

CLEVELAND FIRE AUTHORITY

MINUTES OF AUDIT & GOVERNANCE COMMITTEE MEETING



27 AUGUST 2021

PRESENT: **CHAIR:-** Councillor Ashley Waters - Middlesbrough Council

HARTLEPOOL BOROUGH COUNCIL

Councillor Ben Clayton

MIDDLESBROUGH COUNCIL

Councillor Naweed Hussain

REDCAR & CLEVELAND BOROUGH COUNCIL

Councillor Cliff Foggo

STOCKTON ON TEES BOROUGH COUNCIL

Councillor Steve Matthews

INDEPENDENT PERSONS

Mr Steve Harwood

Mr Paul McGrath

AUTHORISED OFFICERS

Chief Fire Officer, Treasurer, Legal Adviser & Monitoring Officer

Assistant Chief Fire Officer Strategic Planning & Resources

Assistant Chief Fire Officer Community Protection

IN ATTENDANCE

Head of Risk and Performance

Head of Finance and Procurement

APOLOGIES Councillor Tom Cassidy - Hartlepool Borough Council
FOR ABSENCE: Councillor Jon Rathmell – Middlesbrough Council
Councillor Billy Ayre - Redcar & Cleveland

41. DECLARATION OF MEMBERS INTERESTS

It was noted no Declarations of Interest were submitted to the meeting.

42. MINUTES

RESOLVED – that the Minutes of the Audit & Governance Committee held on 25 June 2021 be confirmed.

43. REPORTS OF CHIEF FIRE OFFICER

43.1 Organisational Performance & Efficiency Report April – June 2021

The Head of Risk and Performance (HoRP) outlined the performance of the Brigade for the period 1 April 2021 to 31 July 2021 which had been aligned to the Brigade's performance assessment framework.

Members received a presentation of current performance compared with 5 year averages to account for the impact of the Covid-19 pandemic. Key areas are highlighted below:

43.1 Organisational Performance & Efficiency Report April – July 2021 cont.

- Total incidents were 3476 – an increase of 213 (+10%) compared to 5 year average. These comprised of: Primary Fires 321 (9%); Secondary Fires 1644 (48%); False Alarms 1003 (29%) and Special Services 489 (14%).
- There have been 6835 Safer Homes Visits completed and risk reduction advice provided – an increase of 1607 (45%).
- 579 inspections of Industrial and Commercial Premises were carried out – an increase of 252 (77%).
- Accidental Dwelling Fires had increased by 13 incidents to 59 – a 28% increase on the 5 year average of 14. Middlesbrough had 20 incidents (+43%); Hartlepool 12 (+25%); Stockton 22 (+49%) and Redcar and Cleveland had 5 (-34%). The main causes being electrical (23%); cooking (22%) and careless handling (20%).
- 1712 Deliberate Fires were recorded – an increase of 548 incidents (47%) on the five year average. 173 were Deliberate Primary Fires (+22%) and 1539 were Deliberate Secondary Fires (+38%). Main causes were refuse (963/ 63%) and grassland (518/34%).
- Violence to staff – 25 incidents recorded (+109%/13 incidents). Direct correlation with increase in deliberate fires.
- Response Standards:
 - Call answering: Target set at 7 seconds, Actual 6.05 seconds
 - Call Handing: Target 100 seconds, Actual 82 Seconds
 - Building Fires 1st Appliance Target 7 Minutes, Actual 5.03 Minutes
 - Building Fires 2nd Appliance Target 10 Minutes, Actual 6.57 Minutes
 - RTC Target 8 Minutes, Actual 5.46 Minutes
- Sickness Absence was 3.19 shifts per person – an increase of 0.74 shifts (30%) compared to 5 year average of 2.45 shifts. Total 1612 shifts lost to sickness including 1085 shifts by Whole time (+36%); 98 Retained (-23%); 118 Control (+258%) and 311 Greenbook (+9%).
Main cause of sickness absence was Mental Health with 392 shifts lost (24%); 126 duty shifts have been lost due to Covid and 58 from Covid post-vaccination sickness.

The CFO acknowledged that arson was a clear problem for the Brigade and informed Members that a multi-agency approach was being explored with safer partnership groups from each of the four councils to tackle the issue. Regionally, neighbouring services are experiencing a similar spike in deliberate fires and have collectively commissioned academic research, led by ACFO Community Protection, into why arson is so prevalent in the north-east area. Mr McGrath requested that any feedback from this research be shared with the committee.

Members referred to the increase in violence to staff incidents and asked if body worn cameras were used in Cleveland and whether they were monitored live. The CFO confirmed that all appliances were fitted with CCTV and for the past two years all firefighters have had the option of wearing body worn cameras, which provide evidence to support prosecutions. The CCTV runs continuously while the cameras can be switched on when required. He added that unfortunately this was a national issue affecting all emergency services and work was underway by the Ambulance Service to pursue greater sanctions from the courts.

43.1 Organisational Performance & Efficiency Report April – July 2021 cont.

Mr Harwood noted the Brigade's accident rate was low compared to the national average. The CFO confirmed that embedding a health & safety culture was a corporate priority for the Brigade and the ACFO CP was leading this work to ensure improvement actions are achieved.

RESOLVED – that the report be noted

43.2 Internal Audit Progress Report

The CFO presented the audits undertaken to date and highlighted the outcomes relating to limited/satisfactory assurance. He also gave a position statement regarding the actions set out in the audit action plans.

RESOLVED:-

- (i) **that the audit position of the completed 2020/21 Audits be noted.**
- (ii) **that the progress made to date in the Internal Audit Plan 2021/22 be noted**

43.3 Review of the Corporate Risk Register

Members considered the Corporate Risk Register which had been reviewed by the Active Risk and Executive Leadership Teams in July 2021. The outcome of this review was detailed at Appendix 1 and the CFO referred Members to the outcome at paragraph 4.4 which detailed the following new and emerging risks:

- Fire Standards
- Organisational Learning and COVID 19

RESOLVED – that Members noted the Corporate Risk Register, at Appendix 1.

43.4 Progress Against Revenue & Capital Budgets 2021/22

The Head of Finance (HoF) presented the current position as at 30 June 2021 and informed Members of the forecasted outturn position which shows a net underspend of £1.194m. She confirmed that this included £0.511 employee costs underspend owing to: under establishment across all pay groups; planned recruitment for 19 additional firefighters in July and 16 retained in September; an assumed 2% pay award for Grey and Green Book staff, as detailed at Appendix 1.

The HoF reported a forecast outturn position of £0.024m underspend against a Capital Budget of £2.308m for 2021/22 and referred Members to Appendix 2 for the progress for each project within the Capital Programme, with no significant issues to report.

RESOLVED - that the position at 30 June 2021 be noted.

44. JOINT REPORT OF THE CHIEF FIRE OFFICER & TREASURER

44.1 2020/21 Outturn and Financial Report

Members scrutinised the final outturn position against the approved 2020/21 budgets and received details on the arrangements for approving the Authority's 2020/21 Financial Report.

44.1 2020/21 Outturn and Financial Report cont.

The Treasurer reported that against the continuing financial uncertainty and the impact of the Covid-19 pandemic the CFO had managed the revenue budget extremely well. He outlined the report in detail which covered:

- Revenue Position at 31 March 2021 (£425,000 underspend)
- Capital Budget Monitoring Statement (Appendix A)
- 2020/21 Pre-Audit Financial Report (Appendix B)
- Annual Governance Statement
- Information Requested from Mazars (Appendix D)

The Treasurer informed Members that the 2021/21 Financial Report had been prepared in accordance with relevant accounting standards. The audit document and External Auditors report would be presented to the Committee for scrutiny on 19 November 2021, prior to approval by the Executive Committee on 26 November.

RESOLVED -

- (i) **That the 2020/21 Annual Governance Statement, detailed on pages 82-86 of Appendix B, be noted.**
- (ii) **That Members noted that the Financial Report, detailed at Appendix B, will be subject to the completion of the independent audit by Mazars and details of any audit amendments will be reported to this committee on 19 November 2021.**
- (iii) **That the submission to Mazars, detailed at Appendix D, be approved.**

45. REPORT OF THE TREASURER

45.1 Treasury Management Strategy Update 2021/22

Members scrutinised the Treasury Management strategy 2020/21 which covered:

- Economic Background and Outlook for Interest Rates
- Interest Rate Forecasts
- Treasury Management Outturn Position 2020/21 and 2021/22 Mid Year Review
- Borrowing Strategy 2021/22
- Investment Strategy 2021/22
- Minimum Revenue Provision and Interest Costs / Regulatory Information 2021/22
- Borrowing and Prudential Indicators

The Treasurer reported that the Strategy would be referred to the Fire Authority for approval at its meeting on 15 October 2021.

RECOMMENDED – that the Fire Authority approve the following recommendations at its meeting on 15 October 2021:

- (i) **Minimum Revenue Provision (MRP) Statement**
Approve the following MRP statement:
 - **For capital expenditure incurred before 1st April, 2008 the Authority's MRP policy is to calculate MRP in accordance with former CLG Regulations. This is 4% of the Capital Financing Requirement (CFR) except where the Authority makes Voluntary Revenue Payments which is in excess of the amount required by these regulations, based on asset life;**

45.1 Treasury Management Strategy Update 2021/22 cont.

- From 1st April, 2008 the Authority calculates MRP based on asset life for all assets or where prudential borrowing is financed by a specific annuity loan, MRP will be calculated according to the actual annuity loan repayments.
- The Treasurer may determine to make Voluntary Revenue Provision payments to reduce the Authority's overall CFR if it is in the best financial interests of the Authority.

46. REPORT OF THE LEGAL ADVISER AND MONITORING OFFICER

46.1 Standards Report

The Legal Adviser and Monitoring Officer (LAMO) provided Members with updates on the following Standards issues:

- Guidance on the LGA's Model Councillor Code of Conduct' as published on 8 July 2021.
- Case of Bennis v ICO [2021] – the Stratford Councillor who sought the disclosure of comments from the Independent Persons following a complaint made against them under the Code of Conduct provisions.

The LAMO confirmed that this Authority had approved a Code of Conduct which was fully compliant with the Localism Act 2011 and in addition adopts many features of the Model Code of Conduct introduced by LGA in 2020.

RESOLVED – that the contents of the report be noted.

**COUNCILLOR ASHLEY WATERS
CHAIR**