**SOUTH WALES FIRE & RESCUE SERVICE**

**MINUTES OF THE FINANCE, AUDIT & PERFORMANCE**

**MANAGEMENT COMMITTEE MEETING**

**HELD ON MONDAY, 27 JULY 2020 AT 10:30HRS**

**VIA STARLEAF**

**13. PRESENT**

**Councillor Arrived Left**

S Evans (Chair) Torfaen

P Drake Vale of Glamorgan

M Colbran Merthyr Tydfil

D White Bridgend

V Smith Monmouthshire

A Hussey Caerphilly

M Spencer Newport

J Harries Rhondda Cynon Taf

W Hodgins 11.24 Blaenau Gwent

T Davies 12:05 Caerphilly

S Ebrahim 12:05 Cardiff

**APOLOGIES**

S Bradwick Rhondda Cynon Taf

**OFFICERS PRESENT:** Mrs S Chapman – Deputy Chief Officer & Monitoring Officer**,** Mr C Barton – Treasurer**,** Mr G Thomas – Head of Finance & Procurement, Mr J Evans - Head of Risk Reduction, Mr O Jayne - Head of Business Fire Safety, Ms A Butler – Audit Wales, Mr S Gourlay – TIAA

**14. DECLARATIONS OF INTEREST**

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

Councillor W Hodgins advised that, as previously mentioned, he is the owner of a transport company that sub contracts to a Service contractor, delivering goods to Cardiff Gate Training Centre, and queried whether this would need to be declared.

The Deputy Chief Officer confirmed that this has now been entered onto the Register of Interests, Councillor Hodgins is not required to declare an interest going forward unless there is a paper on the agenda in relation to or closely related to this issue.

The Chair advised that he is required to report Licencing to the Torfaen PSB, and queried whether he is required to declare an interest.

The Deputy Chief Officer confirmed that as he is acting on behalf of his home authority and not the Fire Authority, he does not need to declare an interest as the Fire Authority is not responsible for licencing.

**15. CHAIR’S ANNOUNCEMENTS**

There were no announcements from the Chair.

**16. MINUTES OF PREVIOUS MEETING**

The following minutes were received and accepted as a true record of proceedings, with one minor change to the home authority of Councillor W Hodgins within the attendance.

* Finance, Audit & Performance Management meeting held on 15 June 2020.

The Treasurer wished to note that at Minute No. 07, the Statement of Accounts for 2019/20 were being delayed until September due to COVID and the inability of the public to inspect the documents. He confirmed that the Statement of Accounts is nearly complete, and the ISA260 will be singed off at a subsequent meeting.

**17. CAPITAL MONITORING REPORT 2020/21**

The Head of Finance & Procurement provided detail of the capital budget, transitions to date and the forecast year end position, also an update of the major changes affecting the capital budget since budget setting.

He added that it would be usual to present the Revenue Monitoring Report at the same time as the Capital Monitoring Report, but due to the ongoing work to the Statement of Accounts the Revenue Monitoring Report will be presented at the September meeting. He confirmed that the Capital Monitoring Report 2020/21 is being presented today as Members are required to make decisions in relation to the capital programme and slippages, as identified in Appendix 1 of the report.

He detailed the capital spending plans for the year and how they differ from the original budget and the slippages relating to water ladders, operational equipment, server and storage replacement and property, particularly the decision to demolish and relocate the drill tower at Pontypridd Fire Station, replacing with a steel tower. It was noted that alternative sites are still being considered, should Pontypridd Station ever be relocated the drill tower can also be moved. Members were asked to consider the financial increase in this area.

At a request from Councillor V Smith, the Head of Finance and Procurement was able to confirm the water ladders had been purchased via a competitive tender process from a company called Emergency One.

Councillor T Davies queried whether there is an indication of timescales for the completion of the refurbishment of Pontypridd station as he feels it is important for the morale of the staff to complete.

The Head of Finance and Procurement confirmed that Phase 1 is complete (refurbishment to the 1st floor), Phase 2 is underway (refurbishment of the 2nd floor), and following approval of the budget by Members at this meeting, it is the intention to continue with works whilst the contractors are already on site.

**RESOLVED THAT**

Members:

17.01 noted the progress of the capital schemes,

17.02 approved the alternations identified at Appendix 1 and 2

17.03 noted the associated funding streams

**18. INTERNAL AUDIT REPORT**

Mr S Gourlay from TIAA updated Members upon progress being made against the Internal Audit Plan 2020/2021.

The areas of internal audit reviews within the Annual Plan were completed with two final reports being issued:

* **Strategic Control**, for which the review received a substantial level of assurance with no recommendations for improvement made
* **Communications**, for which the review received a substantial level of assurance with only one recommendation for improvement made.

The Summary Internal Controls Assurance (SICA) Report was also presented. This report provided Members with an update on the emerging Governance, Risk and Internal Control related issues and the progress of auditor work at South Wales Fire and Rescue Service as at 14 July 2020. He noted that the period covered by the summary controls assurance report was significantly impacted by the COVID pandemic.

Councillor S Evans queried whether the Service would be prepared in the event of a Cyber Attack. The Deputy Chief Officer confirmed that, once a year a specialist company is tasked with creating a cyber-attack to test the systems. To date, the attacks have not been successful thus reassuring Members that the right level of protection is in place.

Councillor W Hodgins queried whether suppliers and contractors will now be required to bring their services back in line with procurement services.

The Head of Finance and Procurement confirmed that the Procurement Team have been working through the COVID pandemic, especially in relation to the purchase of PPE supplies. No issues have been encountered with suppliers.

**RESOLVED THAT**

Members noted the internal audit recommendations and work completed to date on the Internal Audit Annual Plan.

**19. UPDATE ON COVID-19 FINANCIAL IMPACTS**

As requested at the last meeting, the Head of Finance and Procurement gave an update and breakdown of COVID-19 financial impacts as at 6th July 2020. The breakdown summarises revenue spend and budget commitments, but currently excludes capital spending. As costs become clear, they will be included in subsequent reporting.

Costs for salaries and overtime include personnel attending training sessions to support WAST. The Deputy Chief Officer confirmed that a number of personnel were called upon over the weekend to assist with driving for WAST, this is undertaken in their own time. It was noted that military assistance to WAST has now been withdrawn, this may be the reason why fire service personnel are now being called upon. The Deputy Chief Officer confirmed that costs are recouped when personnel are deployed.

Other increased expenditure includes the purchase of cleaning supplies and enhanced cleaning at all sites, as well as the provision of PPE such as face coverings. Also, a large portion of the expenditure relates to ICT equipment and agreements.

He confirmed that monthly submissions are being made to WLGA and Welsh Government with a view to recovering costs. Welsh Government are considering the submissions but have indicated that they will only cover 50% of ICT costs, and have requested that the Authority offset savings from lower activity levels such as less travel, subsistence, etc.

Councillor V Smith advised that whilst she finds Starleaf meetings just as productive as being in a room together, she does require hard copies of the agenda and reports, and acknowledges that this will need to be considered going forward to align with the commitment to the carbon footprint.

Councillor T Davies advised that 50% of the COVID expenditure budget is a big factor and queried whether costs indicated are the full extent. He also expressed concern that Welsh Government COVID expenditure will be taken from funding already allocated to the Authority.

The Deputy Chief Officer confirmed that there are still costs being incurred, but nowhere near the level they were. Also, some funding has already been received from Welsh Government, and that the 50% funding received for ICT will have longer term benefits post Covid, hence the reduction in recovery rate.

**RESOLVED:**

Members noted the update and subjective breakdown of COVID-19 financial impacts as at 6th July 2020.

**20. BUSINESS FIRE SAFETY ANNUAL SUMMARY REPORT 2019/20**

The Head of Risk Reduction introduced the Business Fire Safety (BFS) Annual Summary Report 2019/20, advising that the highly qualified and competent staff within BFS provide support for healthcare, schools and businesses and play a key role in readdressing risk in South Wales.

The Head of BFS gave a presentation to Members raising awareness of the role of the BFS Safety department, and how the team contribute to Service Delivery and the Risk Reduction Department. Also covered within the presentation was how and why fire safety regulations have changed over the years, the structure and function of the BFS department and how BFS links to the Strategic Plan 2020/2030 & the Well Being and Future Generations Act 2015

The Head of BFS thanked Members for their unwavering support which has allowed BFS to react positively and quickly.

He advised that The Fire Authoritythrough the BFS Department has responsibility for the enforcement of fire safety legislation in Non-Domestic Properties and it will carry out its fire safety enforcement activities with regard to the provisions of the Regulatory Reform (Fire Safety) Order 2005 (‘the FSO’). The Authoritywill consider prosecution where for example, there is failure to comply with the fire safety duties imposed by the FSO. Effective prosecutionforms a legitimate element of the South Wales Fire and Rescue Authority’s Strategic Plan 2018 to 2023 to reduce the risk of death and injury in premises by enforcing fire safety law.

He further advised that BFS only report on the one Strategic Indicator: False Alarms Attended per 10,000 population, and one Local Indicator: Fire Alarm due to Apparatus per 1,000 non-domestic properties, with regards to Hospitals, Residential homes, Education premises in essence the non-domestic properties. Statistics are provided to Welsh Government, but there is no way of determining from these whether a difference is being made. BFS are therefore working with the Statistics Team to develop a suite of Performance Indicators to provide BFS with meaningful information in relation to understanding whether risk is being reduced.

Also covered within the presentation was the role of the Compliance Team, when Prohibition, Enforcement and Alternations Notices are applied, and the key results of three prosecutions last year which earned media interest.

He advised that Welsh Government will be issuing a consultation in relation to Building Regulations that will see BFS involved with building regulation at the planning stage, this will obviously increase the workload for the BFS Department.

Other work carried out by BFS includes ‘During Performance Inspections’ which took place at night within Cardiff, in liaison with the Police and Cardiff City Council inspectors. Of the 24 premises inspected, it was found that 22 had fire safety issues, BFS worked with these to bring them up to standard.

At the request of the Ministry of Defence a peer assessment was carried out, which was very well received, with the Ministry of Defence making changes at their premises.

The ‘Sound of the City’ event that took place at Cardiff Castle resulted in extensive liaison with the organisers due to the risk assessment being carried out incorrectly by the company they hired who advised on capacity. To prevent a Prohibition Notice being issued, which would have had huge consequences, BFS worked with the organisers which resulted in the event going ahead with control measures in place.

Councillor D White queried the project taking place at Cardiff Central Station. The Head of BFS advised that the project is raising awareness with operational crews of what risks BFS look for, operational crews will then be able to share information.

Councillor W Colbran queried whether audits are followed up. The Head of BFS confirmed that a Schedule of Works is provided to the Manager of the premises, the BFS team then follow up with another visit to ensure works have been carried out.

It was noted that external legal services are provided by Hugh James solicitors, and David Stotesbury, a specialist fire safety barrister in London, who has worked with and represented the Authority for 20 years. Tender processes are followed for the provision of the legal services.

**RESOLVED THAT**

Members noted the extensive work carried out by the Business Fire Safety Department and thanked the Head of Business Fire Safety for his detailed presentation.

**21. EMERGENCY SERVICES NETWORK UPDATE**

The Head of Finance and Procurement gave an update on the progress of the Emergency Service Network (ESN) project, as previously requested by Members.

He advised that the strategic aim of the Emergency Services Mobile Communications Programme (ESMCP) is to deliver a much better voice and data service to the Emergency Services, replacing the reliable but limited and aging Airwave system.

EE’s roll out of ESN coverage within South Wales is nearing completion and the Service has been capturing covering data for some time to assess the network. Devices have been a barrier, but Samsung have now developed new devices which are being trialled.

The original completion should have happened in 2018, various delays prevented this happening. It is anticipated that Operational Validation will take place 2021-2022 with a National Pilot provisionally ending in mid-2022. There is no formal implementation date for the Service at this time.

**RESOLVED THAT**

Members noted the content of the report.

**22. FORWARD WORK PROGRAMME 2020/21**

The Deputy Chief Officer presented the Forward Work Programme.

**RESOLVED THAT**

Members accepted the Forward Work Programme for 2020/21.

**23. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIRMAN DEEMS URGENT (PART 1 OR 2)**

There were no items of business that the Chairman deemed urgent (Part 1 or 2)