 months	Repayable after 12 months	
	£'000	£'000	£'000	£'000	£'000	£'000
Public Works Loan Board	15,894	894	15,000	16,751	923	15,828
Leases	1,126	79	1,047	1,095	23	1,072
Other Borrowing	4,080	4,080		-		
Pension Liability - Firefighters' Pension Fund	475,580		475,580	526,260		526,260
Pension Liability - Local Government Pension Scheme	29		29	32		32
	496,709	5,053	491,656	544,138	946	543,192

The outstanding borrowings of the Authority at 31 March 2025 which were repayable within a period in excess of 12 months were as follows:

Source of Loan	Interest Rate Payable %	Amount Outstanding at 31 March	
		2025	2024
		£'000	£'000
Public Work Loans Board	1.80	1,000	1,000
Public Work Loans Board	1.86	1,000	1,000
Public Work Loans Board	1.96	1,000	1,000
Public Work Loans Board	1.99	1,000	1,000
Public Work Loans Board	2.09	1,000	1,000
Public Work Loans Board	2.10	1,000	1,000
Public Work Loans Board	2.14	1,000	1,000
Public Work Loans Board	2.19	1,000	1,000
Public Work Loans Board	2.25	1,000	1,000
Public Work Loans Board	3.70	1,000	1,000
Public Work Loans Board	3.75	1,000	1,000
Public Work Loans Board	3.88	1,000	1,000
Public Work Loans Board	4.40	-	428
Public Work Loans Board	4.55	3,000	3,000
Public Work Loans Board	5.00	-	400
		15,000	15,828

Loans analysed by maturity are as follows:

	31 March		31 March	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Maturing in 1-2 Years	1,000		828	
Maturing in 2-5 Years	5,000		3,000	
Maturing in 5-10 Years	6,000		7,000	
Maturing in More Than 10 Years	3,000		5,000	
	15,000		15,828	

Short Term Investments

The Authority places funds with counterparties on a commercial basis. These loans are made to counterparties who meet a specified criteria and are short-term (less than a year). Accrued interest is included in the Balance Sheet as at 31 March. The value of these investments is £24.988m as at 31 March. (2023/24 was £10.168m).

9. Other Creditors and Debtors

- Long-Term Creditors

There are no long-term creditors as at 31 March 2025.

Short-Term Creditors

Analysis of short-term creditors is as follows: -

	31 March 2025 £'000	31 March 2024 £'000
Central Government Bodies	9,656	171
Other Local Authorities	1,338	1,079
NHS Bodies	100	-
Bodies External to General Government	7,273	4,687
	<u>18,367</u>	<u>5,937</u>

*included in the Short-Term Creditors figure on the Balance Sheet is £107k relating to ESFM (Humberside) Ltd, please see note 13 for details.

- Long-Term Debtors

There were no long-term debtors at 31 March 2025.

- Short-Term Debtors

Amounts falling due within one year may be analysed as follows: -

	31 March 2025 £'000	31 March 2024 £'000
Central Government Bodies	1,830	4,112
Other Local Authorities	688	215
NHS Bodies	-	27
Bodies External to General Government	5,914	4,963
	<u>8,432</u>	<u>9,317</u>

*included in Short-Term Debtors is £384k relating to ESFM (Humberside) Ltd, please see note 13 for further details.

10. Financial Instruments

The Financial Instruments held by the Authority are included below and the Authority fully complies with the CIPFA Code of Practice on Local Authority Accounting.

Amortised Cost

Financial Instruments (whether borrowing or investment) are valued on an amortised costs basis using the Effective Interest Rate (EIR) method.

Fair Value

In these disclosure notes, Financial Instruments are also required to be shown at Fair Value.

Compliance

The Authority has complied with the following:

It has adopted the CIPFA Treasury Management in the Public Services: Code of Practice.

Set treasury management indicators to control key Financial Instrument risks in accordance with CIPFA's Prudential Code.

Accounting regulations require the Financial Instruments (investment, lending and borrowing of the Authority) shown on the Balance Sheet to be further analysed into various defined categories. The investments, lending & borrowing disclosed in the Balance Sheet are made up of the following categories of "Financial Instruments".

	Long Term		Current	
	31 March	2024	31 March	2024
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Investments at Amortised Cost				
Loans and Receivables at Amortised Cost			24,988	10,168
Total Investments at Amortised Cost	-	-	24,988	10,168
Debtors				
Financial Assets (including Trade Debtors and General and Other Debtors and Long Term Debtors)			1,908	1,553
Total Debtors	-	-	1,908	1,553
Borrowings at Amortised Cost				
Financial Liabilities at Amortised Cost	(16,047)	(16,860)	(5,053)	(946)
Total Borrowings at Amortised Cost	(16,047)	(16,860)	(5,053)	(946)
Creditors				
Financial Liabilities Carried at Contract Amount			(3,982)	(1,826)
Total Creditors	-	-	(3,982)	(1,826)

Analysis of the Financial Liabilities and Loans and Receivables is shown in the table below:

	31 March	
	2025	2024
	£'000	£'000
Financial Liabilities		
Current		
Creditors	(3,982)	(1,826)
Public Works Loans Board Loans and Leases	(973)	(946)
Borrowing from other Local Authorities	(4,080)	-
	(9,035)	(2,772)
Long Term		
Public Works Loans Board Loans	(15,000)	(15,788)
Leases	(1,047)	(1,072)
	(16,047)	(16,860)
	(25,082)	(19,632)
Financial Assets		
Current		
Debtors	1,908	1,553
Investments	24,988	10,168
	26,896	11,721

Gains and losses recognised in the Comprehensive Income and Expenditure Account for 2024/25 in relation to financial instruments are made up as follows:

	2024/25			2023/24			Total	
	Financial Liabilities	Financial Assets		Total	Financial Liabilities	Financial Assets		
		Measured at amortised cost	Loans and Receivables			Measured at amortised cost		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Interest Expense	(696)	-	-	(696)	(652)	-	(652)	
Loss on derecognition	-	-	-	-	-	-	-	
Impairment losses	-	-	-	-	-	-	-	
Interest payable and similar charges	(696)	-	-	(696)	(652)	-	(652)	
Interest income	-	1,191	-	1,191	-	811	-	
Losses on revaluation	-	-	-	-	-	-	-	
Amounts recycled to the Income and Expenditure Account after impairment	-	-	-	-	-	-	-	
Interest and investment income	-	1,191	-	1,191	-	811	-	
Gains on revaluation	-	-	-	-	-	-	-	
Losses on revaluation	-	-	-	-	-	-	-	
Amounts recycled to the Income and Expenditure Account after impairment	-	-	-	-	-	-	-	
Surplus arising on revaluation of financial assets	-	-	-	-	-	-	-	
Net gain/(loss) for the year	(696)	1,191	-	495	(652)	811	-	
							159	

The Fair value of each class of Financial Assets and Liabilities which are carried in the balance sheet at Amortised Cost is disclosed below.

The Authority engaged Link Asset Services, a firm of financial consultants specialising in treasury management and capital finance in the U.K. Public Sector, who have calculated the Fair Value of the Financial Instruments stated above. Link Asset Services methodology and assumptions have been adopted and are stated below.

Methods and Assumptions in Valuation Technique

The Fair Value of a Financial Instrument is determined by calculating the Net Present Value (NPV) of future cash flows, which provides an estimate of the value of payments in the future in today's terms.

The discount rate used in the NPV calculation is the rate applicable in the market on the date of valuation for a Financial Instrument with the same structure, terms and remaining duration. For debt, this will be the new borrowing rate since premature repayment rates include a margin which represents the lender's profit as a result of rescheduling the loan; this is not included in the Fair Value calculation since any motivation other than securing a fair price should be ignored.

The rates quoted in this valuation were obtained by our treasury management consultants from the market on 31 March 2025, using bid prices where applicable.

The calculations are made with the following assumptions:

For Public Works Loans Board debt, the discount rate used is the rate for new borrowing as per rate sheet number 126/25. For other market debt and investments the discount rate used is the rate available for a Financial Instrument with the same terms from a comparable lender. Interpolation techniques have been used between available rates where the exact maturity period was not available. No early repayment or Impairment is recognised.

Fair Values have been calculated for all Financial Instruments in the portfolio, but only those which are materially different from the carrying value have been disclosed (for loans of less than one year the principal amount of the loan is deemed to be fair value). The Fair Value of trade and other receivables is taken to be the invoiced or billed amount.

The Fair Values are calculated as follows:

	31 March 2025		31 March 2024	
	Carrying Amount £'000	Fair Value £'000	Carrying Amount £'000	Fair Value £'000
Financial Liabilities	(15,828)	(13,731)	(16,669)	(14,740)
Loans and Receivables	(24,650)	(24,650)	(10,075)	(10,075)

The decrease in the Fair Value of Financial Liabilities over the carrying amount is because the interest rate payable on the Authority's portfolio of fixed rate loans is lower than the rates for similar loans as at the Balance Sheet date.

The Authority's management of treasury risks actively works to minimise the exposure to the unpredictability of financial markets and to protect the financial resources available to fund services. The Authority has fully adopted CIPFA's Code of Treasury Management Practices and has written principles for overall risk management as well as written policies and procedures covering specific areas such as credit risk, liquidity risk and market risk.

Credit Risk

Credit risk arises from the short-term lending of surplus funds to banks, building societies and other local authorities as well as credit exposures to the Authority's customers. It is the policy of the Authority to place deposits only with a limited number of high-quality banks and building societies whose credit rating is independently assessed as sufficiently secure by the Authority's treasury advisers and to restrict lending to a prudent maximum amount for each institution. In order to mitigate against risk and in the light of market conditions, the Executive Director of Finance and Section 151 Officer considered that the most prudent approach was to restrict investments to UK based, and other 'AAA' rated European institutions with a maximum limit of £2m. The Authority has access to three money market investment funds, these are highly secure funds that are 'AAA' rated and provide instant return of the investment if required.

The following analysis summarises the Authority's potential maximum exposure to credit risk, based on past experience and current market conditions. No credit limits were exceeded during the financial year and the Authority expects full repayment on the due date of deposits placed with its counterparties.

	31 March 2025	Historical experience of default	Historical experience adjusted for market conditions at 31 March 2025	Estimated maximum exposure to default and uncollectability 31 March 2025
	£'000	%	%	£'000
Deposits with banks and financial institutions	24,650	0.00	0.00	-
Bonds	-	0.00	0.00	-
Customers	132	0.43	0.12	0
	<u>24,782</u>			<u>0</u>

No credit limits were exceeded during the Accounting Period and the Authority does not expect any losses from non-performance by any of its counterparties in relation to deposits and bonds.

Debtors

The Authority does not generally allow credit for customers, such that £51k of the £132k balance is past its due date for payment. The past due amount can be analysed by age as follows:

	31 March	31 March
	2025	2024
	£'000	£'000
Less than three months	25	18
Three to six months	26	26
Six months to one year	-	-
More than one year	-	-
	<hr/> 51	<hr/> 44

Liquidity Risk

The Authority has access to a facility to borrow from the Public Works Loans Board. As a result, there is no significant risk that the Authority will be unable to raise finance to meet its commitments under Financial Instruments. The Authority has safeguards in place to ensure that a significant proportion of its borrowing does not mature for repayment at any one time in the future to reduce the financial impact of re-borrowing at a time of unfavourable interest rates. The Authority's policy is to ensure that not more than 10% of loans are due to mature within any financial year and 25% within any rolling five-year period through a combination of prudent planning of new loans taken out and, where it is economic to do so, making early repayments.

See Note 7 of the Notes to the Accounts for an analysis of the maturity of long-term loans with the Public Work Loans Board.

All trade and other payables are due to be paid in less than one year.

Market Risk

Interest Rate Risk

The Authority is exposed to interest rate risk in two different ways; the first being the uncertainty of interest paid/received on variable rate Financial Instruments, and the second being the effect of fluctuations in interest rates on the fair value of a Financial Instrument.

The current interest rate risk for the Authority is summarised below:

The Fair Value of fixed rate Financial Assets will fall if interest rates rise. This will not impact on the Balance Sheet for the majority of Assets held at Amortised Cost but it will impact on the disclosure note for Fair Value. It would have a negative effect on the Balance Sheet for those assets held at Fair Value in the Balance Sheet, which would also be reflected in the Comprehensive Income and Expenditure Statement.

The Fair Value of fixed rate Financial Liabilities will rise if interest rates fall. This will not impact on the Balance Sheet for the majority of Liabilities held at Amortised Cost but it will impact on the disclosure note for Fair Value.

The Authority has a number of strategies for managing interest rate risk. Policy is to aim to keep a maximum of 25% of its borrowings in variable rate loans. During periods of falling interest rates, and where economic circumstances make it favourable, fixed rate loans will be repaid early to limit exposure to losses. The risk of loss is ameliorated by the fact that a proportion of government grant payable on financing costs will normally move with prevailing interest rates or the Authority's cost of borrowing and provide compensation for a proportion of any higher costs.

The treasury management 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.

According to this investment strategy, at 31 March 2025, if interest rates had been 1% higher with all other variables held constant, the financial effect would be:

	31 March 2025 £'000	31 March 2024 £'000
Increase in Fair Value of fixed rate borrowing liabilities	(701)	(832)

Price Risk

The Authority does not invest in equity shares and does not have shareholdings in any joint ventures and therefore is not at significant risk to price movements.

Foreign Exchange Risk

The Authority has no Financial Assets or Liabilities denominated in foreign currencies and thus has no exposure to loss arising from movements in exchange rates.

Financial Guarantees

The Authority does not provide any financial guarantees.

11. Note to Expenditure and Fundings Analysis

Year ended 31 March 2024				Year ended 31 March 2025			
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Adjustments for Net Change for Capital Purposes							
	Net Change for the Pensions Adjustments	Other Differences	Total Adjustments		Net Change for Capital Purposes	Other Differences	Total Adjustments
(5)	44		39	Community Fire Safety	(5)	124	119
(3,343)	3,181		(162)	Fire Fighting & Rescue Operations	(4,628)	5,178	550
(495)	277		(218)	Management and Support	(546)	635	89
			0	Non Distributed Cost		(177)	(177)
(3,843)	3,502	-	(341)	Net Cost of Services	(5,179)	5,760	-
2,370	(23,315)	(193)	(21,138)	Other Operating Expenditure	3,015	(23,773)	1,764
Difference between General Fund surplus or deficit and Comprehensive Income and Expenditure Statement Surplus or Deficit on the Provision of Services							
(1,473)	(19,813)	(193)	(21,479)	Deficit on the Provision of Services	(2,164)	(18,013)	1,764
							(18,412)

12. Other Operating Expenditure, Financing, Investment Income, Taxation and Non-Specific Grants

	2024/25 £000s	2023/24 £000s
Other Operating Expenditure		
(Profit)/Loss on the disposal of assets	(109)	443
Total Other Operating Expenditure	(109)	443
 Financing and Investment Income and Expenditure		
Interest Payable	696	652
Interest Receivable	(1,191)	(811)
Net interest cost on the net defined pension liability		
- Firefighters' Pension Scheme	24,520	23,860
- Local Government Pension Scheme	(747)	(545)
Total Financing and Investment Income and Expenditure	23,278	23,156
 Taxation and Non Specific Grant Income		
Council Tax Payers	28,665	27,365
General Government Grants (See breakdown below)	1,922	3,060
Localised Business Rates	6,761	6,188
National Non Domestic Rates and Revenue Support Grant	22,717	18,646
Recognised Capital Grant - Right of use Asset	340	-
Total Taxation and Non Specific Grant Income	60,405	55,259
 General Government Grants		
Additional Pensions Grant	1,833	2,543
Services Grant	89	517
Total	1,922	3,060

Precepts

The Authority, at its meeting on 9 February 2024, set a precept for 2024/25 equivalent to a Band D Council Tax of £97.94. Precepts and Collection Fund balances received from the four constituent Authorities for 2024/25 are as follows:

	Precepts 2024/25 £'000	Collection Fund Surplus/(Deficit)		Total 2024/25 £'000
		Residual 2024/25 £'000	31 March 2025 £'000	
Kingston upon Hull City Council	6,461	1	126	6,588
East Riding of Yorkshire Council	12,205	36	194	12,435
North East Lincolnshire Council	4,584	30	(10)	4,604
North Lincolnshire Council	5,075	19	(55)	5,039
	28,325	86	255	28,665

	Precepts 2023/24 £'000	Collection Fund Surplus/(Deficit)		Total 2022/23 £'000
		Residual 2022/23 £'000	31 March 2024 £'000	
Kingston upon Hull City Council	6,180	(62)	92	6,210
East Riding of Yorkshire Council	11,652	3	210	11,865
North East Lincolnshire Council	4,347	148	(48)	4,447
North Lincolnshire Council	4,876	(38)	6	4,844
	27,055	51	260	27,366

The Authority is made up of 22 Members who are nominated by the 4 Unitary Authorities in the Humberside region. The Police and Crime Commissioner for Humberside, Jonathan Evison, also sits on the Authority.

13. Related Parties

The Authority is required to disclose material transactions with related parties - bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the 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 Authority.

Central Government

Central Government has significant influence over the general operations of the Authority; it is responsible for providing the statutory framework within which the Authority operates, it provides a significant part of its funding in the form of grants and prescribes the terms of many of the transactions that the Authority has with other parties. The Authority receives NNDR, General Government grants and Capital Grants from the Department for Communities and Local Government or the Home Office. (Details of these grants are disclosed in note 12).

Pensions

See note 4 in the Notes to the Financial Statements.

Members

The Precept is collected on the Authority's behalf by the four Local Authorities in the Humberside area (as disclosed in note 12), the following Members are Local Councillors on these councils:

East Riding of Yorkshire Council: Kevin Casson, John Dennis, Coleen Gill, Mike Heslop-Mullens, Richard Meredith, Simon Pikcering, Margot Sutton, Samantha Christon-Whyte.

Kingston upon Hull City Council: Hester Bridges, Tracey Henry, Deborah Matthews, Shaun McMurray, Tracey Neal, Peter North, Lynn Pertini, David Woods.

North East Lincolnshire Council: Les Bonner, Ian Lindley, Matt Patrick, Ron Shepherd, Stewart Swinburn.

North Lincolnshire Council: Mick Grant, Ralph Ogg, Nigel Sherwood, Rob Waltham MBE.

In addition to the above Members, The Police and Crime Commissioner for Humberside, Jonathan Evison, also sits on the Authority.

The total of Members' allowances paid in 2024/25 is shown in Note 14. During 2024/25 no Members of the Authority, or their close relations, undertook any declarable related party transactions with the Authority. The Authority requires Members to complete a declaration of related party transactions, and these declarations are used as the basis of this note.

Officers

During the course of 2024/25 no Senior Officers of the Authority (with the exception of two members of staff that are Directors of Emergency Services Fleet Management (Humberside) Ltd and two members of staff that are seconded to Humberside Police), or their close relations, undertook any declarable related party transactions with the Authority. The Authority requires Senior Officers to complete a declaration of related party transactions, and these declarations are used as the basis of this note.

Two officers of the Fire Authority are also Directors of Emergency Services Fleet Management (Humberside) Ltd (Deputy Chief Fire Officer Niall McKiniry and Director Dominic Purchon). Emergency Services Fleet Management (Humberside) Ltd is a joint arrangement that provides vehicle maintenance services to the Authority and Humberside Police. Emergency Services Fleet Management (Humberside) Ltd supplied goods and services during 2024/25 with a value of £1.4m (£1.5m during 2023/24) to Humberside Fire Authority.

Two officers of the Fire Authority are also seconded to Police and Crime Commissioner for Humberside on a part time basis (Executive Director/S.151 Officer Martyn Ransom and Joint Deputy Chief Finance Officer/Deputy S.151 Officer Antoinette Diovisalvi). Humberside Police supplied goods and services to the Authority during 2024/25 with a value of £3.7m (£3.8m during 2023/24). The Authority supplied goods and services to Humberside Police during 2024/25 with a value of £0.4m (£0.2m during 2023/24).

The Authority retains joint control of Emergency Services Fleet Management (Humberside) Ltd with Humberside Police on a 50/50 split. The Authority's share of the net assets and reserves for 2024/25 are £0.5m (£0.5m 2023/24)

and have been consolidated into the Financial Statements of the Authority. These amounts are taken from the Emergency Services Fleet Management (Humberside) Ltd draft accounts at 31 March 2025.

The disclosure note itself has been prepared in accordance with guidance on the interpretation of IAS 24 (Related Party Transactions) and its applicability to the public sector.

14. Members' Allowances

From 1 April 2003, the Authority is required to have its own scheme of Members' Allowances under the terms of the Local Authorities (Members' Allowances) (England) Regulations 2003. The total amount paid to Members under this scheme for 2024/25 was £126,121 (2023/24 was £122,958).

15. Officers' Emoluments

Regulation 7 (3) of the Accounts and Audit Regulations 2015 [SI 2015 No. 234] requires the publication of the following disclosures relating to the remuneration of senior employees.

The number of employees whose remuneration, excluding employer's pension contributions, was £50,000 or more in bands of £5,000 are disclosed below:

Remuneration Band	Number of Officers in Band					
	2024/25			2023/24		
	Operational	Non Operational	Total	Operational	Non Operational	Total
£185-189,999	-	-	-	1	-	1
£180-184,999	1	-	1	-	-	-
£175-179,999	-	-	-	-	-	-
£170-174,999	-	-	-	-	-	-
£165-169,999	-	-	-	-	-	-
£160-164,999	-	-	-	-	-	-
£155-159,999	1	-	1	1	-	1
£150-154,999	-	-	-	-	-	-
£145-149,999	1	-	1	1	-	1
£140-144,999	-	-	-	-	-	-
£135-139,999	-	-	-	-	-	-
£130-134,999	-	-	-	-	1	1
£125-129,999	-	2	2	-	-	-
£120-124,999	-	-	-	-	-	-
£115-119,999	-	-	-	-	-	-
£110-114,999	1	-	1	-	-	-
£105-109,999	-	-	-	-	-	-
£100-104,999	-	-	-	2	-	2
£95-99,999	1	-	1	1	1	2
£90-94,999	-	-	-	-	-	-
£85-89,999	2	-	2	-	-	-
£80-84,999	6	-	6	-	-	-
£75-79,999	3	-	3	1	-	1
£70-74,999	4	-	4	10	1	11
£65-69,999	18	1	19	5	1	6
£60-64,999	27	9	36	18	1	19
£55-59,999	39	5	44	31	6	37
£50-54,999	53	6	59	48	2	50
	157	23	180	119	13	132

The increase in number of officers shown in the bands above is primarily due to pay awards that were agreed nationally for the 2024/25 financial year.

The following table sets out the remuneration disclosures for senior officers whose salary is equal to or more than £50,000 per year:

Disclosure for 2024/25

Post Title	Salary (Including fees & Allowances)	Benefits in Kind (e.g. Car Allowance)	Total Remuneration excluding employer's pension contributions 2024/25	Employer's pension contributions 2024/25	Total Remuneration including employer's pension contributions 2024/25
Chief Fire Officer & Chief Executive - Phil Shillito	182,805	-	182,805	33,819	216,624
Deputy Chief Fire Officer & Executive Director of Service Delivery - Niall McKiniry	155,385	-	155,385	58,425	213,810
Assistant Chief Fire Officer & Executive Director of Corporate Services	146,318	-	146,318	54,988	201,306
Director of Service Improvement (1 April 2024 - 30 September 2024)	57,830	-	57,830	21,744	79,574
Director of Service Improvement (1 October 2024 to 3 November 2024)	10,056	-	10,056	2,788	12,844
Director of Service Improvement (4 November 2024 to 31 March 2025)	44,795	-	44,795	12,420	57,215
Director of Prevention, Protection, Fleet and Estates (1 April 2024 - 3 November 2024)	67,953	-	67,953	-	67,953
Director of Prevention, Protection, Fleet and Estates (4 November 2024 - 31 March 2025)	44,795	-	44,795	12,420	57,215
Director of Emergency Response (1 April 2024 - 30 September 2024)	57,897	-	57,897	21,769	79,666
Director of Emergency Response (1 October 2024 - 31 March 2025)	54,852	-	54,852	20,624	75,476
* Executive Director of Finance and Section 151 Officer	127,964	1,464	129,429	23,673	153,102
Executive Director of People and Development	127,964	1,682	129,647	23,673	153,320
	1,078,616	3,147	1,081,763	286,344	1,368,106

* This post is shared with Humberside PCC

Disclosure for 2023/24

Post Title	Salary (Including fees & Allowances)	Benefits in Kind (e.g. Car Allowance)	Total Remuneration excluding employer's pension contributions 2023/24	Employer's pension contributions 2023/24	Total Remuneration including employer's pension contributions 2023/24
Chief Fire Officer & Chief Executive - Phil Shillito	185,873	-	185,873	33,070	218,943
Deputy Chief Fire Officer & Executive Director of Service Delivery - Niall McKiniry	158,640	-	158,640	42,060	200,700
Assistant Chief Fire Officer & Executive Director of Corporate Services	146,264	-	146,264	41,142	187,406
Director of Service Improvement	102,109	-	102,109	29,407	131,516
Director of Prevention, Protection, Fleet and Estates	100,363	-	100,363	-	100,363
Director of Emergency Response	99,858	-	99,858	27,456	127,314
* Executive Director of Finance and Section 151 Officer (1 April 2023 to 1 October 2023)	70,726	623	71,349	11,102	82,451
* Executive Director of Finance and Section 151 Officer (2 October 2023 to 31 March 2024)	61,593	650	62,243	11,395	73,637
Executive Director of People and Development	130,236	1,617	131,853	24,094	155,947
	1,055,661	2,889	1,058,550	219,726	1,278,276

* This post is shared with Humberside PCC

The number of employee compulsory and voluntary exit packages agreed with total cost per band and total cost of the redundancies are set out below:

Exit Package Cost Band	2024/25				2023/24			
	Number of Compulsory Redundancies	Number of Other Agreed Departures	Total Number of Exit Packages by Cost Band	Total Cost (£'000)	Number of Compulsory Redundancies	Number of Other Agreed Departures	Total Number of Exit Packages by Cost Band	Total Cost (£'000)
£60,001 - £80,000	-	1	1	61	-	1	1	73
£40,001 - £60,000	-	1	1	47	-	-	-	-
£20,001 - £40,000	-	-	-	-	-	2	2	45
£0 - £20,000	-	1	1	11	-	-	-	-
Total Cost in Bandings	-	3	3	119	-	3	3	118

16. Other Notes To The Financial Statements

Contingent Liabilities

Court of Appeal Judgement – Virgin Media v NTL Pension Trustees II Limited

In June 2023 the High Court ruled in the case of Virgin Media Limited v NTL Pension Trustees II Ltd. The ruling was that certain pension scheme rule amendments were invalid if they were not accompanied by the correct actuarial confirmation. The High Court ruling has since been appealed. In a judgement delivered on 25th July 2024, the Court of Appeal unanimously upheld the decision of the High Court.

On 5th June 2025, the Government announced that it will “introduce legislation to give affected pension met the necessary standards.” Once the legislation has been passed, this will mean that pension schemes will be able to obtain written confirmation from an actuary about the benefit changes that were previously made and apply that confirmation retrospectively without making the plan amendments void, if the changes met the necessary standards.

Until the legislation is passed, uncertainty will remain as to whether any additional liabilities might arise, and if they were, how they would be reliably measured.

Exceptional Items

There are no exceptional items.

Material Items of Income and Expenditure

There were no material items of income and expenditure during 2024/25 that are not disclosed elsewhere within the Statement of Accounts.

Heritage Assets

The Authority does not have any Heritage Assets; a collection of fire memorabilia is held by the Authority but has little financial value.

Audit Fees

During 2024/25 the Authority incurred £105k in Audit fees (£94k in 2023/24) from Forvis Mazars relating to external audit.

Prior Period Adjustments

There are no prior period adjustments.

Events After The Balance Sheet Date

There have been no events either adjusting or non-adjusting after the Balance Sheet date.

17. Cash Flow Notes

Movements in Cash and Cash Equivalents

	31 March 2025 £'000	31 March 2024 £'000	Movement £'000
Bank In Hand/(Overdrawn)	74	82	(8)

Cash Flow Statement – Adjust net surplus or deficit on the provision of services for non-cash movements

	£'000	£'000
Depreciation/Amortisation & Impairment	5,215	3,934
Increase/(decrease) in Creditors	12,218	(444)
(Increase)/decrease in Debtors	640	1,350
(Increase)/decrease in Inventories	(52)	(79)
Increase/(decrease) in Provisions	(170)	27
Movement in Pension Liability	18,006	19,796
Carrying amount of non-current assets held for sale, sold or de-recognised	(76)	537
Right of use Asset	(340)	-
	<u>35,440</u>	<u>25,121</u>

Cash Flow Statement – Adjust for items included in the net surplus or deficit on the provision of services that are investing and finance activities

	2024/25 £'000	2023/24 £'000
Proceeds from short-term and long-term investments		
Proceeds from the sale of Property, Plant and Equipment and Intangible Assets	(33)	(94)
Any other items for which the cash effects are investing or financing cash flows	-	-
	<u>(33)</u>	<u>(94)</u>

Cash Flow Statement – Operating activities within the cash flow statement include the following cash flows relating to interest

	2024/25 £'000	2023/24 £'000
Interest Received	696	728
Interest Paid	(1,191)	(646)
	<u>(495)</u>	<u>82</u>

Cash Flow Statement – Cash Flows from Investing Activities

	2024/25 £'000	2023/24 £'000
Payments to acquire property, plant and equipment, investment property and intangible assets	(4,570)	(1,994)
Opening Capital Creditors	(560)	(528)
Closing Capital Creditors	781	560
Purchase of short term investments	(14,575)	(1,111)
New Leases	103	-
Proceeds from the sale of property, plant and equipment, investment property and intangible assets	33	94
Net cash flows from investing activities	<u>(18,787)</u>	<u>(2,979)</u>

Cash Flow Statement – Financing Activities

	2024/25 £'000	2023/24 £'000
Cash receipts of short and long-term borrowing	4,000	-
Appropriation to/from Collection Fund Adjustment Account	(48)	41
Repayments of short and long-term borrowing	(841)	(1,500)
Principal on Finance Leases	(72)	(20)
Net cash flows from financing activities	3,039	(1,479)

Government Grants

An analysis of other Government grants received during 2024/25 is given in note 12 of the notes to the Financial Statements.

2024/25



HUMBERSIDE
Fire & Rescue Service

**Humberside Fire Authority Pension
Fund Account 2024/25**

FIREFIGHTERS' PENSION FUND ACCOUNT

The following table analyses movements on the Fund for the year 2024/25

2023/24 £'000s		2024/25 £'000s
	Contributions receivable:	
(6,016)	Employers' contributions receivable	(8,303)
(2,753)	Firefighters' contributions	(2,870)
(8,769)		(11,173)
(239)	Transfers in from other authorities	(123)
	Benefits payable:	
19,768	Pensions	22,402
3,343	Commutations & lump sum retirement benefits	5,381
23,111		27,783
	Payments to and on account leavers	
45	Transfers out to other authorities	-
14,148	Net amount payable for the year	16,487
(14,148)	Top-up grant receivable to the Firefighters' Pension Fund	(16,487)
-	Fund Account balance	-

<u>Net Assets Statement</u>		
2023/24		2024/25
	Current Assets	
2,245	Home Office grant debtor	-
1,775	Pensions Paid in Advance	1,675
	Humberside Fire Authority	7,169
	Current Liabilities	
-	Pensions owing to members (See Matthews note)	(1,493)
(4,020)	Humberside Fire Authority	(1,675)
-	Home Office Grant creditor	(5,676)
-		-

Notes to the Firefighters' Pension Fund Account

The funding arrangements for the Firefighters' Pension Scheme (FPS) changed on 1 April 2006. The Pension Fund was established under the Firefighters' Pension Scheme (Amendment) (England) Order 2006. The Pension Fund administers all four of the Firefighters' Pension Schemes (the 1992 Firefighters' Pension Scheme, the 2006 Firefighters' Pension Scheme, the 2015 Firefighters' Pension Scheme and the Modified Firefighters' Pension Scheme).

The Pension Fund is administered by Humberside Fire Authority.

The Pension Fund is managed by the Executive Director of Finance and Section 151 Officer.

The benefits payable from the Pension Fund are pensions, lump sum commutation payments and ill health pensions. Injury awards are payable from the Authority's General Fund Account.

The Pension Fund is an unfunded scheme, consequently:

- It has no investment assets;
- Benefits payable are funded by contributions from employers and employees; and
- any difference between benefits payable and contributions receivable is met by top-up grant from the Home Office (HO)

The Pension Fund is statutorily prevented from including interest on cashflows and administration expenses in the pension fund. These expenses are accounted for in the Authority's General Fund Account.

Employee and employer contribution levels are based on percentages of pensionable pay set nationally by HO and are subject to triennial revaluation by the Government Actuary's Department. The employers' contribution rates are determined nationally by the Government Actuary's Department and is currently 37.6% for the 2015 FPS.

The membership for the pensions fund is as follows;

Category of Member	31/3/2025 1992 FPS	31/3/2025 2006 NFPS	31/3/2025 Modified Pension Scheme	31/3/2025 2015 FPS	31/3/2024 1992 FPS	31/3/2024 2006 NFPS	31/3/2024 Modified Pension Scheme	31/3/2024 2015 FPS
Contributors	-	-	-	754	-	-	-	756
Deferred Pensioners	37	96	4	248	37	101	4	193
Pensioners	961	28	92	103	972	24	80	76

Matthews

In November 2018 a ruling on the legal case involving part-time judges (O'Brien v MoJ) had a direct impact on the equivalent case for Retained Firefighters (Matthews). Home Office Ministers have agreed to extend the pension entitlement for retained firefighters to cover service pre-July 2000. An options exercise to increase the pensions entitlement for some current special retained members and allow access to the scheme for historic retained members is underway. Where members have returned an election form to extend pension entitlement on or before 31st March 2025, provision for the payment of benefits owed to, reduced by contributions due from members in respect of said benefits, has been made in the accounts. The net payment to members is estimated to be £1.493m.

Statement of Accounting Policies

The Accounting Policies adopted for the Pension Fund follow those set out in the Authority's Statement of Accounting Policies (Note 1 of the Notes to the Financial Statements). Transfer values are an exception to this policy and are on a cash basis.

The following item(s) are estimated and are material to the Pension Fund account:

- Estimation of top-up grant receivable

The Pension Fund Account does not take account of the obligations to pay pensions and benefits that fall due after the end of the financial year. These are reflected in the Authority's accounts in accordance with IAS 19 – Employee Benefits (Please see note 4 in the Notes to the Financial Statements).

CERTIFICATIONS

We, the undersigned, certify that:

The Statement of Accounts represents a True and Fair View of the financial position of Humberside Fire Authority as at 31 March 2025 and the Comprehensive Income and Expenditure for the year ended 31 March 2025.



Phil Shillito – Chief Fire Officer/Chief Executive



Councillor Nigel Sherwood – Chair



Martyn Ransom – Executive Director of Finance/Section 151 Officer

14 January 2026

Appendix 1

Revenue Variance Analysis

2023/24		2024/25		
		Revised Estimate	Actual	Variance
£'000	Expenditure	£'000	£'000	£'000
43,421	Employees	48,662	48,370	(292)
3,706	Premises	3,754	3,305	(449)
2,008	Transport	1,928	2,048	120
4,370	Supplies and Services	4,163	5,625	1,462
520	Support Services	330	377	47
3,786	Capital Charges	1,959	3,943	1,984
57,811	Total Expenditure	60,796	63,668	2,872
(1,749)	Income	(1,626)	(2,403)	(777)
56,062	Net Expenditure	59,170	61,265	2,095
652	Interest Payable	614	696	82
(811)	Interest Receivable	(750)	(1,191)	(441)
(879)	Accounting Adjustments	504	(1,344)	(1,848)
-	Contributions to / (from) Reserves	466	621	155
55,024	Net Budget Requirement	60,004	60,047	43
(3,060)	General Government Grant	(1,922)	(1,922)	-
(6,188)	Business Rates	(6,785)	(6,779)	6
(18,627)	NNDR	(22,697)	(22,717)	(20)
(27,426)	Precepts	(28,600)	(28,600)	-
(277)	Net (Surplus)/Deficit	-	29	29
£'000	Movement on the General Fund		£'000	
(277)	(Surplus)/Deficit as above		29	
(600)	Reserve Movements as per Fire Authority		(1,283)	
(876)	(Surplus)/Deficit on the General Fund in the Year		(1,254)	

A breakdown of major variances is as follows:

	Overspend / (Underspend) £'000
Employees	(292)
a) some staff were not in the pension scheme which resulted in lower employer pension contributions	
b) some posts were vacant at points through the year	
c) lower rates of pay due to the trainee, development and competent rate split across our uniformed staff	
Premises	(449)
a) lower utility usage and unit rates	
b) less spent on repairs and maintenance	
Transport	120
Additional costs associated with our joint workshops in relation to repairs and maintenance of our fleet	
Supplies and Services	1,462
a) the implementation costs of the new Control system that will be used to mobilise appliances	
b) spend in relation to exploring the option of designing and developing a National Flood Resilience Centre	
Capital Charges	1,984
Impairment and depreciation of the estate has caused this variance (offset with accounting adjustment note)	
Income	(777)
a) Additional income in relation to collaborations	
b) Additional grant income received from Government	
c) Funding to offset some of the additional costs associated with the National Flood Resilience Centre research	
Interest Receivable	(441)
This is due to higher interest rates on our investments	
Accounting Adjustments	(1,848)
a) Impairment and depreciation of the estate (offset with asset rental interest note)	
b) Higher revenue contribution towards capital outlay to reduce the need to borrow	
Contributions from Reserves	155
Additional funding moved to earmarked reserves to fund the remaining implementation costs of the new Control system	

Appendix 2

Capital Expenditure Breakdown and Variance Analysis

A breakdown of capital expenditure can be found in the table below.

Project	2024/25		
	Revised Estimate £'000	Actual £'000	Variance £'000
Buildings			
Immingham East	533	484	(49)
Winterton	90	140	50
Cromwell Road	431	-	(431)
Pocklington	150	-	(150)
Driffield	202	-	(202)
Crowle	200	-	(200)
Withernsea	50	-	(50)
Training Infrastructure	606	301	(305)
Howden	1,200	365	(835)
Electric Vehicle Charging Points	120	7	(113)
Fire Station External Works	100	125	25
Bridlington	150	-	(150)
Patrington	39	31	(8)
Preston	40	35	(5)
Spend to Save	80	78	(2)
North Hull	-	20	20
Goole	1	(10)	(11)
Vehicles			
Operational	2,530	1,096	(1,434)
Support	1,133	340	(793)
Plant & Equipment			
IT Equipment	582	328	(254)
Equipment	1,414	299	(1,115)
Breathing Apparatus	1,270	931	(339)
	10,921	4,570	(6,351)

Analysis of the most significant capital variances:

	Overspend/ (Underspend) £'000
Howden This work is expected to be completed during 2025/26	(835)
Training Infrastructure This work is expected to be completed during 2025/26	(305)
Cromwell Road, Pocklington, Driffield, Crowle and Withernsea These schemes were put on hold awaiting the outcome of the 6 facet report. A revised capital programme has been agreed for 2025/26	(1,033)
Electric Vehicle Charging Points This was on hold until the outcome of the EV feasibility study was undertaken.	(113)
Bridlington This work is expected to be completed during 2025/26	(150)
Vehicles Delivery of the appliances and support vehicles is expected to be taken during 2025/26	(2,227)
IT Equipment Some ICT equipment and projects have slipped into 2025/26	(254)
Equipment Due to the delay in the appliances, the purchase of the equipment has slipped into 2024/25	(1,115)
Breathing Apparatus The cost of the new BA sets was less than the amount of funding that was allocated	(339)

Appendix 3

Glossary of terms

Accounting Date	This is the date at which the Balance Sheet is produced, for this Authority it is 31 March each year.
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.
Agency Arrangements	An arrangement between two organisations where one will act as an agent, collecting money on behalf of the other party, to whom the money is then paid over. An example of this is council tax collections, where the four local authorities collect money from tax payers on behalf of the Authority and then pay it over.
Amortisation	The measure of the cost of the wearing out, consumption or other reduction in the useful economic life of the Authority's Intangible Assets during the accounting period, whether from use, the passage of time, or obsolescence through technological or other changes.
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 inventories); 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 fire station 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.
Budget	The forecast of net revenue and Capital Expenditure over the Accounting Period.
Capital Expenditure	Expenditure on the acquisition of a non-current asset, which will be used in providing services beyond the current Accounting Period or expenditure that adds to,

and not merely maintains, the value of an existing non-current Asset.

Capital Financing	Funds used to pay for Capital Expenditure. There are various methods of financing Capital Expenditure including borrowing, leasing, direct revenue financing, usable capital receipts, capital grants, revenue reserves and earmarked reserves.
Capital Programme	The capital schemes the Authority intends to carry out over a specified period of time.
Capital Receipts	The proceeds from the disposal of land or other non-current Assets. Capital receipts can be used to finance new Capital Expenditure, but they cannot be used to finance Revenue Expenditure.
Carrying Value	This is the value of an Asset or Liability as shown in the Statement of Accounts
Cash Equivalents	Short-term, highly liquid investments readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.
Code Of Practice	The CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice on Local Authority Accounting.
Component	A part of an Asset requiring separating from the total (host) Asset into an Asset in its own right as it has a cost that is significant in relation to the total cost of the Asset. If the components also have a significantly different depreciable life from the host then it is depreciated separately.
Comprehensive Income and Expenditure Statement	Shows the accounting economic cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation. Authorities raise taxation to cover expenditure in accordance with regulations; this may be different from the accounting cost. The taxation position is shown in the Movement in Reserves Statement.
Consistency	The concept that the accounting treatment of like items, within an Accounting Period and from one period to the next, are the same.
Consolidation	The process of combining the Financial Statements from the Authority and the Authority's share of Emergency Services Fleet Management (Humber) Ltd.
Contingent Asset	A possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Authority.
Contingent Liability	<p>A contingent liability is either:</p> <p>a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain</p>

future events not wholly within the control of the Authority, or

a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

Corporate and Democratic Core

The corporate and democratic core comprises all activities that fire authorities engage in specifically because they are comprised of members elected to local authorities. The cost of these activities are thus over and above those which would be incurred by a series of independent, single purpose, nominated bodies managing the same services. There is therefore no logical basis for apportioning costs to services.

Creditor

Amount owed by the Authority for works done, goods received or services rendered within the Accounting Period, but for which payment has not been made by the end of that Accounting Period.

Current Service Cost (Pensions)

The increase in the present value of a defined benefit pension scheme's liabilities, expected to arise from employee service in the current period.

Debtor

Amount owed to the Authority for work done, goods received or services rendered within the Accounting Period, but for which payment has not been received by the end of that Accounting Period.

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 any investments of the scheme.

Depreciation

The measure of the cost of the wearing out, consumption or other reduction in the useful economic life of the Authority's non-current Assets during the accounting period, whether from use, the passage of time, or obsolescence through technological or other changes.

Derecognition

The removal of an Asset or Liability from Authority's Balance Sheet.

Effective Interest Rate

This is the rate of interest necessary to discount the estimated stream of principal and interest cash flows through the expected life of a Financial Instrument to equal the amount after initial recognition.

Events after the Reporting Period

Events after the reporting period 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.

Exceptional Items

Material items which derive from events or transactions that fall within the ordinary activities of the Authority and which need to be disclosed separately by virtue of their

size or incidence to give fair presentation of the Accounts.

Existing Use Value (EUV)

The estimated amount for which a property should be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction, assuming that the buyer is granted vacant possession of all parts of the property required by the business and disregarding potential alternative uses and any other characteristics of the property that would cause the market value to differ from that needed to replace the remaining service potential at least cost. Under IFRS this is the same as Fair Value.

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 amount of which an Asset could be exchanged, or liability settled, between knowledgeable, willing parties in an arm's-length transaction. Under IFRS there is no consistent definition of Fair Value; different definitions apply in different circumstances.

Financial Instrument

Any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another. The term covers both financial assets and financial liabilities, from straightforward trade receivables (invoices owing) and trade payables (invoices owed) to complex derivatives and embedded derivatives.

Finance Lease

A lease that transfers substantially all the risks and rewards of ownership of an asset to the lessee (even though title to the property may not be transferred). The asset is recorded on the Balance Sheet of the lessee.

Going Concern

The concept that the Statement of Accounts are prepared on the assumption that the 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 stipulations relating to the activities of the Authority. Grants may be specific to a particular scheme or may support the revenue or capital spend (respectively) of the Authority in general.

Held for Sale

Property, plant and equipment assets held by the Authority pending sale. Assets must meet strict criteria before being classified as Held for Sale.

Heritage Assets

An asset with historic, artistic, scientific, technological, geophysical, or environmental qualities that is held and maintained principally for its contribution to knowledge and culture and this purpose is central to the objectives of the entity holding it.

Impairment	A reduction in the value of a non-current Asset to below its Carrying Value on the Balance Sheet. Impairment is caused by a consumption of economic benefit such as obsolescence or physical damage of an Asset.
Income	Amounts that the Authority receives or expects to receive from any source, including fees, charges, sales and grants.
Intangible Assets	An intangible (non-physical) item may be defined as an identifiable non-monetary asset when it is probable that the expected future economic benefits attributable to the asset will flow to the entity, and its cost can be measured reliably. An asset meets the identification criteria when it: <ul style="list-style-type: none"> (a) Is separable, i.e. capable of being separated or divided from the entity and sold, transferred, licensed, rented, or exchanged, either individually or together with a related contract, asset or liability; or (b) Arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the entity or from other rights and obligations.
Interest Cost (Pensions)	For a Defined Benefit Scheme, the expected increase during the period in the present value of the scheme liabilities because the benefits are one period closer to settlement.
International Accounting Reporting Standards (IAS)	These are accounting standards published and produced by the International Accounting Standards Board. Further detail on International Accounting Standards can be found at www.ifrs.org
Inventories	Items of raw materials and stores, the 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 (work in progress).
Investments	A sum invested on a long-term or continuing basis to support the activities of an organisation, or where the disposal of the investment is restricted in some way. Monies invested which do not meet these criteria are classified as current assets.
Liability	A liability is where the Authority owes payment to an individual or another organisation, arising from past events. <ul style="list-style-type: none"> • A current liability is an amount which will or could become payable in 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.
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 misstated, could be expected to lead to a distortion of the Financial Statements and ultimately mislead a user of the Accounts.
Minimum Revenue Provision (MRP)	The minimum amount which must be charged to the revenue account each year in order to provide for the repayment of loans and other amounts borrowed by the Authority.
Net Book Value (NBV)	The amount at which non-current Assets are included in the Balance Sheet, i.e. their historical costs or current value, less the cumulative amounts provided for Depreciation and Impairment.
Net Current Replacement Cost	The estimated cost of replacing or recreating a particular asset in its existing condition and in its existing use, i.e. the cost of its direct replacement.
Net Debt	The Authority's borrowings less cash, cash equivalents and short term investments.
Net Present Value	Net Present Value (NPV) is the difference between the present value of cash inflows and the present value of cash outflows
Net Realisable Value	The open market value of an asset less the expenses to be incurred in realising the asset.
Non-current Assets	Property, Plant and Equipment held or occupied, used or consumed by the Authority in pursuit of its strategic objectives in the direct delivery of those services for which it has either a statutory or discretionary responsibility.
Non Distributed Costs (NDC)	These are the overheads for which no user now benefits and as such are not apportioned to services.
National Non Domestic Rates (NNDR)	The non-domestic rate is a levy on businesses, based on a national rate in the pound set by the Government and multiplied by the assessed rateable value of the premises they occupy. It is collected by Local Authorities on behalf of Central Government and is then redistributed back to the Authority.
Operating Lease	A lease other than a Finance Lease. The risks and rewards of ownership of a non-current asset that is leased remain with the lessor and on the lessor's Balance Sheet. The lessee accounts for the rental payments as revenue income and expenditure.
Past Service Cost (Pensions)	For a Defined Benefit Pension Scheme, the increase in the present value of the scheme liabilities related to the employee service in prior periods arising in the current

period as a result of the introduction of, or improvement to, retirement benefits.

Pension Scheme Liabilities	The liabilities of a Defined Benefit Pension Scheme for outgoings due after the valuation date. Scheme liabilities measured using the projected unit method reflect the benefits that the employer is committed to provide for service up to that date.
Precept	The levy made by precepting authorities on billing authorities, requiring the latter to collect income from council taxpayers on their behalf.
Prior Year Adjustment	Material adjustments applicable to prior years arising from changes in accounting policies or from the correction of material errors. This does not include normal recurring corrections or adjustments of accounting estimates made in prior years.
Projected Unit Method	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.
Prospective Application	Applying new accounting policies to transactions, other events and conditions occurring after (not before) the date as at which the policy is changed and recognising the effect of the change in the accounting estimate in the current and future period affected by the change.
Provision	An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur as a result of a past event, but the amounts or dates of which they will arise are uncertain.
Public Works Loan Board (PWLB)	A Central Government Agency, which provides loans for one year and above to authorities at interest rates only slightly higher than those at which the Government itself can borrow.
Related Parties	There is a detailed definition of related parties IPSAS 20. For the Authority's purposes, related parties are deemed to include the Authority's Members, Senior Officers and their close family, partners, levying bodies, other public sector bodies, the Pension Fund and Assisted Organisations.
Related Party Transactions	The Code 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 monetary value of any other benefits received other than in cash. Pension contributions payable by the employer are excluded.

Reserves	The residual interest in the Assets of the Authority after deducting all of its Liabilities. These are split into two categories, usable and unusable. Usable reserves are those reserves that contain resources that an authority can apply to fund expenditure of either a revenue or capital nature (as defined). Unusable reserves are those that an authority is not able to utilise to provide services. They 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 between expenditure being incurred and its financing e.g. Capital Adjustment Account.
Residual Value	The net realisable value of an asset at the end of its useful life.
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.
Retrospective Application	Applying a new accounting policy to transactions, other events and conditions as if that policy had always been applied. Opening balances and prior year income and expenditure comparatives must be adjusted.
Revaluation Loss	A reduction in the value of a non-current Asset below its Carrying Amount in the Balance Sheet, caused by a general fall in prices across a whole class of assets.
Revenue Expenditure	The day-to-day expenses of providing services.
Revenue Support Grant	A grant paid by Central Government to authorities, contributing towards the general cost of services.
Single Entity	Refers to transactions and balances that form part of the Authority Accounts.
Statement of Accounts	The set of Statements comprising the Expenditure and Funding Analysis Statement, Movement in Reserves Statement, Comprehensive Income and Expenditure Statement, Balance Sheet, Cash Flow Statement and accompanying notes.
Temporary Borrowing	Money borrowed for a period of less than one year.
True and Fair View	The Statement of Accounts should be the faithful representation of the effects of the transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the code. Compliance with the Code is presumed to result in financial statements that achieve a true and fair presentation.
Useful Economic Life	The period over which the Authority will derive benefits from the use of a non-current Asset.

Appendix 4**Feedback form****Humber Side Fire Authority****STATEMENT OF ACCOUNTS 2024/25
FEEDBACK FORM**

The Statement of Accounts evolves each year and notwithstanding a large amount of information being prescribed by the Accounting Codes of Practice, the Authority attempts to make the document as readable and user friendly as possible.

We would therefore welcome any comments from readers on the Statement of Accounts regarding improvements to the layout and readability for future years. If you could complete the following questionnaire and return it to the address below we will try to accommodate any comments received. Alternatively, if you are viewing this document on the internet, there is an on-line form which you can submit.

We will attempt to incorporate any comments received by 31 March 2025 into the 2024/25 Statement of Accounts where possible and the Authority will try to include any comments received after that date into future years' documents.

1. Please indicate in what capacity you are viewing this Statement.

Local Tax Payer Local Business

Other, please specify

2. Is the format and the layout of the Statement of Accounts easy to understand and follow?

Yes No

If not why not?

3. Did you find the information you were looking for?

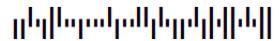
Yes No

If no, why?

4. Any other comments you have would be welcome:

Please return by attaching the freepost form on the next page to the front of an envelope.

Business Reply
Licence Number
RTRC-GLXU-LCJT



2 | |

Humberside Fire Service
Brigade Headquarters
Summergroves Way
Hull
HU4 7BB

HUMBERSIDE FIRE AUTHORITY
ANNUAL GOVERNANCE STATEMENT 2024/25

Appendix 5

Scope of Responsibility

1. Humberside Fire Authority (HFA) is responsible for ensuring that its business is conducted in accordance with the law and proper standards and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.
2. HFA has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
3. In discharging this overall responsibility, HFA is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.
4. HFA has approved and adopted a code of corporate governance applicable to Members, which is consistent with the principles of the Chartered Institute of Public Finance and Accountancy (CIPFA)/ Society of Local Authority Chief Executives (Solace) Delivering Good Governance in Local Government Framework 2016 Edition. A copy of the code can be obtained from the Secretary to the Fire Authority.
5. HFA has approved and adopted the National Fire Chiefs Council (NFCC) Core Code of Ethics for Fire and Rescue Services for employees to abide by.
6. This statement explains how HFA has complied with the code of corporate governance and also meets the requirements of regulation 4(3) of the Accounts and Audit (England) Regulations 2011 in relation to the publication of an Annual Governance Statement.

The Purpose of the Governance Framework

7. The governance framework comprises the systems and processes, culture and values, by which HFA is directed and controlled. The framework demonstrates how the HFA accounts to, engages with and leads within the community. It enables HFA to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
8. The system of internal control is a significant part of the governance framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness.
9. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of HFA's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.
10. The governance framework has been in place at HFA for the year ending 31 March 2025 and up to the date of approval of the Statement of Accounts.

The Governance Framework 2024/25

11. The key elements of the HFA's governance framework included:
 - (a) The Constitution of the Authority which includes:

HUMBERSIDE FIRE AUTHORITY
ANNUAL GOVERNANCE STATEMENT 2024/25

- Committee Membership and Terms of Reference;
- Scheme of Delegation to Officers;
- Financial Procedure Rules;
- Contract Procedure Rules;
- Members' Code of Conduct;
- Employees' Code of Conduct;
- Protocol for Member and Officer relationships;
- Code of Corporate Governance.

(b) The Governance, Audit and Scrutiny (GAS) Committee, as well as HFA itself, received regular reports on the Service's performance arrangements.

(c) An approved [Corporate Risk and Opportunity Policy](#).

(d) An approved 'Local Code of Corporate Governance' in accordance with the CIPFA/SOLACE Framework for Corporate Governance.

(e) The designation of the Chief Fire Officer as Chief Executive responsible to the HFA for all aspects of operational management.

(f) The designation of the Executive Director of Finance and S.151 Officer (Local Government Act 1972) in accordance with Section 112 of the Local Government Finance Act 1988 and conforming with the governance requirements of the CIPFA Statement on the role of the Chief Financial Officer in Local Government (2010).

(g) The designation of the Secretary as Monitoring Officer with the requirement to report to the full HFA if it is considered that any proposal, decision or omission would give rise to unlawfulness or maladministration.

(h) The Executive Leadership Team has considered a strategic overview of HFA control environment, including the response to external audit, performance management, strategic planning and scrutiny of risk and opportunity management.

(i) Finance Planning process.

- The production of quarterly [Finance and Procurement Updates](#) which are distributed to all members of SLT and are considered at the GAS Committee and HFA meetings.
- The production of a [Medium Term Resource Strategy](#).
- The production of an annual [Productivity and Efficiency Plan](#).

(j) Strategic Planning process.

1. The Community Risk Management Plan (CRMP) 2021-25 was published in line with the requirements of the Fire and Rescue National Framework for England, providing a detailed assessment of the risks facing our communities and personnel and the measures taken to mitigate those risks. The CRMP was approved by the Fire Authority on 7 December 2020 following a public consultation and is reviewed annually.
2. The Strategic Plan 2021-25 included strategic objectives and Directorate responsibilities. The Strategic Plan was approved by the Fire Authority on 7 December 2020.

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- (k) Financial crime management and speaking up provision.
 - The Service is committed to the highest possible standards of integrity, openness, fairness, inclusivity, probity and accountability. HFA aims to provide a positive and supportive culture to enable employees to raise their concerns.
 - The Service publishes its [Anti-Fraud and Corruption, Anti-Bribery and Anti-Money Laundering Policies](#) and other such Policies, associated data and information on the Website under Data Transparency.
 - The Service has in place a [Whistleblowing Policy](#) published on its website. Staff and the public can also raise serious concerns through the independent reporting line, Independent Speak Up (a contract procured by the Service powered by Crimestoppers).
 - The Service has 'Freedom to Speak up Guardian' roles, providing another independent reporting route for staff to raise concerns.
- (l) A Service Improvement Plan is in place that ensures improvement areas across the Service, including any actions arising from His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) Inspection, are documented, evidenced and regularly reviewed.
- (m) Member and Officer Development Programmes. During 2024/25 Officers undertook facilitated supportive leadership development. Access to the T2Hub of Management and Leadership Self Development resources, Continual Professional Development through the Leadership Forum and Guest Speakers and Officers completing the Executive Leadership Programme.
- (n) Scheduled Member Days throughout the year support Member development and awareness of developing agenda for the Service and across the Sector as a whole.
- (o) An approved [Treasury Management Strategy](#) with Prudential Indicators.
- (p) A Protective Marking Scheme (based upon the His Majesty's Government Security Framework).
- (q) In line with the Equality Act 2010, the publication of [Equality, Diversity and Inclusion Priorities](#).
- (r) Aligned service delivery with our four Local Authorities (Hull, East Riding, North Lincolnshire and North East Lincolnshire) through District management teams, is helping partnership work and assists us to be closer and more accountable to local communities.
- (s) Bi-Annual Performance Reports to HFA are published on our [website](#).
- (t) A Pension Board, as required under The Firefighters' Pension Scheme (Amendment) (Governance) Regulations 2015, was formed in 2015 to oversee compliance in the operation of the Firefighters' Pension Scheme (FPS). The Pension Board met twice during 2024/25.
- (u) Regular Joint Consultative Committee meetings attended by all Representative Bodies to discuss any matters relating to staff terms and conditions.

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- (v) Member Champions continue to support functional areas and are invited to attend local District performance meetings and to meet with Area Managers and Executive Directors.
- (w) Consultation on our Council Tax Precept for 2024/25 drew many responses (1119) from our community. This allowed Fire Authority Members to make an informed decision on the setting of the precept.
- (x) A Service or Local Level Serious Incident Review (SIR) is conducted within 30 days of a serious incident. The purpose of the SIR is to investigate an incident that has led to the serious injury or death of a person(s). This inclusive process enables the Service, along with partners and stakeholders, to come together and identify, develop, implement, and embed learning opportunities.
 - One Service Level SIR has been conducted over the past twelve-month period, which resulted in one male fatality.
 - Over the same twelve-month period two local level reviews were conducted.
 - All learning from these reviews has been communicated and shared at the Regional Prevention Performance Meeting and the National NFCC Safeguarding Practitioners Meeting.
- (y) In line with legislative requirements HFRS published its [Gender, Ethnicity and Disability Pay Gap Report](#) by the end of March 2025.
- (z) Emergency Preparedness for significant events is assured through provision of a fulltime team, established and tested Business Continuity Plans and a lead role within the Humber Local Resilience Forum (LRF).

- (aa) Policies relating to compliance, management and administration of information governance, under the General Data Protection Regulation (GDPR) are published on the [website](#).

Review of Effectiveness

- 12. HFA has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the Service who have responsibility for the development and maintenance of the governance environment, the head of internal audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
- 13. The GAS Committee has continued its scrutiny programme during 2024/25, including the scrutiny of:
 - HMICFRS Values and Culture in Fire & Rescue Services
 - Estates Strategy
 - Disciplinary Investigation Training
 - Fire Control - Exercises and Debrief
 - Financial Plans

The induction of new Members and continuing training of all Members (via Member Days and Member Champion meetings) during 2024/25 has further enabled Members to discharge the functions of the HFA.

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14. During the 2024/25 financial year, HFA and its committees met as follows:
 - HFA - six occasions
 - GAS Committee - five occasions
 - Pension Board - two occasions
15. Members of the Pension Board receive reports against a number of key workstreams designed to ensure that the Board operates in compliance with the Pension Regulator's Code of Practice for Pension Boards, this encompasses three broad areas: Governance, Administration and Communication.
16. The review of the effectiveness of the system of internal control is informed by:
 - The work of Senior Officers
 - The work of Internal Audit
 - Corporate Risk and Opportunity
 - Performance information
 - The Authority's External Auditor, in their Auditor's Annual Report, Audit Completion Report, Annual Audit Letter and other reports.
17. Internal Audit has undertaken a number of reviews during 2024/25. The following areas were covered:
 - Application of Management of Disciplinary Procedures
 - Application and Management of Tactical Plans
 - Contingency Fire Crew (CFC)
 - Firefighter Development Pathway
 - Management of Statutory Building and Licensing Consultations
 - Staff Forums and EDI Steering Group
 - Training Records
 - ICT Management Controls
 - Key Financial Controls
18. The Service is fully compliant against the CIPFA Financial Management Code. Full compliance against the code became mandatory from 1 April 2022.
19. The Head of Internal Audit annual opinion for the period 1 April 2024 to 31 March 2025 was satisfied that, for the areas reviewed during the year, the Service has reasonable and effective risk management, control and governance processes in place. The Authority proactively utilises Internal Audit as an effective tool to receive independent assessment and assurance in targeted areas of work as identified by the Service Improvement Framework.
20. The effectiveness of the governance framework is considered throughout the year by SLT, the GAS Committee and HFA. Much of this is discharged through internal reports such as Finance and Procurement Updates and Performance Reports as well as the work of Internal and External Audit. Any significant issues are captured via the risk management system and considered by the Fire Authority where appropriate.

Governance Update 2024/25

21. There were no significant governance issues during 2024/25.
22. Members are assured that the Service has appropriate arrangements in place should use of the powers under the Regulation of Investigatory Powers Act (RIPA) 2000 be

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necessary. There was no use of RIPA or requests for covert surveillance during 2024/25.

23. The Police & Crime Act 2017 places a statutory duty upon Fire and Rescue, Police and Ambulance services to collaborate.
24. We continue to proactively identify collaborative opportunities with the Police, Ambulance services and other bodies. This has included:
 - A joint Emergency Service Fleet Management workshop with the Humberside Police.
 - A joint Estates function with Humberside Police.
 - Shared provision of a Health and Safety function with Humberside Police, managed by the Service.
 - Provision of a medical First Responder scheme in partnership with Yorkshire Ambulance (YAS), East Midlands Ambulance Service (EMAS).
 - A Falls, Intervention Response, Safety Team (F.I.R.S.T) in partnership with NHS partners, Hull City Council and East Riding of Yorkshire Council.
 - An agreement with Yorkshire Ambulance Service (YAS) for them to provide Service wide Clinical Governance.
 - Memorandums of Understanding with Humberside Police and Ambulance Trusts to support response activities including:
 - Fire Investigation
 - Forced Entry for Medical Rescues
 - Drone
 - Bariatric
 - An Integrated Health Centre incorporating a Full-Time fire station, in partnership with Humber, Coast and Vale ICS.
 - A Fire and Police Transformation Board continues to review collaboration opportunities where they are beneficial and practicable.
 - The provision of S151 and Deputy S.151 officer function to Humberside PCC.
 - ‘Don’t Cross the Line’ campaign to support stopping attacks on Emergency Service Workers.
25. The Service was inspected by HMICFRS between July and September 2024 and rated as Outstanding in ‘Understanding fires and other risks’, and in ‘Preventing fires and other risks.’ In addition, under the 11 areas of inspection criteria, the Service achieved eight Good ratings and one Adequate rating. During the inspection the Service was also recognised for a number of promising and innovative practices. The Service has a Service Improvement Plan in place, which it uses to record, manage, monitor and assess the actions it takes in relation to continuous improvement. Performance monitoring against the Service Improvement Plan is undertaken through the monthly Strategic Leadership Team performance meetings.
26. No Whistleblowing allegations were received during 2024/25. The Service has in place a [Whistleblowing Policy](#) published on the website.
27. On 16 December 2024 the Government published its White Paper *English Devolution*, which set out the Government’s plans to widen and deepen devolution across England, providing mayors with unprecedented powers and funding and hardwiring them into the way government works. As part of the White Paper, where mayoral geographies align with police force and fire and rescue geographies, Mayors will be, by default, responsible for exercising Police and Crime Commissioner and Fire and Rescue Authority functions. Further exploration would be undertaken as to whether a single Mayor can take responsibility for Police and Crime Commissioner and Fire and Rescue Authority functions across two or more Force or two or more Fire and Rescue Authority areas, where this would result in coterminous boundaries.

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The Service will continue to monitor further progress and development of this through the progression of the English Devolution Bill.

Strategic Risk and Opportunity Register

28. The Service has in place a Strategic Risk and Opportunity Register which enables it to understand, monitor and mitigate against the Service's overall risk profile. The Service can use a range of techniques for identifying specific risks that may potentially impact on one or more objectives. The top critical Strategic Risks and Opportunity for 2024/25 were as follows:

Strategic Risk	Strategic Opportunity
Financial Constraints Around National Grant Funding	HFRS Vision 2040
Joint Estates Service Provision	

Signed



Councillor Nigel Sherwood
Chair of the Fire Authority



Phil Shillito
Chief Fire Officer & Chief Executive



Martyn Ransom
Section 151 Officer



Lisa Nicholson
Secretary & Monitoring Officer to the Fire Authority

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