

# AWDURDOD TÂN AC ACHUB CANOLBARTH A GORLLEWIN CYMRU



## MID AND WEST WALES FIRE AND RESCUE AUTHORITY

NOTE: THESE MINUTES ARE SUBJECT TO CONFIRMATION BY THE PERFORMANCE, AUDIT AND SCRUTINY COMMITTEE AT ITS NEXT MEETING

### COFNODION CYFARFOD Y PWYLLGOR ADOLYGU AC ARCHWILIO PERFFORMIAD MINUTES OF THE PERFORMANCE AUDIT AND SCRUTINY COMMITTEE

DYDD LLUN, 23 GORFFENAF 2018  
MONDAY, 23 JULY 2018

YSTAFELL CAER, PENCADLYS Y GWASANAETH TÂN, CAERFYRDDIN  
CAER SUITE, FIRE SERVICE HEADQUARTERS, CARMARTHEN

10.00 – 11.54

### **67% PRESENOLDEB/ATTENDANCE**

Presennolyn y Cyfarfod/Present at Meeting:

CHAIR	Councillor C Anderson
IS-GADEIRYDD/DEPUTY CHAIR:	
AELODAU/MEMBERS:	Cyng/Cllrs: G Breeze, K Broom, K Curry, J Curtice, L Frayling, T Hennegan, P James, R Lewis, G Walker
YMDDIHEURIADAU/APOLOGIES:	M Crowley, A Llewelyn, T Van-Rees, D E Williams
YN BRESENNOL /IN ATTENDANCE:	D Daycock, R Thomas, K Jones, M Harries, I Cray, S Jenkins, C Flannery, S Mansbridge, H Pugh (Carmarthenshire County Council), C Moore (Carmarthenshire County Council), M Jones (Wales Audit Office)

## **1 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillors M Crowley, A Llewelyn, T Van-Rees and D E Williams.

## **2 DECLARATION BY MEMBERS OF ANY PERSONAL OR PREJUDICIAL INTERESTS**

All Members present declared that they had a personal interest in any business relating to, or affecting their own Constituent Authority.

## **3 CHAIR'S ANNOUNCEMENTS AND PERSONAL MATTERS**

The Chair welcomed the Authority's Internal Auditor, Ms H Pugh of Carmarthenshire County Council to the meeting to present items 6 and 11 of the agenda.

A warm welcome was also extended to Mr M Jones of the Wales Audit Office who was in attendance in respect of item 7 of the agenda.

## **4 TO CONFIRM AND SIGN AS A TRUE RECORD THE MINUTES OF THE PERFORMANCE AUDIT AND SCRUTINY COMMITTEE HELD ON 23 APRIL 2018**

The minutes of the Performance, Audit and Scrutiny Committee meeting held on 23 April 2018 were confirmed as a true record of proceedings.

### MATTERS ARISING

Page 2, Item 4: At the request of Cllr G Walker, the Director of Resources provided Committee with employee sickness absence figures and overtime costs pertaining to the Joint Public Service Centre (JPSC). The figures showed that both overtime costs and sickness levels had been significantly reduced since the establishment of the JPSC in October 2017 and further details could be provided to Members in a redacted form in line with Data Protection and medical confidentiality requirements. Cllr G Walker noted that the employees he had referred to at the last meeting had subsequently reported to him that they were content with the mechanisms put in place by Management to deal with staff concerns and he did not wish to raise this matter further.

Page 5, Item 7: In response to a query from Cllr G Walker, the Corporate Head of Response confirmed that the Compact Appliance had been purchased by the Service as part of its overall vehicle replacement programme and was available for operational use following repair works.

## **5 TO CONFIRM AND SIGN AS A TRUE RECORD THE MINUTES OF THE SPECIAL PERFORMANCE AUDIT AND SCRUTINY COMMITTEE HELD ON 06 JUNE 2018**

The minutes of the special Performance, Audit and Scrutiny Committee meeting held on 06 June 2018 were confirmed as a true record of proceedings. There were no matters arising.

## **6 TO RECEIVE THE INTERNAL AUDITOR REPORTS**

The Internal Auditor provided Committee with an outline of findings arising from the completed reviews for 2017/18 relating to the National Fraud Initiative, VAT, Treasury Management (Loans), Pensions Payroll, Payroll, Banking, Travel & Subsistence, Procurement and Networks as set out in Appendices 1-9 of the report. Consideration was given to the respective Action Plans which had been implemented where appropriate, and which summarised the issues identified, together with the recommendations made. The Committee was assured that all recommendations had been classified as minor issues, or areas to strengthen existing procedures, all of which had been agreed by the Executive Leadership Team and which were being addressed by the Service by way of an Action Plan.

A progress update on the implementation of the Internal Audit Plan 2017/18, set out at Appendix 10 of the report was also provided to Members.

Committee Members drew attention to the following areas:

VAT review, Appendix 2 – In response to a query from Cllr R Lewis, the Director of Resources confirmed that the Authority had not incurred financial penalties from the HMRC in respect of the previous unclaimed VAT. It was also clarified that the HMRC was satisfied with the implementation of enhanced training, resilience and procedures implemented within the Finance team, together with the commissioned services of external VAT specialists.

Procurement Review, Appendix 8 – Cllr R Lewis enquired regarding the Authority's arrangements for purchasing vehicles post BREXIT. The Internal Auditor clarified that the Authority would be required to establish appropriate procedures, including the number of contracts in place in this regard, together with the location of suppliers, which would enable a risk and impact assessment to be undertaken.

## **RESOLUTION**

***It was RESOLVED that the content of the report be noted.***

### **7 TO RECEIVE AND NOTE THE APPOINTED AUDITOR'S ANNUAL AUDIT LETTER 2015/16**

Mr M Jones of the Wales Audit Office presented Committee with the Annual Audit Letter for 2015/16 on behalf of the Appointed Auditor in line with the statutory responsibilities under the Public Audit (Wales) Act 2004 and the Code of Audit Practice.

It was reported that the Auditor General for Wales had concluded that the Authority had largely complied with its responsibilities relating to financial reporting and use of resources. The Committee was reminded that an unqualified audit opinion had been issued on the 2015-16 accounting statements of the Firefighters' Pension Fund; and a qualified audit opinion had been issued in respect of the accounting statements of the Authority. Assurances were given, however, on behalf of the Auditor General, that the accounting statements had been properly prepared and were deemed true and fair, except for the possible effects of uncertainty over some of the accounting classifications within the Comprehensive Income and Expenditure Statement; and a related note on Net Revenue Expenditure, and Earmarked Useable Reserves. Finally, Mr Jones informed members that the Auditor General had concluded that the Authority had appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources, with the exception of the Authority's arrangements for

managing its VAT returns and for the preparation of the accounting statements. Mr M Jones emphasised that the findings related to the 2015/16 reporting period, and was pleased to report that the Authority had since made significant progress in this regard.

Mr M Jones then outlined the Wales Audit Office position in respect of the audit fees set out in Appendix 1 of the report which acknowledged that some aspects of the audit work had been deficient in 2014/15 and therefore a refund had been provided to the Authority. In respect of the 2015/16 audit fee, it was reported that an element of costings had been written off, and additional audit fees had been charged in respect of the additional work undertaken. Cllr P James referred to the independent review commissioned by the Wales Audit Office and requested further information in this regard which would enable the Authority to scrutinise the identified failings. These sentiments were echoed and supported by a number of other Members.

The Section 151 Officer confirmed that requests had been made to the Auditor General on two occasions to obtain a copy of the report, or an appraisal of the report, which would provide the Authority with an appreciation of the issues identified by the Northern Ireland Audit Office review and would consequently determine whether the fees for 2015/16 were justified. Whilst it was disappointing to note that there appeared to be a reluctance in releasing the report, the Section 151 Officer gave assurances that the Committee's concerns would be relayed to the Auditor General and a further request would be made to obtain a copy of the report, or an appraisal of the report, for Members' consideration at a future meeting.

Cllr K Broom enquired whether redress could be pursued with the auditors sub-contracted during 2014/15 as the consequential impact had been carried into 2015/16 and had led to significant additional costs being incurred by the Authority. The Section 151 Officer clarified that an appraisal of the Independent Review report would be required to understand whether responsibility for the audit work undertaken in 2014/15 was attributable to failings in the delivery of the audit or indeed the monitoring of that audit work. Mr M Jones expressed the view that any issues should be raised directly with the Wales Audit Office, given that they were responsible for sub-contracting work to other agencies. An overview of the enhanced monitoring processes implemented by the Wales Audit Office since 2015/16 was also provided to the Committee to demonstrate the monitoring process, whereby a sample of a sub-contractor's inspection regime was periodically reviewed in terms of quality assurance.

Cllr P James emphasised his full support of the actions of the Section 151 Officer in pursuing a copy of the Independent Review report. Cllr James proposed that, should the requested report, or an appraisal of the report, not be received by the Authority in time for the next meeting, the Committee would consider making a formal request for the information in line with the Freedom of Information Act 2000. These comments were supported by a number of Members.

## **RESOLUTION**

***It was RESOLVED that the report be noted.***

## **8 TO RECEIVE AND NOTE THE PERFORMANCE AND IMPROVEMENT PROGRESS REPORT – QUARTER 1 2018/19**

The Temporary Assistant Chief Fire Officer (T/ACFO) presented the Performance and Improvement Progress Report for the reporting period 1<sup>st</sup> April 2018 – 30 June 2018 set out at Appendix 1 of the Report, in respect of the number of fire incidents attended, hoax calls received, road traffic collisions, flooding, medical response and fire deaths and injuries.

Reference was made to the prolonged period of hot and dry weather which had led to a significant increase in the number of operational incidents attended by the Service. A synopsis of two protracted wildfire incidents in Talgarth and Aberystwyth was provided to Members, and it was explained that assistance had been provided by the Natural Resources Wales by way of a helicopter in order to transport water during challenging conditions.

Officers addressed a number of Member queries, as follows:

In response to a query by Cllr P James, the Corporate Head of Prevention and Protection explained that the Service's attendance at road traffic collisions involving motorcycles was recorded on its Incident Recording System, though it was too early in the year to identify trends at present. It was further reported that there was not a projected decrease in motorcycle fatalities across Wales to date, and therefore this area had become a particular focus for the Welsh Government and the newly created Road Safety Board, which sought to influence road conditions, speed reduction techniques and driver behaviour. Cllr P James suggested that road safety education could be targeted in specific areas such as Aberystwyth Promenade which was a known area for motorcycle gatherings.

Reference was made to the projected decrease in the number of medical incidents attended by the Service which could, in part, be attributable to the ongoing negotiations in respect of medical response and the re-categorisation of calls that the Welsh Ambulance Service Trust (WAST) was mobilising the Service to attend. Cllr K Curry requested the Service's response times to co-responder incidents, to be compared with the WAST response times. The T/ACFO agreed to provide the information requested and clarified that the Service was mobilised to respond to certain co-responder incidents in instances where WAST were not available or where it was identified that the Service's resources was nearer to the location of a co-responder incident. It was also explained that the Service's response time to a co-responder incident was actuated from the time of call made by WAST. Cllr T Hennegan suggested that the incident response times could then be considered at Public Service Board meetings.

In response to a query from Cllr R Lewis, the T/ACFO confirmed that the new Landrover vehicle was expected to be delivered in the next 2-3 weeks.

Councillor G Breeze referred to a flash flooding incident in the Welshpool area and wished to convey his sincere gratitude for the significant and commendable actions of the crews at the multi-agency response which had prevented further damage to the local hospital. The T/ACFO agreed to pass on these sentiments to the relevant crew members.

Members' attention was drawn to Part 2 of Appendix 1 of the report, whereby the T/ACFO provided Committee with a synopsis of progress made against 12 improvement objectives.

Members were pleased to note that progress had been made within the majority of improvement objectives, 11 of which had been allocated green status, whilst only 1 had been allocated red status.

Members' attention was also drawn to the Emergency Services Network (ESN) objective which it was felt would provide an innovative and unique solution to the provision of emergency service communications in the United Kingdom. The Corporate Head of Resources explained that a complete restructure and deep review of the programme had commenced whereby two options would be fully explored and considered by the Permanent Undersecretary of the Home Office, followed by consultation through the appropriate governance channels including Welsh Government.

Finally, Committee Members were provided with a synopsis of the progress made against the Service's corporate projects for the Northern Area Development Site, Integrated Software Platform and Structural Personal Protective Equipment, as set out in Part 3 of Appendix 1 of the report.

In response to comments made by Councillor P James in respect of succession planning within the Fleet, Engineering and Logistics department for workshop mechanics, the Temporary Corporate Head of Operational Support and Improvement provided a synopsis of the Welsh Apprenticeships Programme utilised by the Service in this regard.

## **RESOLUTION**

***It was RESOLVED that the report and progress made to date be noted.***

### **9 TO RECEIVE AND NOTE THE BUSINESS RISK REGISTER UPDATE REPORT TO JUNE 2018**

The T/ACFO presented the Business Risk Update Report to June 2018 to the Committee.

Members were referred to the Business Risk Register Overview set out at Appendix A, Risk Assessment Matrix for Risk Register at Appendix B and the Business Risk Register Decision Log set out at Appendix C and the eight identified risks set out therein.

A summary of the latest considerations by the Business Risk Management Group (BRMG) for each of the risks contained within the Business Risk Register Decision Log was given to Members. It was noted that Industrial Relations had been categorised as high risk, that 6 areas relating to Regulatory Body Compliance, Change/Risk Management, Business Continuity/Interruption, Attendance Management Procurement and Security had been categorised as medium risk, and that 1 area relating to Road Risk had been allocated as low risk. Members discussed and acknowledged the issues raised in the report. Attention was drawn to the Regulatory body compliance risk whereby the T/ACFO provided details of a High Court Judgement in respect of South Yorkshire Fire and Rescue Service's Close Proximity Crewing (CPC) system. It was explained to Members that the CPC model was similar, though not identical, to the Self Rostered Crewing system operated within the Service at Pontardawe and Llanelli Fire Stations. Accordingly, options were being developed by the Service in this regard and assurances was provided to the Committee that appropriate engagement with affected employees and their Trade Union Representatives was underway. In response to

comments made by Cllrs G Walker, P James and K Curry, it was agreed that further information would be provided to Members outlining the revised crewing model implemented within the Service, on the conclusion of current negotiations being undertaken through the established channels, including trade unions and staff.

### **RESOLUTION**

***It was RESOLVED that the Performance, Audit and Scrutiny Committee note the report and acknowledge the ongoing progress to both identify and manage matters of business risk affecting the Service.***

## **10 TO RECEIVE AND NOTE THE ALL WALES OPERATIONAL ASSURANCE PEER ASSESSMENT REPORT 2017-18**

The Corporate Head of Resources presented the report, which included the All-Wales Operational Assurance Peer Assessment Report for 2017-18 at Appendix 1, to Committee. Members and provided them with an overview of the Operational Assurance Peer Assessment process which sought to review the leadership, governance and financial planning arrangements within Fire and Rescue Services in order to drive continuous improvement.

Members were provided with a synopsis of the Peer Assessment Team's (PAT) conclusions also set out in Appendix 1 within the focus areas of Response and Training & Delivery, which had been based on the Service's own self- assessment and findings following a site visit in March 2018.

The Corporate Head of Resources assured Committee that an Action Plan had been developed to address areas requiring further development identified in the report.

### **RESOLUTION**

***It was RESOLVED that the report be noted.***

## **11 TO RECEIVE AND APPROVE THE INTERNAL AUDIT PLAN 2018-2021**

The Internal Auditor presented Committee with the Internal Audit Plan for 2018-2021, which sought to ensure a robust and fit for purpose audit provision for the Authority. Members were provided with an overview of the audit approach, costings, timetable and reporting arrangements in respect of the 3-year rolling programme. A discussion ensued regarding the computer and system audits set out at Appendix 1 of the report, and suggestions were sought from Members in respect of other audits to incorporate into the programme to provide the Authority with assurances regarding its financial management processes and other systems.

### **RESOLUTION**

***It was RESOLVED that the Internal Audit Plan and associated fee be approved.***

- 12 **TO CONSIDER ANY OTHER ITEM OF BUSINESS THAT BY REASON OF SPECIAL CIRCUMSTANCES, THE CHAIR DECIDES SHOULD BE CONSIDERED AS A MATTER OF URGENCY PURSUANT TO SECTION 100(B)(4) OF THE LOCAL GOVERNMENT ACT 1972**

There were no items of urgent business.

**The meeting closed at 11:54.**