



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

# Annual Improvement Report

## North Wales Fire and Rescue Authority

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# About the Auditor General for Wales

The Auditor General is independent of government, and is appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the National Assembly.

Together with appointed auditors, the Auditor General audits local government bodies in Wales, including unitary authorities, police, probation, fire and rescue authorities, national parks and community councils. He also conducts local government value for money studies and assesses compliance with the requirements of the Local Government (Wales) Measure 2009.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Assembly Commission and National Health Service bodies in Wales.

The Auditor General and staff of the Wales Audit Office aim to provide public-focused and proportionate reporting on the stewardship of public resources and in the process provide insight and promote improvement.

This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Lisa Williams and Ron Price under the direction of Jane Holownia.

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# Summary report

- 1 Each year, the Auditor General must report on how well Welsh councils, fire and rescue authorities, and national parks are planning for improvement in delivering their services. This report draws on the work of the relevant Welsh inspectorates, as well as work undertaken on the Auditor General's behalf by the Wales Audit Office. The report covers the North Wales Fire and Rescue Authority's (the Authority) delivery and evaluation of services in relation to 2012-13, its planning of improvement for 2013-14 and 2014-15, taking these into account, concludes whether the Auditor General believes that the Authority will make arrangements to secure continuous improvement for 2014-15.
- 2 We found that, in 2012-13, even though deaths and injuries from dwelling fires have increased due to one deliberate fire, the Authority delivered improvements in its core functions. We came to this conclusion because the Authority:
  - has worked hard to reduce the number of fires it attends in dwellings by undertaking an extensive range of preventative activities;
  - engages well with partners to encourage safer non domestic premises;
  - has a well managed programme of activities in place to reduce the number of deliberate fires;
  - works actively with partners to encourage road safety; and
  - maintained an effective and resilient service during periods of industrial action.
- 3 We found that the Authority has discharged its improvement reporting duties under the Local Government (Wales) Measure 2009 although there is potential to strengthen its arrangements further. We came to this conclusion because:
  - the Authority published its Performance Assessment for 2012-13 within statutory deadlines, clearly evaluated success in achieving its improvement objectives and included all required national strategic and core performance indicators;
  - the Assessment described the Authority's approach to collaboration; and
  - further improvements could be made to strengthen the use of comparative data and make citizens aware of the Assessment.
- 4 We also found that the Authority discharged its planning duties under the Local Government (Wales) Measure 2009, but business planning arrangements can be strengthened and clear leadership will be needed to implement the changes necessary to address the financial challenges ahead. We came to this conclusion because:
  - business planning is well-embedded and generally outcome-focused, but the requirements of the Equality Act 2010 are not explicitly considered whilst determining improvement objectives and the arrangements for evaluating and reporting during 2014-15 are under development;

- Financial challenges continue to be managed effectively although the scale of change necessary will continue to require clear leadership and direction;
- initiatives to promote and support the use of the Welsh Language continue;
- adequate arrangements are in place to meet Public Interest Disclosure legislation; and
- work is continuing, with other Welsh Fire and Rescue Authorities to develop consistent Human Resources baseline information.

5 Taking the above into account, the Auditor General believes that the Authority is likely to comply with the requirement to make arrangements to secure continuous improvement in 2014-15.

## Proposals for improvement

P1	<p>Strengthen the improvement planning process by:</p> <ul style="list-style-type: none"> <li>• explicitly reflecting the requirements of the Equalities Act 2010 in improvement plans and their development; and</li> <li>• developing actions, measures and associated reporting arrangements for 2014-15 Improvement Objectives two and three.</li> </ul>
P2	<p>Improve the Assessment of Performance report by:</p> <ul style="list-style-type: none"> <li>• using more comparative data;</li> <li>• making the public more aware of its existence;</li> <li>• producing a more timely summary of the Assessment;</li> <li>• making the Assessment available in a wide range of formats; and</li> <li>• inviting specific comment or input from citizens and the community about the Assessment.</li> </ul>

# Detailed report

## Introduction

- 6 Under the Local Government (Wales) Measure 2009 (the Measure), the Auditor General must report each year on how well Welsh councils, fire and rescue authorities, and national parks are planning for improvement in delivering their services. **Appendix 1** provides more information about the Auditor General's powers and duties under the Measure. This work has been undertaken by staff of the Wales Audit Office on behalf of the Auditor General with help from the Welsh Language Commissioner. We have brought together a picture of what each Council or Authority in Wales is trying to achieve, how it is going about it, and the progress the Authority has made since the Auditor General published his last annual improvement report. The report also draws on the Authority's own self-assessment. Finally, taking all this into account, the report records the Auditor General's conclusion on whether the Authority is likely to make arrangements to secure continuous improvement for 2014-15.
- 7 We do not undertake a comprehensive annual review of all Authority's arrangements or services. The conclusions in this report are based on our cumulative and shared knowledge and the findings of prioritised work undertaken this year.
- 8 Given the wide range of services provided and the challenges facing the Authority, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
- make proposals for improvement – if proposals are made to the Authority, we would expect them to do something about them and we will follow up what happens;
  - make formal recommendations for improvement – if a formal recommendation is made the Authority must prepare a response to that recommendation within 30 working days;
  - conduct a special inspection and publish a report and make recommendations; and
  - recommend to Ministers of the Welsh Government that they intervene in some way.
- 9 We want to find out if this report gives you the information you need and whether it is easy to understand. You can let us know your views by e-mailing us at [info@wao.gov.uk](mailto:info@wao.gov.uk) or writing to us at 24, Cathedral Road, Cardiff CF11 9LJ.

## The Authority delivered improvements in its core functions although deaths and injuries from dwelling fires have increased due to one deliberate fire

10 In July 2013 the Welsh Government published a report<sup>1</sup> about the progress the three Welsh fire and rescue authorities have made against the National Framework<sup>2</sup> during the period April 2011 to March 2013. The report takes a strategic overview and focuses on those priority areas highlighted in the previous and extant Framework made by the FRAs over the last two years, particularly for:

- Collaboration – how the FRAs engage with other public bodies, the third sector, the Welsh Government and the public and communities which the FRAs serve;
- Planning and Performance – improving the quality and availability of the FRAs' services and the need to deliver improved services and better outcomes for the people of Wales, with less resources;
- Service Delivery – core duties of the FRAs to mitigate the effect of identified risks, ensuring a professional and effective response to a range of incidents;
- Resilience – how the FRAs work to respond to major threats; and
- Resources – how the FRAs focus on priorities for leadership and workforce planning, development and training to ensure that the FRAs provide the best possible service to citizens, while protecting their own staff.

11 The purpose of the National Framework is to provide direction for Welsh Fire and Rescue Authorities in the discharging of their statutory duties and their role in the context of the wider public sector. There are a number of key roles and duties which form the core of both Frameworks:

- the need to provide a resilient service;
- the need to work collaboratively to achieve common goals; and
- the need for innovation and new ways of working to make the most of the talents, expertise and resources that exist in Wales.

12 There are two key themes running throughout the '2012 onwards' Framework for FRAs to focus on:

- measuring outcomes for citizens and how collaboration supports this agenda; and
- managing with less, whilst maintaining appropriate services to citizens, in the current economic climate.

13 In light of the report, and to avoid duplication of effort, we have not undertaken further evaluation of the fire and rescue authorities progress against the national framework ourselves. However, in the following paragraphs we provide a summary of the Authority's performance in four specific areas (dwelling fires, non-domestic premises fires, deliberate fire setting, road traffic accidents) in order to form a view on the

<sup>1</sup> *Fire and Rescue National Framework Report 2011-2013*

<sup>2</sup> (The 'Fire and Rescue National Framework for Wales' published in 2008 and the extant 'Fire and Rescue National Framework 2012 onwards' which set out the Welsh Government's vision and priorities for Fire and Rescue Authorities (FRAs))

Authority's improvement in its core functions. We have highlighted some examples of the activities undertaken by the Authorities in keeping with the main themes of the Framework as outlined in paragraphs 11 and 12.

### The Authority has worked hard to reduce the number of fires it attends in dwellings by undertaking an extensive range of preventative activities

- 14 The Authority has an improvement objective to *'help to keep people and communities safe by preventing deaths and injuries from accidental fires in living accommodation'*. It has a clear strategy of focussing its resources on a prevention agenda and has maintained a substantial programme of home fire safety checks to support this.
- 15 The Authority has, with the other Welsh fire and rescue authorities developed the Dwelling Fire Response Charter which outlines the level of prevention, protection and response that communities can expect on dwelling fire risk in order to reduce the instances of death, injury and accidental fires in domestic dwellings.
- 16 The Authority undertakes extensive preventative activities to reduce the number of dwelling fires it attends. Many staff, based in both operational stations and central teams, contribute to a range of different activities aimed at raising awareness and warning of the dangers that may lead to a dwelling fire.
- 17 Home fire safety checks are an important part of this work as is the school education programme, many of which are undertaken in conjunction with external partners. The Authority aims to make the home fire safety checks undertaken as targeted as possible to those most at risk from fire in the home. In order to do this it liaises with a number of partner agencies who have access to data that the Authority can use as a means of determining risks. Home Fire Safety Checks provide households with a range of information and advice on how to reduce the risk of fires in the home and what to do if one occurs.
- 18 The total number of fires attended across Wales has reduced considerably over the last decade, from 26,327 in 2004-05 to 11,437 in 2012-13, a reduction of 57 per cent. Within North Wales the reduction in total fires attended has been less than the all Wales figure reducing by 47 per cent from 4,414 in 2004-05 to 2,349 in 2012-13.
- 19 The number of dwelling fires attended decreased by seven per cent during 2012-13 compared with the previous year (from 530 attendances in 2011-12 to 493 in 2012-13). This is above the Welsh average of five per cent reduction for the same period:
- dwelling fires started accidentally decreased by four per cent during 2012-13 compared with the previous year (from 474 in 2011-12 to 454 in 2012-13), which is the same decrease as the Welsh average reduction for the same period; and



- there were 39 dwelling fires started deliberately, a 30 per cent reduction on the previous year when there were 56, and greater than the 20 per cent reduction across Wales during the same period.
- 20 It is positive that fewer dwelling fires were attended during 2012-13. Although the number of deaths and injuries increased during 2012-13, there is no specific trend in the figures, either in location, property type or individual personal characteristics to enable the Authority to additionally target that element. Therefore, the Authority plans to continue its current prevention work around home fire safety checks, risk based analysis of incidents, and general fire safety campaigns across the whole of North Wales.
- 21 More people died in dwelling fires during 2012-13 (from six people in 2011-12 to eight people in 2012-13) than in the previous year. The number of injuries sustained in dwelling fires increased by 26 per cent (from 38 in 2011-12 to 48 in 2012-13), compared with a reduction of one per cent across Wales for the same period.
- 22 The percentages of smoke alarm activations and absence in North Wales in 2012-13 remained broadly the same as 2011-12. Of fires attended:
- The percentage of fires attended where no smoke alarm or other fire detection equipment were fitted stayed at 15 per cent, which is significantly better than the Welsh average of 30 per cent for 2012-13.
  - Fewer fires were attended where smoke alarms or other fire detection equipment actuated (from 61 per cent in 2011-12 to 59 per cent in 2012-13), which is significantly better than the Welsh average of 51 per cent across Wales for the same period.
  - An increased proportion of dwelling fires had smoke alarms or other fire detection equipment fitted which did not actuate, up from 24 per cent in 2011-12 to 26 per cent in 2012-13. This is above the Welsh average of 19 per cent for the same period.
- 23 The total number of fires in homes in which a home fire safety risk assessment and/or associated risk reduction activity has taken place within two years before the fire decreased by 12 per cent (from 164 in 2011-12 to 145 in 2012-13), compared with a five per cent increase across Wales.
- The Authority engages well with partners to encourage safer non domestic premises**
- 24 The Authority undertakes business fire safety activities each year through a programme of risk based audits of business premises. The Authority also uses knowledge of incidents to target additional work to minimise fire risk in non-domestic premises.
- 25 It is positive that the number of fires in non-domestic premises across Wales has fallen by 51 per cent in the period from 2004-05 to 2012-13, whilst in North Wales it has fallen by 57 per cent over the same period.

- 26 The number of non-domestic premises fires attended within North Wales decreased by 32 per cent during 2012-13 compared with the previous year (from 215 attendances in 2011-12 to 147 attendances in 2012-13), better than the Welsh average reduction of 16 per cent for the same period. It is positive that a substantial reduction in non domestic fires has occurred.
- 27 No people died in non-domestic premises fires during 2012-13 (the same as in 2011 12) in line with the position across Wales. The number of injuries sustained in such fires decreased by 33 per cent from three in 2011-12 to two in 2012-13, which is the same as the decrease across Wales for the same period. These numbers are small and each incident can have a significant impact on the year on year comparison.
- 28 Reducing the number of false alarm calls (caused by automatic fire detection and alarm systems in non-domestic premises) received and attended (including malicious) so that fire and rescue services across Wales spend less time, fuel and resources at unnecessary events is a key strand of work with managers of non domestic premises. This includes working with hospitals and universities as well as owners of small and large business premises.
- 29 The total number of malicious false alarm calls received has been falling significantly over the past few years across Wales (from 5,210 in 2004-05 to 2,706 in 2012-13, a decrease of 48 per cent). Within North Wales the number of calls received in the same period decreased from 930 in 2004-05 to 473 in 2012-13, a reduction of 49 per cent.
- 30 Within North Wales the number of malicious false alarm calls received decreased by 12 per cent during 2012-13 (from 538 in 2011-12 to 473 in 2012-13), broadly in line with the 11 per cent decrease across Wales in the same period (from 3,023 in 2011-12 to 2,706 in 2012-13).
- 31 Since 2004-05 the number of malicious false alarms attended within Wales reduced by 60 per cent from 1,775 in 2004-05 to 702 in 2012-13. Within North Wales the number of malicious false alarm calls attended reduced by 61 per cent over the same period from 271 in 2004-05 to 106 in 2012-13. The total number of malicious false alarm calls attended decreased from 133 in 2011-12 to 106 in 2012-13 a reduction of 20 per cent. This is better than the 13 per cent decrease across Wales over the same period (from 807 in 2011-12 to 702 in 2012-13).
- 32 Across Wales the number of false alarms attended (caused by automatic fire detection and alarm systems) in non-domestic premises has been falling over the last few years (from 9,217 in 2004-05 to 6,953 in 2012-13). Within North Wales the total number of false alarms (caused by automatic fire detection and alarm systems) in non-domestic premises attended decreased by four per cent (from 1,411 in 2011-12 to 1,350 in 2012-13). This is lower than the 13 per cent decrease across Wales over the same period (from 807 in 2011-12 to 702 in 2012-13).

33 The National Issues Committee (NIC) is currently reviewing call challenge and response arrangements in respect of automated false alarms in non domestic premises in order to development an all wales approach.

### The Authority has a well managed programme of activities in place to reduce the number of deliberate fires

34 The Authority has pursued a prevention agenda and worked well with external partners in reducing fire risk across the area. The work of the Arson Reduction Team in collaboration with the Police in targeting, for instance, grassland fires is a contributory element in this prevention work.

35 Across Wales the total number of deliberate fires attended over the last few years has fallen by 68 per cent over the last few years (from 19,709 in 2004-05 to 6,399 in 2012-13). Within North Wales the number attended also decreased by 66 per cent (from 2,454 in 2004-05 to 835 in 2012-13) over the same period.

36 Within North Wales the number of deliberate fires attended decreased by 39 per cent during 2012-13, compared with the previous year (from 1,370 in 2011-12 to 835 in 2012-13). This large reduction is consistent with the 40 per cent average reduction in deliberate fires across Wales for the same period.

37 Some 36 per cent of all fires attended within North Wales during 2012-13 were started deliberately. This is lower than in 2011-12 (43 per cent) and significantly lower than the Welsh average of 56 per cent during 2012-13.

38 Work of the Authority's arson reduction team has contributed to the significant reduction in deliberate fires during 2012-13, although the Authority also acknowledge that seasonal factors, weather and cultural issues can affect deliberate fire setting. The Authority has been using campaigns to highlight issues around controlled burning during the year.

39 The number of injuries sustained in deliberate fires decreased by 38 per cent from eight in 2011-12 to five in 2012-13 which is lower than the Welsh average decrease of 50 per cent for the same period. These numbers are small and each incident can have a significant impact on the year on year comparison.

40 Five people died in deliberate fires during 2012-13 (compared with no deliberate fire deaths in 2011-12). These deaths occurred in one incident in Prestatyn in October 2012. These numbers are small and each incident can have a significant impact on the year on year comparison.

## The Authority works actively with partners to encourage road safety

41 Road safety is not a statutory duty for the Authority but it works in collaboration with the Police and others to improve safety on the roads through the Road Safety Wales Group. The Authority undertook many initiatives designed to decrease the number of road accidents including:

- maintaining its partner role with the Road Safety Wales Group;
- participating in the Pass Plus Cymru driving scheme which is aimed at young drivers aged 18 to 25 and delivered in partnership with the police;
- participating in the Motor Education Scheme which is a partnership initiative involving Police and local authorities; and
- running Impact roadshow displays and participating in multi-agency road safety days.

42 Road safety figures show general improvement across Wales during 2012-13, with significant reductions in fatal and serious accident figures, with fewer deaths and injuries than the previous year. The Authority has seen some improvement this year, particularly in a reduction in the number of road traffic collisions attended and in the number of fatal and serious accidents and injuries:

- The number of road traffic collisions attended has decreased by 36 per cent during 2012; this is significantly better than the three per cent reduction across Wales in the same period.
- Fatal and serious accidents have reduced in North Wales by 12 per cent between 2011 when 326 accidents occurred and 2012 when 287 accidents occurred; this reduction is smaller than the reduction seen across Wales, which was 16 per cent.
- The number of people who died in road traffic collisions decreased from 33 in 2011 to 24 in 2012.
- The number of casualties decreased by four per cent between 2011 when there were 2,297 casualties and 2012 when there were 2,206, which is lower than the nine per cent decrease across Wales for the same period.
- Fewer drivers aged 25 and under were involved in road traffic accidents in North Wales in 2012. The number involved has fallen from 586 in 2011 to 535 in 2012, a reduction of nine per cent. This is lower than the 11 per cent reduction across Wales for the same period.
- There were 155 motorcyclist casualties in 2012 compared with 172 in 2011, a reduction of ten per cent, which is greater than the two per cent increase across Wales for the same period.

## The Authority maintained an effective and resilient service during periods of industrial action

- 43 Since mid 2013 the Authority has faced challenges in a national dispute primarily relating to the Government's proposed changes to Pension arrangements for fire fighters. This has required the Authority to put in place arrangements to maintain its services during these periods of industrial action which has placed an additional burden on the Authority, both financially and operationally. The Authority managed this challenge effectively during 2013 but the ongoing dispute remains a challenge for the Authority during 2014 and it is uncertain what impact this will have on the Authority moving forward.

## The Authority has discharged its improvement reporting duties although there is potential to strengthen its arrangements further

The Authority published its Performance Assessment for 2012-13 within statutory deadlines, clearly evaluated success in achieving its improvement objectives and included all required national strategic and core performance indicators

44 The Authority approved and published its Assessment of Performance 2012-13 (entitled How did we do in 2012-13) before the statutory deadline of 31 October 2013. Within the Assessment the Authority evaluated its success in achieving its improvement objectives and expressed its view clearly.

45 The Assessment includes details of performance as measured by the national strategic and core performance indicators. Our review of data quality during 2013 found that national strategic and core indicator information was accurate and supported by appropriate mechanisms to evaluate, monitor and review data.

46 In its Performance Indicator Framework for Fire and Rescue Authorities the Welsh Government also suggests a number of local measures should be included in the Authority's Assessment of Performance that are not currently reported. Last year we reported that the following were not included:

- performance in respect of road traffic collisions;

- performance in reducing fire fighter operational injuries;
- performance against the Welsh Fire and Rescue Authority Equality and Diversity Strategy (although some equality and diversity data is included); and
- performance against the Authority's Welsh Language Scheme.

47 The Authority included information on the quality and extent of training and development for fire fighters, the performance against the Equality and Diversity strategy and performance against the Welsh Language Scheme in its assessment of 2012-13.

### The Assessment described the Authority's approach to collaboration

48 The Authority has set out in its Assessment how it has developed collaboration with other emergency services and agencies. This has focussed on risk reduction for people vulnerable to the risk of fire. There has been an increased emphasis on data and joint information sharing, with the Authority working to establish clear protocols and arrangements with its partners in accordance with national legislation. For example, the Authority has put arrangements in place with the North Wales Deaf Association, who have been trained to undertake home fire safety checks during the course of their normal duties.

49 During 2012-13 the Authority reviewed its overall arrangements for delivering home fire safety checks in conjunction with external partners, through the development of a new Community Fire Safety action plan. This sets the arrangements for helping to deliver against the Authority's improvement objective of reducing deaths and injuries in accidental fires. The Authority has established more quality control arrangements and clearer use of the recording and monitoring system to monitor prevention activities, to reach as many people within the community as possible.

50 Additional Welsh Government grant funding has been used to successfully support collaboration and prevention activities, thereby reducing the incidence of dwelling fires. This has included a Third Sector Co-ordinator role, Arson Reduction Team. HFSC Partnership development has undertaken fire safety campaigns during the year (including a focus on dangers associated with cooking, smoking, candle use and electrical items).

### Further improvements could be made to strengthen the use of comparative data and make citizens aware of the Assessment

51 The Authority could further improve its future assessments by:

- Using more comparative data - In our Annual Improvement Report (April 2013) we noted that although the Authority used a wide range of its own information to arrive at its conclusions it does not do enough to compare its performance to other similar bodies. We remain of this view. The Authority has included some comparison of its own performance over time (in reducing accidental dwelling fires and associated casualties against the averages for England and Wales) but limited reference is made in the Performance Assessment for 2012-13 about how North Wales performance compares with the rest of Wales or with other parts of the United Kingdom. No local indicators are used to compare performance with other Welsh Improvement Authorities. The public's view of how the Authority performs in relation to other similar bodies will therefore be limited and the Authority is not clearly stating how well it believes it performs in comparison to others.

- Making citizens aware of the Performance Assessment. The Authority does not make use of available channels to raise awareness about the Performance Assessment. It is not advertised on the home page of the Authority's website for example.
- Publishing a more timely summary. The publication of the 2012-13 summary was delayed until February 2014 and this limits the effectiveness of potentially engaging with the public.

52 The Authority is currently consulting with the other Welsh Fire and Rescue Authorities in Wales through the NIC on how more comparative data can be used.



## The Authority discharged its improvement planning duties but business planning arrangements can be strengthened and clear leadership will be needed to implement the changes necessary to address the financial challenges ahead

Business planning is well-embedded and generally outcome-focused, but the requirements of the Equality Act 2010 are not explicitly considered whilst determining improvement objectives and the arrangements for evaluating and reporting during 2014-15 are under development

53 The Authority's leadership is continuing to drive change. Arrangements are in place to determine improvement objectives in a collaborative way. Staff were aware of the improvement objectives for 2013-14 and 2014-15 and were supportive of the general direction of improvement. The Authority has agreed three improvement objectives for 2014-15:

- to help to keep people and communities safe by preventing deaths and injuries from accidental fires in living accommodation (carried forward from previous years);
- to implement a three year financial plan for 2014-15 to 2016-17 that funds the current level of service, but that aims to limit the cost of doing so to the equivalent of an extra £1 per year per head of population; and
- to ensure that North Wales gets the best possible level of service within financial constraints, use a variety of management solutions to optimise fire and rescue cover in the area.

54 The outcomes the Authority expect to achieve during 2014-15 are not clearly stated, particularly for improvement objective three, and this makes it difficult for citizens to understand what it can expect the improvement to be. For example phrases such as 'current level of service' and 'best possible level of service' will mean different things to different people and are not defined within the Improvement Plan.

55 The actions needed to achieve the two 2013-14 improvement objectives were clearly set out in the improvement plan but this is less clear for 2014-15. Whilst descriptions of the planned actions are given for improvement objective one, the Authority is currently determining the detailed actions necessary to limit cost increases for the period 2014-15 to 2016-17 to an extra £1 per year per head of population, collaboratively with representative bodies and constituent authorities (to implement improvement objective two). Following these deliberations the actions to implement improvement objective three will also then be finalised.

56 We found that reporting against improvement objective two during 2013-14 did not explicitly link to existing performance reporting arrangements. For example the reports on progress against the improvement objectives which are presented to the Executive Panel on a regular basis contain reference to Improvement objective two yet there is no detail to indicate progress or overall performance against the annual budget or links to where this information may be found, for example within the

budget monitoring reports. When the actions needed to achieve Improvement Objectives two and three for 2014-15 are known the Authority needs to agree how it will report progress against the improvement objectives during the year both internally and externally.

- 57 Equality Impact Assessments covering the implementation of the final Improvement Objectives for 2014-15 were presented to the Authority when they agreed the improvement objectives in March 2014. However, it is unclear if these were considered as part of the process for determining improvement objectives. Undertaking the assessment earlier in the process would ensure that the needs of people with protected characteristics under the Equality Act 2010 were considered at the planning stage.

**Financial challenges continue to be managed effectively although the scale of change necessary will continue to require clear leadership and direction**

- 58 On 25 September 2013, the auditor appointed by the Auditor General issued an unqualified audit opinion on the Authority's accounting statements. A copy of the Appointed Auditor's Annual Audit Letter to the Authority, which summarises the key messages arising from the audit, is enclosed at [Appendix 3](#).
- 59 On 20 October 2010 the Chancellor of the Exchequer announced the 2010 spending review to Parliament. This review formed a central part of the coalition government's response to reducing the

national deficit, with the intention to bring public finances into balance. These savings represent the largest reduction in public spending since the 1920s and come at a time when demographic changes and recession-based economic pressures are increasing demand for some services. To effectively plan their finances authorities need to analyse details of financial trends, appropriate benchmarking information, possible scenarios and their likely impact over the short, medium and long term. The current financial climate and the recent tough settlement for local government mean that good financial planning is critical to sustaining financial resilience.

- 60 We are currently examining authorities financial health, their approach to budgeting and delivering on required savings, to provide assurance that authorities are financially resilient. This work will consider whether authorities have robust approaches in place to manage the budget reductions that they are facing to secure a stable financial position that enables them to continue to operate for the foreseeable future. The focus of the work is on the 2014-15 financial planning period and the delivery of 2013-14 budgets. This review will be completed early in 2014-15 and we will publish the findings in our next cycle of improvement assessment work.
- 61 Final figures for the actual outturn for 2013-14 show an underspend of £1,336,358. For the last three financial years the Authority made savings of £2.4 million through changes to the rostering system, management structure, aerial appliance cover and community and support

service staffing. The underspend will be used to support a contribution of £1 million to a capital reserve and a contribution of £336,358 to the Retained Duty Staff pension provision.

- 62 The Authority has approved a net budget of £31,772,011 for 2014-15, partly funded from using reserves. Utilising a reserve represents a way of minimising the effects of the financial pressures but given general inflationary pressures there is a limit to how reserves can be used.
- 63 The forecast net expenditure (based on the same provision of service) for 2015-16 is £33,146,845 (an increase of 4.33 per cent) meaning that 2015-16 will be challenging and the Authority faces difficult choices to maintain a balanced budget in future years.
- 64 The need to balance budgets in 2015-16 and 2016-17 will require the Authority to make difficult decisions as the current service provision appears unworkable within the predicted financial constraints. To date the Authority has taken pro-active steps to evolve service delivery without the need for staff redundancies or station closure. In this regard it has worked effectively with staff representatives to make mutually acceptable changes to the structure of the workforce.
- 65 The Authority recognises that the historic model for service delivery using a combination of full time fire fighters and retained duty system (RDS) staff is no longer fit for purpose in all areas of North Wales. Societal changes mean that it is difficult to

guarantee fire fighter cover at all times. The Authority has therefore sought to deploy its workforce in a more flexible way for example by utilising a pool of operational staff who can work more flexibly across North Wales, and using contracts to improve workforce availability.

### Initiatives to promote and support the use of the Welsh Language continue

- 66 There was a reduction in the percentage of home fire safety checks through the medium of Welsh during 2012-13, and the Authority has re-launched the 'Mae gen ti ddewis' (You have a Choice) campaign to tackle this. The Authority continues to develop Welsh language training and has produced learning material and is developing a language awareness e-learning module. There has been an increase in the percentage of Welsh essential posts filled by Welsh speakers, and the Authority is proactive in targeting the remainder of staff to reach the necessary level to satisfy the linguistic requirements of posts. The Authority was nominated for the Inspiring Wales award in the 'Welsh in the Workplace' category. The Authority has sought to supplement its own in-house translation provision with external translators, including from North Wales Police and from other local authorities.

### Adequate arrangements are in place to meet Public Interest Disclosure legislation

- 67 The Authority has put in place adequate arrangements to meet the requirements of the Public Interest Disclosure Act 1998, and the changes made to Whistle Blowing law by the Enterprise and Regulatory Reform Act 2013.
- 68 The Authority reviewed its whistle blowing arrangements during 2013 and have drafted a revised policy which will be finalised and launched early in 2014-15 following our review. There have been no cases for monitoring arrangements to record during the last two years.

### Work is continuing with other Welsh Fire and Rescue Authorities to develop consistent Human Resource baseline information

- 69 We set out in our Annual Regulatory Plan that we would undertake a thematic review of arrangements covering Human Resources at North Wales Fire and Rescue Authority as well as the other Welsh Fire and Rescue Authorities. This work is still ongoing.
- 70 During 2013 arrangements have been agreed between the Welsh Fire and Rescue Authorities to develop common baseline information about HR activities and resources, to enable meaningful comparison to take place. We support this ambition and encourage further analysis to identify trends and outliers. We will work with the Authorities in developing and using this information during 2014.

## The Authority is likely to comply with the requirement to make arrangements to secure continuous improvement in 2014-15

- 71 Based on the conclusions outlined in the previous sections of this report the Auditor General believes that North Wales Fire and Rescue Authority is likely to meet the requirements of the Measure in making arrangements to secure continuous improvement.

# Appendices

## Appendix 1 Status of this report

The Local Government (Wales) Measure 2009 (the Measure) requires the Auditor General to undertake an annual improvement assessment, and to publish an annual improvement report, for each improvement authority in Wales. This requirement covers local councils, national parks, and fire and rescue authorities.

This report has been produced by staff of the Wales Audit Office on behalf of the Auditor General to discharge his duties under section 24 of the Measure. The report also discharges his duties under section 19 to issue a report certifying that he has carried out an improvement assessment under section 18 and stating whether, as a result of his improvement plan audit under section 17, he believes that the authority has discharged its improvement planning duties under section 15.

Improvement authorities are under a general duty to 'make arrangements to secure continuous improvement in the exercise of [their] functions'. Improvement authorities are defined as local councils, national parks, and fire and rescue authorities.

The annual improvement assessment is the main piece of work that enables the Auditor General to fulfil his duties. The improvement assessment is a forward-looking assessment of an authority's likelihood to comply with its duty to make arrangements to secure continuous improvement. It also includes a retrospective assessment of whether an authority has achieved its planned improvements in order to inform a view as to the authority's track record of improvement. The Auditor General will summarise his audit and assessment work in a published Annual Improvement Report for each authority (under section 24).

The Auditor General may also in some circumstances carry out special inspections (under section 21), which will be reported to the authority and Ministers, and which he may publish (under section 22). An important ancillary activity for the Auditor General is the co-ordination of assessment and regulatory work (required by section 23), which takes into consideration the overall programme of work of all relevant regulators at an improvement authority. The Auditor General may also take account of information shared by relevant regulators (under section 33) in his assessments.

## Appendix 2

# Useful information about North Wales Fire and Rescue Authority

### The Authority

The Authority has to perform all the duties and responsibilities in accordance with appropriate legislation and regulations. There are three important pieces of law relating to fire authorities:

### The Fire and Rescue Services Act 2004

The Act requires all fire authorities to make provision for fire fighting, which means not only putting out fires but also protecting life and property in case of fire. It also makes provision for attending road traffic collisions and other emergencies as well as community safety activities.

### The Regulatory Reform (Fire Safety) Order (FSO) 2005

The Order came into force on 1 October 2006, and replaced over 70 separate pieces of fire safety legislation. The requirement for businesses to have fire certificates was abolished. The FSO applies to all non-domestic premises in England and Wales, including the common parts of blocks of flats and houses in multiple occupation. It gives responsibility to those who are best placed to address fire safety and ensure that risks are kept under review. Under the Order the Responsible Person<sup>3</sup> is required to carry out a fire risk assessment and put in place appropriate fire safety measures to minimise the risk to life from fire; and to keep the assessment up to date. The Order is enforced by Fire and Rescue Authorities who are expected to develop appropriate risk based inspection regimes.

### Civil Contingencies Act 2004

The Act delivers a single framework for civil protection in the United Kingdom capable of meeting the challenges of the twenty-first century. The Act is divided into two parts; Part 1 which defines the obligations of certain organisations to prepare for various types of emergencies and Part 2 which provides additional powers for the Government to use in the event of a large scale emergency. Under the Act fire and rescue services are defined as Category 1 Responders and as such have six specific duties to deliver:

- assess the risk of emergencies occurring and use this to inform contingency planning;
- put in place emergency plans;
- put in place Business Continuity Management arrangements;
- put in place arrangements to make information available to the public about civil protection matters and maintain arrangements to warn, inform and advise the public in the event of an emergency;

<sup>3</sup> Communities and Local Government Fire Safety Law and Guidance documents for business states that the law applies if you are: responsible for business premises, an employer or self-employed with business premises, responsible for a part of a dwelling where that part is solely used for business purposes, a charity or voluntary organisation, a contractor with a degree of control over any premises, providing accommodation for paying guests.

- share information with other local responders to enhance co-ordination; and
- co-operate with other local responders to enhance co-ordination and efficiency.

There is an additional duty placed on local authorities to:

- Provide advice and assistance to businesses and voluntary organisations about business continuity management. Local fire and rescue services can be called upon to assist in this role.

Category 2 organisations include organisations such as the Health and Safety Executive, transport and utility companies. Category 1 and 2 organisations form Local Resilience Forums (which are co-terminus with police areas) which will help co-ordination and co-operation between responders at the local level.

The Authority is funded directly by its constituent local authorities based on the population forecasts in each area. It comprises 28 councillors from the six unitary authorities of North Wales (the number of representatives from each constituent authority is determined by the number of registered local government electors in each area).

The Authority's annual revenue budget for 2013-14 is £31.8 million. In the same year the Authority also spent had a capital budget of £7.6 million. This equates to about £46 per resident.

The current Chairman of the Fire and Rescue Authority is Councillor Meirick Lloyd Davies.

Meetings of the full Authority normally take place four times every year – in March, June, October and December to consider such topics as service plans, routine business matters, budgets and spending, and to take or approve policy decisions as appropriate. Meetings are open to the public, and records of the Authority's transactions are available from the Authority's website.

The Service is led and managed by Simon Smith, Chief Fire Officer and Chief Executive supported by the principal officer team, the senior management team and specialist advisors.

For more information see the Authority's own website at [www.northwales-fire.gov.uk](http://www.northwales-fire.gov.uk) or contact the Authority at Fire and Rescue Service Headquarters, Ffordd Salesbury, St. Asaph Business Park, St. Asaph, Denbighshire, LL17 0JJ.



## Appendix 3

### Annual Audit Letter

Simon Smith  
Chief Fire Officer  
North Wales Fire and Rescue Service Headquarters  
Ffordd Salesbury  
St Asaph, Denbighshire  
LL17 OJJ

Dear Simon

#### Annual Audit Letter

This letter summarises the key messages arising from my statutory responsibilities under the Public Audit (Wales) Act 2004 as the Appointed Auditor and my reporting responsibilities under the Code of Audit Practice.

#### The Authority complied with its responsibilities relating to financial reporting and use of resources

It is the Authority's responsibility to:

- put systems of internal control in place to ensure the regularity and lawfulness of transactions and to ensure that its assets are secure;
- maintain proper accounting records;
- prepare a Statement of Accounts in accordance with relevant requirements; and
- establish and keep under review appropriate arrangements to secure economy, efficiency and effectiveness in its use of resources.

The Public Audit (Wales) Act 2004 requires me to:

- provide an audit opinion on the accounting statements;
- review the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources; and
- issue a certificate confirming that I have completed the audit of the accounts.

Local authorities in Wales prepare their accounting statements in accordance with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. This Code is based on International Financial Reporting Standards. On 25 September 2013 I issued an unqualified audit opinion on the accounting statements stating that they present a true and fair view of the Authority's and the Pension Fund's financial position and transactions. My report is contained within the Statement of Accounts. The key matters arising from the accounts audit were reported to members of the Audit Committee in my Audit of Financial Statements report on the 23 September 2013, and a more detailed report will follow in due course.

My consideration of the Authority's arrangements to secure economy, efficiency and effectiveness has been based on the audit work undertaken on the accounts as well as placing reliance on the work completed as part of the Improvement Assessment under the Local Government (Wales) Measure 2009. Overall, I am satisfied that the Authority has appropriate arrangements in place. The Auditor General will highlight areas where the effectiveness of these arrangements has yet to be demonstrated or where improvements could be made when he publishes his Annual Improvement Report.

I issued a certificate confirming that the audit of the accounts has been completed on 25 September 2013.

The financial audit fee for 2012-13 is currently expected to be in line with the agreed fee set out in the Annual Audit Outline.

Yours sincerely

**Virginia Stevens**

For and on behalf of the Appointed Auditor  
28 November 2013

cc. Dawn Docx, Deputy Chief Officer

## Appendix 4

# North Wales Fire and Rescue Authority's improvement objectives and self-assessment

### The Authority's improvement objectives

The Authority is required by the Welsh Government to make plans to improve its functions and the services it provides. Each year it must publish these plans along with specific 'improvement objectives' that set out the key things that the Authority intends to do to improve. The Authority must do this as soon as reasonably practicable after 31 December of the year prior to the financial year to which the plan relates (the policy intention is that Fire and Rescue Authorities will publish between 1 January and 31 March).

The Authority published its improvement objectives for 2013-14 and 2014-15 on the [Authority's website](#).

Improvement Objectives 2012-13	Improvement Objectives 2013-14	Improvement Objectives 2014-15
To help keep people and communities safe by preventing fatalities and injuries from accidental fires in living accommodation.	To help keep people and communities safe by preventing fatalities and injuries from accidental fires in living accommodation.	To help to keep people and communities safe by preventing deaths and injuries from accidental fires in living accommodation.
To find ways of reducing the overall cost of running the service each year in order to operate with an annual budget of £32 million until 2013-14.	To find ways of reducing the overall cost of running the Service each year in order to operate within the annual budget (continued from 2012-13).	To implement a 3-year financial plan for 2014-15 to 2016-17 that funds the current level of service, but that aims to limit the cost of doing so to the equivalent of an extra £1 per year per head of population.
		To ensure that North Wales gets the best possible level of service within financial constraints, use a variety of management solutions to optimise fire and rescue cover in the area.

### The Authority's self-assessment of performance

The Authority's self-assessment of its performance during 2012-13 can be found on the [Authority's website](#).

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