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# CLEVELAND FIRE AUTHORITY

## MINUTES OF AUDIT & GOVERNANCE COMMITTEE MEETING



**13 NOVEMBER 2015**

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**PRESENT:**

**CHAIR:-**  
Councillor Mick Stoker – Stockton on Tees Borough Council

**MIDDLESBROUGH COUNCIL**  
Councillors Naweed Hussain, Tom Mawston

**STOCKTON ON TEES BOROUGH COUNCIL**  
Councillor John Gardner

**INDEPENDENT PERSONS**  
Jeff Bell, Mike Hill

**AUTHORISED OFFICERS**  
Chief Fire Officer, Director of Corporate Services, Legal Adviser and  
Monitoring Officer, Treasurer

**MAZARS**  
Ross Woodley (Audit Manager), Mark Kirkham (Audit Director)

**BRIGADE OFFICERS**  
Head of Finance, Head of Risk and Performance

**APOLOGIES FOR ABSENCE:** Councillor Stephen Akers-Belcher – Hartlepool Council  
Councillor Mary Lanigan – Redcar & Cleveland Borough Council

### **AG9. DECLARATION OF MEMBERS INTERESTS**

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

### **AG10. MINUTES**

**RESOLVED – that the Minutes of the Audit & Governance Committee held on 21 August 2015 be confirmed.**

### **AG11. REPORT OF MAZARS**

#### **AG11.1 Audit Progress Report**

The Audit Manager (AM) Ross Woodley presented the Audit Progress Report which covered:

- Completion of 2014/15 Audit
- Introduction to 2015/16 Audit
- National Publications and Other Updates:
  - Annual Regulatory Compliance and Quality Report, PSAA, June 2015
  - Regulatory Compliance and Quality Report, Quarter 1 2015/16
  - Whistleblowing e-learning for the Public Sector
  - Consultation on Regulation of Auditors, Financial Reporting Council, May 2015
  - English Local Authority Reserves, CIPFA Briefing, June 2015
  - 2015 Fire and Rescue Monthly Bulletins, CLG

The AM confirmed that they are required to meet the requirements of the National Audit Office's Code of Audit Practice and the Local Audit and Accountability Act 2014. He reported that although the regulator and the underpinning legislation has changed, the programme of work they are required to carry out in respect of the new Code, remains largely unchanged and will have little or no impact on the Authority.

The AM stated that Public Sector Appointments Limited (PSAA) monitors the performance of all its audit firms. The results of monitoring provide audited bodies and other stakeholders with assurance that auditors within its regime are delivering high quality audits. For 2014/15 Mazars' combined audit quality and regulatory compliance rating was green, which was the highest level available.

The CIPFA Counter Fraud Centre has worked with the leading whistleblowing charity, Public Concern at Work (PCaW) and Mazars to create an accessible, easy to navigate e-learning course on whistleblowing which will be available if required.

The AM discussed the Government's recent consultation paper on "Enabling closer working between the Emergency Services" paper which was published on 11 September 2015 detailing ways of enabling Fire and Police Authorities to work more closely together. The CFO reported that the Authority had provided a significant response to the consultation and that the general consensus was not a positive one.

**RECOMMENDED - that the report be noted.**

## **AG12. REPORTS OF THE CHIEF FIRE OFFICER**

### **AG12.1 Organisational Performance and Efficiency Report April – September 2015**

The Head of Risk and Performance (HoRP) outlined the performance of the Brigade for the period 1 April to 31 October 2015, which included:

Incident Summary – 5,369 incidents reported, increase of 9.73% compared to 2014/15

#### Fire Fatalities and Injuries

We have had one fatality in 2015/16 which was cooking related in the Stockton District compared to 2 fatalities the previous year.

Injuries have increased by 1 to 11 compared to the previous year. Injuries include 4 burns/scalds, 3 overcome by gas/smoke, 3 physical (cuts / abrasions) and 1 other.

#### ADF's (Accidental Dwelling Fires)

ADF's have reduced by 25% having 26 incidents since last year. Top causes being 27% electrical, 25% cooking and 16% careless handling. Cost implications are £1.9 million so far this year. Main problems wards being Newport, North Ormesby and Ayresome (Middlesbrough), Manor House (Hartlepool), Yarm (Stockton) and Kirkleatham (Redcar & Cleveland).

Councillor Naweed Hussain asked in terms of advertising campaigns are we getting the message across through social media i.e. Twitter and Facebook?

The HoRP stated that the Brigade have recently appointed a Social Media Officer within the Communications Department who will ensure that every angle of social media is maximised in its campaigns.

### Deliberate Fires

Incidents have fluctuated over the last four years. Figures show an increase of 30% (475 incidents) since 2014/15. Deliberate fires account for 77% of all fires attended.

Deliberate primary fires account for 10% (207) of all deliberate fires, with the main incidents being 56% vehicle fires, 16% dwelling fires and 8% shed/hut fires.

Deliberate secondary fires account for 90% (1784) of all deliberate fires and the main causes were 63% rubbish fires, 31% grassland and 2% fences and outdoor structures.

Jeff Bell asked if there has been an increase in antisocial behaviour regarding deliberate fires.

The HoRP stated that an in-depth investigation was currently being carried out regarding antisocial behaviour, but as soon as the Brigade increased their visibility within the problem area the antisocial behaviour moved on to another area.

CFO informed Members that attacks against Firefighters are still prevalent in relation to deliberate fires.

### Mischief Night and Bonfire Campaign

This covered the period of 15 October to 12 November. Figures show reductions across the board in both deliberate F3 and refuse non-specific apart from Redcar & Cleveland where there has been a significant increase in refuse non-specific fires of 39 and in Middlesbrough where there has been a slight increase of 4 compared to 2014/15.

### Response Standards

The Brigade significantly exceeds its benchmarks in relation to response standards in all cases, the lowest being 88%. Each failure is investigated to ascertain the reasons for the failure so corrective action can be implemented.

### Sickness Absence

Overall staff sickness has reduced when compared to last year by 0.42 shifts. Sickness amounts to 1836 shifts lost in 185 instances. Reductions can be seen in Wholetime (17%) and Retained (84%). Increases are seen in Control (71%) and Green Book staff (85%) Total cost of sickness absence equates to £328,954.

Mike Hill asked if the Brigade has counselling in place for staff in respect of staff sickness?

The Director of Corporate Services (DCS) reported that in conjunction with the Brigades Occupational Health department, mental health and wellbeing was currently being reviewed. This involved consideration of methods of psychological support in relation to critical incident debriefs and counselling through Employee Assistance Programmes.

**RECOMMENDED - that the report be noted**

### **AG13.2 Annual Statement of Assurance 2014/15**

Members considered the Annual Statement of Assurance 2014/15 as outlined at Appendix 1, which sets out the requirement for all fire and rescue authorities to provide annual assurance on financial, governance and operational matters and to show how they have due regard to the requirements included in the Framework and the expectations set out in authorities own integrated risk management as required by the Fire and Rescue National Framework for England 2012.

Mike Hill referred to paragraph 2 of the Introduction and suggested that “under” should be replaced with “against” (FRS continues to deliver **against** the expectations detailed....). Members agreed to this amendment.

**RECOMMENDED – that the Annual Statement of Assurance 2014/15 be amended as agreed and presented to the Executive Committee for approval.**

### **AG13.3 Performance Management Policy & Strategy**

The CFO presented the Performance Management Policy & Strategy to Members. He reported that the Executive Leadership Team had recently reviewed the Performance Management Policy and Strategy and that only minor changes had been made.

Jeff Bell commented that a 75% target set for mobilisation did not seem a bold aspiration.

CFO stated that this target was not set in stone, but it is a standard that the Authority has adopted. He assured Members that the Brigade always strive to achieve 100% and that we are still the fastest fire and rescue service regarding the response times.

**RECOMMENDED – that the report be noted**

### **AG13.4 Progress Against Revenue and Capital Budgets 2015/16**

The Head of Finance (HoF) informed Members of the progress against the approved 2015/16 Budgets up to 30 September 2015 and the forecast year end outturn as detailed at Appendix 1 and 2.

**RECOMMENDED – that the position up to 30 September 2015 be noted.**

## **AG14 REPORT OF THE TREASURER**

### **AG14.1 Treasury Management Strategy 2016/17**

The Treasurer presented the Authority’s Treasury Management Strategy for 2016/17 for scrutiny prior to referral to full Authority in the new calendar year, which included the following issues:

- Economic Background Outlook for Interest Rates
- Outturn Position 2014/15
- Treasury Management Strategy 2015/16 Mid-Year Review
- Treasury Management Strategy 2016/17
- Borrowing Strategy 2016/17

- Investment Strategy 2016/17
- Minimum Revenue Provision and Interest Costs

The Treasurer highlighted the proposed changes to the investment counterparties and the inclusion of and the use of Government Treasury Bill/Gilts, the King and Shaxson as custodian of Svenska Handelsbanken.

**RECOMMENDED:-**

- i) That the 2014/15 Treasury Management Outturn detailed at section 5 and Appendix A be noted.
- ii) That the 2015/16 Treasury Management mid-year position detailed at section 6 be noted and that the revised Operational Borrowing Limit of £7.5m be recommended for approval by the Fire Authority in February 2016.
- iii) That the detailed prudential indicators for 2016/17 and future years be noted and recommended for approval by the Fire Authority in February 2016.
- iv) That in relation to the Investment Strategy 2016/17, the Fire Authority be recommended to approve:
  - the use of Government Treasury Bills/Gilts and the appointment of King and Shaxson as custodian
  - the addition of Svenska Handelsbanken to the counterparty list with a limit of £1m and time limit of three months
  - the Counterparty limits as set out in paragraph 9.8
- v) That in relation to the Minimum Revenue Provision (MRP) Statement as outlined in paragraph 10.2 be recommended to the Fire Authority for approval

**RECOMMENDED – that the report be noted and recommended for approval by the Fire Authority in February 2016.**

**COUNCILLOR MICK STOKER**  
**CHAIRMAN**