MERSEYSIDE FIRE AND RESCUE AUTHORITY

8 FEBRUARY 2018

MINUTES

Present: **Cllr James Roberts (Chair)** Councillors Lynne Clarke, Sharon Connor, Joe De'Asha and Lesley Rennie

Also Present:

Apologies of absence were received from:

1. Preliminary Matters

Members considered the identification of declarations of interest, any urgent additional items, and any business that may require the exclusion of the press and public.

Resolved that:

a) no declarations of interest were made by individual Members in relation to any item of business on the Agenda

b) no additional items of business to be considered as matters of urgency were determined by the Chair; and

c) the following item of business required the exclusion of the press and public during consideration thereof because of the possibility of the disclosure of exempt information:

- **Agenda Item 11 – "Part 2 EXEMPT Minutes"**

2. Minutes of the Previous Meeting

The Minutes of the previous meeting of the Audit & Scrutiny Sub-Committee, held on 21st September 2017, where approved as a correct record and signed accordingly by the Chair.

3. 2016/17 Annual Audit Plan

Mike Thomas representing the Authority's External Auditors – Grant Thornton, presented their Annual Audit Letter for MFRA for the financial year 2016/17.

He introduced his colleague – Ged Small, who has recently been assigned as MFRA's new Auditor.

He explained that the Annual Audit Letter is a backward looking document, which re-iterates the information contained within the Audit Findings Report,

presented to the Policy & Resources Committee on 27th July 2017. Members were informed that the National Audit Office's Code of Practice stipulates the requirement for the Annual Audit Letter to be issued.

Members were advised that Grant Thornton had issued an unqualified statement and confirmed that MFRA has appropriate value for money arrangements in place.

Members Resolved that the content of the report be noted.

4. Audit Plan 2017/18

Mike Thomas representing the Authority's External Auditors – Grant Thornton, presented their Audit Plan for MFRA for the year ending 31st March 2018.

Members were provided with an overview of the report, which sets out the planned scope and timings of the audit work; and highlights the significant and other risks identified, materiality, and value for money arrangements.

With regards to significant risks identified, Members were advised that this refers to significant audit and business risks with a higher risk of material misstatement, several of which for MFRA were outlined at its recent Budget Strategy Day.

Members were informed that in order to meet the new statutory date for publication of audited local government accounts, it is expected that Grant Thornton will report back their Audit Findings for 2017/18, in July 2018.

Members Resolved that the content of the report be noted.

5. TREASURY MANAGEMENT INTERIM REPORT 2017/18

Members considered report CFO/006/18 of the Treasurer, concerning a review of the Authority's Treasury Management activities, to ensure they are consistent with its approved Treasury Management Strategy and have remained within the approved prudential indicators.

Members approved the current Treasury Management Strategy at the Budget Authority Meeting on 23rd February 2017, the report advised Members that Treasury Management activity up to November had been carried out in line with the approved strategy.

Members resolved that the content of this report, be noted.

6. FINANCIAL REVIEW 2017/18 - APRIL TO DECEMBER

Members considered report CFO/003/18 of the Chief Fire Officer, reviewing the financial position, revenue and capital, for the Authority for 2017/18, for the period April to December 2017.

Members were provided with an overview of the report, which updates on the Authority's financial position up to the end of Quarter 3.

Members were advised that the Revenue Budget has remained unchanged. All budget savings have been delivered, with the exception of those associated with firefighter pay award, for which negotiations are ongoing. Members were advised that for 2017/18, any pay award above the 1% budgeted for, will be met from the Inflation Reserve, but further savings would need to be identified through the budget process, to deal with the additional increase on an ongoing basis.

Members were informed that a £0.5m favourable revenue variance had been identified, and the report recommended that it be used to increase the Capital Reserve in light of the potential increase in costs due to rephrasing of the St Helens new fire station and the refurbishment of the TDA.

Members were provided with an outline of movements on the Capital Budget, which are mainly due to the re-phasing of key projects, such as the delay in finalising the refurbishment of the Training and Development Academy.

Information regarding the Authority's level of reserves was highlighted to Members. The report outlined the level of investments held as at 31st December 2017 and as requested by Members when they considered the last financial review report the table outlining the current investments included information regarding the interest rate for each investment.

Questions were raised by Members regarding the delays associated with the St.Helens station merger and the impact those delays have had financially; and also the potential involvement of Merseyside Police in any new station to be built.

Members were informed that £5m was assumed in the Capital Programme for the St.Helens merger and although the estimated costs are now likely to be significantly higher, the additional cost will be funded from the Capital Reserve and a report will be presented to members in the near future on the proposed scheme. It was confirmed to Members that the scheme is not at risk, but officers are planning for contingencies.

With regards to the potential involvement of Merseyside Police in the scheme, Members were advised that negotiations are currently ongoing. Merseyside Police are currently reviewing their Estates Strategy and wherever there is opportunity to co-locate, options are being explored with Merseyside Police and North West Ambulance Service.

Members resolved that:

a) the potential £0.500m favourable revenue position identified within this report, be noted;

b) the utilisation of the £0.500m favourable revenue position to increase the Capital Reserve in order to enable the Authority to manage its borrowing need and any potential additional investment in the new St Helen's fire station and TDA refurbishment schemes, be approved; and

c) the Treasurer be instructed to continue to work with budget managers to maximise savings in 2017/18.

7. CONFIRMATION OF EXTERNAL AUDITOR APPOINTMENT FOR 2018/19

Members considered report CFO/007/18 of the Treasurer, informing Members that following the Public Sector Auditor Appointment Limited (PSAA) Board meeting in December 2017, PSAA have now advised the Authority that Grant Thornton have been confirmed as the external auditor for the Authority from 2018/19 to 2022/23.

Members were advised that the current contract ends once the audit work for 2017/18 is concluded. It has been previously agreed by Members to utilise the LGA's Public Sector Auditor Appointment Limited (PSAA), as the Authority's "appointing person" for external audit services for 2018/19 onwards.

Members were informed that the PSAA Board have now ratified the decision to appoint Grant Thornton as the Authority's External Auditor.

Members resolved that the contents of the report, be noted.

8. Corporate Risk Register 2017-18 July to Nov Update

Members considered report CFO/011/18 of the Deputy Chief Fire Officer, informing Members of the current risks contained within the Corporate Risk Register, the status of the risks and associated control measures, including any updates for the period July to November 2017.

Members were provided with an overview of the report and were informed that any changes made to the Corporate Risk Register have been highlighted within the document.

Members were informed that a recent Internal Audit review, considering the Authority's approach to Risk Management, found compliance to be "good" overall, with some "substantial" elements. All comments and recommendations from that review have been taken on board, with the Authority now considering

appetite and tolerance of risk; and ensuring that the status of risks are always included.

Members were advised that the Authority have taken a generally cautious attitude and approach to risk; and for this year, the initial judgement of risks will remain on the register, so changes made can be easily identified.

Members were informed that the mitigated scores are predominantly green or amber, with the only red exceptions being around financial risks, as decisions around these have yet to be taken.
Questions were raised around the current situation with regards to Resilience Officers being co-located at the Joint Command and Control Centre (JCC) and how the Local Authority Resilience Officers feed in. Members were informed that Merseyside Police and North West Ambulance Service officers are currently co-located at the JCC and structural changes have been made recently, which have aided further collaborative working. In terms of the Local Authority Resilience Officers, Members were advised that further information would be obtained and provided regarding their involvement.

Clarity was also requested around the risk regarding Insurance Discount Rates; and Members were informed that this is around insurance companies charging, which is therefore largely out of our control. However, Members were advised that there is a robust process in place to monitor contracts and insurance information, which helps to mitigate risk as far as possible.

A further question was raised with regards to Technological Risks in light of the recent Wannacry Virus and the increased prevalence of loss of data; and whether there have been changes in policy as a result.

Members were reminded of a recent Exempt Report considered by Members around Cyber Security and they were assured that this is an area which is closely and continually reviewed to ensure that the Authority is as resilient as possible.

Members resolved that:

(a) the updated Corporate Risk Register for 2017/18 which incorporates the current status of those risks to November 2017, be approved.

(b) Further information be provided to Members around the involvement of Local Authority Resilience Officers.

9. Health, Safety And Welfare Annual Report

Members considered report CFO/001/18 of the Chief Fire Officer, concerning the Annual Health, Safety & Welfare Report which details the performance of the Authority against its performance indicators for Health Safety and Welfare (HS&W) for financial year 2016/17.

Members were provided with an overview of the report, which highlighted some key areas of performance.

Members were advised that 2016/17 had seen a 19% reduction in injuries to operational staff, with 43 injuries reported. Of those 43 injuries, 29 of the individuals remained on duty, indicating that the injuries were predominantly minor in nature. In terms of non-operational staff, there was an increase of 5 injuries on the previous year, however 14 of the 16 individuals injured remained on duty. This highlights the improved positive reporting culture.

With regards to near miss reporting, Members were informed that there has been a further significant increase in reporting, which has enabled issues to be dealt with before an incident occurs. Again, this demonstrates the improved reporting culture across the organisation.

Members were also informed of performance in relation to Road Traffic Collisions (RTC) involving Authority vehicles, which saw a reduction of 9 incidents on the previous year. It was highlighted to Members that although a total of 70 RTC's involving Authority vehicles appears to be high, when considered against the total number of vehicle mobilisations per year, this is not as significant as it may first appear, particularly as the Authority has recently introduced 20 new drivers into the service, who are less experienced.

Information was also provided to Members around the suite of station audits which are conducted.

Questions were raised around the procedure followed after an RTC has occurred. Members were advised that an investigation will take place following all reported incidents. All incidents will be scrutinised by the Road Risk Review Group, to consider all details, review any CCTV footage and driver performance. If the individual involved is identified as being a "repeat offender", then further training will be provided and learning points will be identified. Monthly review meetings also take place to share learning. Therefore, Members were assured that there is a robust process in place.

Members also raised questions around the identification of incident trends for operational crews and how such trends are targeted. Members were informed that the reporting system used enables additional scrutiny to be undertaken and any trends to be easily identified. Where trends are identified, the focus will be around education, development and support. There will be a focus on specific areas and/ or individuals, with staff engaged and "toolbox talks" undertaken.

Clarity was sought by Members around the criteria for the general Health & Safety Audits. Members were informed that 3 different types of audits are undertaken and reported on. Health & Safety Audits for each station are undertaken on a monthly basis, by the relevant Station Manager, with any issues identified reported to the Health and Safety Department. Quarterly Joint Health and Safety Inspections occur with Station Managers and the Fire Brigade Union (FBU) Health and Safety Representative, which cover areas outside of those considered during the monthly audits. In addition, the Health and Safety

Department undertake annual audits, to ensure compliance with all relevant legislation.

Members also requested further information regarding the number of days lost due to injuries. Members were informed that it was difficult to provide too much insight into this as largely, the number of days lost due to injuries is out of the control of the organisation. Measures can be taken to prevent injuries occurring in the first instance and once an individual has sustained an injury, Occupational Health will work closely with the individual to provide the relevant support and treatment to enable them to return to work as soon as possible. However, the Health and Safety Department will continue to focus on the preventative elements and will continue to review all incidents.

A further question was raised by Members in relation to understanding how the reduction in injuries has been achieved, to enable the downward trend to continue. Comments were also made that although the number of injuries has reduced, the number of days lost due to injuries has not. Members were advised that when injuries have occurred, redacted information has been shared to aid learning and share experience. Also, a healthy reporting culture has been encouraged, which is highlighted by the number of incidents reported, where the individual has remained on duty. Members were informed that encouraging reporting results in an increase in recorded incidents, however it is more important that the organisation is aware of all incidents and near misses, to enable issues to be addressed.

With regards to the number of days lost not being comparable with the reduction in injuries reported, Members were advised that this will be researched further and reported back in due course.

Members resolved that:

(a) the content of the Annual Health, Safety & Welfare Report for the period April 2016 to March 2017, be noted; and

(b) the performance outcomes of the Authority against its Health Safety & Welfare performance targets for the period April 2016 to March 2017, be noted.

10. Bonfire Period 2017

Members considered report CFO/002/18 of the Deputy Chief Fire Officer, requesting that Members scrutinise, review and consider the performance of the Service over the Halloween and bonfire period 2017.
Members were provided with an overview of the report, highlighting the significant number of campaigns undertaken throughout the Bonfire Period; and the significant reduction in the number of incidents during the period on the previous year.

Members were informed that for 2017, the Bonfire Period ran from the 19th October to 7th November. During this period, 392 calls were received, which is

187 less than in 2016, representing a 32% reduction in calls. Members were advised that the reductions were reflective across all districts, however North Liverpool observed the largest overall reduction in incidents.

It was highlighted to Members that during the Bonfire Period, there were 9 reported incidents of Violence at Work (VaW), which although being 9 is obviously too many, was 1 less than the previous year. Member were informed that out of the 9 VaW incidents, 2 incidents resulted in significant damage to fire appliances.

Members were informed that since 2013, which saw the lowest number of incidents reported during the Bonfire Period, the number of incidents has been rising year on year. However, 2017 saw a reverse in this upward trend.

Members were also provided with an insight into some of the activity undertaken during the Bonfire Period, including target hardening for hate crime, fly tipping reports from operational crews; and working closely with partners to deliver presentations within schools, aimed at reducing the number of incidents and injuries associated with fireworks. A significant number of bonfire sweeps also took place on the morning of 6th November, which were effective in reducing the number of incidents and calls; and for 2017 Arson Officers had responsibility for their own plans, which also proved to be very effective.

With regards to Equality and Diversity implications, it was highlighted that there is a correlation between Indices of Multiple Deprivation and the number of small deliberate fires' and in terms of risk management, during the Bonfire Period all calls were constantly reviewed and dealt with following a risk based approach.

Members were informed that Appendix A to the report provided a detailed breakdown of incidents by local authority area; and Appendix B provides more detailed Infographics.

Members congratulated staff and partners on their fantastic work during the Bonfire Period.

Members resolved that:

(a) the information provided in this report, be noted.

(b) the performance of the Service as set out within this report, be noted.

11. Part 2 EXEMPT minutes , 21/09/2017 Audit and Scrutiny Sub Committee

The Part 2 EXEMPT Minutes of the previous meeting of the Audit & Scrutiny Sub-Committee, held on 21st September 2017, were approved as a correct record and signed accordingly by the Chair.

Close

Date of next meeting Thursday, 7 June 2018

Signed _____

Date _____