
CLEVELAND FIRE AUTHORITY

MINUTES OF AUDIT & GOVERNANCE COMMITTEE MEETING



18 NOVEMBER 2022

PRESENT:

CHAIR:- Councillor Steve Matthews - Stockton on Tees Borough Council
HARTLEPOOL BOROUGH COUNCIL
Councillors Angela Falconer, Leisa Smith
MIDDLESBROUGH COUNCIL
Councillors Teresa Higgins, Jon Rathmell
INDEPENDENT PERSONS
Mr Steve Harwood
Mr Paul McGrath
AUTHORISED OFFICERS
Chief Fire Officer, Treasurer, Legal Adviser & Monitoring Officer, ACFO-
Community Protection
MAZARS
Mr Gavin Barker - Audit Engagement Lead

IN ATTENDANCE

Head of Risk and Performance
Head of Finance and Procurement

APOLOGIES

FOR ABSENCE: ACFO – Strategic Planning & Resources
Joanne Greener – Audit Managers, Mazars
Councillor Billy Ayre, Julie Craig - Redcar & Cleveland Borough Council

59. DECLARATION OF MEMBERS INTERESTS

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

60. MINUTES

RESOLVED – that the Minutes of the Audit & Governance Committee held on 26 August 2022 be confirmed.

61. REPORTS OF THE CHIEF FIRE OFFICER

61.1 Organisational Performance Report April – September 2022

The Head of Risk and Performance (HoRP) gave a presentation outlining the performance of the Brigade for the period 1 April - 31 October 2022, which had been aligned to the Brigade's strategic goals, aims and associated outcomes.

The presentation highlighted the following key performance:

- Total incidents were 7,207(+1,728/32%) compared to the 5 year average for the equivalent period. Total mobilisations were 10,294.
- Special Services were up 4% with 903 incidents recorded (+34 incidents).

61.1 Organisational Performance Report April – September 2022 cont.

- Secondary Fires saw the largest increase with 3631 incidents reported, +1364 increase (60%).
- Primary Fires were up 39% with 648 incidents (+182) and False Alarms were up 7% at 1975 (+135 incidents).
- There was a 31% increase in Emergency Calls to Fire Control (+2,432 incidents) with a total 10,257 calls taken in comparison to the 5-year average.
- There have been 20,807 Safer Homes Visits targeted with 12,022 completed which was a 2,725 (29%) increase on the 3-year-average.
- 558 inspections of Industrial and Commercial Premises were carried out – a 37% decrease (327 fewer incidents).
- Dwelling Fires had increased by 2% to 174 incidents (+2) compared to 2021/22 but CFB still remained one of the lowest rates in the country with the fastest response time. Of the 174 Dwelling Fires 72% (126) were Accidental Dwelling Fires (ADFs) and 48 (28%) Deliberate Dwelling Fires (DDFs).
- Compared to the 5 year average there was a 27% increases in Dwelling Fires in Middlesbrough with 56 incidents (+12), Hartlepool of 11% to 31 (+3), Stockton of 22% to 50 (+9) and Redcar and Cleveland of 48% to 37 incidents (+12). The main causes being deliberate (48 incidents – 28% increase), electrical (33 incidents – 19% increase), radiated heat (32 incidents – 18% increase).
- There have been no Dwelling Fire Fatalities and 12 Dwelling Fire Injures.
- Deliberate Fires have increased by 58% (1,352 incidents) to 3,676 compared to the 5-year average. Included within these, 359 (10%) were deliberate primary fires an increase of 106 incidents (40%) on the 5-year average. 3,317 (90%) were deliberate secondary fires an increase of 60% (+1,249 incidents) compared to 5-year-average. Main causes were vehicles (182 / 51% of all deliberate primary fires) and refuse (1,725 / 52% of all deliberate secondary fires).
- Response Standards:
 - Call answering: Target set at 7 seconds, Actual 6.53 seconds
 - Call Handing: Target 100 seconds, Actual 76 seconds
 - Building Fires 1st Appliance Target 7 Minutes, Actual 5.13 minutes
 - Building Fires 2nd Appliance Target 10 Minutes, Actual 7.33 minutes
 - RTC Target 8 Minutes, Actual 4.58 minutes
- Sickness Absence is 7.49 shifts per person – an increase of 54% (2.64 shifts per person) compared to 5-year-average (4.85 shifts). 2262 duty days lost to sickness in 280 occurrences by 227 individuals. Average length of sickness was 8.1 shifts per occurrence. Average cost £140,000 per month.
- There was an increase in sickness levels across all staff groups with Whole-time at 8.39 shifts lost per person (costing £689k), Fire Control at 12.55 shifts (costing £57k), Retained at 3.33 shifts (costing £77k) and Green Book by 7.46 shifts (costing £97k). Total estimated cost of sickness absence April to October 2022 is £920k.

Mr Paul McGrath asked if there was any correlation between mental health absenteeism and the rise in violence to staff incidents. The CFO confirmed that Nottingham Trent University was commissioned by the National Fire Chiefs Councils (NFCC) Health & Wellbeing Board to look into the different causes of mental health sickness in the fire service and the results would be reported back to Members when concluded.

61.1 Organisational Performance Report April – September 2022 cont.

Councillor Falconer asked how the Brigade's sickness levels compared Nationally. The CFO confirmed that while comparable sickness data was not readily available nationally, there was a 7.5 shift average and the Brigade was expected to continue to exceed this by the end of the year, reflecting the health inequalities across the communities of Cleveland.

Councillor Rathmell asked whether the Brigade considered each of the four local authorities' environmental policies in relation to refuse disposal. The ACFO confirmed this is dealt with as part of the station plans for each district and crews report any fuel sources to respective councils immediately.

RESOLVED – that the report be noted

61.2 Annual Statement of Assurance 2021/22

Members scrutinised the Annual Statement of Assurance 2021/22 outlined at Appendix 1 of the report, which contained details relating to financial, governance and operational matters. The CFO reported that this document was a statutory requirement produced in line with the requirements of the Fire and Rescue National Framework for England 2012.

RECOMMENDED – That the Executive Committee approve the Annual Statement of Assurance 2021/22 (Appendix 1) at its meeting on 25 November 2022.

61.3 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 2021/22 Audits be noted.**
- (ii) that the progress made to date in the Internal Audit Plan 2022/23 be noted.**

61.4 Review of the Corporate Risk Register

Members considered the Corporate Risk Register (CRR) which had been reviewed by the Active Risk Team in September 2022 and by the Executive Leadership Team in October 2022. The outcome of this review was detailed at Appendix 1 and the CFO referred Members to paragraph 4.4 which detailed the following changes:-

- New and Emerging Risks – none
- Changes to existing risks - E01: Financial Pressures and Service Sustainability
- Risks to be deleted from CRR – L01: Grenfell Tower Inquiry

Mr Harwood commended the CFO and officers for many years' good financial management and asked how the Authority would continue to thrive amid current and future financial pressures.

61.4 Review of the Corporate Risk Register cont.

The CFO noted that the Autumn Statement had confirmed there was no new money for fire authorities and recent pay claims were higher than the budget provision of 2%. In addition, ongoing cost of living and inflation rises were expected to leave the Authority with a deficit of between £2.5m to £3m deficit over the next three years based on planning assumptions.

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

61.5 Progress Against Revenue & Capital Budgets 2022/23

The Head of Finance (HoF) presented the current position as at 30 September 2022 and informed Members that the forecasted outturn position was an overspend of £1.319m. This position reflects the phasing of commitments on premises, supplies and services and transport costs, detailed at Appendix 1, where orders need to be placed early in the year to ensure goods and services are delivered in the current year.

She noted that ongoing uncertainties surrounding pay awards, inflation and energy prices were expected to go on into 2023/24 and Members would be asked to consider and approve an updated Medium Term Financial Strategy at the Authority meeting on 9 December 2022.

The HoF reported a forecast outturn position of £1.121m underspend against a Capital Budget of £3.201m for 2022/23 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 September be noted.

62. REPORT OF CHIEF FIRE OFFICER AND TREASURER

62.1 The 2021/22 Financial Report and Draft Audit Completion Report

The Treasurer reported that the Financial Report represents the Authority's financial position for 2021/22 in a specified format and reflects the Outturn Strategy previously approved by the Authority.

The draft accounts for 2021/22 had been published on the Authority's website on 24 June, ahead of the 31 July statutory deadline. They had been considered by this committee on 26 August 2022 where Mazars advised Members that the audit was not expected to be completed by the audit deadline of 30 September 2022. This was due to delays in receiving assurances from the Teesside Pension Fund.

The Audit Engagement Lead (AEL) presented the draft Audit Completion Report which covered:

- Executive Summary
- Status of the Audit
- Audit Approach
- Significant Findings
- Internal Control Recommendations
- Summary of Misstatements
- Value for Money

62.1 The 2021/22 Financial Report and Draft Audit Completion Report cont.

The AEL expressed disappointment that the 30 November deadline will not be achieved as both Mazars and Authority officers had worked extremely hard to meet those deadlines. The CFO asked what the implications were for the Authority. The AEL confirmed there were no penalties for missing the deadline as it was outside of the Authority's control, however the Authority was required to publish a statement on its website.

RESOLVED:-

- i) **That the amended 2021/22 Financial Report (including the 2021/22 Statement of Accounts) at Appendix B, in line with amendments proposed in the draft Audit Completion report (ACR), be noted.**
- ii) **That Members noted that the Audit cannot be finalised until Mazars have received assurances from the Pension Fund auditors and that details will be reported to a future meeting.**
- iii) **That a letter be sent to**

63. ANY OTHER BUSINESS

63.1 Industrial Action

The CFO provided Members with an update on the current position in relation to firefighters pay. He reported that the FBU had held a consultative ballot to its members, which concluded on Monday with members decisively rejecting the 5% pay offer. The FBU subsequently wrote to the National Employers seeking an urgent solution and improved pay offer. In response, the National Employers recognised the professionalism of firefighters and the high regard in which they are held, but confirmed a pay offer over 5% was not affordable to fire and rescue authorities.

The CFO stated that a 5% pay offer would cost this Authority £1m and anything above that would start impacting jobs and services. The FBU wrote to employers to confirm a pay dispute exists and advise of their intention to ballot members for strike action between 5 December and 23 January.

The CFO confirmed that any potential strike action would likely be early February 2023 and work was underway on the Authority's Business Continuity Planning arrangements to ensure statutory responsibilities are met.

**COUNCILLOR STEVE MATTHEWS
CHAIR**