

Due to the current heightened security level at all our premises, Members are reminded to wear their identity badges whilst attending meetings. Any visitors must produce photographic identification at Reception.

FIRE & RESCUE AUTHORITY SUMMONS

SOUTH WALES FIRE & RESCUE AUTHORITY

You are required to attend a meeting of the South Wales Fire & Rescue Authority to be held at **South Wales Fire & Rescue Service Headquarters, Forest View Business Park, Llantrisant, CF72 8LX** on **Monday, 13 February 2017 at 1030 hours.**

A G E N D A

1. Apologies for Absence
2. Declarations of Interest

Members of the Fire & Rescue Authority are reminded of their personal responsibility to declare both orally and in writing any personal and/or prejudicial interest in respect of matters contained in this agenda in accordance with the provisions of the Local Government Act 2000, the Fire & Rescue Authority's Standing Orders and the Members Code of Conduct.

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Signature of Proper Officer:



MEMBERSHIP
Councillors:

D	Ali	Cardiff		Vacant	Cardiff
S	Bradwick	Rhondda Cynon Taff	A	Jones	Torfaen
K	Critchley	Newport	S J	Jones	Rhondda Cynon Taff
D	Davies	Newport	R	McKerlich	Cardiff
D T	Davies	Caerphilly	B	Morgan	Rhondda Cynon Taff
P	Drake	Vale of Glamorgan	J	Morgan	Blaenau Gwent
C	Elsbury	Caerphilly	G	Phillips	Cardiff
E	Galsworthy	Merthyr Tydfil	S	Pickering	Rhondda Cynon Taff
E	Hacker	Vale of Glamorgan	M	Powell	Monmouthshire
C	Hawker	Caerphilly	P	Seabourne	Torfaen
K	Hyde	Cardiff	C	Smith	Bridgend
C	James	Bridgend	V	Smith	Monmouthshire

SOUTH WALES FIRE & RESCUE AUTHORITY
MINUTES OF THE HR & EQUALITIES MEETING
HELD ON MONDAY, 17 OCTOBER, 2016 AT
SOUTH WALES FIRE & RESCUE SERVICE HEADQUARTERS

10. PRESENT:

Councillor	Left	Authority
S J Jones (Chair)		Rhondda Cynon Taff
A Jones (Deputy Chair)		Torfaen
S Bradwick		Rhondda Cynon Taff
D Davies		Newport
P Drake		Vale of Glamorgan
C Elsbury		Caerphilly
E Galsworthy		Merthyr Tydfil
B Morgan		Rhondda Cynon Taff
J Morgan		Blaenau Gwent
G Phillips		Cardiff
S Pickering		Rhondda Cynon Taff
M Powell		Monmouthshire
P Seabourne		Torfaen

APOLOGIES:

E Hacker	Vale of Glamorgan
C James	Bridgend
R McKerlich	Cardiff

ABSENT:

OFFICERS PRESENT:- ACO P Haynes – Director of People Services, Mr C Powell – Deputy Monitoring Officer, Mr M Malson – Head of HR, AM I Greenman – Head of Training & Development, GM J Evans – Training & Development team

The Chair extended a warm welcome to Group Manager Evans who was in attendance as an observer.

11. DECLARATIONS OF INTEREST

Each Member declared a personal non-prejudicial interest in each agenda item which affected their Authority.

12. CHAIR'S ANNOUNCEMENTS

There were no Chair's announcements.

13. MINUTES OF PREVIOUS MEETING

The minutes of the previous HR & Equalities meeting held on 25 July, 2016, were received and accepted as a true record of proceedings.

14. REPORT ON ANNUAL SICKNESS ABSENCE REPORT – 1 APRIL 2015 TO 31 MARCH 2016

The Head of HR presented a report to Members which showed that the average number of shifts/working days lost per employee in each category of staff (excluding Retained Staff), for the period 1 April 2015 to 31 March 2016, is 9.51 days per employee in comparison with 8.7 days per employee for 1 April 2014 to 31 March 2015.

A further analysis of short and long term absences, self certification, and accidents on duty, was also included in the report.

RESOLVED THAT

14.1 Following a question and answer session, Members agreed to note the contents of the report.

14.2 Following a request by Members, Officers agreed to provide the numbers of people in figures rather than solely in percentages in future reports.

15. GRIEVANCE AND DISCIPLINE ISSUES FOR THE YEAR 1 APRIL 2015 TO 31 MARCH 2016

The Head of HR presented a report which provided Members with a summary of grievance and discipline matters investigated by the Resolution Unit during the period 1 April 2015 to 31 March 2016.

RESOLVED THAT

Following a question and answer session on the number of dismissal cases throughout the past year, Members agreed to note the contents of the report.

The Chair thanked the Officers for the excellent report.

16. SOUTH WALES FIRE & RESCUE SERVICE – TRAINING & DEVELOPMENT DEPARTMENT – NEW INITIATIVES & ACTIVITIES 2016/2017

The Head of Training & Development presented a report for Members to consider the Training Department's planned training activities for 2016/2017, as well as identifying the organisational structure and functions established within the Training & Development department in order to facilitate it.

RESOLVED THAT

- 16.1 Following a question and answer session, Members agreed to endorse the actions identified within the report.
- 16.2 Following a request by Members, Officers agreed to arrange a suitable date when Members could observe Water Rescue training at the White Water Rafting Centre, Cardiff.

The Chair thanked Officers for the informative report.

17. FIREFIGHTERS' PENSIONS SCHEME 1992 – SPLIT PENSIONS

The ACO People Services presented a report to Members which identified the background to changes in Rule B5A (Split Pension) as part of the Firefighters' Pension Scheme 1992, and set out the key features, impacts, and significant points for Members' consideration and final determination.

RESOLVED THAT

- 17.1 Members agreed to note the DCLA's advice and Pension Ombudsman's ruling in relation to where an entitlement to a split pension award takes place.
- 17.2 Following discussion on the ruling to award split pensions to scheme members, Members unanimously agreed that the Firefighters' Pension Scheme 1992 should be brought in line with other Firefighter Pension Schemes.

18. TRAINING & DEVELOPMENT DEPARTMENT – SKILLS FOR JUSTICE FIREFIGHTER DEVELOPMENT AWARD UPDATE

The Head of Training & Development presented a report to Members which considered the new 'Skills for Justice' (SFJ) Firefighter

Development Award Programme which had recently been introduced within South Wales Fire & Rescue Service to reflect the needs of a modern day Fire & Rescue Service, and to ensure that Wholetime (WDS), and Retained Duty System (RDS), personnel were equipped with the requisite skills to carry out their role in a safe and competent manner.

RESOLVED THAT

Following consideration, Members agreed to endorse the contents of the report and the actions identified.

19. PROPOSED EMPLOYEE BENEFIT SCHEME

The Head of HR presented a report to Members which proposed the Service implemented an Employee Benefit Scheme, the Framework and Managed Service, which would be accessible to all employees of South Wales Fire & Rescue Service.

RESOLVED THAT

19.1 Members agreed for Officers to progress the implementation of the Employee Benefits Scheme.

19.2 Following a proposal by Members, Officers agreed to consider the issues and practicalities of awarding employees for 100% attendance throughout each year.

20. PRESENTATION - 'FIREFIGHTERS PENSION SCHEME (ENGLAND) ADVISORY BOARD'

The ACO People Services delivered the following presentation to Members:- 'Firefighters Pension Scheme (England) Advisory Board'.

Following lengthy debate on Members statutory responsibilities relevant to the management of the Firefighters Pension Scheme, Members took the opportunity to raise their concerns and frustrations as they felt the rules were daunting and far too complicated. They also identified that they were not appropriately qualified to provide individuals with advice on pensions.

Members also suggested that a Welsh Government representative should attend a future meeting to answer their queries and concerns regarding managing the Firefighters Pension Scheme.

RESOLVED THAT

Members agreed to note the presentation, and thanked Officers for providing training and guidance to assist them in managing the Firefighters Pensions Scheme.

21. FORWARD WORK PROGRAMME

The ACO People Services presented the Forward Work Programme for 2016/2017.

RESOLVED THAT

Members accepted the Forward Work Programme for the HR & Equalities Committee 2016/2017.

22. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIR DEEMS URGENT (PART 1 or 2)

There were no items of urgent business.

SOUTH WALES FIRE & RESCUE AUTHORITY
MINUTES OF THE FIRE & RESCUE AUTHORITY MEETING
HELD ON MONDAY 19 DECEMBER 2016 AT
SOUTH WALES FIRE & RESCUE SERVICE HEADQUARTERS

31. PRESENT:

Councillor	Left	Authority
D T Davies (Chair)		Caerphilly
S Bradwick (Deputy Chair)		Rhondda Cynon Taff
D Ali		Cardiff
D Davies		Newport
P Drake		Vale of Glamorgan
C Elsbury		Caerphilly
E Galsworthy		Merthyr Tydfil
C Hawker		Caerphilly
K Hyde		Cardiff
A Jones		Torfaen
S J Jones		Rhondda Cynon Taff
B Morgan		Rhondda Cynon Taff
G Phillips		Cardiff
S Pickering		Rhondda Cynon Taff
M Powell		Monmouthshire
P Seabourne		Torfaen
C Smith		Bridgend
V Smith		Monmouthshire
<i>Vacancy</i>		<i>Cardiff</i>

APOLOGIES:

K Critchley	Newport
E Hacker	Vale of Glamorgan
C James	Bridgend
R McKerlich	Cardiff
J Morgan	Blaenau Gwent

ABSENT:

OFFICERS PRESENT:- CFO H Jakeway, DCO S Chapman – Monitoring Officer, ACO P Haynes – Director of People Services, ACFO A Thomas – Director of Service Delivery, Mr C Barton – Treasurer, Mr C Powell – Deputy Monitoring Officer, AM I Greenman – Head of Training & Development, GM S Cole – Operational Risk Management team, Mr R Price – Wales Audit Office, Mr M Jones – Wales Audit Office

The Chair extended a warm welcome to Mr R Price and Mr M Jones, representatives from the Wales Audit Office.

32. DECLARATIONS OF INTEREST

Each Member declared a personal non-prejudicial interest in each agenda item which affected their Authority.

Councillor Phillips declared a personal interest in the electronic presentation 'Proposed new Compartment Fire Behaviour Training facility at Cardiff Gate Training & Development Centre'.

33. CHAIR'S ANNOUNCEMENTS

SAD ANNOUNCEMENT

The Chair was sad to announce the passing of the Service's previous retired Deputy Chief Fire Officer Kevin Barry, after a long illness. Members were informed that the funeral would take place at 1400 hours on Wednesday, 21 December, at Thornhill Crematorium. Members and Officers held a minute's silence as a mark of respect.

LETTERS FROM WELSH GOVERNMENT

The Chair informed Members that he had received two letters from the Welsh Government Cabinet Secretary regarding funding. The first letter had informed the Fire & Rescue Authority that the Welsh Government would maintain their existing grant funding for Community Fire Safety at the existing cash level for 2017/2018.

The second letter confirmed that the Cabinet Secretary had approved grant funding for 2016/2017. Members were advised that the Chief Fire Officer had submitted a business case to the

Welsh Government and had secured £40,000 for MTFAs, and £540,000 for water and flood assets for the three Welsh Fire & Rescue Authorities, with an indication that an additional £1 million may be available for 2017/2018.

EMERGENCY SERVICES CAROL SERVICE

The Chair informed Members that he had attended the South Wales Emergency Services Carol Service at Llandaff Cathedral on Thursday, 8 December, 2016. It was an exceptional service and the Chair took the opportunity to thank Chaplain Paul Thomas for all his commitment in making the event so special. The Chair highlighted that although the event was well attended he was disappointed to note that only five Fire Authority Members were in attendance.

PRESENTATION AT END OF MEETING

Members were advised that the Finance, Audit & Performance Management Committee and Officers of the HR & Equalities Committee had been working with Cardiff City Council on planning permission to enhance the training facilities at Cardiff Gate Training & Development Centre. A short presentation on progress would be delivered at the end of the Fire & Rescue Authority meeting.

NEXT FINANCE, AUDIT & PERFORMANCE MANAGEMENT COMMITTEE MEETING

Members of the Finance, Audit & Performance Management Committee meeting were advised that if Members of the Fire & Rescue Authority agreed to set the budget then the meeting scheduled for 23 January, 2017, would be cancelled.

STANDING ORDERS WORKING GROUP

Members of the Standing Orders Working Group, Councillors V Smith, James, Pickering, Hyde, and S Jones, were advised that a meeting of the group had been convened for Monday, 9 January, 2017, at 1030 hrs. Papers would be provided at the meeting as Officers wished to discuss proposed changes to the Scheme of Delegations to reflect up to date working practices.

34. MINUTES OF PREVIOUS MEETING

The following minutes were received and accepted as a true record of proceedings:-

- Local Pension Board meeting held on 11 July 2016
- HR & Equalities meeting held on 25 July 2016
- Finance, Audit & Performance Management meeting held on 12 September 2016
- Fire & Rescue Authority meeting held on 26 September, 2016

Following a request by Members, the Chief Fire Officer provided an update on the Fire Medical Response National Trials, and confirmed that a meeting would take place with staff in the New Year to discuss the scheme.

35. UPDATE ON ACTIONS

The Deputy Chief Officer informed Members that there was no further update to report as a number of actions had been completed since the last meeting.

36. REPORTS FOR DECISION

36.1 WALES AUDIT OFFICE ANNUAL IMPROVEMENT REPORT 2015/2016

The Deputy Chief Officer and Wales Audit Officer informed Members that the presented report concluded the Wales Audit Office review of the Fire & Rescue Authority's delivery and evaluation of services in relation to 2015/2016, and considered that the Fire & Rescue Authority was likely to make arrangements to secure continuous improvement for 2016/2017.

RESOLVED THAT

Members accepted the Wales Audit Office Annual Improvement Report 2015/2016 for the Authority.

Following discussion on the positive report, Members wished to record their thanks and appreciation to the staff for all their hard work on behalf of the Service.

36.2 STATEMENT OF ACCOUNTS 2015/2016

The Treasurer and Wales Audit Officer informed Members that the Appointed Auditor was required to give his opinion on the financial statements for the year ended 31 March 2016. They stated that the presented report considered the statutory ISA260 report, the final statement of accounts, and the letter of representation required by the auditor.

RESOLVED THAT

- 36.2.1 Members unanimously agreed to receive the ISA260 attached to the report as Appendix 1.
- 36.2.2 Members unanimously approved the amended final Statement of Accounts, attached to the report as Appendix 2.
- 36.2.3 Members unanimously approved the letter of representation contained in Appendix 1 attached to the report.

Members took the opportunity to thank staff and representatives from the Wales Audit Office for their hard work in completing the Statement of Accounts 2015/2016 on behalf of the Fire & Rescue Authority.

36.3 REVENUE BUDGET ESTIMATE 2017/2018

The Treasurer presented a report for Members to approve the Revenue Budget for 2017/2018 as recommended by the Finance, Audit & Performance Management Committee

RESOLVED THAT

Members unanimously agreed to approve the budget representing an estimate of net expenses of £70,206,186 for the financial year 2017/2018.

On behalf of Members, the Chair thanked the Treasurer and his team for all their hard work in preparing the Revenue Budget Estimate for 2017/2018. Therefore, Members were advised that the Finance, Audit & Performance Management meeting planned for 23 January, 2017, would now be cancelled.

36.4 OPERATIONAL PERFORMANCE

The ACFO Service Delivery presented a report for Members to review the performance information and recorded incident statistics from April 2016 to September 2016.

RESOLVED THAT

36.4.1 Members agreed to review the performance details and statistical data for 2016/2017 contained within the report.

36.4.2 Following a question and answer session, Members approved the publication of the detailed information and stats on to the South Wales Fire & Rescue Service internet site.

36.5 REPORT ON PROGRESS OF THE 2016/2017 IMPROVEMENT OBJECTIVES AS AT QUARTER 2

The Deputy Chief Officer presented a report to give assurance to Members of the Fire & Rescue Authority and Senior Management within South Wales Fire & Rescue Service on progress towards achievement of the Improvement Objectives agreed for 2016/2017 as at Quarter 2.

RESOLVED THAT

Members agreed to accept the report and noted that in relation to the Service's progress in completing the three Improvement Objectives 70% had no cause for concern and were on time (green), 30% had slight cause for concern and/or short delay (amber), and 0% were currently delayed (red).

36.6 TREASURY MANAGEMENT MID-TERM REVIEW REPORT 2016/2017

The Treasurer informed Members that the Treasury Management Mid-Term Review Report provided an update on the Authority's treasury activities for the period 1 April-30 September 2016.

RESOLVED THAT

Members unanimously agreed to note the report and the treasury activity for the period 1 April – 30 September 2016, and approved the change to the investment policy.

36.7 INDEPENDENT REMUNERATION PANEL FOR WALES DRAFT ANNUAL REPORT

The Deputy Chief Officer presented a report to bring to Members attention the relevant sections of the Independent Remuneration Panel for Wales Draft Annual Report that related to payments to Members of the Welsh Fire & Rescue Authorities.

RESOLVED THAT

36.7.1 Members agreed to note the extract of the Independent Remuneration Panel's Draft Annual Report which provided details of payments to Members of the Welsh Fire & Rescue Authorities within Appendix 1 attached to the report.

36.7.2 Members endorsed the response submitted to the Independent Remuneration Panel in relation to paragraph 8.14 of the draft report attached as Appendix 2.

37.8 WELSH GOVERNMENT CONSULTATION: PROPOSALS TO INTRODUCE A STATUTORY DUTY ON FIRE & RESCUE AUTHORITIES IN WALES TO RESPOND TO FLOODING AND OTHER WATER RELATED EMERGENCIES

The Chief Fire Officer presented a report which sought Members views on the Authority's response to the Welsh Government Consultation 'Proposals to introduce a statutory duty on Fire &

Rescue Authorities in Wales to respond to flooding and other water related emergencies'. A proposed draft response was set out in Appendix 2 attached to the report for Members consideration.

RESOLVED THAT

Following consideration of the draft response to the consultation at Appendix 2 attached to the report, and a question and answer session, Members advised that they required no additions, deletions or amendments to be made prior to submission of the formal response by the consultation deadline.

38. REPORTS FOR INFORMATION

38.1 FORWARD WORK PROGRAMME

The Deputy Chief Officer presented the Forward Work Programme for 2016/2017.

RESOLVED THAT

Members accepted the Forward Work Programme for 2016/2017.

39. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIR DEEMS URGENT (PART 1)

There was one urgent report (Part 1) for Members of the Fire & Rescue Authority to consider.

RESOLVED THAT

Members agreed to consider the urgent report.

40. REPORT FOR DECISION

40.1 BREATHING APPARATUS REPLACEMENT PROCUREMENT

Members were informed that the reason for the urgent report was that due to an All Wales collaborative project, Mid & West Wales Fire & Rescue Service had to replace their breathing apparatus sets by July 2017. To ensure they achieved this deadline they needed to purchase and start to take delivery in January 2017, to

allow the relevant training to take place, and the awarding of the contract required approval from all three Services.

The Deputy Chief Officer and Group Manager informed Members that the three Welsh Fire & Rescue Services had worked collaboratively to identify the most suitable providers of replacement breathing apparatus for all Wales. A working group comprised of staff from each of the Welsh Services had conducted a thorough consultation and procurement process. The criteria of suitability of product, suitability of delivery dates, price, warranties, and whole life cost profile were considered to evaluate potential service providers. Given that the value of the contract was close to the £1,500,000 delegated threshold, and the price for fit out to appliances is unknown at this stage, the Deputy Chief Officer requested Fire & Rescue Authority approval in this instance.

RESOLVED THAT

Members agreed that 'Draeger' be appointed as the Service provider for breathing apparatus and associated equipment for a period of twelve years on the terms and conditions detailed within the tender document.

40.2 RESOLUTION TO EXCLUDE THE PRESS AND PUBLIC BY VIRTUE OF SECTION 100A AND S1001 AND PARAGRAPH 14 OF PART 4 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 (AS AMENDED)

A resolution to exclude the press and public by virtue of Section 100A and S1001 and Paragraph 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended) was passed.

40.3 REPORT ON THE REDUCTION IN INCIDENT RESPONSE UNITS FROM THREE TO TWO

The ACFO Service Delivery informed Members that to ensure the Service's continued preparedness for major terrorist events in Wales, a review of the number and disposition of National resilience Incident Response Units in Wales had been carried out. The review had recommended that the overall provision of Incident Response Units in South Wales Fire & Rescue Service be reduced from 3 to 2. The purpose of the reduction was to create capacity to enable the Service to realign their capabilities in line with the

changing risks posed by international terrorism and changing operational procedures.

- 40.3.1 Following a question and answer session, Members agreed to remove the Incident Response Unit from Merthyr Tydfil Fire Station by the end of the financial year.
- 40.3.2 Members agreed that the Incident Response Unit equipment be retained either as training equipment within South Wales Fire & Rescue Service or as part of the Welsh National Resilience reserve stock.
- 40.3.3 Members agreed that the Incident Response Unit vehicle be retained in the short term to assess its likely redeployment into a different role within South Wales Fire & Rescue Service with authority to dispose of the asset in accordance with current policy in due course if this is considered appropriate.

41. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIR DEEMS URGENT (PART 2)

There was one urgent report (Part 2) for Members of the Fire & Rescue Authority to consider.

RESOLVED THAT

Members agreed to consider the urgent report.

41.1 RESOLUTION TO EXCLUDE THE PRESS AND PUBLIC BY VIRTUE OF SECTION 100A AND S1001 AND PARAGRAPHS 12, 13 AND 14 OF PART 4 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 (AS AMENDED)

A resolution to exclude the press and public by virtue of Section 100A and S1001 and Paragraphs 12, 13 and 14 of Part 4 of Schedule 12A of the Local Government Act 1972 (as amended) was passed.

41.2 CATERING PROVISION

Members were informed that the reason for the urgent report was to enable the Fire & Rescue Authority to take a decision and advise the current catering provider accordingly.

The Deputy Chief Officer informed Members that the current catering provider was operating at a loss and had requested a financial contribution from the Fire & Rescue Authority.

RESOLVED THAT

41.2.1 Following consideration, Members confirmed that they did not agree with paying a financial contribution to the current provider and the provider be advised accordingly.

41.2.2 Members agreed that further research and staff engagement was to be undertaken to determine the future requirements of the Service prior to any decision being taken on the future catering provision.

41.2.3 Members agreed that pending any future decision being taken on catering provision, refreshments for meetings for external visitors and Members (as is already the case for staff) if required, will be self-purchased from the available vending machines.

42. PRESENTATION – PROPOSED NEW COMPARTMENT FIRE BEHAVIOUR TRAINING (CFBT) FACILITY AT CARDIFF GATE TRAINING & DEVELOPMENT CENTRE

The ACO People Services delivered an electronic presentation to Members on the proposed new Compartment Fire Behaviour Training (CFBT) facility at Cardiff Gate Training & Development Centre.

AGENDA ITEM NO 5

UPDATE ON OUTSTANDING ISSUES ARISING FROM PREVIOUS FIRE & RESCUE AUTHORITY MEETINGS

Sally Chapman – DCO
Huw Jakeway – CFO
Andy Thomas – ACFO SD

Chris Barton – Treasurer
Phil Haynes – ACO PS
Richie Prendergast – ACFO TS

Minute No	Item	Action	Leading Officer	Current Status:
13/14 - 59	Fire Cover Review Phase 1	Further report on land availability for the new fire and rescue station in the South Cornelly area. Further public consultation on the transition to the new station.	DCO DCO	Search options have now been extended to identify an appropriate site. On hold pending new site being acquired. Action will be removed at current time. Any potential site acquisition would require Fire & Rescue Authority approval.
13/14 – 86.6.2	NIC Fire Control Feasibility Study Update	Review the internal funding mechanism to fund the upfront element of the loan	Treasurer	Cost sharing arrangements between SWFRS and MWWFRS have been agreed. Within SWFRS, revenue costs have been absorbed and funded from the budget underspend. Capital costs have been accrued to date as the new Joint Control was not operational at the year end. Treatment of these costs will be agreed with the external auditors

Minute No	Item	Action	Leading Officer	Current Status:
				once the project agreements are finalised and the project is completed.
14/15 – 60.5	Local Pensions Board	Members to appoint to the Local Pensions Board at their AGM	Members	3 Labour vacancies still exist and need to be appointed to. All appointments are to be reconsidered at the AGM on 12 June 2017.
15/16 – 33.1	Consultation on the Draft National Framework 2016 Onwards	To invite the Chief Fire & Rescue Adviser to attend a future a meeting to enable him to meet Members.	CFO	The CFO is in discussion with the Fire & Rescue Advisor.
15/16 – 40.3.3	Revenue Budget Estimate 2016/17	To present Members with a further report on National Resilience Grants (Revenue) following discussions with both North and Mid & West Wales FRSs.	ACFO TS & Treasurer	Ongoing
16/17 – 27.3	Health & Safety Report 2015/16	Provide Members with the 'Industry Comparative Data' chart showing all Service personnel, not just operational.	ACFO TS	Action completed
16/17 – 36.4	Operational Performance	Publish the approved performance information and recorded incident statistics on the Service's website.	ACFO SD	Action completed
16/17 – 40.3	Reduction in Incident Response Units from Three to Two	Remove the Incident Response Unit from Merthyr Tydfil Fire & Rescue Station by financial year end.	ACFO SD	On schedule
16/17 – 41.2	Catering Provision	Undertake further research and staff engagement to determine the future requirements of the Service.	DCO	Staff survey has been undertaken and the results are currently being analysed.

AGENDA ITEM NO 6

Reports for Decision

SOUTH WALES FIRE & RESCUE AUTHORITYAGENDA ITEM NO 6.i
13 FEBRUARY 2017REPORT OF THE ASSISTANT CHIEF FIRE OFFICER DIRECTOR OF
SERVICE DELIVERY**PERFORMANCE INDICATOR TARGETS 2017/18****SUMMARY**

To consider the proposed Performance Indicator Targets for 2017/18.

RECOMMENDATIONS

That Members endorse the Performance Indicator Targets proposed for 2017/18.

That Members approve its publication onto the SWFRS internet site.

1. BACKGROUND

- 1.1 To support performance within the Service it is essential that previous performance is reviewed and future targets are set for the forthcoming year. These indicator targets are made available to the public via our internet site and are referenced within corporate documents produced and published by the Service.
- 1.2 There is a requirement under the Local Government (Wales) Measure to report annually to Welsh Government (WG) on seven Strategic Performance Indicators. There are four incident based indicators, two fatality and injury indicators and one effective response indicator.

2. ISSUE

- 2.1 The purpose of these indicators is to measure activity that has a direct or significant impact on desired outcomes. The indicators are:
 - Number of incidents attended (made up of four separate indicators which are Total Fires, Total False Alarms, Total Road Traffic Collisions (RTCs) and all other Special Service Calls (SSCs) attended.
 - The number of deaths and injuries caused by all fires, and accidental fires (two indicators).
 - The percentage of dwelling fires which were contained in the room of origin (one indicator).
- 2.2 The targets for 2017/18 are set prior to the start of the reporting year and a profiling process is used that considers nine months of 2016/17 actual incident data to provide a predicted total for the year end. The predicted

totals for 2016/17 are analysed along with a further four years of historic incident data to provide a baseline target figure.

- 2.3 The baseline figures are further reviewed with due consideration given to changing call profiles, ongoing risk reduction activities and public safety campaigns planned for 2017/18.
- 2.4 The Total Fires target is set at 5,900 and, when achieved, would reflect the lowest number of fires attended on record for five years.
- 2.5 The Total False Alarms target has been set at 7,800, as Fire Control will aim to challenge all calls received via automatic fire alarms in order to prevent unwanted mobilisations. Agreements are also being negotiated with health and educational premises to reduce attendances during business hours, which should further reduce the total of false alarms attended. This target, when achieved, would be the lowest number of incidents over five years.
- 2.6 The Total Road Traffic Collisions (RTCs) target has been set at 1,100 following a significant reduction in RTCs witnessed in 2016/17 compared to the previous year (1,322 reduced to an expected figure of 1,162). Preventative activities are expected to further reduce the number of incidents attended in coming years.
- 2.7 The target number of Other Special Service Calls has been set at 2,100. This target set is higher than last year's target of 2,000 in order to accommodate all additional incidents attended as a result of proposed enhancements to the ongoing Fire Medical Response pilot along with the organisations intention to explore further collaborative opportunities with the Welsh Ambulance Service Trust.
- 2.8 The 'Total Number of Deaths and Injures from fires' and 'Total Deaths and Injuries from Accidental Fires' targets have been set at 61 and 53 respectively, following reductions in the number of deaths and injuries witnessed compared to the previous year. Exploring and understanding the reasons behind fire related injuries is one of the organisation's priority actions for the upcoming year. This will be achieved using a number of ongoing initiatives such as 'Major and Minor Injury (M37) Case Studies' and campaigns including Summer, Kitchen and Bonfire Safety. We continue to work with our partners to reduce risk in our communities.
- 2.9 The target for 'Percentage of Dwelling Fires which were contained in the room of origin' has been set at 86%. The annual trend for this indicator is positive and improving but each annual variance is extremely small. This indicator is very much influenced by actions and behaviours of the dwelling occupants before or at the time of ignition.

2.10 The Background Paper, which can be found at the Fire & Rescue Authority Members' Page on the SWFRS Intranet, provides further in-depth analysis of the rationale supporting the proposed targets. It also includes full details of the five year trend performance based on the Strategic indicators.

3. EQUALITY RISK ASSESSMENT

3.1 This report, the accompanying Background Paper and the targets themselves have no ERA impact.

3.2 It is the responsibility of the appropriate Director as the Performance Indicator holder to ensure that appropriate risk assessments in relation to Equality and Diversity has been carried out across all relevant supporting activity levels.

4. RECOMMENDATIONS

4.1 That Members endorse the Performance Indicator Targets proposed for 2017/18.

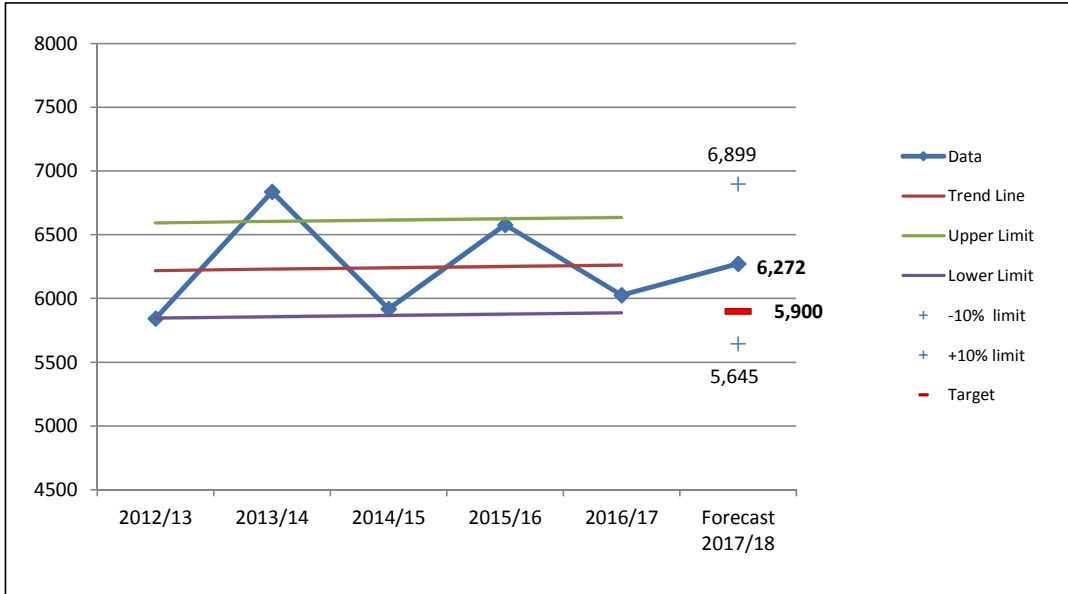
4.2 That Members approve its publication onto the SWFRS internet site.

Contact Officer:	Background Papers:
Wayne Thomas Statistics and Risk Manager	Performance Indicator targets for 2017/18.

Back Ground Paper FA PI Targets 2017/2018

Target Setting 2017/2018 Total Incidents

Total Incidents						
Indicator I.D.	1					Direction of Travel:
Indicator Ref:	FRS/RRC/S/001 (i)					Description:
						Total Fires Attended per 10,000 population.
PI Target	39.19					The data shown in the tables and chart below are the actual number of incidents. These are then divided by the population and multiplied by either 10,000 or 100,000, as specified, in order that meaningful comparisons can be made across other FRS's, e.g. Welsh FRS's and Family Group 4.
All Fires Attended						
Year No	1	2	3	4	5	6
Year	2012/13	2013/14	2014/15	2015/16	2016/17	Forecast 2017/18
Data	5,843	6,838	5,918	6,578	6,026	6,272
Trend Line	6,219.46	6,230.00	6,240.54	6,251.07	6,261.61	6,272.15
Difference	376.46	608.00	322.54	326.93	235.93	
Upper Limit	6,593.43	6,603.97	6,614.51	6,625.04	6,635.58	
Lower Limit	5,845.49	5,856.03	5,866.57	5,877.10	5,887.64	
Target						5,900
Target 2017/18	Target Setting Rationale					
5,900	<p>The number of fires attended in 2016/17 was significantly lower than the number attended during the previous year, which can be largely attributed to a reduction in grass fires attended during the first quarter of the year. The all Wales grass fire reduction strategy "Dawns Glaw" was implemented during this period. Reducing the number of deliberate fires attended is an Improvement Objective for 2017/18 and significant prevention work is being delivered in the coming months to reduce the number of these incidents. Targeted campaigns aim to reduce cooking/kitchen fires and there is continuing development in the targeting of high risk individuals that allows stations to target Home Safety Checks more effectively. This target, when achieved, will signify the lowest recorded number of fires attended for five years.</p>					

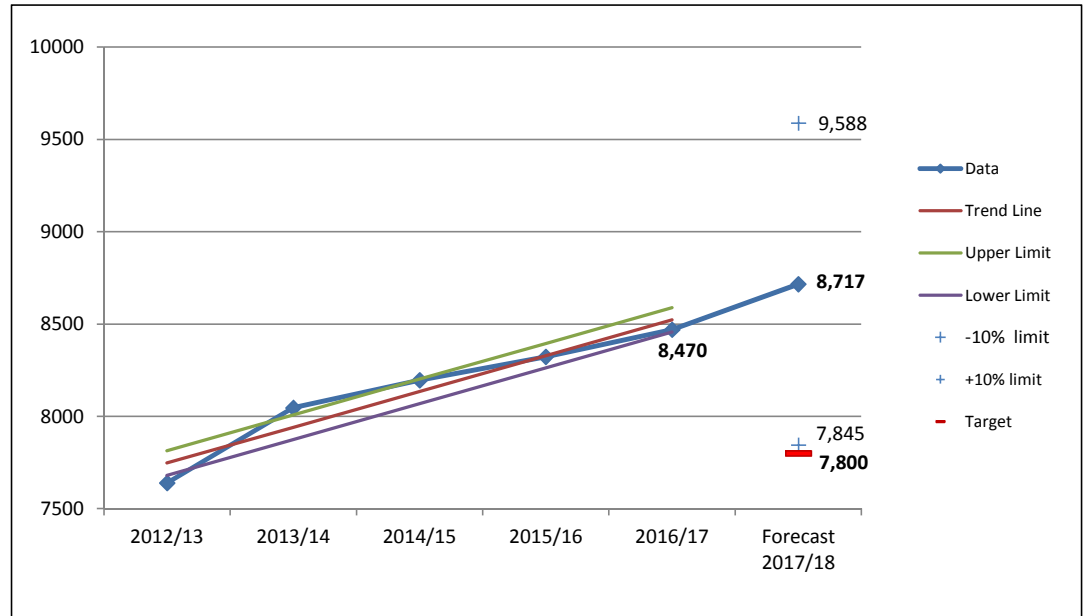


Total Incidents

Indicator I.D.	2	Description:	Total False Alarms Attended per 10,000 population.	Direction of Travel:
Indicator Ref:	FRS/RRC/S/001 (ii)			↓
PI Target	51.81	The data shown in the tables and chart below are the actual number of incidents. These are then divided by the population and multiplied by either 10,000 or 100,000, as specified, in order that meaningful comparisons can be made across other FRS's, e.g. Welsh FRS's and Family Group 4.		

All False Alarms Attended

Year No	1	2	3	4	5	6
Year	2012/13	2013/14	2014/15	2015/16	2016/17	Forecast 2017/18
Data	7,639	8,046	8,196	8,323	8,470	8,717
Trend Line	7,747.00	7,940.90	8,134.80	8,328.70	8,522.60	8,716.50
Difference	108.00	105.10	61.20	5.70	52.60	
Upper Limit	7,813.52	8,007.42	8,201.32	8,395.22	8,589.12	
Lower Limit	7,680.48	7,874.38	8,068.28	8,262.18	8,456.08	
Target						7,800



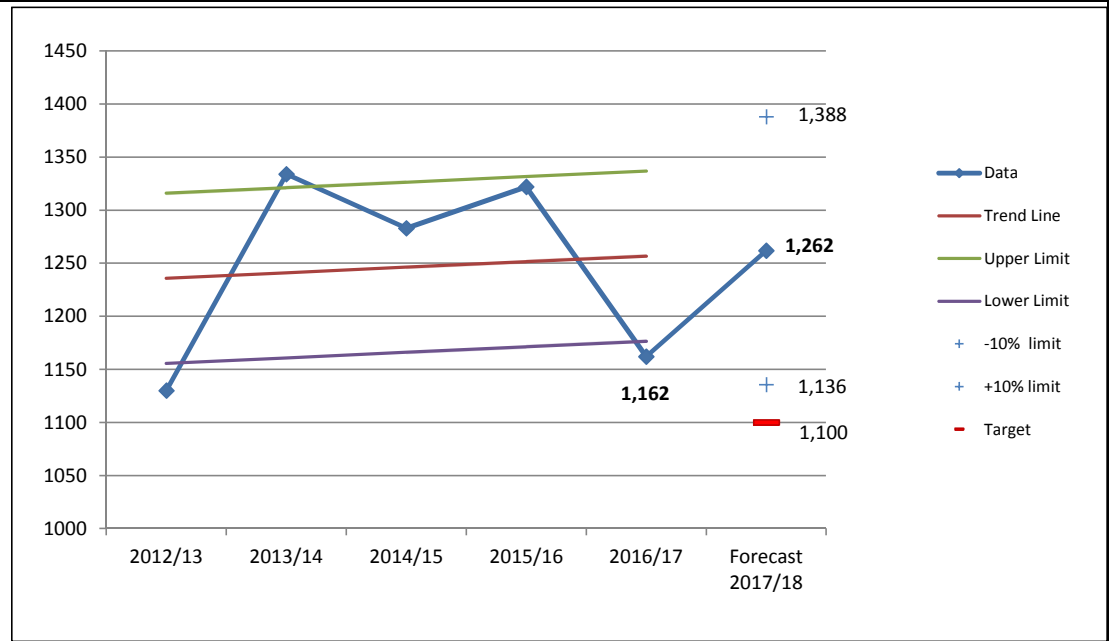
Target 2017/18	Target Setting Rationale
7,800	The number of False Alarms attended in 2016/17 was higher than the number attended in 2015/16 and has increased annually over the last five years. Automatic Fire Alarms (AFAs) account for the majority of the false alarms attended and a number of initiatives will be devised and implemented to drive down the number of attendances during the upcoming year. Fire Control will aim to challenge all AFAs to prevent unwanted mobilisations and agreements are being negotiated with health and educational premises to reduce attendances during business hours. There is also an all Wales AFA Initiative in place which aims to target regular offenders through a three tier redress process. Fire Stations are working to identify regular actuations and premises and will work to reduce these types of call.

Total Incidents

Indicator I.D.	3	Description:	Total Road Traffic Collisions Attended per 10,000 population.	Direction of Travel:
Indicator Ref:	FRS/RRC/S/001 (iii)			↓
PI Target	7.31	The data shown in the tables and chart below are the actual number of incidents. These are then divided by the population and multiplied by either 10,000 or 100,000, as specified, in order that meaningful comparisons can be made across other FRS's, e.g. Welsh FRS's and Family Group 4.		

All Road Traffic Collisions

Year No	1	2	3	4	5	6
Year	2012/13	2013/14	2014/15	2015/16	2016/17	Forecast 2017/18
Data	1,130	1,334	1,283	1,322	1,162	1,262
Trend Line	1,235.80	1,241.00	1,246.20	1,251.40	1,256.60	1,261.80
Difference	105.80	93.00	36.80	70.60	94.60	
Upper Limit	1,315.96	1,321.16	1,326.36	1,331.56	1,336.76	
Lower Limit	1,155.64	1,160.84	1,166.04	1,171.24	1,176.44	
Target						1,100



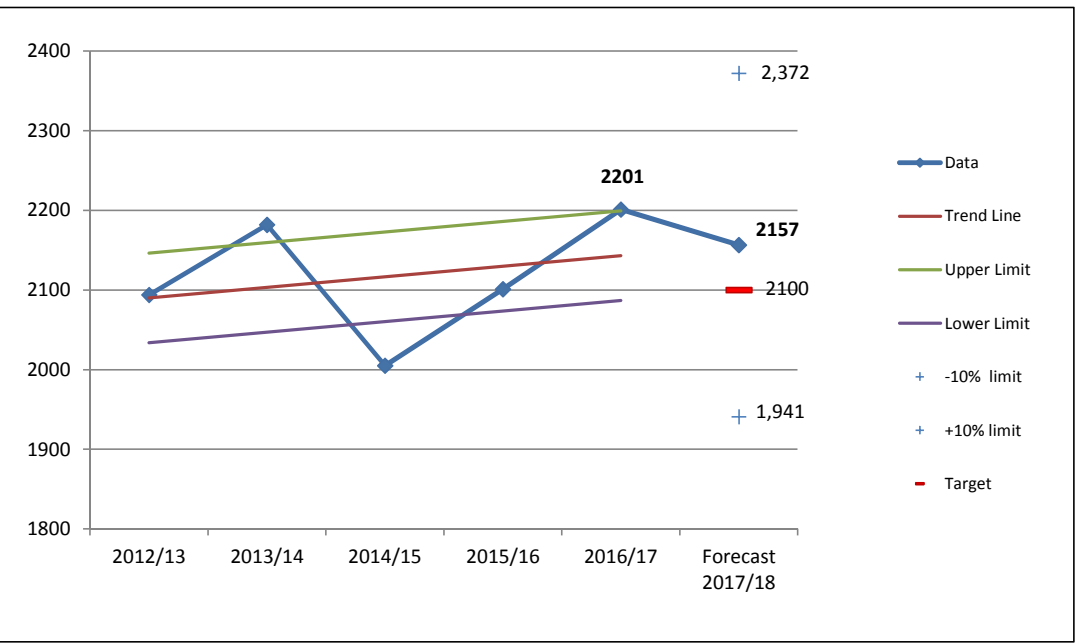
Target 2017/18	Target Setting Rationale
1,100	A reduction in the number of Road Traffic Collisions attended in 2016/17 is expected, with the number achieving the target set for the year (which was 1,200). It is worth noting that the predicted total is the lowest since 2012/13. The delivery of DOMINO events will continue and specific targeting of work place drivers is to be delivered throughout the coming year. The target set for 2017/18 is therefore lower than that set for the previous year.

Total Incidents

Indicator I.D.	4	Description:	Total Other Special Service Calls Attended per 10,000 population.	Direction of Travel:
Indicator Ref:	FRS/RRC/S/001 (iv)			↓
PI Target	13.95	The data shown in the tables and chart below are the actual number of incidents. These are then divided by the population and multiplied by either 10,000 or 100,000, as specified, in order that meaningful comparisons can be made across other FRS's, e.g. Welsh FRS's and Family Group 4.		

All Other Special Service Calls

Year No	1	2	3	4	5	6
Year	2012/13	2013/14	2014/15	2015/16	2016/17	Forecast 2017/18
Data	2094	2182	2005	2101	2201	2157
Trend Line	2090.00	2103.30	2116.60	2129.90	2143.20	2156.50
Difference	4.00	78.70	111.60	28.90	57.80	
Upper Limit	2146.20	2159.50	2172.80	2186.10	2199.40	
Lower Limit	2033.80	2047.10	2060.40	2073.70	2087.00	
Target						2100



Target 2017/18 **Target Setting Rationale**

2,100	The number of Other Special Service calls attended during 2016/17 was higher than the number attended during the previous year and was higher than the target of 2,000. This can be largely attributed to incidents attended as part of the Fire Medical Response pilot (118 attended between April - December 2016). The potential expansion of this pilot along with the organisations intention to explore further collaborative opportunities with the Welsh Ambulance Service Trust will result in further increases to the number of incidents attended. The target has therefore been increased to accommodate this.
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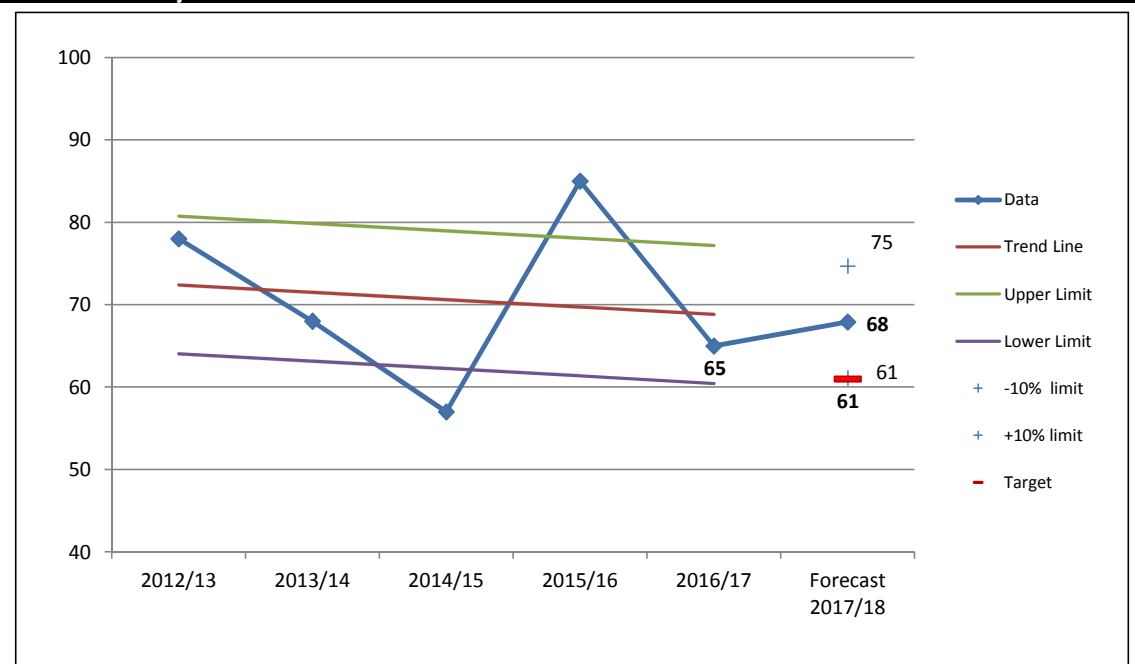
Target Setting 2017/2018 Deaths and Injuries

Deaths and Injuries

Indicator I.D.	5	Description:	The Total Number of Deaths and Injuries Arising From All Fires per 100,000 population.	Direction of Travel:
Indicator Ref:	FRS/RRC/S/002 (i)		↓	
PI Target	4.05	The data shown in the tables and chart below are the actual number of incidents. These are then divided by the population and multiplied by either 10,000 or 100,000, as specified, in order that meaningful comparisons can be made across other FRS's, e.g. Welsh FRS's and Family Group 4.		

Total Fire Deaths and Injuries

Year No	1	2	3	4	5	6
Year	2012/13	2013/14	2014/15	2015/16	2016/17	Forecast 2017/18
Data	78	68	57	85	65	68
Trend Line	72.40	71.50	70.60	69.70	68.80	67.90
Difference	5.60	3.50	13.60	15.30	3.80	
Upper Limit	80.76	79.86	78.96	78.06	77.16	
Lower Limit	64.04	63.14	62.24	61.34	60.44	
Target						61



Target 2017/18

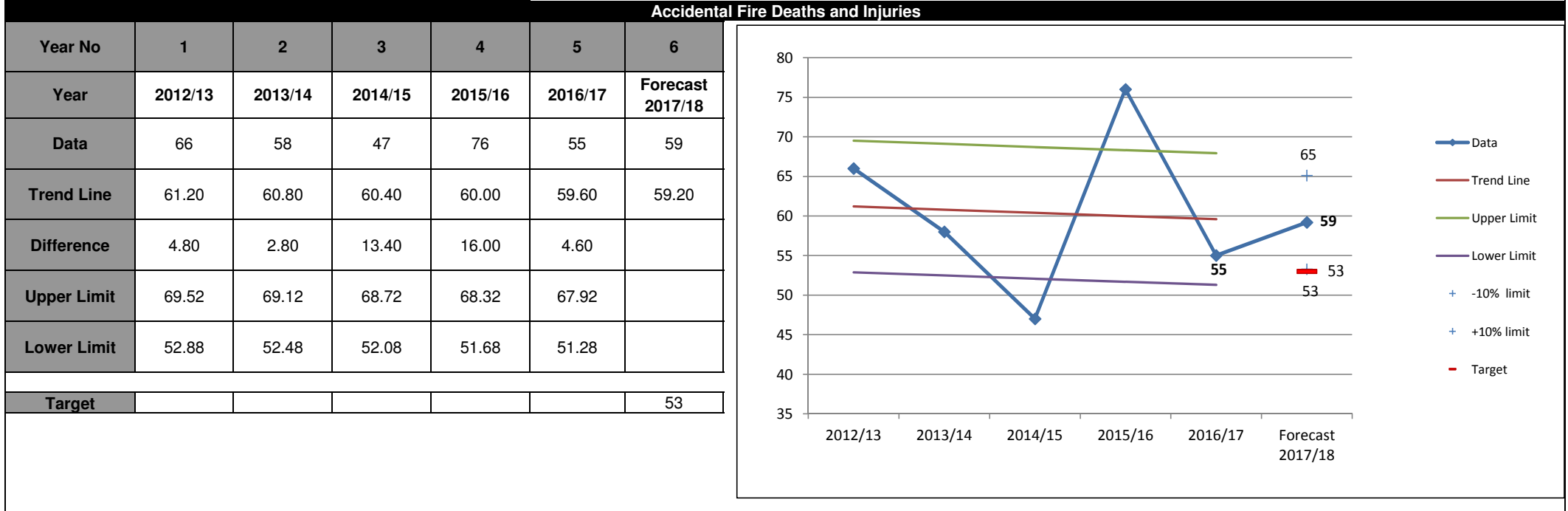
Target Setting Rationale

61

The number of fire deaths and injuries attended in 2016/17 was significantly lower than the number attended during the previous year and is expected to be below the target of 70 set at the beginning of the year, which is an improvement in performance. Exploring and understanding the reasons behind fire related injuries is one of the organisations priority actions for the upcoming year 2017/18 using a number of ongoing initiatives such as 'Major and Minor Injury (M37) Case Studies' and campaigns including Summer, Kitchen and Bonfire Safety. We continue to work with our partners to reduce risk in our communities.

Deaths and Injuries

Indicator I.D.	6	Description:	Total number of Deaths and Injuries Arising From Accidental Fires per 100,000.	Direction of Travel:
Indicator Ref:	FRS/RRC/S/002 (ii)			↓
PI Target	3.52	The data shown in the tables and chart below are the actual number of incidents. These are then divided by the population and multiplied by either 10,000 or 100,000, as specified, in order that meaningful comparisons can be made across other FRS's, e.g. Welsh FRS's and Family Group 4.		



Target 2017/18	Target Setting Rationale
53	The number of accidental fire deaths and injuries attended in 2016/17 was significantly lower than the number attended during the previous year and is expected to be below the target of 62 set at the beginning of the year, which is an improvement in performance. Exploring and understanding the reasons behind fire related injuries is one of the organisations priority actions for the upcoming year 2017/18 using a number of ongoing initiatives such as 'Major and Minor Injury (M37) Case Studies' and campaigns including Summer, Kitchen and Bonfire Safety. We continue to work with our partners to reduce risk in our communities.

Target Setting 2017/2018 Effective Response

Effective Response

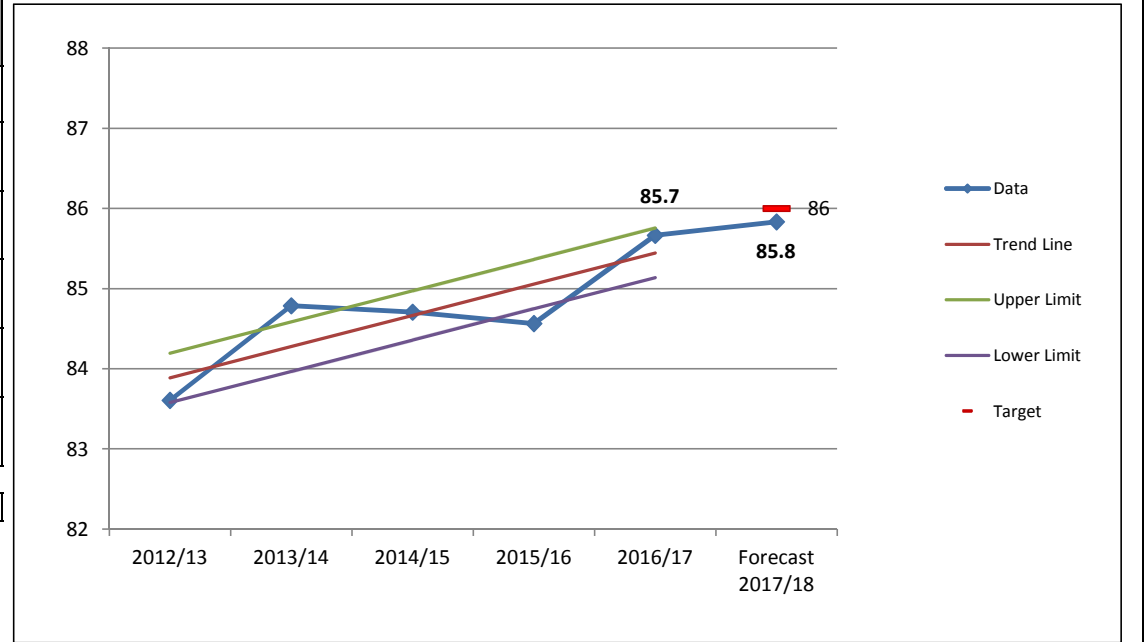
Indicator I.D.	7	Description:	The Percentage of Dwelling Fires Which Were Contained In The Room In Which They Originated.	Direction of Travel:
Indicator Ref:	FRS/EFR/S/003			↑

PI Target

The data shown in the tables and chart below are the actual percentage of incidents confined to room of origin. This allows meaningful comparisons across other FRS's, e.g. Welsh FRS's and Family Group 4.

The Percentage Of Dwelling Fires Which Were Contained In The Room In Which It Originated

Year No	1	2	3	4	5	6
Year	2012/13	2013/14	2014/15	2015/16	2016/17	Forecast 2017/18
Data	83.6	84.8	84.7	84.6	85.7	85.8
Trend Line	83.89	84.28	84.67	85.06	85.44	85.83
Difference	0.28	0.51	0.04	0.49	0.22	
Upper Limit	84.20	84.58	84.97	85.36	85.75	
Lower Limit	83.58	83.97	84.36	84.75	85.14	
Target						86



Target 2017/18 **Target Setting Rationale**

86.0%	The target for 'Percentage of Dwelling Fires which were contained in the room of origin' has been set at 86%. The annual trend for this indicator is positive and improving but each annual variance is extremely small. This indicator is very much influenced by actions and behaviours of the dwelling occupants before or at the time of ignition.
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SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 6.ii
13 FEBRUARY 2017

REPORT OF THE ASSISTANT CHIEF FIRE OFFICER - TECHNICAL
SERVICES

OPERATION ATEGOL**SUMMARY**

The Civil Contingencies Act 2004 establishes duties for specified “Category 1 responders”. These include the duty on Fire & Rescue Authorities to assess, plan and prepare for impacts that may affect the business continuity of service delivery. One foreseeable business continuity event is the loss of staff. Operation Ategol is the Service’s plan to respond to industrial action. Recent years have seen a trade dispute between the Government and the Fire Brigades Union (FBU) over pension changes and this dispute remains live.

It is necessary to continually review Ategol to ensure it remains fit for purpose. Recent changes to the Defence Fire Risk Management Organisation (DFRMO) mean that they can no longer commit to assisting the Authority in times of industrial action. Also, the employment arrangements of the current cohort of Auxiliary Firefighters requires refreshing to ensure continued suitability and compliance with any changes of legislation or guidance.

Fire & Rescue Authority approval is sought to ensure that the remaining Auxiliary Firefighter’s are recognised as part of the Service’s permanent establishment. In addition, a part time Auxiliary Manager is appointed and resilience contracts awarded to suitable candidates. All proposed changes will be delivered without exceeding the £350,000 budget allocated.

RECOMMENDATION

Members note the content of the report and approve:

- The appointment of Auxiliary firefighters.
- The appointment of an Auxiliary Manager.
- The issue of ‘resilience contracts’.

1. BACKGROUND

- 1.1 All Fire & Rescue Authorities have a duty under Section 7(2)(a) of the Fire & Rescue Services Act 2004 (FRSA 2004), in relation to firefighting, to “*secure the provision of the personnel, services and equipment necessary efficiently to meet all normal requirements.*” A similar duty applies under S8 in respect of Road Traffic Collisions and S9 in relation to Other Emergencies.

- 1.2 Authorities also have a duty under Section 2 of the Civil Contingencies Act 2004 (CCA 2004) to plan for emergencies and to maintain plans for the purpose of ensuring, so far as is reasonably practicable, that if an emergency occurs it is able to continue to perform its functions.
- 1.3 The Civil Contingencies Act 2004 lays down duties for specified “Category 1 responders”, including Fire & Rescue Authorities to assess, plan and advise in relation to emergencies. For a Fire & Rescue Authority, an emergency includes a period of industrial action
- 1.4 Operation Ategol is the plan for the provision of emergency fire and rescue cover by SWFRS designed to meet statutory responsibilities under the Fire & Rescue Service Act 2004 in relation to Business Continuity.
- 1.5 The strategic aim of Ategol is to maintain an appropriate level of service to meet the Authorities legal responsibilities and to protect the communities of South Wales in line with the levels of resource available during periods of Industrial Action. It is *“the planned provision, as part of the business continuity arrangements of SWFRS, to maintain emergency firefighting and rescue capabilities in the event of significant loss of personnel for whatever reason”*. It does not seek to replicate normal service provision, but is intended to provide an emergency capability to maintain its statutory responsibilities.

2. ISSUE

- 2.1 During previous periods of Industrial Action Ategol was delivered through the use of Auxiliary Fire Fighters (AFF) supported by Defence Fire Risk Management Organisation (DFRMO) that provided Incident Commanders (IC) and Operational Safety Officers as (OSO).
- 2.2 The change in scope and capacity of DFRMO has meant that they are no longer able to provide the IC and OSO capability required to deliver Ategol safely. Therefore, a contract has been placed with Securitas to provide 10 competent Incident Commanders that will carry out the roles of IC and OSO.
- 2.3 The size of the existing Auxiliary cohort has reduced through natural wastage to approximately 80. This reflects the identified need to respond to the early stages of Industrial Action and avoid reliance on external support. To secure the provision of Auxiliary Firefighters in the event of Industrial Action and to ensure that they are contracted to attend essential training events a revised contract has been developed. The new contract will guarantee Auxiliary Firefighters an annual salary of between £1250 and £2250 according to skill sets.

- 2.4 The effective management and engagement of our Auxiliary Firefighters has proven challenging, therefore, it is essential that a part time Auxiliary Manager is appointed. They will be responsible for coordinating availability and ensuring Auxiliary Firefighters attend essential initial and refresher training and exercises.
- 2.5 The final enhancement of Ategol is to provide “Resilience Contracts”. This is necessary so that the Authority can make use of personnel belonging to other unions including the Retained Firefighters Union, non-unionised personnel and professional firefighters from other Services / Sectors. This is a new but essential element. This will enhance our deployment at an Ategol event.
- 2.6 The new arrangements will be tested via a desktop exercise in February 2017 and will be followed soon after by a full live play exercise. Critical elements of the plan will be tested, further improvements identified and underpinning risk assessments reviewed.

3. FINANCIAL IMPLICATIONS

- 3.1 All proposed changes will be delivered without exceeding the established £350,000 budget.

2017/2018:

Salaries

Auxiliary Firefighter contracts	£ 176,750
Auxiliary Manager	£ 13,760
Training Staff contracts	£ 16,750
Resilience Contracts	£ 45,000

Non Salary

Securitas (incident Command)	£ 88,465
Ancillary*	£ 8,868

Total **£349,593**

*Uniform, PPE cleaning, servicing & replacement, catering, equipment replacement, repair & maintenance, recruitment & selection (CRB screening), Assurance (exercise and resilience).

4. HEALTH AND SAFETY IMPLICATIONS

- 4.1 During normal business the provision of a Fire & Rescue Service has significant Health and Safety implications for the Authority, which are controlled through robust safe systems of work, training, instruction and supervision. During periods of Industrial Action involving Firefighters risks to both the community and those providing the service are increased due to the limited number of resources available, the limited role of Auxiliary Firefighters and the experience of those responding.
- 4.2 It has long been considered by the Authority that the benefits of providing a limited emergency response in accordance with Operation Ategol far outweigh the option of not providing any service at all.
- 4.3 Operation Ategol is underpinned by various risk assessments that take into account the limited response service provided at times of Industrial Action and the limited role that Auxiliary Firefighters can be expected to perform. Training has and will continue to be delivered to those Auxiliary Firefighters undertaking the limited firefighting role. However, Auxiliary Firefighters cannot, and will not, be permitted to undertake activities beyond that to which they are trained and equipped to deal with.
- 4.4 Ategol recognises the important role that effective risk management in terms of community safety, public awareness and Business Fire Safety will have in ensuring the safe discharge of the Authority's responsibilities.

5. RECOMMENDATION

- 5.1 Members note the content of the report and approve:
- The appointment of Auxiliary Reserve firefighters.
 - The appointment of an Auxiliary Manager.
 - The issue of 'Resilience Contracts'.

Contact Officer:	Background Papers:
Richard Prendergast ACFO Technical Services	

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 6.iii
13 FEBRUARY 2017

REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES**LOCALISM ACT 2011 – PAY POLICY STATEMENT****SUMMARY**

The Localism Act which came into being in November 2011 requires South Wales Fire and Rescue Authority to publish a Pay Policy Statement by 31 March of each financial year that provides information for the following financial year.

RECOMMENDATION

Members endorse South Wales Fire and Rescue Authority's Pay Policy Statement for re-publication on 31 March 2017.

1. BACKGROUND

- 1.1 The Localism Bill 2011 includes the provision that requires stand alone Fire and Rescue Authorities to publish a Pay Policy Statement each year.
- 1.2 A Pay Policy Statement is expected to comply with the following elements:-
- 1.2.1 A relevant Authority must prepare a Pay Policy Statement for the financial year 2012/2013, and each subsequent year.
- 1.2.2 A Pay Policy Statement for a financial year must set out the Authority's policies for the financial year relating to:-
- (a) the remuneration of its Chief Officers
 - (b) the remuneration of its lowest paid employees, and
 - (c) the relationship between:-
 - the remuneration of its Chief Officers, and
 - the remuneration of its employees who are not Chief Officers.
- 1.3 The Statement must state:-
- 1.3.1 the definition of 'lowest paid employees' adopted by the Authority for the purposes of the Statement, and
- 1.3.2 the Authority's reasons for adopting that definition.
- 1.4 The Statement must include the Authorities policies relating to:-

- 1.4.1 The level and elements of remuneration for each Chief Officer.
 - 1.4.2 Remuneration of Chief Officers on recruitment.
 - 1.4.3 Increases and additions to remuneration for each Chief Officer.
 - 1.4.4 The use of performance related pay for Chief Officers.
 - 1.4.5 The use of bonuses for Chief Officers
 - 1.4.6 The approach to the payment of Chief Officers on their ceasing to hold office or to be employed by the Authority, and
 - 1.4.7 The publication of and access to information relating to remuneration of Chief Officer.
- 1.5 A Pay Policy Statement for a financial year may also set out the Authority's policies for the financial year relating to the other terms and conditions applying to the Authority's Chief Officers.
- 1.6 There are supplementary provisions relating to Statements as follows:-
- 1.6.1 A relevant Authority's Pay Policy Statement must be approved by a resolution of the Authority before it comes into force.
 - 1.6.2 The first Statement was prepared and approved before the end of 31 March 2015.
 - 1.6.3 A relevant Authority may by resolution amend its Pay Policy Statement, including after the beginning of the financial year to which it relates.
 - 1.6.4 As soon as is reasonably practicable after approving or amending a Pay Policy Statement, the Authority must publish the Statement or the amended Statement, in such manner as it thinks fit, which must include publication on the Authority's website.

2. ISSUES

- 2.1 Attached at Appendix 1 is the South Wales Fire and Rescue Authority's revised Pay Policy Statement which addressed the current requirements of the Localism Act 2011.

- 2.2 Wales Government initiated a consultation exercise to update 'Pay Accountability in Local Government in Wales'. The consultation event resulted in the creation of the current format Pay Policy Statement.
- 2.3 In December 2015, the Minister for Public Services issued a letter concerning the transparency of senior remuneration in the public sector. This letter requires several work streams to be followed and additional reports to be made to the HR & Equalities Committee throughout the 2017/2018 Municipal Year which will in turn impact on the future Pay Policy Statements.
- 2.4 At its meeting on 16 January 2017, the HR & Equalities Committee determined that the revised Pay Policy Statement be recommended to the Fire and Rescue Authority for approval, and publication for the 2017/2018 financial year.

3. EQUALITY RISK ASSESSMENT

- 3.1 An Equality Risk Assessment has been undertaken to assess the potential impact relative to the protected characteristics arising from the publication of a Pay Policy Statement.
- 3.2 The assessment concluded that in light of recent salary related determinations there will be a need for individual Equality Risk Assessments to ensure that there are no adverse impacts on any individual or group of personnel arising from the publication of the Policy Statement.

4. RECOMMENDATION

- 4.1 That Members endorse South Wales Fire and Rescue Authority's Pay Policy Statement for re-publication on 31 March 2017.

Contact Officer: ACO Philip Haynes Director of People Services	Background Papers: Localism Act 2011 Hutton 2011 – Review of Fair Pay in the Public Sector
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SOUTH WALES FIRE & RESCUE AUTHORITY



LOCALISM ACT 2011: PAY POLICY STATEMENT

1.	INTRODUCTION	
1.1	South Wales Fire & Rescue Authority is committed to operating consistent and equitable pay arrangements for employees. This policy sets out key principles that must be adhered to in establishing employee pay levels and in approving pay related allowances. It sets out the basis for determining salaries, how salary levels are arrived at, the method of pay progression and the approval for acting up, honoraria and severance payments.	FA 15.12.14
1.2	In accordance with the Localism Act and the Code of Recommended Practice for Local Authorities on Data Transparency, this policy, the pay multiple between the highest paid employee, and the levels for senior employees, are published on the Fire & Rescue Service's website.	FA 15.12.14
1.3	The legislation requires pay to include all remuneration including salary, allowances, and expenses. All such payments are covered within this policy or the other pay related policies referred to in Section 16. There are no discretions to make further payments outside of these policies.	FA 15.12.14
2.	SCOPE	
2.1	This policy applies to all South Wales Fire & Rescue Authority employees.	FA 15.12.14
2.2	<p>The Fire & Rescue Authority advocates collective bargaining arrangements and supports existing national level provisions that govern pay and conditions of service for the following employee groups:</p> <ul style="list-style-type: none"> • National Joint Council for Local Authorities' Fire and Rescue Services, Scheme of conditions of service • National Joint Council for Brigade Managers of Fire and Rescue Services, Constitution and scheme of conditions of service • National Joint Council for Local Government 	FA 15.12.14

	<p>services (Green Book)</p> <ul style="list-style-type: none"> • British Medical Association (BMA) guidance within the Occupational Physician (Consultant initial appointment) salary range • Joint Negotiating Committee for Local Authority Craft and Associated Employees 	
2.3	Pay levels are reviewed annually by these committees and any “cost of living” award is reported to the Fire & Rescue Authority for agreement and to authorise implementation.	FA 15.12.14
2.4	The Fire & Rescue Authority has local pay bargaining arrangements for other employees in scope of this policy and any locally agreed ‘cost of living’ award is approved by the Fire and Rescue Authority and applied to their remuneration rate. (Auxiliary Firefighters)	FA 15.12.14
3.	LEGAL CONTEXT	
3.1	Section 38 (1) of the Localism Act 2011 requires English and Welsh Local Authorities to produce a Pay Policy Statement for 2012/2013 and for each financial year after that. The Bill as initially drafted referred solely to Chief Officers (a term which includes both statutory and non-statutory Chief Officers, and their Deputies); but amendments reflecting concerns over low pay and also drawing on Will Hutton’s 2011 ‘Review of Fair Pay in the Public Sector’ introduced requirements to compare the policies on remunerating Chief Officers and other employees, and to set out policy on the lowest paid.	FA 15.12.14
3.2	<p>The Act as finally passed requires the Pay Policy Statement to range over disparate aspects of remuneration policy and must include the following:-</p> <ul style="list-style-type: none"> • A Local Authority’s policy on the level and elements of remuneration for each Chief Officer • A Local Authority’s policy on the remuneration of its lowest-paid employees (together with its definition of “lowest-paid employees” and its reasons for adopting that definition) • A Local Authority’s policy on the relationship between the remuneration of its Chief Officers and other Officers • A Local Authority’s policy on other specific aspects of Chief Officers’ remuneration: remuneration on recruitment, increases and additions to 	FA 15.12.14

	remuneration, use of performance-related pay and bonuses, termination payments and transparency	
3.3	The Act defines remuneration widely, to include not just pay but also charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements, and termination payments.	FA 15.12.14
3.4	For the purposes of this statement the term “Chief Officer” is not limited to Heads of Paid Service or statutory Chief Officers. It also includes those who report directly to them both statutory and non statutory. For South Wales Fire & Rescue Service this includes the Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officers and Assistant Chief Officers.	FA 15.12.14
3.5	The Localism Act 2011 requires Authorities to develop and make public their Pay Policy on all aspects of Chief Officer Remuneration (including on ceasing to hold office), and that pertaining to the ‘lowest paid’ in the Authority, explaining their Policy on the relationship between remuneration for Chief Officers and other groups.	FA 15.12.14
3.6	In discharging its legislative responsibilities for transparency under the above Localism Act, South Wales Fire & Rescue Authority’s Pay Policy details each of the arrangements that have been resolved.	FA 15.12.14
4.	PRINCIPAL OFFICERS’ PAY CONSTRUCT	
4.1	National Joint Council circular (ref number 28/05/04) dated 28 May 2004 dealt with the Principal Officers pay settlement and reinforced a previous recommendation that a local review of the pay levels of senior staff should be undertaken.	FA 15.12.14
4.2	The Fire & Rescue Authority employs Chief Officers under Joint National Council terms and conditions which are incorporated in their contracts. The Joint National Councils for Chief Fire Officers / Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award of same is determined on this basis. Chief Fire Officers / Chief Officers employed under Joint National Council terms and conditions are contractually entitled to any national Joint National Council determined pay rises and this Fire & Rescue Authority will therefore pay these as and when determined in accordance with current contractual requirements.	FA 12.10.15

4.3	The Fire & Rescue Authority recently resolved that the HR & Equalities Committee should be assigned to consider Principal Officers' remuneration and their findings reported to the full Fire & Rescue Authority for final determination.	FA 15.12.14
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4.4	South Wales Fire and Rescue Authority's Executive Leadership Team remuneration matrix is identified as comprising:					FA 14.03.15	
	Title	Notional % of CFO salary		Comp Level	Non Ops %	Actual % differential †	FA 14.03.15
	Chief Fire Officer	100%					
	Either, Deputy Chief Fire Officer	80%			100%		
	Or, Deputy Chief Officer				95%	95.189%	
	Assistant Chief Fire Officer	75%	Point 4	Operational	100%	75.149%	
	Assistant Chief Officer		Point 3	Strategic Response	95%	95%	
			Point 2	Business Continuity	82.5%		
			Point 1	Baseline	70%		
	Treasurer*			Baseline	60%	58.48%	
	* The Treasurer reports directly to the FRA, holds no directorate responsibility and is employed for 100 days per annum.					FA 14.03.15	
	†The differential between Notional % and Actual % shall be monitored annually.					FA 14.03.15	

4.5	Fire and Rescue Authority, (Ref number Minute 156 May 2009), determined that the non-uniformed Assistant Chief Officer salary bandings would be competency based and determined in direct proportion to the job activities.	FA 15.12.14
4.6	To meet the Service's functional needs the resulting remuneration structure had to reflect the commitment to providing a resilient and flexible service.	FA 15.12.14

4.7	Fire & Rescue Authority, (Ref number Minute 67, September 2009), resolved that the Executive Leadership Team would be comprised of five directors. In addition, the Treasurer reports directly to the Fire and Rescue Authority, but holds no directorate responsibility.	FA 15.12.14
4.8	Fire and Rescue Authority, (December 2010), resolved to advertise the Deputy Chief Officer's post and to open the applications to both uniformed and non-uniformed candidates, with a Deputy Chief Officer's remuneration being set at 95% of that of a Deputy Chief Fire Officer.	FA 15.12.14
4.9	Fire and Rescue Authority revisited relevant percentage variances at Deputy and Assistant levels and in February 2011 further resolved that the titles and grading arrangements identified in Paragraph 4.4 be introduced.	FA 15.12.14
4.10	Assistant Chief Officer's baseline remuneration is established at 70% of the full rate of the Assistant Chief Fire Officer, and is subject to additional emoluments. There is no automatic entitlement to a competence related level as each emolument must be evidence based prior to enactment.	FA 15.12.14
4.11	Chief Officers, remuneration on appointment is determined by the full Fire and Rescue Authority. South Wales Fire and Rescue Authority does not pay performance related pay or bonuses, and no additional allowances or enhancements to salary or pension are offered upon employment. On cessation of their duties no additional payments are made other than those that are due for salary purposes or payments made to the individual in line with the appropriate pension scheme on retirement.	FA 15.12.14
4.12	Information on the remuneration of Chief Officers is published as part of the South Wales Fire and Rescue Service annual end of year Financial Statement.	FA 15.12.14
4.13	In accordance with this Pay Policy Statement, Chief Officers' remuneration levels should be reviewed annually as part of South Wales Fire and Rescue Authority's commitment to maintaining a competitive grading and remuneration structure. In the absence of nationally determined guidance on 'cost of living' increases the Fire and Rescue Authority may identify and agree a local rate and implementation date. The HR and Equalities Committee will be responsible for reviewing this situation, and for making recommendations to the full Fire and Rescue Authority. Only the Fire and Rescue Authority may make a final determination in respect of remuneration	FA 15.12.14

	rates for Chief Officers, including annual cost of living awards.	
4.14	Fire and Rescue Authority (July 2013), resolved to establish an Occupational Health Physician post jointly with Cardiff Council. Remuneration is in accordance with British Medical Association (BMA) guidance within the Occupational Physician (Consultant initial appointment) salary range.	FA 15.12.14
5.	AREA MANAGERS (4 POSTS) – LOCAL AGREEMENT	
5.1	Following a review of the Area Managers' establishment and operational rota it was determined that the number of posts would reduce from 6 to 4 from August 2009 with a move to a continuous duty system rota.	FA 15.12.14
5.2	The remuneration scheme for this group of staff was locally agreed as follows: AMB salary, as per agreed NJC Fire & Rescue Services uniformed pay scales, plus 20% flexi duty allowance, plus 14% continuous duty system payment.	FA 15.12.14
6.	NON UNIFORMED HEADS OF SERVICE (4 POSTS)	
6.1	Heads of Service remuneration rate is determined at a point above the National Joint Council (NJC) for Local Government services salary scales and is expressed as a percentage of an Assistant Chief Officer's baseline salary.	FA 15.12.14
7.	ALL OTHER STAFF	
7.1	All other staff employed by South Wales Fire and Rescue Authority are encompassed within Wholetime, Retained, Control or Support Staff categories, and as such their remuneration is based on the relevant NJC agreed salary schemes as identified in paragraph 2.2.	FA 15.12.14
7.2	In general the terms and conditions of employment for all staff are covered by existing collective agreements negotiated with those trade unions recognised by the Fire and Rescue Authority for collective bargaining purposes. These arrangements are embodied in the Scheme of Conditions of Service of the National Joint Council, and are supplemented by the Fire and Rescue Authority's rules, records, Organisational, Policy & Procedural Documents and other instructions, as amended, along with such other employment law legislation which will apply from time to time.	FA 15.12.14

7.3	The “lowest salary” used by the Fire and Rescue Authority is the National Joint Council (NJC) for Local Government services (Green Book), spinal column point 10, which was identified by the Service following the completion of the Job Evaluation Scheme in 2001/2.	FA 15.12.14
7.4	An examination of the current pay levels within the Authority enables the Authority to identify the multiplier between the lowest pay point and that of the Chief Fire Officer. The multiple between the lowest paid (full time equivalent) employee and the Chief Fire Officer is 1:8.23.	FA 15.12.14
8.	DELEGATED AUTHORITY LEVELS	
8.1	Any variation in pay detailed within this policy is subject to appropriate approval, as described below.	FA 15.12.14
8.2	Decisions on pay detailed within this policy are delegated as follows:	FA 15.12.14

DECISION	DELEGATED AUTHORITY LEVEL
Starting pay (above grade minimum), but not including, Assistant Chief Officer (and equivalent level)	Assistant Chief Officer (As identified in the Fire & Rescue Authority Standing Orders)
Starting Pay Assistant Chief Officer (and equivalent) level and above	Full Authority to agree the senior management organizational structure including grades and salary bands. Appointment panel to agree and approve actual salary on appointment within the management structure agreed by Full Authority above.
Appointment to higher graded job (above grade minimum) up to, but not including, Assistant Chief Officer level.	Assistant Chief Officer or delegated Head of HR Service
Acting-up payment at Assistant Director level where total salary package is less than £100k.	Chief Fire Officer
Acting up payment for posts where total salary package is more than £100k.	Full Fire & Rescue Authority

8.3	Human Resources is responsible for overseeing any decisions on pay in order to ensure that they are made in accordance with the delegated authority levels and are compliant with the terms of the Pay Policy and legislation.	FA 15.12.14
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8.4	Delegations for decision on pay cannot be delegated below the levels outlined in table above.	FA 15.12.14
9.	PAY RELATIVITIES WITHIN THE FIRE AND RESCUE AUTHORITY	
9.1	The lowest paid persons employed under a Contract of Employment with the Fire and Rescue Authority are employed on full time [37 hours] equivalent salaries in accordance with the minimum spinal column point currently in use within the Fire and Rescue Authority's grading structure. As at 1 April 2016, this is £15,238 per annum. The Fire and Rescue Authority occasionally engages Apprentices [and other such Trainees] who are not included within the definition of 'lowest paid employees'.	FA 15.12.14
9.2	The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers.	FA 15.12.14
9.3	The Authority remunerates substantive personnel above the National Living Wage.	FA 15.12.14
10.	STARTING SALARY	
10.1	Employees appointed to jobs within the Authority will normally be appointed to the minimum point of the pay grade for the job.	FA 15.12.14
10.2	In certain circumstances it may be appropriate to appoint to a higher point in the pay grade. This may arise when the preferred candidate for the job is in or has been in receipt of a salary at a higher level than the grade minimum.	FA 15.12.14
10.3	An Appointment Panel wishing to appoint a candidate up to, but not including Assistant Chief Officer level, at a salary above the grade minimum must seek approval from the Assistant Chief Officer, fully outlining the business case. Managers may seek guidance from Human Resources, if required.	FA 15.12.14
10.4	The business case should incorporate the following: <ul style="list-style-type: none"> • preferred candidate's current or most recent salary; • salary range for job being appointed to; preferred candidate's interview assessment outcome and details of point scores for other interviewees; • benefits to service and customers of appointing the 	FA 15.12.14

	<p>preferred candidate;</p> <ul style="list-style-type: none"> • potential impact on other jobholders of appointing the preferred candidate at a level higher than the grade minimum; • confirmation that increased employee costs will be met by the existing service budget. 	
10.5	<p>The Assistant Chief Officer will:</p> <ul style="list-style-type: none"> • consider the request presented by the recruiting manager; • discuss their proposed decision with Head of Human Resources to ensure it is compliant with the terms of the Pay policy; • respond to the appointment panel; • complete the relevant payroll authorization so that the recruitment process can be completed. 	<p>FA 15.12.14</p>
10.6	<p>The decision of the Assistant Chief Officer is final.</p>	<p>FA 15.12.14</p>
10.7	<p>A resolution of the full Fire and Rescue Authority is required for all organizational re-structures and associated grading and salary.</p>	<p>FA 15.12.14</p>
11.	RE-EMPLOYMENT OF FORMER EMPLOYEES	
11.1	<p>Former employees are able to be re-employed by the Fire and Rescue Authority, but there are several determining factors.</p>	<p>FA 15.12.14</p>
11.2	<p>The Fire and Rescue Authority resolved to introduce the application of abatement of salaries/pension for a fixed term period in order to retain specialist skills, expertise and knowledge.</p>	<p>FA 15.12.14</p>
11.3	<p>Fire and Rescue Authority further resolved to refer applications for abatement of salaries/pension by directors back to the full Fire and Rescue Authority for consideration based on business needs.</p>	<p>FA 15.12.14</p>
11.4	<p>When someone retires, or is released on voluntary or compulsory redundancy, it would not be expected that they would be re-employed as either an employee or an agency worker/contractor in the same or similar job role or service area from which they were made redundant. Such action could indicate that the original decision on the voluntary or compulsory redundancy was not a value for money decision for the tax payer. Therefore, any exceptions to this approach leading to the re-engagement</p>	<p>FA 15.12.14</p>

	of voluntary or compulsory redundant employees will have to be justified to ensure that the original terms of the redundancy i.e. cessation of work has actually occurred.	
11.5	Managers who wish to recruit former employees or procure workers who have previously been made redundant from the same service area will need to provide a business case for doing so, and request authorization from the Fire and Rescue Authority or designated Assistant Chief Officer	FA 15.12.14
11.6	When a Local Government Pension Scheme or Fire and Rescue Services (on Grey book terms and conditions) pensioner is re-employed within the Local Government sector, and combined earnings and pension exceeds final salary in the original employment when adjusted for inflation, the pension will be abated.	FA 15.12.14
12.	ACTING-UP TO A HIGHER GRADED JOB	
12.1	Acting-up is appropriate when the higher graded post becomes vacant due to maternity leave, sick leave etc. Acting-up allowances are made to employees who agree to carry out the full or partial duties, and responsibilities of a higher grade job. The higher graded job must be part of the Authority's agreed staffing establishment.	FA 15.12.14
12.2	The allowance is payable when an employee carries out the work of the higher grade job for a continuous period for any reason other than annual leave.	FA 15.12.14
12.3	Employees who undertake the full duties and responsibilities of a higher graded job will receive the salary that would apply if they were promoted to the higher graded post.	FA 15.12.14
12.4	Employees who undertake part of the duties and responsibilities of a higher grade job will receive a partial acting-up allowance. For example, if the employee is covering 20% of the higher graded duties and responsibilities then they would receive 20% of the grade differential as acting up allowance.	FA 15.12.14
12.5	Where there are only one or two employees who are able to "act-up" to the higher grade job it is relatively easy to identify the jobholder(s) who could reasonably be asked to carry out the higher graded job. Where there are a large number of employees who may be in a position to "act-up" to the higher graded job, then there will be a need to advertise the temporary vacancy or the acting-up arrangement.	FA 15.12.14

12.6	Managers who wish to use either full or partial acting up arrangements must seek approval from the Assistant Chief Officer (or Head of Human Resources, depending on the level of the post). In addition, managers may also seek guidance from Human Resources, if required.	FA 15.12.14
12.7	The approving officer will: <ul style="list-style-type: none"> • consider the request presented by the requesting manager; • discuss their proposed decision within the Human Resources Department to ensure it is compliant with the Pay policy; • provide a response to the requesting manager, normally within 10 working days; • complete and notify the Payroll Section if a pay variation is to be implemented. 	FA 15.12.14
12.8	Any acting up arrangements at Assistant Chief Officer level must be agreed by the Chief Fire Officer. Any acting up arrangements for posts with remuneration package at or above £100k must also be agreed by the full Fire and Rescue Authority. In both cases the salary must be within the organizational structure agreed by full Fire and Rescue Authority and be financed in full.	FA 15.12.14
12.9	Acting-up allowances are removed once the need for the acting-up arrangement no longer exists. Managers are responsible for ensuring that employees receive sufficient notice of this.	FA 15.12.14
13.	HONORARIUM PAYMENTS	
13.1	An honorarium payment is a one-off payment. It can only be made where there is clear evidence to support the following circumstances: <ul style="list-style-type: none"> • where an employee temporarily carries out significant additional work over and above their usual responsibilities; • where an employee carries out a significant amount of work over their normal contracted hours, but is not eligible for overtime payments because of their placing on a salary scale. 	FA 15.12.14
13.2	An honorarium payment cannot be made in the following circumstances:	FA 15.12.14

	<ul style="list-style-type: none"> • where the employee is carrying out the full or partial duties and responsibilities of a higher graded job, when an acting-up payment should be made; • where the ongoing duties and responsibilities of the job have changed to the extent that the job should be submitted for re-evaluation; • where the additional work undertaken is commensurate with the employees current job description/salary grade. 	
13.3	In the payment of a honoraria leads to a remuneration package exceeding £100k it must also be approved by the Chief Fire Officer and the Chairman of the Fire and Rescue Authority having taken advice from the Assistant Chief Officer for People Services or their nominated representative.	FA 15.12.14
13.4	Honorarium payments are a one-off payment and will be paid on a pro-rata basis to part-time employees, proportionate to their working hours.	FA 15.12.14
13.5	Honorarium payments based on spinal column point differentials will be subject to any cost of living increase applied by the Fire and Rescue Authority.	FA 15.12.14
13.6	Honorarium payments are pensionable.	FA 15.12.14
13.7	Information on all honoraria payments will be compiled and reviewed annually by Human Resources and reported to the HR and Equalities Committee for monitoring purposes.	FA 15.12.14
14.	SEVERANCE	
14.1	On ceasing to be employed by the Fire and Rescue Authority, employees will be paid contractual payments due under their contract of employment. In the event of redundancy, severance pay will be paid in line with the employer's discretions as set out in the Employment Protection Policy published by the Fire and Rescue Authority and retained by Rhondda Cynon Taff Pensions Section.	FA 15.12.14
14.2	All business cases for redundancy, early retirement and severance must be reported to the Fire and Rescue Authority for scrutiny prior to the Authority making a resolution to either accept or reject.	FA 15.12.14

14.3	<p>Regulation 30(6), “Flexible Retirement” – Local Government Pension Scheme Discretion.</p> <p>This discretion will be applied, subject to the Chief Fire Officer and Assistant Chief Officer, People Services agreeing to the application after taking into account the costs and benefits to the organisation. There will be a requirement by the employee to reduce their working hours by at least 40%. Any actuarial reductions in pension benefits will apply.</p>	FA 14.03.15
	The Fire and Rescue Authority / HR & Equality Committee will receive reports to countersign the Chief Fire Officer and Assistant Chief Officer, People Services’ decisions	FA 14.03.15
15.	UNIFORMED FIRE AND RESCUE SERVICES	
15.1	All Fire and Rescue Services employees, up to and including Area Managers, are paid in line with the National Joint Council for Local Authorities’ Fire and Rescue Services, Scheme of conditions of service. These are nationally agreed terms and conditions (the ‘Grey’ book).	FA 15.12.14
15.2	<p>Under the National Joint Council for Brigade Managers of Fire and Rescue Services, Constitution and scheme of conditions of service (the ‘Gold’ book), the Chief Fire Officer and Brigade Managers have separate pay arrangements in place. The Chief Fire Officer’s salary is reviewed prior to a new appointment being made and a number of factors are taken into account during this process. These are summarized below:</p> <ul style="list-style-type: none"> • The relevant minimum salary of the Chief Fire Officer and the most relevant benchmark data; • The relationship of current salary to the national benchmark; • Any substantial local factors not common to Fire and Rescue Authorities of similar type and size; • Comparative information to on salaries in other similar authorities; • Top management structures and size of management team compared to those of other fire and rescue authorities of similar type and size; • The relative job size of each post; and • Incident command responsibility and the requirement to provide operational cover within the employing authority and beyond. 	FA 15.12.14

15.3	Other Fire and Rescue Service Managers who are paid as a percentage of the Chief Fire Officer's salary may be reviewed at the same time as any review to the Chief Fire Officer's salary takes place.	FA 15.12.14
15.4	For a review, the benchmarking and associated analysis will be collated by the Human Resources Department and any recommendations presented to the HR and Equalities Committee before being submitted to the full Fire and Rescue Authority for final determination.	FA 15.12.14
16.	OTHER PAY RELATED POLICIES	
16.1	Other pay related policy areas that are applicable to all employees are: <ul style="list-style-type: none"> • Business Travel and Expenses • Relocation expenses • Handling redundancy • Early retirement – including redundancy, flexible retirement and efficiency of service • Pensions – LGPS, Firefighters' Pension Scheme 1992, New Firefighters' Pension Scheme 2007 and the Firefighters' Pension Scheme (Wales) 2015 	FA 14.03.16
17.	OTHER TERMS AND CONDITIONS	
17.1	The Act defines remuneration widely, to include not just pay but also charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements, and termination payments. (Ref. Section 4. Principal Officers Pay Construct).	FA 15.12.14
17.2	South Wales Fire and Rescue Service contributes to the lease vehicle payments for its Senior Members of staff that choose to take part in the Services lease vehicle scheme.	FA 15.12.14
17.3	Contributions level vary and are dependent on the specific post. These Service contributions form only part of the lease vehicle cost with the majority paid for by the individuals.	FA 15.12.14
17.4	The Fire & Rescue Authority has implemented a strategic framework to ensure the Service has identified its key posts and has considered issues of resilience in support of the delivery of Fire & Rescue Service workforce planning. The aim is to utilise a structured approach to both identifying critical positions and developing managers and staff with high potential within the organisation, and to	14.03.16

	<p>steer their career development and progression to fulfil these positions.</p> <p>Succession planning is the systematic process whereby the Fire & Rescue Service identifies, assesses and develops their employees to ensure they are ready to take on key roles within the Service. It is a strategic approach to ensure that the necessary talent and skills will be available when needed, and that essential knowledge and abilities will be maintained when employees in critical positions leave.</p>	
18.	MONITORING AND REVIEW	
18.1	The Assistant Chief Officer People Services will review the application of this policy on an annual basis.	FA 15.12.14
18.2	The Pay Policy will then be presented to the HR and Equalities Committee for review before being submitted to the full Fire and Rescue Authority for final determination annually in March.	FA 15.12.14
18.3	Any change or deviation from this policy outside of such a review requires full Fire and Rescue Authority approval.	FA 15.12.14
19.	SALARY SCALES	
19.1	South Wales Fire and Rescue Authority Principal Officers and Heads of Service, salary matrix – Appendix 1	FA 15.12.14
19.2	National Joint Council for Local Authorities' Fire and Rescue Services, salary matrix – Appendix 2	FA 15.12.14
19.3	South Wales Fire and Rescue Service, Retained Payment Structure – Appendix 3.	FA 15.12.14
19.4	National Joint Council for Local Government service, salary matrix – Appendix 4.	FA 15.12.14
19.5	Joint Negotiating Committee for Local Authority Craft & Associated Employees – Appendix 5	FA 15.12.14
19.6	South Wales Fire & Rescue Authority – Auxiliary Firefighters	FA 21.9.15

**SOUTH WALES FIRE AND RESCUE AUTHORITY, PRINCIPAL OFFICERS
AND HEADS OF SERVICE, SALARY MATRIX**

	WT Salary	Actual Salary
DIRECTORS (5 posts)		
Chief Fire Officer	£128,535	£128,535
<i>Deputy Chief Fire Officer (80% CFO)</i>	£102,828	-
Deputy Chief Officer (95.19% - DCFO)	£97,880	£97,880
Assistant Chief Fire Officer - Technical Services (75.15% CFO)	£96,592	£96,592
Assistant Chief Fire Officer - Service Delivery (75.15% CFO)	£96,592	£96,592
Assistant Chief Officer - People Services (95% - ACFO)	£91,763	£90,854
<i>Assistant Chief Officer (82.5% - ACFO)</i>	£75,704	-
<i>Assistant Chief Officer (70% - ACFO)</i>	£64,234	-
STATUTORY OFFICER (1 post)		
Treasurer (38.45%)	£56,488	£21,725
* The Treasurer reports directly to the FRA, holds no directorate responsibility and is employed for 100 days per annum.		
HEADS OF SERVICE (8 posts)		
Head of Service - Finance	£50,710	£50,710
Head of Service - Corporate	£50,710	£50,710
Head of Service - HR	£50,710	£50,710
Head of Service - ICT	£50,710	£50,710
Area Manager – Operations †	£78,179	£71,328
Area Manager - Head of Operational Risk Management †	£78,179	£78,179
Area Manager – SOF Team†	£78,179	£71,328
Area Manager – Head of Risk Reduction †	£78,179	£78,179
Area Manager - Training & Development †	£78,179	£78,179
† <i>Area Manager - Baseline Salary</i>	£56,685	
<i>20% flexi duty allowance</i>	£11,337	
<i>14% continuous duty system pay</i>	£9,523	
<i>CPD</i>	£634	
† Includes National Joint Council for Local Authorities' Fire & Rescue Services, Scheme of conditions of service w.e.f. 1 July 2016		
MEDICAL (1 post)		
Occupational Health Physician*50%	£101,451	£50,725
* British Medical Association (BMA) guidance within the Occupational Physician Consultant initial appointment)		

**NATIONAL JOINT COUNCIL FOR LOCAL AUTHORITIES' FIRE AND
RESCUE SERVICES, SALARY MATRIX**

FIREFIGHTING ROLES - PAY RATES FROM 1st JULY 2016

	Basic annual £	Basic hourly rate £	Overtime rate £
Firefighter			
Trainee	22,237	10.15	15.23
Development	23,162	10.58	15.87
Competent	29,638	13.53	20.30
Crew Manager			
Development	31,501	14.38	21.57
Competent	32,858	15.00	22.50
Watch Manager			
Development	33,569	15.33	23.00
Competent A	34,502	15.75	23.63
Competent B	36,745	16.78	25.17
Station Manager			
Development	38,220	17.45	26.18
Competent A	39,367	17.98	26.97
Competent B	42,154	19.25	28.88
Group Manager			
Development	44,018	20.10	Not Applicable
Competent A	45,338	20.70	“
Competent B	48,796	22.28	“
Area Manager			
Development	51,677	23.60	Not applicable
Competent A	53,226	24.30	“
Competent B	56,685	25.88	“

**FIREFIGHTING ROLES – PAY RATES FROM 1st JULY 2016
(RETAINED DUTY SYSTEM) – N/A TO SOUTH WALES FRS**

	(1) £ per annum	(2) £ per annum	(3) £ per Hour	(4) £ per occasion
Firefighter				
Trainee	2,224	1,112	10.15	3.90
Development	2,316	1,158	10.58	3.90
Competent	2,964	1,482	13.53	3.90
Crew Manager				
Development	3,150	1,575	14.38	3.90
Competent	3,286	1,643	15.00	3.90
Watch Manager				
Development	3,357	1,678	15.33	3.90
Competent A	3,450	1,725	15.75	3.90
Competent B	3,675	1,837	16.78	3.90
Station Manager				
Development	3,822	1,911	17.45	3.90
Competent A	3,937	1,968	17.98	3.90
Competent B	4,215	2,108	19.25	3.90
Group Manager				
Development	4,402	2,201	20.10	3.90
Competent A	4,534	2,267	20.70	3.90
Competent B	4,880	2,440	22.28	3.90
Area Manager				
Development	5,168	2,584	23.60	3.90
Competent A	5,323	2,661	24.30	3.90
Competent B	5,669	2,834	25.88	3.90

Column 1 shows the full annual retainer

Column 2 shows the retainer for employees on the day crewing duty system

Column 3 shows the hourly rate for work undertaken

Column 4 shows the disturbance payment per call-out

CONTROL SPECIFIC ROLES - PAY RATES FROM 1st JULY 2016

	Basic annual £	Basic hourly rate £	Overtime rate £
Firefighter (Control)			
Trainee	21,125	9.65	14.48
Development	22,004	10.05	15.08
Competent	28,156	12.86	19.29
Crew Manager (Control)			
Development	29,926	13.66	20.49
Competent	31,215	14.25	21.38
Watch Manager (Control)			
Development	31,891	14.56	21.84
Competent A	32,777	14.97	22.46
Competent B	34,908	15.94	23.91
Station Manager (Control)			
Development	36,309	16.58	24.87
Competent A	37,399	17.08	25.62
Competent B	40,046	18.29	27.44
Group Manager (Control)			
Development	41,817	19.09	Not applicable
Competent A	43,071	19.67	"
Competent B	46,356	21.17	"

NON-OPERATIONAL STAFF - PAY RATES FROM 1st JULY 2016

	£ per annum
Fire Control Operator equivalent	
During first six months	18,939
After six months and during 2nd year	19,777
During 3rd year	20,717
During 4th year	21,736
During 5th year	23,673
Leading Fire Control Operator equivalent	25,352
Senior Fire Control Operator equivalent	
During 1st year in rank	26,002
During 2nd year in rank	26,988

JUNIOR FIREFIGHTERS - PAY RATES FROM 1st JULY 2015

	£ per annum
Aged 16	10,287
Aged 17	11,053
Aged 18	22,237

SOUTH WALES FIRE AND RESCUE SERVICE

RETAINED PAYMENT STRUCTURE

Effective from 1st July 2016

Below are the structures for the 3 differing contracts.

100%	Firefighter			Crew Manager		Watch Manager			Station Manager	
	Trainee	Development	Competent	Development	Competent	Development	A	B	Development	A
Hourly Rate	£10.15	£10.58	£13.53	£14.38	£15.00	£15.33	£15.75	£16.78	£17.45	£17.98
Number of Hours Paid a Month	50	50	50	60	60	60	60	60	60	60
Allowance A	£6,090.00	£6,348.00	£8,118.00	£10,353.60	£10,800.00	£11,037.60	£11,340.00	£12,081.60	£12,564.00	£12,945.60
Flexi Wage %	25	25	25	25	25	25	25	25	25	25
Allowance B	£1,522.50	£1,587.00	£2,029.50	£2,588.40	£2,700.00	£2,759.40	£2,835.00	£3,020.40	£3,141.00	£3,236.40
Total Salary 100%	£7,612.50	£7,935.00	£10,147.50	£12,942.00	£13,500.00	£13,797.00	£14,175.00	£15,102.00	£15,705.00	£16,182.00
75%	Firefighter			Crew Manager		Watch Manager			Station Manager	
	Trainee	Development	Competent	Development	Competent	Development	A	B	Development	A
Hourly Rate	£10.15	£10.58	£13.53	£14.38	£15.00	£15.33	£15.75	£16.78	£17.45	£17.98
Number of Hours Paid a Month	37.5	37.5	37.5	45	45	45	45	45	45	45
Allowance A	£4,567.50	£4,761.00	£6,088.50	£7,765.20	£8,100.00	£8,278.20	£8,505.00	£9,061.20	£9,423.00	£9,709.20
Flexi Wage %	25	25	25	25	25	25	25	25	25	25
Allowance B	£1,141.88	£1,190.25	£1,522.13	£1,941.30	£2,025.00	£2,069.55	£2,126.25	£2,265.30	£2,355.75	£2,427.30
Total Salary 100%	£5,709.38	£5,951.25	£7,610.63	£9,706.50	£10,125.00	£10,347.75	£10,631.25	£11,326.50	£11,778.75	£12,136.50
50%	Firefighter			Crew Manager		Watch Manager			Station Manager	
	Trainee	Development	Competent	Development	Competent	Development	A	B	Development	A
Hourly Rate	£10.15	£10.58	£13.53	£14.38	£15.00	£15.33	£15.75	£16.78	£17.45	£17.98
Number of Hours Paid a Month	25	25	25	30	30	30	30	30	30	30
Allowance A	£3,045.00	£3,174.00	£4,059.00	£5,176.80	£5,400.00	£5,518.80	£5,670.00	£6,040.80	£6,282.00	£6,472.80
Flexi Wage %	25	25	25	25	25	25	25	25	25	25
Allowance B	£761.25	£793.50	£1,014.75	£1,294.20	£1,350.00	£1,379.70	£1,417.50	£1,510.20	£1,570.50	£1,618.20
Total Salary 100%	£3,806.25	£3,967.50	£5,073.75	£6,471.00	£6,750.00	£6,898.50	£7,087.50	£7,551.00	£7,852.50	£8,091.00

During Induction Training
Basic Recruits Course
Post Recruits Course

Trainee Rate
Trainee Rate
Development Ra
Allowance A
Allowance A
Allowance B
Allowance B
Allowance B

NJC PAY SPINE 2016-17 (GREEN BOOK STAFF)

SCP	1 Apr 16	1 Jan 17
6	£14,514	£15,014
7	£14,615	£15,115
8	£14,771	£15,246
9	£14,975	£15,375
10	£15,238	£15,613
11	£15,507	£15,807
12	£15,823	£16,123
13	£16,191	£16,491
14	£16,481	£16,781
15	£16,772	£17,072
16	£17,169	£17,419
17	£17,547	£17,772
18	£17,891	£18,070
19	£18,560	£18,746
20	£19,238	£19,430
21	£19,939	£20,138
22	£20,456	£20,661
23	£21,057	£21,268
24	£21,745	£21,962
25	£22,434	£22,658
26	£23,166	£23,398
27	£23,935	£24,174
28	£24,717	£24,964
29	£25,694	£25,951
30	£26,556	£26,822
31	£27,394	£27,668
32	£28,203	£28,485
33	£29,033	£29,323
34	£29,854	£30,153
35	£30,480	£30,785
36	£31,288	£31,601
37	£32,164	£32,486
38	£33,106	£33,437
39	£34,196	£34,538
40	£35,093	£35,444
41	£36,019	£36,379
42	£36,937	£37,306
43	£37,858	£38,237
44	£38,789	£39,177
45	£39,660	£40,057
46	£40,619	£41,025
47	£41,551	£41,967
48	£42,474	£42,899
49	£43,387	£43,821

APPENDIX 5

Extract

**Joint Negotiating Committee for Local Authority Craft &
Associated Employees**

CRAFT & ASSOCIATED EMPLOYEES

Pay for craft & associated employees from the pay week including **1 January 2016** are as follows:

Designation	1 April 2017 £ Per Week	1 April 2017 £ Per Annum
Engineer & Electrician	£327.41	£17,072

Apprentice Engineers & Electricians

Engineering and Electrical Apprentices following a recognised training course. Rate per week and rate for calculation of overtime and other premium payments from the pay week including **1 April 2016** are as follows (percentage of full time rate is denoted in brackets).

Age at Entry	1st Year 1 April 2017	2nd Year 1 April 2017	3rd Year 1 April 2017	4th Year 1 April 2017
16 Yrs	£180.07 (55%)	£229.19 (70%)	£294.67 (90%)	£311.04 (95%)
17 Yrs	£180.07 (55%)	£261.93 (80%)	£294.67 (90%)	£311.04 (95%)
18 Yrs +	£261.93 (80%)	£278.30 (85%)	£294.67 (90%)	£311.04 (95%)

SOUTH WALES FIRE & RESCUE AUTHORITY AUXILIARY FIREFIGHTERS**Auxiliary Firefighter pay will be made up of the following components:-**

- £1,000 per year retainer (paid in quarterly instalments of £250) for the availability of previous 3 months
- £1,000 per year for training attendance (paid in quarterly instalments of £250) for the attendance and compliance with training requirements
- £250 per year enhancement for LGV drivers (to include a one day per year EDRT)

Therefore (subject to availability in meeting retainer requirements and attendance on quarterly training):

- An Auxiliary Firefighter will receive £2,000 per annum
- An Auxiliary Firefighter that is also a EDRT (LGV response driver) will receive £2,250 per annum
- An Auxiliary who is only EDRT (LGV Response driver) will receive £1,250 per annum

Additionally, WDS and RDS personnel of all ranks (up to and including Area Manager) are also able to apply for a “Resilience Contract”. The salary will be between £2,000 and £3,250, depending on skill sets.

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 6.iv

13 FEBRUARY 2017

REPORT OF THE DEPUTY CHIEF OFFICER

REPORT ON RESPONSES TO THE CONSULTATION ON THE DRAFT IMPROVEMENT PLAN – “HOW DID WE DO IN 2015-2016” AND PROPOSED IMPROVEMENT OBJECTIVES FOR 2017-2018**SUMMARY**

To consider the responses received during the consultation process that ran from October 31st 2016 to January 31st 2017.

RECOMMENDATION

That Members approve the Strategic Themes and Priority Actions detailed in Appendix A (collectively considered as our improvement objectives).

Members note the consultation responses detailed in Appendix B.

1. BACKGROUND

- 1.1 In accordance with the Local Government (Wales) Measure 2009, we have a duty to consult on our proposed improvement objectives that support our long-term strategic vision. We also publish an annual report on our achievement and performance.
- 1.2 The objectives in Appendix A (referred to as strategic themes and priority actions), which help support the well-being objectives and have a clear link with the National Framework are contained within the document “How did we do in 2015-2016 and what do we plan to do in 2017-2018”.
- 1.3 Details of the proposal was made available on the intranet and internet page. Articles were published in Spark, Newsletter and Routine Notices. Externally it was sent with an invitation to respond and/or request further information to all constituent Local Authorities, Town Councils, South Wales Police, Gwent Police, Health Boards, PSBs, Welsh Government contacts, third party and voluntary organisations plus many more. The document was also publicised on twitter and Facebook.
- 1.4 The consultation period ran from 31 October 2016 to 31 January 2017.

2. ISSUES

- 2.1 The document has been viewed on the Website more than 480 times in English and more than 20 in Welsh.
- 2.2 The document attracted a total of 5 responses via the on-line survey and 0 written responses. Appendix B to this report details the responses. The information from Tredegar Town Council was gleaned following an invitation to discuss the plan at their meeting of January 18th 2017.

3. FINANCIAL IMPLICATIONS

- 3.1 Delivery of these improvement objectives are primarily addressed within the commitments of the Medium Term Financial Strategy or will be met as part of the financial planning for next year.

4. EQUALITY RISK ASSESSMENT

- 4.1 All documentation was offered in Welsh and English. The consultation also sought to obtain equalities data to analyse demographics for our responses.

5. RECOMMENDATIONS

- 5.1 That Members approve the Strategic Themes and Priority Actions detailed in Appendix A (collectively considered as our improvement objectives).
- 5.2 Members note the consultation responses detailed in Appendix B.

At the time of writing this report, SWF&R has been invited to discuss the proposals in this plan with Tredegar Town Council and Blaenau Gwent CC. The findings of which will be considered before the document is finalised.

Contact Officer	Background Papers
Jemma Trivett Engagement, Transformation & Performance Officer	How did we do in 2015-2016 and What do we plan to do in 2017-2018



Appendix A

This diagram demonstrates what the Local Government (Wales) Measure collectively terms our “Improvement Objectives” and the Wellbeing Goals. Our objectives, termed under strategic themes at the highest level are achieved via the pursuit of our priority actions.



Appendix B

QUESTIONS

	RCT	Bridgend	Blaenau Gwent
1 Which Local Authority area do you live in?	2	2	1
2 Are you responding as an individual or on behalf of an organisation or group?	Individual 4	Group 1	
3 If you are in a group are you able to tell us the name?	Response Tredegar Town Council		
4 Do you agree with our priorities?	Yes 5	No 0	
5 Do you understand them?	Yes 5	No 0	
6 Are they meaningful?	Yes 5	No 0	
7 Is there anything missing?	Yes 1	No 4	
8 Any other comments	Response A very clear and easy to read document, thank you	Response We feel you should reference the good work of the Young Firefighters Scheme and hope you continue to support it.	

EQUALITIES INFORMATION

	18-24	25-40	41-59
Age	1	2	1
Do you consider yourself to have a disability?	Yes 0	No 4	
Please describe your ethnicity / race?	British 3	Welsh 1	
At birth were you described as?	Male 1 Man	Female 3 Woman	

Which of the following describes how you think of yourself?

1 3

Heterosexual/straight

Sexual orientation

4

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 6.v
13 FEBRUARY 2017

REPORT OF THE TREASURER**TREASURY MANAGEMENT STRATEGY 2017/18****SUMMARY**

To submit for approval the Authority's Annual Treasury Management Strategy.

RECOMMENDATION

That Members approve the appended strategies and indicators relating to Treasury Management and Capital Financing.

That Members approve the Minimum Revenue Provision policy to be adopted by the Fire & Rescue Authority for 2017/18.

That Members provide approval for the Treasurer to update the strategies and policies in line with changing economic forecasts and information as necessary throughout the year.

1. BACKGROUND

- 1.1 The Fire & Rescue Authority is required to approve in advance of each financial year its capital requirements, the capital financing and treasury strategies in support of these and the policies and indicators to be used for monitoring and control activities. Detailed explanations and information are set out in Appendix 1 below.
- 1.2 The revised Prudential Code for Capital Finance in Local Authorities outlines the requirements for which capital spending plans are considered and approved. The intention is to ensure that capital budgets are affordable, sustainable and are developed as part of an integrated treasury management strategy.
- 1.3 The Authority also has regard to the Welsh Government Guidance on Local Government Investment. The guidance requires the Authority to produce an Annual Investment Strategy (AIS), a Minimum Revenue Provision (MRP) Policy, a Treasury Management Strategy (TMS) and also allows authorities to combine these strategies into one document.

2. ISSUE

- 2.1 The purpose of this report is for Members to consider the treasury management activities required to deliver capital spending plans in a prudent and sustainable manner and ensure cash resources are managed effectively for the next 3 years.

2.2 This report if approved ensures compliance with the necessary regulatory requirements detailed in Appendix 1.

3. EQUALITY RISK ASSESSMENT

3.1 There are no equality implications resulting directly from this report. Each element of both the capital and revenue budgets will have undergone Equality Risk Assessments by the responsible project lead. The Treasury Management Strategy determines our counter parties in accordance with Member appetite for risk and return and in the context of affordability.

4. FINANCIAL IMPLICATIONS

4.1 The approval of the Treasury Management Strategy provides the control framework within which officers can operate to ensure that as far as possible the costs of borrowing are minimised, and investment opportunities are maximised, whilst ensuring risk is kept to a minimum.

5. RECOMMENDATION

5.1 That Members approve the appended strategies and indicators relating to Treasury Management and Capital Financing.

5.2 That Members approve the Minimum Revenue Provision policy to be adopted by the Fire & Rescue Authority for 2017/18.

5.3 That Members provide approval for the Treasurer to update the strategies and policies in line with changing economic forecasts and information as necessary throughout the year.

Contact Officer:	Background Papers:
Geraint Thomas Head of Finance & Procurement	<ul style="list-style-type: none"> • Local Government Act 2003 • CIPFA Treasury Management Code of Practice • CIPFA Prudential Code • WG MRP & Investment Guidance • 2017/18 Capital budget working papers

1 INTRODUCTION

Appendix 1

1.1 Background

The Authority is required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Authority's low risk appetite, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Authority's capital plans. These capital plans provide a guide to the borrowing need of the Authority, essentially the longer term cash flow planning, to ensure that the Authority can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Authority risk or cost objectives.

CIPFA defines treasury management as:

“The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.2 Reporting requirements

The Authority is required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

Prudential and treasury indicators and treasury strategy (this report) - The first, and most important report covers:

- the capital plans and prudential indicators;
- a minimum revenue provision (MRP) policy;
- the treasury management strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- the investment strategy (the parameters on how investments are to be managed).

A mid-year treasury management report – To update Members with the capital programme position and amend prudential indicators and policies as necessary.

An annual treasury report – This provides details of actual prudential and treasury indicators and treasury operations in comparison to the estimates within the strategy.

Scrutiny

The above reports are required to be adequately scrutinised before being recommended to the Authority. This role is undertaken by the Finance, Audit & Performance Management (FAPM) Committee.

1.3 Treasury Management Strategy for 2017/18

The strategy for 2017/18 covers two main areas:

Capital issues

- the capital plans and the prudential indicators;
- the MRP policy.

Treasury management issues

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Authority;
- prospects for interest rates;
- the borrowing strategy;
- policy on borrowing in advance of need;
- debt rescheduling;
- the investment strategy;
- creditworthiness policy; and
- the policy on use of external service providers.

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, Welsh Government MRP Guidance, the CIPFA Treasury Management Code and Welsh Government Investment Guidance.

1.4 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. Member training takes place at their 'home' Authority and officer training is assessed annually through individual development plans.

1.5 Treasury management consultants

The Authority uses Capita Asset Services, Treasury solutions as its external treasury management advisors.

The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

2 THE CAPITAL PRUDENTIAL INDICATORS 2017/18 – 2019/20

The Authority's capital expenditure plans are the key driver of treasury management activity and form the basis for the prudential indicators.

2.1 Capital expenditure

This prudential indicator is a summary of the Authority's capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts:

Capital expenditure £000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Total	5,153	3,237	7,972	4,612	4,795

- *A detailed capital programme is contained in the supplementary section 5.1, below.*

The above financing need excludes other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments.

The table below summarises how these plans will be finance with any shortfall of resources resulting in a borrowing need.

Financing of capital expenditure £000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Capital receipts	2,481	0	500	100	0
Capital grants	66	48	0	0	0
Reserves	0	25	2,980	1,500	0
Revenue	239	243	200	200	200
Net financing need	2,367	2,921	4,292	2,812	4,595

2.2 The Authority's borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Authority's Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been funded. It is essentially a measure of the Authority's underlying borrowing need. Any capital expenditure above, which has not immediately been paid for, will increase the CFR.

The CFR does not increase indefinitely, as the MRP is a statutory annual revenue charge which broadly reduces the borrowing need in line with each assets life, options detailed in appendix 1.

The CFR includes any other long term liabilities e.g. PFI, finance leases, and whilst these increase the CFR they also include a borrowing facility, nullifying the CFR impact and so the Authority is not required to separately borrow. The Authority currently has £5.5m of such schemes within the CFR as at 31 March 2016.

The Authority is asked to note and approve the CFR projections below:

£000	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Total CFR	45,810	45,216	46,727	46,429	47,616
Movement in CFR	(355)	(594)	1,511	(298)	1,187
Movement in CFR represented by					
Net financing need	2,367	2,921	4,292	2,812	4,595
Less MRP	2,722	2,915	3,281	3,210	3,408
Movement in CFR	(355)	6	1,511	(298)	1,187

3 BORROWING

The capital expenditure plans set out in Section 2 will involve both the organisation of cash flow and, the organisation of appropriate borrowing facilities over a short and long term basis.

3.1 Current portfolio position

The Authority's treasury portfolio position at 31 March 2016, with forward projections are summarised below. The table shows the actual and forecast external debt against the CFR to highlight any over or under borrowing as an indication of prudential borrowing.

£m	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
External Debt					
Debt at 1 April	40,241	39,133	37,224	36,309	35,893
Expected change in Debt	(1,108)	(1,909)	(916)	(416)	(416)
Other long-term liabilities (OLTL)	5,511	5,163	4,780	4,584	4,576
Expected change in OLTL	(419)	(348)	(383)	(196)	(9)
Actual gross debt at 31 March	44,644	42,387	41,088	40,477	40,052
The Capital Financing Requirement	45,810	45,816	47,327	47,029	48,216
Under / (over) borrowing	1,166	3,429	6,238	6,552	8,163

There are a number of prudential indicators to ensure that the Authority operates its activities within well-defined limits. One of these is that the Authority needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2017/18 and the following two financial years. This allows some flexibility for limited early borrowing, but ensures that borrowing is not undertaken for revenue purposes as a measure of solvency, sustainability and because the Authority is required to set annually a balanced revenue budget to fund revenue activities.

The Treasurer reports that the Authority complied with this prudential indicator in the current year and does not envisage difficulties for the future, as demonstrated above. This view takes into account current commitments, existing plans, and the proposals in this budget report.

3.2 Treasury Indicators: limits to borrowing activity

The operational boundary. This is the limit beyond which external debt is not normally expected to exceed.

Operational boundary £000	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Debt	50,000	45,000	45,000	45,000
Other long term liabilities	10,000	10,000	10,000	10,000
Total	60,000	55,000	55,000	55,000

The authorised limit for external debt. This key indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all Authority plans, or those of a specific Authority, although this power has not yet been exercised. The Authority is asked to approve the following authorised limit:

Authorised limit £m	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Debt	50,000	50,000	50,000	50,000
Other long term liabilities	10,000	12,000	14,000	16,000
Total	60,000	62,000	64,000	66,000

3.3 Prospects for interest rates

The Authority has appointed Capita Asset Services as its treasury advisor to formulate a view on interest rates and the following table provide the central view.

	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20
Bank rate	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.50%	0.50%	0.75%	0.75%
5yr PWLB rate	1.60%	1.60%	1.60%	1.60%	1.60%	1.70%	1.70%	1.70%	1.80%	1.80%	1.90%	1.90%	2.00%	2.00%
10yr PWLB rate	2.30%	2.30%	2.30%	2.30%	2.30%	2.30%	2.40%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%	2.70%
25yr PWLB rate	2.90%	2.90%	2.90%	2.90%	3.00%	3.00%	3.00%	3.10%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%
50yr PWLB rate	2.70%	2.70%	2.70%	2.70%	2.80%	2.80%	2.80%	2.90%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%

The PWLB rate includes the certainty rate discount.

The Monetary Policy Committee, (MPC), cut Bank Rate from 0.50% to 0.25% on 4 August in order to counteract a forecast slowdown in growth in the second half of 2016. It also gave a strong steer that it was likely to cut Bank Rate again by the end of the year. However, economic data since August has indicated stronger growth in the second half 2016; also, inflation forecasts have risen substantially as a result of continuation of the sharp fall in the value of sterling since early August. Consequently, Bank Rate was not cut again in November and, on current trends, it now appears unlikely that there will be another cut, although that cannot be completely ruled out if there was a significant dip in economic growth. During the two year period i.e. 2017 – 2019, when the UK is negotiating the terms for withdrawal from the EU, it is likely that the MPC will do nothing to dampen growth prospects, i.e. by raising Bank Rate, which will already be adversely impacted by the uncertainties of what form Brexit will eventually take. Accordingly, a first increase to 0.50% is tentatively pencilled in, in quarter 2 2019 and after negotiations have been concluded. However, if strong domestically generated inflation, e.g. from wage increases within the UK, were to emerge, then the pace and timing of increases in Bank Rate could be brought forward.

A more detailed narrative explaining forecast interest rate movements is included in appendix 2.

Investment and borrowing rates

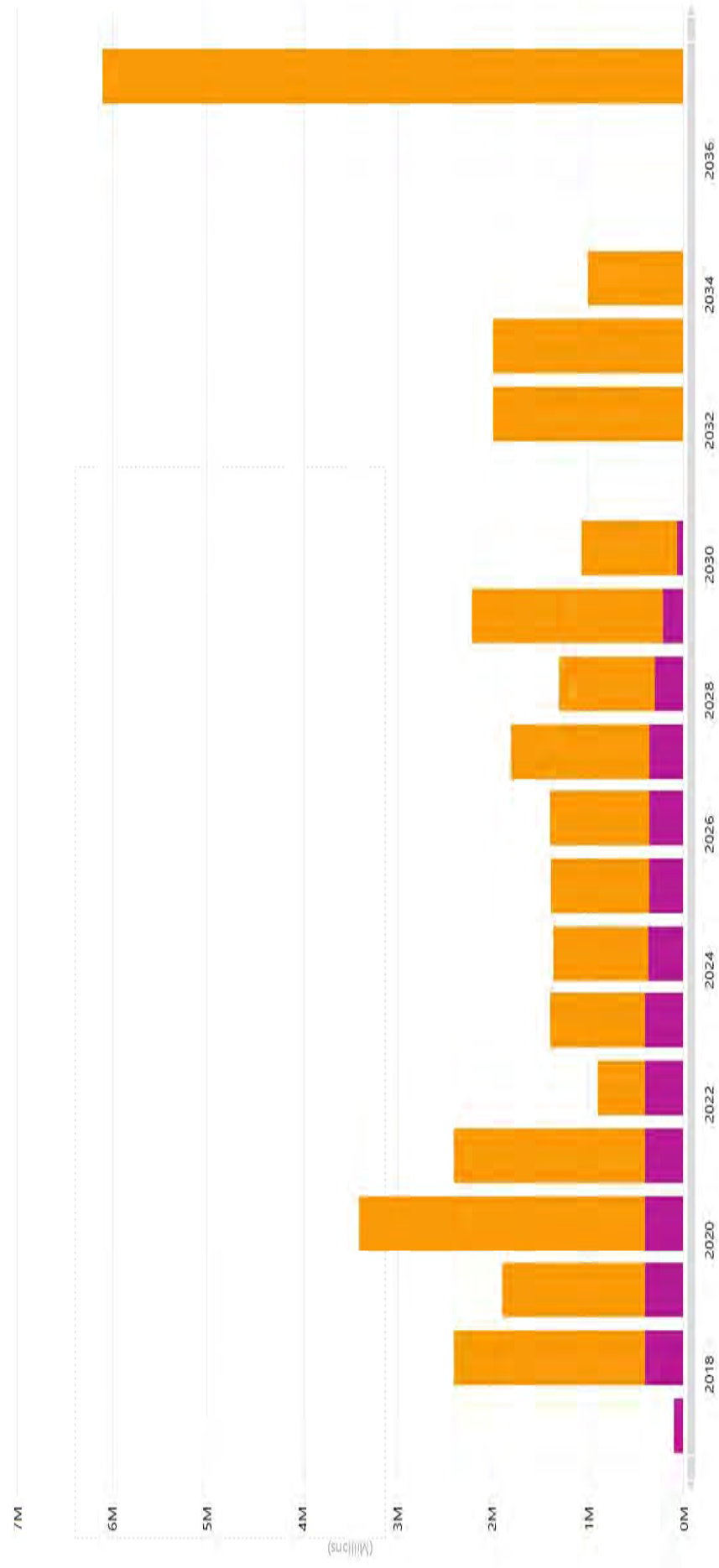
- Investment returns are likely to remain low during 2017/18 and beyond;
- Borrowing interest rates have been on a generally downward trend during most of 2016 up to mid-August; they fell sharply to historically low levels after the referendum and then even further after the MPC meeting of 4th August when a new package of quantitative easing purchasing of gilts was announced. Gilt yields have since risen sharply due to a rise in concerns around a 'hard Brexit', the fall in the value of sterling, and an increase in inflation expectations. The policy of avoiding new borrowing by running down spare cash balances, has served well over the last few years. However, this needs to be carefully reviewed to avoid incurring higher borrowing costs in later times when authorities will not be able to avoid new borrowing to finance capital expenditure and/or to refinance maturing debt;
- There will remain a cost of carry to any new long-term borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost – the difference between borrowing costs and investment returns.

3.4 Borrowing strategy

The Authority is currently maintaining an under-borrowed position. This means that the capital borrowing need i.e. CFR, has not been fully funded with loan debt as cash supporting the Authority's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is still an issue that needs to be considered.

Officers will monitor interest rates and adopt a pragmatic approach. Borrowing will be fixed rate thus reflecting the low risk appetite of the Authority in prioritising budget certainty over cheaper short term rates as rates will and can fluctuate over the life of the loan term. The timing and structure of borrowing will be based on an assessment of the current loan maturity structure (below) to mitigate the impact refinancing risk and to ensure that borrowing is planned in line with cash flow, capital spending plans and relatively favourable market rates.

Loan Maturity Structure



The possibility of debt re-scheduling is remote as rates would have to fall significantly lower due to the current net debt book rate of approx. 4% in addition to early repayment premiums. The more likely scenario is for the Authority to forward borrow to ensure long term borrowing costs remain affordable and to address future refinancing requirements.

3.5 Policy on borrowing in advance of need

The Authority will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved CFR estimates, and will be carefully considered to ensure that value for money can be demonstrated and that the Authority can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

3.6 Debt rescheduling

As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely as short term rates on investments are likely to be lower than rates paid on current debt.

All rescheduling will be reported to the Authority at the earliest meeting following its action.

4 ANNUAL INVESTMENT STRATEGY

4.1 Investment policy

The Authority's investment policy has regard to the Welsh Government's (WG) Guidance on Local Government Investments ("the Guidance") and the revised

CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes (“the CIPFA TM Code”). The Authority’s investment priorities will be security first, liquidity second, then return (or yield) i.e. SLY.

In accordance with the above guidance, and in order to minimise the risk to investments, the Authority applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the Short Term and Long Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Authority will engage with its advisors to maintain a monitor on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

Investment instruments identified for use in the financial year are listed below as ‘specified’ investments. Counterparty limits will be as set through the Authority’s treasury management practices.

SPECIFIED INVESTMENTS: All investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum ‘high’ quality criteria where applicable.

NON-SPECIFIED INVESTMENTS

The Authority will not place non-specified investments.

4.2 Creditworthiness policy

This Authority applies the creditworthiness service provided by Capita Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody’s and Standard and Poor’s. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit Watches and credit Outlooks in a weighted scoring system which is then combined with an overlay of

CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes are used by the Authority to determine the suggested duration for investments. The Authority will therefore use counterparties within the following durational bands:

- Yellow 5 years *
- Dark pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.25
- Light pink 5 years for Enhanced money market funds (EMMFs) with a credit score of 1.5
- Purple 2 years
- Blue 1 year (only applies to nationalised or semi nationalised UK Banks)
- Orange 1 year
- Red 6 months
- Green 100 days
- No colour not to be used

Y	Pi1	Pi2	P	B	O	R	G	N/C
1	1.25	1.5	2	3	4	5	6	7
Up to 5yrs	Up to 5yrs	Up to 5yrs	Up to 2yrs	Up to 1yr	Up to 1yr	Up to 6mths	Up to 100days	No Colour

	Colour	Money Limit	Time Limit
Banks *	yellow	£10m	1 yr
Banks	purple	£10m	1 yr
Banks	orange	£10m	1 yr
Banks – part nationalised	blue	£10m	1 yr
Banks	red	£10m	6 mths
Banks	green	£10m	100 days
Banks	No colour	Do not use	
Authority's banker	Red	£10m	Call
Other institutions limit	Blue	£10m	Call
DMADF	AAA	£10m	1 yr
Local authorities	n/a	£10m	1 yr
	Fund rating	Money Limit	Time Limit
Money market funds	AAA	£10m	1 yr
Enhanced money market funds with a credit score of 1.25	Dark pink / AAA	£10m	1 yr
Enhanced money market funds with a credit score of 1.5	Light pink / AAA	£10m	1 yr

Typically the minimum credit ratings criteria the Authority use will be a Short Term rating (Fitch or equivalents) of F1 and a Long Term rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored weekly. The Authority is alerted to changes to ratings of all three agencies through its use of the Capita Asset Services' creditworthiness service.

- if a downgrade results in the counterparty / investment scheme no longer meeting the Authority's minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Authority will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a daily basis via its Passport website, provided exclusively to it by Capita Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Authority's lending list.

4.3 Country limits

The Authority has determined that it will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch or equivalent. The list of countries that qualify using this credit criteria as at the date of this report are shown in Appendix 5.6. This list will be added to, or deducted from, by officers should ratings change in accordance with this policy.

4.4 Investment strategy

In-house funds: Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates i.e. rates for investments up to 12 months.

Investment returns expectations: In view of the bank rate forecasts above, the suggested budgeted investment rates for periods up to 100 days during each financial year are as follows:

	Now
2016/17	0.25%
2017/18	0.25%
2018/19	0.25%
2019/20	0.50%
2020/21	0.75%
2021/22	1.00%
2022/23	1.50%
2023/24	1.75%
Later years	2.75%

The overall balance of risks to these forecasts is skewed to the downside in view of the uncertainty over the final terms of Brexit. If growth expectations disappoint and inflationary pressures are minimal, the start of increases in Bank Rate could be pushed back. On the other hand, should the pace of growth quicken and / or forecasts for increases in inflation rise, there could be an upside risk i.e. Bank Rate increases occur earlier and / or at a quicker pace.

Investment treasury indicator and limit: Total principal funds invested for less than 365 days. These limits are set with regard to the Authority's liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Authority is asked to approve the treasury indicator and limit: -

Maximum principal sums invested < 365 days			
£000	2017/18	2018/19	2019/20
Principal sums invested	10,000	10,000	10,000

Officers do not intend to place investments for periods of more than 365 days, in line with the SLY framework.

For its cash flow generated balances, the Authority will seek to utilise its business instant access accounts, money market funds and short-dated deposits in order to benefit from the compounding of interest.

4.5 Investment risk benchmarking

This Authority will use an investment benchmark to assess the investment performance of its investment portfolio of 7 day LIBID.

4.7 External fund managers

The Authority does not employ the services of external fund managers.

4.8 Icelandic bank investments

No investments were/have been made with Icelandic banks.

5 Supplement

1. Capital Programme
2. Prudential / treasury indicators and MRP statement
3. Interest rate forecasts
4. Economic background
5. Approved countries for investments
6. Treasury management scheme of delegation
7. The treasury management role of the section 151 officer

5.1 CAPITAL PROGRAMME

CAPITAL PROGRAMME	SLIPPAGE c/f 2017/18 £'000	2017/18 Budget £'000	2018/19 Budget £'000	2019/20 Budget £'000
PROPERTY				
LAND ACQUISITIONS	750			
STATION REFURBISHMENTS				
NEW INN		500	1,500	550
PLANNED STATION REFURB				1,500
MONMOUTH	595			
NEW BUILDS				
CFBT @ CARDIFF GATE	480	2,500	1,500	
MALPAS				100
PONTYPRIDD				100
PLANNED & PREVENTATIVE MAINT	570		340	340
	2,395	3,000	3,340	2,590
VEHICLES				
MINIBUS	0		28	28
NON-OPERATIONAL 4WD	23	26		
UTILITY 4WD	0		120	180
LIGHT VEHICLES	0	155	155	155
TRUCK (SLIDE DECK/CRANE)			180	
RESCUE BOAT		45		
RECOVERY UNIT			115	
WATER LADDERS	0	1,150	464	696
	23	1,376	1,062	1,059
EQUIPMENT - ORM				
ROAD SAFETY VEHICLE EQUIPMENT		33		
FIREGROUND DIGITAL MOBILE RADIOS		670		
RADIO FREQUENCY ID READERS			110	
BREATHING APPARATUS SETS				700
RADOS RDS-200 UNIVERSAL SURVEY METER				43
THERMO-SIEMENS ELECTRONIC PERSONAL DOSIMETER				103
	0	703	110	846
ICT				
BIM SYSTEM	126			
FINANCE/PROCUREMENT SYSTEM	21			
HR/PAYROLL SYSTEM	73			
ICT REPLACEMENT PROGRAMME	0			300
HQ SWITCH REPLACEMENT		200		
UNIFIED COMMS REPLACEMENT PROGRAMME			100	
SERVER INFRASTRUCTURE REPLACEMENT		55		
	220	255	100	300
TOTAL	2,638	5,334	4,612	4,795

5.2 PRUDENTIAL / TREASURY INDICATORS AND MRP STATEMENT

5.2.1 Minimum revenue provision (MRP) policy statement

The Authority is required to pay off an element of the CFR through an annual revenue charge i.e. the minimum revenue provision - MRP, although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

Welsh Government regulations have been issued which require the full Authority to approve **an MRP Statement** in advance of each year. The Authority is recommended to approve the following MRP Statement:

For capital expenditure incurred before 1 April 2008 the MRP policy will be:

- **Existing practice** - MRP will follow the existing practice outlined in Welsh Government regulations (option 1);

These options provide for an approximate 4% reduction in annual borrowing need.

From 1 April 2008 for all unsupported borrowing (inc PFI and finance leases), the MRP policy will be:

- **Asset life method** – MRP will be based on the estimated life of the assets, in accordance with the regulations (this option must be applied for any expenditure capitalised under a Capitalisation Direction) (option 3);

These options provide for a reduction in the borrowing need over approximately the asset's life.

Repayments included in annual PFI or finance leases are applied as MRP.

5.2.2 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact on the Authority's overall finances. The Authority is asked to approve the following indicators:

a. Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

%	2015/16 Actual	2016/17 Estimate	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate
Ratio	6.57	6.86	7.26	7	7.2

The estimates of financing costs include current commitments and the proposals in this budget report.

5.2 INTEREST RATE FORECASTS 2016 – 2020

Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

The overall longer run trend is for gilt yields and PWLB rates to rise, albeit gently. It has long been expected that at some point, there would be a start to a switch back from bonds to equities after a historic long term i.e. 25yrs trend of falling bond yields. The action of central banks since the financial crash of 2008, in implementing substantial quantitative easing purchases of bonds, added further impetus to this downward trend in bond yields and rising prices of bonds. The opposite side of this coin has been a rise in equity values as investors searched for higher returns and took on riskier assets. The sharp rise in bond yields since the US Presidential election, has called into question whether, or when, this trend has, or may, reverse, especially when America is likely to lead the way in reversing monetary policy. Until 2015, monetary policy was focused on providing stimulus to economic growth but has since started to refocus on countering the threat of rising inflationary pressures as strong economic growth becomes more firmly established. The expected substantial rise in the Fed. rate over the next few years may make holding US bonds much less attractive and cause their prices to fall, and therefore bond yields to rise. Rising bond yields in the US would be likely to exert some upward pressure on bond yields in other developed countries but the degree of that upward pressure is likely to be dampened by how strong, or weak, the prospects for economic growth and rising inflation are in each country, and on the degree of progress in the reversal of monetary policy away from quantitative easing and other credit stimulus measures.

PWLB rates and gilt yields have been experiencing exceptional levels of volatility that have been highly correlated to geo-political, sovereign debt crisis and emerging market developments. It is likely that these exceptional levels of volatility could continue to occur for the foreseeable future.

The overall balance of risks to economic recovery in the UK is to the downside, particularly in view of the current uncertainty over the final terms of Brexit and the timetable for its implementation.

Apart from the above uncertainties, **downside risks to current forecasts** for UK gilt yields and PWLB rates currently include:

- Monetary policy action by the central banks of major economies reaching its limit of effectiveness and failing to stimulate significant sustainable growth, combat the threat of deflation and reduce high levels of debt in some countries, combined with a lack of adequate action from national governments to promote growth through structural reforms, fiscal policy and investment expenditure.
- Major national polls:
 - Italian constitutional referendum 4.12.16;
 - Spain has a minority government with only 137 seats out of 350 after already having had two inconclusive general elections in 2015 and 2016. This is potentially highly unstable.
 - Dutch general election 15.3.17;
 - French presidential election April/May 2017;
 - French National Assembly election June 2017;
 - German Federal election August – October 2017.
- A resurgence of the Eurozone sovereign debt crisis, with Greece being a particular problem, and stress arising from disagreement between EU countries on free movement of people and how to handle a huge influx of immigrants and terrorist threats
- Weak capitalisation of some European banks, especially Italian.
- Geopolitical risks in Europe, the Middle East and Asia, causing a significant increase in safe haven flows.
- UK economic growth and increases in inflation are weaker than we currently anticipate.
- Weak growth or recession in the UK's main trading partners - the EU and US.

The potential for **upside risks to current forecasts** for UK gilt yields and PWLB rates, especially for longer term PWLB rates, include: -

- UK inflation rising to significantly higher levels than in the wider EU and US, causing an increase in the inflation premium in gilt yields.
- A rise in US Treasury yields as a result of Fed. funds rate increases and rising inflation expectations in the USA, dragging UK gilt yields upwards.
- The pace and timing of increases in the Fed. funds rate causing a fundamental reassessment by investors of the relative risks of holding bonds as opposed to equities and leading to a major flight from bonds to equities.
- A downward revision to the UK's sovereign credit rating undermining investor confidence in holding sovereign debt (gilts).

5.3 ECONOMIC BACKGROUND

UK. GDP growth rates in 2013, 2014 and 2015 of 2.2%, 2.9% and 1.8% were some of the strongest rates among the G7 countries. Growth is expected to have strengthened in 2016 with the first three quarters coming in respectively at +0.4%, +0.7% and +0.5%. The latest Bank of England forecast for growth in 2016 as a whole is +2.2%. The figure for quarter 3 was a pleasant surprise which confounded the downbeat forecast by the Bank of England in August of only +0.1%, (subsequently revised up in September, but only to +0.2%). During most of 2015 and the first half of 2016, the economy had faced headwinds for exporters from the appreciation of sterling against the Euro, and weak growth in the EU, China and emerging markets, and from the dampening effect of the Government's continuing austerity programme.

The **referendum vote for Brexit** in June 2016 delivered an immediate shock fall in confidence indicators and business surveys at the beginning of August, which were interpreted by the Bank of England in its August Inflation Report as pointing to an impending sharp slowdown in the economy. However, the following monthly surveys in September showed an equally sharp recovery in confidence and business surveys so that it is generally expected that the economy will post reasonably strong growth numbers through the second half of 2016 and also in 2017, albeit at a slower pace than in the first half of 2016.

The **Monetary Policy Committee, (MPC), meeting of 4th August** was therefore dominated by countering this expected sharp slowdown and resulted in a package of measures that included a cut in Bank Rate from 0.50% to 0.25%, a renewal of quantitative easing, with £70bn made available for purchases of gilts and corporate bonds, and a £100bn tranche of cheap borrowing being made available for banks to use to lend to businesses and individuals.

The **MPC meeting of 3 November** left Bank Rate unchanged at 0.25% and other monetary policy measures also remained unchanged. This was in line with market expectations, but a major change from the previous quarterly Inflation Report MPC meeting of 4 August, which had given a strong steer, in its forward guidance, that it was likely to cut Bank Rate again, probably by the end of the year if economic data turned out as forecast by the Bank.

The latest MPC decision included a forward view that **Bank Rate** could go either up or down depending on how economic data evolves in the coming months. Our central view remains that Bank Rate will remain unchanged at 0.25% until the first increase to 0.50% in quarter 2 2019 (unchanged from our previous forecast). However, we would not, as yet, discount the

risk of a cut in Bank Rate if economic growth were to take a significant dip downwards, though we think this is unlikely. We would also point out that forecasting as far ahead as mid 2019 is highly fraught as there are many potential economic headwinds which could blow the UK economy one way or the other as well as political developments in the UK, (especially over the terms of Brexit), EU, US and beyond, which could have a major impact on our forecasts.

The pace of Bank Rate increases in our forecasts has been slightly increased beyond the three year time horizon to reflect higher inflation expectations.

The August quarterly Inflation Report was based on a pessimistic forecast of near to zero GDP growth in quarter 3 i.e. a sharp slowdown in growth from +0.7% in quarter 2, in reaction to the shock of the result of the referendum in June. However, **consumers** have very much stayed in a 'business as usual' mode and there has been no sharp downturn in spending; it is consumer expenditure that underpins the services sector which comprises about 75% of UK GDP. After a fairly flat three months leading up to October, retail sales in October surged at the strongest rate since September 2015. In addition, the GfK consumer confidence index has recovered quite strongly to -3 in October after an initial sharp plunge in July to -12 in reaction to the referendum result.

Bank of England GDP forecasts in the November quarterly Inflation Report were as follows, (August forecasts in brackets) - 2016 +2.2%, (+2.0%); 2017 1.4%, (+0.8%); 2018 +1.5%, (+1.8%). There has, therefore, been a sharp increase in the forecast for 2017, a marginal increase in 2016 and a small decline in growth, now being delayed until 2018, as a result of the impact of Brexit.

Capital Economics' GDP forecasts are as follows: 2016 +2.0%; 2017 +1.5%; 2018 +2.5%. They feel that pessimism is still being overdone by the Bank and Brexit will not have as big an effect as initially feared by some commentators.

The Chancellor has said he will do 'whatever is needed' i.e. to **promote growth**; there are two main options he can follow – fiscal policy e.g. cut taxes, increase investment allowances for businesses, and/or increase government expenditure on infrastructure, housing etc. This will mean that the PSBR deficit elimination timetable will need to slip further into the future as promoting growth, (and ultimately boosting tax revenues in the longer term), will be a more urgent priority. The Governor of the Bank of England, Mark Carney, had warned that a vote for Brexit would be likely to cause a slowing in growth, particularly from a reduction in business investment, due to the uncertainty of whether the UK would have continuing full access, (i.e.

without tariffs), to the EU single market. He also warned that the Bank could not do all the heavy lifting to boost economic growth and suggested that the Government would need to help growth e.g. by increasing investment expenditure and by using fiscal policy tools. The newly appointed Chancellor, Phillip Hammond, announced, in the aftermath of the referendum result and the formation of a new Conservative cabinet, that the target of achieving a budget surplus in 2020 would be eased in the Autumn Statement on 23 November.

The other key factor in forecasts for Bank Rate is **inflation** where the MPC aims for a target for CPI of 2.0%. The November Inflation Report included an increase in the peak forecast for inflation from 2.3% to 2.7% during 2017; (Capital Economics are forecasting a peak of 3.2% in 2018). This increase was largely due to the effect of the sharp fall in the value of sterling since the referendum, (16% down against the US dollar and 11% down against the Euro); this will feed through into a sharp increase in the cost of imports and materials used in production in the UK. However, the MPC is expected to look through the acceleration in inflation caused by external, (outside of the UK), influences, although it has given a clear warning that if wage inflation were to rise significantly as a result of these cost pressures on consumers, then they would take action to raise Bank Rate.

What is clear is that **consumer disposable income** will come under pressure, as the latest employers' survey is forecasting median pay rises for the year ahead of only 1.1% at a time when inflation will be rising significantly higher than this. The CPI figure for October surprised by under shooting forecasts at 0.9%. However, producer output prices rose at 2.1% and core inflation was up at 1.4%, confirming the likely future upwards path.

Gilt yields, and consequently PWLB rates, have risen sharply since hitting a low point in mid-August. There has also been huge volatility during 2016 as a whole. The year started with 10 year gilt yields at 1.88%, fell to a low point of 0.53% on 12 August, and have hit a peak on the way up again of 1.46% on 14 November. The rebound since August reflects the initial combination of the yield-depressing effect of the MPC's new round of quantitative easing on 4 August, together with expectations of a sharp downturn in expectations for growth and inflation as per the pessimistic Bank of England Inflation Report forecast, followed by a sharp rise in growth expectations since August when subsequent business surveys, and GDP growth in quarter 3 at +0.5% q/q, confounded the pessimism. Inflation expectations also rose sharply as a result of the continuing fall in the value of sterling.

Employment has been growing steadily during 2016, despite initial expectations that the referendum would cause a fall in employment. However, the latest employment data in November, (for October), showed a distinct slowdown in the rate of employment growth and an increase in the rate of growth of the unemployment claimant count. **House prices** have been rising during 2016 at a modest pace but the pace of increase has been slowing since the referendum; a downturn in prices could dampen consumer confidence and expenditure.

USA. The American economy had a patchy 2015 with sharp swings in the quarterly **growth rate** leaving the overall growth for the year at 2.4%. Quarter 1 of 2016 at +0.8%, (on an annualised basis), and quarter 2 at 1.4% left average growth for the first half at a weak 1.1%. However, the first estimate for quarter 3 at 2.9% signalled a rebound to strong growth. The Fed. embarked on its long anticipated first increase in rates at its December 2015 meeting. At that point, confidence was high that there would then be four more increases to come in 2016. Since then, more downbeat news on the international scene and then the Brexit vote, have caused a delay in the timing of the second increase which is now strongly expected in December 2016. Overall, despite some data setbacks, the US is still, probably, the best positioned of the major world economies to make solid progress towards a combination of strong growth, full employment and rising inflation: this is going to require the central bank to take action to raise rates so as to make progress towards normalisation of monetary policy, albeit at lower central rates than prevailed before the 2008 crisis.

The result of the **presidential election** in November is expected to lead to a strengthening of US growth if Trump's election promise of a major increase in expenditure on infrastructure is implemented. This policy is also likely to strengthen inflation pressures as the economy is already working at near full capacity. In addition, the unemployment rate is at a low point verging on what is normally classified as being full employment. However, the US does have a substantial amount of hidden unemployment in terms of an unusually large, (for a developed economy), percentage of the working population not actively seeking employment.

Trump's election has had a profound effect on the **bond market and bond yields** have risen sharply in the week since his election. Time will tell if this is a temporary over reaction, or a reasonable assessment of his election promises to cut taxes at the same time as boosting expenditure. This could lead to a sharp rise in total debt issuance from the current level of around 72% of GDP towards 100% during his term in office. However, although the Republicans now have a monopoly of power for the first time since the 1920s, in having a President and a majority in both Congress and the Senate, there is by no means any certainty that the politicians and advisers he has been appointing to his team, and both houses, will implement the

more extreme policies that Trump outlined during his election campaign. Indeed, Trump may even rein back on some of those policies himself.

The election does not appear likely to have much impact on the Fed. in terms of holding back further on increasing **the Fed. Rate**. Accordingly, the next rate rise is still widely expected to occur in December 2016, followed by sharper increases thereafter, which may also cause Treasury yields to rise further. If the Trump package of policies is fully implemented, there is likely to be a significant increase in inflationary pressures which could, in turn, mean that the pace of further Fed. Rate increases will be quicker and stronger than had been previously expected.

In the first week since the US election, there has been a major shift in **investor sentiment** away from bonds to equities, especially in the US. However, gilt yields in the UK and bond yields in the EU have also been dragged higher. Some commentators are saying that this rise has been an overreaction to the US election result which is likely to be reversed. Other commentators take the view that this could well be the start of the long expected eventual unwinding of bond prices propelled upwards to unrealistically high levels, (and conversely bond yields pushed down), by the artificial and temporary power of quantitative easing.

EZ. In the Eurozone, **the ECB** commenced, in March 2015, its massive €1.1 trillion programme of quantitative easing to buy high credit quality government and other debt of selected EZ countries at a rate of €60bn per month. This was intended to run initially to September 2016 but was extended to March 2017 at its December 2015 meeting. At its December and March 2016 meetings it progressively cut its deposit facility rate to reach -0.4% and its main refinancing rate from 0.05% to zero. At its March meeting, it also increased its monthly asset purchases to €80bn. These measures have struggled to make a significant impact in boosting economic growth and in helping inflation to rise significantly from low levels towards the target of 2%.

EZ GDP growth in the first three quarters of 2016 has been 0.5%, +0.3% and +0.3%, (+1.6% y/y). Forward indications are that economic growth in the EU is likely to continue at moderate levels. This has added to comments from many forecasters that those central banks in countries around the world which are currently struggling to combat low growth, are running out of ammunition to stimulate growth and to boost inflation. Central banks have also been stressing that national governments will need to do more by way of structural reforms, fiscal measures and direct investment expenditure to support demand and economic growth in their economies.

There are also significant specific political and other risks within the EZ: -

- **Greece** continues to cause major stress in the EU due to its tardiness and reluctance in implementing key reforms required

by the EU to make the country more efficient and to make significant progress towards the country being able to pay its way – and before the EU is prepared to agree to release further bail out funds.

- **Spain** has had two inconclusive general elections in 2015 and 2016, both of which failed to produce a workable government with a majority of the 350 seats. At the eleventh hour on 31 October, before it would have become compulsory to call a third general election, the party with the biggest bloc of seats (137), was given a majority confidence vote to form a government. This is potentially a highly unstable situation, particularly given the need to deal with an EU demand for implementation of a package of austerity cuts which will be highly unpopular.
- The under capitalisation of **Italian banks** poses a major risk. Some **German banks** are also undercapitalised, especially Deutsche Bank, which is under threat of major financial penalties from regulatory authorities that will further weaken its capitalisation. What is clear is that national governments are forbidden by EU rules from providing state aid to bail out those banks that are at risk, while, at the same time, those banks are unable realistically to borrow additional capital in financial markets due to their vulnerable financial state. However, they are also ‘too big, and too important to their national economies, to be allowed to fail’.
- **4 December Italian constitutional referendum** on reforming the Senate and reducing its powers; this has also become a confidence vote on Prime Minister Renzi who originally said he would resign if there is a ‘no’ vote, but has since back tracked on that in the light of adverse poll predictions. A rejection of these proposals would stop progress to fundamental political and economic reform which is urgently needed to deal with Italy’s core problems, especially low growth and a very high debt to GDP ratio of 135%. They are also intended to give Italy more stable government as no western European country has had such a multiplicity of governments since the Second World War as Italy, due to the equal split of power between the two chambers of the Parliament which are both voted in by the Italian electorate but by using different voting systems. It is unclear what the political, and other, repercussions could be if there is a ‘No’ vote.
- **Dutch general election 15.3.17**; a far right party is currently polling neck and neck with the incumbent ruling party. In addition, anti-big business and anti-EU activists have already collected two thirds of the 300,000 signatures required to force

a referendum to be taken on approving the EU – Canada free trade pact. This could delay the pact until a referendum in 2018 which would require unanimous approval by all EU governments before it can be finalised. In April 2016, Dutch voters rejected by 61.1% an EU – Ukraine cooperation pact under the same referendum law. Dutch activists are concerned by the lack of democracy in the institutions of the EU.

- **French presidential election;** first round 13 April; second round 7 May 2017.
- **French National Assembly election June 2017.**
- **German Federal election August – 22 October 2017.** This could be affected by significant shifts in voter intentions as a result of terrorist attacks, dealing with a huge influx of immigrants and a rise in anti EU sentiment.
- The core EU, (note, not just the Eurozone currency area), principle of **free movement of people** within the EU is a growing issue leading to major stress and tension between EU states, especially with the Visegrad bloc of former communist states.

Given the number and type of challenges the EU faces in the next eighteen months, there is an identifiable risk for the EU project to be called into fundamental question. The risk of an electoral revolt against the EU establishment has gained traction after the shock results of the UK referendum and the US Presidential election. But it remains to be seen whether any shift in sentiment will gain sufficient traction to produce any further shocks within the EU.

Asia. Economic growth in **China** has been slowing down and this, in turn, has been denting economic growth in emerging market countries dependent on exporting raw materials to China. Medium term risks have been increasing in China e.g. a dangerous build up in the level of credit compared to the size of GDP, plus there is a need to address a major over supply of housing and surplus industrial capacity, which both need to be eliminated. This needs to be combined with a rebalancing of the economy from investment expenditure to consumer spending. However, the central bank has a track record of supporting growth through various monetary policy measures, though these further stimulate the growth of credit risks and so increase the existing major imbalances within the economy.

Economic growth in **Japan** is still patchy, at best, and skirting with deflation, despite successive rounds of huge monetary stimulus and massive fiscal action to promote consumer spending. The government is also making little progress on fundamental reforms of the economy.

Emerging countries. There have been major concerns around the vulnerability of some emerging countries exposed to the downturn in demand for commodities from China or to competition from the increase in supply of American shale oil and gas reaching world markets. The ending of sanctions on Iran has also brought a further significant increase in oil supplies into the world markets. While these concerns have subsided during 2016, if interest rates in the USA do rise substantially over the next few years, (and this could also be accompanied by a rise in the value of the dollar in exchange markets), this could cause significant problems for those emerging countries with large amounts of debt denominated in dollars. The Bank of International Settlements has recently released a report that \$340bn of emerging market corporate debt will fall due for repayment in the remaining two months of 2016 and in 2017 – a 40% increase on the figure for the last three years.

Financial markets could also be vulnerable to risks from those emerging countries with major sovereign wealth funds, that are highly exposed to the falls in commodity prices from the levels prevailing before 2015, especially oil, and which, therefore, may have to liquidate substantial amounts of investments in order to cover national budget deficits over the next few years if the price of oil does not return to pre-2015 levels.

Brexit timetable and process

- March 2017: UK government notifies the European Authority of its intention to leave under the Treaty on European Union Article 50
- March 2019: two-year negotiation period on the terms of exit. This period can be extended with the agreement of all members i.e. not that likely.
- UK continues as an EU member during this two-year period with access to the single market and tariff free trade between the EU and UK.
- The UK and EU would attempt to negotiate, among other agreements, a bi-lateral trade agreement over that period.
- The UK would aim for a negotiated agreed withdrawal from the EU, although the UK may also exit without any such agreements.
- If the UK exits without an agreed deal with the EU, World Trade Organisation rules and tariffs could apply to trade between the UK and EU - but this is not certain.
- On exit from the EU: the UK parliament would repeal the 1972 European Communities Act.
- The UK will then no longer participate in matters reserved for EU members, such as changes to the EU's budget, voting allocations and policies.

- It is possible that some sort of agreement could be reached for a transitional time period for actually implementing Brexit after March 2019 so as to help exporters to adjust in both the EU and in the UK.

5.4 APPROVED COUNTRIES FOR INVESTMENTS

This list is based on those countries which have sovereign ratings of AA- or higher based on the lowest rating from Fitch, Moody's and S&P and also, have banks operating in sterling markets which have credit ratings of green or above in the Capita Asset Services credit worthiness service.

AAA

- Australia
- Canada
- Denmark
- Germany
- Luxembourg
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Finland
- Hong Kong
- U.S.A.

AA

- Abu Dhabi (UAE)
- France
- Qatar
- U.K.

AA-

- Belgium

PLEASE NOTE - THIS PAGE IS AS AT 17.11.16

5.5 TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) Full Fire Authority

- receiving and reviewing reports on treasury management policies, practices and activities;
- approval of annual strategy.

(ii) Full Fire Authority/ Finance & Performance Management Committee (FAPM)

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices;
- budget consideration and approval;
- approval of the division of responsibilities;
- receiving and reviewing regular monitoring reports and acting on recommendations;
- approving the selection of external service providers and agreeing terms of appointment.

(iii) FAPM

- reviewing the treasury management policy and procedures and making recommendations to the responsible body.

5.6 THE TREASURY MANAGEMENT ROLE OF THE SECTION 151 OFFICER

The S151 (responsible) officer

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance;
- submitting regular treasury management policy reports;
- submitting budgets and budget variations;
- receiving and reviewing management information reports;
- reviewing the performance of the treasury management function;
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function;
- ensuring the adequacy of internal audit, and liaising with external audit;
- recommending the appointment of external service providers.

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 6.vi

13 FEBRUARY 2017

REPORT OF THE ACFO TECHNICAL SERVICES

REPORT ON END OF LIFE VEHICLE & EQUIPMENT DISPOSALS**SUMMARY**

The disposal of Authority assets are covered under the Authority's Contract Standing Orders, Financial Regulations and Scheme of Delegations and when assets are disposed of a return on investment should be sought. Previously appliances were donated to Serbia and since 2014 they have been auctioned for a monetary return. However, following advice received from WECTU (Wales Extremist & Counter Terrorism Unit) of the risks now involved with vehicles getting into the wrong hands the Service has looked at other disposal methods.

RECOMMENDATION

To negate the risk of "End of Life" appliances finding their way to terrorist organisations it is recommended that:

- Service vehicles are securely disposed of through Fire Aid.
- suitable redundant equipment be disposed of through Fire Aid.

1. BACKGROUND

- 1.1 The disposal of Authority assets are covered under the Authority's Contract Standing Orders, Financial Regulations and Scheme of Delegations. In their meeting on the 17th of December 2010 the Fire Authority made a 3 year commitment to donate "End of Life" Appliances to Serbia. This disposal method ceased in 2014 and due to increasing resale values a decision was taken by the Fire Authority to test the market place and offer the vehicles to auction with a reserve price set at £2500. This method of disposal ensured the Asset could be reclaimed and donated if the reserve value was not realised.
- 1.2 FAPM Committee has received several reports on the disposal strategy of the Services vehicles and equipment and has also received advice from WECTU. During these meetings Members scrutinised various disposal options available to the Authority for its assets and as a result of that scrutiny, requested more detailed information on one preferred disposal option. As a consequence, at the FAPM meeting on the 5 December 2016 the committee received a formal presentation from Fire Aid and provided detailed challenge regarding its suitability as a means of disposing of redundant vehicles and equipment for this Authority. Following some robust questioning, FAPM unanimously endorsed this disposal option as the most safe and secure option available to the

Authority whilst ensuring re-use of the vehicle and therefore unanimously resolved to recommend its adoption to the Fire Authority.

2. ISSUE

- 2.1 Interest in Fire Appliances at auctions to date has resulted in returns of approximately £5,000 per appliance.
- 2.2 Whilst the purchaser is fully vetted by the auction company this method of disposal is not considered fully secure as vetting does not extend any further than the point of sale of the asset.
- 2.3 It is acknowledged that terrorist activity is increasing world-wide and assets such as Fire Appliances could be used to mount 'Trojan horse' style attacks. This poses a significant risk to public safety and the reputation of the Authority.

3 OPTIONS

3.1 Option 1

3.1.1 Continue with the current arrangement of presenting the Vehicle to Auction and accept the final hammer price. All potential purchasers are vetted by the Auctioneers before any bids are allowed to ensure a secure disposal in the first instance however this security does not extend to any further sale of the asset. This option realises market values however there is potential for a low return and no control over who the vehicle goes to.

3.2 Option 2

3.2.1 To de-commission and re-cycle the asset. There are a number of UK providers offering this type of service. The appliance will be scrapped, body removed, and the chassis cut. The decommissioning process will be witnessed by a member of Fleet and Engineering. Indicative returns are between £600 and £800 per vehicle. This is in accordance with the advice of the Wales Extremist and Counter Terrorism Unit.

3.3 Option 3

3.3.1 To donate the vehicles to a wide range of countries via FIRE AID, this is an association of UK charities and Services with a mutual interest in providing ethical and sustainable donations of fire and rescue aid and training across the world.

3.3.2 Formed in 2012, FIRE AID and its founding members have donated equipment to over 30 countries, some of the more recent

countries that have been supported include Nepal, Bangladesh, India, Pakistan, South Africa, Zimbabwe, Ukraine, Macedonia, Kenya, Russia, Ghana, Liberia, and Moldova.

3.3.3 Established with core funding from the UK Department for International Development in recognition of the vital role carried out by UK fire services in donating equipment and training to communities in need. FIRE AID is formally recognised and endorsed by the Chief Fire Officers Association.

3.3.4 It operates by providing a database that allows Fire Services to indicate what items they have for responsible donation and when those items will be available. The distribution of the items is decided by the Steering Committee although the donor Service can express where they would like items to go. There is also the opportunity to have a representative from South Wales Fire & Rescue Service to join the steering group and for the 'Blazing to Serbia' group to join FIRE AID as a receiving organisation and request equipment and appliances.

3.3.5 There is no financial cost to the Service as the vehicles would be collected by the receiving FIRE AID member and then taken by them onto the respective country. Training on equipment is also provided by FIRE AID members if required.

4. RECOMMENDATIONS

- 4.1 To negate the risk of "End of Life" appliances finding their way to terrorist organisations it is recommended that:
- Service vehicles are securely disposed of through Fire Aid.
 - Suitable redundant equipment be disposed of through Fire Aid

Contact Officer:	Background Papers:
Richard Prendergast Director of Technical Services	Appendix: Information on Fire Aid

Fire Aid



FIRE AID is an alliance of UK organisations and services with a mutual interest in providing ethical and sustainable donations of fire and rescue aid and training to countries facing the greatest challenges.

Our mission is to provide targeted, sustainable and resilient Fire & Rescue and Humanitarian Aid through the provision of equipment, technical and professional assistance, resources, training and personnel to locations and organizations assessed to be in need of such support. We will achieve this through an alliance of established humanitarian aid organisations and supporting Fire and Rescue Services experienced in international development or humanitarian aid projects. We will adhere to agreed codes of practice, safeguarded by an assurance of firm foundations of positive ethical and environmental values coupled with a zero tolerance to corruption.

- Members working in over 30 countries, responsibly donating redundant UK equipment to improve emergency response
- Work helps to save lives in countries facing the greatest challenges
- Work of FIRE AID members supports the UN Decade of Action on Road Safety and Sendai Framework for building disaster resilience
- Acts as communications hub between member organisations
- Provides guidance and support, and promotes best practice in sustainable humanitarian projects.
- Helps raise public recognition for the work being done, both within the UK and internationally

- Cooperation on joint projects, share experience and provide a forum for discussion e.g. Moldova, Tajikistan
- Provides tools to aid projects such as equipment database
- Security Risk associated with disposal of redundant Fire & Rescue equipment
- Organisational Risk to reputation
- Costs associated with decommissioning or re-sale
- Equipment donated to FIRE AID subject to Ethical Donation and Anti Bribery & Corruption Policies
- Donated equipment will be accompanied with appropriate training
- Donated equipment can be tracked by donating organisation
- No equipment will be donated unless it is supported by suitable and sufficient training to ensure its safe and effective use.
- Consideration will always be given to the sustainability of donated aid, particularly the recipient's ability to operate and maintain equipment and procedures safely and effectively for the intended lifespan of the aid.
- Donations will be made with due respect for the wishes and authority of the recipient, and in conformity with government policies and administrative arrangements of the receiving country.
- There should be no double standards in quality. If the quality of a donation is unacceptable in the donor country, it is unacceptable as a donation.

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 6.vii

13 FEBRUARY 2017

REPORT OF THE DEPUTY CHIEF OFFICER**DELEGATED POWERS****SUMMARY**

To request delegated powers to the Chief Fire Officer and Deputy Chief Officer to ensure urgent or due process items of business continue to be addressed in the run up to, and following, the Local Government Elections in May 2017, and pending the first meeting of the new Fire & Rescue Authority following the 2017 Annual General Meeting (AGM).

RECOMMENDATIONS

That between the last Fire & Rescue Authority meeting of the municipal year and the first meeting of the Fire & Rescue Authority after the AGM, the Chief Fire Officer and the Deputy Chief Officer be given delegated powers to make decisions upon any matters in the interests of the Fire & Rescue Authority which, for reasons of urgency or due process, cannot wait until the first meeting of the Fire & Rescue Authority following the AGM, following consultation with appropriate officers and, following the AGM, the Chairperson and/or Deputy Chairperson.

That decisions taken under these delegated powers be recorded by the Deputy Chief Officer and reported to the first meeting of the Fire & Rescue Authority following the AGM.

1. BACKGROUND

1.1 Members will be aware that the Chief Fire Officer and Deputy Chief Officer have delegated powers to act in relation to urgent matters. They do not, however, have power to act in relation to due process issues that are not urgent and would otherwise require a resolution of the Fire & Rescue Authority.

2. ISSUE

2.1 This is the last scheduled Fire & Rescue Authority meeting prior to the 2017 AGM on 12 June. As Members will only be too well aware, the Local Government Elections intervene this period on 4 May 2017, and there exists the possibility of the Fire & Rescue Authority being without Members.

- 2.2 Therefore, in order to secure continuity of business during the period up until the first meeting of the Fire & Rescue Authority after the AGM, it is recommended that the delegations detailed in this report are granted to the Chief Fire Officer and Deputy Chief Officer. These decisions would be reported to the first meeting of the new Fire & Rescue Authority following the AGM. These delegations would not prevent the calling of a special Fire & Rescue Authority meeting prior to 4 May 2017, if appropriate.
- 2.3 The provision of the delegated powers would enable the Fire & Rescue Authority to continue to meet its legal obligations in the period up until the first meeting of the new Fire & Rescue Authority following the 2017 AGM.
- 2.4 It is further recommended that these delegations are put in place to cover future local elections which will raise identical issues, and therefore be incorporated into the Authority's Scheme of Delegations.

3. RECOMMENDATIONS

- 3.1 That between the last Fire & Rescue Authority meeting of the municipal year and the first meeting of the Fire & Rescue Authority after the AGM, the Chief Fire Officer and the Deputy Chief Officer be given delegated powers to make decisions upon any matters in the interests of the Fire & Rescue Authority which, for reasons of urgency or due process cannot wait until the first meeting of the Fire & Rescue Authority following the AGM, following consultation with appropriate officers and, following the AGM, the Chairperson and/or Deputy Chairperson.
- 3.2 That decisions taken under these delegated powers be recorded by the Deputy Chief Officer and reported to the first meeting of the Fire & Rescue Authority following the AGM.

Contact Officer:	Background Papers:
Sally Chapman Deputy Chief Officer	

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 6.viii

13 FEBRUARY 2017

REPORT OF THE DEPUTY CHIEF OFFICER

PROPOSED AMENDMENTS - SCHEME OF DELEGATIONS**SUMMARY**

To receive the recommendations of the Members' Standing Orders Working Group to the proposed amendments to the Authority's Scheme of Delegations.

RECOMMENDATION

That the amendments to the Scheme of Delegations detailed at Appendix 1 to this report be approved and implemented with immediate effect.

1. ISSUE

- 1.1 The Authority's Members' Standing Orders Working Group has met recently to consider proposed amendments to the Authority's Scheme of Delegations.
- 1.2 The proposed amendments generally reflect changes to the environment within which the organisation operates since the Scheme was last revised and also seeks to reduce unnecessary bureaucracy, where appropriate. Other changes reflect changes in legislative provisions and changes to working practices.
- 1.3 All of the proposals have been scrutinised and amended where appropriate by the Members' Standing Orders Working Group and are presented to Members with their recommendation for approval.

2. OTHER IMPACTS

- 2.1 No financial, legal or equality impacts have been identified from the proposed changes to the Scheme of Delegations.

3. RECOMMENDATION

- 3.1 That the amendments to the Scheme of Delegations detailed at Appendix 1 to this report be approved and implemented with immediate effect.

Contact Officer:	Background Papers:
Sally Chapman Deputy Chief Officer	Scheme of Delegations (Appendix 1)

APPENDIX 1

SCHEME OF DELEGATION

**PLEASE IGNORE NUMBERING
IN THIS DRAFT
IT WILL BE FINALISED ONCE
FIRE AUTHORITY HAVE
CONSIDERED AND THE FINAL
VERSION HAS BEEN
APPROVED**

SCHEME OF DELEGATION – INDEX

**INDEX TO BE COMPLETED FOLLOWING FIRE AUTHORITY
CONSIDERATION**

1. Introduction

1.1	In order to provide a practical method of operational and financial management throughout the Organisation, Officers have been given certain powers by the Fire and Rescue Authority in the form of Officer Delegations.	FA 26.03.12 Min No. 131.3
1.2	Under the provisions of the Local Government Act 1972, the Organisation is required to maintain a list of powers delegated to Officers and to make it available for inspection purposes.	FA 26.03.12 Min No. 131.3
1.3	This list of delegated powers is maintained by the Monitoring Officer and forms an integral part of the Authority's overall governance arrangements.	FA 26.03.12 Min No. 131.3
1.4	These delegated powers, as detailed in the following Sections, may from time to time be amended, added to or reduced in the interest of operational efficiency as determined by the Fire and Rescue Authority. The most up to date version of this Scheme of Delegations will be maintained on the Service's intranet site.	FA 26.03.12 Min No. 131.3
1.5	In choosing whether or not to exercise a delegation, Officers should be mindful of the over-riding need to comply with the Fire and Rescue Authority Standing Orders and Financial Regulations (and any associated Financial Policies and Procedures). They should also consider whether or not it would be appropriate to consult other Officers or Members before exercising a delegation.	FA 26.03.12 Min No. 131.3
1.6	For the purposes of this Scheme of Delegations, the term "Organisation" includes the South Wales Fire and Rescue Service and/or the South Wales Fire and Rescue Authority as appropriate.	FA 26.03.12 Min No. 131.3
1.7	For clarity the statutory posts of the Organisation are filled by the following Officers: Head of Paid Service : Chief Fire Officer Responsible Financial Officer : Treasurer Monitoring Officer : Proper Officer : Director SIRO (Senior Information Risk Owner) : Corporate SRO (Senior Responsible Officer) : Services	FA 26.03.12 Min No. 131.3 DCS del.6.1.5 viii 29.11.16

2. General Delegations

2.1 General

2.1.1	In relation to Principal Officers and Heads of Service, delegated powers are identified against each position as outlined in the paragraphs below. For the purposes of these delegations, Principal Officer includes the Directors and Treasurer and Head of Service includes Area Managers and Heads of Service.	FA 26.03.12 Min No. 131.3
2.1.2	Where delegations are given below Principal Officer level within a particular Directorate, this does not prevent the relevant Principal Officer also exercising these powers. Principal Officers may also request reports upon the exercise of delegated powers by an Officer within their Directorate as and when they consider appropriate.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 viii 29.11.16
2.1.3	Any reference in these delegations to a Post or Office e.g. Director People Services, Head of Finance and Procurement etc. shall be to the post holder or office holder at that time (permanent or temporary) and if the title of the Post or Office is changed or the functions of the Post or Office are varied, then the reference will be to the Officer undertaking the relevant function at that time.	FA 26.03.12 Min No. 131.3
2.1.4	All staff are given authority to act and take decisions commensurate with their level of responsibility and in accordance with the Organisation's agreed policies and procedures in force at that time.	FA 26.03.12 Min No. 131.3
2.1.5	Operational personnel performing the role of "Incident Commander" have authority to carry out their respective duties in accordance with the Service's Standard Operating Procedures and the South Wales Incident Command System. In addition to the above, suitably trained Officers will have the authority to fulfil the role of "Gold", "Silver" and "Bronze" Commander at multi-agency incidents, where circumstances required.	FA 26.03.12 Min No. 131.3 DCS del.6.1.5vii 29.11.16
2.1.6	Those personnel who are qualified as Emergency Fire Appliance drivers have authority to exercise the powers under Section 87 of the Road Traffic Act 1984, when responding to emergency calls.	FA 26.03.12 Min No. 131.3
2.1.7	All staff have responsibility for ensuring a safe working environment at their place of work and taking remedial or preventative action in accordance with approved procedures where the working environment is not safe.	

2.2. Principal Officers

2.2.1	Manage the Organisation in the absence of the Chief Fire Officer and Deputy Chief Officer, and as such, make decisions as required.	FA 26.03.12 Min No. 131.3
2.2.2	To determine policy and procedures to ensure the Organisation discharges its statutory duties and ensures efficient and effective service delivery.	FA 26.03.12 Min No. 131.3
2.2.3	Accept tenders and make contracts in accordance with the Organisation's Contract Standing Orders.	FA 26.03.12 Min No. 131.3
2.2.4	Authority to make all necessary decisions to effectively manage the Directorate in a manner consistent with the plans and objectives of the Organisation, to ensure that the Organisation discharges its statutory duties and to ensure efficient and effective service delivery.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 viii 29.11.16
2.2.5	Incur expenditure and authorise use of resources within the approved budget of the Fire and Rescue Authority.	FA 26.03.12 Min No. 131.3
2.2.6	Approve a scale of chargeable services on behalf of the Organisation.	FA 26.03.12 Min No. 131.3
2.2.7	To agree responses on behalf of the Organisation to consultations or similar exercises by external agencies, including the Welsh Assembly Government.	FA 26.03.12 Min No. 131.3
2.2.8	Principal Officers acting as Executive Leadership Team to approve the Organisation's Risk Management Policy Statement and Strategy.	FA 26.03.12 Min No. 131.3
2.2.9	To determine approved budget holders within their directorate.	FA 26.03.12 Min No. 131.3
2.2.10	To take necessary action and decisions in accordance with the level of authority given to them in the Organisation's Financial Regulations.	FA 26.03.12 Min No. 131.3
2.2.11	Donate time-expired appliances and/or equipment that has no significant value, to appropriate causes, subject to the approval of the Fire and Rescue Authority.	FA 26.03.12 Min No. 131.3
2.2.12	To authorise overseas travel within approved budget.	FA 26.03.12 Min No. 131.3
2.2.13	To hear and determine all appeals in accordance with the Service's Policies and Procedures.	FA 26.03.12 Min No. 131.3

		FA 09.02.15 Min No. 52.4
2.2.14	Following consultation with the Treasurer to approve capital virements of up to £50,000 to or from another project and subject to the Policy and Budgetary framework and the Authority's Financial Procedure Rules.	FA 26.03.12 Min No. 131.3
2.2.15	Following consultation with the Treasurer to approve revenue virements within service area or with agreement between them between service directorates of up to £50,000.	FA 26.03.12 Min No. 131.3
2.2.16	To undertake duties and responsibilities set out in any of the Authority's constitutional documents and plans.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 viii 29.11.16

2.3 All Principal Officers and Heads of Service

2.3.1	Initiation, development, delivery, review and revision of partnership schemes, collaborations and projects for the furtherance of the Organisation's priorities and objectives.	FA 26.03.12 Min No. 131.3
2.3.2	Approve visits of staff to other Fire and Rescue Authorities, or organisations or undertakings for the purposes of the work of the Organisation.	FA 26.03.12 Min No. 131.3
2.3.3	Approve Officers' attendance at courses, seminars, training events, conferences and similar within the approved training budget, except where the event is outside of the UK when Principal Officer approval will be required.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
2.3.4	Authorise travel, subsistence and other expenses in accordance with the Organisation's approved schemes.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 Viii 29.11.16
2.3.5	Authorise the exchange of information with other individuals or organisations in accordance with the law and any agreed protocols or procedures following consultation, where necessary, with the Information, Governance and Compliance Officer.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5i 29.11.16
2.3.6	Prepare, review, amend and implement operating policies and	FA 26.03.12

	procedures to assist the Organisation in discharging its statutory and other duties.	Min No. 131.3
2.3.7	In consultation with the People Services Directorate and in accordance with agreed procedures, authorise the filling of vacancies.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5i 29.11.16
2.3.8	Source funding opportunities for the Organisation to assist it in discharging its statutory duties (acceptance to be determined by the Chief Fire Officer or Director Corporate Services as per their respective delegations).	FA 26.03.12 Min No. 131.3
2.3.9	Authority to apply disciplinary sanctions upto and including dismissal in accordance with the Services Policies and Procedures	FA 09.02.15 Min No. 52.4.1 DCS del 6.1.5 Viii 29.11.16
2.3.10	Authority to apply capability sanctions upto and including dismissal in accordance with the Services Policies and Procedures	FA 09.02.15 Min No. 52.4.1
2.3.11	Consider and determine applications from employees regarding secondary employment in accordance with the policy of the Organisation.	DCS del 6.1.5 Viii 29.11.16
2.3.12	Authority to attend and take decisions on behalf of the organisation at Community Safety Partnerships and Public Service Boards	
2.3.13	Dispose of redundant equipment (excluding vehicles) in accordance with approved policies and procedures	

2.4 Principal Officer on Duty

2.4.1	Authority to take all necessary action to respond to and co-ordinate the response of the Organisation to an incident, major emergency or disaster and where appropriate to report the action taken to the Chairperson of the Fire Authority.	FA 26.03.12 Min No. 131.3
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2.5 All Operational Staff

2.5.1	Power under the Fire and Rescue Services Act 2004 for the purposes of:- a. s.38: securing a suitable supply of water in the event of a fire	FA 26.03.12 Min No. 131.3 DCS del 6.1.5
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	b. s.44: powers of firefighters etc in an emergency etc c. ss.45 & 46: obtaining information and investigating fires	vii 29.11.16
2.5.2	Power to utilise the exemptions under the Road Traffic Acts when responding to an emergency.	FA 26.03.12 Min No. 131.3
2.5.3	Authority to undertake familiarisation visits at risk premises to assist the Organisation in discharging its duties under s.7.2.d of the Fire and Rescue Services Act 2004.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
2.5.4	Respond to emergency situations as directed by Control or a Senior Officer	
2.5.5	Commit appropriate resources in accordance with Service Procedures	
2.5.6	Authority to impound breathing apparatus sets following any failure in accordance with Health and Safety (RIDDOR) Regulations.	

2.6 Budget Holders

2.6.1	In accordance with Financial Policies and Procedures of the Organisation, authority to incur expenditure and ensure control over departmental budgets and the management of devolved budgets.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
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2.7 All Managerial & Supervisory Staff

2.7.1	Ability to make disciplinary, capability and conduct reviews, assessments, decisions and sanctions in line with organisational policies and procedures	DCS del 6.1.5 vii
2.7.2	Authority to undertake investigations involving RIDDOR incidents (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) or other incidents where considered appropriate and take decisions or make recommendations on remedial or preventative action, as appropriate.	

3. Chief Fire Officer or, in his/her absence, the Deputy Chief Officer

3.1	To take all necessary action within approved budgets to discharge the duties, functions and responsibilities of the Organisation under or in relation to the Fire and Rescue Services Act 2004, Civil Contingencies Act 2004 or other legislation or subordinate legislation applicable to the Fire and Rescue Service including power to authorise Officers to take action under any provision or supplementary power contained within that Act or subordinate legislation .	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
3.2	To take all necessary action to respond to and co-ordinate the response of the Organisation to an emergency or disaster and subsequently to report to the Chairperson of the Fire and Rescue Authority where appropriate.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
3.3	To deploy staff, vehicles, resources and equipment and to utilise the Authority's buildings and other assets in the most effective manner to discharge the Organisation's responsibilities.	FA 26.03.12 Min No. 131.3
3.4	Incur expenditure on behalf of the Organisation in accordance with approved budgets.	FA 26.03.12 Min No. 131.3
3.6	Sell or dispose of, at the best price reasonably obtainable, surplus vehicles, plant, stores and equipment, subject to an auction or competitive tenders being obtained in writing, unless otherwise approved by the Fire and Rescue Authority.	FA 26.03.12 Min No. 131.3
3.7	Donate time-expired appliances and/or equipment that has no significant value, to appropriate causes, subject to the approval of the Fire and Rescue Authority.	FA 26.03.12 Min No. 131.3
3.9	Act in urgent matters the Fire & Rescue Authority would normally determine and where there is insufficient time to call a special meeting. Wherever possible the Monitoring Officer and other relevant Statutory Officers and Chairperson or Deputy Chairperson of the Authority and / or Chair of the relevant committee should be consulted and the interests of the Organisation, subject to:- a. the action being in accordance with Authority's policy; and b. details of the action being reported to the next available meeting of the Fire and Rescue Authority.	FA 26.03.12 Min No. 131.3
3.10	In consultation with the Chairperson and or the Deputy Chairperson of the Fire and Rescue Authority, take such action as considered necessary to mitigate risk to the community in	FA 26.03.12 Min No. 131.3

	relation to any anticipated or actual industrial action issue likely to cause disruption to business or business continuity.	
3.11	Accept offers of external funding in consultation with the Treasurer or Director Corporate Services, where appropriate, subject to the details of any such acceptance being reported to a future meeting of the Fire and Rescue Authority Finance Audit and Performance Management Committee.	FA 26.03.12 Min No. 131.3
3.13	In the absence of the Monitoring Officer or Deputy Monitoring Officer, to sign or seal documents on behalf of the organisation	FA 27.06.16 Min 19.11

4. Delegations to Statutory Officers

4.1 Monitoring Officer

	Delegations to the Director of Corporate Services as Monitoring Officer, and in his/her absence the Head of Business Support as Deputy Monitoring Officer	FA 26.03.12 Min No. 131.3
4.1.1	To perform the role of Monitoring Officer in accordance with the provisions of section 5 and 5a of the Local Government and Housing Act 1989 or other recommended guidance and any subsequent or subordinate legislation and in particular to report to the Fire and Rescue Authority on any proposal, decision or omission by the Fire and Rescue Authority, its committees or Officers or other bodies on which it is represented which has given rise to or is likely to give rise to: <ul style="list-style-type: none"> a. a contravention of law or any code of practice made or approved by or under any enactment b. such maladministration or injustice as would fall within the investigation remit of the Public Services Ombudsman 	FA 26.03.12 Min No. 131.3
4.1.2	To receive the following: <ol style="list-style-type: none"> 1. notification of the appointment of a Member by a constituent Authority 2. resignation by a Member 3. notices under the Fire and Rescue Authority's approved Code of Conduct for Members 4. notices under the Local Government (Committees and Political Groups) Regulations 1990 5. declaration by a Member to observe the Fire and Rescue Authority's approved Code of Conduct for Members. 	FA 26.03.12 Min No. 131.3
4.1.3	To keep up to date and amend the Members Payment Scheme in line with the determinations of the Independent Remuneration Panel for Wales.	FA 26.03.12 Min No. 131.3
4.1.4	To sign any document on behalf of the Organisation.	FA 26.03.12 Min No. 131.3
4.1.5	To execute and arrange for the sealing of documents on behalf of the Organisation	FA 26.03.12 Min No. 131.3

4.2. Treasurer

	Delegations to the Treasurer, and in his/her absence the Head of Finance and Procurement as his/her Deputy.	FA 26.03.12 Min No. 131.3
4.2.1	To perform the role of Treasurer in accordance with the South Wales Fire and Rescue Service (Combination Scheme) Order 1995, Sections 112, 113 and 114 of the Local Government Finance Act 1988 (as amended by the Fire and Rescue Services Act 2004 Sch. 1, para 68 (3)), Local Government and Housing Act 1989 and the Accounts and Audit Regulations (Wales) 2005 and any subsequent or subordinate legislation.	FA 26.03.12 Min No. 131.3
4.2.2	Determine and issue the constituent authorities' contributions.	FA 26.03.12 Min No. 131.3
4.2.3	Determine the accounting policies, procedures, records and systems for the Organisation and approve any amendments thereto.	FA 26.03.12 Min No. 131.3
4.2.4	Secure the provision of treasury management services.	FA 26.03.12 Min No. 131.3
4.2.5	Authority to enter into credit arrangements on behalf of the Organisation.	FA 26.03.12 Min No. 131.3
4.2.6	Report any potentially unlawful decision on expenditure within the Organisation on expenditure.	FA 26.03.12 Min No. 131.3
4.2.7	Settle, subject to discussion with the Director of Corporate Services, any uninsured claim against the Authority up to £50,000 subject to an annual report to the Fire and Rescue Authority on the use of this delegation.	FA 26.03.12 Min No. 131.3
4.2.8	In consultation with the Director of Technical Services to dispose of vehicles in the most appropriate manner to ensure best value is obtained for the Authority.	FA 26.03.12 Min No. 131.3

4.3. SIRO – Senior Information Risk Owner

4.3.1	To perform the role of Senior Information Risk Owner in accordance with the Freedom of Information Act 2000, Data Protection Act 1998 and the General Data Protection Regulation 2016 and any subsequent or subordinate legislation and in particular to: i) determine effective organisational management of information in all its forms and locations	
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	<ul style="list-style-type: none"> ii) determine the Strategy and act as advocate for good practice in information governance within the organisation iii) To determine efficient ways of handling both electronic and paper based information, how it is held, used and shared. iv) To determine how information is kept safe and secure, and ensuring it is appropriately shared when necessary to do so. v) To determine robust management of the risks involved in the handling of information, and compliance with regulatory and statutory guidance including Data Protection and Freedom of Information. vi) To disseminate the importance of good information governance and particularly what has been highlighted by the Information Commissioner. vii) To deal with and mitigate against the implications of data security breaches and make recommendations on how the Organisation may guard against this. 	
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4.4 SRO – Senior Responsible Officer

4.4.1	<p>To perform the role of Senior Responsible Officer in accordance with the Regulation of Investigatory Powers Act 2000, the Human Rights Act 2000, The Data Protection Act 1998 & the Data Retention and Investigatory Powers Act 2014 and any subsequent or subordinate legislation and in particular to:</p> <ul style="list-style-type: none"> i) Determining, by name, appropriate officers able to grant RIPA authorisations (Authorising officers) ii) Verifying the competency of officers before authorising them to grant RIPA authorisations iii) Ensuring the integrity of the surveillance processes in place and compliance with legislation and Home Office Codes of Practice iv) Engagement with Surveillance Commissioners and inspectors when they conduct their inspections v) Overseeing implementation of any post inspection action plans 	
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4.5 Proper Officer

4.5.1	<p>To perform the role of Proper Officer in accordance with the relevant Local Government legislation and any subsequent or subordinate legislation and in particular to:</p> <ul style="list-style-type: none"> i) accept written notice of nominated office 	
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	<ul style="list-style-type: none"> ii) be the officer to whom general notices and recording of disclosures of interests should be given iii) give notice, signing and issuing of summonses in respect of any Fire and Rescue Authority meeting iv) give public notice of any meeting to which the public are entitled to attend, provide copies of the agenda and facilities for the press v) to exclude from the Fire and Rescue Authority, committee or sub-committee agenda any information to be dealt with in a meeting from which the public are likely to be excluded vi) to determine which documents are not, by virtue of containing exempt information, to be open to public inspection 	
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4.6 Head of Paid Service

4.6.1	<p>To perform the role of Head of Paid Service in accordance with Section 4 of the Local Government and Housing Act 1989 and any subsequent or subordinate legislation and in particular when considered necessary to do so to report to the Fire and Rescue Authority with proposals on:</p> <ul style="list-style-type: none"> i) the effective co-ordination and discharge by the Authority of their different functions ii) the number and grades of staff required by the Authority for the discharge of their functions iii) the organisation of the Authority's staff iv) the appointment and management of the Authority's staff 	
4.6.2	<p>On behalf of the Organisation, implement national conditions of service and such other local agreements as may be determined by the Fire and Rescue Authority and/or the Service from time to time.</p>	<p>FA 26.03.12 Min No. 131.3</p> <p>DCS del 6.1.5 viii 29.11.16</p>

5. Service Delivery Directorate

Operations Department

5.1 Director Operations & Head of Operations

5.1.1	To take all necessary action to secure provision of emergency call response and mobilisation procedures under the Fire and Rescue Services Act 2004, Civil Contingencies Act 2004 or other legislation applicable to the Fire and Rescue Service or subordinate legislation.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
5.1.2	To take all necessary action on a day to day basis to ensure that equipment, appliances and personnel are located or transferred to best meet the Organisation's operational requirements.	FA 26.03.12 Min No. 131.3

5.2 Group Manager - Operations

5.2.1	To take all necessary action on a day to day basis to ensure that equipment, appliances and personnel are located or transferred to best meet the Organisation's operational requirements.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
5.2.2	To take all necessary decisions for the Operations Department in respect of the individual references allocated by the Head of Service.	FA 26.03.12 Min No. 131.3
	When instructed, authority to attend and take decisions on behalf of the organisation at Community Safety Partnerships and Public Service Boards	

5.3 Station Manager - Operations

5.3.1	Authorise the use of Station accommodation to community and/or other agency groups in accordance with agreed Organisational procedures. Liaison with the Legal Services Officer	FA 26.03.12 Min No. 131.3
5.3.2	Determine and implement their station's obligations and responsibilities in relation to Community Risk Reduction Plans.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16

5.3.3	Authority to make decisions on the redeployment of support vehicles and equipment of Operations to Stations, where appropriate, to support service delivery needs.	FA 26.03.12 Min No. 131.3
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5.5 Watch Manager (and Crew Manager in the absence of the Watch Manager)

5.5.1	Take necessary actions to ensure the delivery of training for watch personnel in line with the Station Risk Profile and to ensure maintenance of competencies.	FA 26.03.12 Min No. 131.3
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5.6 Group Manager (and Station Manager In the absence of the Group Manager)

5.6.1	To take all necessary decisions within approved budget to ensure the Organisation discharges its statutory duties under the Fire and Rescue Services Act 2004 to maintain Fire Control services within the Organisation.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
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5.7 Watch Manager (and Crew Manager in the absence of the Watch Manager)

5.7.1	Take all necessary action to ensure first line support is implemented in the event of any loss or failure to the mobilising and communications systems and in the event of major power loss, ensure a prompt and effective “fallback” and evacuation procedure is followed.	FA 26.03.12 Min No. 131.3
5.7.2	Authority to receive emergency calls and mobilise resources in accordance with approved policies and procedures. This includes informing other agencies of information relevant to emergency incidents.	FA 26.03.12 Min No. 131.3
5.7.3	Authority to work and share information with other agencies in accordance with agreed procedures	

5.8 Firefighter – Emergency Control

5.8.1	Authority to receive emergency calls and mobilise resources in accordance with approved policies and procedures. This includes informing other agencies of information relevant to emergency incidents.	FA 26.03.12 Min No. 131.3
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5.8.2	Authority to work and share information with other agencies in accordance with agreed procedures	

5.X Prevention & Protection Team – Control

	Authority to analyse and share information with other agencies in accordance with agreed procedures	
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5.9 Operations Central Staffing Office

5.9.1	In consultation with the Group Manager – Operations, authority to manage the transfer of personnel within the Operations Department, including those who are temporary or permanently promoted, in line with Organisational policy and procedures, to ensure satisfactory crewing levels and Officer availability for the delivery of services.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
5.9.2	Authority to detach personnel for wholetime and RDS duty systems to ensure the adequate crewing of appliances to support frontline delivery of services. This includes authorising and refusing request from Operations personnel in connection with time off.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16

Risk Reduction Department

5.11 Director Service Delivery

5.11.1	To discharge the Organisation's powers and duties (including the institution and carrying out of legal proceedings following consultation with the legal advisor) in relation to Fire Safety under the Regulatory Reform (Fire Safety) Order 2005.	FA 26.03.12 Min No. 131.3
5.11.2	Power to authorise entry, appoint inspectors and authorise individual Officers in writing to discharge appropriate functions under the Regulatory Reform (Fire Safety) Order 2005.	FA 26.03.12 Min No. 131.3
5.11.3	Power to comply with any requirement of a decision, order or direction of a Court or Tribunal, in relation to fire safety statutory provisions, insofar as it relates to the Organisation, subject to taking appropriate legal advice.	FA 26.03.12 Min No. 131.3
5.11.4	Initiation of Fire Investigations and reporting on the conclusions and recommendations of such investigations.	FA 26.03.12 Min No. 131.3

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5.12 Head of Risk Reduction

5.12.1	Authority to enforce the Regulatory Reform (Fire Safety) Order 2005.	FA 26.03.12 Min No. 131.3
5.12.2	Under the Regulatory Reform (Fire Safety) Order, issue and serve formal cautions and prohibition notices and act as authorised signatory for such correspondence and documentation.	FA 26.03.12 Min No. 131.3
5.12.3	Under the Regulatory Reform (Fire Safety) Order 2005, power to respond to the findings of investigations, issue and serve prohibition notices, enforcement notices and alteration notices and to act as authorised signatory for such correspondence and documentation.	FA 26.03.12 Min No. 131.3
5.12.4	Authority to establish and maintain partnerships with Unitary Authorities, Commerce and Industry, Enforcing Authorities and other stakeholders.	FA 26.03.12 Min No. 131.3
5.12.5	Authority to carry out investigations in relation to potential fire safety offences, fatalities, serious injuries and deliberate fires .	FA 26.03.12 Min No. 131.3
5.12.6	The examination of, and if necessary, objection to the granting, reviewer renewal of Licences and/or Regulations by the Licensing Authority under the Licensing Act 2003, Gambling Act 2005 or any other Licences or Registrations that the Fire and Rescue Authority is requested to consider under these or any subsequent enactment.	FA 26.03.12 Min No. 131.3
5.12.7	Discharging the Fire and Rescue Authority's functions in relation to consultation with Local Authorities under the Housing Act 2004, Section 10, houses in multiple occupation.	FA 26.03.12 Min No. 131.3
5.12.8	Act as authorised signatory for correspondence and documentation relating to the following:- <ul style="list-style-type: none"> • Fire Safety and Safety of Places of Sport Act 1987 (Designated Grounds and Regulated Stands) • Safety of Sports Grounds Act 1975 (Letters) • Building Regulations Consultations 	FA 26.03.12 Min No. 131.3
5.12.9	Powers of an Inspector for the purpose of discharging the Fire Authority's duties in accordance with the following Legislation and Regulations:- <ul style="list-style-type: none"> • Regulation 27 of the Regulatory Reform (Fire Safety) Order 2005 or any statutory amendment or re-enactment thereof. 	FA 26.03.12 Min No. 131.3 DCS del 6.1.5

	<ul style="list-style-type: none"> • Fire & Rescue Services Act 2004 • Health & Safety at Work etc Act 1974 • The Construction (Design & Management) Regulations 2007 • The Safety Signs and Signals Regulations 1996 • The Dangerous Substances (Notification and Marking of Sites) Regulations 1990. <p>And, take any other action relating to the Authority's role as Enforcing authority in respect of the Regulatory Reform (Fire Safety) Order 2005.</p>	vii 29.11.16
5.12.10	Under the Regulatory Reform (Fire Safety) Order 2005, issue and serve action plans, notification of fire safety deficiencies, and general correspondence including non-statutory reports.	FA 26.03.12 Min No. 131.3
5.12.11	Act as authorised signatory for correspondence and documentation relating to the following:- <ul style="list-style-type: none"> • Informal education and advice • The Building Regulations 2010 • Gaming Act 1968 – Consultation • Licensing Act 2003 – Consultation • Housing Act 2004 – Consultation • Other Consultations 	FA 26.03.12 Min No. 131.3
5.12.12	Authority to establish and maintain appropriate partnerships with the object of reducing risk within the community and commit approved resources to supporting these to ensure that statutory responsibilities relating to this purpose are discharged	
5.12.13	Authority to work and share information with other agencies in accordance with agreed procedures	

5.13 Group Managers – Fire Safety

5.13.1	Under the Regulatory Reform (Fire Safety) Order 2005, power to respond to the findings of investigations, issue and serve prohibition notices, enforcement notices and alteration notices and to act as authorised signatory for such correspondence and documentation.	FA 26.03.12 Min No. 131.3
5.13.2	Authority to establish and maintain partnerships with Unitary Authorities, Commerce and Industry, Enforcing Authorities and other stakeholders.	FA 26.03.12 Min No. 131.3
5.13.3	Authority to carry out investigations in relation to potential fire safety offences.	FA 26.03.12 Min No. 131.3
5.13.4	The examination of, and if necessary, objection to the granting,	FA 26.03.12

	reviewer renewal of Licences and/or Registrations by the Licensing Authority under the Licensing Act 2003, Gambling Act 2005 or any other Licences or Registrations that the Fire and Rescue Authority is requested to consider under these or any subsequent enactment.	Min No. 131.3
5.13.5	Discharging the Fire and Rescue Authority's functions in relation to consultation with Local Authorities under the Housing Act 2004, Section 10, houses in multiple occupation.	FA 26.03.12 Min No. 131.3
5.13.6	Act as authorised signatory for correspondence and documentation relating to the following:- <ul style="list-style-type: none"> • Fire Safety and Safety of Places of Sport Act 1987 (Designated Grounds and Regulated Stands) • Safety of Sports Grounds Act 1975 (Letters) • Building Regulations Consultations. 	FA 26.03.12 Min No. 131.3
5.13.7	Powers of an inspector for the purpose of discharging the Fire Authority's duties in accordance with the following Legislation and Regulations:- <ul style="list-style-type: none"> • Regulation 27 of the Regulatory Reform (Fire Safety) Order 2005 or any statutory amendment or re-enactment thereof • Fire & Rescue Services Act 2004 • Health & Safety at Work etc Act 1974 • The Construction (Design & Management) Regulations 2007 • The Safety Signs and Signals Regulations 1996 • The Dangerous Substances (Notification and Marking of Sites) Regulations 1990 <p>And, take any other action relating to the Authority's role as Enforcing Authority in respect of the Regulatory Reform (Fire Safety) Order 2005.</p>	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
5.13.8	Under the Regulatory Reform (Fire Safety) Order 2005, issue and serve action plans, notification of fire safety deficiencies, and general correspondence including non-statutory reports.	FA 26.03.12 Min No. 131.3
5.13.9	Act as authorised signatory for correspondence and documentation relating to the following:- <ul style="list-style-type: none"> • Informal education and advice • The Building Regulations 2010 • Gaming Act 1968 – Consultation • Licensing Act 2003 – Consultation • Housing Act 2004 – Consultation • Other Consultations 	FA 26.03.12 Min No. 131.3

5.14 Station Manager – Fire Safety

5.14.1	Authority to carry out investigations in relation to potential fire safety offences.	FA 26.03.12 Min No. 131.3
5.14.2	The examination of, and if necessary, objection to the granting, reviewer renewal of Licences and/or Registrations by the Licensing Authority under the Licensing Act 2003, Gambling Act 2005 or any other Licences or Registrations that the Fire and Rescue Authority is requested to consider under these or any subsequent enactment.	FA 26.03.12 Min No. 131.3
5.14.3	Discharging the Fire and Rescue Authority's functions in relation to consultation with Local Authorities under the Housing Act 2004, Section 10, houses in multiple occupation.	FA 26.03.12 Min No. 131.3
5.14.4	Act as authorised signatory for correspondence and documentation relating to the following:- <ul style="list-style-type: none"> • Fire Safety and Safety of Places of Sport Act 1987 (Designated Grounds and Regulated Stands) • Safety of Sports Grounds Act 1975 (Letters) • Building Regulations Consultations. 	FA 26.03.12 Min No. 131.3
5.14.5	Powers of an inspector for the purpose of discharging the Fire Authority's duties in accordance with the following Legislation and Regulations:- <ul style="list-style-type: none"> • Regulation 27 of the Regulatory Reform (Fire Safety) Order 2005 or any statutory amendment or re-enactment thereof • Fire & Rescue Services Act 2004 • Health & Safety at Work etc Act 1974 • The Construction (Design & Management) Regulations 2007 • The Safety Signs and Signals Regulations 1996 • The Dangerous Substances (Notification and Marketing of Sites) Regulations 1990 <p>And, take any other action relating to the Authority's role as Enforcing Authority in respect of the Regulatory Reform (Fire Safety) Order 2005.</p>	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
5.14.6	Under the Regulatory Reform (Fire Safety) Order 2005, issue and serve action plans, notification of fire safety deficiencies, and general correspondence including non-statutory reports.	FA 26.03.12 Min No. 131.3
5.14.7	Act as authorised signatory for correspondence and documentation relating to the following:- <ul style="list-style-type: none"> • Informal education and advice • The Building Regulations 2010 • Gaming Act 1968 – Consultation • Licensing Act 2003 – Consultation 	FA 26.03.12 Min No. 131.3

	<ul style="list-style-type: none"> • Housing Act 2004 – Consultation • Other Consultations 	
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5.15 Watch Manager – Fire Safety

5.15.1	<p>Powers of an inspector for the purpose of discharging the Fire Authority's duties in accordance with the following Legislation and Regulations:-</p> <ul style="list-style-type: none"> • Regulation 27 of the Regulatory Reform (Fire Safety) Order 2005 or any statutory amendment or re-enactment thereof • Fire & Rescue Services Act 2004 • Health & Safety at Work Act etc 1974 • The Construction (Design & Management) Regulations 2007 • The Safety Signs and Signals Regulations 1996 • The Dangerous Substances (Notification and Marketing of Sites) Regulations 1990 <p>And, take any other action relating to the Authority's role as Enforcing Authority in respect of the Regulatory Reform (Fire Safety) Order 2005.</p>	<p>FA 26.03.12 Min No. 131.3</p> <p>DCS del 6.1.5 vii 29.11.16</p>
5.15.2	Under the Regulatory Reform (Fire Safety) Order 2005, issue and serve action plans, notification of fire safety deficiencies, and general correspondence including non-statutory reports.	FA 26.03.12 Min No. 131.3
5.15.3	<p>Act as authorised signatory for correspondence and documentation relating to the following:-</p> <ul style="list-style-type: none"> • Informal education and advice • The Building Regulations 2010 • Gaming Act 1968 – Consultation • Licensing Act 2003 – Consultation • Housing Act 2004 – Consultation • Other Consultations 	FA 26.03.12 Min No. 131.3

5.16 Crew Manager – Fire Safety

5.16.1	<p>Powers of an inspector for the purpose of discharging the Fire Authority's duties in accordance with the following Legislation and Regulations:-</p> <ul style="list-style-type: none"> • Regulation 27 of the Regulatory Reform (Fire Safety) Order • 2005 or any statutory amendment or re-enactment thereof • Fire & Rescue Services Act 2004 • Health & Safety at Work etc Act 1974 • The Construction (Design & Management) Regulations 2007 • The Safety Signs and Signals Regulations 1996 • The Dangerous Substances (Notification and Marketing of Sites) Regulations 1990 <p>And, take any other action relating to the Authority's role as Enforcing Authority in respect of the Regulatory Reform (Fire Safety) Order 2005.</p>	
5.16.2	<p>Under the Regulatory Reform (Fire Safety) Order 2005,</p> <ul style="list-style-type: none"> • Informal education and advice • Issue notification of fire safety deficiencies, and general correspondence including non-statutory reports. 	

5.17 Administrative Officer – Fire Safety

5.17.1	Act as authorised signatory for correspondence and documentation relating to the Licensing Act 2003.	FA 26.03.12 Min No. 131.3
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5.18 Group Managers – Community Safety & Partnerships

5.18.1	Authority to establish and maintain appropriate partnerships with the object of reducing risk within the community and commit approved resources to supporting these to ensure that statutory responsibilities relating to this purpose are discharged	
5.18.2	Authority to work and share information with other agencies in accordance with agreed procedures	
5.18.3	Authority to carry out investigations in relation to potential fire safety offences, fatalities, serious injuries and deliberate fires.	

6. Technical Services Directorate

6.1 Director of Technical Services

6.1.1	To take all necessary action within approved budget to ensure that the Organisation discharges its statutory and other responsibilities in relation to: <ul style="list-style-type: none"> i. health and safety ii. national resilience and civil contingencies iii. representation and decision making at Local Resilience Forums iv. water supplies for operational activity v. hydrant maintenance vi. business continuity vii. ICT viii. Fleet ix. Operational Equipment x. Operational Intelligence 	FA 26.03.12 Min No. 131.3
6.1.2	Receive and disseminate, as appropriate, security and civil contingencies' information within the Organisation, to enable specific risks to be appropriately addressed.	FA 26.03.12 Min No. 131.3
6.1.3	In consultation with Treasurer to dispose of vehicles in accordance with agreed policies and procedures the most appropriate manner to ensure best value is obtained for the Authority.	FA 26.03.12 Min No. 131.3

6.2 Head of Operational Risk Management and Group Manager – Resilience and Planning

6.2.1	Authority to take decisions on behalf of the Organisation, within approved budget, to ensure the Organisation effectively meets its statutory responsibilities as a Category 1 responder.	FA 26.03.12 Min No. 131.3
6.2.2	Authority to take decisions on behalf of the Organisation at Local Resilience Forum Coordination Group meetings.	FA 26.03.12 Min No. 131.3
6.2.3	Authority to approve Business Continuity Management Plans for all Departments of the Organisation.	FA 26.03.12 Min No. 131.3

6.4 Head of Operational Risk Management and Group Manager – Operational Appliances and Equipment

6.4.1	Approve all relevant documentation relating to operational appliances and equipment to assist the Organisation in discharging its functions under the PUWER Regulations (Provision and Use of Work Equipment Regulations).	FA 26.03.12 Min No. 131.3
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6.5 Head of Operational Risk Management and Group Manager – Operational Intelligence

6.5.1	Authority to gather information relating to risk premises within the Organisation's area, to assist the Authority in discharging its functions under S.7.2.d. of the Fire and Rescue Services Act 2004.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
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6.6 Fleet Engineer & Workshop Manager & Workshop Supervisor – Fleet and Engineering Services

6.6.1	Authorise the mobilisation of "on call" Motor Vehicle Technicians, as appropriate.	FA 26.03.12 Min No. 131.3
6.6.1	To create, update and oversee fleet policy and procedures to manage road risk throughout the Service. This is to include vehicle design, use, replacement, accident reporting process, and other supporting procedures.	
6.6.2	To act as the competent responsible person for the managing of Fleet as required by statutory provisions (the Health and Safety at Work etc Act 1974, and the Management of Health and Safety Regulations 1999).	
6.6.3	To develop, implement and review all Fleet Policies in accordance with relevant legislation.	
6.6.4	To discharge the Services duties and responsibilities to investigate, remedy and report Fleet issues and accidents in the workplace.	
6.6.5	To ensure the Services Planned and Preventative Maintenance Programme is fit for purpose and delivered in accordance with Service policy.	
6.6.6	To develop and manage the Services Vehicle Replacement Programme and prepare specifications for the acquisition of	

	new vehicles and ancillary equipment to meet the Service's needs.	
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6.7 Head of ORM & Health & Safety Officer

6.7.1	Authority to undertake investigations involving RIDDOR incidents (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995) or other incidents where considered appropriate and take decisions on remedial or preventative action, as appropriate.	FA 26.03.12 Min No. 131.3
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6.X Health & Safety Advisor

6.X.X	To develop solutions for the effective management of the Health and safety of all employees and any others who may be affected by the business actions of the Service.	
	To act as the competent responsible person for managing Health and Safety as required by statutory provisions (the Health and Safety at Work etc. Act 1974, and the Management of Health and Safety Regulations 1999).	
	To develop, implement and review all Health and Safety Policies in accordance with relevant legislation.	
	Advise the training and development function in relation to the training and development needs of the Service arising from relevant Health and Safety Legislation.	
	To discharge the Services duties and responsibilities to investigate, remedy and report Health and Safety issues and accidents in the workplace.	

6.8 Logistical Support Team Manager

6.8.1	Authority to decide upon the Organisation's responsibilities to maintain new water hydrants, the maintenance frequency and programme of existing hydrants and authority to update the SWFRS "stock" register, as appropriate.	FA 26.03.12 Min No. 131.3
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6.9 Logistical Support Officers

6.9.1	Power to inspect and maintain fire hydrants within the Organisation's area, in accordance with Chapter 8 of the Road and Street Works Act 1991.	FA 26.03.12 Min No. 131.3
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6.10 BA Technician

6.10.1	Authority to impound breathing apparatus sets following any failure in accordance with Health and Safety (RIDDOR) Regulations.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 Viii 29.11.16
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6.11 Head of ICT Services

6.11.1	The provision of ICT equipment for the Service.	FA 26.03.12 Min No. 131.3
6.11.2	The maintenance, development, implementation, review and amendment of ICT systems and procedures to meet the needs of the Organisation within budgetary provision.	FA 26.03.12 Min No. 131.3
6.11.3	To ensure the Services ICT infrastructure remains resilient against the threat of Cyber-crime.	

6.12 Head of ICT Services & ICT Managers

6.12.1	To electronically sign click through licence agreements on behalf of the Organisation for ICT related agreements providing all other authorities to enter into the agreement are in place and all terms and conditions can be adhered to.	FA 15.07.13 Min No. 42.2
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7. Corporate Services Directorate

Business Support Department

7.1 Director Corporate Services

7.1.3	Approve the commencement of supplies, services or construction work, in exceptional circumstances, prior to the formal conclusion of the contract.	FA 26.03.12 Min No. 131.3
7.1.4	In accordance with the Local Government Act 1972, act as Proper Officer for the preparation, publication and retention of records of decisions taken by or on behalf of the Fire and Rescue Authority.	FA 26.03.12 Min No. 131.3
7.1.5	To make consequential amendments to any of the approved documents of the Organisation to take account of any of the following: <ul style="list-style-type: none"> i. any change in the job title of any Officer ii. the transfer of any of the responsibilities of any Officer who has delegated functions, to any other Officer iii. any change in structure and responsibilities of the Organisation iv. any change in any other title or name of any Officer, organisation, scheme or plan v. subject to consultation with the Treasurer any change in financial limits or authorisation levels (save for major changes which would require the approval of the Fire and Rescue Authority) vi. any changes to the legislation or guidance (including Acts, Measures, Statutory Instruments, Regulations, Orders, Byelaws) where that legislation or guidance is applied, extended, amended, consolidated or replaced vii. in any other case where a minor amendment is necessary to correct a clerical error or (as long as the document remains substantially to the same effect) to keep the document up to date viii. procedural changes to reflect current working practices or procedures of the Service. 	FA 26.03.12 Min No. 131.3 FA 15.07.13 Min No 42.1

7.2 Delegations to the Director Corporate Services and the Head of Business Support

7.2.1	The institution, prosecution, defence, settlement or opposition in any actual, contemplated or potential legal proceedings in relation to any of the Authority's powers, duties, rights, liabilities,	FA 26.03.12 Min No. 131.3
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	actions or inaction including initiating legal proceedings (to include seeking an injunction) where that action is necessary to protect any interest of the Fire and Rescue Authority, its land, or property or any other assets , or Fire and Rescue Authority Members or Officers or where it is expedient to do so in connection with any power, duty, obligation, action, inaction or decision of the Fire and Rescue Authority or the Fire and Rescue Service either criminal or civil.	
7.2.2	To take all such actions as may be necessary as a result of appeals or applications to Ministers, Courts, Tribunals or any other body in respect of anything done by the Fire and Rescue Authority or a Committee or Officer acting in pursuance of delegated powers or against any decision, order, notice, requirement or direction of the Organisation or against any decision or order in legal or quasi legal proceedings to which the Organisation is a party.	FA 26.03.12 Min No. 131.3
7.2.3	To determine if gifts received by employees of the Authority with a market value not exceeding £25.00 should be accepted.	FA 26.03.12 Min No. 131.3
7.2.4	Authority to settle insurance claims for loss, damage or personal injury up to a maximum of £100,000 subject to an annual report to the Fire and Rescue Authority on the use of the delegation. following consultation with the Authority's Insurer's.	FA 15.07.13 Min No. 42.1

7.3 Director of Corporate Services, Head of Business Support & Legal Services Officer

7.3.1	The power to deal with all matters in respect of land or buildings and structures thereon, including sale, purchases, exchange, leasing, licences, assignments, wayleaves, easements, mortgaging, charging, granting of options or other dealings, subject to:- i. any statutory restrictions and requirements ii. Fire and Rescue Authority approval for any major sale or major lease	FA 15.07.13 Min No 42.1 FA 14.07.14 Min No 21.8 DCS del 6.1.5 viii 09.01.17
7.3.2	The swearing of Affidavits and the making of statutory declarations for the Authority.	FA 15.07.13 Min No 42.1
7.3.3	Power to comply with any direction, order, judgment or decision of any Court or Tribunal, insofar as it relates to the Organisation.	FA 15.07.13 Min No 42.1
7.3.4	The issuing and serving of any statutory or other notices in relation to any of the Authority's powers, duties, rights or liabilities.	FA 15.07.13 Min No 42.1

7.3.5	To take such action as is necessary to secure a planning consent on any land within the ownership or to be acquired by the Authority.	FA 15.07.13 Min No 42.1
7.3.6	Power to determine the terms of any indemnity or guarantee for which the Authority is requested to provide.	FA 15.07.13 Min No 42.1
7.3.7	To take legal proceedings to recover possession of any Organisation owned property occupied by unauthorised occupiers.	FA 15.07.13 Min No 42.1
7.3.8	Lodge and proceed with any appeal from an order or decision of a Court, Tribunal, Inspector or other person of competence within any time limit set.	FA 15.07.13 Min No 42.1 DCS del 6.1.5 viii 09.01.17
7.3.9	To agree the terms of new contracts, agree the variation of existing contracts, permit sub-contracting, assignments, novations and termination of contracts entered into by the Organisation.	FA 15.07.13 Min No 42.1 DCS del 6.1.5 vii 29.11.16
7.3.10	To take any necessary actions and decisions to ensure that the Organisation meets its responsibilities in accordance with Data Protection, Freedom of Information and Regulation of Information requirements.	FA 15.07.13 Min No 42.1 DCS del 6.1.5 viii 29.11.16
7.3.11	Effect appropriate insurance cover for the Organisation and authorise the payment of premiums and the negotiation of all claims.	FA 15.07.13 Min No 42.1

7.4 Head of Business Support and the Information Governance & Compliance Officer

7.4.1	To take any necessary decisions to ensure that the Organisation meets its responsibilities in accordance with Data Protection, Freedom of Information and Regulation of Information requirements.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vi 29.11.16
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7.5 Head of Business Support & Administrative Supervisor

7.5.1	Acquisition of gift/presentation for awards under the Long Service and Award Scheme etc.	FA 26.03.12 Min No. 131.3
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7.6 Head of Business Support & Legal Services Officer

7.6.1	In accordance with the waste and environmental Legislation, provide specialist advice, support and guidance to Organisation personnel in matters relating to sustainable development, and maintain links with other agencies to ensure the Organisation effectively meets its statutory responsibilities.	FA 26.03.12 Min No. 131.3
7.6.2	Authority to sign Waste Transfer Notes on behalf of the Organisation.	FA 26.03.12 Min No. 131.3

7.7 Legal Services Officer

7.7.1	Following consultation with either the Director of Corporate Services or the Head of Business Support, the institution, prosecution, defence, settlement or opposition in any actual, contemplated or potential legal proceedings in relation to any of the Authority's powers, duties, rights, liabilities, actions or inaction including initiating legal proceedings (to include seeking an injunction) where that action is necessary to protect any interest of the Fire and Rescue Authority, its land, or property or any other assets, or Fire and Rescue Authority Members or Officers or where it is expedient to do so in connection with any power, duty, obligation, action, inaction or decision of the Fire and Rescue Authority or the Fire and Rescue Service either criminal or civil	FA 15.07.13 Min No 42.1
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Property Services Department

7.8 Strategic Property Manager

7.8.1	Following consultation with the DCO approve the commencement of supplies, services or construction work, in exceptional circumstances, prior to the formal conclusion of the contract.	FA 26.03.12 Min No. 131.3
7.8.2	To determine a planned maintenance programme to manage the Organisation's property portfolio within the approved budget.	FA 26.03.12 Min No. 131.3
7.8..3	To determine an appropriate programme of inspection and testing of the Organisation's assets and equipment to comply with statutory requirements and associated guidance.	FA 26.03.12 Min No. 131.3
7.8.5	To sign off planned or reactive works as completed to the required standards under the stated specifications	

7.8.6	To approve expenditure of appropriate planned and reactive maintenance of the Organisations property portfolio within the approved budget	
7.8.7	Following consultation with the Director of Corporate Services or the Head of Business Support, to approve reactive maintenance of the Organisations property portfolio beyond the approved budget where this is deemed absolutely necessary to remedy a significant health and safety breach, maintain the operational functionality of a building or protect the infrastructure or integrity of the building	
7.8.8	To take such action as is necessary to secure a planning consent on any land within the ownership or to be acquired by the Authority (NB duplication of delegation 6.3.5 to DCS: HBS &LSO)	DCS del.6.1.5viii 29.11.16

X.X Facilities Manager

	To sign off planned or reactive works as completed to the required standards under the stated specifications upto a value of £75,000 for each project	
	To approve expenditure of appropriate planned and reactive maintenance of the Organisations property portfolio within the approved budget upto a value of £75,000 for each project	

X.X Buildings Co-Ordinator

	To sign off planned or reactive works as completed to the required standards under the stated specifications upto a value of £50,000 for each project	
	To approve expenditure of appropriate planned and reactive maintenance of the Organisations property portfolio within the approved budget upto a value of £50,000 for each project	

X.X Facilities Co-Ordinator

	To sign off planned or reactive works as completed to the required standards under the stated specifications upto a value of £15,000 for each project	
	To approve expenditure of appropriate planned and reactive maintenance of the Organisations property portfolio within the approved budget upto a value of £15,000 for each project	

Media and Communications Department

7.9 Media and Communications Manager

7.9.1	Authorise media interviews on behalf of the Organisation and determine priorities in connection with media campaigns.	FA 26.03.12 Min No. 131.3
7.9.2	In accordance with the requirements of the Data Protection Act and Copyright Agreements, ensure the quality and timely publication of material, and amendment of such material as necessary.	FA 26.03.12 Min No. 131.3
7.9.3	In consultation with the relevant Directorate lead publish information, messaging, articles and other media on the Services internet and social media site in accordance with organisational policies and procedures	

Finance Department

7.10 Director Corporate Services

7.10.1	To take all necessary action to ensure that all financial services/ activities undertaken by the Organisation satisfy current	FA 26.03.12 Min No. 131.3
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	financial legislation, including the Local Government and Finance Acts, and the Organisation's Contract Standing Orders and Financial Regulations.	
7.10.2	To determine if gifts received by employees of the Authority with a market value not exceeding £25.00 should be accepted.	FA 26.03.12 Min No. 131.3
7.10.3	Incur expenditure and make payments on behalf of the Organisation including fees and expenses payable to Brokers and Agents.	FA 26.03.12 Min No. 131.3
7.10.4	The writing off of bad debts up to the value of £5,000 where there is no prospect of recovery.	FA 26.03.12 Min No. 131.3 FA 15.07.13 Min No 42.1
7.10.5	Recovery by legal proceedings of debts owed to the Authority and the settlement of claims where the original amount does not exceed £5,000.	FA 26.03.12 Min No. 131.3 FA 15.07.13 Min No. 42.1
7.10.6	Appointment of the Authority's bankers and to open and close any necessary bank accounts following consultation with the Treasurer.	FA 26.03.12 Min No. 131.3
7.10.7	Determine and implement suitable paper and electronic financial management systems to efficiently discharge the Organisation's statutory duties.	FA 26.03.12 Min No. 131.3
7.10.8	Accept offers of external funding in consultation with the Treasurer or Chief Fire Officer, where appropriate, subject to the details of any such acceptance being reported to a future meeting of the Fire and Rescue Authority.	FA 26.03.12 Min No. 131.3
7.10.9	Together with the Procurement Officer, authority to exercise an exemption to the Contract Standing Orders if an unforeseeable emergency involving immediate risk to persons, property or serious disruption to the Organisation's services occurs.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 viii 29.11.16

7.11 Head of Finance and Procurement

7.11.1	Authority to determine, review and revise the appropriate level of charges for external services.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
7.11.2	Authority to align financial procedures and processes with the Organisation's Financial Regulations and to report to the	FA 26.03.12 Min No. 131.3

	Director Corporate Services on any discrepancies or deviations.	
7.11.3	Approve claims to external funding bodies for recovery of grant or other external funding to the Organisation in accordance with the funding conditions.	FA 26.03.12 Min No. 131.3
7.11.4	Implement and maintain the necessary robust financial management systems to protect the Organisation.	FA 26.03.12 Min No. 131.3
7.11.5	To determine if gifts received by employees of the Authority with a market value not exceeding £25.00 should be accepted.	FA 26.03.12 Min No. 131.3
7.11.6	To arrange the borrowing and investments of the Organisation in such a manner as to comply with the Organisation's approved Treasury Policy and Strategy.	FA 26.03.12 Min No. 131.3
7.11.7	Incur expenditure and make payments on behalf of the Organisation including fees and expenses payable to Brokers and Agents.	FA 26.03.12 Min No. 131.3
7.11.8	Determine and implement suitable paper and electronic financial management systems to efficiently discharge the Organisation's statutory duties.	FA 26.03.12 Min No. 131.3
7.11.10	Authority to write off disposal of redundant stock or equipment up to an approved limit.	FA 26.03.12 Min No. 131.3
7.11.11	Following consultation with the Director of Corporate Support authority to write off bad debts up to the value of £2,500 where there is no prospect of recovery.	FA 15.07.13 Min No. 42.1

7.12 Senior Accountant and Accountants

7.12.1	To take the necessary action to ensure that the Organisation discharges its statutory obligations to HM Revenue and Customs on all matters relating to tax, VAT and National Insurance (including implications for lease cars).	FA 26.03.12 Min No. 131.3
	Make payments for income tax, national insurance superannuation and other deductions to the relevant organisation.	
7.12.2	In the absence of the Director of Corporate Services and the Head of Finance and Procurement, assess the Authority's borrowing requirement and arrange and monitor loans for capital expenditure.	FA 26.03.12 Min No. 131.3

7.12.3	Take action to maximise the return on the Organisation's investments in accordance with the approved Treasury Management Strategy.	FA 26.03.12 Min No. 131.3
7.12.4	To arrange the borrowing and investments of the Organisation in such a manner as to comply with the Organisation's approved Treasury Management Policy and Strategy.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
7.12.5	In accordance with the Organisation's Financial Regulations, power to dispose of surplus plant and equipment valued less than £1,000 and to dispose of surplus or redundant stock.	FA 26.03.12 Min No. 131.3
7.12.6	Submit claims to external funding bodies for recovery of grant or other external funding to the Organisation in accordance with the funding conditions.	FA 15.07.13 Min No. 42.1

7.13 Procurement Coordinator

7.13.1	Authorise invoices for payment in accordance with approved procedures.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
7.13.2	Authorise the weekly "cheque and BACS runs" in accordance with approved procedures.	FA 26.03.12 Min No. 131.3 FA 15.07.13 Min No. 42.1
7.13.3	Submit claims to external funding bodies for recovery of grant or other external funding to the Organisation in accordance with the funding conditions.	FA 26.03.12 Min No. 131.3

7.14 Senior Procurement Officer & Procurement Officer

7.14.1	Approve or reject electronic tenders as appropriate.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 viii 29.11.16
7.14.2	Together with the Director of Corporate Services, authority to exercise an exemption to the Contract Standing Orders if an unforeseeable emergency involving immediate risk to persons, property or serious disruption to the Organisation's services occurs.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 viii 09.01.17
7.14.3	In accordance with the Organisation's Financial Regulations power to dispose of surplus plant and equipment valued at less	FA 15.07.13 Min No. 42.1

	than £1,000 and to dispose of surplus or redundant stock.	
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8. People Services Directorate

8.1 Director People Services

8.1.1	To appoint to and maintain the establishment and posts within it to ensure adherence to the approved salaries budget.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vii 29.11.16
8.1.2	To take all necessary decisions to implement, administer, amend and review practices, policies, procedures and protocols on employment arrangements (including pay, emoluments and pensions) within the Organisation to accord with statutory or local requirements.	FA 26.03.12 Min No. 131.3
8.1.3	Authority to deal with all matters relating to the permanent or temporary appointment (including the method of appointment), transfer, suspension, dismissal, grievances, pay, promotion, recruitment and terms of conditions of service of all staff, including negotiations with representative bodies. Note: In the case of disciplinary action in relation to the Head of Paid Service, Monitoring Officer and Treasurer, General Standing Order 17 applies.	FA 26.03.12 Min No. 131.3
8.1.4	Authority to deal with individual cases of early retirement and/or voluntary redundancy and/or flexible retirement, subject to the approval of the Chief Fire Officer and Treasurer with regards to the financial aspects of the proposals.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vi 29.11.16
8.1.5	In exceptional circumstances authority to re-employ staff with particular knowledge, skills and expertise, on temporary non-uniformed contracts following retirement, subject to no new contract being issued until an individual has retired from the Service and the relevant statutory period has expired between the date of retirement and the commencement of the temporary contract.	FA 26.03.12 Min No. 131.3
8.1.6	Authorisation of Casual User Allowance, Essential User Allowance, Car Leasing or Assisted Car Purchasing Loans (in consultation with the Chief Fire Officer).	FA 26.03.12 Min No. 131.3
8.1.10	Authority to pay salaries, wages, allowances or other emoluments, and to make any necessary deductions to existing and former employees and Fire and Rescue Authority Members in accordance with approved procedures.	FA 26.03.12 Min No. 131.3

8.1.11	Make payments for income tax, national insurance superannuation and other deductions to the relevant organisation.	FA 26.03.12 Min No. 131.3
8.1.12	Determine the appropriate rates of subsistence for duties abroad.	FA 26.03.12 Min No. 131.3

8.2 Director People Services & Head of Human Resources

8.2.1	Appointment of temporary, permanent and agency staff and determination of probationary periods.	FA 26.03.12 Min No. 131.3
8.2.2	Determination of applications for time off for Trade Union duties and activities in accordance with Conditions of Service and ACAS Code of Practice.	FA 26.03.12 Min No. 131.3
8.2.3	Determination of applications for loans in lieu of sick pay allowances in cases where third parties are highly likely to be liable for cost to the Organisation.	FA 26.03.12 Min No. 131.3
8.2.4	Authorising honoraria payments within the approved budget.	FA 26.03.12 Min No. 131.3
8.2.5	Review and authorise extensions of sick pay allowances and Occupational Health Private Treatment and submit an annual report on such action to the HR & Equalities Committee.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 viii 29.11.16
8.2.6	Authorise Occupational Health Private Treatment and submit an annual report on such action to the HR & Equality Committee.	
8.4.1	In consultation with the Physical Training Advisor and Occupational Physician, determine appropriate fitness testing protocols for Service employees.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 viii 29.11.16

8.3 Group Manager

8.3.1	Authority to determine requests to attend courses, seminars and conferences (T1 forms) within approved budget.	FA 26.03.12 Min No. 131.3
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8.5 Head of Human Resources, Accountant People Services & Payroll Team

8.5.1	Take all necessary action to ensure that the Service is operating in line with current legislation and the National/Local terms and Conditions of Service for Fire Service employees, in respect of payroll activities.	FA 26.03.12 Min No. 131.3 FA 15.07.13 Min No. 42.2
8.5.2	Approve deductions from pay in authorised areas when requests are received from staff.	FA 26.03.12 Min No. 131.3
8.1.10	Authority to pay salaries, wages, allowances or other emoluments, and to make any necessary deductions to existing and former employees and Fire and Rescue Authority Members in accordance with approved procedures.	FA 26.03.12 Min No. 131.3
8.1.11	Make payments for income tax, national insurance superannuation and other deductions to the relevant organisation.	FA 26.03.12 Min No. 131.3

Head of Training

6.3.1	Authority to actively monitor fire service operations and implement corrective action to assist the Authority in meeting its obligations in respect of HSG65.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 ii 29.11.16
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8.7 Area Manager Training and Development

8.7.1	To take the necessary action within approved budget to ensure the Organisation discharges its statutory responsibilities under the Fire and Rescue Services Act 2004 in relation to training and development.	FA 26.03.12 Min No. 131.3
8.7.2	Chair the Joint Management Board with the Private Partner and make decisions on behalf of the Authority in relation to the development of strategy for delivering training.	FA 26.03.12 Min No. 131.3
8.7.3	Manage the Training and Development function to ensure discharge of the Organisation's responsibilities in relation to training and development needs and relevant Health and Safety legislation.	FA 26.03.12 Min No. 131.3

8.8 Training Instructor

8.8.1	Authority to assess competence against designated standards and frameworks.	FA 26.03.12 Min No. 131.3
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8.10 Welsh Language Officer

8.10.1	Authority to monitor the implementation of the Welsh Language Standards within the Organisation.	FA 26.03.12 Min No. 131.3 DCS del 6.1.5 vi 29.11.16
	Take all necessary action to assist the Organisation in discharging its responsibilities under Welsh Language legislation.	

8.11 Diversity Officer

8.11.1	Authority to monitor the implementation of the Organisation's Equality and Diversity Plans.	FA 26.03.12 Min No. 131.3
8.11.2	Take all necessary action to assist the Organisation in discharging its responsibilities under Equalities and Diversity legislation.	FA 26.03.12 Min No. 131.3

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 6.ix

13 FEBRUARY 2017

REPORT OF THE DEPUTY CHIEF OFFICER

WHITE PAPER – REFORMING LOCAL GOVERNMENT: RESILIENT AND RENEWED**SUMMARY**

The report outlines the recent consultation document issued by Welsh Government on reforms to Local Government and the proposed further consultation due to be issued on new funding and governance frameworks for Fire and Rescue Authority's in Wales

RECOMMENDATIONS

Members provide initial views on the White Paper and its impact on the Fire and Rescue Service and Fire and Rescue Authority

The Authority's response to the White Paper is prepared in consultation with the Chairman of the Authority and submitted by the 11 April 2017

Should a further consultation document be issued on the future funding and governance framework of the Fire and Rescue Authority's in Wales for submission prior to the first meeting of the new Fire Authority, the Authority's response be prepared in consultation with the Chairman of the Authority having first provided Members with an opportunity to provide views on the proposals

1. ISSUE

- 1.1 As Members will be aware, the Cabinet Secretary for Finance & Local Government issued the White Paper on Reforming Local Government on 31 January 2017, setting out the Welsh Government's proposals for local government reform and seeking consultation responses by 11 April 2017.
- 1.2 The White Paper can be accessed via the Welsh Government Website at <https://consultations.gov.wales/consultations/reforming-local-government-resilient-and-renewed> for Members' ease. However, should Members require, a copy of the White Paper can be provided on request.
- 1.3 Whilst it is acknowledged that the White Paper primarily centres around reforming local authorities and putting in place a framework that will create a more resilient, responsive and integrated public service for the future in key strategic areas, this will obviously have an impact upon other public service providers, including the fire and rescue service.
- 1.4 The White Paper discusses proposals around requiring a public duty of regional working in key strategic functions and outlines the proposed

footprints for these going forward. Funding, governance and accountability models are also addressed in various levels of detail and workforce issues are discussed in the context of the new regional functions.

- 1.5 The Welsh Government have also included chapters defining their expectations for local leadership by both elected Members and Officers employed within local government.
- 1.6 As Members will be aware, this consultation follows previous Welsh Government consultations on local government reform, and as such builds upon the consultation responses received as a consequence. As such, annex one to this White Paper consultation is an important inclusion as it provides Welsh Governments overview of its stance on the status of the previous Draft Local Government (Wales) Bill provisions as a consequence of this White paper and whether or not they would be included within a new draft Local Government (Wales) Bill.
- 1.7 Finally, there are a couple of paragraphs included within the consultation document specifically related to the Fire and Rescue Service and Fire and Rescue Authority in Wales (para's 4.3.2 – 4.3.5). These broadly acknowledge that the Fire and Rescue Service in Wales has for the last 20 years been working successfully on a regional basis, but raises issues with the funding and governance arrangements of the Authority.
- 1.8 The White Paper suggests that Fire and Rescue Authorities governance arrangements should change to reflect the Joint Governance Committees the local authorities will have for their strategic functions (on the same geographic footprint as the Fire Authority currently has) and that funding should be on a pooled basis as per the Joint Governance Committee structure proposals. However, the White Paper stops short of making this a formal recommendation and advises that a separate consultation will be issued in due course on new governance, funding and performance management arrangements for Fire and Rescue Authorities.

2. THE FIRE & RESCUE AUTHORITY'S RESPONSE

- 2.1 As Members will be aware, much of the White Paper will impact upon the work of the Fire and Rescue Service and the Authority, so it is important that a response is submitted to the Welsh Government by the required deadline.
- 2.2 As this is the last Fire and Rescue Authority meeting prior to the deadline, it is proposed that officers prepare a response in consultation with the Chairman of the Authority for submission on behalf of the

Authority. This will ensure that your views are presented and can be considered as part of the consultation process.

- 2.3 In relation to the proposed further consultation paper to be issued specifically in relation to the funding and governance arrangements of Fire and Rescue Authorities in Wales, Welsh Government have not provided any indication of timelines for when this may be issued within the White Paper or in other meetings with the Minister for Communities and Children. In this respect and in view of the imminent pre-election period, it is hoped that such a consultation would not be issued until after the forthcoming local government elections and after the formation of the new Fire and Rescue Authority in June 2017. However, should the consultation be issued prior to this, it is essential that the Fire Authority provide their views. In this regard it is similarly proposed that officers prepare a response on behalf of the Authority in consultation with the Chairman of the Authority, having first provided Members with an opportunity to consider and provide views on the proposals.

3. RECOMMENDATIONS

It is RECOMMENDED THAT:

- 3.1 Members provide initial views on the White Paper and its impact on the Fire and Rescue Service and Fire and Rescue Authority
- 3.2 The Authority's response to the White Paper is prepared in consultation with the Chairman of the Authority and submitted by the 11 April 2017
- 3.3 Should a further consultation document be issued on the future funding and governance framework of the Fire and Rescue Authority's in Wales for submission prior to the first meeting of the new Fire Authority, the Authority's response be prepared in consultation with the Chairman of the Authority having first provided Members with an opportunity to provide views on the proposals

Contact Officer:	Background Papers:
Sally Chapman Deputy Chief Officer	None

AGENDA ITEM NO 7

Reports for Information

SOUTH WALES FIRE & RESCUE AUTHORITYAGENDA ITEM NO 7.i
13 FEBRUARY 2017

REPORT OF THE CHIEF FIRE OFFICER

FIRE CONTROL ARRANGEMENTS**SUMMARY**

Progress continues to be made in all areas of the South and Mid and West Wales Joint Public Service Centre Project (JPSCP). Site Acceptance Testing (SAT) commenced in November 2016 and there have been notable successes in load testing, resilience arrangements and connectivity with fire stations and mobile data terminals (MDT's) in fire appliances. However, due to a number of software related issues, further testing will be carried out prior to completion of SAT.

RECOMMENDATION

That Members note the progress of the Joint Public Service Centre Project.

1. BACKGROUND

- 1.1 As Members are aware an Authority decision was taken to merge the fire control functions of South Wales Fire and Rescue Service with West Wales Fire and Rescue Service and co-locate to Bridgend with South Wales Police. This project is known as the Joint Public Service Centre Project.
- 1.2 The Control Workstream is one of the six National Issues Committee Workstreams and meets quarterly to:
- Review the provision of Emergency Control Rooms across our three Welsh Fire and Rescue Services;
 - Maximise opportunities to deliver integrated blue light Control facilities;
 - Develop collaborative opportunities in order to deliver more resilient, efficient and effective Emergency Control Rooms.

2. ISSUE**2.1 Overview**

- 2.1.1 The project has progressed extremely well in all areas, however, the installation of the Capita Command & Control system continues to raise technical issues. Capita and Service staff are working together

to resolve these technical difficulties and have planned for a February 2017 go live date.

2.2 ICT

2.2.1 Capita's revised project plan, presented in September 2016, indicated a go live date in February 2017. Site Acceptance Testing (SAT) commenced on 7th November 2016 for four weeks and involved essential technical and engineering testing to assure the quality of the Command and Control (C&C) system. There were notable successes relating to load testing to ensure the C&C can cope with normal day to day activity and increases in activity; resilience arrangements; connectivity with stations and mobile data terminals (MDTs) in fire appliances. However, a number of tests did not meet the required standard. Capita have significantly increased their technical resources in order to resolve the outstanding issues and additional support is being provided by both Fire Control and Fire and Police ICT teams. Capita have updated their installation plan and are confident that the outstanding issues can be resolved to maintain the February 2017 go live date. The specific go live date will be published once Capita achieve the required standard for SAT and proceed to the User Acceptance Test (UAT) stage.

2.3 People

2.3.1 The Fire Brigades' Union (FBU) have formally agreed the shift patterns for the Emergency Response teams and Support teams. Negotiation is ongoing to agree issues related to travelling allowances and the harmonisation of Human Resources policies. Fire Control staff will undertake additional training in January 2017 to ensure readiness for go live.

2.4 Communications

2.4.1 Monthly e-newsletters provide fire and police control staff with updates on project progress and examples of joint working initiatives. The JPSCP communications strategy has been updated to include communication to the wider police and fire staff as well as external partners.

2.5 Governance

2.5.1 The Legal and Financial Governance Group continue to develop the Collaboration Agreement and the Terms of Reference to support post-project joint police/fire governance arrangements.

2.6 North Wales

2.6.1 At the tender stage of this project North Wales made the strategic decision not to be part of this project but to facilitate their own procurement of their Command and Control system. As such, North Wales have opted for an alternative provider.

2.6.2. The North Wales Project is making progress as planned to achieve the go live of 21 March 2017.

2.7 Implications of Interdependencies between the Control Projects

2.7.1 The JPSC and North Wales Control project teams are in regular contact; All Wales Resilience meetings and recently North Wales project staff took part in the JPSC Tactical meetings via telephone conference.

2.7.2 It has been agreed that there will be a six-week stability period between the respective go live dates of the two control projects, therefore the JPSC Project team are working to a revised project plan of May 2017.

3. FINANCIAL IMPLICATIONS

3.1 The project spend has increased from the original budget set in December 2013 of £4.215m and is within the accepted project tolerance of +/-10%.

4. EQUALITY RISK ASSESSMENT

4.1 Two equality risk assessments have been completed on the feasibility study and the Fire Control Establishment and Shift Patterns.

5. RECOMMENDATION

5.1 That Members note the progress of the Joint Public Service Centre Project.

Contact Officer:	Background Papers:
Huw Jakeway Chief Fire Officer	

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 7.ii

13 FEBRUARY 2017

REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES**ANNUAL REPORT OF HR & EQUALITIES COMMITTEE****SUMMARY**

This report informs Members of the work that the HR & Equalities Committee has undertaken during the Municipal Year 2016/2017.

RECOMMENDATION

That Members note the work of the HR & Equalities Committee.

1. BACKGROUND

- 1.1 This report summarises the work that the HR & Equalities Committee has undertaken over the last twelve months.

2. ISSUES

- 2.1 As Members will be aware, the HR & Equalities Committee was established to demonstrate the Authority's commitment to ensuring that the Service has a well-equipped, skilled, and motivated workforce, that is able to work safely and whose composition reflects the diverse communities it serves.
- 2.2 To discharge its functions the Committee plans its work through a Forward Work Programme. The work of the Committee broadly falls under distinct categories, namely:- Human Resources (including Occupational Health), Training & Development, and Equality & Diversity.
- 2.3 For the purpose of this report it is intended that an overview of the work undertaken by the Committee in the 2016/2017 Municipal Year is detailed under each of the sub headings.

2.4 HUMAN RESOURCES DEPARTMENT

- 2.4.1 The Fire & Rescue Authority established a Local Pension Board (LPB) in April 2015 in order to be able to fulfil its statutory commitments to the management of its devolved Pension Schemes. The HR & Equalities Committee is now responsible for addressing Welsh Government Pension Circulars and as a Board for Internal Disputes Resolution for pension matters, administered through the department. The Committee may provide information to the Local Pension Board.

- 2.4.2 The HR Department is continuously working towards devolving more HR responsibilities to line management and to equip Line Managers with the skills to undertake HR activities to improve HR performance management and develop reporting procedures.
- 2.4.3 It continues to develop standardised HR processes and procedures, consolidating HR administration, developing greater self-service HR technology with the implementation of Core HR, and implementing revised and new policies and procedures. Additionally it provides increasing support to Line Managers on a day-to-day and face-to-face basis.
- 2.4.4 South Wales Fire & Rescue Service Occupational Health Unit shares facilities with Cardiff Council Occupational Health Services at Parc Nantgarw. This shared location has provided a more accessible location for employees and consolidated the Service's Occupational Health team activities.
- 2.4.5 The Occupational Health Unit continues to provide a wide range of services required by Fire & Rescue Authorities under Health and Safety Law, Employment Law, Pension Provisions, and in accordance with directions issued by relevant government departments. Firefighting can be an extremely demanding and hazardous occupation, requiring high level of medical and physical fitness. The prevention of unnecessary ill health and incapacitation are essential factors in our continuing effort to maintain optimum operational effectiveness and efficiency.
- 2.4.6 The range of Occupational Health Unit functions has also been reviewed as part of the Service's ongoing commitment to exploring collaborative opportunities through the National issues Committee.
- 2.4.7 The HR & Equalities Committee received reports and presentations from the HR Department throughout 2016/2017 and these are summarized in Appendix 1.

2.5 TRAINING & DEVELOPMENT DEPARTMENT

- 2.5.1 Committee Members received presentations and reports which appraised them of the structure and functions of the Training & Development Department, the major objectives and issues facing the department, and the issues associated with the delivery of functions through the Cardiff Gate Training Centre contract. Members also viewed at first hand the extensive range of training activity delivered from Cardiff Gate.

- 2.5.2 Members noted that the work of the department has developed to continuously meet the ever-changing demands of South Wales Fire & Rescue Service by developing a flexible approach to the changing demands linked to key legislation, including:- Fire & Rescue Service Act 2004, Civil Contingencies Act 2004, Health & Safety at Work Act 1974, etc., and Road Traffic Act 1974.
- 2.5.3 As the Private Finance Initiative (PFI) contract with Babcock continues to progress through its twenty-five year partnership for the provision and facility management of Cardiff Gate Training & Development Centre, the department has embarked on a continuous review of the contract arrangements with Babcock to ensure continued success of the partnership. Extensive work in association with Babcock personnel has seen an expansion in external contractual delivery and promotion in the field of third party income.
- 2.5.4 The HR & Equalities Committee received reports and presentations from the Training & Development Department throughout 2016/2017 and these are summarized in Appendix 1.

2.6 EQUALITY AND DIVERSITY

- 2.6.1 Within South Wales Fire & Rescue Service the main Diversity Unit reports through the HR Department.
- 2.6.2 The various strands of equality and diversity are embedded in every directorate plans and throughout functional and operational activities.
- 2.6.3 In the widest terms topics encompassing equality and diversity address the following ensuring that no person is treated less favourably on grounds of race, colour, nationality, ethnic or national origin, disability, gender, marital or parental status, age, religion or belief, sexual orientation, proposed or actual gender reassignment, economic group, employment status, politics, staff association or trade union membership, or any other condition which cannot be shown to be wholly justified in relation to employment.
- 2.6.4 Commonly within Wales public bodies now incorporate Welsh language provisions as part of their wider diversity agenda.
- 2.6.5 The HR & Equalities Committee received a range of reports and presentations throughout 2016/2017, and these are summarised in Appendix 1.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no immediate budget implications, but the plan provides a strategic planning framework for future years.

4. EQUALITY RISK ASSESSMENT

- 4.1 An Equality Risk Assessment has been undertaken to assess the potential impact of this report. The assessment concluded that there were no immediate or long term adverse impacts on any individual or group of personnel arising from this particular report.
- 4.2 It is the responsibility of departments submitting reports to the Committee to ensure that Equality Risk Assessments are undertaken to ensure that there are no adverse impacts on any individual or group of personnel.

5. RECOMMENDATIONS

- 5.1 That members note the work of the HR & Equalities Committee

Contact Officer:	Background Papers:
ACO Philip Hayes Director of People Services	Appendix 1 – Reports received by the HR & Equalities Committee 2016/2017

APPENDIX 1

REPORTS AND CIRCULARS RECEIVED BY THE HR & EQUALITIES COMMITTEE DURING 2016/2017

ASSISTANT CHIEF OFFICERS REPORTS:-

Pension Circulars Report

To update Members on pension circulars received from Welsh Government.

Internal Disputes Resolution Procedure (IDRP) Report

In order for Members to consider amendments to the IDRP in light of recent applications.

Firefighters Pension Scheme 1992 – Split Pension

Purpose is to enable Members to determine how split pension arrangements will be considered as established by Welsh Government Pension Scheme Circulars, and determine how they promote Organisational Improvement.

Firefighters' Pension Schemes (England) Advisory Board – Presentation

To update Members on the significant issues and current matters affecting all the Firefighter Pension Schemes,

Annual Pay Policy Statement 2017/2018

Purpose is to inform members which has enabled the Service's policy to be drafted to comply with Welsh Government guidance and assists in explaining how the Service attracts and develops its people and promotes Organisational Improvement.

Summary of HR & Training Committee Reporting

Purpose is to consider the annual report of the work of the HR & Equalities Committee before its submission to the Fire & Rescue Authority.

HUMAN RESOURCES DEPARTMENT REPORTS:- **Absence Management Annual Report**

Purpose is to provide Members with an update on the incidence of sickness absence across the Service and to identify the mechanisms to support staff and thereby enable greater Organisational Improvement.

 Annual Discipline & Grievance Report

Purpose is to provide Members with an update on the variety of disciplinary and grievance cases that have occurred throughout the Service and to identify the actions that have taken place in order to enable greater Organisational Improvement.

 Welsh Language Standards Update Report

Purpose is to provide members with an update on the Service's progress towards the standards that will promote Organisation Improvement.

 Strategic Equality Plan (SEP) 2014-2017

Purpose is to provide Members with an update on the Service's progress towards the Strategy that will promote Organisational Improvement and assist in attracting and developing our people.

 Annual Equality Plan Update

Purpose is to provide Members with an update on the Service's progress in delivering services in conjunction with the terms established in the Annual Equality Plan in order to promote Organisational Improvement.

 Implementation of Core/HR Update Report – Phase 1

Purpose is to provide members with an insight on the Service's implementation of CORE/HR and how it is intended to promote Organisational Improvement.

 Establishment and the Resourcing of the Service – Planning Assumptions

To update Members on developments to evaluate organisational composition and profiting.

TRAINING REPORTS AND PRESENTATIONS: **Report on initiatives and activities in the Training & Development****Department**

Purpose is to provide Members with an update on the Service's Training activities and commitments which identifies how we attract and develop our people to promote Organisational Improvement.

 Tour of training facilities and Firefighting demonstration at Cardiff Gate**Training & Development Centre**

Purpose is to provide Members with an update on the Service's Cardiff Gate Training Centre which assists in explaining how the Service attracts and develop our people, both professionally and managerially to promote organisational Improvement.

 Skills for Justice Firefighter Development Award – Progress Update

Purpose is to provide Members with an update on the Service's proposed Training Plan for Firefighters which identifies and explains how we develop our people to promote Organisational Improvement.

 Principles of Workforce Progression

To update Members on the stream of work that has been in development and will enable the development of managers across all levels and throughout the whole Service.

 Third Party Income Generation Update

To update Members on the current arrangements affecting TPI and to provide details of external organisations who engage with the Service through Cardiff Gate.

TO BE PRESENTED TO HR & EQUALITIES COMMITTEE MEETING MARCH 2017 **CFBT Report**

To update Members on the current situation relating to the planning application to develop an up to date Fire Behaviour training facility at Cardiff Gate.

 Leadership Development Programme

To update Members on proposals to implement and review leadership development throughout the Service.

 NIC Update – HR & Training Activity – Joint report

To update Members on joint and collaborative work-streams that are being followed under the auspices of the National Issues Committee.

 Annual Report on Occupational Health Activity 2015

Purpose is to provide members with an update on the variety of services delivered by the Occupational health Unit and to identify the medical interventions that have taken place in order to enable greater Organisational Improvement as well as attracting and developing our people.

 Follow Up Report on the Occupational Health Review Action Plan

To update Members on the activities and services that have been delivered by the Occupational Health Unit during 2016/2017.

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 7.iii

13 FEBRUARY 2017

REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES**ANNUAL REPORT ON THE WORK OF SOUTH WALES FIRE & RESCUE AUTHORITY LOCAL PENSION BOARD****SUMMARY**

This report informs Members of the work that the South Wales Fire & Rescue Authority Local Pension Board has undertaken during the Municipal Year 2016/2017.

RECOMMENDATION

Members note the work of the South Wales Fire & Rescue Authority Local Pension Board

1. BACKGROUND

- 1.1 This report summarises the work that the Local Pension Board has undertaken during 2016/2017.

2. ISSUES

- 2.1 As Members will be aware, the Local Pension Board was established to demonstrate the Authority's commitment to ensuring that it fulfils its statutory obligations as required by the Public Service Pension Act 2013.
- 2.2 To discharge its functions the Board plans its work through a Forward Work Programme.
- 2.3 For the purpose of this report an overview of the work programme undertaken by the Board in the 2016/2017 Municipal Year is attached at Appendix 1.
- 2.4 The final meeting for 2016/2017 takes place on 20 March 2017, following the Fire Authority's meeting. In the event that there are any matters arising they will be reported in the 2017/2018 Municipal Year.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no immediate budget implications, but the plan provides a strategic planning framework for future years.

4. EQUALITY RISK ASSESSMENT

- 4.1 An Equality Risk Assessment has been undertaken to assess the potential impact of this report. The assessment concluded that there were no immediate or long term adverse impacts on any individual or group of personnel arising from this particular report.

5. RECOMMENDATIONS

- 5.1 Members note the work of the South Wales Fire & Rescue Authority Local Pension Board.

Contact Officer: ACO Philip Hayes Director of People Services	Background Papers: Appendix 1 - Work programme undertaken by the Board in 2016/17
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APPENDIX 1

**PROGRAMME OF WORK UNDERTAKEN BY THE
LOCAL PENSION BOARD IN THE MUNICIPAL YEAR 2016/17**

Report Name	Purpose of report
Governance and administration of Service Pension Schemes	To inform Local Pension Board Members of the Board's responsibilities in relation to the Service Pension Schemes
All Wales Scheme Advisory Board – Update	To inform Local Pension Board Members of the Scheme Advisory Board's activities
Firefighters' Pension Schemes - Update	To inform Local Pension Board Members of the scope and finance provisions of the Firefighters' Pension Schemes
Annual Benefits Statements	To inform Local Pension Board Members of the conditions to relating to ABS publication and advise them of current progress
Firefighters' Pension Schemes composition - situational review	To inform Local Pension Board Members of the current composition, including retirement profiles of the Firefighters' Pension Schemes
Split Pension conditions, impact and liabilities	To inform Local Pension Board Members of the scope and impact of split pensions in the Firefighters' Pension Scheme 1992

Report Name	Purpose of report
HMRC rules and their relationship with the Firefighters' Pension Schemes	To inform Local Pension Board Members of the scope of HMRC rules and their relationship with the Firefighters' Pension Schemes
Firefighter Pension Financing Mechanism	To inform Local Pension Board Members of the Firefighters' Pension Scheme financing mechanisms
Firefighters' Pension Scheme – Membership Data	To provide Local Pension Board Members with a data analysis of the composition of the Firefighters' Pension Schemes
Managing Risks & Internal Controls	To provide Local Pension Board Members with an evaluation of the risk and control in place for the management of the Firefighters' Pension Schemes
Internal Disputes Resolution Procedure (IDRP)	To provide Local Pension Board Members with an analysis of IDRP cases that have been considered
Summary of the Local Pension Board Work Programme	To a report to be submitted to the Fire & Rescue Authority which sets out the Local Pension Board activity throughout 2016 - 2017
Local Pension Board Framework and Training Plan	To enable Local Pension Board Members to review their training needs within the established framework and policy.

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 7.iv

13 FEBRUARY 2017

JOINT REPORT OF THE CHAIR OF THE FINANCE, AUDIT & PERFORMANCE MANAGEMENT COMMITTEE AND THE DEPUTY CHIEF OFFICER

ANNUAL REPORT ON THE WORK OF THE FINANCE, AUDIT & PERFORMANCE MANAGEMENT COMMITTEE & ITS WORKING GROUP DURING 2016/17

SUMMARY

This report is the annual report on the work of the Finance, Audit & Performance Management Committee and its Working Group for the municipal year 2016/17.

RECOMMENDATION

That Members note the work undertaken by the Finance, Audit & Performance Management Committee and its Working Group during the municipal year.

1. BACKGROUND

- 1.1 This report sets out the annual report of the Committee and its Working Group during the municipal year.

2. ISSUE

- 2.1 As Members will be aware, the Finance, Audit & Performance Management Committee was established to demonstrate the Authority's commitment to the efficient and effective deployment of public resources and the attainment of related performance targets.
- 2.2 The Committee is responsible for the planning and management of the Authority's financial resources including authorising expenditure, virement of funds and donations of equipment or other property. It oversees the financial reporting process and provides a detailed examination of financial performance including the extent that this affects the Authority's exposure to risk and weakens the control environment. The Committee also provides assurance of the adequacy of the risk management framework and associated control environment. Within the scope of the Committee it also assists the Fire & Rescue Authority in policy and strategy development issues relating to Finance, Audit & Performance Management and Good Governance issues.
- 2.3 To discharge its functions the Committee plans its work through a forward work programme. The work of the Committee broadly falls under

three distinct categories, namely: financial; policy, audit or development; and scrutiny. For the purposes of this report it is intended that an overview of the work undertaken by the Committee in the 2016/17 municipal year is detailed under each of the sub headings.

- 2.4 In addition, the Committee is also responsible for the Authority's Finance, Audit & Performance Management Working Group. The Working Group annual report forms part of this report at Appendix 1.

2.5 Financial

2.5.1 The Committee is specifically tasked with reviewing and challenging where necessary the Authority's financial statements, interim reports, preliminary projections and related formal statements before clearance by the auditors. Particular attention is paid to:

2.5.1.1 The critical accounting policies and practices and any changes in them

2.5.1.2 The extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed

2.5.1.3 The clarity of reports

2.5.1.4 Significant adjustments resulting from audits

2.5.1.5 Compliance with accounting standards

2.5.1.6 Compliance with other legal requirements

2.5.2 The Committee also monitors the management action in response to issues raised in relation to financial reporting and carries out spending reviews of budgets to enable reviews of current spending policy.

2.5.3 In discharging these functions the Committee has undertaken a large amount of work this year on a variety of financial issues. This work has included the following:

2.5.4 **Revenue & Capital Monitoring** – The Committee has considered in detail regular monitoring reports in respect of the current financial year's revenue and capital budgets which provide an update of expenditure against the budget for the year. Detailed scrutiny has taken place in respect of variations against budget, and further reports or information have been requested where appropriate to address Members' queries. Detailed questioning has been undertaken in respect of various costings, including recruitment and retention of retained duty staff, lightweight

personal protective equipment (PPE), implementation of ICT systems and premises costs i.e. LED lighting and security.

- 2.5.5 Revenue and Capital Outturn** – Members considered the revenue and capital outturn reports for the previous financial year which advise on total revenue and capital expenditure against the respective set budgets following the year end. Members have scrutinised year end variations and have used this information to help understand the budget pressures and to influence budget setting for subsequent years. Members' scrutiny has resulted in greater confidence that recurrent underspends, however small, are being removed from future budgets.
- 2.5.6 Revenue and Capital Budget Setting** – The Committee and its Finance, Asset & Performance Management Working Group have taken a particularly detailed role in assisting in the formulation of the appropriate revenue and capital budgets required to meet the Service's requirements for the next financial year. The work has once again been greatly assisted by a full review of the Medium Term Financial Plan. The culmination of this work resulted in the Authority resolving to consult on a slightly increased budget recommendation on the equivalent figure for the current financial year. The Committee considered in detail and were able to assist local authorities in their budget setting again this year by bringing the budget process forward. Consultation responses from the constituent authorities were considered and subsequently advised that the Authority were hoping to keep any budget increase to a maximum of 1%.
- 2.5.7 Wales Audit Office – Audit of Accounting Statements** – The Committee considered the Wales Audit Office report which provides an opinion on the accuracy, adequacy and statutory compliance of the Authority's Statement of Accounts for Members. Following the appointed auditor function returning to the Wales Audit Office the audit process required additional audit work to be undertaken which delayed the approval of the annual statement of accounts. The unaudited accounts were considered and approved in July, however delays and reporting requirements led to the accounts being deferred for approval by the Fire & Rescue Authority in December 2016.
- 2.5.8 Treasury Management** – In September, the Committee considered the Treasury Management annual report which advises on performance against the Treasury Management Policy and Strategy following the financial year end. The report provided Members with an opportunity to scrutinise performance and also to

assess any implications for the current strategy and budget setting proposals for the following financial year.

2.5.9 In December, the Committee considered the Treasury Management mid-term report which outlined performance against the Treasury Strategy from April to September of the current financial year.

2.5.10 The committee will consider, scrutinise and approve the Treasury Management Policy, Minimum Revenue Provision Policy and Annual Investment Strategy for 2017/18 in its meeting of March 2017.

2.6 Policy, Audit or Development

2.6.1 The Committee has specific responsibilities in relation to internal control and risk management; internal audit; external audit and inspection; performance management; and the Local Government Measure. In relation to internal control and risk management, the Committee is responsible for reviewing the Authority's procedures for detecting fraud and corruption and whistleblowing, and ensuring that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, finance control and any other matters. The Committee also reviews officers and the internal auditor's reports on the effectiveness of the systems for internal financial control, financial reporting and risk management, and monitors the integrity of the Authority's internal financial controls. The Committee is also required to review and approve the Authority's assurance statements, including the annual governance statement, and be satisfied that they properly reflect the risk environment and any actions required to improve it. In addition Members assess the scope and effectiveness of the systems established to identify, assess, manage and monitor financial risk, and review and approve the Authority's Corporate Risk Register.

2.6.2 **Internal Audit** – In relation to internal audit the Committee is required to review and approve the internal audit programme for the Authority and ensure that the internal audit function is adequately resourced. In this respect it receives reports on the results of the internal auditor's work on a periodic basis and receives the annual report of the internal auditor. The Committee reviews and monitors action taken by departments as a result of the internal auditor's findings and recommendations, and monitors and assesses the role and effectiveness of the internal audit function in the overall context of the Authority's risk management

system. Where necessary, direct action is to be taken as a consequence of an internal audit report if required.

2.6.3 The Committee agreed an annual internal audit programme for 2016/17 covering the areas identified below and has considered in detail the progress and findings of the relevant audits:

- Governance - Performance Management
- Governance – Internal Communications
- Risk Management – Mitigation arrangements
- Allowances
- Procurement
- HR - Training
- ICT Security – Management Controls including post project review of Virtual Desktop Infrastructure (VDI).
- Estates Management Strategy
- Station Visits
- Key Financial Controls
- Audit Follow Up

2.6.4 **External Audit** – In relation to external audit and inspection the Committee is responsible for overseeing the Authority's relations with the external auditor. It approves the terms of engagement to the external auditor in respect of auditing inspection services received by the Authority.

2.6.5 The Committee also reviews with the external auditor the findings of their work including any major issues that arise during the course of an audit, key accounting and audits judgements, level of errors identified during the audit, and obtain explanations from managers or auditors as to why certain errors might remain unadjusted. In addition, the Committee reviews and monitors the actions taken by departments as a result of the external auditor's findings and recommendations and, where necessary, direct action should be taken as a consequence of an external audit report.

2.6.6 Members also assess at the end of the audit cycle the effectiveness of the audit process by reviewing whether the auditor has met the agreed audit plan and understanding the reasons for any change (including changes in perceived audit risks and the work undertaken by the external auditors to address those risks); consideration of the robustness and perceptiveness of the auditors in handling of the key accounting and audit judgements; responding to questions from the Committee, and their commentary, where appropriate, on the systems of internal control.

2.6.7 The Committee was very pleased to note some of the very positive comments made by the Auditor General about the Service and its arrangement for achieving financial resilience. Some examples include:

“Financial planning is supported by a stable financial regime and key risks and challenges are well understood.”

“Financial control is supported by effective budget monitoring and forecasting, and a good track record of managing budgets.”

“Financial governance is effective and supported by clear challenge, timely and accurate reporting, and commitment at a senior level.”

2.6.8 The committee considered the Wales Audit Office findings in relation to “Fire safety arrangements in Welsh Fire & Rescue Services.” The report showed how the Authority plans, delivers and evaluates its fire safety arrangements in addressing local needs. The committee noted the findings which outlined

- “The Authority has clear plans to support community fire safety activity”.
- “The Authority is supporting community fire safety through extensive fire safety and prevention activities.”
- There is no consistent approach to evaluating the effectiveness of fire safety work in Wales”.

2.6.9 The previous Fire & Rescue Authority required that the Committee meets on an annual basis with both internal and external auditors without management present to discuss the audit work of the Authority. Provision is now made for these meetings to take place after every meeting of the Finance, Audit & Performance Management Committee meeting.

2.6.10 **Performance Management** – The Committee receives all external reports on the performance of the Authority and considers and recommends to the Fire & Rescue Authority action plans relating to these reports and monitors progress against the approved action plans. In relation to the Wales Programme for Improvement, the Committee reviews, approves and challenges, where necessary, the performance and improvement plan; the operational and non-operational assurance self-assessment when appropriate; the joint risk assessment; and any other periodic reports on performance management of relevant areas of the Service. In addition, the

Committee considers comparative studies, including benchmarking and best practice.

2.7 Scrutiny

- 2.7.1 As it has already been highlighted, the Committee is responsible for the scrutiny function of the Authority and has undertaken a considerable amount of scrutiny throughout the year on a variety of topics. It provides service improvement through regular challenge and scrutiny of reports and assumptions, with some detailed scrutiny provided by the Working Group.
- 2.7.2 The Committee, through its Working Group, undertook detailed scrutiny work in relation to the Authority's Medium Term Financial Strategy and Reserves Strategy and the assumptions that had been made in writing that strategy.
- 2.7.3 In considering the budget pressures resulting from the introduction of the Apprentice Levy from April 2017, the committee in its scrutiny role requested the attendance of a Welsh Government Official to explain the rationale, processes and further implications to the Authority.
- 2.7.4 This year, the scrutiny work of the Committee has continued to adopt a thematic approach, whereby a specific topic or area is examined which will allow the Authority to develop its policies and respond more effectively to local needs.
- 2.7.5 This year, there has been a focus on service delivery and community safety areas of the Service, with detailed scrutiny having been undertaken on issues such as incidents that the Service attends where no smoke alarm was fitted or actuated. This scrutiny included comparison with data and performance of other comparable Fire & Rescue Authorities.
- 2.7.6 Members also had an integral role in scrutinising the objectives and outcomes proposed of the Authority's five Strategic Objectives (with the Finance, Asset & Performance Management Working Group scrutinising the two Improvement Objectives). Progress against these outcomes is regularly monitored by the Committee and any issues identified and clarified.
- 2.7.7 In relation to the disposal of end of life vehicles and equipment the committee considered a presentation by a representative of the charity Fire Aid who provide ethical and sustainable donations of

fire and rescue aid and training to those countries in need of such assistance.

3. RECOMMENDATION

- 3.1 That Members note the work undertaken by the Finance, Audit & Performance Management Committee and its Working Group during the municipal year.

Contact Officer:	Background Papers:
Geraint Thomas Head of Finance & Procurement	Appendix 1 – Annual Report of the Finance, Asset Performance Management Working Group

APPENDIX 1**ANNUAL REPORT OF THE FINANCE, ASSET & PERFORMANCE MANAGEMENT WORKING GROUP****1. PURPOSE OF THE WORKING GROUP**

1.1 As Members will be aware, the Finance, Asset & Performance Management Working Group was established to achieve two purposes:

1.1.1 Firstly, to demonstrate the Authority's commitment to the efficient and effective deployment of public resources and to give assurance that available funding is utilised as efficiently and effectively as possible to protect the level of service offered to the public within the core priorities defined by the Fire & Rescue Authority. This was considered necessary to enable detailed and in depth scrutiny of the Service's operations and its budgets in a manner that was not possible within the time constraints posed within the Committee structure.

1.1.2 Secondly, to demonstrate the Authority's commitment to the efficient and effective management of its assets; and to give assurance that its assets are utilised as efficiently and effectively as possible to ensure that the level of service offered to the public, within the core priorities defined by the Fire & Rescue Authority, is delivered.

1.2 For clarity, it is proposed to deal with each of the functions of the Working Group separately.

2. FINANCIAL RESPONSIBILITIES

2.1 The Working Group is responsible for reviewing and challenging the make up of the Authority's revenue and capital budget with a view to cost reduction or value enhancement. In carrying out these functions, the Working Group pays particular regard to:

- The clarity of budget headings
- The statutory requirements of the Authority to deliver a service to the public of South Wales
- The national commitments of the Authority to deliver a service on strategic issues such as national resilience

- The relationship of the budget with key corporate documents of the Authority
 - Carrying out spending reviews of budgets to enable assessments of current spending policy against future financial predictions of the organisation within the Medium Term Financial Strategy.
 - Reviewing past performance of selected budget areas when assessing current and future years' requirements; and
 - Reviewing the budget setting process for revenue and capital budgets for improvements that could be made in future years.
- 2.2 To discharge its functions the Working Group plans its work through a forward work programme which is agreed at the beginning of the year and reviewed at each meeting. The work of the group broadly comprises scrutiny of the Medium Term Financial Strategy and financial projections for the future, scrutiny of budget holders, scrutiny of revenue and capital budget monitoring reports and reports to the Finance, Audit & Performance Management Committee.
- 2.3 As Members will be aware, much of the work of the Working Group is geared towards preparations for striking the revenue and capital budget each year, set in the context of the adopted Improvement Plan (IP), the Medium Term Financial Strategy (MTFS), the approved Budget Strategy and the approved Reserves Strategy. Briefings were received on the budget settlements for Wales and specifically the impact for the Service and a fundamental review and update of the MTFS was undertaken by the Group.
- 2.4 In addition, the following specific areas of work were considered:
- 2.4.1 **Medium Term Financial Strategy**
Members received electronic presentations on the updated determination of the MTFS and were informed of the best, medium and worst case scenarios that had been used in the financial modelling that had been undertaken and were afforded the opportunity to scrutinise the process and scrutinise the implications for the Service of various scenarios.
- 2.4.2 **Reserves Strategy**
Members were updated on the reserves position of the Authority and in accordance with best practice, considered and scrutinised their stance on reserves and agreed a draft reserves strategy for consideration by the Finance, Audit & Performance Management Committee.

2.4.3 **Revenue and Capital Setting 2017/18**

During this process, the Working Group received updates on the main strands of budget production and agreed recommendations for the wider consideration of Members, designed to help balance the 2017/18 budget which was being delivered in a continued period of financial constraint.

2.4.4 The process followed by Members allowed them to apply a robust level of scrutiny by questioning Officers over the process and assumptions made in reaching their conclusions. Members agreed that the budget timetable be brought forward to assist local authorities in their budget setting process.

2.4.5 **National Resilience Budget review**

Members considered the implications of the reduction in Welsh Government funding in support of the National Resilience assets currently hosted within the Service.

2.4.6 **Annual Governance Statement**

The group considered the annual governance statement and how the Authority has complied with the Code of Corporate Governance. Scrutiny of the evidence to support compliance was undertaken prior to approval of the statement.

3. ASSET MANAGEMENT RESPONSIBILITIES

3.1 The Working Group is responsible for reviewing, monitoring and challenging the management of the Authority's assets. In carrying out these functions, the Working Group pays particular regard to:

- The statutory requirements of the Authority to deliver a service to the public of South Wales
- The statutory requirements of the Authority of running an organisation (including health and safety management)
- The relationship of our assets with key corporate documents of the Authority
- Carrying out specific reviews of the Authority's performance in the management of its assets
- To consider and challenge the performance review systems and targets

- To consider collaborative opportunities for the Authority in the management of its assets.

3.2 As with its financial responsibilities, to discharge its functions effectively, the Working Group plans its work through a forward work programme. The work of the group broadly comprises scrutiny of the following documents and reports to the Finance, Audit & Performance Management Committee:

- Asset Management Strategy
- Operational Equipment Asset Management Plan
- ICT Management Plan
- Fleet and Vehicles Management Plan
- Personal Issue & Operational Equipment Management Plan

3.3 In addition, the following specific areas of work were considered:

3.3.2 **Review of Property Strategy**

Members received a progress update on each of the following key areas and questioned Officers on specific areas of work:

- Key refurbishments
- Planned maintenance projects
- New builds
- Surplus assets disposal
- Acquisitions
- Capital Programme forecast

3.3.5 **Review of Fleet Strategy**

The Group reviewed the Fleet and Vehicle Strategy through the Fleet Asset Management Plan 2016-19 and noted that the format that the plan was based upon was that recommended by the Chief Fire Officers' Association and with the guidance of the National Issues Committee. The Group scrutinised the various elements of the plan including:

- Vehicle Replacement Programme
- Capital budget
- Revenue budget
- Planned preventative maintenance
- Local performance indicators
- Collaboration and National Issues Committee

3.3.6 The group also considered the use of alternative fuels as available for light vehicles including the claimed benefits and potential disadvantages presented by this technology. It was agreed that until the alternative fuels and hybrid market stabilises and the direction of the industry becomes clearer, the service would continue utilisation of conventionally fuelled vehicles.

3.3.7 **Review of ICT Strategy**

Members noted the work that was currently underway in relation to ICT and some of the key projects that were ongoing across the Service. Consideration was given to the work that was ongoing for the virtual desktop infrastructure project and the joint control project. Following more detailed scrutiny, Members also agreed the benefits of progressing a performance management system to enhance reporting and deliver efficiencies.

3.3.8 **Review of Operational equipment asset management plan**

Members considered the operational equipment asset plan reviewing the inventory and replacement programme 2016-21 with particular scrutiny of notable areas covering the incident command unit, CCTV for appliances and lightweight PPE.

3.3.9 **End of Life Vehicles**

The group deliberated several reports on the security implications, the economic value and donation of end of life vehicles. After many deliberations in conjunction with the FAPM committee, members recommended to dispose of vehicles through the Charity Fire-Aid

4. **ADDITIONAL AREAS OF SCRUTINY WORK UNDERTAKEN**

4.1 In addition to the work relating to the Authority's finances and assets, the Working Group has also undertaken several other pieces of detailed scrutiny work during the year.

4.2 **Improvement Objectives**

A presentation of the Service's strategic plan and Improvement Objectives was provided to Members, outlining the rationale underpinning the objective being chosen, what the Service intended to do to achieve the objective and the difference that this would make. Challenge and scrutiny of each of the objectives ensured that proposed actions and outcomes were robust. Progress of the objectives was reviewed later in the year to ensure targets were being achieved.

4.3 **Apprentice Levy**

Members considered the implications of the planned introduction of the Apprentice levy in April 2017. The financial cost to the Authority would be a tax in the region of £220,000 with no mechanism to recover any funding via apprentice schemes in Wales. Members requested an official of Welsh Government be invited to attend a future meeting to enable scrutiny and challenge to the proposed approach of the tax in Wales.

4.4 **Corporate Risks**

Members reviewed the significant high level risks within the corporate risk register. The latest updates and actions to manage, control and mitigate the risks were presented and progress was noted.

5. **FUTURE WORK FROM FORWARD WORK PROGRAMME**

5.1 Members have yet to consider the following areas of work in March 2017:

- Review of Operational & Personal Equipment Strategy
- Scrutiny of Accidental dwelling fires
- Scrutiny of special service calls

**FORWARD WORK PROGRAMME FOR
FIRE & RESCUE AUTHORITY 2016/17**

Expected Date of Report	Report Name	Purpose of Piece of Work	Lead Director/ Contact Officer	Progress
Each meeting following the NIC meeting	Update Report on the work of the NIC	To keep Members up-to-date with the work of the NIC	DCO Contact Officer: Sally Chapman	
As appropriate when amendments required	Updating Constitutional Documents	To ensure that the constitutional documents of the Authority remain up-to-date and reflecting the requirements and practices of the organisation	DCO Contact Officer: Sally Chapman	
As and when appropriate	Updates on key issues from Shaping Our Future Programme	To keep Members abreast of key developments and seek authorisations where required	DCO Contact Officer: Sally Chapman	
27 June 2016	Welsh Language Standards	To update Members on the latest requirements of the Welsh Language Act	ACO PS Contact Officer: Mark Malson	Completed
27 June 2016	Report on end of year performance on achievement of Improvement Objectives 2015/16	To advise Members of the end of year position in securing the achievement of the Improvement Objectives	DCO Contact Officer: Dai Morris	Completed
27 June 2016	End of year Performance and Statistics Report 2015/16	To advise Members of end of year performance against agreed targets	DCO Contact Officer: Dai Morris	Completed

Expected Date of Report	Report Name	Purpose of Piece of Work	Lead Director/ Contact Officer	Progress
26 Sept 2016	Fire Medical Response Update	To provide Members with an update on the Fire Medical Response pilot	ACFO SD Contact Officer: Andy Thomas	Completed
26 Sept 2016	Health & Safety Annual Report 2015/16	To advise Members of Health and Safety performance of the organisation	ACFO TS Contact Officer: Martin Hole	Completed
26 Sept 2016	Budget Strategy 2017/18	To obtain clarification upon the political steer for the budget strategy for 2017/18 budget setting process	Treasurer Contact Officer: Chris Barton	Completed
26 Sept 2016	Draft Improvement Plan 2017/18	To seek Members' approval to the draft Improvement Plan being issued for publication for public consultation	DCO Contact Officer: Dai Morris	Completed
26 Sept 2016	Statement of Accounts (Revenue and Capital) for 2015/16 budget	To seek Members' approval for publication of the Statement of Accounts	Treasurer Contact Officer: Geraint Thomas	Completed
26 Sept 2016	Treasury Management Outturn 2015/16	To advise Members of the year end treasury management position	Treasurer Contact Officer: Chris Barton & Geraint Thomas	Completed
26 Sept 2016	Draft Improvement Objectives for 2017/18	To seek Members' approval to the Improvement Objectives being issued for publication for public consultation	DCO Contact Officer: Dai Morris	Completed

Expected Date of Report	Report Name	Purpose of Piece of Work	Lead Director/ Contact Officer	Progress
26 Sept 2016	Sector PI Setting	To seek Members' endorsement of the all-Wales Sector PIs for reporting year 2015/16	DCO Contact Officer: Dai Morris	Completed
19 Dec 2016	WAO Annual Improvement Report	To advise Members of the key issues emanating from the annual report and to provide an opinion on adequacy and effectiveness of the organisation and its potential to improve, its approach to risk management, control and governance processes based on the WAO work undertaken during the year, including data quality & PIs, HR work, a Framework update, whistleblowing and forward planning.	DCO Contact Officer: Sally Chapman	Completed
19 Dec 2016	Operational Performance	To advise Members of performance against agreed targets, PIs, risks and corporate objectives and trends over a 5 year period	ACFO SD Contact Officer: Dai Morris	Completed
19 Dec 2016	Report on progress of achievement of Improvement Objectives for 2016/17	To keep Members apprised of progress	DCO Contact Officer: Dai Morris	Completed
19 Dec 2016	Estimated Revenue & Capital Budget determination for 2017/18	To consider consultation responses and to set the recommended budget determination for consideration by Fire Authority in December	Treasurer Contact Officer: Geraint Thomas	Completed
19 Dec 2016	Treasury Management Mid Term Report 2016/17	To advise Members of the mid year position in relation to our treasury	Treasurer	Completed

Expected Date of Report	Report Name	Purpose of Piece of Work	Lead Director/ Contact Officer	Progress
		management	Contact Officer: Geraint Thomas	
19 Dec 2016	Independent Remuneration Panel for Wales' Draft Annual Report	To consider the IRPW's draft Annual Report and enable comments to be submitted to the Panel within required timescales	DCO Contact Officer: Sally Chapman	Completed
13 Feb 2017	Delegations During Pre-election Period & Prior to the AGM	To ensure continuity of business following the Local Government elections 2017	DCO Contact Officer: Sally Chapman	On agenda
13 Feb 2017	KPI Target Setting 2017/18	To set the targets for the following financial year	ACFO SD Contact Officer: Dai Morris	On agenda
13 Feb 2017	Report on Responses to the consultation of the draft Improvement Plan and Improvement Objectives 2017/18	To advise Members of consultation responses and seek approval for a final version of the Improvement Plan	DCO Contact Officer: Dai Morris	On agenda
13 Feb 2017	Pay Policy Statement 2017/18	To consider the Authority's Pay Policy Statement in compliance with the Localism Act 2011 and associated guidance	ACO PS Contact Officer: Phil Haynes	On agenda
13 Feb 2017	Annual Report of the work of the Finance, Audit & Performance Management Committee & its working group during 2016/17	To advise Members of the work of the committee	DCO Contact Officer: Sally Chapman	On agenda

Expected Date of Report	Report Name	Purpose of Piece of Work	Lead Director/ Contact Officer	Progress
13 Feb 2017	Annual Report of the work of the HR & Equalities Committee during 2016/17	To advise Members of the work of the committee	ACO PS Contact Officer: Phil Haynes	On agenda
13 Feb 2017	Treasury Management Strategy 2017/18	To secure Members' approval to the adoption of the Treasury Management Strategy 2017/18	Treasurer Contact Officer: Geraint Thomas	On agenda
13 Feb 2017	Annual Report of the Work of the Pensions Committee	To advise Members of the work of the committee	ACO PS Contact Officer: Phil Haynes	On agenda

Huw Jakeway – CFO
Sally Chapman – DCO
Phil Haynes – ACO People Services
Andrew Thomas – ACFO Service Delivery
Richie Prendergast – ACFO Technical Services

Chris Barton – Treasurer
Geraint Thomas – Head of Finance & Procurement
Mark Malson – Head of Human Resources
Dewi Rose – Head of Operations
Calvin Powell – Head of Business Support
Dai Morris – Head of Service Performance & Communications

AGENDA ITEM NO 8

**To consider any items of business that the Chairman deems urgent
(Part 1 or 2)**

1.	Apologies for Absence	
2.	Declarations of Interest	
	Members of the Fire & Rescue Authority are reminded of their personal responsibility to declare both orally and in writing any personal and/or prejudicial interest in respect of matters contained in this agenda in accordance with the provisions of the Local Government Act 2000, the Fire & Rescue Authority's Standing Orders and the Members Code of Conduct.	
3.	Chairman's Announcements	
4.	To receive the minutes of;	
	<ul style="list-style-type: none"> • HR & Equalities meeting held on 17 October 2016 • Fire & Rescue Authority meeting held on 19 December 2016 	<p style="text-align: right;">5</p> <p style="text-align: right;">11</p>
5.	Update on Actions	23
6.	REPORTS FOR DECISION	25
6.i	Performance Indicator Targets 2017/18	27
6.ii	Operation Ategol	43
6.iii	Localism Act 2011 - Pay Policy Statement	47
6.iv	Report on Responses to the consultation on the draft Improvement Plan – 'How did we do in 2015-2016' and proposed Improvement Objectives for 2017/18	75
6.v	Treasury Management Strategy 2017/18	81
6.vi	Report on End of Life Vehicle & Equipment Disposals	115

6.vii	Delegated Powers	121
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6.ix	White Paper - Reforming Local Government: Resilient and Renewed	167
7.	REPORTS FOR INFORMATION	171
7.i	Fire Control Arrangements	173
7.ii	Annual Report of HR & Equalities Committee	177
7.iii	Annual Report on the work of South Wales Fire & Rescue Authority Local Pension Board	185
7.iv	Annual Report on the work of the Finance, Audit & Performance Management Committee & its Working Group during 2016/17	189
7.v	Forward Work Programme	203
8.	To consider any items of business that the Chairman deems urgent (Part 1 or 2)	209