

REPORT POLICY REVIEW AND AUDIT COMMITTEE

DATE: 30th July 2007

SUBJECT: Wales Audit Office – Development of the Joint Risk Assessment under the WPI Process.

SUMMARY:

In 2006, the National Assembly for Wales commissioned the Wales Audit Office (WAO) to implement a revised audit review process for the Fire & Rescue Services in Wales known as the Wales Programme for Improvement. (WPI-FRA). The final guidance has now been published and the Authority is following this framework for audit for the first time.

The Operational Assurance of Service delivery aspect was completed earlier in the year, leaving only the non-operational assessment and the WAO/FRA joint risk assessment (JRA) to complete.

The JRA has now been agreed and will be presented to the Policy Review and Audit Committee (PRAC) at today's meeting by WAO before being considered by full Authority in due course.

The attached paper provides summary information on the Improvement Planning process and the detailed areas identified within the JRA.

IMPLICATIONS:

OPERATIONAL RISK: Identified within the JRA

COMMUNITY RISK: Identified within the JRA

TRAINING: Identified within the JRA

H.R: Identified within the JRA

FINANCE: To be determined following development of improvement actions

I.T/COMMS: Identified within the JRA

WELSH LANGUAGE: translation required

RECOMMENDATION:

- 1) That Members note the attached paper and WAO Joint Risk assessment ahead of consideration by full Authority in due course.
- 2) That Members note the areas which need to be addressed within the JRA and that responsible department heads start work on these areas.
- 3) That Members note that the full WPI improvement plan will be published as a component of the final RRP on 31st October 2007.

BACKGROUND PAPERS USED IN PREPARATION OF THIS REPORT

- WPI Guidance
- Wales Audit Office/FRA Joint Risk Assessment

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Background - Wales Programme for Improvement

This is the first year that the Authority has operated within the Wales Programme for Improvement framework for Fire & Rescue Authorities in Wales (WPI-FRA). The WPI-FRA complements and assists the achievement of Best Value obligations in a way which reflects the shared vision of public sector improvement. Members have been updated a number of times on the whole end to end WPI process.

The WPI – FRA approach encompasses 5 core elements which are:

- Leadership;
- Governance and management;
- Capacity;
- Performance management and continuous improvement; and
- E-fire and rescue.

These are in addition to the key themes examined as part of the Operational Assurance of Service delivery previously reported upon.

Planning for continuous improvement - Annual Improvement Plan

The Assembly Government recognised the need to relieve the FRA of the burden of too many individual plans and planning cycles and designed WPI – Fire in such a way as to unify the distinct processes of RRP and WPI-FRA. This allows the Authority to report on the RRP Annual Action Plan and on performance and improvement under the WPI-FRA process, in a cohesive way and in a single document.

Once the draft RRP is finalised by 31st October each year it will be published in its final form following consultation as a component of the annual improvement plan. The improvement plan will consist of the following key elements:

1. A summary of strategic objectives;
2. A commentary on performance in the previous year, highlighting progress towards key objectives. (BVPI outturn);
3. Performance information for the previous year including audited data for all national indicators, along with current and future targets (BVPI outturn);
4. A summarised narrative of performance identified from the operational assurance assessment;
5. A summary of the Joint Risk Assessment agreed with the Wales Audit Office for the current year;
6. A summary of the key issues for improvement that will be delivered in the current year;

In terms of the elements required to complete these distinct processes to deliver the end to end WPI, they are now all in place with the exception of number 6 above which will be worked up as part of the production of the final improvement plan and RRP over the summer.

The Joint Risk Assessment

The process of agreeing the JRA with the Wales Audit Office commenced in March 2007.

This initially caused some difficulty since WAO had not finalised the Non-Operational Assurance self assessment toolkit which would have allowed an informed approach to this aspect of review in a similar way to the Operational Assurance of Service delivery approach.

However, key departmental heads did have the opportunity to do a high level review against the draft non-ops guidance and any strategic risks are identified within the JRA.

The JRA has now been agreed with WAO and the Risk Assessment Template (RAT) is attached to this paper. The JRA will also inform the Authority's Regulatory Plan.

Members will note that there are 40 separate risks identified, 8 of which are considered high and as such, must receive priority for attention.

The key areas identified within the JRA are (lifted straight from WAO summary):

- Business continuity management – this could be hampered because of the limited resources available to the new Civil Contingencies and Resilience Department.
- Risk identification – the FRA needs to fulfil planned population of remaining planes of the FSEC model.
- Fire prevention policies –positive findings but ongoing capacity risk in respect of fire safety audits.
- Good operational policies in place, but management recognise the difficulties associated with delivering these in a service which is mainly comprised of retained duty system personnel.
- Public engagement - The FRA recognise the need to engage with the general public to better 'sell' new proposals and changes to delivery.
- Sustainability and Equalities – need to carry out assessments.
- Engaging the workforce – recognition of need to maintain and improve industrial relations within the current change programme.
- Financial management – implementation of audit reports on procurement and the development of PRAC.
- E-fire and rescue - recognised need to develop effective business continuity arrangements for its IT function.
- Making further improvements to scrutiny and member engagement – an issue for all three FRA's.

A summary of these, and the actions Departmental Heads intend to take to address them, will be incorporated into the Improvement Plan which the Strategic Planning and Performance Department have already started to produce.

Now that the JRA has been completed, it needs formal Authority sign off. It will, in due course, be formally signed off by the Chair and the Chief Fire Officer.

Service / Corporate Area	Aspect	Ref	Evidence	Potential Impact	Level of Inherent Risk (calculated from risk impact matrix)	FRS Risk reduction measures and/or controls	Residual Risk Level after mitigating factors considered	Regulators' Risk reduction measures and/or controls
Operational Assurance	Risk analysis	PAT Team Report	The PAT Team noted that: 'Risk Management: The organisation has a comprehensive suite of policy documents that are widely available through the BIS system. These include policies covering Community Risk Reduction (CRR), Operational Risk Management, Equal Opportunities and Health and Safety.'	Failure to maintain corporate risk assessments	Low	The Service recognises the need to maintain existing policy documents	Low	
			Whilst initial equality impact assessments on policies have been carried out, managers have identified that these need to be more thorough covering all the strands of equality (race, gender, disability, sexual orientation, religion and belief, and language).	Failure to comply with legal duties	Medium	Specific training in Equality Risk Assessment has been identified as a priority for 2007/8 and it is envisaged that this will be completed as scheduled.	Low	
			Business Continuity Management is in the early stages of development within the Service and there is a risk that development in this area could be hampered because of the limited resources available to the new Civil Contingencies and Resilience Department.	Failure to ensure continuity of service delivery	High	Ensure resources targeted towards Business Continuity and corporate approach to BCM is project managed.	Medium	Civil Contingency work planned next year
			The PAT Team noted that: 'Community Risk Register Through the business planning process and the current Risk Reduction Plan [RRP] it is evident that the organisation is aware of the challenges that the Civil Contingencies Act 2004 poses to MWWFRS as a Category 1 responder. This is reflected in the development of the Civil Contingencies and Resilience Department.'	Potential failure to maintain the CRR to reflect Changes in Risk	Medium	The FRS is active in the Local Resilience Forum and is working with other Category 1 Responders to maintain the CRR	Medium	Civil Contingency work planned next year
			The PAT Team noted that: 'Risk Identification: MWWFRS use the Fire Services Emergency Cover (FSEC) toolkit in line with national guidelines to identify existing and potential at-risk dwellings within the community. Given the resources attached to the FSEC team the organisation are populating the toolkit sequentially on a risk basis. At present the Special Service Call (SSC) Plane is being populated, whilst the Major Incidents and Other Buildings Planes have also been identified for future development.'	Delay in realising the full potential of the FSEC model	Medium	Continue to populate all planes of the FSEC model.	Medium	Review as part of next operational assessment/RAT
	Prevention and Protection	PAT Team Report	The PAT Team noted that: 'Fire Prevention Policies: The Service has set ambitious targets to increase the annual Home Fire Safety Audit target to 15,000 for 2006-07. It was evident from the PAT visit to the CS department that there was an abundance of energy and enthusiasm for reducing community risk throughout the Service area. There has been a targeted approach from the CS department to deliver initiatives to traditionally hard-to-reach communities. An area of particular good practice is the delivery of cultural awareness training to operational personnel, which has led to requests from partner agencies for MWWFRS to deliver the same training to them.'	Capacity to deliver, especially in RDS station areas	Medium	All targets have been developed to individual County Areas and the County Commanders are responsible for the delivery or highlighting potential problems and devising solutions	Medium	Review as part of next operational assessment/RAT
	Operational Preparedness	PAT Team Report	The PAT noted that : 'Training and development: Individuals working in the training and development arena are motivated and are clearly working towards implementing the principals of IPDS. In particular development courses are currently being cross-mapped to the National Occupational Standards. There was evidence to suggest that a lack of clarity existed surrounding the issue of how the training and development function could dovetail with the County Commands.'	Potential risk that staff and organisation are not developed appropriately	Medium	Carry out a review of communications in relation to the implementation of IPDS.	Medium	Review as part of next operational assessment/RAT
			The PAT Team noted that : 'Debriefs: Evidence suggests that a central monitoring process to identify significant learning outcomes and to ensure effective action planning is required to support organisational improvements.'	Failure to identify operational learning points	Low	Review operational debrief procedure.	Low	
			The PAT Team noted that : 'The organisation recognises the importance of proactive incident monitoring. A suitable system that can achieve incident monitoring across such a large area is in development and it is anticipated that this will be implemented in June 2007. Resources to support the implementation of this initiative have not been allocated to the project past the June implementation date. It is envisaged that this initiative will complement the current Station audit process that does not capture direct observation regarding operational competencies.'	Failure to ensure active monitoring of operational activities	Medium	Project team has been identified to develop a suitable system for active monitoring of operational incidents.	Low	
	Call management and incident support	PAT Team Report	The PAT Team noted that: 'The Service has a comprehensive call handling and mobilising policy, which ensures the appropriate allocation of emergency response resources whilst facilitating appropriate levels of incident support. A suite of Control-specific standard operating procedures and general instructions underpins these. To date, the Control function is not covered within a Business Continuity Management Framework and although fallback arrangements have been developed and tested these are not supported with formal arrangements to ensure the availability of key staff.'	Potential for operational ineffectiveness/error if policies are not regularly updated	Low	The Service has reviewed policies and procedures. The Service have recognised the service critical nature of call management and incident support and, as such, plan to measure the effectiveness of these activities via the Operational Assurance Department.	Low	

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	Emergency Response	PAT Report	The PAT Team noted that 'The Service is clearly committed to delivering services to the public that fall beyond traditional Fire and Rescue Service boundaries.'	Potential failure to maintain current levels of service	Low	The FRA is proactively meeting challenge in this area as evidenced by the development and implementation of co-responding schemes that operates from fourteen separate locations. This initiative has clearly assisted in driving down community risk in the areas covered by the scheme. Further examples of the organisation exceeding expectations includes the development of a Marine Incident Response Group team and well established local arrangements with the Environment Agency. In order to provide fire cover across their area the Service relies heavily on the Retained Duty System.	Low	
		PAT Team Report	The PAT Team noted that: 'Response to types of emergency: MWWFRS have a suite of operational policies relating to the range of incident types to which personnel may be required to respond. These policies include appropriate safe systems of work based on risk, incident type and national guidance. An effective Incident Command System derived from the national model underpins most operational activities.'	Potential risk that the level of service from RDS is not maintained	Medium	While there are good operational policies in place, principal management recognise the difficulties associated with delivering these in a service which is mainly comprised of firefighters conditioned to the retained duty system.	Medium	Review as part of next operational assessment/RAT. Civil Contingencies work planned for next year
Non Operational Assurance	Non Operational Assurance							
	Strategic Vision	1.1	Strong statements in RRP and Improvement Plan with clear objectives which is supported by a strong management team with the support of the Fire Authority Members. The RRP is a three year document (2007-2010) which has allowed the Service to set more longer term objectives within the Plan. Some of these proposals are unpopular with some staff and those communities directly affected by proposed changes. The Authority will be improving its existing communication strategies to better engage with stakeholders over proposals that are perceived as contentious	Potential failure to maintain clarity of vision	Low	The service is maintaining the momentum gained from the RRP process and the operational assessment exercise. The Improvement Plan recognises the wider role of the FRS beyond the operational area. The PAT team noted that: 'The process of Operational Assurance has been fully embraced by the management of Mid and West Wales Fire and Rescue Service. This is evident from the comprehensive self-assessment document, and was reinforced by the positive approach taken by all staff involved in the Peer Assessment process.'	Low	
Leadership	MTC_Citizen at the Centre	1.2	The FRS has made significant progress in successfully implementing a wide range of preventative activity as part of the modernisation agenda. There is a commitment to build upon best practice to further improve both the range and access to services provided. The Service has been active in ensuring its fire prevention measures are delivered to as wide an audience as possible through attendance at shows, fetes, etc. and working through other partners. The Service is also working with other agencies to access hard to reach members of the community, for example work with racial groups and the creation of the Gold Watch in Swansea. (MtC = Practising)	Failure to address the real needs of the community	Low	The Service recognises the need to make more use of FSEC and local knowledge to better target at risk groups (ie not just achieve increase in numbers and/or blanket coverage). In addition, it needs to further develop information sharing protocols as there is a reluctance among some agencies and organisations to share data and information.	Low	Review progress as part of next JRA meeting
	Plans to deliver the vision	1.3	There is effective leadership in place to deliver the vision and objectives laid out in the RRP. The Service has reorganised to reflect the Council structure within its areas with each County being headed up by a County Commander in charge of all aspects of service delivery. Finance and procurement services have been restructured and the Improvement Plan recognises the need to secure the resources necessary to ensure that improvements and targets can be met.	Potential failure to deliver vision and priorities	Low	The FRS has reorganised as part of the modernisation process but also recognises that this is an ongoing process and that it needs to maintain momentum to be able to respond to external pressure and emerging best practise. The current structure is proving effective and will be further improved with the full implementation of the performance management framework.	Low	Review progress as part of next JRA meeting
	Understanding of the external environment	1.4	The Service undertook a comprehensive consultation exercise as part of the development of the RRP. County Commanders are in place for each County within the Service Area who are active in local partnership working.	Potential failure to contribute fully to the external agenda	Low	Need to maintain current levels of awareness and improve where possible, as identified within the Operational Assurance SAQ	Low	
	Is the FRS a learning organisation	1.5	The Service has fully engaged with the self assessment process. The PAT Team noted that: 'The process of Operational Assurance has been fully embraced by the management of Mid and West Wales Fire and Rescue Service [MWWFRS]. This is evident from the comprehensive self-assessment document, and was reinforced by the positive approach taken by all staff involved in the Peer Assessment process.'	Potential failure to learn and improve	Low	The Risk Reduction Plan highlights areas for improvement. However the Service would benefit from a review of the Operational Assessment Questionnaire and extract identified areas in need of improvement to ensure that these are captured as part of the ongoing risk reduction work	Low	Review progress as part of next JRA meeting
Governance and Management								
	Management Structures	2.1	Clear structure of County Managers in place who deal with all issues within their County Area which are coterminous with County Councils. The structure of the Management Team has been reviewed to ensure its continued engagement with effective service delivery across the FRS.	Potential failure to put in place clear governance and management structures	Low	The Service has completed its reorganisation as part of the modernisation process and the current management structure is effective and will improve when the performance management framework is fully developed and embedded.	Low	Review progress as part of next JRA meeting
	Decision Making	2.2a	Effective Management Team in place with clear responsibilities and understanding of the vision and objectives of the Service. Fire Authority has shown support in making key decisions.	Potential failure to develop clear and effective decision making processes	Low	The Service has recognised the key role that County Managers have in service delivery and has highlighted the emerging role of Local Service Boards as an area for development	Low	
	Roles and Responsibilities of Members	2.2b	Members have clear roles and responsibilities in their role as Fire Authority members. The Authority has a constitution which outlines roles and responsibilities and is supported by a series of sub-committees. Arrangements for the consideration of audit reports are to be strengthened through the remit of the Performance and Policy Review Committee	Potential failure to fully embed roles and responsibilities	Medium	There is a continued need to engage with Members as part of the on-going improvements to the Service. There is a need to ensure the proposed arrangements to strengthen the audit / scrutiny role of the Performance and Policy Review Committee become embedded in the Authority's management arrangements .	Medium	Possible review of Member arrangements in 2007/08

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	Standards of conduct	2.2c	Codes of conduct for both Members and Officers have been agreed and form part of the Constitution which is available of the Fire Authority's web site	Potential risk of lack of clarity re required standards of conduct and non-compliance with WAG guidance	Low	Systems are in place and are kept under review	Low	
	Roles and Responsibilities of Officers	2.2d	All senior officers have clear roles and responsibilities detailed as part of the constitution of the Fire Authority. Following the retirement of the Treasurer (March 2007) responsibility for section 151 LGA Act 1972 has transferred to the Director of Finance.	Potential failure to ensure roles and responsibilities are fully complied with	Medium	Maintain current clarity regarding roles and responsibilities. Need to review operation of s 151 responsibilities in 6-12 months time	Medium	Review progress as part of next JRA meeting
	Responsiveness to external challenge	2.3	The FRS is active in external networks and partnership working. The PAT Team noted that: 'The process of Operational Assurance has been fully embraced by the management of the Service. This is evident from the comprehensive self-assessment document, and was reinforced by the positive approach taken by all staff involved in the Peer Assessment process.'	Possible Capacity issues around responding to external pressures	Medium	The FRS, through the risk reduction process and the self assessment questionnaire, has recognised the need for further changes and developments in terms of the effective delivery of services.	Medium	Review progress as part of next JRA meeting
Capacity								
	Resources, skills and flexibility	3.1	The Service has recognised the need for succession planning to become formalised to ensure that skills and experience are not lost where staff leave. The FRS recognises the need for effective HR management of the service and workforce as part of the on-going improvement and modernisation of the service.	Potential loss of key skills	Medium	The Service has recognised that succession planning plays a key role in maintaining the delivery of an effective service and is developing policy in this area in addition to reviewing the potential impact of being represented on the six Local Service Boards which will be established during 2007-08	Medium	Review progress as part of next JRA meeting
	MTC - Working with others	3.2	The Service has a good track record of implementing effective joint working arrangements that have produced examples of good practice and delivered successful outcomes. There is commitment to a strategic priority to progress this agenda to maximise the benefits for local citizens. The County Command structure has improved partnership working at County level, with positive partnership activity, for example, in Pembrokeshire involving vulnerable people, Swansea (Car Arson) and working with children and young people. The Service is combining with Dyfed Powys Police force in the provision of driver training and is a key player in two Local Resilience Forums and is also active in the Welsh Resilience Forum. The Service is widely recognised for its development of the Co Responder Schemes with the Welsh Ambulance Trust. (MTC = Practising)	Potential failure to generate additional capacity and meet the requirements of the MTC agenda	Medium	The Service recognises that it needs to further integrate benefits of co-locating the control room with other emergency services. It is also making progress in embedding partnership working across all of the organisation through greater use of the Partnership Flow Chart as a means of assessing and evaluating the 'success' of partnerships and improved liaison with councils to enable it to maintain momentum in delivering partnership work as well as the 'must do' list. It is also aware that capacity issue can limit the level of partnership it can actively engage.	Low	
	Project Management	3.3	The Service recognises the importance of good project management and has a good track record of projects which have been successfully delivered. Key staff have been trained in Prince2 methodology.	Potential failure to ensure effective delivery of projects to time and budget	Medium	The development of the new Headquarters building, and other significant capital projects, has given the Service sound experience in running effective project management schemes.	Low	
Performance Management and Continuous Improvement								
	Risk Reduction Planning	4.1	Risk reduction plan produced in line with WAG guidance. The Service has employed Marsh Consultants to undertake a strategic risk profile exercise in 2003 which was followed up in 2005 by a gap analysis report. It is also capturing risk via the FSEC model. The PAT Team noted that: 'Of particular note during the visit was the organisation's commitment to reduce community risk in all its forms through various local initiatives. This is illustrated by the effective use of the 14 co-responder schemes.'	Potential that corporate risk is being assessed in an ad hoc manner	Medium	The self assessment process has identified a range of potential improvement areas which need to be collated and combined with the risk reduction process as part of the review of the risk reduction plan.	Medium	Review progress at next JRA meeting
	MTC - Public Engagement		The FRS has developed an approach to public engagement and is well placed to translate commitment into significant implementation in the near future. Commanders and Station managers are responsible for encouraging and promoting the use of the community facilities and there is a policy of establishing community fire stations which has been agreed by FRA including facilities for community use wherever possible. (MTC = Developing)	Potential failure to fully engage with the public	High	The FRS recognise the need to engage with the general public to better 'sell' new proposals and changes to delivery. In addition, the Service has plans to develop its corporate communications department and is currently recruiting a Corporate Services Manager (remit to include PR, communications, marketing and Sustainable Development).	Medium	Review progress at next JRA meeting
	HR Management and MTC - Engaging the Workforce	4.2	The FRS has made significant progress in preparing the workforce to meet future challenges, with examples of good practice, and is now embedding the benefits from this approach across the organisation. Business planning process is developing and is operational at County level. Roll out of CORVU continues but some aspects are not yet fully functional e.g. station plans, reporting module. The Service is continuing to develop improved working arrangements with retained duty staff (RDS) and a RDS salary scheme being considered; RDS access the same training packages as whole time firefighters; line management accountability is clear and using the Service is using RDS to provide cover. The organisation is committed to the principle of secondments as a learning and development tool and is beginning to utilise this e.g. NPT officer seconded 2 days a week to the YOT. (MTC = Practising)	Potential failure to fully engage with the workforce	Medium	The Service have identified a number of areas for improvement: Develop a communications/ marketing plan for personnel (re development); Develop a draft change program that will be supportive to employees as change happens; Improve clarity re links between County Commands and the training and development function an improve succession planning. The Service recognises that as part of its change programme it will have to maintain and improve industrial relations. The risk of industrial action is recognised by the service in two areas in particular - the risk of failure to deliver changes required to improve service delivery and the potential risk to exacerbate industrial relations in implementing change.	Medium	Review progress at next JRA meeting

Service / Corporate Area	Aspect	Ref	Evidence	Potential Impact	Level of Inherent Risk (calculated from risk impact matrix)	FRS Risk reduction measures and/or controls	Residual Risk Level after mitigating factors considered	Regulators' Risk reduction measures and/or controls
	Health and Safety		The FRS have a clear and effective system in place to manage corporate health and safety issues. The PAT Team noted that: 'The Service has a fully integrated approach to the management of health and safety. This is underpinned by comprehensive policy documents, clear responsibilities and a positive safety culture.'	Potential risk that the service does not meet health and safety regulations	Low	Procedures and policies are in place and are kept under review.	Low	
	Financial Planning and Management	4.3	See comments under COAIP below					
	Property and Estates Management	4.4	The Service has undertaken several joint approaches to deliver improvements in services and has a Premises Manager in post. There is a three year capital programme in place, updated annually and an assessment of all buildings was undertaken which has resulted in a weighted score for each building and an associated work plan. Each building has also been assessed in terms of compliance with the DDA and diversity/equality policy	Potential failure to manage the estate	Medium	While a full Asset Management Plan is not yet in place the Service has an asset management programme based on a comprehensive review of premises which has given need ranking. There are also a series of contracts dealing with maintenance and cleaning in place which are kept under review.	Medium	Review at next JRA Meeting
	Performance Management and Measurement	4.5	The Performance Management project is being implemented. The FRS is linking business and budget planning cycles and introducing updated Standing Orders and Procedures with the purpose of joining up of business planning, financial planning, the development of the RRP and performance measurement.	Potential failure to meet the objectives of the RRP due to a lack of robust performance management framework	High	The WAO report on performance management contained six recommendations which are being implemented.	Medium	Follow up of recommendations in WAO report
	Continuous Improvement	4.6	The need for continuous improvement is recognised at all levels of the organisation and the Service have embraced WPI and MtC in an positive and effective manner as shown by its approach to the process. It has also played a full part in the Welsh Assembly Government's efficiencies programme	Potential failure to meet the objectives of the RRP	High	The FRS has set ambitious targets in its RRP and the agreement and support of the FRA and the workforce will be crucial in developing the FRS during 2007/08	Medium	Review progress at next JRA meeting
	Sustainability		The RRP has recognised the need to sustain the delivery of the Service through redeployment of resources. In addition the Service is improving its sustainability approaches to the overall management of the service, for example through an assessment of sustainability as part of asset management.	Potential failure to ensure that sustainability is fully embedded	High	Need to consider WPI requirements for next JRA. The FRS is reviewing how to embed sustainability within the Service and at a corporate level.	High	Review progress at next JRA meeting
	Equalities		Ethnic outreach officer in place, and close links established with the Swansea Bay Race Equality Council, including temporary secondment of a member of staff, and is represented on their Board. There is a strong commitment to diversity and equalities within the service as illustrated by the commitment in the 2007/08 budget to fund a new post of equalities officer.	Potential failure to meet legislative requirements	High	Need to consider WPI requirements for next JRA. The Service recognises the importance of equalities in meeting its legal obligations and is appointing an additional Equality Officer	High	Review progress at next JRA meeting
E-Fire and Rescue			The FRS has expressed concern within the SAQ about the need for guidance in respect of E-Gov from WAG. While key service areas are secure, there is no IT business continuity plan in place..	Potential failure to maintain effective IT systems	High	The Service recognises the need to develop effective business continuity arrangements for its IT function which was recorded as a high risk in the WAO High Level IT Risk Assessment.	High	Review progress at next JRA meeting
COAIP Audit of Financial Systems								
	Financial Standing		The 2005-06 Annual Audit Letter concluded that the Authority's significant financial systems can be relied upon to produce materially correct outputs. Latest budget reports show the projected financial position for 2006-07 (as at March 2007) is in line with approved budget.	Potential failure to ensure robust financial management	Low	The Service needs to maintain its current effective financial standing	Low	Review progress as part of the next JRA and Annual Audit Letter
	Financial Management		Overall the Authority has continued to apply appropriate governance arrangements, though there is need to review the arrangements for reporting audit work to the Authority and ensure that all procurement is fully compliant with standing orders for contracts and financial regulations. The Service has been successful in reducing insurance claims and premiums.	Potential failure to ensure robust financial management	High	The Service needs to ensure that the recommendations in the audit report on procurement are fully implemented. The Service is to create an Performance Review and Audit Committee to consider internal audit reports, audit plans and external audit reports including VFM reports.	Medium	Possible follow-up of recommendations
	Financial Statements		Suitable arrangements are in place and that the Authority's revenue and capital budgets cover all relevant areas of income and expenditure and are based on realistic assumptions. The Authority also has in place sound arrangements for financial monitoring and reporting that should ensure that any potential material misstatements and variances will be identified. The 2006-07 interim audit as confirmed that appropriate arrangements are in place for the completion of the 2006-07 accounts.	Potential failure to ensure robust financial management	Low	The Service needs to maintain its current effective financial systems	Low	Review progress as part of the next JRA and Annual Audit Letter



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU



Joint Risk Assessment, 2007 (final)

Signed on behalf of the Wales Audit Office:

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Relationship Manager

Signed on behalf of Fire and
Rescue Service

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Leader

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Chief Fire Officer