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# CLEVELAND FIRE AUTHORITY

## MINUTES OF AUDIT & GOVERNANCE COMMITTEE MEETING



**24 FEBRUARY 2017**

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**PRESENT:**

**CHAIR:-**

Councillor Norah Cooney – Redcar & Cleveland Borough Council

**MIDDLESBROUGH COUNCIL**

Councillor Naweed Hussain

**REDCAR & CLEVELAND BOROUGH COUNCIL**

Councillor Neil Bendelow

**STOCKTON ON TEES BOROUGH COUNCIL**

Councillors Gillian Corr, Paul Kirton

**HARTLEPOOL BOROUGH COUNCIL**

Councillors Ray Martin-Wells, Rob Cook

**INDEPENDENT PERSONS**

Mr Mike Hill

Mr Jeff Bell

**AUTHORISED OFFICERS**

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

**MAZARS**

Cameron Waddell (Engagement Lead), Ross Woodley (Audit Manager)

**IN ATTENDANCE**

Head of Risk & Performance

**APOLOGIES**

Councillor Teresa Higgins – Middlesbrough Council

**FOR ABSENCE:**

Councillor Brian Dennis – Redcar & Cleveland Borough Council

**63. DECLARATION OF MEMBERS INTERESTS**

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

**64. MINUTES**

**RESOLVED – that the Minutes of the Audit & Governance Committee held on  
11 November 2016 be confirmed.**

**65. REPORTS OF MAZARS**

**65.1 Audit Strategy Memorandum**

The Engagement Lead (EL) Cameron Waddell presented the Audit Strategy  
Memorandum which covered:

- Audit scope and approach
- Significant risks and key judgement
- Timetable and Communication
- Value for Money (VFM) Conclusion
- Fees

### 65.1 Audit Strategy Memorandum (cont)

He stated that with regards to the VFM Conclusion there is a refreshed format in place which looks at the overall criterion which is 'in all significant aspects, the Authority has proper arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people'. The EL reported that in order to assist auditors in reaching a conclusion on this overall criterion the following sub-criteria are set out by the National Audit Office (NAO):-

- Informed decision making
- Sustainable resource deployment
- Working with partners and other third parties

Audit Manager (AM) Ross Woodley outlined the following three significant audit risks:

- Management override of controls
- Revenue recognition
- Pension Recognition (ISA 240)

**RECOMMENDED – that the report be noted**

### 65.2 Value for Money Risk Assessment

The AM presented the VFM Conclusion and reported that Mazars' response to any significant risks will be to review the new processes the Authority is developing to prepare for the loss of funding to 2020/21. This will include:

- Discussions with Senior Management about the new strategy
- Review the project plan for updating the CIRMP and evidence showing it is progressing on schedule
- Review the draft proposals for building up reserves ensuring that they are prudent and realistic

The AM confirmed that further work required to address potential risk indicators would include:

- Reviewing the 2015/16 financial outturn to confirm the planned contribution to earmarked reserves is achieved and financial management continues to be effective
- Reviewing the 2015/16 performance outturn and benchmarking data such as the National Audit Office's VFM Profile to confirm the policy of holding vacancies to create an underspend is not adversely impacting on overall performance
- Reviewing progress at delivering the existing CIRMP with particular focus on the recruitment and training of sufficient retained firefighters to crew a further two appliances on a retained basis from 1 April 2018.

**RECOMMENDED - that the report be noted**

### 65.3 **Audit Progress Report January 2016**

The AM presented the Audit Progress Report which covered:

- Progress of the 2016/17 Audit
- National Publications and Other Updates

The AM highlighted four of the nine updates which covered:

- Procurement Strategy, PSAA, December 2016
- Report on the results of auditors' work 2015/16: Local government bodies, PSAA, December 2016
- National Overview 2016, Emergency Services Collaboration Working Group, December 2016
- Police and Crime Act 2017, Home Office, January 2017

Councillor Kirton asked if there were any risks to the pension fund due to the reduction in funding. The Treasurer stated that there was a separate valuation which sets out employers rates and there would be a slight increase in contributions from April which has been reflected in the budget.

Mr Bell said that the cuts seemed to be disproportionate to front line staff and asked if Mazars would be considering this. The EL stated that Mazars were aware of this and were currently looking at back office costs across Brigades. The AM added that benchmarking data which looks at uniformed and non-uniformed staff would also be considered. The Chief Fire Officer commented on the measure implemented by the Authority, which included front loading reductions in back office costs.

**RECOMMENDED - that the report be noted**

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

#### 66.1 **Organisational Performance & Efficiency Report April – December 2016**

The Head of Risk and Performance (HRP) outlined the performance of the Brigade for the period of 1 April 2016 to January 2017 which detailed:

- Total incidents attended 9,504, a 33% increase from the same period the previous year. We have attended more incidents this year by 31 December than we did in the entire 2015/16. The main reason for the increase is the 2,708 Emergency Medical Response calls we have received.
- Fire fatalities – One in 2016/17 (0% from 2015/16)
- Fire injuries – 17% reduction (this equates to a reduction of 3 injuries)
- Accidental Dwelling Fires – 12% increase from the same period last year (increase of 13 incidents). Middlesbrough District seeing the biggest increase with 7.
- Deliberate Fires – 7% decrease on the same period last year (this related to 172 incidents). Deliberate fires account for 78% of all fires we attend.
- 57% of deliberate primary fires are due to vehicle fires.
- Emergency Medical Response (EMR) – we have attended 2,424 over the 9 month trial period. 71% of these incidents occurred in Redcar and Cleveland. On 85% of occasions Cleveland Fire Brigade attended before the ambulance and provided medical treatment to the patient.

**66.1 Organisational Performance & Efficiency Report April – December 2016 (Cont)**

The average response time by Cleveland Fire Brigade is 8 minutes 5 seconds. There is a national response time of 8 minutes set for a turn out to Red incidents.

However, our appliances are reaching incidents faster than North East Ambulance Service (NEAS), with their average backup time being 11 minutes 6 seconds. Without the assistance from the Brigade the average time a person would have waited for medical treatment would be 19 minutes 11 seconds.

- Sickness absence –in the first 9 months of the year we have incurred on average 6.7 duty days sickness absence for each employee. This is a 22% increase on the same period the previous year. This increase broken down equates to Wholetime 6%, Retained 25%, Control 89% and Green Book 44%. The main causes of sickness absence being anxiety/depression, lower limb and upper limb

Mr Bell stated with regards to False Alarm calls it is astonishing that we turn out to more than 8 per day. The HRP stated that most of these calls are genuine and the fire is out on arrival, however we still receive a small number of malicious false alarm calls. The CFO added that there is a cost in attending false alarms and that we have a call challenge in place with Fire Control which can help them detect if the call is malicious.

Mr Hill referred to deliberate fires and asked if these were often caused as a result of hatred and insurance claims. The CFO stated that these incidents could be as a result of drug debt or disposing of cars people no longer require and the Brigade was working with other partner agencies to tackle vehicle fires. The HRP added that we are merging data with Police to look at intelligence and analysis of peak times and places these incidents are occurring and focusing our resources into these areas.

Councillor Kirton stated that when you look at vehicle fires across the board Stockton is the biggest in area and has the lowest figure of these incidents and Redcar is rural and has the highest figure of these incidents. The CFO stated that is the case however broken down into ward areas Grangetown and Southbank have the highest figures of deliberate fires.

Councillor Bendelow asked will EMR cease once the evaluation is completed in March 2017. The CFO stated that the trial was originally to run until June 2016. A national report evaluation has been carried out and there is a process ongoing in relation to negotiations. He reported that a recall to conference will take place on 21 March 2017 and the FBU are seeking finances for the workforce as part of their firefighter role.

Councillor Bendelow asked if NEAS had offered any money towards the trial. CFO stated that only East Cleveland is paid for every EMR incident that they attend. All training and consumables are provided by NEAS.

Councillor Bendelow asked would there be enough work if we did not carry out the additional role of EMR calls. The CFO stated that this is an enhanced role for firefighters and it is a service which is essential for this Brigade and without it there would be undoubtedly less wholetime firefighters and more staff on retained contracts. The reality is we are saving lives by doing this service.

**66.1 Organisational Performance & Efficiency Report April – December 2016 (Cont)**

Councillor Cook asked how many stations are carrying out EMR calls. The CFO stated there are 5 retained and 4 wholetime stations currently assisting NEAS with this service.

Councillor Cook stated that you cannot put a price on someone's life and figures show that there is a 20 minute time period for NEAS to turnout to these incidents and the Brigade response time is much quicker. However he questioned whether we could afford to do it. We know that NEAS are struggling but the Authority works with strict monetary controls and unless there is some help from NEAS or the Government it is going to be difficult and it would be tragic if we cannot continue to offer this service.

Councillor Martin-Wells stated that he is the Regional Chair on the North East Joint Health Scrutiny Committee and that the performance accounts would be different without the figures of EMR calls. Clearly NEAS pay the Red Cross and there are no reasons why they shouldn't collaborate with us in the same way to carry out this service.

Mr Bell asked if the main causes of sickness are changing over time. The HRP stated the sickness differs only across the different groups of staff.

Councillor Bendelow stated that figures show highest levels of sickness within Fire Control and asked if this was due to the nature of calls they are taking with regards to EMR and if so what elements, if any have we identified. The CFO stated that the impact on Health and Wellbeing and staff taking EMR calls, at this moment in time shows no correlation. Mental health and wellbeing remains a high priority for the Brigade and we continue to work with MIND and Blue Light Services.

Mr Hill stated that depression is a catching disease and we are moving away from where we want to be rather than meeting set targets. The CFO responded that it is a self-defeating cycle and it does remain a constant challenge for us but we are constantly looking at every aspect of what we can do to reduce these sickness levels.

**RECOMMENDED - that the report be noted**

**66.2 Review of the Corporate Risk Register**

The Director of Corporate Services (DoCS) presented the Corporate Risk Register and confirmed that a full and fundamental review of the Corporate Risk Register was undertaken in January 2017. She reported that the outcome of that review had resulted in a number of changes including the removal of redundant risks and the identification of new and emerging risks and these have been incorporated into the body of the Corporate Risk Register as in Appendix 1.

**RECOMMENDED – that Cleveland Fire Authority's Corporate Risk Register attached at Appendix 1 of the report be noted.**

**66.3 Scrutiny of Internal Audit Reports 2017/18**

The DoCS summarised the progress on the recommendations contained within the Action Plans from Internal Audits carried out to date.

**RECOMMENDED – that the progress made to date by Brigade and Proper Officers in achieving the recommendations contained within the Internal Auditor’s Actions Plans be noted.**

**67. REPORT OF THE TREASURER**

**67.1 Internal Audit Plan 2017/18**

The Treasurer presented the Internal Audit Plan indicating the proposed coverage for 2017/2018.

**RECOMMENDED**

- (i) that the report be noted**
- (ii) that the Audit and Governance Committee review the Authority’s Annual Governance Statement at its meeting on 19 May 2017.**

**67.2 Review of the Anti-Fraud and Anti-Corruption Strategy**

The Treasurer informed Members that the Anti-Fraud and Anti-Corruption Strategy at Appendix 1 of the report emphasised the importance placed by the Fire Authority on probity, financial control and honest administration and the expectation that all Members, employees, consultants, contractors and others are fair and honest and provide any help information and support to the Authority to deal with fraud and corruption.

He requested that Members review the Strategy, which forms part of the Ethical Governance Framework as required under the terms of reference of the Committee.

**RECOMMENDED:-**

- (i) that the Anti-Fraud and Anti-Corruption Strategy as attached at Appendix 1 of the report be noted.**
- (ii) that the approval of the Anti-Fraud and Anti-Corruption Strategy be recommended to the Cleveland Fire Authority meeting on 31 March 2017.**

**68. REPORT OF THE LEGAL ADVISER MONITORING OFFICER**

**68.1 Business Report**

The Legal Adviser Monitoring Officer (LAMO) reported that under Section 7 of the Localism Act, 2011 it is a duty for the Authority to promote and maintain high standards of conduct. This is underpinned in the Code of Conduct which the Authority is obliged to operate and which must be consistent with the seven ‘Principles of Public Life’ as set out under the Act.

**RECOMMENDED: that the contents of the report be noted**

**COUNCILLOR NORAH COONEY**  
**CHAIR**