

**AWDURDOD TÂN AC ACHUB CANOLBARTH A GORLLEWIN
CYMRU**



MID AND WEST WALES FIRE AND RESCUE AUTHORITY

**COFNODION CYFARFOD Y PWYLLGOR
ADOLYGU AC ARCHWILIO PERFFORMIAD
MINUTES OF THE PERFORMANCE REVIEW AND
AUDIT COMMITTEE**

**DYDD LLUN, 28 GORFFENNAF 2008
MONDAY, 28 JULY 2008**

**PENCADLYS Y GWASANAETH TÂN
HEOL LLWYN PISGWYDD, CAERFYRDDIN
FIRE SERVICE HEADQUARTERS,
LIME GROVE AVENUE, CARMARTHEN**

11.00AM – 12.55PM

PRESENOLDEB/ATTENDANCE

Presennol yn y Cyfarfod/Present at Meeting:

IS-GADEIRYDD/VICE CHAIRMAN: J J J Davies

AELODAU/MEMBERS: Cyng/Cllrs:P Llewellyn, C Philpott,
J Holmes

YMDDIHEURIADAU/APOLOGIES P James, J Dudley, C Morgan, T
Tudor, G Phillips

YN BRESENNOL /IN ATTENDANCE: L Aitken, A Howells, P Bailey, P Bates,
W Edwards, D Swan

In the absence of the Chair and Vice Chair, Councillor J J J Davies was duly nominated and seconded to Chair the meeting

1. DECLARATION BY MEMBERS OF ANY PERSONAL INTEREST

None were declared

2. TO RECEIVE AND CONSIDER THE MINUTES OF THE MEETING HELD ON 7th APRIL 2008

The minutes of the meeting held on 7th April 2008 were received and approved as a true record.

To Consider matters arising from the Minutes:

Item 3 – The Internal Audit Report on the Procurement Review

In response to a query from Members, reassurance was given that all managers had now received adequate training to ensure compliance with the Authority's Standing Orders.

Item 5 – BVI Performance Management Report

Paul Bates indicated that the report on Best Value Indicators would be presented to the next meeting in October

3. TO RECEIVE AND CONSIDER THE MINUTES OF THE MEETING HELD ON 11 JUNE 2008

The minutes of the meeting held on 11th June 2008 were received and approved as a true record

4. TO RECEIVE A REPORT ON PERFORMANCE MEASUREMENT FRAMEWORK AND PERFORMANCE INDICATORS FOR FIRE AND RESCUE AUTHORITIES

Paul Bates presented a paper which set out details of the new performance measurement framework and indicators for Fire and Rescue Authorities in Wales. The suite of indicators included those that had been made statutory by the Fire and Rescue Authorities (Best Value Performance Indicators) (Wales) Order 2008. Although the 2008 Order would come into effect for 2008 - 09 and subsequent financial years, it had been previously agreed that the Statutory Performance Indicators would also be reported on and audited for 2007-08. Mid and West Wales Fire and Rescue Service had submitted data to the Wales Data Unit, who would supply Performance Indicators to Fire and Rescue Authorities by mid July 2008 to enable audit to be undertaken.

It was noted that the Performance Measurement Framework followed the same principles of local government in providing an increased level of autonomy for Fire and Rescue Authorities to use performance information which best served their local needs, whilst providing the ability to compare performance across

Wales. In line with Wales Programme for Improvement for Fire and Rescue Authorities this framework allowed Authorities to focus their performance management activity on areas of local importance.

It included the following three types of measures which were specific to the Fire and Rescue Service:

- National strategic priorities for Fire and Rescue Authorities based on the Fire and Rescue Service National Framework for Wales (Statutory Performance Indicators)
- Core measures covering both corporate and operational issues (Core Performance Indicators)
- Local measures

RESOLUTION

It was RESOLVED that

The report be received and noted

5. TO RECEIVE A REPORT ON THE WELSH PERFORMANCE INDICATORS AND PERFORMANCE MANAGEMENT REPORT – APRIL – JUNE 2008

The Welsh Assembly Government had introduced new indicators for Fire and Rescue Authorities in Wales and Committee received the first report produced against these measures. Although the measures only came into effect on the 18th March 2008, by prior agreement, the Services had calculated these measures for 2007/08 where possible to enable comparison against previous performance.

The report showed the performance for each indicator for the April to June 2008 reporting period. Performance had been measured against challenging Service targets and would be measured against Welsh Fire & Rescue Services when the data became available.

Where indicators had met or exceeded their targets they would be coloured green, where the performance had failed to reach target would be shown in red and indicators off target but within 'Business As Usual' as defined by the targets in CorVu were coloured amber.

The exception reporting column would provide a brief narrative where indicators had failed the Service target or where there were factors that could impact on the indicator.

Councillor Philpott queried why it had not been possible to calculate figures relating to home fire safety risk assessments and it was noted that this was in part due to timing issues but it was hoped that this would be resolved using the Welsh standard by the next reporting quarter.

RESOLUTION

It was RESOLVED that

The Welsh Performance Indicators and Management report be received and noted.

6. TO RECEIVE THE BUSINESS PERFORMANCE MANAGEMENT REPORT APRIL – JUNE 2008

The provisional Performance Management Report highlighting the objectives in individual business plans that were currently off target were presented to Members. Members noted that the standards had been raised significantly from last year with good progress being made within all the County Commands.

Guidance was provided on reporting procedures and the future alignment of business plan objectives with the performance information provided in CorVu.

RESOLUTION

It was RESOLVED that

The report be received and noted

7. TO RECEIVE A REPORT ON WALES AUDIT OFFICE SERVICE JOINT RISK ASSESSMENT 2008

Members will recall that the Wales Audit Office presented the Joint Risk Assessment for Mid and West Wales Fire and Rescue Service 2008 in accordance with Wales Programme for Improvement for Fire and Rescue Authorities on 30th June 2008. The paper highlighted the areas assessed as being of 'high' risk in the report and the mitigating factors against each risk. Progress against these risks would be reported to Performance Review and Audit Committee in subsequent quarterly papers.

RESOLUTION

It was RESOLVED that

The report be received and noted

8. TO RECEIVE A REPORT ON EXTERNAL FUNDING FOR COMMUNITY SAFETY INITIATIVES

Consideration was given to a report which outlined the level of external funding that had been obtained by the Community Safety HQ Department and County Commands to extend and improve the delivery of community safety initiatives. The report had emanated from a recommendation made by one of the member Task and Finish Scrutiny Groups and highlighted the possible impact on service

delivery should such funding cease in the future. Members were aware that one of the principal objectives contained within the Performance Management Framework was to seek alternative funding and resources, as a means to help achieve Service objectives.

In terms of Community Safety, there were two distinct areas where funding from external sources was actively pursued:

- Community Safety Headquarters - where funding was sought to drive forward Service-wide initiatives and projects
- County Commands - where funds were sought at a local level to drive forward local partnership initiatives

The Community Safety Headquarters Department had maintained a log of external funding obtained by the Service since 2000/01 which showed that funding had also been sought and gained for partner agencies to help drive forward a common community safety agenda e.g. funds for the Local Education Authority to target-harden arson vulnerable schools through the National Assembly Wales (NAW) Arson Small Grants Programme.

External funding gained by CSHQ were mainly associated with medium term projects, with funds that had been obtained primarily from the NAW since 2004. Whilst CSHQ had been successful in obtaining external funding for a large number of small, single applications (usually under £10,000), the following three larger initiatives could have implications for the Service should funding cease:

Provision of smoke alarms and other home safety equipment to support the HFSC process, it was noted that support funding for the current financial year amounted to £330,800 (£240,800 for detectors and systems for the deaf and £90,000 for other home fire safety equipment). The NAW had made a commitment to fund this provision until 31st March 2011. Each year the fund was increased in line with inflation and any increase in HFSC targets.

The Arson Reduction Team (ART) was one of three Fire/Police teams in Wales and commenced operation on 1st January 2005 with funding for three years by the NAW. The ART's primary focus had been within the areas of high arson activity surrounding Swansea Bay and had contributed greatly to the £23M savings to society in Wales since 2003/04, through the proactive measures and initiatives introduced and mainstreamed in many cases.

Following an independent evaluation commissioned by the NAW, it had been agreed that the Teams, with the inclusion of more staff and a move to a Service-wide operation, would be funded for a further three years until 31st March 2011. The fund allocated to the Service Team for the period was £784,230 (circa £260K p.a.)

Specialist Youth Team - The work with Children and Young People (CYP), and in particular that with young offenders and those bordering on offending, was

widely recognised as good practice. Following an independent evaluation of Fire & Rescue Services' CYP schemes in Wales, NAW had recognised the achievements of the intervention schemes, particularly the "Phoenix" scheme.

Following a bid to the NAW to help form a Specialist Youth Team, a 'mobile' team allowing initiatives to be delivered in Command areas where resources were low had been funded to 30th September 2010 to the amount of £198,000 (circa £65K p.a.) Should funding cease at the end of the term consideration would be given to continuing the initiative by allocating internal funds, seeking financial support from relevant Community Safety Partnerships (CSP) or other sources, including sponsorship, or discontinue its operation.

Members expressed concerns that the projects highlighted were the cornerstones of much of the valuable work carried out by the Service and commended those who had secured the funding originally. The Treasurer reported that the majority of these grants had not been included within the base budget for 2008/09, and although there was not an immediate risk, the discontinuation of the grants needed to be anticipated for future budget cycles.

RESOLUTION

It was RESOLVED that

Options to be prepared for consideration in the event of the discontinuation of funding as part of the business planning cycle for 2010/11

9. TO RECEIVE REPORT ON INCIDENT RECORDING SYSTEM (IRS)

It was reported that the Welsh Assembly Government had received and considered Impact Assessment's on the implementation of an electronic Incident Recording System from the three Welsh Fire & Rescue Services. One of the main focus areas had been the cost of introducing IRS into the Service. Costs were provided for initial implementation issues and estimated ongoing costs as part of the Impact Assessment. Following consideration and analysis of estimated costs WAG had confirmed that they would meet approved implementation costs for IRS in 2008/09. WAG would be providing a sum of £88,000 for Mid & West Wales for the implementation of IRS but no provision would be made for any ongoing costs.

RESOLUTION

It was RESOLVED that

The report be received and noted

10. TO RECEIVE THE FORWARD WORK PLAN 2008/09

The Clerk reported that topics, previously approved by Committee for

consideration as part of its Scrutiny role, had been incorporated in to the Forward Work Plan for 2008/09.

It was noted that as meetings needed to be rescheduled following the local government elections last May, certain items, which would have normally been dealt with by PRAC, had been reported directly to the Authority on 30th June due to time considerations. Members confirmed that they wished to continue looking at the business plans and that further meetings would be arranged in due course.

RESOLUTION

It was RESOLVED that

The Forward Work Plan be received and approved

11. TO RECEIVE THE BUSINESS RISK MANAGEMENT GROUP UPDATE

Committee noted from the Business Risk Management Report that further progress was being made in the process of formulating a business risk register for the Service. A desk top review of business risks had been conducted in June 2008 and the outcome was expected to be reported to the Business Risk Management Group within the next few weeks. An update of the current Insurance arrangements post 1st April for the Service was noted along with specific reference to the current legal challenge in respect of a local authority Mutual Insurance group.

RESOLUTION

It was RESOLVED that

The Business Risk Management update report be received and noted

12. TO RECEIVE A REPORT ON INTERNAL AUDIT 2008-09

Huw Thomas, Internal Auditor, presented a report on the Internal Audit 2008-09

He reported that preliminary discussions had already taken place with the Director of Resources and Procurement to determine the number of Internal Audit days required and to establish a draft audit programme for the forthcoming financial year.

The Draft Audit Programme during the 35 days available were:

- Follow up of recommendations detailed in the 2007 - 08 Internal Audit Report - in particular the Review of Procurement
- A review of the central Financial Management Systems including Payroll, Creditors, Debtors and Main Accounting

- Substantive testing of the Annual Governance Statement to be presented for the first time for the Annual Accounts 2008 -09
- Attendance at Performance, Review and Audit Committee
- Periodic meetings with the Director of Resources and Procurement

This Audit Programme had been drawn up based on Risk Principles and taking into account the Risk Evaluation of the Brigade by the Wales Audit Office.

All reviews would be undertaken by the end of the Financial Year with dates for the reviews to be agreed with the Director of Resources and Procurement to enable relevant staff and records to be made available and progress reports would be brought to the Performance, Review and Audit Committee.

RESOLUTION

It was RESOLVED that

The arrangements for the Internal Audit be approved

13 TO RECEIVE A REPORT FROM KPMG – THE IFRS LETTER

Gilbert Lloyd and Catherine Griffiths attended the meeting to present the IFRS letter which had been deferred from the April meeting of PRAC. Mr Lloyd indicated that the External Auditors would be working closely with the Authority to assist and offer guidance through the IFRS process.

RESOLUTION

It was RESOLVED that

The report be received and noted

14 TO RECEIVE A LETTER FROM THE AUDITOR GENERAL

Consideration was given to a letter from the Auditor General concerning the Local Government Audit and Inspection Fees for 2008/09. The Director of Resources and Procurement highlighted the change in the fee setting in that individual circumstances would be taken into consideration within the prescribed scales.

RESOLUTION

It was RESOLVED that

The letter be received and noted

15 TO RECEIVE AN UPDATE OF THE WORK OF THE ICT TASK AND FINISH GROUP

An update on the work of the ICT Task and Finish Group attended by Councillors Philpott and Holmes was presented by the Director of Resources and Procurement. . The report highlighted areas which were to be further pursued in relation to delivering efficiency gains. Councillor Philpott thanked Nigel Williams for his excellent presentation on the work of the relevant areas, and referred in particular to the costs the Authority had to pay for Ordnance Survey maps and the potential duplication of payment with the constituent authorities. .

RESOLUTION

It was RESOLVED that

The report be received and that further work be carried out in relation to the areas identified in the action notes.