

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, 26 March 2018 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.

3. Chairman's Announcements

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Signature of Proper Officer:



MEMBERSHIP

Councillors:

D	Ali	Cardiff	H	Joyce	Cardiff
S	Bradwick	Rhondda Cynon Taff	S	Evans	Torfaen
K	Critchley	Newport	A	Roberts	Rhondda Cynon Taff
H	Thomas	Newport	M	Phillips	Cardiff
D T	Davies	Caerphilly	J	Harries	Rhondda Cynon Taff
R	Crowley	Vale of Glamorgan	G	Thomas	Blaenau Gwent
C	Elsbury	Caerphilly	P	Wong	Cardiff
K	Gibbs	Merthyr Tydfil	S	Pickering	Rhondda Cynon Taff
K	McCaffer	Vale of Glamorgan	L	Brown	Monmouthshire
A	Hussey	Caerphilly	A	Slade	Torfaen
D	Naughton	Cardiff	C	Smith	Bridgend
D	White	Bridgend	V	Smith	Monmouthshire

SOUTH WALES FIRE & RESCUE AUTHORITY

MINUTES OF THE LOCAL PENSION BOARD MEETING HELD ON MONDAY, 16 OCTOBER 2017 AT SOUTH WALES FIRE & RESCUE SERVICE HEADQUARTERS

32. PRESENT

Councillor	Left	
S Bradwick (Chair)		Rhondda Cynon Taf
M Phillips		Cardiff
V Smith		Monmouthshire
K McCaffer		Vale of Glamorgan
R Prendergast		Prospect
A Psaila		Fire Brigades Union

OFFICERS PRESENT: ACO P Haynes – Director of People Services; DCO S Chapman – Monitoring Officer; Mr C Barton – Treasurer; Mr C Powell – Deputy Monitoring Officer; Mr M Malson – Head of Human Resources, Ms K Jeal – Accountant

33. DECLARATIONS OF INTEREST

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

34. CHAIR'S ANNOUNCEMENTS

- **Request from Pension Regulator**

The Fire & Rescue Authority is responsible for the registration of 5 firefighter pension schemes. Each year the Pension Regulator requires the details of all those pension board members who scrutinise those schemes and the way in which the schemes are managed. The return identifies members by name, establishes their role or representation and provides contact details. The 2017/18 board member details have been recorded.

- **Training Event – 29 September 2017**

Wales Government enabled a training event at Cardiff Gate on 29 September. Copies of the slides are available and hard copies distributed to board members today.

At the event the Local Government Association representatives confirmed that they would be facilitating an event to address pension scheme related tax matters, including lifetime allowance and annual allowance. All of the

events will take place in England. Details of the venues and dates have been received and will be forwarded to board members. The nearest event will be held in Cheltenham in January 2018. Members are advised to indicate a preference to the FRS Secretariat so that a booking can be made.

- **Breach of Annual Allowance**

RCT has notified the Service that during 2016/17 28 members of staff breached their Annual Allowance.

- a) 22 members were able to rely on unused allowance from the previous 3 years. They have no tax charge to pay.
- b) 6 members were not able to rely on unused allowance from the previous 3 years. They have a tax charge to pay. These members will need to make a declaration via self-assessment and make arrangements to pay their charge.

The breaches have been identified as a result of an accumulation of factors, including 1% pay increases in a double accrual scheme, temporary promotions, substantive promotions and subsequently achieving competent rate of pay.

It is suggested that these factors may increase in impact for scheme members in future years.

35. MINUTES OF PREVIOUS MEETING

The minutes of the Local Pension Board meeting held on 3 July 2017 were received and accepted as a true record of proceedings.

36. FIREFIGHTERS' PENSION SCHEME – MEMBERSHIP DATA

The Director of People Services informed Members that the South Wales Fire and Rescue Authority, as the duly appointed Firefighters' Pension Scheme Manager, is responsible for compiling and maintaining membership data for each of the Firefighters' Pension Schemes in accordance with that scheme's regulations.

RESOLVED THAT

- 36.1 Members noted the composition profile for the Firefighters' Pension Schemes.
- 36.2 Members agreed to continue receiving regular updates on the composition profile for the Firefighter Pension Schemes.

- 36.3 The Chair to express his concerns to Councillor Pickering regarding the lack of pension consultation responses from other services and requested that this be relayed at the next SAB.

37. MANAGING RISKS & INTERNAL CONTROLS

The Director of People Services informed Members that the South Wales Fire & Rescue Authority, as Scheme Manager for the Firefighters Pension Scheme (Wales) 2015, and all other associated and connected Firefighter Pension Schemes, is responsible for the administration of each scheme in accordance with that scheme's regulations.

As Board Members are aware, the Pensions Regulator identifies a number of documents which are considered to be significant to ensure effective scheme administration. The foremost of these is the Risk Assessment and register for the scheme(s). To comply with the administrative requirements, copies of the revised Risk Assessment were available at the meeting for consideration.

RESOLVED THAT

- 37.1 Members considered and agreed the revised Risk Assessment Form contents.
- 37.2 Members agreed to establish a further review and test schedules to evaluate the effectiveness of management of risk management processes and ensure adequate controls are in place.
- 37.3 The Head of Human Resources to review the timing of the risk assessment activities and make recommendations.
- 37.4 Further risk assessment reports to be provided at future LPB meetings.
- 37.5 The SLA review for pension services with RCT pension section be undertaken, incorporating the range of services and the effectiveness of data records management.

38. FIREFIGHTERS' PENSION SCHEME – INTERNAL DISPUTE RESOLUTION PROCEDURE (IDRP)

The Director of People Services reported that, in January 2008, the Welsh Government issued Circular Number W-FRSC (09)01 advising Fire & Rescue Authorities that the Internal Dispute Resolution Procedure arrangements have been reviewed and changes had been introduced in order to meet the requirements of the Pensions Act 1995, as amended.

RESOLVED THAT

Members noted the Internal Dispute Resolution Procedure rules, the revised provisions, and the range of cases that have been processed to date.

39. LOCAL PENSION BOARD – TRAINING PLAN & FRAMEWORK

Members recalled that in March 2016 they were asked to agree to introduce a Training Policy and Framework to meet the statutory requirements of ensuring all Board Members assist in identifying the requisite knowledge, skills and understanding to enable them to fulfil their role on the Board.

RESOLVED THAT

- 39.1 Members reviewed, amended and endorsed the draft Training Policy and Framework for Local Pension Board Members.
- 39.2 Members agreed that future LPB training plans incorporating Members of the Fire Authority and Trade Unions should be available on the intranet site.

40. PENSION REGULATOR'S SELF-ASSESSMENT TOOL FOR PUBLIC SERVICE PENSION SCHEMES

The Director of People Services advised Members that the Pension Regulator has made available a self-assessment tool to assist Scheme Managers in the evaluation and regulation of pension schemes.

The purpose of the report was to enable Members to consider whether there is value in Local Pension Boards (LPBs) completing an assessment which can provide feedback to the Scheme Advisory Board (SAB) on progress against the self-assessment tool, as part of Local Pension Board regular updates.

RESOLVED THAT

Members considered the evaluation assessment for the Fire & Rescue Authority's pension scheme administration performance and requested a further report on next year's assessment tool.

41. FORWARD WORK PROGRAMME 2017/18

The Director of People Services presented the Forward Work Programme for municipal year 2017-18.

RESOLVED THAT

Members accepted the Forward Work Programme for 2017/18 and made recommendation for incorporation of the items identified at the meeting.

42. TO CONSIDER ANY ITEMS OF BUSINESS THAT THE CHAIRMAN DEEMS URGENT (Part 1 or 2).

There were no items of business that the Chair deemed urgent.

At the conclusion of the meeting the Chair wished to extend his best wishes to ACO Haynes and wish him the very best of luck on his impending retirement.

SOUTH WALES FIRE & RESCUE AUTHORITY

**MINUTES OF THE FIRE & RESCUE AUTHORITY MEETING
HELD ON MONDAY, 12 FEBRUARY 2018 AT
SOUTH WALES FIRE & RESCUE SERVICE HQ**

42. PRESENT:

Councillor	Left	Authority
D T Davies (Chair)		Caerphilly
S Bradwick (Deputy Chair)		Rhondda Cynon Taf
D Ali		Cardiff
R Crowley		Vale of Glamorgan
C Elsbury		Caerphilly
S Evans		Torfaen
K Gibbs		Merthyr Tydfil
J Harries		Rhondda Cynon Taf
K McCaffer		Vale of Glamorgan
D Naughton		Cardiff
A Roberts		Rhondda Cynon Taf
A Slade		Torfaen
V Smith		Monmouthshire
D White		Bridgend
P Wong		Cardiff

APOLOGIES:

L Brown	Monmouthshire
A Hussey	Caerphilly
H Joyce	Cardiff
M Phillips	Cardiff
C Smith	Bridgend
G Thomas	Blaenau Gwent
H Thomas	Newport

ABSENT:

K Critchley	Newport
S Pickering	Rhondda Cynon Taf

OFFICERS PRESENT:

CFO H Jakeway; Mr C Powell – Deputy Monitoring Officer; ACFO A Thomas – Director of Service Delivery; ACFO R Prendergast – Director of Technical Services; A/ACO M Malson – Director of People Services; Mr G Thomas – Head of Finance & Procurement; AM A Kibblewhite – Head of Risk Reduction; Mrs S Watkins – Head of Service Performance & Communications; GM C Hadfield – Head of Business Fire Safety.

43. DECLARATIONS OF INTEREST

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

44. CHAIR'S ANNOUNCEMENTS

MEETING WITH CABINET SECRETARY FOR LOCAL GOVERNMENT AND PUBLIC SERVICES ON 15 JANUARY 2018

The Chair informed Members that they would be aware from previous discussions that the Cabinet Secretary for Local Government and Public Services, Alun Davies AM, has expressed his desire to reform the governance and funding arrangements for the Welsh Fire & Rescue Authorities. The Chair advised that to date he is unsure what the Cabinet Secretary has in mind but on Wednesday, 15 February 2018, he and the other two Welsh Fire Authority Chairs have a meeting with him to discuss these proposals.

CREWS OF ABERDARE, HIRWAUN AND MERTHYR TYDFIL

The Chair wished to record his and the Authority's gratitude and thanks to the crews from Aberdare, Hirwaun and Merthyr Tydfil for their outstanding dedication and commitment to their communities at a recent tragic accident. Whilst the outcome of the incident was not more positive for the individual, I know from discussions with the Chief Fire Officer that everyone did what they could under very difficult and challenging circumstances.

INVESTORS IN PEOPLE SILVER AWARD

The Chair referred to the last Authority meeting where he made an announcement that the Service had been awarded a Silver Award by the Investors in People, and requested Members to remain at the end of today's meeting for an Authority photograph with Officers and the plaque.

FIRE MEDICAL RESPONSE

The Chair referred to the last meeting of the Authority where Members received an update on the Fire Medical Response pilots that the Service had been taking part in. Whilst the Authority was disappointed that the Fire Brigades Union drew these trials to an end, Members appreciated that this was part of the national negotiations on pay and conditions of employment. However, the Chair was pleased to report today that the crew at Chepstow Fire Station have voluntarily agreed to respond to cardiac arrest calls in their station area.

VISIT OF HRH THE PRINCESS ROYAL

The Chair was pleased to report that on 16 January 2017, the Authority had the pleasure of hosting HRH The Princess Royal at our combined Emergency Services Station at Abertillery. Princess Ann spent over an hour at the station meeting crews from all three emergency services and spent time observing a RTC demonstration in the rain.

45. MINUTES OF PREVIOUS MEETINGS

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

- Finance, Asset & Performance Management Working Group meeting held on 9 October 2017.
- Finance, Audit & Performance Management Committee meeting held on 4 December 2017.
- HR & Equalities Committee meeting held on 20 November 2017.
- Fire & Rescue Authority meeting held on 18 December 2017.

46. UPDATE ON ACTIONS

The Deputy Monitoring Officer advised Members that there were no further updates to be reported.

47. REPORTS FOR DECISION

47.1 PERFORMANCE INDICATOR TARGETS 2018/19 REPORT

The Head of Service Performance and Communications provided detail of the proposed Performance Indicator Targets for 2018/19 for Members' consideration.

RESOLVED THAT

- 47.1.1 Following a question and answer session, Members endorsed the Performance Indicator Targets proposed for 2018/19.
- 47.1.2 Members approved publication of the Targets on the Service's website.
- 47.1.3 Further to discussions surrounding Fire Control's challenge of malicious false alarms, Officers agreed to arrange a visit to the

Joint Public Service Centre within the next four weeks where a demonstration will be arranged to take place for Members.

47.2 RESPONSES TO THE CONSULTATION OF THE DRAFT ROLLING STRATEGIC PLAN AND PRIORITY ACTIONS 2018/19

The Deputy Chief Officer reported on the responses received during the consultation process that ran from 31 October 2017 to 31 January 2018 for Members' consideration.

RESOLVED THAT

- 47.2.1 Members approved the Strategic Themes and Priority Actions detailed in Appendix A (collectively considered as our Improvement Objectives).
- 47.2.2 Members noted the consultation responses detailed in Appendix B.
- 47.2.3 In response to Members' queries, Officers undertook to clarify whether or not Community Councils were included in the recent consultation process.

47.3 SOUTH WALES FIRE & RESCUE AUTHORITY ANNUAL PAY POLICY STATEMENT 2018/19

The Acting Director of People Services presented the Authority's 2018/19 Annual Pay Policy Statement for Members' consideration. He informed Members that the South Wales Fire & Rescue Authority is required to publish a Pay Policy Statement for each financial year, which provides information for the following financial year. He reported that the Fire & Rescue Authority, at its meeting held on 6 February 2012, adopted and published its first Pay Policy Statement. The Authority also determined that the HR & Equalities Committee should review the Pay Policy Statement and report to the full Committee. In 2014, Welsh Government issued new guidelines with further amendments which determined the contents of the Pay Policy.

RESOLVED THAT

Members agreed to endorse the South Wales Fire & Rescue Authority's Pay Policy Statement 2018/19 for publication by 31 March 2018.

47.4 GENDER PAY GAP STATEMENT – 30 MARCH 2018

The Acting Director of People Services informed Members that under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, all

public authorities are required to publish gender pay gap information by reporting the percentage differences in pay between their male and female employees. Public authorities must publish the required information based on data captured on the snapshot date of 31 March 2017, within 12 months, and accordingly the deadline for publication is 30 March 2018.

The Acting Director of People Services provided details of the legal background and requirements placed on the Authority to publish a Gender Pay Gap Statement, the reporting metrics set out in legislation, and the definitions for the relevant pay period, full pay relevant employee, ordinary pay and bonus pay. He also presented the Service's Gender Pay Gap Statement as detailed at Appendix 1.

RESOLVED THAT

Members agreed to endorse South Wales Fire & Rescue Authority's Gender Pay Gap Statement for publication on 30 March 2018.

48 REPORTS FOR INFORMATION

48.1 RESPONSE TO CLADDING SYSTEM TEST FAILURES IN HIGH RISE PREMISES WITHIN SOUTH WALES

The Area Manager – Head of Risk Reduction delivered an electronic presentation which informed Members of the Risk Reduction activity that has taken place since the Grenfell incident on 14 June 2017. She also provided an update of the Independent Review of Building Regulations and Fire Safety being led by Dame Judith Hackitt.

RESOLVED THAT

Following a question and answer session, Members agreed to note the Risk Reduction activity being carried out for the safety and reassurance of high-rise living in South Wales, and to also note the current direction of travel of the Independent Review of Building Regulations and Fire Safety.

48.2 FORWARD WORK PROGRAMME

The Deputy Monitoring Officer presented the Forward Work Programme for 2017/18.

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

There were no items of business that the Chair deemed urgent.

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
Mark Malson – Acting ACO PS
Richie Prendergast – ACFO TS

Minute No	Item	Action	Leading Officer	Current Status:
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 once the project agreements are finalised and the project is completed.
17/18 – 47.1.2	Performance Indicator Targets 2018/19	Publish the approved Performance Indicator Targets for 2018/19.	ACFO SD	Completed
17/18 – 47.1.3	Performance Indicator Targets 2018/19	Arrange for Members to visit the JPSC within the next month, where a demonstration of Fire Control's handling of malicious false alarm calls will take place.	ACFO SD	Arrangements are currently in hand to facilitate the visit.

Minute No	Item	Action	Leading Officer	Current Status:
17/18 – 47.2.3	Responses to the Consultation of the Draft Rolling Strategic Plan and Priority Actions 2018/19	Clarify for Members' information whether or not community councils were included in the recent consultation process.	DCO	The consultation document was circulated to the Service's stakeholders which included town and community councils. However, this list is being checked to ensure that all town and community councils are included.
47.3	Annual Pay Policy Statement 2018/19	Publish the Authority's Pay Policy Statement 2018/19 by 31 March 2018.	A/ACO PS	Arrangements are in hand to publish the Pay Policy Statement by 31 March 2018.
47.4	Gender Pay Gap Statement – 30 March 2018	Publish the Authority's Gender Pay Gap Statement by 30 March 2018.	A/ACO PS	Arrangements are in hand to publish the Gender Pay Gap Statement by 30 March 2018.

AGENDA ITEM NO 6

Reports for Decision

SOUTH WALES FIRE & RESCUE AUTHORITYAGENDA ITEM NO 6.i
26 MARCH 2018

REPORT OF THE TREASURER

TREASURY MANAGEMENT STRATEGY 2018/19**SUMMARY**

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

RECOMMENDATION

That the Fire & Rescue Authority approve the following;

- The treasury management strategy statement;
- Capital prudential indicators and MRP policy;
- Borrowing policy and treasury indicators / limits;
- Annual investment strategy;
- The Treasurer to update strategies and policies as necessary throughout the year.

1. BACKGROUND

- 1.1 The Fire & Rescue Authority is required to approve in advance of each financial year its treasury management governance arrangements for that year. Detailed explanations and information are set out in Appendix 1 below.
- 1.2 All Local Authorities and FRAs are required by statute to approve the treasury management strategy and policy each year.
- 1.3 Whilst this report has been drafted during revisions to the CIPFA Treasury Management and Prudential Codes, it does not include all recommended changes, although the impact is minimal. It is noted that there is now a requirement to produce a capital strategy and CIPFA recognises that this requirement may not be fully implemented until 2019/20 given the timing of its revisions. Officers will work to introduce this during 2018/19 to ensure it is in place for the implementation date.

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.

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.
- 4.2 The capital prudential indicators show the financial impact of capital investment decisions to assess if those decisions are affordable, prudent and sustainable.
- 4.3 The treasury management indicators set constraints to ensure decisions are made in accordance with good practice.
- 4.4 The MRP policy determines how the Authority will determine the amount that must be set aside from revenue each year to repay external debt.

5. RECOMMENDATION

- 5.1 That the Fire & Rescue Authority approve the following;
- The treasury management strategy statement;
 - Capital prudential indicators and MRP policy;
 - Borrowing policy and treasury indicators / limits;
 - Annual investment strategy;
 - The Treasurer to update strategies and policies 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

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 cash flow is adequately planned and available when required. Surplus cash is 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. The management of longer-term cash may involve arranging long or short-term loans, or using longer-term cash flow surpluses. When it is prudent and economic to do so, debt previously drawn can be restructured to meet Authority risk or cost objectives.

CIPFA defines treasury management as:

“The management of the local authority's borrowing, 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.”

a. Reporting requirements

The Authority is currently 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:

- capital plans and prudential indicators;
- minimum revenue provision (MRP) policy;
- treasury management strategy including treasury indicators; and
- investment strategy

A mid-year treasury management report

This will update members with the progress of the capital position and will amend prudential indicators and policies as and where necessary.

An annual treasury report

This provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Scrutiny

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

Capital Strategy

In December 2017, CIPFA issued revised Prudential and Treasury Management Codes. As from 2019-20, all local authorities will be required to prepare an additional report, a Capital Strategy report, which is intended to provide the following: -

- a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this report is to ensure that all elected members on the full Authority understand the overall strategy, governance procedures and risk appetite incorporated within this Strategy.

The Capital Strategy will include capital expenditure, investments and liabilities and treasury management in sufficient detail to allow all members to understand how stewardship, value for money, prudence, sustainability and affordability will be secured.

b. Treasury Management Strategy for 2018/19

The strategy for 2018/19 covers two main areas:

Capital issues

- the capital plans and the prudential indicators;
- the minimum revenue provision (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.

c. Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. Finance and treasury management training has been undertaken in October 2017 and further training will be arranged as required.

The training needs of treasury management officers are periodically reviewed in accordance with annual personal development reviews and professional updates.

Treasury management consultants

The Authority uses Link 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.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed, are properly agreed and documented, and subjected to regular review.

2. THE CAPITAL PRUDENTIAL INDICATORS 2018/19 – 2020/21

The Authority's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist Members' overview and confirm capital expenditure plans.

a. 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 as follows:

Capital expenditure £000's	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Property	332	1,749	5,506	5,531	400
Fleet	1,251	2,294	1,259	1,259	614
ICT/Equipment	721	312	886	1,370	250
Joint Control Project	169	1,004	0	0	0
Total	2,473	5,359	7,651	8,160	1,264

Other long-term liabilities

The above financing need excludes other long-term liabilities, such as PFI and leasing arrangements which already include borrowing instruments. Other than the PFI arrangement at Cardiff Gate there are no further long-term liabilities as leasing arrangements come to an end in 2017/18.

The table below summarises how the above capital expenditure plans are to be financed with the shortfall resulting in a borrowing need or financing requirement.

Financing of capital expenditure £000's	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Capital receipts	600	0	0	0	0
Capital grants	70	0	800	0	0
Revenue reserves	168	1,354	3,753	1,501	0
Revenue contribution	291	896	200	200	200
Net financing need for the year	1,344	3,109	2,898	6,459	1,064

b. 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 paid for from either revenue or capital resources. It is essentially a measure of the Authority's indebtedness and its underlying borrowing need. Any capital expenditure above, which has not been immediately paid for will increase the CFR.

The CFR does not increase indefinitely and is written down (reduced) annually by the minimum revenue provision (MRP). The MRP is a statutory annual revenue charge that broadly reduces the CFR in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

The value of the Authority's CFR includes any other long-term liabilities e.g. PFI schemes, finance leases. Whilst the value of these previously 'off balance sheet assets' increase the CFR, and therefore the Authority's borrowing requirement, these items also include a borrowing facility and so the Authority is not required to separately borrow for (fund) these schemes. The Authority currently has £5.3m of such schemes within the CFR.

The Authority is required to approve the CFR projections below:

£000's	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Capital Financing Requirement					
Total CFR	44,338	44,378	44,335	47,445	45,133
Movement in CFR	-1,472	40	-43	3,110	-2,312

Movement in CFR represented by					
Net financing need for the year (above)	1,344	3,109	2,898	6,459	1,064
Less MRP	2,816	3,069	2,941	3,349	3,376
Movement in CFR	-1,472	40	-43	3,110	2,312

1.2.1 Minimum revenue provision (MRP) policy statement

The Authority is required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although it is also allowed to undertake additional voluntary payments if required (voluntary revenue provision - VRP).

Welsh Government regulations require the full Authority to approve **an MRP Statement** in advance of each year. A variety of options are provided to authorities, so long as there is a prudent provision. The Authority is recommended to approve the following MRP Statement:

For capital expenditure incurred before 1 April 2008 or which in the future will be Supported Capital Expenditure, 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 the borrowing need (CFR) each year.

From 1 April 2008 for all unsupported borrowing (including 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 approximately for a reduction in the borrowing need over the asset's life.

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

1.2.2 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 of the capital investment plans 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.

%	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Ratios	6.57%	6.91%	6.48%	7.02%	6.99%

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

b. The incremental impact of capital investment decisions on the revenue budget

This indicator identifies the revenue costs associated with proposed changes to the capital programme.

£000's	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
	184	234	261	636	120

The impact on the revenue budget comprises both interest charges for new borrowing and MRP, i.e. amounts set aside for repayment of debt. MRP is charged in the year capital investment was made.

3. BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Authority. The treasury management function ensures that the Authority's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Authority's capital strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.

a. Current portfolio position

The Authority's treasury portfolio position at 31 March 2017 with forward projections are summarised below. The table shows the actual external debt (the treasury management operations), against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

£000's	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
External Debt					
Debt at 1 April	39,133	37,224	33,808	32,893	31,977
Expected change in Debt	-1,909	-3,416	-916	-916	1,416
Other long-term liabilities (OLTL)	5,511	5,163	4,780	4,700	4,691
Expected change in OLTL	-348	-383	-81	-9	-229
Total gross debt at 31 March	42,387	38,589	37,592	36,668	35,023
The Capital Financing Requirement	44,338	44,378	44,335	47,445	45,133
Under / (over) borrowing	1,951	5,789	6,743	10,777	10,110

Within the prudential indicators there are a number of key 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 2018/19 and the following two financial years. This allows some flexibility for limited early borrowing for future years whilst ensuring it is not undertaken for revenue or speculative purposes, i.e. borrowing to earn a return.

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

Treasury Indicators: limits to borrowing activity

The operational boundary

This is the limit which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

Operational boundary £000's	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Debt	40,000	40,000	40,000	40,000
Other long term liabilities	5,000	5,000	5,000	5,000
Total	45,000	45,000	45,000	45,000

The authorised limit for external debt

A further key prudential indicator represents a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited and this needs to be set by the full Authority. 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.

4. 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 authorities' plans, or those of a specific authority, although this power has not been exercised.
5. The Authority is asked to approve the following authorised limit:

Authorised limit £000's	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Debt	43,000	43,000	43,000	43,000
Other long term liabilities	7,000	7,000	7,000	7,000
Total	50,000	50,000	50,000	50,000

1.2 Prospects for interest rates

The Authority has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Authority to formulate a view on interest rates. The following table gives our central view of how these are anticipated to move;

	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21
Bank rate	0.50%	0.75%	0.75%	1.00%	1.00%	1.00%	1.00%	1.25%	1.25%	1.25%	1.50%	1.50%	1.50%
5yr PWLB rate	1.90%	2.00%	2.10%	2.10%	2.20%	2.30%	2.30%	2.40%	2.40%	2.50%	2.50%	2.60%	2.60%
10yr PWLB rate	2.50%	2.50%	2.60%	2.70%	2.70%	2.80%	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%
25yr PWLB rate	2.80%	2.90%	3.00%	3.10%	3.20%	3.20%	3.30%	3.30%	3.40%	3.50%	3.50%	3.60%	3.60%
50yr PWLB rate	2.60%	2.70%	2.80%	2.90%	3.00%	3.00%	3.10%	3.10%	3.20%	3.30%	3.30%	3.40%	3.40%

The Monetary Policy Committee (MPC) delivered a 0.25% increase in Bank Rate at its meeting on 2 November. This removed the emergency cut in August 2016 after the EU referendum. At its February 2018 meeting, there was no change in Bank Rate but the forward guidance changed significantly to warn of "earlier, and greater than anticipated" rate of increases in Bank Rate compared to their previous forward guidance. The Link Asset Services forecast as above includes increases in Bank Rate of 0.25% in May and November 2018, November 2019 and August 2020.

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 more protracted move from bonds to equities after a historic long-term trend, over

about the last 25 years, of falling bond yields. The action of central banks since the financial crash of 2008, in implementing substantial Quantitative Easing (QE), added further impetus to this downward trend in bond yields and rising bond prices. QE has also directly led to a rise in equity values as investors searched for higher returns and took on riskier assets. There was a sharp rise in bond yields after the US Presidential election in November 2016 and yields have risen further more recently as a result of an agreement to a big increase in the government deficit aimed at stimulating economic growth and the Fed. taking the lead in reversing monetary policy by starting, in October 2017, a policy of not fully reinvesting proceeds from bonds that it holds when they mature. We have also seen a sharp selloff in equities and bonds in February 2018 that has given further impetus to a rise in bond yields.

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 stronger economic growth becomes more firmly established. The Fed. has started raising interest rates and this trend is expected to continue during 2018 and 2019. These increases will 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 are likely to exert some upward pressure on bond yields in the UK and other developed economies. However, the degree of that upward pressure is likely to be dampened by how strong / weak the prospects for economic growth and rising inflation are in each country, and on the degree of progress towards the reversal of monetary policy away from quantitative easing and other credit stimulus measures.

From time to time, gilt yields and therefore PWLB rates can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period.

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 balance of risks to economic recovery in the UK is probably to the downside, particularly with the current level of uncertainty over the final terms of Brexit.

Downside risks to current forecasts for UK gilt yields and PWLB rates currently include:

- The Bank of England takes action too quickly over the next three years to raise Bank Rate and causes UK economic growth, and increases in inflation, to be weaker than we currently anticipate.

- Geopolitical risks, especially North Korea, but also in Europe and the Middle East, which could lead to increasing safe haven flows.
- A resurgence of the Eurozone sovereign debt crisis, possibly Italy, due to its high level of government debt, low rate of economic growth and vulnerable banking system.
- Weak capitalisation of some European banks.
- Germany is still without a fully agreed and stable coalition government after the inconclusive result of the general election in October. In addition, Italy is to hold a general election on 4 March and the anti EU populist Five Star party is currently in the lead in the polls, although it is unlikely to get a working majority on its own. Both situations could pose major challenges to the overall leadership and direction of the EU as a whole and of the individual respective countries. Hungary will hold a general election in April 2018.
- The October 2017 Austrian general election has now resulted in a strongly anti-immigrant coalition government. In addition, the Czech ANO party became the largest party in the October 2017 general election on a platform of being strongly against EU migrant quotas and refugee policies. Both developments could provide major impetus to other, particularly former Communist bloc countries, to coalesce to create a major block to progress on EU integration and centralisation of EU policy. This, in turn, could spill over and impact the Euro, EU financial policy and financial markets.
- Rising protectionism under President Trump
- A sharp Chinese downturn and its impact on emerging market countries

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

- The Fed causing a sudden shock in financial markets through misjudging the pace and strength of increases in its Fed. Funds Rate and in the pace and strength of reversal of Quantitative Easing, which then leads to a fundamental reassessment by investors of the relative risks of holding bonds, as opposed to equities. This could lead to a major flight from bonds to equities and a sharp increase in bond yields in the US, impacting bond yields around the world.

- The Bank of England is too slow in its pace and strength of increases in Bank Rate and, therefore, allows inflation pressures to build up too strongly within the UK economy, which then necessitates a later rapid series of increases in Bank Rate faster than we currently expect.
- UK inflation, whether domestically generated or imported, returning to sustained significantly higher levels causing an increase in the inflation premium inherent to gilt yields.

Investment and borrowing rates

- Investment returns are likely to remain low during 2018/19 but to be on a gently rising trend over the next few years.
- Borrowing interest rates have been volatile so far in 2017-18 and increased sharply after the result of the general election in June 2017, after the September MPC meeting, (when financial markets reacted by accelerating their expectations for the timing of Bank Rate increases), and again in January and February 2018. Increases have been sharper in periods up to 10 years than in longer maturities. 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 the future when authorities may not be able to avoid new borrowing to finance capital expenditure and/or the refinancing of 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 i.e. the difference between borrowing costs and investment returns.

a. Borrowing strategy

The Authority is currently maintaining an under-borrowed position which means that the capital borrowing need or CFR, has not been fully funded with loan debt. 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 requires consideration.

Against this background and the risks within the economic forecast, caution will be adopted with the 2018/19 treasury operations. The Treasurer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *if it was felt that there was a significant risk of a sharp FALL in long and short term rates (e.g. due to a marked increase of risks around relapse into*

recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.

- *if it was felt that there was a significant risk of a much sharper RISE in long and short term rates (e.g. arising from an acceleration in the start date and in the rate of increases in central rates in the USA and UK) an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

Any decisions will be reported to the appropriate decision making body at the next available opportunity.

In determining whether further borrowing will be undertaken, the Authority shall:

- ensure long term borrowing is required to fund the capital financing requirement;
- ensure a clear link between the capital programme and the maturity profile of the existing debt portfolio;
- ensure ongoing revenue liabilities and implications of future plans have been considered.
- evaluate the economic and market factors that might influence the manner and timing of any decisions to borrow;
- consider alternative forms of funding, i.e. invest to save (I2S) provided by Welsh Government (WG) or something similar;
- consider internal borrowing.

b. Policy on borrowing in advance of need

The Authority will not borrow more than, or in advance of its needs purely to profit from the investment return of the extra sums borrowed. Any decision to borrow in advance will be within forward approved CFR estimates as provided in this report and will be considered carefully 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.

c. 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 the 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, i.e. cost of borrowing exceeds returns from investment.

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

6. ANNUAL INVESTMENT STRATEGY

a. Investment policy

The Authority's investment policy has regard to the Welsh Government's Guidance on Local Government Investments ("the Guidance") and the CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 ("the CIPFA TM Code"). The Authority's investment priorities will be security first, portfolio liquidity second, then yield, i.e. SLY.

In accordance with the above guidance from the Welsh Government and CIPFA, 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 achieve this consideration 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.

b. Investment Types

Under the regulations and guidance issued by WG, investments are defined as, "specified" or "non-specified".

Under this policy both categories are defined as sterling cash deposits with UK institutions and attributes as set out below;

- The UK Government
- A Local Authority
- Part-nationalised UK registered bank
- UK registered resident banks and building societies

SPECIFIED INVESTMENTS

All such investments will be sterling denominated, with **maturities up to maximum of 1 year**, meeting the minimum 'high' quality criteria where applicable. Under this policy they comprise deposits with a fixed interest rate.

NON-SPECIFIED INVESTMENTS

These are investments which do not meet the specified investment criteria above and have a variable interest rate and or being for longer than 1 year. A variety of investment instruments may be used, subject to the credit quality of the institution.

MONEY MARKET FUNDS (MMF)

Investment in MMF's will be restricted to those with AAA rating, which provide good security and access to funds. The Authority does not currently hold any MMF accounts.

Accounting treatment of investments

The accounting treatment may differ from the underlying cash transactions arising from investment decisions made by this Authority. To ensure that the Authority is protected from any adverse revenue impact, which may arise from these differences, we will review the accounting implications of new transactions before they are undertaken.

c. Creditworthiness policy

This Authority applies the creditworthiness service provided by Link Asset Services. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies Fitch, Moody's and Standard & 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:

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

- Yellow 5 years *
- Dark pink 5 years for Ultra-Short Dated Bond Funds with a credit score of 1.25
- Light pink 5 years for Ultra-Short Dated Bond Funds 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

The Link Asset Services' creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

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 are monitored weekly and the Authority is alerted to changes of all three agencies through its use of the Link 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 Link Asset Services. Extreme market movements may result in downgrade of an institution or removal from the Authority's lending list.

Sole reliance will not be placed on the use of this external service. In addition this Authority will also use market data and market information, information on any external support for banks to help support its decision making process.

d. Diversification and Limits

The policy is to minimise risk by placing funds with counterparties in accordance with the above credit worthiness methodology but with any fixed term maturity periods for any one investment being limited to a maximum of 1 year or less.

Funds shall be spread through those counterparties with no more than £10m being invested with any one institution or banking group.

e. Investment strategy

In-house funds

Investments are made with reference to 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

Bank Rate is forecast to stay flat at 0.50% until quarter 1 2018 and not to rise above 1.25% by quarter 1 2021. Bank rate forecasts for financial year ends (March) are:

- 2017/18 0.50%
- 2018/19 0.75%
- 2019/20 1.00%
- 2020/21 1.25%

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

	Now
2017/18	0.40%
2018/19	0.60%
2019/20	0.90%
2020/21	1.25%
2021/22	1.50%
2022/23	1.75%
2023/24	2.00%
Later years	2.75%

The overall balance of risks to these forecasts is currently skewed to the upside and are dependent on how strong GDP growth turns out, how quickly inflation pressures rise and how quickly the Brexit negotiations move forward positively.

Investment treasury indicator and limit - total principal funds invested for greater 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 required to approve the treasury indicator and limit:

Maximum principal sums invested > 364 & 365 days			
£000's	2018/19	2019/20	2020/21
Principal sums invested > 364 & 365 days	£10,000	£10,000	£10,000

For cash flow generated balances, the Authority will seek to utilise its business reserve instant access and notice accounts, money market funds and short-dated deposits (overnight to 100 days) in order to benefit from the compounding of interest.

4.6 End of year investment report

At the end of the financial year, the Authority will report on its investment activity as part of its Annual Treasury Report.

7. APPENDICES

1. Treasury management scheme of delegation
2. The treasury management role of the section 151 officer

5.1 TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) Full Authority

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

(ii) Full Authority / Finance, Audit & Performance Management Committee

- 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) Treasurer / Head of Finance & Procurement

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

5.2 THE TREASURY MANAGEMENT ROLE OF THE SECTION 112 OFFICER

The S112 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 6.ii
26 MARCH 2018

REPORT OF THE DEPUTY CHIEF OFFICER

REPORT ON PROGRESS OF CARDIFF, CAERPHILLY, CWM TAF, VALE OF GLAMORGAN, BRIDGEND, BLAENAU GWENT, MONMOUTHSHIRE, NEWPORT AND TORFAEN PUBLIC SERVICE BOARDS (PSB) WELLBEING PLANS

SUMMARY

SWFRS is a Statutory Partner on the nine Public Service Boards. This report shows the final Wellbeing Plans from all nine PSBs and the potential impact on SWFRS. Fire & Rescue Authority members will have seen these plans in draft format in meetings in January 2018.

RECOMMENDATION

That Members note the contents of this report and approve the recommendations of each plan.

1. BACKGROUND

1.1 From 1 April 2016, the Well-being of Future Generations (Wales) Act (WBFGA) 2015 introduced statutory Public Services Boards (PSB) across each local authority area in Wales.

PSBs will work together to improve the social, economic, cultural and environmental well-being of the board's area. PSBs consist of four statutory members:

- The relevant Local Authority
- Health Board
- Fire and Rescue Service
- Natural Resources Wales

These four statutory partners are joined by a range of other partners known as 'Invited Participants'.

1.2 In line with the Act, each PSB has assessed the state of well-being across the area as a whole and within its communities to inform the PSB's Wellbeing Plan. The plan must be published by 3rd May 2018 and will set out a series of well-being objectives identifying the priorities the PSB has agreed for the area in order to contribute to achieving the seven national well-being goals as set out by the Act.

2. ISSUE

- 2.1 Prior to publishing their plan the PSB has consulted, for a minimum of 12 weeks, with those people listed below:
- The WBFGA commissioner
 - The PSB's invited participants
 - Its other partners
 - The LA's Overview and Scrutiny Committee
 - Relevant voluntary sector organisations
 - Representatives living and carrying out business in the area
 - Trade unions representing workers in the area
 - Any other persons the Board considers.
- 2.2 Following consultation the plan must be approved by the statutory members of the Board, the LA's full council and at senior level meetings of each of the other three statutory members. Once published the PSB must send a copy of its Local Wellbeing Plan to Welsh Ministers, the WBFGA Commissioner, the Auditor General for Wales and the LA's Overview and Scrutiny Committee.

3. EQUALITY RISK ASSESSMENT

- 3.1 It is the responsibility of SWFRS to ensure that an Equality Risk Assessments is carried out for each Wellbeing Plan.

4. RECOMMENDATION

- 4.1 That Members note the contents of this report and review the recommendations of each plan.

Contact Officer:	Background Papers:
Paul Conway Engagement, Transformation and Performance Officer.	Appendix 1 – 4 <ol style="list-style-type: none"> 1. PSB Wellbeing Plan summary for Cardiff 2. PSB Wellbeing Plan summary for Caerphilly 3. PSB Wellbeing Plan summary for Cwm Taf 4. PSB Wellbeing Plan summary for The Vale of Glamorgan 5. PSB Wellbeing Plan summary for Bridgend 6. PSB Wellbeing Plan summary for Blaenau Gwent 7. PSB Wellbeing Plan summary for Monmouthshire 8. PSB Wellbeing Plan summary for Newport 9. PSB Wellbeing Plan summary for Torfaen

Appendix 1

PSB Wellbeing Plan summary for Cardiff

Main Points - Cardiff PSB has seven Objectives:-

A capital city that works for Wales.	Supporting people out of poverty.
Cardiff's population growth is managed in a resilient way.	Cardiff is a great place to grow old.
Safe, confident and empowered communities.	Modernising and integrating our public services.
Cardiff is a great place to grow up.	

Impact to the Community

This plan will strengthen Cardiff's role as the economic, cultural capital city of Wales, supporting the development of the Capital Region and ensuring that the City Deal and the Cardiff Metro deliver for the people of Cardiff and Wales.

It will seek to make sure that Cardiff has the funding and fiscal powers it needs to lead the Welsh economy and deliver capital city infrastructure and services on behalf of the people of Cardiff, the Capital Region and Wales. It will look to understand the impact of Brexit on Cardiff's economy, public services and communities and develop the city's response, including the shape of any successor programmes for European Funding streams in Wales. It will attract and deliver major events in the city, building on the success of the European Champions League Final, in partnership with Welsh Government and the private sector. It will deliver a safe and vibrant night time economy, working in partnership with the Business Improvement District. There is also an aim to double the number of Welsh speakers in Cardiff by 2050 through supporting the delivery of the Bilingual Cardiff Strategy.

Impact to SWFRS

We can assist Cardiff PSB in achieving its Wellbeing objectives of providing safe, confident and empowered communities through our services and initiatives. We can also help Cardiff PSB by carrying out our 'Safe and Well' visits to ensure Cardiff is a great place to grow old. SWFRS will also work with the PSB in modernising and integrating our public services to continue to deliver initiatives that contribute to the plan. We can also support the Cardiff Clean Air Strategy and seek to reduce our carbon footprint and impact on the climate. This requires making all buildings and vehicles energy and waste efficient.

Recommendation for SWFRS to feedback to consultation

SWFRS can contribute to the PSBs Wellbeing Plan by helping Cardiff's objectives in a number of innovative initiatives. The recommendation is that we sign off this Wellbeing Plan and continue to contribute to it.

Appendix 2

PSB Wellbeing Plan summary for Caerphilly

Main Points - Caerphilly PSB has four Objectives:-

Positive Change – A shared commitment to cross-sectoral change.	Positive People – Empowering and enabling all our residents to achieve their full potential.
Positive Start – Giving our future generations the best start in life.	Positive Places – Enabling our communities to be resilient and sustainable.

Impact to the Community

This plan will provide leadership to facilitate organisational culture change, and shift to new ways of working, aligning corporate priorities in accordance with the Sustainable Development Principle. It will use assets and resources more intelligently and sustainably. It will support our residents and partners to contribute fully to the Caerphilly we all want. It will create an Adverse Childhood Experience (ACE) informed Caerphilly County Borough to enable collaborative strategic action that can reduce and prevent ACEs. The PSB will facilitate a shift towards collaborative working with an emphasis on prevention to address current and future health and wellbeing challenges. It will include a co-ordinated programme of volunteering, maximising it as a route to personal wellbeing and employment, including promoting corporate volunteering. There is a need to establish all age apprenticeship programmes across PSB member organisations with coordinated points of access. It will equip our residents to manage their physical and mental health and wellbeing needs in partnership with services and support our most disadvantaged communities to be resilient, cohesive and enable them to help themselves. It will protect, enhance and promote our natural environment and foster community action on environmental issues as well as working with regional partners to create safe, confident communities and promote community cohesion.

Impact to SWFRS

We can assist Caerphilly PSB in achieving its Wellbeing objectives of creating a positive change by using our assets and resources more intelligently and sustainably. We can also continue to work with regional partners to create safe, confident communities and promote community cohesion.

Recommendation for SWFRS to feedback to consultation

SWFRS can contribute to the PSBs Wellbeing Plan by helping Caerphilly to protect and enhance our natural environment and take action on environmental

issues. It is recommended that we sign off this Wellbeing Plan and continue to support it with local initiatives that support its success.

Appendix 3

PSB Wellbeing Plan summary for Cwm Taf

Main Points – Cwm Taf PSB has three Objectives:-

To promote safe, confident, strong, and thriving communities improving the well-being of residents and visitors and building on our community assets.	To grow a strong local economy with sustainable transport that attracts people to live, work and play in Cwm Taf.
To help people live long and healthy lives and overcome any challenges.	

Impact to the Community

In Cwm Taf, people love the beautiful landscapes and attractive green spaces. Natural surroundings are important in making people feel proud, positive and happy. In many communities in Cwm Taf, people are interested in taking ownership of the outdoor spaces and making sure they stay attractive, clean and safe to play and spend time in. Feeling safe is important to people's quality of life. However, some people have told us that crime and anti-social behaviour is a barrier for them using and enjoying their local environment. People in Cwm Taf are living longer, and living longer in good health, which is good news. However, people living in the most deprived parts of Cwm Taf live shorter lives. For men, this is 7.4 years shorter and for women 3.7 years shorter than those living in our least deprived areas. Clean and safe communities are something to be proud of and attract tourism to Cwm Taf, bringing with it money. The cost of making sure our natural environment is attractive is low compared to the money that could come from businesses and visitors who are drawn to the beauty of Cwm Taf.

Impact to SWFRS

We can assist Cwm Taf PSB in achieving its Wellbeing objective of promoting safe, confident, strong, and thriving communities by improving the well-being of residents and visitors in this community. We can also help people live long and healthy lives by providing Safe and Well visits and a range of other initiatives that support this plan. SWFRS currently works with a range of partners that currently support the plan.

Recommendation for SWFRS to feedback to Consultation

SWFRS can contribute to the PSBs Wellbeing Plan by helping Cwm Taf to grow a strong local economy with sustainable transport that assists its environmental ambitions. It is recommended that we sign off this Wellbeing Plan and continue to support and monitor it to support its success.

Appendix 4

PSB Wellbeing Plan summary for The Vale of Glamorgan

Main Points – The Vale PSB has 4 Objectives:-

To enable people to get involved, participate in their local communities and shape local services.	To give children the best start in life.
To reduce poverty and tackle inequalities linked to deprivation.	To protect, enhance and value our environment.

Impact to the Community

This plan will allow people across the Vale to have a voice. It will provide opportunities for engagement activities linked to the local environment and culture to be developed. It will deal with loneliness and social isolation across all age groups. Communities will be empowered with greater capacity to help deliver local solutions to local issues. Volunteers will be encouraged and feel valued and people will be supported into employment and have access to training and apprenticeships. We will ensure that training and skills are developed and aligned to future job markets within the region. Greater alignment across services, projects and initiatives will tackle poverty. How we maximise resources and expertise will help us achieve the best outcomes. Communities will feel safer, stronger and more resilient and there will be a reduction in fuel poverty. Improvements in healthy life expectancy in our most deprived areas will give residents a better understanding of the contribution the environment can make to their well-being. All members of the PSB will revise and/or adopt policies which demonstrate a commitment to minimise negative impacts on the environment and promote positive behaviours. We all understand how our organisation's activities can contribute to giving children a good start in life and what the long term effects of not doing this can be. We recognise the impact of ACEs and work together to both prevent the root causes of and respond to ACEs.

Impact to SWFRS

We can assist The Vale PSB in achieving its Wellbeing Goal of protecting, enhancing and valuing the environment through our services. This will be achieved by revising/adopting policies which demonstrate a commitment to minimise negative impacts on the environment and promote positive behaviours. We can also help people to get involved and shape local services

Recommendation for SWFRS to feedback to Consultation

SWFRS can contribute to the PSBs Wellbeing Plan in a number of ways through its various initiatives. It is recommended that we sign off this Wellbeing Plan and continue to support it with local initiatives.

Appendix 5

PSB Wellbeing Plan summary for Bridgend

Main Points - Bridgend PSB has four Objectives:-

Best Start in Life.	Reduce Social and Economic Inequalities.
Support Communities in Bridgend to be safe and cohesive.	Healthy Choices in a Healthy Environment.

Impact to the Community

The Bridgend Wellbeing plan will ensure that the PSB works together to better understand the different kinds of services that support children and parents in the first 1000 days of life operate and link them together, and to identify gaps and or duplication. The plan will work with members of our communities, in particular equality groups such a disabled people and the LGBT community to better understand what causes tensions. It will develop a joined up approach to junior or pre-apprenticeship programmes that provides an introductory step by helping young people who need additional support to get skills for employment and have a route to progress to apprenticeship. It will also help coordinate our approach to access learning including working skills for adult programmes to tackle in work poverty and low skills levels. It will develop an ICT/Digital skills package for public sector workers. There will also be an understanding of what a circular economy in Bridgend would look like. The plan will explore how we can work together and with others to minimise waste and the use of resources and energy to provide a more sustainable approach for our communities.

Impact to SWFRS

We can assist the Bridgend PSB in achieving many of its Wellbeing objectives as set out in its Wellbeing Plan. We are already supporting communities in Bridgend to be safe and cohesive through a number of initiatives at local level. We are working with a number of partner organisations to provide a better way of living and working which would also contribute to the Bridgend Plan.

Recommendation for SWFRS to feedback to Consultation

At a local level we continue to form strong partnerships to ensure SWFRS can contribute to the PSBs Wellbeing Plan. It is recommended that we sign off this Wellbeing Plan and monitor and support it to ensure its success.

Appendix 6

PSB Wellbeing Plan summary for Blaenau Gwent

Main Points - Blaenau Gwent PSB has five Objectives:-

Blaenau Gwent wants everyone to have the best start in life.	Blaenau Gwent wants to forge new pathways to prosperity.
Blaenau Gwent wants safe and friendly communities.	Blaenau Gwent wants to encourage people to make healthy lifestyle choices.
Blaenau Gwent wants to look after and protect its natural environments.	

Impact to the Community

In a child's first 1000 days (from conception to the second birthday) many cognitive and behavioural outcomes are determined. However, making sure everyone has access to the right services and support, at the right time, is critical if public service organisations are to maximise the opportunities for current and future generations to prosper. Blaenau Gwent wants everyone to have the best start in life and by investing in children, young people and families the Public Services Board's ambition is to significantly improve current and future generations' lives in areas such as health, achievements and personal safety. We will work in partnership to protect, conserve and enhance our natural surrounding areas, by tackling behaviours that adversely affect the environment such as grass fires, illegal off-road vehicle use and fly tipping. Older people currently make up 25% of Blaenau Gwent's population, with this trend set to increase. Whilst smoking levels in Blaenau Gwent have reduced over time they remain too high with 26% of adults smoking compared to 21% in Gwent and 20% in Wales.

Impact to SWFRS

We can contribute to Blaenau Gwent's Wellbeing plan in a number of ways. 88% of all fires in this PSB are deliberate and therefore much of our time is spent on prevention at all levels through a number of fire prevention initiatives. Our Safe and Well visits can help reduce dwelling fires and also reduce smoking levels in this PSB area.

Recommendation for SWFRS to feedback to Consultation

The Blaenau Gwent PSB Wellbeing Plan is comprehensive and covers many areas. SWFRS will contribute to this plan in a number of ways. The recommendation is that we sign off this plan and continue to support it with local initiatives that support its success.

Appendix 7

PSB Wellbeing Plan summary for Monmouthshire

Main Points - Monmouth PSB has four Objectives:-

Provide children and young people with the best possible start in life.	Protect and enhance the resilience of our natural environment whilst mitigating and adapting to the impact of climate change
Respond to the challenges associated with demographic change.	Develop opportunities for communities and businesses to be part of an economically thriving and well-connected county.

Impact to the Community

This Wellbeing Plan will enable communities to help themselves by identifying local assets and developing them according to need. It will ensure clear lines of communication between the PSB, Local Government, Town & Community Councils and the community are established. It will develop better connections between services, organisations and community groups, to deliver a more joined up and preventative approach. This will include joining up data, information and systems to allow agencies to have a better understanding of the challenges and be able to spot opportunities. There is also an opportunity to explore the potential to share financial resources and assets to deliver steps that address the well-being plan objectives. It should also identify opportunities for public sector procurement to better support the development of local services and production. The challenges facing our natural environment are many – climate change, development and changing land management practices are all potential threats to our natural resources and ecosystems.

Impact to SWFRS

Social isolation is an issue in many parts of this rural PSB which we can help to deal with through our ‘Safe and Well’ visits which are targeted at the elderly and most vulnerable. Our front line employees have received dementia friendly training to understand the needs of the elderly with the aim of reducing accidental dwelling fires.

Recommendation for SWFRS to feedback to Consultation

SWFRS can positively assist with Monmouth’s PSB Wellbeing objectives. Climate change will increase the risk of flooding and therefore mitigating these affects are important for the whole PSB. It is recommended that SWFRS sign off this plan and continue to look at ways to improve the way we work with partner organisations.

Appendix 8

PSB Wellbeing Plan summary for Newport

Main Points – Newport PSB has four Objectives:-

People feel good about living, working, visiting and investing in Newport.	People and communities are friendly, confident and empowered to improve their well-being.
People have skills and opportunities to find suitable work and generate sustainable economic growth.	Newport has healthy, safe and resilient environments.

Impact to the Community

This plan will work in partnership to promote the city's considerable benefits as a place to live, work, visit and invest, supporting economic growth and increasing city pride and sense of belonging. It will develop and promote an overarching volunteering programme for Newport to enable people to volunteer and foster community resilience. It will also ensure young people leave school with the support, skills and confidence to successfully enter work, training or education. There are opportunities for schools and businesses to work together to enable young people to have the skills to be ready for work. It is important that this plan identifies and target the crime, antisocial behaviour and challenge negative perceptions that deter people from using green spaces and parks. It will implement a joint sustainable travel plan for all PSB organisations to encourage the use of public transport, walking and cycling.

The plan also states that 10% of the PSB vehicle fleet will be ultra-low/zero emissions within 5 years. This will rise to 50% within 5-10 years and reach 100% within 10-25 years. This will be accompanied by regional schemes impacting on travel choices and air quality. There will also be support for the implementation of the new air quality supplementary planning guidance.

Impact to SWFRS

SWFRS can assist Newport PSB in achieving many of its wellbeing objectives through its local initiatives. One major impact for SWFRS is the target of 10% reduction in vehicle fleet emissions in the next five years. SWFRS will look at reducing carbon emissions within its fleet and vehicles which will be challenging. This can be achieved as long as environmental assessments take place before future vehicle purchases and also that the technology is available to provide a fleet option to achieve this.

Recommendation for SWFRS to feedback to Consultation

SWFRS can contribute to this plan with a number of initiatives. It is recommended that SWFRS sign off this plan and monitor future fleet options.

Appendix 9

PSB Wellbeing Plan summary for Torfaen

Main Points – Torfaen PSB has seven Objectives:-

Develop a functional, connected network of natural areas that support the current and future well-being needs of local populations.	Support healthy lifestyles and enabling people to age well.
Develop adaptation and mitigation responses to the impacts of climate change.	Tackle the inter-generational patterns of poverty and develop economic resilience.
Provide children and young people with the best possible start in life.	Improve local skills through work-force planning, training, apprenticeships, and volunteering opportunities.
Create safe, confident communities and promote community cohesion.	

Impact to the Community

In the Torfaen of the future we want people to live in cohesive communities, where they feel safe and are empowered to take responsibility for their own well-being and to play an active part in local services and decisions. Where people will participate in cultural activities and the Welsh language will be embedded into our communities. Future generations of children and young people will have the best start in life and will meet developmental milestones. Our citizens will live long happy, healthy and independent lives and there will no longer be sections of our community living in poverty. People will have the skills and qualifications to access decent work and the local economy will be prosperous with strong links to the regional economy. Our communities and the key infrastructure they rely on will be resilient to the impacts of climate change. Opportunities associated with a changing climate will have been realised e.g. tourism, recreation and agriculture.

Impact to SWFRS

We can assist The Torfaen PSB in achieving a number of its Wellbeing objectives including creating a safe community. We are currently delivering a range of initiatives such as tackling irresponsible use of green space including grass fires and fly tipping that will support this plan. All of Torfaen's seven objectives will be considered in all future local community plans to ensure we contribute to its long term success. We will need to work with the PSB in understanding the effects of climate risks.

Recommendation for SWFRS to feedback to Consultation

The recommendation is that SWFRS fully support this plan and sign off on it. Local initiatives will be developed to further support the success of this plan.

THE FIREFIGHTERS' PENSION (WALES) SCHEME (AMENDMENT) ORDER 2014**SUMMARY**

The Firefighters' Pension (Wales) Scheme (Amendment) Order 2014 came into force on 31 December, 2014, and made some retrospective amendments from 1 July, 2013, to the Firefighters' Pension Scheme Order 1992 (FPS 1992).

There was an amendment to the FPS 1992, Rule B5C (additional pension benefit: continual professional development) that was replaced with Rule B5C – Additional Pension Benefit (APB). This new Rule B5C – Additional Pension Benefit introduced new powers for the Fire & Rescue Authority to make certain temporary allowances and emoluments which satisfy the prescribed requirements, pensionable under APB arrangements, and was effective from 1 July, 2013.

It came to light at the Scheme Advisory Board (Wales) meeting held on 27 November, 2017, that the three Fire & Rescue Authorities in Wales have not adopted the change in this Rule.

In reviewing the change to Rule B5C – Additional Pension Benefit, account has been taken of the need to implement the change, and the necessity for a fair and ethical outcome for FPS 1992 Scheme members. Implementing the change could potentially have an impact on the financial position of both active and retired Firefighters, and for the Fire & Rescue Authority.

There are four main groups of Firefighters that will be affected by the change to Rule B5C – Additional Pension Benefit:-

- Group 1 – Active Firefighters who are temporary promoted at the determined implementation date.
- Group 2 – Active Firefighters who were temporary promoted after 1 July, 2013, but before the determined implementation date, and their retirement date is more than 3 years since the temporary promotion.
- Group 3 – Active Firefighters who have been temporary promoted prior to the determined implementation date, and could retire within 3 years of this implementation date.
- Group 4 – Retired Firefighters who have retired based on the old regulations since 1 July, 2013, but before the determined implementation

date.

The purpose of this report is to seek decisions from the Fire & Rescue Authority in respect of the pension treatment of temporary promotion in light of the legal, financial, and moral considerations that surround them.

RECOMMENDATIONS

1. That Members consider that temporary promotion is pensionable and that pension benefits are earned through an Additional Pension Benefit.
2. That Members implement the change to Rule B5C – Additional Pension Benefit with effect from 1 April 2018, and not to apply the change retrospectively because it is through no fault of the Firefighters themselves that the change was not implemented. The expectations of the Firefighters affected should be honoured by leaving existing and future pension benefits in the position they are currently or were expected to be in at the point of retirement.
3. It is recommended that the following is applied to each of the identified groups as set out below:-
 - **Group 1 – Active Firefighters who are temporary promoted at 1 April, 2018**

It is recommended to Members that going forward with effect from 1 April, 2018, this group of Firefighters will receive pension benefit calculated as additional pension benefit, thus implementing Rule B5C.

- **Group 2 – Active Firefighters who were temporary promoted after 1 July, 2013, but before the determined implementation date, and their retirement date is more than 3 years since the temporary promotion.**

It is recommended to Members that with effect from 1 April, 2018, that this group of Firefighters, whose retirement date is later than 3 years after 1 April, 2018, have their periods of temporary promotion since 1 July, 2013, recalculated and applied based on an APB basis in line with the new regulations.

- **Group 3 – Active Firefighters who have been temporary promoted prior to 1 April, 2018, and could retire within 3 years of this implementation date.**

It is recommended to Members to treat temporary promotion for Firefighters who chose to retire within 3 years of the implementation date, 1 April, 2018,

under the old regulation (best of the last 3 years), hence leaving existing and future pension benefits in the position they are currently in at the point of retirement, and with no impact on the Firefighters in this group.

For those Firefighters who chose not to retire within 3 years of the implementation date, 1 April, 2018, then their pension calculations will be based on the new regulations, and have any previous temporary promotions recalculated and applied on an APB basis, as Per Group 2 above.

- **Group 4 – Retired Firefighters who have benefited from a higher final salary based pension since the change in the regulations in July 2013**

It is recommended to Members to treat temporary promotion for these retired Firefighters under the old regulations (the best of the last 3 years), hence leaving existing and future pension benefits in the same position they are currently, and with no impact on the retired Firefighters.

1. BACKGROUND

- 1.1 The Firefighters' Pension (Wales) Scheme (Amendment) Order 2014 came into force on 31 December, 2014, and made some retrospective amendments from 1 July, 2013, to:-
 - Firemen's Pension Scheme Order 1992 (FPS 1992)
 - Firefighters' Pension Scheme (Wales) Order 2007
 - Firefighters' Compensation Scheme (Wales) Order 2007
- 1.2 There was an amendment to the FPS 1992, Rule B5C (additional pension benefit: continual professional development) that was replaced with Rule B5C – Additional Pension Benefit (APB)
- 1.3 This new Rule B5C – Additional Pension Benefit introduced new powers for the Fire & Rescue Authority to make certain temporary allowances and emoluments which satisfy the prescribed requirements, pensionable under APB arrangements, and was effective from 1 July, 2013. (See Appendix 1 attached to the report for the full description of Rule B5C).
- 1.4 If a Firefighter experienced temporary promotion in the last 3 years of their normal retirement they would benefit from the increase in salary in their final salary calculation (the best of the last 3 years). If the temporary promotion was outside of their last 3 years there was no benefit in their final salary calculation. However, by using an APB it means that Firefighters will always benefit from APBs' earned during a period of temporary promotion.

- 1.5 APBs' are treated separately for tax purposes in that they count against annual allowances as an absolute sum rather than through a calculation relating to final salary and defined benefits. This helps to significantly reduce tax liability and some pension benefit is earned irrespective of whether or not the temporary promotion ends. However, since the extra salary whilst on temporary promotion does not count within the final salary pension benefits, the overall benefits are not as great if the Firefighter is within 3 years of retirement.
- 1.6 It came to light at the Scheme Advisory Board (Wales) meeting held on 27 November, 2017, that the three Fire & Rescue Authorities in Wales have not adopted the change in this Rule. Research suggest that at the time of the change this was due in the main to the uncertainty around pensionable pay, and the complexity around the interpretation of the change regarding what pensionable pay components actually were. All three Fire & Rescue Services in Wales have continued to treat temporary promotions as pensionable pay under the old regulations, and as part of the defined benefits under the final salary scheme.
- 1.7 Further research on this matter has revealed that a large number of English Fire & Rescue Services have also found themselves in the same position, and were either in the process of addressing or had addressed the issue after the original implementation date. Mid & West Wales Fire & Rescue Service have implemented the change with effect from 1 January, 2018, and North Wales Fire & Rescue Service are looking to implement the change with effect from 1 April, 2018.
- 1.8 In reviewing the change to Rule B5C – Additional Pension Benefit account has been taken of the need to implement the change and the necessity for a fair and ethical outcome for FPS 1992 Scheme members. Implementing the change could potentially have an impact on the financial position of both active and retired Firefighters, and for the Fire & Rescue Authority.
- 1.9 The purpose of this report is to seek decisions from the Fire & Rescue Authority in respect of pension treatment of temporary promotion in light of the legal, financial, and moral considerations that surround them.

2. ISSUES

- 2.1 Under Rule B5C the Fire & Rescue Authority is required to make a decision as to whether or not temporary promotions are pensionable or non-pensionable.
- 2.2 If the Authority decides that temporary promotion is non-pensionable, then no pension contributions would be deducted on the extra pay

received during the temporary promotion, and no pension benefits would be accrued.

- 2.3 If the Authority decides that temporary promotion is pensionable then contributions would be made at the normal rate, but the pension benefits earned would be through an APB rather than as part of the defined benefits under the final salary scheme.
- 2.4 In addition the Authority needs to determine the implementation date from which to introduce the change going forward, and whether or not to apply the changes retrospectively to the original implementation date, 1 July 2013.
- 2.5 There are four main groups of Firefighters that will be affected by the change to Rule B5C – Additional Pension Benefit:-
 - Group 1 – Active Firefighters who are temporary promoted at the determined implementation date.
 - Group 2 – Active Firefighters who were temporary promoted after 1 July, 2013, but before the determined implementation date, and their retirement date is more than 3 years since the temporary promotion.
 - Group 3 – Active Firefighters who have been temporary promoted prior to the determined implementation date, and could retire within three years of this implementation date.
 - Group 4 – Retired Firefighters who have retired based on the old regulations since 1 July, 2013, but before the determined implementation date.
- 2.6 If this change is applied retrospectively there will be, understandably, concerns from active Firefighters about the potential impact of this change on their expectations for their future pension benefits, and particularly for those that may have already started their retirement planning.
- 2.7 Furthermore, those Firefighters who have retired since the change will already be receiving pension benefits based on a final salary position under the old regulations, and any retrospective change could have significant impacts on their current benefits.
- 2.8 It can be seen that for groups 1, 3, and 4, that it is highly likely that these groups would claim an actual or perceived loss of income, and future income, as a result of any retrospective implementation of this change in

the regulations, due to the legitimate expectation they were given when they accepted the temporary promotion on the treatment of their pension. They are likely to argue, through no fault of their own, that their financial position has been affected, and they would pursue this as a complaint against the Authority through the Internal Disputes Resolution procedure (IDRP), and subsequently The Pensions Ombudsman.

3. FINANCIAL IMPLICATIONS

- 3.1 If the Fire & Rescue Authority makes a decision to apply the change retrospectively, and reclaim from affected individuals, then there is likely to be considerable financial implications in terms of any challenge that the Authority would receive from active and retired Firefighters whose pension benefits would be affected. These costs would relate to resource implications, in terms of officer time, and the legal support required in addressing the legal challenges through IDRP and/or Pension Ombudsman procedures, in addition to the administrative burden of recalculating already in payment pensions. There is no guarantee of success either in terms of the legal process or the recovery of funds given individual circumstances.
- 3.2 The Firefighters' Pension Schemes are unfunded, and administered and governed by the Welsh Government (WG). The pension costs relating to these payments have continued to be charged to the fund across Wales. Should it be determined that the treatment of these costs is not appropriate, they may need to be met from the Fire Authorities own resources.

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 whilst there is the potential for age related rules relating to pension entitlements to cause age discrimination, this is likely to be justifiable, and therefore lawful where proposals mirror the age related impacts of the Scheme rules.

5. RECOMMENDATIONS

- 5.1 It is recommended that Members consider that temporary promotion is pensionable and that pension benefits are earned through an Additional Pension Benefit.
- 5.2 It is recommended that Members implement the change to Rule B5C – Additional Pension Benefit with effect from 1 April, 2018, and not to apply the change retrospectively because it is through no fault of the

Firefighters themselves that the change was not implemented. The expectations of the Firefighters affected should be honoured by leaving existing and future pension benefits in the position they are currently or were expected to be in at the point of retirement.

5.3 It is recommended that the following is applied to each of the identified groups:-

- **Group 1 – Active Firefighters who are temporary promoted at 1 April, 2018**

It is recommended to Members that going forward with effect from 1 April, 2018, this group of Firefighters will receive pension benefit calculated as additional pension benefit, thus implementing Rule B5C.

- **Group 2 – Active Firefighters who were temporary promoted after 1 July, 2013, but before the determined implementation date, and their retirement date is more than 3 years since the temporary promotion.**

For this group of Firefighters the old regulations disadvantage them if they return to their substantive role greater than 3 years away from retirement as they effectively paid additional pension contributions but received no benefit at all. Under the new regulations they at least retain the APB they have earned which forms part of their final pension benefits.

It is recommended to Members that with effect from 1 April, 2018, that this group of Firefighters, whose retirement date is later than 3 years after 1 April, 2018, have their periods of temporary promotion since 1 July, 2013, recalculated and applied based on an APB basis in line with the new regulations.

- **Group 3 – Active Firefighters who have been temporary promoted prior to 1 April, 2018, and could retire within 3 years of this implementation date.**

For this group of Firefighters the old regulations would allow temporary promotion in the last 3 years before retirement (best of the last 3 years) to benefit from the increase in salary in their final salary pension calculation. This is the expectation for this group of Firefighters.

It is recommended to Members to treat temporary promotion for Firefighters who chose to retire within 3 years of the implementation date, 1 April, 2018, under the old regulation (best of the last 3 years), hence leaving existing and future pension benefits in the position they are currently in at the point of retirement, and with no impact on the Firefighters in this group.

For those Firefighters who chose not to retire within 3 years of the implementation date, 1 April, 2018, then their pension calculations will be based on the new regulations, and have any previous temporary promotions recalculated and applied on an APB basis, as Per Group 2 above.

- **Group 4 – Retired Firefighters who have benefited from a higher final salary based pension since the change in the regulations in July 2013**

The group of Firefighters will have retired under the old regulations of benefitting from temporary promotion within the last 3 years of their service, and the increase in salary in their final salary pension calculation. This was the expectation for this group of Firefighters at the point of retirement, and they are receiving pension benefits in line with the regulations applied to them, taking the temporary promotion in to account at the time they retired.

It is recommended to Members to treat temporary promotion for these retired Firefighters under the old regulations (the best of the last 3 years), hence leaving existing and future pension benefits in the same position they are currently, and with no impact on the retired Firefighters.

Contact Officer:	Background Papers:
<p>ACO Mark Malson Acting Director of People Services</p>	<p>Explanatory Memorandum to the Firefighters' Pension (Wales) Scheme (Amendment) Order 2014 (issued 8 December 2014 by the Minister for Public Services)</p> <p>W-FRS Circular (2014) 14 (issued 17 December 2014)</p> <p>The Firefighters' Pension (Wales) Scheme (Amendment) Order 2014 (came into force on 31 December, 2014)</p> <p>Acknowledgement of the support, advice and guidance given in the preparation of this report from Mr Jonathan Hurford-Potter, Hampshire Fire & Rescue Service, and the work he has completed in respect of this change to the Firefighters' Pension Scheme</p>

APPENDIX 1**THE NEW RULE B5C – ADDITIONAL PENSION BENEFIT**

1. Where a Fire & Rescue Authority determines that the benefits listed in Paragraph (5) are pensionable, and in any additional pension benefit year pays any such pensionable benefits to a regular Firefighter, the Authority must credit the Firefighter with an amount of additional pension benefit in respect of that year.
2. Subject to Paragraph (3), the amount of additional pension benefit in respect of that year must be determined on 1 July, immediately following the year in question, in accordance with guidance and tables provided by the Scheme Actuary.
3. The amount of additional pension benefit determined in accordance with Paragraph (2) must be increased on the first Monday of the following relevant tax year by the same amount as any increase which would have applied if that additional pension benefit were a pension to which the Pensions (Increase) Act 1971 applied, and the beginning date for that pension were 1 July of the tax year immediately before the relevant tax year.
4. For the avoidance of doubt, the increase of additional pension benefit in the tax year 2010/11 must be increased by the same percentage as the percentage increase in the Consumer Prices Index in September 2010, with effect from Monday, 11 April, 2011.
5. The benefits referred to in Paragraph (1) are:-
 - (a) Any allowance or supplement to reward additional skills and responsibilities that are applied and maintained outside the requirements of the Firefighter's duties under the contract of employment but are within the wider functions of the job.
 - (b) The amount (if any) paid in respect of a Firefighter's continual professional development.
 - (c) The difference between the Firefighter's basic pay in his or her day to day role, and any pay received whilst on temporary promotion or where the Firefighter is temporarily required to undertake the duties of a higher role.
 - (d) Any performance related payment which is not consolidated into his or her standard pay.

6. In this rule 'additional pension benefit year' means the period of 12 months beginning with 1 July, in which the Firefighter is in receipt of any of the benefits listed in paragraph (5); 'The beginning date' means the date on which the pension is treated as beginning for the purposes of section 8(2) of the pensions (Increase) Act 1971; 'Following relevant tax year' means the tax year after the relevant tax year, in relation to which the member is not a pensioner member or entitled to a deferred pension under rule B5; 'Relevant tax year' means a tax year in relation to which:-
- (a) The amount of a Firefighter's pension benefits determined under this rule for the purposes of this scheme is taken into account for tax purposes, and
 - (b) The Firefighter is not in receipt of a pension under this Scheme or entitled to a deferred pension under Rule B5; and
 - (c) 'Tax year' means the period of 12 months beginning with 6 April.

SOUTH WALES FIRE & RESCUE AUTHORITYAGENDA ITEM NO 6.iv
26 MARCH 2018

REPORT OF THE DEPUTY CHIEF OFFICER

LAND ADJOINING LLANTWIT MAJOR FIRE STATION**SUMMARY**

This report seeks approval to declare Land adjoining Llantwit Major Fire Station a surplus asset.

RECOMMENDATIONS

That Members declare the subject land surplus to requirements.

That Members approve the disposal strategy outlined.

1. BACKGROUND

- 1.1 The land adjoining Llantwit Major Fire Station comprises a 0.036 hectares (0.09 acres) small triangular parcel of land. It is divided from the fire station by a stone wall and is occupied by the Llantwit Major Horticultural Society who have built a storage shed on the land. The land is edged red on the attached plan.
- 1.2 There is no operational use for the asset and on that basis we are seeking to make it surplus to requirements.
- 1.3 An expression of interest in the land has been received from the Llantwit Major Horticultural Society.
- 1.4 In order to remove any liability associated with holding the land it is recommended we proceed with a disposal to the Horticultural Society which will generate a nominal capital receipt.

2. ISSUE

- 2.1 The land is unlikely to be of interest to the wider market due to its location within the allotments and the restrictions that this may place on the land from a planning perspective. However, an overage clause would be attached to any sale to enable the Service to benefit from an uplift in value should the land be redeveloped.
- 2.2 It is therefore proposed that we proceed with a sale to the Horticultural Society. To ensure we secure the most economically advantageous terms available a valuation of the land will be prepared which will form the basis of any negotiations with the Horticultural Society.

3. EQUALITY RISK ASSESSMENT

3.1 There are no implications.

4. RECOMMENDATIONS

4.1 That Members declare the subject land surplus to requirements.

4.2 That Members approve the disposal strategy outlined.

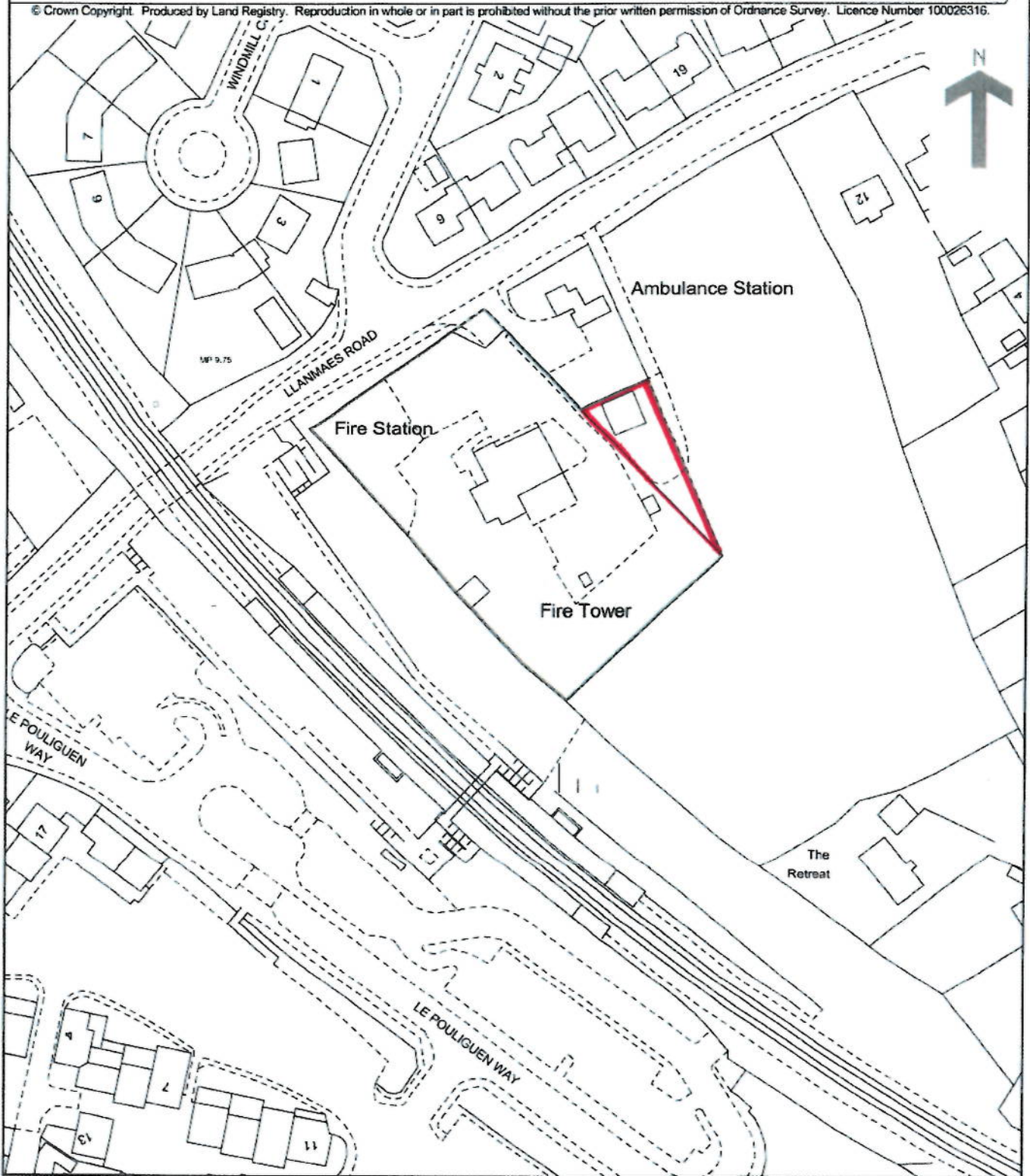
Contact Officer:	Background Papers:
Nick Corrigan Property Strategy Manager	None

Land Registry
 Official copy of
 title plan

Title number **CYM362851**
 Ordnance Survey map reference **SS9768NW**
 Scale **1:1250** enlarged from 1:2500
 Administrative area **The Vale of Glamorgan / Bro Morgannwg**



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This official copy issued on 9 July 2009 shows the state of this title plan on 9 July 2009 at 15:13:50. It is admissible in evidence to the same extent as the original (s.67 Land Registration Act 2002). This title plan shows the general position, not the exact line, of the boundaries. It may be subject to distortions in scale. Measurements scaled from this plan may not match measurements between the same points on the ground. See Land Registry Public Guide 19 - Title Plans and Boundaries. This title is dealt with by Land Registry, Wales Office.

SOUTH WALES FIRE & RESCUE AUTHORITYAGENDA ITEM NO 6.v
26 MARCH 2018

REPORT OF THE DEPUTY CHIEF OFFICER

LAND AT LANELAY HALL DISPOSAL STRATEGY**SUMMARY**

This report seeks approval to declare land to the North East of Lanelay Hall a surplus asset.

RECOMMENDATIONS

That Members declare the subject land surplus to requirements.

That Members approve the disposal strategy outlined.

1. BACKGROUND

- 1.1 The land to the North East of Lanelay Hall comprises a hardstanding and adjoining woodland bordering the River Ely. The land has been previously used for the storage of appliances when Lanelay Hall was occupied by South Wales Fire & Rescue Service but this use has ceased. It was not included in the sale of land to Barratts. (See attached plan shaded yellow.)
- 1.2 The land is currently let to Barratts on licence for parking purposes, however this licence is due to end in June 2018. There is no operational use for the asset and on that basis we are seeking to make it surplus to requirements.
- 1.3 In order to remove any liability associated with holding the land it is recommended we proceed with a disposal which will generate a capital receipt.

2. ISSUE

- 2.1 Initial investigations indicate a reasonable level of market interest for this asset and it is proposed that we proceed with the most appropriate disposal method available to secure the best value. The proposed disposal strategy is set out below.
- 2.2 The land is located within an established residential area and may be of interest to a purchaser seeking a storage or parking area. Due to the anticipated level of interest it is recommended that a commercial agent is appointed to market the property prior to sale. Disposal options may then include proceeding on an informal tender basis, however, an

element of flexibility in the method chosen is required to ensure we secure the most economically advantageous terms available.

- 2.3 As the land will be disposed of in an open market situation it is difficult to indicate with any certainty the likely value. However, we anticipate that the land may have an additional worth to those potential purchasers with existing land holdings in the local area. This element of a special purchaser will be explored further during the marketing period.

3. EQUALITY RISK ASSESSMENT

- 3.1 There are no implications.

4. RECOMMENDATIONS

- 4.1 That Members declare the subject land surplus to requirements.
- 4.2 That Members approve the disposal strategy outlined.

Contact Officer:	Background Papers:
Nick Corrigan Property Strategy Manager	None



REPORT OF THE DEPUTY CHIEF OFFICER

COMPARTMENT FIRE BEHAVIOUR TRAINING FACILITY**SUMMARY**

This report seeks authorisation to proceed with the new build project at Cardiff Gate which will provide a Compartment Fire Behaviour Training facility to enhance the current training provision.

RECOMMENDATIONS

That Members provide the Deputy Chief Officer with approval to proceed and sign the Build Contract on the basis the cost is within the budget figure provided within the capital programme for 2018/19.

1. BACKGROUND

- 1.1 Members will be aware following previous updates that we have been proceeding with the design work required to provide a Compartment Fire Behaviour Training (CFBT) facility at Cardiff Gate. The 3 storey facility will have the ability to simulate fires in houses and commercial buildings and enables firefighters to train in a realistic and challenging environment.
- 1.2 The CFBT facility will involve real fire and smoke created by burning timber materials in fixed and mobile cribs. The building includes a smoke treatment system (smoxidiser) which will prevent untreated emissions exiting the building. This is required to ensure compliance with all legal and environmental requirements in accordance with the planning consent.
- 1.3 A South Wales Fire & Rescue Service appointed project design team have been developing the design for the facility, and following a procurement exercise a contractor (ISG) has been appointed to finalise the design and provide a costed build package. This stage is anticipated to be completed early April 2018 at which point we will enter into a build contract with the contractor to construct the facility.

2. ISSUE

- 2.1 To ensure we comply with tight timescales required to meet the training requirements for the 2019/2020 training year, we need to ensure when the build contract is ready to be signed that there are no delays. Any delays will prevent the contractor from mobilising and will unnecessarily extend the build programme. As there are no Fire & Rescue Authority

meetings during April the project would be delayed until after the Authority's AGM in June.

3. EQUALITY RISK ASSESSMENT

3.1 There are no implications.

4. RECOMMENDATIONS

4.1 That Members provide the Deputy Chief Officer with approval to proceed and sign the Build Contract on the basis the cost is within the budget figure provided within the capital programme for 2018/19.

Contact Officer:	Background Papers:
Nick Corrigan Property Strategy Manager	See accompanying papers

Gwasanaeth Tân ac Achub
De Cymru



South Wales
Fire and Rescue Service

APPENDIX 1



**Compartment Fire Behaviour
Training (CFBT) Facility
at Cardiff Gate Training &
Development Centre**

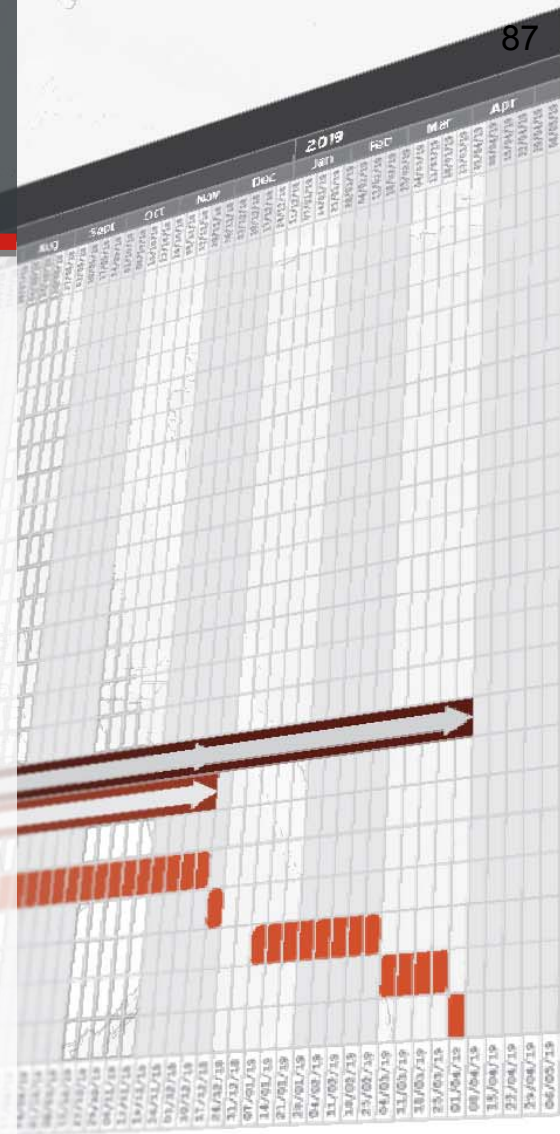
**PROGRESS UPDATE FOR HR
& Equalities Meeting
- 5th February 2018**

Concept



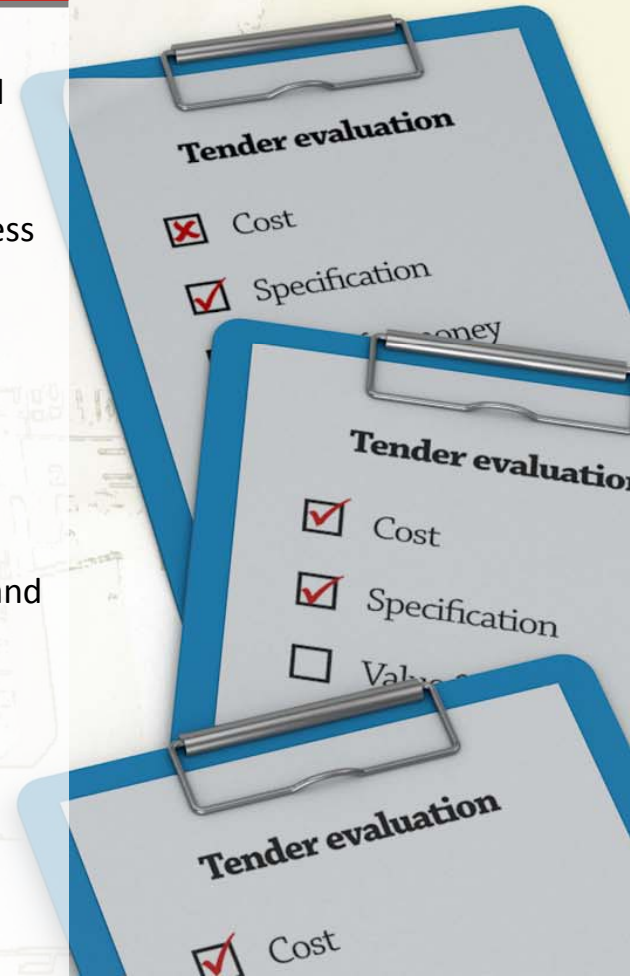
Project Update

- Significant developments and progress made
- Recently completed final design features through end-user engagement with the ***breathing apparatus instructors and manager at SWFRS T&D department***
- Stakeholder engagement with key partners:
 - **TC Consult** – Project Managers / Employers Agent
 - **ISG** - appointed contractor
 - **SJS Fire** - specialist CFBT design consultant
- Ongoing consideration of specification for facilities management for ***long term future proofing***



Awarding Contract and Procurement Process Undertaken

- OJEU procurement exercise – Stage 1 tenders were issued through Sell2Wales portal
- 5 contractors shortlisted
- During the tender period Babcock confirmed their withdrawal from the tender process
- **Tender evaluation exercise** where a further 2 fell away based on quality and cost through specifications
- 2 contractors invited to present to key FRS/specialist panel. Both high profile contractors with experience of FRS builds
- Andrew Scott and ISG
- Process identified that ISG had invested resources to clearly identify the challenges and how they intended to overcome them **ie.:**
 - i. Managing an overseas supplier
 - ii. Liaison with our PFI partner during the works programme
 - iii. Appointing a Fire Consultant to ensure full understanding of the use



Design Process - 2 stage

Current Position

- 1st stage completed
- Now into **2nd stage** where contractor develops our concept design with a more detailed technical design for our approval – Approx cost - £80k
- Pre-start meeting took place on 8th Jan `18
- This is currently into a 12 week period – Expected completion and start date for Project – End of March `18
- Anticipated construction period of 42 weeks
- Anticipated completion date – March 2019
- This will complement the introduction of the SWFRS BAR for Training Year – April 2019 – March 2020
- Piloting and Commissioning Period
- Key stage where **specialist personnel** work with us (SWFRS) as a team
- Rationale for 2 stage ? Appoint contractor at an early design stage to avoid build issues, and reduce SWFRS risk on a complex build.



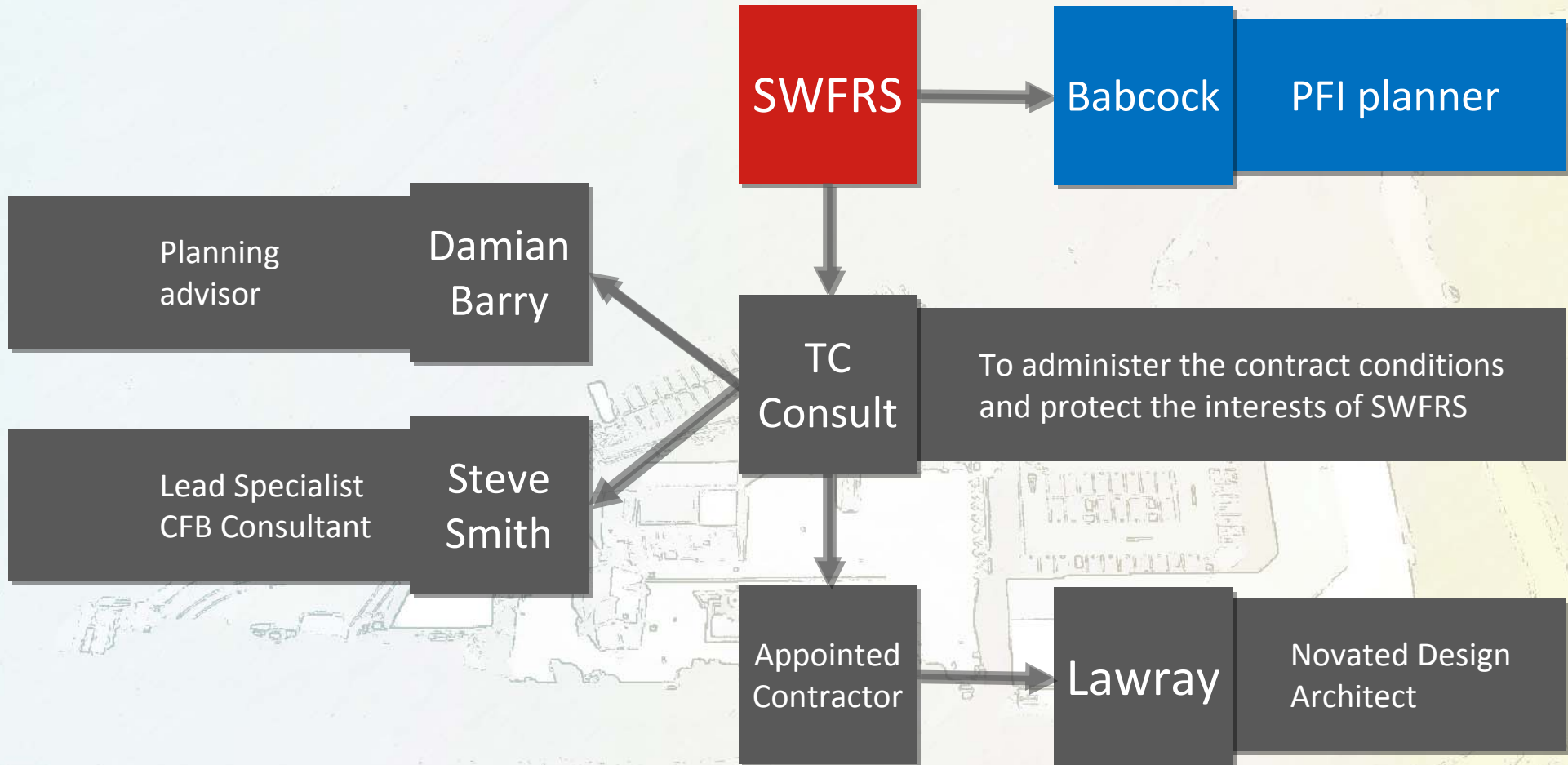
Current Position (continued)

- ISG to manage and develop together with their appointed external suppliers eg Haagen. Each element will be market tested to ensure performance requirements are met and costs are managed
- TC Consult (PM/EA) appointed to oversee process to protect SWFRS interests and ensure '*value for money (vfm)*'
- The above will allow for a more robust design, and **improved** cost certainty
- The process will result in a **full technical design**
- Subject to FRA approval, we can then award the **build contract** to ISG to develop it but we are under no obligation to proceed
- Assuming approval is granted the build is anticipated to commence in March 2018

Governance Structure of CFBT Project

- Bi-Monthly Meetings for all stakeholders
- Project Management Monthly Reports from TC Group
- Maintenance of Risk Register
- Design Team sign off on all key decisions
- Timeline of Key dates for wider scrutiny
- Regular Updates to ELT

CFBT Programme Design Team



Other Key Facts/Information

- Throughout the last 2 1/2 years it was very much a joint effort with key professionals. ***We are now at a stage where:***
 - The architect, who has worked with us throughout, will novate over to ISG to ensure continuity of design
 - FM element – due to start seeking a supplier early 2018 following a full OJEU tender process
 - FRA approval required early 2018 prior to commencing the build.
 - Improved Cost certainty is expected early 2018

Way Forward

- Scheduling of Fire Authority Meetings and approval
- Design and Development Phase
- Build Phase Period
- Tender Specification for Facilities Management Procurement
- Approval of Ownership and Progress
- Updates required and Frequency





**Any
Questions?**

AGENDA ITEM NO 7

Reports for Information

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 7.i

26 MARCH 2018

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 2017/18****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 2017/18.

RECOMMENDATION

That Members note the work undertaken by the Finance, Audit & Performance Management Committee and 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 2017/18 municipal year is detailed under each of the sub headings.

2.4 This year a large number of new members were appointed to the Fire and Rescue Authority and to this Committee. It was therefore considered that a comprehensive induction and training programme be introduced to allow Members to develop a high level of knowledge about the workings of the Authority to enable them to apply a high level of scrutiny into the work of the Service going forward.

2.5 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.

2.6 **Financial**

2.6.1 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:

2.6.1.1 The critical accounting policies and practices and any changes in them.

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

2.6.1.3 The clarity of reports.

2.6.1.4 Significant adjustments resulting from audits.

2.6.1.5 Compliance with accounting standards.

2.6.1.6 Compliance with other legal requirements.

2.6.2 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.

2.6.3 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:

2.6.4 **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 on-call duty system staff, fleet and transport, procurement and premises energy efficiency costs.

2.6.5 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.

2.6.6 Revenue and Capital Budget Setting – The Committee and its Finance, Asset & Performance Management Working Group have taken a 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 Authority's Medium Term Financial Plan, which has been updated accordingly. 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 the representations received by constituent authorities following consultation on the draft budget proposals and were able to assist local authorities in their budget setting again this year by bringing the budget process forward. As a consequence of this detailed deliberation on the budget proposals and particularly the issue of projected pay awards for next year, the Committee subsequently recommended to the Fire & Rescue Authority that there should be a budget increase 1.34% in 2018/19.

2.6.7 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. Members considered in detail the Auditor's Financial Statements Report and Annual Audit Letter and scrutinised and noted the progress that had been made by the Service in implementing key recommendations from previous audits.

2.6.8 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.

2.6.9 In December, following specific Treasury Management training at a separate Member training session, 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. Detailed scrutiny and questioning took place upon the content of the Strategy and the proposed changes to investment criteria, resulting in recommendations to Fire & Rescue Authority to approve the revised Strategy.

2.6.10 The Committee will consider, scrutinise and approve the Treasury Management Policy, Minimum Revenue Provision Policy and Annual Investment Strategy for 2018/19 in its meeting of April 2018.

2.7 Policy, Audit or Development

2.7.1 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.

2.7.2 **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.

2.7.3 The previous Committee agreed an annual internal audit programme for 2017/18 at their meeting of 3 April 2017, covering the areas identified below. Since the programme was agreed, the Committee has considered in detail the progress and findings of the relevant audits:

- Governance - Performance Management
- Governance – Strategic Planning
- HR Management – Absence Management
- ICT – Cyber Security
- Risk Management – Anti-Fraud
- Joint Control Centre
- Fleet Management - Fuel
- Contract Management
- Key Financial Controls
- Station Visits
- Audit Follow Up

2.7.4 **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.

2.7.5 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.

2.7.6 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.

2.7.7 The Committee was very pleased to note some of the very positive comments made by the Auditor General about the progress the Service was making in implementing previous recommendations and that the Authority had appropriate arrangements in place for achieving financial resilience.

2.7.8 The Committee considered the Wales Audit Office findings in relation to “Review of Asset Management Arrangements.” The report showed how the Authority plans, delivers and evaluates its asset management arrangements to meet organisational and public requirements. The Committee noted the findings which outlined key areas and scrutinised improvement proposals for implementation:

- “The Authority has clear and well defined governance arrangements to help the Authority effectively manage its land and building assets so that they are fit for purpose although there is scope to further improve”.
- “Clear governance arrangements and plans help the Authority to deliver its strategic asset management objectives for land and buildings.”
- “Buildings are fit for purpose and well maintained and the Service is exploring opportunities to collaborate and co-locate with other emergency services in the future”.
- The Authority regularly evaluates its investment in land and buildings but little comparison is made to measure progress with similar organisations”.

2.7.9 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.

2.7.10 **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.

- 2.7.11 As a consequence, the Committee has to date considered reports on progress of audit, scheme and circular action updates and also provides detailed scrutiny of the Service's Operational Risk Register. In addition, considerable time has been taken up considering progress against the Statutory Performance Indicators the Service reports against to Welsh Government and its health check of performance against the Priority Actions identified by the Service as being required to be implemented to achieve the five Strategic Themes approved by the Authority in its five year Strategic Plan.

2.8 Scrutiny

- 2.8.1 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.
- 2.8.2 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.
- 2.8.3 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.
- 2.8.4 This year, there has been a focus on the new Wellbeing of Future Generations Act that impacts upon local demand, service delivery and partnership working for the Service. Detailed scrutiny has commenced upon all nine of the Public Service Boards' Wellbeing Plans and proposals that the Authority is a statutory partner of (Rhondda Cynon Taf and Merthyr Tydfil having combined their Public Service Board).

2.8.5 This work has proved challenging in view of the fact that this is the first year that such plans are required by each Public Service Board and there has been no consistent approach or plan style adopted across the board. In addition, original planned timelines have proved problematic to achieve due to additional but separate consultation on the draft plans being required with the Future Generations Commissioner starting after the public consultation had concluded, which was not previously accounted for as a separate timeline. However, the scrutiny is ongoing and the Committee should be in a position to make recommendations to the Fire & Rescue Authority by the required deadlines.

3. RECOMMENDATION

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

Contact Officer:	Background Papers:
Sally Chapman Deputy Chief Officer	<ul style="list-style-type: none"> 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 Strategic Plan, 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 2018/19**

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 2018/19 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 **Grants Budget Review**

Members considered the implications of the Welsh Government funding in support of various areas of the budget including National Resilience assets currently hosted within the Service, community safety hardware and campaigns and PFI funding.

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:

3.3.1 **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

3.3.2 **Review of Fleet Strategy**

The Group reviewed the Fleet and Vehicle Strategy through the Fleet Asset Management Plan 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

3.3.3 **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 considered progress of implementing a performance management system to

enhance reporting and deliver efficiencies as agreed by the previous Working Group.

3.3.4 Review of Operational Equipment Asset Management Plan

Members considered the operational equipment asset plan reviewing the inventory and replacement programme with particular scrutiny of notable areas covering the management and replacement of operational assets.

4. WELLBEING PLANS

- 4.1 In conjunction with the FAPM Committee, this has been the first year where detailed scrutiny of the draft Wellbeing Plans has been undertaken. The Wellbeing of Future Generations Act impacts upon local demand, service delivery and partnership working for the Service. Detailed scrutiny has commenced upon all nine of the Public Service Boards' Wellbeing Plans and proposals that the Authority is a statutory partner of (Rhondda Cynon Taf and Merthyr Tydfil having combined their Public Service Board).
- 4.2 This work has proved challenging in view of the fact that this is the first year that such plans are required by each Public Service Board and there has been no consistent approach or plan style adopted across the board. In addition, original planned timelines have proved problematic to achieve due to additional but separate consultation on the draft plans being required with the Future Generations Commissioner starting after the public consultation had concluded, which was not previously accounted for as a separate timeline. However, the scrutiny is ongoing and the Working Group should be in a position to make recommendations to the FAPM Committee by the required deadlines.

5. ADDITIONAL AREAS OF SCRUTINY WORK STILL TO BE UNDERTAKEN

- 5.1 In addition to the work relating to the Authority's finances and assets, the Working Group has still to undertake several other pieces of detailed scrutiny work during the remainder of the municipal year:

5.1.1 Annual Governance Statement

The group will consider the draft Annual Governance Statement and how the Authority has complied with the Code of Corporate Governance. Scrutiny of the evidence to support compliance will be undertaken prior to approval of the statement.

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 7.ii

26 MARCH 2018

REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES**ANNUAL SUMMARY OF HR & TRAINING REPORTS****SUMMARY**

This report informs Members of the work that the HR & Equalities Committee has undertaken during the Municipal Year 2017/2018.

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 2017/2018 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 greater 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.
- 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 2017/2018 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 escalation of external contractual delivery and promotion in the field of third party income.

2.5.4 Members also received reports and presentations on progress of the Compartment Fire Behaviour Training (CFBT) facility being built at Cardiff Gate Training & Development Centre.

2.5.5 The HR & Equalities Committee received reports and presentations from the Training & Development Department throughout 2017/2018 and these are summarized in Appendix 2.

2.6 EQUALITY AND DIVERSITY

2.6.1 Within South Wales Fire & Rescue Service the main Diversity & Welsh Language 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 2017/2018, and these are summarised in Appendix 3.

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: ACO Mark Malson Acting Director of People Services	Background Papers: Appendices 1 to 3 – Reports received by the HR & Equalities Committee 2017/2018
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APPENDIX 1

REPORTS AND CIRCULARS RECEIVED BY THE HR & EQUALITIES COMMITTEE DURING 2017/2018

HR REPORTS:-

- **Governance and Administration of Firefighters' Pension Schemes**

Purpose is to inform Members of the Fire & Rescue Authority's roles and responsibilities as scheme managers.

- **Pension Circulars**

Purpose is to update Members on pension circulars received from the Welsh Government.

- **Annual Pay Policy Statement 2018/2019**

Purpose is to inform Members and to enable the Service's Policy to be evaluated.

- **Summary of HR & Training Reports**

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

- **Consultation on Amendments to Firefighter Pension Schemes in Wales**

Purpose is to update Members on amendments to the Firefighters Pension Schemes in Wales

- **Overview of HR & Occupational Health Department**

Purpose is to provide Members with an overview of the HR & Occupational Health department, which includes its structure, function and budgets.

- **Annual Report on Absence Management**

Purpose is to update Members on the incidence of sickness absence across the Service and to identify the mechanisms to support staff and thereby enable greater organisation improvement.

- **Annual Report on Discipline & Grievance**

Purpose is to update Members 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.

- **Report on Gender Pay Gap**

Purpose is to update Members on analysis of Gender Pay Gap across the Service.

- **Report on HR & Payroll Systems Integration Project**

Purpose is to update Members on the progress of the implementation of the Core HR & Payroll Integration project, and detailed the difficulties and challenges in the

implementation process of Phase 1, and the Forward Work Plan for implementing Phases 2 and 3.

- **Establishing a Workforce Planning Overview for Financial Year 2017/2018**

The purpose of this report was to provide Members with an overview of the Service's establishment and Workforce Planning model and monitoring protocols.

- **Wales Pension Advisory Board update**

The purpose of this report is to appraise the Committee of the most recent Scheme Advisory's Board's discussions which could impact on the Fire & Rescue Authority's role as Pension Scheme managers.

- **Summary report on the National Issues Committee HR & Training Development Work-streams**

The purpose of this report was to update Members on the National issues Committee related activity undertaken by HR and Training, to include All Wales WDS Recruitment, HR & Training Strategy, introduction of Fitness Standards, new BA Incident Command standards to meet new National Operational Standards.

- **Occupational Health Activity report – 1 January 2016 to 31 December 2016**

This report related to occupational health activity for 2016, and provided data as services and expenditure updates on occupational health initiatives, and an outline of strategic development.

- **Follow up report on the Occupational Health Review Plan**

This report updated Members on progress following the review of Occupational Health Services in 2014/2015. It provided and update on the organisational structure and developments on an HR Strategy and Charter.

APPENDIX 2

TRAINING REPORTS

- **Overview of Training & Development Department**

Purpose is to provide Members with an overview of the Service's Cardiff Gate Training Centre which assists in explaining how the Service attracts and develops people both professionally and managerially to promote organisational improvement.

- **Update on Leadership Development Programme**

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

- **Third Party Income Strategy**

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

- **CFBT Project Update**

Purpose is 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.

- **Principles of Workforce Progression**

The purpose of this report considered all aspects of the introduction of Principles of Workforce Progression within the Service from recruitment, development awards, promotion, leadership development, appraisals, sickness performance, development and competencies.

- **Annual Training Programme**

This report considered the annual training programme for 2016/2017, and the activities which have taken place during the year, both at Cardiff Gate and other locations, to include BA, Driver, Immediate Emergency Care (IEC), Road traffic Collision (RTC), Thermal rescue, and National Resilience Training.

- **Update on Apprenticeship Levy and impact on SWFRS**

Purpose is to provide Members with an update on the Apprenticeship Levy.

APPENDIX 3**DIVERSITY & WELSH LANGUAGE REPORTS**

- **Inclusive Fire Service Strategies**

Purpose to update Members on proposals for more inclusive Fire Services.

- **Annual update on Strategy Equality Plan**

Purpose is to update Members on the Service's progress towards the Strategy that will promote organisational improvement and assist in attracting and developing our people.

- **Annual Equality Plan**

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.

- **Welsh Language Standards Compliance**

Purpose is to update Members on the Welsh Language Standards Compliance

SOUTH WALES FIRE & RESCUE AUTHORITY

AGENDA ITEM NO 7.iii

26 MARCH 2018

REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES

SUMMARY OF THE LOCAL PENSION BOARD WORK PROGRAMME**SUMMARY**

This report informs Members of the work that the South Wales Fire & Rescue Authority Local Pension Board has undertaken during the Municipal Year 2017/2018.

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 2017/2018.

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 2017/2018 Municipal Year is attached at 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.

5. RECOMMENDATIONS

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

Contact Officer: ACO Mark Malson Acting Director of People Services	Background Papers: Appendix 1 - Work programme undertaken by the Board in 2017/18
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APPENDIX 1

**PROGRAMME OF WORK UNDERTAKEN BY THE
LOCAL PENSION BOARD IN THE MUNICIPAL YEAR 2017/18**

Report Name	Purpose of report	Date Presented
Local Pension Board – Terms of Reference & Delegated Authorities	To inform Local Pension Board Members of the Board's responsibilities in relation to Terms & Delegated Authorities	3 July 2017
Firefighters Pensions Scheme – South Wales Fire & Rescue Authority	To inform Local Pension Board Members of the Board's responsibilities in relation to all Firefighters' Pension Schemes	3 July 2017
Firefighters' Pension Scheme 1992	To inform Local Pension Board Members of the scope and terms of the Firefighters' Pension Scheme 1992.	3 July 2017
Firefighters' Pension Scheme 2007	To inform Local Pension Board Members of the scope and terms of the Firefighters Pension Scheme 2007.	3 July 2017
Firefighters' Pension Scheme (Wales) 2015	To inform Local Pension Board Members of the scope and terms of the Firefighters' Pension Scheme	3 July 2017

	2015.	
Firefighters' Pension Scheme – Membership Data	To provide Local Pension Board Members with a data analysis of the composition of the Firefighters' Pension Schemes	16 October 2017
Managing Risks & Internal Controls	To enable Members to consider the Fire & Rescue Authority's and Fire & Rescue Service's pension scheme risk factors.	16 October 2017
Internal Disputes Resolution Procedure (IDRP)	To provide Local Pension Board Members with an analysis of IDRP cases that have been considered.	16 October 2017
Local Pension Board Training Plan & Framework	To enable Local Pension Board Members to review their training needs within the established framework and policy. To inform Members of the current training activity and future proposals.	16 October 2017
Pension Regulator's Self-Assessment Tool for Public Service Pension Schemes	To enable Local Pension Board Members to evaluate the Fire & Rescue Authority's pension scheme administration performance.	16 October 2017

Brief overview of the work and role of the Wales Scheme Advisory Board	To provide the Local Pension Board with an overview of role, remit and structure of the Firefighters' Scheme Advisory Board Wales.	26 February 2018
Summary of Scheme Advisory Board meeting held on 27 November 2017	The Scheme Advisory Board is the body established by the Welsh Government to oversee the various Firefighters' Pension Schemes in Wales. The purpose of this report was to appraise the Local Pension Board of the most recent SAB's discussions which could impact on the FRA's role as Pension Scheme Manager.	26 February 2018
Firefighters Pension Scheme Advisory Board Wales Draft report regarding GAD 2016 Valuation Assumptions	This report provides the Local Pension Board with the Scheme Advisory Board (Wales) response to the consultation on the 2016 Valuation assumptions prepared by the Government Actuarial Department for consultation prior to their agreement by Welsh Ministers.	26 February 2018
Consultation on Amendments to Firefighter Pension Schemes in Wales	This report detailed the response to the Welsh Government's Consultation on Amendments to the Firefighter pension Schemes in Wales on Survivors Benefits to the 1992 and 2007 Pension Schemes and minor amendments to the 2015 Pension	26 February 2018

	Scheme and Transitional Arrangements,	
Update on Tax Training Seminar for Local Pension Board Members	This report was to provide the Local Pension Board with details of the Pension tax Awareness Seminar held in Cheltenham in January 2018 for Pension Scheme Managers, Pension Board members, Employers and Fire Pension Scheme members.	26 February 2018
Summary of the Local Pension Board Work Programme	Report submitted to the Fire & Rescue Authority which sets out the Local Pension Board activity throughout 2017-2018	26 February 2018

SOUTH WALES FIRE & RESCUE AUTHORITYAGENDA ITEM NO 7.iv
26 MARCH 2018

REPORT OF THE ASSISTANT CHIEF OFFICER PEOPLE SERVICES

WELSH LANGUAGE STANDARDS UPDATE – JANUARY 2018**SUMMARY**

This report provides Members with an overview of the current position with regard to meeting the legal requirements contained within the Welsh Language Standards Compliance Notice issued to the Authority by the Welsh Language Commissioner on 30/09/16.

RECOMMENDATION




That Members note the information contained within the report.

1. BACKGROUND

- 1.1 As Members will be aware, under the Welsh Language (Wales) Measure 2011, Welsh Language Standards have been imposed upon Unitary Authorities, Fire and Rescue Authorities and many other named public sector bodies.
- 1.2 On 30 September 2016 the Authority received its Compliance Notice from the Welsh Language Commissioner stating the specific Welsh Language Standards that have been made applicable to the Authority and the timescales for the introduction of those Standards, the majority of Standards having a compliance date of 30/03/17.

2. ISSUE

- 2.1 In total 152 Standards have been specified in the Authority's Compliance Notice, analysis of those Standards using the traffic light system is presented below:

Number of standards scoring in a Green category		135
Number of standards scoring in an Amber category		16
Number of standards scoring in a Red category		1
Total		152

Key

 = compliant  = resources/procedures yet to be allocated

 = non-compliant

- 2.2 The majority of the Standards currently scoring as amber relate to translation work that has yet to be completed and changes to internal procedures that are yet to be finalised.
- 2.3 Work is ongoing within the organisation to ensure legal compliance is achieved as soon as possible in respect of all Standards assessed as amber at present. From January to March 2017 an internal awareness campaign was launched to raise awareness amongst staff that many of the Standards would come into effect from 30th of March. Guidance documents for staff and other resources to assist in implementing the Standards have been made available on a new “Welsh Language Standards” page of the intranet.
- 2.4 The three Welsh Fire and Rescue Services have been collaborating on the introduction of the Standards by sharing resources and solutions. The introduction of the Standards has also led to new collaboration with all the Welsh Police Services in respect of Welsh language matters.
- 2.5 In August 2017, the Service made a successful challenge to Standard 73 which stated that any invitations to tender for a contract must be published in Welsh. The Authority has now been granted a revised version of Standard 73 which states that the requirement to publish invitations to tender in Welsh only applies if the subject matter of the tender suggests that it should be produced in Welsh or if the anticipated audience would expect that the text be produced in Welsh, e.g. an invitation to tender for delivery of Welsh language skills training.
- 2.6 A bespoke monitoring framework has been produced in order to ensure that the Authority has a robust mechanism to evaluate its compliance with the Welsh Language Standards that have been imposed. A copy of this framework is included for information. This framework will be used to collect monitoring data which will be presented to the Senior Management Team, prior to coming before the HR & Equalities Committee of the Authority annually. The monitoring data collected will enable the Authority to conduct and publish an annual self-assessment against legal compliance, it will also highlight any areas for improvement. This annual self-assessment report must be completed and published by 30th June following the financial year to which it relates. This is a statutory requirement under the terms of Welsh Language Standard 167.

3. FINANCIAL IMPLICATIONS

- 3.1 Because of the increased translation provisions required by the introduction of the new Standards it has been recognised by the previous Authority Members that additional resources would be required to address this need. A temporary full time post (37 hours per week) of

Welsh Language Translator (Grade 9, £34,289 p.a. including on costs) has been created and filled. The advantage of this being that, in conjunction with the Service's prior investment in translation memory software, it will lead to a more cost effective long term translation solution for the Authority, whilst maximising the benefit of having access to instantaneous translations, e.g. for social media and press releases.

- 3.2 This post is in addition to the Part Time Welsh Language Translator post that already exists on our Service's structure at an additional annual cost of £17,14412 p.a. including on-costs.
- 3.3 Any further costs associated with the introduction of Welsh Language Standards will be contained within existing budgets, as the requirements of the Welsh Language Standards centre mainly around having sufficient bilingual staff members to be able to deliver non-emergency services in Welsh where that is the preferred language of the service user. This capacity can be achieved by ensuring that key roles are designated as Welsh essential and filled by Welsh speakers who have the language and other skills required.

4. EQUALITY RISK ASSESSMENT

- 4.1 An Equality Risk Assessment has been undertaken by the Welsh Language Officer and no adverse impacts on any other Protected Characteristics have been identified. There are positive impacts to the extent that Welsh speaking individuals from within all of the Protected Characteristic groups will benefit from having the option to access and receive most of the Authority's services in Welsh.

5. RECOMMENDATION

- 5.1 That Members note the contents of the report.

Contact Officer:	Background Papers:
Cath Baldwin Welsh Language Officer	SWFRA Welsh Language Standards Compliance Notice ; http://www.southwales-fire.gov.uk/English/aboutus/Documents/South%20Wales%20Fire%20Authority%20Compliance%20Notice%202017.pdf Welsh Language Standards (No 5) Regulations 2016 http://senedd.assembly.wales/documents/s49297/CLA690%20-

	<p>The%20Welsh%20Language%20Standards%20No.%205%20Regulations%202016.pdf</p> <p>Welsh Language (Wales) Measure 2011 http://www.legislation.gov.uk/mwa/2011/1/contents/enacted</p>
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APPENDIX 1




South Wales Fire and Rescue Authority Welsh Language Standards Compliance Review and Action Plan January 2018

This action plan has been compiled against the Welsh Language Standards (No 5) Regulations 2016 laid down for the three Fire and Rescue Authorities in Wales and other named bodies. The purpose of this review is to determine the extent to which SWFRS has achieved compliance with the standards and to identify any actions that need to be taken in order to achieve full compliance. Where possible, indicative costs are included.

The standards are grouped into 4 areas as described below:

- a **service delivery** standard
- a **policy making** standard
- an **operational** standard
- a **record keeping** standard

Under these areas, **152** individual standards have be imposed upon SWFRA by the Welsh Language Commissioner. Next to each individual standard is shown a simple “traffic light” system of green/amber/red to denote SWFRA’s current level of compliance against the standards.

	Compliance achieved.
	Not compliant but work in progress to meet compliance.
	Non-compliant and no action plan in place to achieve compliance.




Service delivery standards

1 Standards relating to correspondence sent by a body.	Status	Comment
<p>(1) When a body replies to correspondence</p> <p>Standard 1 If you receive correspondence from a person in Welsh you must reply in Welsh (if an answer is required), unless the person has indicated that there is no need to reply in Welsh.</p>	●	Covered in Guidance for Staff
<p>(2) When a body initiates correspondence</p> <p>(c) When a body corresponds with several persons (for example, when it issues a circular, or sends the same letter to a number of homes).</p>		
<p>Standard 4 When you send the same correspondence to several persons, you must issue a Welsh language version of the correspondence at the same time as you send any English language version.</p>	●	Covered in Guidance for Staff
<p>(3) General standards relating to correspondence sent by a body.</p>		
<p>Standard 5 If you don't know whether a person wishes to receive correspondence from you in Welsh, when you correspond with that person you must provide a Welsh language version of the correspondence.</p>	●	Covered in Guidance for Staff

(3) General standards relating to correspondence sent by a body.	Status	Comment
Standard 6 If you produce a Welsh language version and a corresponding English language version of correspondence, you must not treat the Welsh language version less favourably than the English language version (for example, if the English version is signed, or if contact details are provided on the English version, then the Welsh version must be treated in the same way).	●	Covered in Guidance for Staff
Standard 7 You must state – (a) in correspondence, and (b) in publications and official notices that invite persons to respond to you or correspond with you, that you welcome receiving correspondence in Welsh, that you will respond to correspondence in Welsh, and that corresponding in Welsh will not lead to delay.	●	Covered in Guidance for Staff
2 Standards relating to telephone calls made and received by a body. (1) Telephone calls made to a body's main contact number and to any helplines or call centres.		
Standard 8 When a person contacts you on your main telephone number (or numbers), or on any helpline numbers or call centre numbers, you must greet the person in Welsh.	●	Covered in Guidance for Staff

2 Standards relating to telephone calls made and received by a body. (1) Telephone calls made to a body's main contact number and to any helplines or call centres.	Status	Comment
Standard 9 When a person contacts you on your main telephone number (or numbers), or on any helpline numbers or call centre numbers, you must inform the person that a Welsh language service is available.	●	Not applicable to 999 or 112
Standard 10 When a person contacts you on your main telephone number (or numbers), or on any helpline numbers or call centre numbers, you must deal with the call in Welsh in its entirety if that is the person's wish (where necessary by transferring the call to a member of staff who is able to deal with the call in Welsh).	●	Covered in Guidance for Staff
Standard 12 When you advertise telephone numbers, helpline numbers or call centre services, you must not treat the Welsh language less favourably than the English language.	●	Covered in Guidance for Staff
Standard 13 If you offer a Welsh language service on your main telephone number (or numbers), on any helpline numbers or call centre numbers, the telephone number for the Welsh language service must be the same as for the corresponding English language service.	●	Compliant
Standard 14 When you publish your main telephone number, or any helpline numbers or call centre service numbers, you must state (in Welsh) that you welcome calls in Welsh.	●	Covered in Guidance for Staff

2 Standards relating to telephone calls made and received by a body <i>continued.</i> (1) Telephone calls made to a body's main contact number and to any helplines or call centres.	Status	Comment
Standard 15 If you have performance indicators for dealing with telephone calls, you must ensure that those performance indicators do not treat telephone calls made in Welsh any less favourably than calls made in English.	●	N/A
Standard 16 Your main telephone call answering service (or services) must inform persons calling, in Welsh, that they can leave a message in Welsh.	●	N/A
Standard 17 When there is no Welsh language service available on your main telephone number (or numbers), or on any helpline numbers or call centre numbers, you must inform persons calling, in Welsh (by way of an automated message or otherwise), when a Welsh language service will be available.	N/A	
(2) Telephone calls made to departments and to members of a body's staff.		
Standard 18 If a person contacts one of your departments on a direct line telephone number (including on staff members' direct line numbers), and that person wishes to receive a service in Welsh, you must provide that service in Welsh in its entirety (if necessary by transferring the call to a member of staff who is able to deal with the call in Welsh).	●	Covered in Guidance for Staff

(2) Telephone calls made to departments and to members of a body's staff <i>continued</i>.	Status	Comment
Standard 20 When a person contacts you on a direct number (whether on a department's direct line number or on the direct line number of a member of staff), you must ensure that, when greeting the person, the Welsh language is not treated less favourably than the English language.		Covered in Guidance for Staff
(3) Telephone calls made by a body.		
Standard 21 When you telephone an individual ("A") for the first time you must ask A whether A wishes to receive telephone calls from you in Welsh, and if A responds to say that A wishes to receive telephone calls in Welsh you must keep a record of that wish, and conduct telephone calls made to A from then onwards in Welsh.		Evidence required
(4) A body dealing with telephone calls using an automated system.		
Standard 22 Any automated telephone systems that you have must provide the complete automated service in Welsh.		0800 number Welsh to be first

3 Standards relating to a body holding meetings that are not open to the general public.	Status	Comment
(1) Meetings between a body and one other invited person.		
Standard 23 If you invite one person only ("P") to a meeting, you must offer to conduct the meeting in Welsh; and if P informs you that P wishes for the meeting to be conducted in Welsh, you must conduct the meeting in Welsh (without the assistance of a simultaneous or consecutive translation service).	●	Covered in Guidance to Staff
(2) Meetings between a body and more than one invited person.		
Standard 25 If you invite more than one person to a meeting, you must ask each person whether they wish to use the Welsh language at the meeting.	●	Covered in Guidance to Staff
Standard 25A If you have invited more than one person to a meeting, and at least 10% (but less than 100%) of the persons invited have informed you that they wish to use the Welsh language at the meeting, you must arrange for a simultaneous translation service from Welsh to English to be available at the meeting.	●	Covered in Guidance to Staff
Standard 25CH If you have invited more than one person to a meeting, and all of the persons invited have informed you that they wish to use the Welsh language at the meeting, you must conduct the meeting in Welsh (without the assistance of a simultaneous or consecutive translation service).	●	Covered in Guidance to Staff

4 Standards relating to a body holding interviews that are not open to the general public.	Status	Comment
<p>(1) Interviews between a body and a person.</p> <p>Standard 26 If you invite or require a person ("P") to attend an interview – (a) to assist you with an enquiry (for example as a witness to an event); or (b) if P has been arrested you must ask P whether P wishes to use the Welsh language at the interview, and inform P that you will, if necessary, provide a translation service from Welsh to English for that purpose.</p>	●	Covered in Guidance to Staff
<p>Standard 26A If you have invited or required a person "P" to attend an interview – (a) to assist you with an enquiry (for example as a witness to an event); or (b) if P has been arrested and P has informed you that P wishes to use the Welsh language at the interview, you must arrange for a simultaneous translation service from Welsh to English to be available at the interview (unless you conduct the interview in Welsh without the assistance of a translation service).</p>	●	Covered in Guidance to Staff
<p>(2) Interviews between a body and more than one person.</p>		
<p>Standard 27 If you invite or require more than one person to attend an interview – (a) to assist you with an enquiry (for example as a witness to an event); or (b) if one or more of those persons has been arrested you must ask each person whether they wish to use the Welsh language at the interview, and inform them that you will, if necessary, provide a translation service from Welsh to English for that purpose.</p>	●	Covered in Guidance to Staff

(2) Interviews between a body and more than one person <i>cont'd.</i>	Status	Comment
<p>Standard 27A If you invite or require more than one person to attend an interview –</p> <p>(a) to assist you with an enquiry (for example as a witness to an event); or</p> <p>(b) if one or more of those persons has been arrested</p> <p>and if one or more of those persons has informed you that they wish to use the Welsh language at the interview you must arrange for a simultaneous translation service from Welsh to English to be available at the interview (unless you conduct the interview in Welsh without the assistance of a translation service).</p>	●	Covered in Guidance to Staff
<p>5 Standards relating to meetings arranged by a body that are open to the public.</p>		
<p>Standard 28 If you arrange a meeting that is open to the public you must state on any material advertising it, and on any invitation to it, that anyone attending is welcome to use the Welsh language at the meeting.</p>	●	Covered in Guidance to Staff
<p>Standard 29 When you send invitations to a meeting that you arrange which is open to the public, you must send the invitations in Welsh.</p>	●	Covered in Guidance to Staff

5 Standards relating to meetings arranged by a body that are open to the public <i>continued</i>.	Status	Comment
<p>Standard 30 If you invite persons to speak at a meeting that you arrange which is open to the public you must –</p> <p>(a) ask each person invited to speak whether he or she wishes to use the Welsh language, and</p> <p>(b) if that person (or at least one of those persons) has informed you that he or she wishes to use the Welsh language at the meeting, provide a simultaneous translation service from Welsh to English for that purpose (unless you conduct the meeting in Welsh without a translation service).</p>	●	Covered in Guidance to Staff
<p>Standard 31 If you arrange a meeting that is open to the public, you must ensure that a simultaneous translation service from Welsh to English is available at the meeting, and you must orally inform those present in Welsh –</p> <p>(a) that they are welcome to use the Welsh language, and</p> <p>(b) that a simultaneous translation service is available</p>	●	Covered in Guidance to Staff
<p>Standard 32 If you display any written material at a meeting that you arrange which is open to the public, you must ensure that that material is displayed in Welsh, and you must not treat any Welsh language text less favourably than the English language text.</p>	●	Covered in Guidance to Staff

6 Standards relating to public events organised or funded by a body.	Status	Comment
Standard 33 If you organise a public event, or fund at least 50% of a public event, you must ensure that, in promoting the event, the Welsh language is treated no less favourably than the English language (for example, in the way the event is advertised or publicised).	●	Covered in Guidance to Staff
Standard 34 If you organise a public event, or fund at least 50% of a public event, you must ensure that the Welsh language is treated no less favourably than the English language at the event (for example, in relation to services offered to persons attending the event, in relation to signs displayed at the event and in relation to audio announcements made at the event).	●	Covered in Guidance to Staff
7 Standards relating to a body's publicity and advertising.		
Standard 35 Any publicity or advertising material that you produce must be produced in Welsh, and if you produce the advertising material in Welsh and in English, you must not treat the Welsh language version less favourably than you treat the English language version.	●	Covered in Guidance to Staff
8 Standards relating to a body displaying material in public.		
Standard 36 Any material that you display in public must be displayed in Welsh, and you must not treat any Welsh language version of the material less favourably than the English language version.	●	Covered in Guidance to Staff

9 Standards relating to a body producing and publishing documents.	Status	Comment
<p>Standard 38 Any documents that you produce for public use must be produced in Welsh.</p> <p>You must comply with standard 38 in every circumstance, except:</p> <ul style="list-style-type: none"> Other papers which are available to the public which relate to board or authority meetings. [See standard 45] 	●	Covered in Guidance to Staff
<p>Standard 45 If you produce a document which is available to the public, and no other standard has required you to produce the document in Welsh, you must produce it in Welsh –</p> <p>(a) if the subject matter of the document suggests that it should be produced in Welsh, or</p> <p>(b) if the anticipated audience, and their expectations, suggests that the document should be.</p>	●	Covered in Guidance to Staff
<p>Standard 46 If you produce a document in Welsh and in English, (whether separate versions or not) you must not treat any Welsh language version less favourably than you treat the English language version.</p>	●	Covered in Guidance to Staff
<p>Standard 47 If you produce a Welsh language version and a separate English language version of a document, you must ensure that the English language version clearly states that the document is also available in Welsh.</p>	●	Covered in Guidance to Staff
10 Standards relating to a body producing and publishing forms.		
<p>Standard 48 Any form that you produce for public use must be produced in Welsh.</p>	●	Covered in Guidance to Staff
<p>Standard 48A If you produce a Welsh language version and a separate English language version of a form, you must ensure that the English language version clearly states that the form is also available in Welsh.</p>	●	Covered in Guidance to Staff

10 Standards in relation to a body producing and publishing forms <i>continued.</i>	Status	Comment
Standard 48B If you produce a form in Welsh and in English (whether separate versions or not), you must ensure that the Welsh language version is treated no less favourably than the English language version, and you must not differentiate between the Welsh and English versions in relation to any requirements that are relevant to the form (for example in relation to any deadline for submitting the form, or in relation to the time allowed to respond to the content of the form).	●	Covered in Guidance to Staff
11 Standards relating to a body's websites and on-line services. (1) Websites published by a body.		
Standard 49 You must ensure that – (a) the text of each page of your website is available in Welsh, (b) every Welsh language page on your website is fully functional, and (c) the Welsh language is not treated less favourably than the English language on your website.	●	Covered in Guidance to Staff
Standard 52 If you have a Welsh language web page that corresponds to an English language web page, you must state clearly on the English language web page that the page is also available in Welsh, and you must provide a direct link to the Welsh page on the corresponding English page.	●	Compliance verified 06.11.17

11 Standards relating to a body's websites and on-line services <i>continued.</i>	Status	Comment
(1) Websites published by a body <i>continued.</i>		
Standard 53 You must provide the interface and menus on every page of your website in Welsh.	●	Compliance verified 06.11.17
(2) Apps published by a body.		
Standard 54 All apps that you publish must function fully in Welsh, and the Welsh language must be treated no less favourably than the English language in relation to that app.	●	Compliant SWFRS does not produce apps
12 Standards relating to a body's use of social media		
Standard 55 When you use social media you must not treat the Welsh language less favourably than the English language.	●	Covered in social media policy published on Intranet
Standard 56 If a person contacts you by social media in Welsh, you must reply in Welsh (if an answer is required).	●	Embedded in current practice

14 Standards relating to signs displayed by a body	Status	Comment
Standard 58 When you erect a new sign or renew a sign (including temporary signs), any text displayed on the sign must be displayed in Welsh (whether on the same sign as you display corresponding English language text or on a separate sign); and if the same text is displayed in Welsh and in English, you must not treat the Welsh language text less favourably than the English language text.	●	Covered in Guidance to Staff
Standard 59 When you erect a new sign or renew a sign (including temporary signs), which conveys the same information in Welsh and in English, the Welsh language text must be positioned so that it is likely to be read first.	●	Covered in Guidance to Staff
Standard 60 You must ensure that the Welsh language text on signs is accurate in terms of meaning and expression.	●	Compliant through translation procedure
15 Standards relating to a body receiving visitors at its buildings.		
Standard 61 Any reception service you make available in English must also be available in Welsh, and any person who requires a Welsh language reception service must not be treated less favourably than a person who requires an English language reception service.	●	Compliant Welsh essential posts cover reception
Standard 64 You must display a sign in your reception area which states (in Welsh) that persons are welcome to use the Welsh language at the reception.	●	Compliant Signs purchased and placed

15 Standards relating to a body receiving visitors at its buildings.	Status	Comment
Standard 65 You must ensure that staff at the reception who are able to provide a Welsh language reception service wear a badge to convey that.	●	Compliant
16 Standards relating to official notices made by a body		
Standard 66 Any notice that you publish or display must be published or displayed in Welsh, and you must not treat any Welsh language version of a notice less favourably than an English language version.	●	Covered in Guidance to Staff
Standard 67 When you publish or display a notice that contains Welsh language text as well as English language text, the Welsh language text must be positioned so that it is likely to be read first.	●	Compliant
17 Standards relating to a body awarding contracts		
<p>Standard 73 Any invitations to tender for a contract that you publish must be published in Welsh, and you must not treat a Welsh language version of any invitation less favourably than an English language version.</p> <p>You must comply with standard 73 in the following circumstance</p> <ul style="list-style-type: none"> (a) If the subject matter of the invitation to tender suggests that it should be produced in Welsh, or (b) If the anticipated audience, and their expectations, suggests that the text should be produced in Welsh. 	●	Covered in Guidance to Staff
Standard 74 When you publish invitations to tender for a contract, you must state in the invitation that tenders may be submitted in Welsh, and that a tender submitted in Welsh will be treated no less favourably than a tender submitted in English.	●	Covered within Invitation to Tender documentation

17 Standards relating to a body awarding contracts	Status	Comment
Standard 74A You must not treat a tender for a contract submitted in Welsh less favourably than a tender submitted in English (including, amongst other matters, in relation to the closing date for receiving tenders, and in relation to the time-scale for informing tenderers of decisions).	●	Covered in Guidance to Staff
Standard 76 If you receive a tender in Welsh and it is necessary to interview a tenderer as part of your assessment of the tender, you must – (a) Offer to provide a translation service from Welsh to English to enable the tenderer to use the Welsh language at the interview and, (b) If the tenderer wishes to use the Welsh language at the interview, provide a simultaneous translation service for that purpose (unless you conduct the interview in Welsh without a translation service).	●	Covered in Guidance to Staff
Standard 77 When you inform a tenderer of your decision in relation to a tender, you must do so in Welsh if the tender was submitted in Welsh.	●	Covered in Guidance to Staff
17 Standards for raising awareness about Welsh language services provided by a body.		
Standard 78 You must promote any Welsh language service that you provide, and advertise that service in Welsh.	●	Covered in Guidance to Staff
Standard 79 If you provide a service in Welsh that corresponds to a service you provide in English, any publicity or document that you produce, or website that you publish, which refers to the English service must also state that a corresponding service is available in Welsh.	●	Covered in Guidance to Staff

19 Standard relating to a body's corporate identity.	Status	Comment
Standard 80 When you form, revise or present your corporate identity, you must not treat the Welsh language less favourably than the English language.	●	Covered in Guidance to Staff
20 Standards relating to courses offered by a body.		
Standard 81 If you offer an education course that is open to the public, you must offer it in Welsh.	●	Covered in Guidance to Staff
21 Standard relating to public address systems used by a body.		
Standard 84 When you announce a message over a public address system, you must make that announcement in Welsh and, if the announcement is made in Welsh and in English, the announcement must be made in Welsh first.	●	Covered in Guidance to Staff

Policy Making Standards

1 Standards relating to considering the effects of a body's policy decisions on the Welsh language.	Status	Comment
<p>Standard 85 When you formulate a new policy, or review or revise an existing policy, you must consider what effects, if any (whether positive or adverse), the policy decision would have on –</p> <p>(a) opportunities for persons to use the Welsh language, and</p> <p>(b) treating the Welsh language no less favourably than the English language.</p>	●	Added to new ERA procedure, but new ERA procedure and forms not yet published
<p>Standard 86 When you formulate a new policy, or review or revise an existing policy, you must consider how the policy could be formulated (or how an existing policy could be changed) so that the policy decision would have positive effects, or increased positive effects, on –</p> <p>(a) opportunities for persons to use the Welsh language, and</p> <p>(b) treating the Welsh language no less favourably than the English language.</p>	●	Added to new ERA procedure, but new ERA procedure and forms not yet published
<p>Standard 87 When you formulate a new policy, or review or revise an existing policy, you must consider how the policy could be formulated (or how an existing policy could be changed) so that the policy decision would not have adverse effects, or so that it would have decreased adverse effects, on-</p> <p>(a) opportunities for persons to use the Welsh language, and</p> <p>(b) treating the Welsh language no less favourably than the English language.</p>	●	Added to new ERA procedure, but new ERA procedure and forms not yet published

Standards relating to considering the effects of a body's policy decisions on the Welsh language <i>continued</i>.	Status	Comment
<p>Standard 88 When you publish a consultation document which relates to a policy decision, the document must consider, and seek views on, the effects (whether positive or adverse) that the policy decision under consideration would have on –</p> <p>(a) opportunities for persons to use the Welsh language, and</p> <p>(b) treating the Welsh language no less favourably than the English language.</p>	●	Covered in Guidance to Staff
<p>Standard 89 When you publish a consultation document which relates to a policy decision, the document must consider, and seek views on, how the policy under consideration could be formulated or altered so that it would have positive effects, or increased positive effects, on –</p> <p>(a) opportunities for persons to use the Welsh language, and</p> <p>(b) treating the Welsh language no less favourably than the English language.</p>	●	Covered in Guidance to Staff
<p>Standard 90 When you publish a consultation document which relates to a policy decision, the document must consider, and seek views on, how the policy under consideration could be formulated or altered so that it would not have adverse effects, or so that it would have decreased adverse effects, on –</p> <p>(a) opportunities for persons to use the Welsh language, and</p> <p>(b) treating the Welsh language no less favourably than the English language.</p>	●	Covered in Guidance to Staff

1 Standards relating to considering the effects of a body's policy decisions on the Welsh language <i>continued</i>.	Status	Comment
<p>Standard 92 When you commission or undertake research that is intended to assist you to make a policy decision, you must ensure that the research considers what effects, if any (and whether positive or adverse), the policy decision under consideration would have on –</p> <p>(a) opportunities for persons to use the Welsh language, and</p> <p>(b) treating the Welsh language no less favourably than the English language.</p>	●	Covered in Guidance to Staff
<p>Standard 93 When you commission or undertake research that is intended to assist you to make a policy decision, you must ensure that the research considers how the policy decision under consideration could be made so that it would have a positive effect, or so that it would have increased positive effects, on –</p> <p>(a) opportunities for persons to use the Welsh language, and</p> <p>(b) treating the Welsh language no less favourably than the English language.</p>	●	Covered in Guidance to Staff
<p>Standard 94 When you commission or undertake research that is intended to assist you to make a policy decision, you must ensure that the research considers how the policy decision under consideration could be made so that it would not have adverse effects, or so that it would have decreased adverse effects, on –</p> <p>(a) opportunities for persons to use the Welsh language, and</p> <p>(b) treating the Welsh language no less favourably than the English language.</p>	●	Covered in Guidance to Staff

Operating Standards

1 Standards relating to the use of the Welsh language within a body's internal administration.	Status	Comment
Standard 95 You must develop a policy on using Welsh internally for the purpose of promoting and facilitating the use of the language, and you must publish that policy on your intranet.	●	Compliant, policy produced and published on the Intranet.
Standard 96 When you offer a new post to an individual, you must ask that individual whether he or she wishes for the contract of employment or contract for services to be provided in Welsh; and if that is the individual's wish you must provide the contract in Welsh.	●	Compliance verified by Mark Malson
Standard 97 You must – (a) ask each employee whether he or she wishes to receive any paper correspondence that relates to his or her employment, and which is addressed to him or her personally, in Welsh, and (b) if an employee so wishes, provide any such correspondence to that employee in Welsh.	●	Compliance verified by Mark Malson
Standard 98 You must ask each employee whether he or she wishes to receive documents that outline his or her training needs or requirements in Welsh; and if that is the employee's wish you must provide any such documents to him or to her in Welsh.	●	Compliance verified by Mark Malson
Standard 99 You must ask each employee whether he or she wishes to receive documents that outline his or her performance objectives in Welsh; and if that is the employee's wish you must provide any such documents to him or to her in Welsh.	●	Compliance verified by Mark Malson

1 Standards relating to the use of the Welsh language within a body's internal administration <i>continued</i>.	Status	Comment
Standard 100 You must ask each employee whether he or she wishes to receive documents that outline or record his or her career plan in Welsh; and if that is the employee's wish you must provide any such documents to him or to her in Welsh.	●	Compliance verified by Mark Malson
Standard 101 You must ask each employee whether he or she wishes to receive application forms that record and authorise – (a) annual leave, (b) absences from work, and (c) flexible working hours, in Welsh; and if that is an employee's wish, you must provide any such forms to him or to her in Welsh.	●	Compliance verified by Mark Malson
Standard 102 If you publish a policy relating to behaviour in the workplace, you must publish it in Welsh.	●	Awaiting translation
Standard 103 If you publish a policy relating to health and well-being at work, you must publish it in Welsh.	●	Awaiting translation
Standard 104 If you publish a policy relating to salaries or workplace benefits, you must publish it in Welsh.	●	Awaiting translation
Standard 105 If you publish a policy relating to performance management, you must publish it in Welsh.	●	Awaiting translation

1 Standards relating to the use of the Welsh language within a body's internal administration <i>continued</i>.	Status	Comment
Standard 106 If you publish a policy about absence from work, you must publish it in Welsh.	●	Awaiting translation
Standard 107 If you publish a policy relating to working conditions, you must publish it in Welsh.	●	Awaiting translation
Standard 108 If you publish a policy regarding work patterns, you must publish it in Welsh.	●	Awaiting translation
2 Standards relating to complaints made by a member of a body's staff.		
Standard 109 You must allow each member of staff – (a) to make complaints to you in Welsh, and (b) to respond in Welsh to any complaint made about him or her.	●	Compliance verified by Mark Malson
Standard 109A You must state in any document that you have that sets out your procedures for making complaints that each member of staff may – (a) to make a complaint to you in Welsh, and (b) to respond to a complaint made about him or about her in Welsh; and you must also inform each member of staff of that right.	●	Compliance verified by Mark Malson
Standard 110 When you receive a complaint from a member of staff or a complaint about a member of staff, and a meeting is required with that member of staff, you must – (a) offer to conduct that meeting in Welsh, and (b) if the member of staff wishes for the meeting to be conducted in Welsh, conduct the meeting in Welsh (without the assistance of a simultaneous or consecutive translation service).	●	Compliance verified by Mark Malson

2 Standards relating to complaints made by a member of a body's staff <i>continued</i>.	Status	Comment
<p>Standard 112 When you inform a member of staff of a decision you have reached in relation to a complaint made by him or by her, or in relation to a complaint made about him or about her, you must do so in Welsh if that member of staff –</p> <p>(a) made the complaint in Welsh,</p> <p>(b) responded in Welsh to a complaint about him or about her,</p> <p>(c) asked for a meeting about the complaint to be conducted in Welsh, or</p> <p>(ch) asked to use the Welsh language at a meeting about the complaint.</p>	●	Compliance verified by Mark Malson
3 Standards relating to a body disciplining staff.		
<p>Standard 113 You must allow all members of staff to respond in Welsh to allegations made against them in any internal disciplinary process.</p>	●	Compliance verified by Mark Malson
<p>Standard 113A You must –</p> <p>(a) state in any document that you have which sets out your arrangements for disciplining staff that any member of staff may respond in Welsh to any allegations made against him or against her, and</p> <p>(b) if you commence a disciplinary procedure in relation to a member of staff, inform that member of staff of that right.</p>	●	Compliance verified by Mark Malson

3 Standards relating to a body disciplining staff <i>continued</i>.	Status	Comment
<p>Standard 115 If you organise a meeting with a member of staff regarding a disciplinary matter that relates to his or to her conduct you must –</p> <p>(a) ask the member of staff whether he or she wishes to use the Welsh language at the meeting, and</p> <p>(b) explain that you will provide a translation service for that purpose if it is required;</p> <p>and, if the member of staff wishes to use the Welsh language, you must provide a simultaneous translation service from Welsh to English at the meeting (unless you conduct the meeting in Welsh without a translation service).</p>	●	Compliance verified by Mark Malson
<p>Standard 116 When you inform a member of staff of a decision you have reached following a disciplinary process, you must do so in Welsh if that member of staff –</p> <p>(a) responded to allegations made against him or against her in Welsh,</p> <p>(b) asked for a meeting regarding the disciplinary process to be conducted in Welsh, or</p> <p>(c) asked to use the Welsh language at a meeting regarding the disciplinary process.</p>	●	Compliance verified by Mark Malson

4 Standards relating to a body's information technology and about support material provided by a body, and relating to the intranet.	Status	Comment
Standard 117 You must provide staff with computer software for checking spelling and grammar in Welsh, and provide Welsh languages interfaces for software (where an interface exists).	●	Covered in Guidance to Staff
Standard 118 You must ensure that – (a) the text of each page of your intranet is available in Welsh, (b) every Welsh language page on your intranet is fully functional, and (c) the Welsh language is treated no less favourably than the English language on your intranet.	●	Challenge pending / 9 months to comply
Standard 121 If you have a Welsh language page on your intranet that corresponds to an English language page, you must state clearly on the English language page that the page is also available in Welsh, and must provide a direct link to the Welsh language page on the corresponding English language page.	●	Challenge pending / 9 months to comply
Standard 122 You must designate and maintain a page (or pages) on your intranet which provides services and support material to promote the Welsh language and to assist your staff to use the Welsh language.	●	Compliant
Standard 123 You must provide the interface and menus on your intranet pages in Welsh.	●	Challenge pending / 9 months to comply
5 Standards relating to a body developing Welsh language skills through planning and training its workforce.		
Standard 124 You must assess the Welsh language skills of your employees.	●	In progress

5 Standards relating to a body developing Welsh language skills through planning and training its workforce <i>continued</i>.	Status	Comment
<p>Standard 125 You must provide training in Welsh in the following areas, if you provide such training in English –</p> <ul style="list-style-type: none"> (a) recruitment and interviewing; (b) performance management; (c) complaints and disciplinary procedures; (ch) induction; (d) dealing with the public; (dd) health and safety 	●	Action plans required from Training for (ch) and (dd)
<p>Standard 126 You must provide training (in Welsh) on using Welsh effectively in –</p> <ul style="list-style-type: none"> (a) meetings; (b) interviews; (c) complaints and disciplinary procedures. 	●	In design stage
<p>Standard 127 You must provide opportunities during working hours –</p> <ul style="list-style-type: none"> (a) for your employees to receive basic Welsh language lessons, and (b) for employees who manage others to receive training on using the Welsh language in their role as managers. 	●	Compliant for (a), package to meet compliance for (b) in design stage

5 Standards relating to a body developing Welsh language skills through planning and training its workforce <i>continued</i>.	Status	Comment
Standard 128 You must provide opportunities for staff who have completed basic Welsh language training to receive further training free of charge, to develop their language skills.	●	Compliant through Welsh Language Skills Training Strategy
Standard 129 You must provide training courses so that your staff can develop – (a) awareness of the Welsh language (including awareness of its history and its role in Welsh culture); (b) an understanding of the duty to operate in accordance with the Welsh language standards; (c) an understanding of how the Welsh language can be used in the workplace.	●	In design stage
Standard 130 When you provide information to new employees (for example by means of an induction process), you must provide information for the purpose of raising their awareness of the Welsh language.	●	Compliant through session on induction
Standard 131 You must provide text or a logo for your staff to include in e-mail signatures which will enable them to indicate whether they speak Welsh fluently or whether they are learning the language.	●	Covered in Guidance to Staff
Standard 132 You must provide wording for your employees which will enable them to include a Welsh language version of their contact details in e-mail messages, and to provide a Welsh language version of any message which informs others that they are unable to respond to e-mail messages.	●	Covered in Guidance to Staff

6 Standards relating to a body recruiting and appointing	Status	Comment
Standard 133 You must make available to members of staff who are able to speak Welsh a badge for them to wear to convey that.	●	Compliant
Standard 133A You must promote to members of staff the wearing of a badge that conveys that a member of staff is able to speak Welsh.	●	Covered in Guidance to Staff
Standard 134 When you assess the requirements for a new or vacant post, you must assess the need for Welsh language skills, and categorise it as a post where one or more of the following apply – (a) Welsh language skills are essential; (b) Welsh language skills need to be learnt when appointed to the post; (c) Welsh language skills are desirable; or (ch) Welsh language skills are not necessary	●	Compliance verified by Mark Malson
Standard 134A If you have categorised a post as one where Welsh language skills are essential, desirable or need to be learnt you must – (a) specify that when advertising the post, and (b) advertise the post in Welsh.	●	Compliance verified by Mark Malson
Standard 135 When you advertise a post, you must state that applications may be made in Welsh, and that an application submitted in Welsh will not be treated less favourably than an application submitted in English.	●	Compliance verified by Mark Malson

6 Standards relating to a body recruiting and appointing <i>continued</i>.	Status	Comment
<p>Standard 135A If you publish – (a) application forms for posts; (b) material that explains your procedure for applying for posts; (c) information about your interview process, or about other assessment methods when applying for posts; (ch) job descriptions; you must publish them in Welsh; and you must ensure that the Welsh language versions of the documents are treated no less favourably than any English language versions of those documents.</p>	●	Compliance verified by Mark Malson
<p>Standard 135B You must not treat an application for a post made in Welsh less favourably than you treat an application made in English (including, amongst other matters, in relation to the closing date you set for receiving applications and in relation to any time-scale for informing applicants of decisions).</p>	●	Compliance verified by Mark Malson
<p>Standard 137 You must ensure that your application forms for posts – (a) provide a space for individuals to indicate that they wish to use the Welsh language at an interview or other method of assessment, and (b) explain that you will provide a translation service from Welsh to English for that purpose if it is required; and if the individual wishes to use the Welsh language, at the interview or assessment, you must provide a simultaneous translation service at the interview or assessment (unless you conduct the interview or assessment in Welsh without that translation service).</p>	●	Compliance verified by Mark Malson

6 Standards relating to a body recruiting and appointing <i>continued</i>.	Status	Comment
Standard 138 When you inform an individual of your decision in relation to an application for a post, you must do so in Welsh if the application was made in Welsh.	●	Compliance verified by Gill Goss
7 Standards relating to signs displayed in a body's workplace.		
Standard 139 When you erect a new sign or renew a sign in your workplace (including temporary signs), any text displayed on the sign must be displayed in Welsh (whether on the same sign as you display corresponding English language text or on a separate sign), and if the same text is displayed in Welsh and in English, you must not be treat the Welsh language text less favourably than the English language text.	●	Compliance verified by Mark Malson
Standard 140 When you erect a new sign or renew a sign in your workplace (including temporary signs) which conveys the same information in Welsh and in English, the Welsh-language text must be positioned so that it is likely to be read first.	●	Covered in Guidance for Staff
Standard 141 You must ensure that the Welsh language text on signs displayed in your workplace is accurate in terms of meaning and expression.	●	Covered in Guidance for Staff
8 Standard relating to audio announcements and messages in a body's workplace.		
Standard 142 When you make announcements in the workplace using audio equipment, that announcement must be made in Welsh, and if the announcement is made in Welsh and in English, the announcement must be made in Welsh first.	●	N/A SWFRS does not do this

Record Keeping Standards

1 Standards relating to a body keeping records	Status	Comment
<p>Standard 143 You must keep a record, in relation to each financial year, of the number of complaints you receive relating to your compliance with standards.</p>	●	Compliance verified by Mark Malson
<p>Standard 144 You must keep a copy of any written complaint that you receive that relates to your compliance with the standards with which you are under a duty to comply.</p>	●	Compliance verified by Mark Malson
<p>Standard 145 You must keep a copy of any written complaint that you receive that relates to the Welsh language (whether or not that complaint relates to the standards with which you are under a duty to comply).</p>	●	Compliance verified by Mark Malson
<p>Standard 146 You must keep a record of the steps that you have taken in order to ensure compliance with the policy making standards with which you are under a duty to comply.</p>	●	Compliance verified by Mark Malson
<p>Standard 147 You must keep a record (following assessments of your employees' Welsh language skills made in accordance with standard 127), of the number of employees who have Welsh language skills at the end of each financial year and, where you have that information, you must keep a record of the skill level of those employees.</p>	●	In progress

1 Standards relating to a body keeping records <i>continued</i>.	Status	Comment
<p>Standard 148 You must keep a record, for each financial year of – (a) the number of members of staff who attended training courses offered by you in Welsh (in accordance with standard 125), and (b) if a Welsh version of a course was offered by you in accordance with standard 125 the percentage of the total number of staff attending the course who attended that version.</p>	●	Compliance verified by Mark Malson
<p>Standard 149 You must keep a record of the number of members of staff who wear a badge (made available to them in accordance with standard 133) at the end of each financial year.</p>	●	Compliance verified by Mark Malson
<p>Standard 150 You must keep a copy of every assessment that you carry out (in accordance with standard 134) in respect of the Welsh language skills that may be needed in relation to a new or vacant post.</p>	●	Compliance verified by Mark Malson
<p>Standard 151 You must keep a record, in relation to each financial year of the number of new and vacant posts which were categorised (in accordance with standard 134) as posts where – (a) Welsh language skills are essential; (b) Welsh language skills need to be learnt; (c) Welsh language skills are desirable: or (ch) Welsh language skills are not necessary</p>	●	Compliance verified by Mark Malson

Supplementary Matters

Service Delivery Standards

1 A body publicising service delivery standards	Status	Comment
<p>Standard 152 You must ensure that a document which records the service delivery standards with which you are under a duty to comply, and the extent to which you are under a duty to comply with those standards, is available –</p> <p>(a) on your website, and</p> <p>(b) in each of your offices that are open to the public</p>	●	Compliant
2 A body publishing a complaints procedure		
<p>Standard 153 You must –</p> <p>(a) ensure that you have a complaints procedure that deals with the following matters –</p> <p style="padding-left: 20px;">i) how you intend to deal with complaints relating to your compliance with the service delivery standards with which you are under a duty to comply, and</p> <p style="padding-left: 20px;">ii) how you will provide training for your staff in relation to dealing with those complaints,</p> <p>(b) publish a document that records that procedure on your website, and</p> <p>(c) ensure that a copy of that document is available in each of your offices that are open to the public.</p>	●	Compliance verified by Mark Malson

3 A body publishing arrangements for oversight, promotion etc.	Status	Comment
<p>Standard 154 You must –</p> <p>(a) ensure that you have arrangements for –</p> <ul style="list-style-type: none"> i) overseeing the way you comply with the service delivery standards with which you are under a duty to comply, ii) promoting the services that you offer in accordance with those standards, and iii) facilitating the use of those services. <p>(b) publish a document that records those arrangements on your website, and</p> <p>(c) ensure that a copy of that document is available in each of your offices that are open to the public.</p>	●	<p>Annual monitoring self-assessment to capture these and provide scrutiny through SMT and Fire and Rescue Authority</p>

4 A body producing an annual report regarding service delivery standards.	Status	Comment
<p>Standard 155</p> <p>(1) You must produce a report (an “annual report”), in Welsh, in relation to each financial year, which deals with the way in which you have complied with the service delivery standards with which you were under a duty to comply during that year.</p> <p>(2) The annual report must include the number of complaints that you received during that year which related to your compliance with the service delivery standards with which you were under a duty to comply.</p> <p>(3) You must publish the annual report no later than 30 June following the financial year to which the report relates.</p> <p>(4) You must publicise the fact that you have published an annual report.</p> <p>(5) You must ensure that a current copy of your annual report is available –</p> <p>(a) on your website, and</p> <p>(b) in each of your offices that are open to the public.</p>	●	Monitoring framework designed and awaiting MM approval

5 A body publicising the way it intends to comply with service delivery standards	Status	Comment
Standard 156 You must publish a document on your website which explains how you intend to comply with the service delivery standards with which you are under a duty to comply.	●	Compliant
6 A body providing information to the Welsh Language Commissioner		
Standard 157 You must provide any information requested by the Welsh Language Commissioner which relates to your compliance with the service delivery standards with which you are under a duty to comply.	●	Compliant

Policy Making Standards

7 A body publicising policy making standards	Status	Comment
Standard 158 You must ensure that a document which records the policy making standards with which you are under a duty to comply, and the extent to which you are under a duty to comply with those standards, is available – (a) on your website, and (b) in each of your offices that are open to the public	●	Compliant

8 A body publishing a complaints procedure	Status	Comment
<p>Standard 159 You must –</p> <p>(a) ensure that you have a complaints procedure that deals with the following matters –</p> <ul style="list-style-type: none"> i) how you intend to deal with complaints relating to your compliance with the policy making standards with which you are under a duty to comply, and ii) how you will provide training for your staff in relation to dealing with those complaints <p>(b) publish a document that records that procedure on your website, and</p> <p>(c) ensure that a copy of that document is available in each of your offices that are open to the public.</p>	●	Compliance verified by Mark Malson

9 A body publishing arrangements for oversight	Status	Comment
<p>Standard 160 You must –</p> <p>(a) ensure that you have arrangements for overseeing the way you comply with the policy making standards with which you are under a duty to comply.</p> <p>(b) publish a document that records those arrangements on your website, and</p> <p>(c) ensure that a copy of that document is available in each of your offices that are open to the public.</p>	●	Annual monitoring self-assessment to capture these and provide scrutiny through SMT and Fire and Rescue Authority
<p>10 A body producing an annual report regarding policy making standards.</p>		
<p>Standard 161</p> <p>(1) You must produce a report (an “annual report”), in Welsh, in relation to each financial year, which deals with the way in which you have complied with the policy making standards with which you were under a duty to comply during that year.</p> <p>(2) The annual report must include the number of complaints you received during the year which related to your compliance with the policy making standards with which you were under a duty to comply.</p> <p>(3) You must publish the annual report no later than 30 June following the financial year to which the report relates.</p> <p>(4) You must publicise the fact that you have published an annual report.</p> <p>(5) You must ensure that a current copy of your annual report is available –</p> <p>(a) on your website, and</p> <p>(b) in each of your offices that are open to the public.</p>	●	Monitoring framework designed and awaiting MM approval

11 A body publicising the way it intends to comply with policy making standards	Status	Comment
Standard 162 You must publish a document on your website which explains how you intend to comply with the policy making standards with which you are under a duty to comply.	●	Compliant
12 A body providing information to the Welsh Language Commissioner		
Standard 163 You must provide any information requested by the Welsh Language Commissioner which relates to your compliance with the policy making standards with which you are under a duty to comply.	●	Compliant

Operational Standards

13 A body publicising operational standards	Status	Comment
Standard 164 You must ensure that a document which records the operational standards with which you are under a duty to comply, and the extent to which you are under a duty to comply with those standards, is available – (a) on your website, and (b) in each of your offices that are open to the public	●	Compliant

14 A body publishing a complaints procedure	Status	Comment
<p>Standard 165 You must –</p> <p>(a) ensure that you have a complaints procedure that deals with the following matters –</p> <ul style="list-style-type: none"> i) how you intend to deal with complaints relating to your compliance with the operational standards with which you are under a duty to comply, and ii) how you will provide training for your staff in relation to dealing with those complaints, and <p>(b) publish a document that records that procedure on your intranet.</p>	●	Compliance verified by Mark Malson
15 A body publishing oversight arrangements, promotion etc.		
<p>Standard 166 You must –</p> <p>(a) ensure that you have arrangements for –</p> <ul style="list-style-type: none"> i) overseeing the way you comply with the operational standards with which you are under a duty to comply, ii) promoting the services that you offer in accordance with those standards, and iii) facilitate the use of those services, and <p>(b) publish a document that records that procedure on your intranet.</p>	●	Annual monitoring self-assessment to capture these and provide scrutiny through SMT and Fire and Rescue Authority

16 A body producing an annual report regarding operational standards.	Status	Comment
<p>Standard 167</p> <p>(1) You must produce a report (an “annual report”), in Welsh, in relation to each financial year, which deals with the way in which you have complied with the operational standards with which you were under a duty to comply during that year.</p> <p>(2) The annual report must include the following information (where relevant, to the extent you are under a duty to comply with the standards referred to) –</p> <p>(a) the number of employees who have Welsh language skills at the end of the year in question (on the basis of records you kept in accordance with Standard 147);</p> <p>(b) the number of members of staff who attended training courses you offered in Welsh during the year (on the basis of records you kept in accordance with standard 148);</p> <p>(c) if a Welsh version of a course was offered by you during that year, the percentage of the total number of staff attending the course who attended the Welsh version (on the basis of the records you kept in accordance with standard 148);</p>	●	Annual monitoring self-assessment to capture these and provide scrutiny through SMT and Fire and Rescue Authority




16 A body producing an annual report regarding operational standards <i>continued</i>.	Status	Comment
<p>Standard 167 <i>continued</i> (ch) the number of members of staff who wear a badge at the end of the financial year (on the basis of records you kept in accordance with standard 149); (d) the number of new and vacant posts that you advertised during the year which were categorised as posts where – (i) Welsh language skills were essential, (ii) Welsh language skills needed to be learnt when appointed to the post, (iii) Welsh language skills were desirable, or (iv) Welsh language skills were not necessary (on the basis of the records you kept in accordance with standard 151); (dd) the number of complaints that you received during that year which related to your compliance with the operational standards with which you were under a duty to comply. (3) You must publish the annual report no later than 30 June following the financial year to which the report relates. (4) You must publicise the fact that you have published an annual report. (5) You must ensure that a current copy of your annual report is available – (a) on your website; and (b) in each of your offices that are open to the public.</p>	●	Monitoring framework designed and awaiting MM approval

17 A body publicising the way it intends to comply with operational standards	Status	Comment
Standard 168 You must publish a document on your website which explains how you intend to comply with the operational standards with which you are under a duty to comply.	●	Compliant
18 A body providing information to the Welsh Language Commissioner		
Standard 169 You must provide any information requested by the Welsh Language Commissioner which relates to your compliance with the operational standards with which you are under a duty to comply.	●	Compliant

Record Keeping Standards

21 A body publicising record keeping standards	Status	Comment
Standard 170 You must ensure that a document which records the record keeping standards with which you are under a duty to comply, and the extent to which you are under a duty to comply with those standards, is available – (a) on your website, and (b) in each of your offices that are open to the public	●	Compliant
22 A body providing information to the Welsh Language Commissioner		
Standard 176 You must provide any records you kept in accordance with the record keeping standards with which you are under a duty to comply to the Welsh Language Commissioner, if the Commissioner asks for those records.	●	Compliant

Based on the evidence above, the following is an overview of the position of SWFRS in relation to the 152 standards imposed:

		SWFRS
Number of draft standards scoring in a Green category		135
Number of draft standards scoring in an Amber category		16
Number of draft standards scoring in a Red category		1

**FORWARD WORK PROGRAMME FOR
FIRE & RESCUE AUTHORITY 2017/18**

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	
10 July 2017	Financial Governance	To seek Members approval to respond to WAO enquiries in relation to financial governance enquiries	Treasurer Contact Officer: Geraint Thomas	Completed. Presented at the Members' Training Day
10 July 2017 25 Sept 2017	Strategic Risk	To advise Members of the Strategic Risks of the Organisation and how these are being treated, managed or reduced.	DCO Contact Officer: Sarah Watkins	Completed
10 July 2017 25 Sept 2017	WAO Certificate of Compliance	To advise Members of the WAO Certificate of Compliance received in relation to the publication of the 2017-18 Improvement Plan	DCO Contact Officer: Sally Chapman	Completed

Expected Date of Report	Report Name	Purpose of Piece of Work	Lead Director/ Contact Officer	Progress
	Annual Reports:			
10 July 2017 25 Sept 2017	End of year Health Check on Performance and Strategic Objectives 2016/17	To advise Members of end of year performance against agreed targets and to advise Members of the end of year health check position in securing the achievement of the Strategic Objectives	DCO Contact Officer: Sarah Watkins	Completed
10 July 2017 25 Sept 2017 18 Dec 2017	Health & Safety Annual Report 2016/17	To advise Members of Health and Safety performance of the organisation	ACFO TS Contact Officer: Martin Hole	Completed
10 July 2017 25 Sept 2017	Pay Claim	Update of FBU Claim submitted and timeline for negotiations & tribunal claim	ACO PS Contact Officer: Phil Haynes	Completed
10 July 2017 25 Sept 2017	Operational Resilience	To advise Members of the Service's contingency plans that it has in place	ACFO TS Contact Officer: R Prendergast	Completed
10 July 2017 25 Sept 2017	Update on Renewal of Airwave	To advise Members of the current position	ACFO TS Contact Officer: R Prendergast	Completed
25 Sept 2017	Report on proposed Priority Actions 2018/19	To advise Members of the proposed Priority Actions 2018/19 and to seek authority to enter into public consultation on these	DCO Contact Officer: Sarah Watkins	Completed

Expected Date of Report	Report Name	Purpose of Piece of Work	Lead Director/ Contact Officer	Progress
25 Sept 2017	Update on MTFs and Reserves Strategy	To update Members on the Financial strategy and reserves strategy of the Authority prior to considering the report on the 2018/19 budget setting strategy	Treasurer Contact Officer: Chris Barton	Completed
25 Sept 2017	Budget Strategy 2018/19	To obtain clarification upon the political steer for the budget strategy for 2018/19 budget setting process	Treasurer Contact Officer: Chris Barton	Completed
25 Sept 2017	Statement of Accounts (Revenue and Capital) for 2016/17 budget	To seek Members' approval for publication of the Statement of Accounts	Treasurer Contact Officer: Geraint Thomas	Completed
25 Sept 2017	Treasury Management Outturn 2016/17	To advise Members of the year end treasury management position	Treasurer Contact Officer: Chris Barton & Geraint Thomas	Completed
18 Dec 2017	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

Expected Date of Report	Report Name	Purpose of Piece of Work	Lead Director/ Contact Officer	Progress
18 Dec 2017	Half Yearly Health Check of Performance and Review of Strategic Themes	To advise Members of performance against agreed targets and achievement of Strategic Themes at the mid-way point through the year	DCO Contact Officer: Sarah Watkins	Completed
18 Dec 2017	Half Yearly Review of Strategic Risk	To keep Members advised of the Strategic Risks of the Organisation and how these are being treated, managed or reduced.	DCO Contact Officer: Sarah Watkins	Completed
18 Dec 2017	Estimated Revenue & Capital Budget determination for 2018/19	To consider consultation responses and to set the recommended budget determination for consideration by Fire Authority in December	Treasurer Contact Officer: Geraint Thomas	Completed
18 Dec 2017	Treasury Management Mid Term Report 2017/18	To advise Members of the mid year position in relation to our treasury management	Treasurer Contact Officer: Geraint Thomas	Completed
18 Dec 2017	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
18 Dec 2017	Fire Medical Response Trials	To advise Members of the outcome of the Fire Medical Response Trials within the South Wales area following their conclusion in September 2017	CFO Contact Officer: Huw Jakeway	Completed
12 Feb 2018	KPI Target Setting 2018/19	To set the targets for the following financial year	ACFO SD Contact Officer: Sarah Watkins	Completed

Expected Date of Report	Report Name	Purpose of Piece of Work	Lead Director/ Contact Officer	Progress
12 Feb 2018	Report on Responses to the consultation of the draft rolling Strategic Plan and Priority Actions 2018/19	To advise Members of consultation responses and seek approval for a final version of the rolling Strategic Plan	DCO Contact Officer: Sarah Watkins	Completed
12 Feb 2018	Pay Policy Statement 2018/19	To consider the Authority's Pay Policy Statement in compliance with the Localism Act 2011 and associated guidance	ACO PS Contact Officer: Mark Malson	Completed
12 Feb 2018	Treasury Management Strategy 2018/19	To secure Members' approval to the adoption of the Treasury Management Strategy 2018/19	Treasurer Contact Officer: Geraint Thomas	Completed
12 Feb 2018	Impact on the Service following the Tragic Grenfell Incident	To advise Members of the impact of the Grenfell incident on the SWFRS and potential changes for the future.	CFO Contact Officer: Huw Jakeway	Completed
26 March 2018	Treasury Management Strategy	To seek Member approval of the treasury management policy and strategy for the following financial year.	Treasurer Contact Officer: Chris Barton/ Geraint Thomas	On agenda
26 March 2018	Annual Report of the work of the Finance, Audit & Performance Management Committee & its working group during 2017/18	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
26 March 2018	Annual Report of the work of the HR & Equalities Committee during 2017/18	To advise Members of the work of the committee	ACO PS Contact Officer: Mark Malson	On agenda
26 March 2018	Annual Report of the Work of the Pensions Committee 2017/18	To advise Members of the work of the committee	ACO PS Contact Officer: Mark Malson	On agenda
26 March 2018	Well-being Plans	To consider a report of the FAPM Committee of our PSBs' Well-being Plans and how these impact upon SWFRS's own Strategic Plan	DCO Contact Officer: Sarah Watkins	On agenda
26 March 2018	Welsh Language Standards	To update Members on compliance against the Welsh Language Standards	ACO PS Contact Officer: Mark Malson	On agenda

Huw Jakeway – CFO
Sally Chapman – DCO
Andrew Thomas – ACFO Service Delivery
Richie Prendergast – ACFO Technical Services
Mark Malson – Acting ACO People Services

Chris Barton – Treasurer
Geraint Thomas – Head of Finance & Procurement
Dewi Rose – Head of Operations
Calvin Powell – Head of Business Support
Sarah Watkins – Head of Service Performance & Communications
Andrew Jones – Acting Head of Human Resources

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"> • Local Pension Board meeting held on 16 October 2017 • Fire & Rescue Authority meeting held on 12 February 2018 	<p style="text-align: right;">5</p> <p style="text-align: right;">11</p>
5.	Update on Actions	17
6.	REPORTS FOR DECISION	19
6.i.	Treasury Management Strategy 2018/19	21
6.ii.	Report on progress of Cardiff, Caerphilly, Cwm Taf, Vale of Glamorgan, Bridgend, Blaenau Gwent, Monmouthshire, Newport and Torfaen Public Service Boards (PSB) Wellbeing Plans	45
6.iii.	The Firefighters' Pension (Wales) Scheme (Amendment) Order 2014	65
6.iv.	Land Adjoining Llantwit Major Fire Station	75
6.v	Land at Lanelay Hall Disposal Strategy	79
6.vi	Compartment Fire Behaviour Training Facility	83

7.	REPORTS FOR INFORMATION	97
7.i.	Annual Report on the work of the Finance, Audit & Performance Management Committee & its working group during 2017/18	99
7.ii	Annual Summary of HR & Training Reports	113
7.iii	Summary of the Local Pension Board Work Programme	123
7.iv	Welsh Language Standards Update – January 2018	129
7.v	Forward Work Programme	181
8.	To consider any items of business that the Chairman deems urgent (Part 1 or 2)	187