CLEVELAND FIRE AUTHORITY

MINUTES OF AUDIT & GOVERNANCE COMMITTEE MEETING

22 FEBRUARY 2019

PRESENT:

CHAIR:-
Councillor Norah Cooney – Redcar & Cleveland Borough Council
HARTLEPOOL BOROUGH COUNCIL
Councillor Marjorie James, Mike Young
MIDDLESBROUGH COUNCIL
Councillor Naweed Hussain
REDCAR & CLEVELAND BOROUGH COUNCIL
Councillor Neil Bendelow
STOCKTON ON TEES BOROUGH COUNCIL
Councillors Gillian Corr, Mick Stoker
INDEPENDENT PERSONS
Mr Mike Hill, Mr Steve Harwood
AUTHORISED OFFICERS
Director of Corporate Services, Treasurer, Legal Adviser & Monitoring Officer
MAZARS
Ross Woodley, Audit Manager
Gavin Barker, Audit Director
IN ATTENDANCE
Area Manager for Emergency Response
Head of Risk and Performance, Head of Finance

APOLOGIES FOR ABSENCE:
Chief Fire Officer
Councillor Teresa Higgins – Middlesbrough Council
Councillor Paul Kirton – Stockton Borough Council

101. DECLARATION OF MEMBERS INTERESTS
It was noted no Declarations of Interest were submitted to the meeting.

102. MINUTES
RESOLVED – that the Minutes of the Audit & Governance Committee held on 9 November 2018 be confirmed.

103. REPORTS OF MAZARS

103.1 Audit Progress Report – February 2019
The Audit Manager (AM) outlined the progress on the external audit for 2018/19 and reported that the planning work was now complete. He referred Members to Appendix 1 which covered Audit Progress, National Publications and other updates. Mr Mike Hill referred to the Home Office publication 'Fire and Rescue Authority 2018 reserves as a share of core spending power, November 2018' and asked if the Authority's current level of reserves could be viewed as a risk.

103.1 Audit Progress Report continued

The Treasurer confirmed that the Authority had considered a Medium Term Financial Strategy report at its meeting on 15 February 2019 which covered the use of reserves and potential risks post 2020-21.

The Audit Director (AD) reported that he did not have any issues with the Authority's level of reserves and viewed the Authority as managing a considerably difficult financial position very well.

RESOLVED – That the report be noted

103.2 Audit Strategy Memorandum

The AD presented the Audit Strategy Memorandum for the year ending 31 March 2019 which included :

- Engagement and Responsibilities Summary
- Audit Scope, Approach and Timeline
- Significant risks and Key Judgement Areas
- Value for Money at Work
- Fees for Audit & other services

Councillor James suggested it would be beneficial to Members and Independent Persons if Mazars could deliver a training session on scrutinising financial and audit reports. The AD confirmed this could be arranged and would incur a fee. The Director of Corporate Services (DoCS) agreed to liaise with Mazars and the Treasurer to arrange the training.

RESOLVED:-
(i) that the report be noted.
(ii) that Members and Independent Persons receive training from Mazars.

104. REPORTS OF THE CHIEF FIRE OFFICER

104.1 Organisational Performance & Efficiency Report April 2018 – December 2018

The Head of Risk and Performance (HoRP) outlined the performance of the Brigade for the period 1 April 2018 to 31 January 2019. The report covered the following details:

- Total incidents stand at 7,303 a reduction of 221 (- 3%) compared to the same period last year. These arose from 10,510 emergency calls to Fire Control.
- Secondary fires (2961 incidents) account for 41% of all incidents and have increased by 11% (302 incidents) since last year.
- False Alarms (2601) account for 36% of all incidents. These have decreased by 69 incidents primarily due to the implementation of the Brigade's Unwanted Fire Signals Strategy for Accidental Fire Alarms in non-residential buildings.
- Special Services have decreased by 28% (425 incidents) to 1098 mainly due to the reduction in Co-responder incidents which have reduced by 95% (407) from 430 to 23.
- Deliberate Primary Fires have reduced by 33 (9%) but Deliberate Secondary fires have increased by 349 (15%). Main types of Deliberate Primary Fires are deliberate vehicle fires (50%). Most common types of Deliberate Secondary Fires are refuse (71%), and grassland (26%).

104.1 Organisational Performance & Efficiency Report April 2018 – Dec 2018 cont.

- 85% of all our primary and secondary fires are classed as deliberate.
- Accidental Dwelling Fires (ADFs) have reduced by 20% since 2017/18 (from 120 to 96 incidents) with increases in Hartlepool and decreased in Stockton, Middlesbrough and Redcar and Cleveland. The main causes are electrical (21%), cooking related (21%), careless handling (19%) and radiated heat (17%).
- 70% of Accidental Dwelling Fires had a previous HFSV before the incident.
- The Brigade's main preventative services for ADF's are Home Fire Safety Visits (HFSVs) and Safe and Well Visits. In 2018-19 the Brigade has conducted 15,268 Home Fire Safety Visits and 2,374 Safe and Well Visits as well as 1,273 inspections of Industrial and Commercial buildings.
- Deliberate Fire fatalities – 1 incidents (+50%)
- Deliberate Fire injuries – 1 incident (-50%)
- Response Standards:
  - Call Answering: Target set at 7 seconds, Actual 7.7 seconds
  - Call Handing: Target 100 seconds - Actual 86 Seconds
  - Building Fires 1st Appliance Target 7 Minutes, Actual 4.50 Minutes
  - Building Fires 2nd Appliance Target 10 Minutes, Actual 6.47 Minutes
  - RTC Target 8 Minutes, Actual 5.18 Minutes
- Compared to 2017-18, overall Sickness Absence for Quarter 3 in 2018-19 increased from 1.18 shifts per person to 6.1. Green Book decreased by 8%, Fire Control increased by 49% and Wholetime and Retained have experienced increases of 24% and 3% respectively.
- Violence to Staff Incidents – 33 incidents (-3% from 2017/18).

The HoR&P confirmed that in January 2019, the Home Office published National Response Times to Fires for 2017/18 which ranked Cleveland fastest in the country for Primary/ Dwelling fires and road vehicle fires and 4th fastest for other building fires. The Brigade was also ranked 2nd fastest for secondary fires.

The DoCS praised Brigade staff for their efforts in continuing to maintain Cleveland's position as the safest place to live in the country in respect of Accidental Dwelling Fires (ADFs).

The Area Manager for Emergency Response (AMER) provided Members with a brief account of the recent fatal fire in North Ormesby and confirmed that the Brigade would be highly visible in the community offering advice and support.

Mr Mike Hill asked if HFSVs could be utilised more. The AMER confirmed that the purpose is primarily to prevent loss of life and fire and causational factors, such as electrical faults, are much harder to prevent.

Councillor James highlighted the risks posed from houses in need of re-wiring and suggested the Brigade could explore options to provide assistance to people who need this work carrying out.

Mr Steve Harwood asked what impact poor maintenance of buildings had on incidents of fires. The AMER confirmed that it was a combination of the condition of the building and the behaviours of those living in it. He added that factors such as the use of smoke alarms and introduction of furniture regulations meant that dwelling fires tended to be less severe than in the past.

104.1 Organisational Performance & Efficiency Report April 2018 – Dec 2018 cont.

Mr Hill asked the DoCS how she planned to address mental health issues affecting sickness absence. She confirmed this was a key focus of the Health & Wellbeing Strategy and initiatives included partnership work with MIND to train Blue Light Champions in the workplace as well as collaborative work with police. She added that sickness would be monitored on an annual basis to provide a more detailed analysis.

Councillor James referred to the cost associated with attending false alarms and suggested the Brigade considered running a campaign to highlight the costs to the public.

RECOMMENDED - that the report be noted

104.2 Internal Audit Progress Report 2018/19

Members received details of the progress made on the Internal Audit Programme 2018/19 and considered the recommendations / actions contained within the action plans from previous Internal Audits.

RESOLVED – That the report be noted.

104.3 Corporate Risk Register – February 2019

Members considered the Corporate Risk Register which had been reviewed in December 2018 by the Active Risk Team as part of the Brigade's strategic planning process. The outcome of this review was detailed at Appendix 1.

RECOMMENDED- that the report be noted.

104.4 Progress Against Revenue and Capital Budgets 2018/19

The Head of Finance (HoF) presented the current position as at 31 December 2018 and informed Members of the forecasted outturn position which shows a net underspend of £0.924m. He confirmed that this was higher than the forecast under spend of £0.749 identified when the Medium Term Financial Strategy was presented to the Executive Committee on 25 January 2019.

The HoF reported that the forecast underspend included £711k from managing vacant posts, which achieved 77% of the planned 2019/20 savings.

He informed Members that a detailed review of the Asset Management Plan (AMP) 2018-2025/26 had been undertaken and approved in January 2019.

RESOLVED:-

i) that the position at 31 December 2018 be noted.

ii) that Members noted that a proposed strategy for using the forecast managed under-spend is detailed in the Medium Term Financial Strategy for 2019/20.

105. REPORTS OF THE TREASURER

105.1 Treasury Management Strategy 2019/20

Member scrutinised the Treasury Management strategy 2019/20 which covered:

- Economic Background and Outlook for Interest Rates
- Interest Rate Forecasts
- Treasury Management Outturn Position 2017/18 and 2018/19 Mid Year Review
- Treasury Management Strategy 2019/20
- Borrowing Strategy 2019/20
- Investment Strategy 2019/20
- Minimum Revenue Provision and Interest Costs / Regulatory Information 2019/20

The Treasurer reported that owing to the timings of meetings it was not possible to refer this strategy to the Audit & Governance Committee prior to it being presented to the Authority on 15 February 2019 and any issues would be fed back to the Authority at its next meeting.

RESOLVED – that Members reviewed the 2019/20 Treasury Management Strategy and had no issues to report back to the Authority.

105.2 Internal Audit Plan 2019/20

The Treasurer presented the Internal Audit Plan indicating the proposed coverage for 2019/20.

RECOMMENDED

(i) That the 2019/20 Internal Audit Plan be adopted

(ii) That the Authority's Annual Governance Statement is reviewed at its meeting on 28 May 2019.

106. REPORT OF THE LEGAL ADVISER AND MONITORING OFFICER

106.1 Business Report – Local Government Ethical Standards: A Review by the Committee on Standards in Public Life (January 2019)

The Legal Advisor and Monitoring Officer (LAMO) informed Members of the outcomes of the review by the Committee on Standards in Public Life of Local Government ethical standards following its earlier stakeholder consultation. He referred Members to the Committee's report at Appendix 1 and outlined the key recommendations which had more direct application to Fire and Rescue Authorities as detailed at section 5 of the covering report.

The LAMO reported that while it was open for authorities to adopt some of these recommendations as 'best practice' the majority were reliant on amendments to primary and secondary legislation as well as being contingent on action by a number of bodies and organisations. He agreed to bring further reports before members when (and if) any statutory changes were enacted.

RECOMMENDED:-

(i) that the recommendations from the report of the Committee on Standards in Public Life, attached at Appendix 1, be noted.

(ii) That Members receive a further report following the Government's consideration of the Committee's report and any legislative or best practice guidance that may follow.

107. ANY OTHER BUSINESS

107.1 Resignation of Mr Mike Hill, Independent Person

The Chair informed Members that Mr Hill was resigning from his role as Independent Person and passed on thanks and best wishes on behalf of the Authority. The LAMO added that Mr Hill had been an exceptional Independent Person and his valuable contribution would be missed.

COUNCILLOR NORAH COONEY
CHAIR