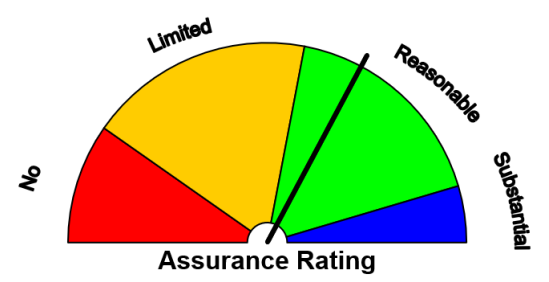


# Derbyshire Fire & Rescue - Collaborative Agreements

## Final Audit Report



## Our Vision

To bring about improvements in the control, governance and risk management arrangements of our Partners by providing cost effective, high quality internal audit services.

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# 1 Executive Summary

## 1.1 Scope of Audit

1.1.1 This audit focused on the governance arrangements set out in two collaboration agreements that Derbyshire Fire and Rescue Service (DFRS) were party to. Those being:

- Joint Fire Control (between Nottinghamshire and Nottingham Fire Authority and Derbyshire Fire and Rescue Authority (DFRA)).
- Derbyshire Emergency Services Collaboration (DESC) (between the Police and Crime Commissioner (PCC) for Derbyshire, the Chief Constable of Derbyshire Constabulary and DFRA (as controlling body for DFRS).

## 1.2 Summary of Audit Findings

Control Objectives Examined	No of Controls Evaluated	No of Adequate Controls	No of Partial Controls	No of Weak Controls
Robust governance arrangements are in place and working in practice as set out in the collaborative agreements between the Fire Service and its partners.	10	4	6	0
<b>TOTALS</b>	<b>10</b>	<b>4</b>	<b>6</b>	<b>0</b>

1.2.1 The following issues were considered to be the key control weaknesses:

Rec Number	Risk Rating	Summary of Weakness	Agreed Action Date
1	<b>Moderate Risk</b>	Meetings of the Joint Fire Control Collaboration Board and the Joint Police and Fire Collaboration Board had not been held in accordance with the frequencies stipulated in the respective collaboration agreements.	31/10/2022
2	Low Risk	A meeting had been held which was not quorate in accordance with the Joint Fire Control Collaboration Agreement.	31/10/2022
3	<b>Moderate Risk</b>	Minutes from the meetings of the respective collaboration boards could not be located in some instances.	31/10/2022
4	Low Risk	Collaboration performance reviews were not always being carried out in accordance with those requirements set out in the respective collaboration agreements.	31/10/2022
5	Low Risk	The Information Management Agreement for Joint Fire Control had not been reviewed in accordance with the stipulated timeframe or since it was set up in June 2019.	31/08/2022
6	<b>Moderate Risk</b>	Financial statements in respect of the DESC had not been prepared, as required by clause 10.9 of the agreement.	31/10/2022

1.2.2 This report focuses on the weaknesses in the Organisation's systems of control that were highlighted by this audit and recommends what Audit considers to be appropriate control improvements. This report contains 6 recommendations, 3 are considered a low risk and 3 a moderate risk.

## 1.3 Summary of Control Assurance Provided

1.3.1 **Reasonable** - There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

## 1.4 Distribution & Communication

1.4.1 The draft report was issued to Louise Taylor, Solicitor and Monitoring Officer for comment. A copy was also issued to Simon Allsop, Joint Director of Finance and Business Services for information.

This final version has been issued to Gavin Tomlinson, Chief Fire Officer/Chief Executive with copies to:

- Rob Taylor, Deputy Chief Fire Officer.
- Simon Allsop, Joint Director of Finance and Business Services.
- Louise Taylor, Solicitor and Monitoring Officer.
- Paul Moreland, Area Manager, Service Delivery.
- Mark Nash, Head of Corporate Financial Services.

This report was produced by Lynne Parkin, Principal Auditor and reviewed by Hannah McDonald, Group Auditor and Mandy Marples, Audit Manager. Any enquiry concerning the content of this report or associated issues may be made to Lynne Parkin, Principal Auditor on 01332 643258.

## 2 Positive Assurance

2.1.1 We attempted to establish whether the Organisation's system of control for the following areas contained all the key controls expected of a sound and robust process. Through a combination of control evaluation and testing we confirmed that the following adequate controls were in operation:

### 2.2 Governance Arrangements

- A Joint Collaboration Board had been established to have overall strategic oversight of the Joint Fire Control Collaboration Agreement between Nottinghamshire and the City of Nottingham Fire Authority and Derbyshire Fire and Rescue Authority.  
We also confirmed that a Police and Fire Strategic Collaboration Board had been established in relation to the Derbyshire Emergency Services Collaboration (DESC) Agreement.
- Both parties Area Manager for Response was the nominated Contract Managers for the Joint Fire Control Collaboration Agreement. These roles were expected to act as a contact point for the management of the services to be delivered under the Agreement. We confirmed that Nottinghamshire Fire and Rescue Service (NFRS) had a designated Area Manager Response as published on their website. Whilst Derbyshire Fire and Rescue had no such officer with that specific title, the Area Manager for Service Delivery confirmed to us that he was responsible for managing the response service.
- Joint Control Contract Managers meetings were being held on a monthly basis. Copies of minutes from the meetings were supplied to us covering the periods from November 2020 to April 2021 and September 2021 to December 2021 demonstrating that Group Managers from both DFRS and NFRS were in attendance along with other relevant officers. Review of the minutes confirmed that performance of Joint Fire Control was being discussed at meetings with the following topics being subject to regular scrutiny and discussion:
  - Staffing
  - Attendance times, Call Handling, Crew Turnout and Travel Times
  - Availability of Joint Control
  - Call Handling/Mobilisation Speed KPIs
  - Quality
- Through review of the minutes from the Joint Control Contract Managers meetings, we were sufficiently assured that reports measuring performance against the Standards set out in Schedule 2 of the Collaboration Agreement, were being supplied. The regular topics for discussion referred to above were specifically referenced within the Standards Schedule so on that basis, we were confident performance reports were being provided in preparation for scrutiny and discussion at said meetings.

## 3 Control Weaknesses & Recommendations

### 3.1 Governance Arrangements

3.1.1 We expected that committee meetings would be held in accordance with the frequency set out in the respective collaboration agreement.

We found that the Joint Fire Control Collaboration Agreement stipulated that meetings of the Joint Committee (Joint Collaboration Board) should *'be held at least 3 times per calendar year'*. The Joint Fire Control service went live on 1 July 2019. We were provided with minutes from the Joint Collaboration Board for the following dates:

- 25th September 2018
- 15th November 2018
- 17th April 2019
- 24th February 2020
- 3rd September 2020

The dates of meetings listed above indicated that the Joint Collaboration Board had not been meeting in accordance with the frequency set out in the agreement. It should be noted that the minutes from the meeting held on 24th February 2020 record that *'Collaboration Board meetings to continue three times a year'*. Whilst we were informed that a meeting had been scheduled to take place on 9<sup>th</sup> December 2021, we were advised that this had been cancelled.

The Derbyshire Emergency Services Collaboration Agreement stipulated meetings of the Joint Police and Fire Collaboration Board should be held *'at least every three months during the first 12 months of the agreement and thereafter every six months'*. The agreement was formally completed on 13th January 2021 albeit collaboration arrangements had been in operation and Board meetings were being held before that time. In support of this, we were provided with Board documents from the following dates:

- 11th September 2018
- 20th December 2018
- 1st March 2019
- 6th March 2020

Meetings had not taken place since 6th March 2020 due to the Police and Fire having a lead role during the Covid-19 lockdown period and being key players in the County's response to the pandemic as part of the Local Resilience Forum.

In mitigation, we were provided with a list of meeting dates of the Joint Police and Fire Senior Leadership Team which appeared to have been held at regular intervals during 2021. In support of this, a document from the meeting held on 15th March 2021 was supplied to us to demonstrate the nature of the topics being discussed. This evidenced action updates being provided on collaborative areas such as Wellbeing, Operational Training, Emergency Planning and Business Continuity and Emergency Services Network, to name but a few.

During our meeting with the Head of Corporate Financial Services, Monitoring Officer and Area Manager, Service Delivery, it was suggested that any Police and Fire collaboration issues may have also been picked up and discussed by the Derbyshire Police and Fire Partnership Limited Liability Partnership (DPFP LLP), who had met in February and July 2021 and in February 2022. This was suggested to indicate the ongoing contact between Chief Officers and Elected Members whilst formal meetings of the DESC were not held. The DPFP LLP had been set up as a separate company to oversee and manage the joint Headquarters and Training Centre, as a landlord function and therefore had a different role to that of the Joint Police and Fire Collaboration Board.

Where Board meetings are not held in accordance with frequencies set out in collaboration agreements, there is a risk that the governance framework of authority and accountability may not be effective, and this could result in negative publicity and reputational damage for both parties participating in the agreement.

Recommendation 1	Summary Response
<p><b>Risk Rating:</b> Moderate Risk</p> <p><b>Summary of Weakness:</b> Meetings of the Joint Fire Control Collaboration Board and the Joint Police and Fire Collaboration Board had not been held in accordance with the frequencies stipulated in the respective collaboration agreements.</p> <p><b>Suggested Actions:</b> We recommend that meetings are held in accordance with the frequencies set out in the respective collaboration agreements or that management consider reviewing the current frequencies to ensure they are appropriate in respect of governance and business need.</p>	<p><b>Responsible Officer:</b> Rob Taylor</p> <p><b>Issue Accepted</b></p> <p><b>Agreed Actions:</b> The collaboration board is being resurrected and the appropriateness and frequency of the other meetings set out in the collaboration agreement will be considered by that board.</p> <p><b>Implementation Date:</b> 31/10/2022</p>

3.1.2 We expected that meetings would be held in accordance with the quorum requirements stipulated in the collaboration agreement.

We reviewed the minutes provided to us of the meetings from the Joint Fire Collaboration Board, held between September 2018 and September 2020. In all but one case, we found that meetings held had been quorate, in accordance with Section 9.8.3 of the Collaboration Agreement. The remaining meeting, which we considered not to have been quorate lacked the stipulated attendance of three members from each party, with just both Chief Fire Officers and the Vice Chair of Nottinghamshire and Nottingham Fire Authority being present. Whilst two Area Managers, one from each party were present, they were not identified in the Collaboration Agreement as being members of the Joint Collaboration Board nor were they entitled to attend as representatives for absent members. Whilst the minutes from this particular meeting, held in February 2020, did not indicate that any significant decisions were made, the minutes also did not suggest that any queries were raised as to the quoracy of the meeting.

With respect to the Police and Fire Strategic Collaboration Board, we were supplied with two sets of minutes dating back to meetings that were held in 2018. Based on these two sets of minutes, we found that the meetings were quorate with one representative of each of the members being present, in accordance with Section 4.7 of the DESC Agreement.

If meetings are held which are not quorate and there is an unequal balance in party members in attendance, there is a risk that decisions could be made that may favour one party over the other or that a small number of members make inappropriate decisions that could affect both parties. This could negatively impact the working relationship between the parties which could affect service delivery and lead to increased costs, negative publicity and reputational damage.

Recommendation 2	Summary Response
<p><b>Risk Rating:</b> Low Risk</p> <p><b>Summary of Weakness:</b> A meeting had been held which was not quorate in accordance with the Joint Fire Control Collaboration Agreement.</p> <p><b>Suggested Actions:</b> We recommend that meetings are held in accordance with the quoracy requirements set out in each of the Joint Fire Control and Derbyshire Emergency Services Collaboration Agreements. Where members are not available to attend, the representatives authorised to attend on their behalf should be in accordance with those specified within the respective collaboration agreements.</p>	<p><b>Responsible Officer:</b> Rob Taylor</p> <p><b>Issue Accepted</b></p> <p><b>Agreed Actions:</b> Accepted</p> <p><b>Implementation Date:</b> 31/10/2022</p>



3.1.3 We expected that meeting minutes would be prepared, formally recording the nature of the discussions that took place.

We found that minutes had been prepared which formally recorded the nature of the discussions that took place at the Joint Fire Control Collaboration Board meetings. However, the Collaboration Agreement stated that *'minutes shall be approved and signed by the Chair of the meeting as evidence of the proceedings'*. Whilst none of the minutes supplied to us had been signed by the Chair, we did note that they had been approved by the Board at the following meeting. It should be noted that the last set of minutes supplied to us were from the meeting held on 3rd September 2020 with some doubt expressed as to the frequency of meetings held between September 2020 to the present time (April 2022). The Area Manager, Service Delivery thought meetings had been held during the intervening period and referred to one taking place in June 2021. However, we were later informed that no minutes could be located relating to meetings during that period.

In terms of the Joint Police and Fire Collaboration Board, we were supplied with meeting documents from four meetings held between 11th September 2018 to 6th March 2020. Minutes were only supplied for two of those meetings relating to 11th September and 20 December 2018. We were also provided with meeting documents relating to the previously mentioned DFPF LLP, part of which, two sets of meeting minutes were provided from February and July 2021.

If minutes from formal Board meetings are not taken or are misplaced and not maintained, there is no record of what was agreed. Therefore, there is a risk that the decisions made and agreed actions may not be successfully followed up and implemented. This could risk the successful delivery of the service being delivered under the collaboration agreement and result in increased financial costs, reputational damage and negative publicity.

Recommendation 3	Summary Response
<p><b>Risk Rating:</b> Moderate Risk</p> <p><b>Summary of Weakness:</b> Minutes from the meetings of the respective collaboration boards could not be located in some instances.</p> <p><b>Suggested Actions:</b> We recommend that minutes are taken and maintained to provide a formal record of the nature of the discussions that have taken place and actions that have been agreed during the course of the meeting.</p>	<p><b>Responsible Officer:</b> Rob Taylor</p> <p><b>Issue Accepted</b></p> <p><b>Agreed Actions:</b> Accepted</p> <p><b>Implementation Date:</b> 31/10/2022</p>

3.1.4 We expected that the respective collaborative Boards would receive and consider the performance of the service.

The Joint Fire Control Collaboration Agreement which came into effect on 1st July 2019 set out that the *'Joint Committee shall consider the performance reports against the Standards and any updates from the Contract Managers or other Officers as may be required'*. The Standards were set out in Schedule 2 of the agreement. We reviewed the Joint Collaboration Board minutes that had been supplied to us from the 24th February and 3rd September 2020 to ascertain whether performance reports had been supplied and reviewed by the Board or if any other relevant updates had been provided. Whilst no specific discussions surrounding performance in relation to the Standards could be identified, we did observe that in the February meeting, it was reported that *"Tri-service is working well"* and at the September meeting an update on projected savings for Joint Control was supplied.

Whilst limited assurance could be obtained from the minutes of the Joint Fire Collaboration Board regarding their review of performance, we were supplied with other information which confirmed that performance was being subject to scrutiny and review, albeit in a different forum. Minutes and agenda information for the Service Delivery Performance Board confirmed that Joint Control performance statistics were being presented and reviewed as part of this Board meeting, which was attended by numerous DFRS officers with member representation from Derbyshire Fire and Rescue Authority (DFRA). Furthermore, quarterly performance summary reports along with key performance measures and targets were also reported to the DFRA Governance and Performance Working Group.

With respect to the DESC, the collaboration agreement set out, within the Terms of Reference for the Joint Police and Fire Collaboration Board that the Board would *'provide oversight of DESCs operational performance, partnership arrangements, finance and human resources and would have overall strategic oversight of the Services and undertake strategic performance management'*. To that end, from the Board meeting information supplied to us up to and including 6th March 2020, we found that verbal updates were being provided to the Board in respect of the collaborative arrangements put in place for the Joint Director of Finance and Joint Strategic Head of Assets. As no further Joint Police and Fire Collaboration Board meetings had taken place beyond 6th March 2020, we could not confirm that performance had been overseen through that specific forum.

However, in order to demonstrate ongoing contact and communication in terms of the collaborative arrangements, we were advised that the Deputy Chief Fire Officer regularly met with officers in respect of the collaborated areas of Joint Director of Finance, Joint Strategic Head of Assets and the Joint Property Team. We were also provided with minutes from the Joint Strategic Assets Department Project Monitoring meeting that took place in April 2022. This was further evidence of one of the collaborated areas between the Police and Fire being regularly monitored, albeit not in the formal Joint Police and Fire Collaboration Board arena.

If reviews of performance are undertaken as set out in the respective collaboration agreements by the respective collaborative Boards, there is a risk that the Governance Framework that defines and controls outputs and outcomes is not being adhered to. This may result in ineffective scrutiny, negative publicity and reputational damage for both parties participating in the agreement.

Recommendation 4	Summary Response
<p><b>Risk Rating:</b> Low Risk</p> <p><b>Summary of Weakness:</b> Collaboration performance reviews were not always being carried out in accordance with those requirements set out in the respective collaboration agreements.</p> <p><b>Suggested Actions:</b> We recommend that management consider the performance requirements set out in the respective collaboration agreements and whether they remain relevant. In so doing and as a result, management may wish to consider reviewing and updating the collaboration agreements to ensure any performance monitoring requirements therein better reflect operational practices whilst also meeting appropriate governance arrangements.</p>	<p><b>Responsible Officer:</b> Rob Taylor</p> <p><b>Issue Accepted</b></p> <p><b>Agreed Actions:</b> Accepted</p> <p><b>Implementation Date:</b> 31/10/2022</p>

3.1.5 We expected that the necessary legal documents, as referred to in the collaboration agreement would be in place.

We confirmed, in accordance with the Collaboration Agreement for Joint Fire Control, that an Information Management Agreement (IMA) had been established to support the sharing of information between Nottinghamshire Fire and Rescue Service and Derbyshire Fire and Rescue Service. However, the agreement was dated 28th June 2019 and stated that it will last for 12 months and will be reviewed annually. The Data Protection Officer (also Monitoring Officer) for DFRS informed us that the IMA had not been subject to review since it was put in place in 2019.

The DESC agreement required that *'prior to sharing any data, the parties shall undertake a Data Protection Impact Assessment (DPIA) and enter into an Information Sharing Agreement and/or Data Processing Contract as necessary'*. We discussed this requirement with the Data Protection Officer who advised that she was not aware of any situations that had arisen which have required a DPIA to be completed.

If the Information Management Agreement is not reviewed in accordance with the timeframe that has been agreed and stipulated within the agreement, there is a risk that its content may have become out of date and no longer relevant. As a result, the arrangement to share information may risk non-compliance with the General Data Protection Regulations which could result in a penalty being imposed, financial or otherwise to both parties.

Recommendation 5	Summary Response
<p><b>Risk Rating:</b> Low Risk</p> <p><b>Summary of Weakness:</b> The Information Management Agreement for Joint Fire Control had not been reviewed in accordance with the stipulated timeframe or since it was set up in June 2019.</p> <p><b>Suggested Actions:</b> We recommend that the Information Management Agreement is subject to review to ensure its content is accurate and the document remains fit for purpose. Any future document reviews should be completed in accordance with the timeframe stipulated and agreed within the updated agreement.</p>	<p><b>Responsible Officer:</b> Louise Taylor</p> <p><b>Issue Accepted</b></p> <p><b>Agreed Actions:</b> Accepted</p> <p><b>Implementation Date:</b> 31/08/2022</p>

3.1.6 We expected that the financial arrangements for the respective collaborative agreements would be appropriately overseen and subject to scrutiny.

We confirmed that Nottinghamshire Fire and Rescue Service were invoiced on a regular basis for the staffing costs relating to the Joint Fire Control Collaboration Agreement.

With reference to the Derbyshire Emergency Services Collaboration Agreement, we requested sight of the set of accounts that the Chief Finance Officer of the PCC was required to prepare following each financial year end. This was in accordance with Clauses 10.8 and 10.9 of the agreement. This agreement was an umbrella agreement, overarching the Functional Collaboration Agreements covering the Joint Director of Finance role, Joint Strategic Head of Assets role and the Joint Property and Assets Management Team. Within each of these three functional agreements, the 'Financial contributions and apportionment ratio' had been set out, stipulating the requirement for each party to pay its financial contribution to the PCC to be held for the respective account of the relevant role/s. It was understood by Internal Audit that it was on this basis that the financial accounts would be prepared.

During our meeting with the Head of Corporate Financial Services, Monitoring Officer and the Area Manager, Service Delivery, we were advised that they were not aware of any such accounts having been prepared, referring only to those of the Derbyshire Police and Fire Partnership Limited Liability Partnership (DPPFP LLP) which covered the Joint Headquarters and Training Centre. This partnership arrangement was accounted for separately with a set of financial statements being prepared by Derbyshire Fire and Rescue Service as the Lead Party.

The production of the financial accounts for DESC and the subsequent scrutiny would serve to provide a governance tool with which the collaborations financial situation can be set out with clarity and transparency and which can be subject to review by those parties set out in the agreement, those being the PCC, DFRA, the Joint Police and Fire Collaboration Board and other Chief Financial Officers.

If financial statements are not prepared in accordance with the requirements of the collaboration agreement, there is a risk that the parties are not complying with the actions that have been agreed and set out. This could risk negative publicity and reputational damage for both parties participating in the agreement.

Recommendation 6	Summary Response
<p><b>Risk Rating:</b> Moderate Risk</p> <p><b>Summary of Weakness:</b> Financial statements in respect of the DESC had not been prepared, as required by clause 10.9 of the agreement.</p> <p><b>Suggested Actions:</b> We recommend that financial statements are prepared, in accordance with clause 10.9 of the agreement and subject to the appropriate scrutiny as per clause 10.8, that being by the PCC, DFRA, the Joint Police and Fire Collaboration Board</p>	<p><b>Responsible Officer:</b> Simon Allsop</p> <p><b>Issue Accepted</b></p> <p><b>Agreed Actions:</b> Financial statements are prepared quarterly for the LLP and the recharges associated with the LLP. The statements are signed off by the respective finance teams against the agreements. These can be bought to the reintroduced collaboration board. Any</p>

and Chief Financial Officers.

necessary changes are considered by the existing joint SLT meeting if required.

**Implementation Date:** 31/10/2022

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