



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Annual Improvement Report

Mid and West Wales Fire and Rescue Authority

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This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Nick Selwyn, Steve Frank, Euros Lake, Matt Brushett, Ron Price and Sara Leahy under the direction of Jane Holownia.

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

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

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

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

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

This document is also available in Welsh.

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Summary report

2018-19 performance audit work

- 1 To decide the range and nature of the work we would undertake during the year, we considered how much we already know from all previous audit and inspection work and from other sources of information including Mid and West Wales Fire and Rescue Authority's (the Authority) own mechanisms for review and evaluation. For 2018-19, we undertook improvement assessment work; an assurance and risk assessment project and work in relation to the Well-being of Future Generations Act at all authorities. At some authorities, we supplemented this work with local risk-based audits, identified in the Audit Plan for 2018-19.
- 2 The work carried out since the last Annual Improvement Report (AIR), including that of the relevant regulators, is set out in [Exhibit 2](#).

The Authority is meeting its statutory requirements in relation to continuous improvement

- 3 Based on, and limited to, the work carried out by the Wales Audit Office and relevant regulators, the Auditor General believes that the Authority is likely to comply with the requirements of the Local Government Measure (2009) during 2019-20.

Recommendations and proposals for improvement

- 4 Given the wide range of services provided by the Authority and the challenges it is facing, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
 - make proposals for improvement – if proposals are made to the Authority, we would expect it to do something about them and we will follow up what happens;
 - make formal recommendations for improvement – if a formal recommendation is made, the Authority must prepare a response to that recommendation within 30 working days;
 - conduct a special inspection, publish a report and make recommendations; and
 - recommend to ministers of the Welsh Government that they intervene in some way.

- 5 During the course of the year, the Auditor General did not make any formal recommendations. However, we have made a number of proposals for improvement and these are repeated in this report. We will monitor progress against them and relevant recommendations made in our national reports ([Appendix 3](#)) as part of our improvement assessment work.

Audit, regulatory and inspection work reported during 2018-19

Exhibit 2: audit, regulatory and inspection work reported during 2018-19

Issue date	Brief description	Conclusions	Proposals for improvement
May 2019	<p>Well-being of Future Generations Act (Wales) 2015 (WFG Act) examinations</p> <p>Examination of the extent to which the Authority has acted in accordance with the sustainable development principle when taking steps to meet the following wellbeing objective[s]:</p> <p>‘Partnership working on Safe and well Assessments/Visits and deliberate fire setting.’</p> <p>As part of this review we also completed a partnership survey and assessed the effectiveness of the authority’s Fire Control Joint Public Service Centre project and partnership with Pembrokeshire and Carmarthenshire Councils. The findings of this work were reported within our WFG examination.</p>	<p>Mid and West Wales Fire and Rescue Authority (the Authority) has positive examples of how it has taken account of the Sustainable Development Principle when taking steps to deliver Objectives, but further work is required to widen and mainstream how it is delivering the five ways of working:</p> <ul style="list-style-type: none"> the Authority has made a long-term commitment in delivering key services like the Joint Public Service Centre (JPSC) but there are opportunities to improve the long-term focus on other aspects of its funding, planning and collaboration work; the Authority has some good examples of how it is integrating to improve impact and effectiveness but there is scope to further integrate services, plans and strategies; the Authority has some positive examples of how it involves communities in reducing arson and deliberate fire setting but has more work to do to mainstream involvement in all of its work; 	<p>Whilst our examination did not make any recommendations, our report did set out opportunities for improvement. These include:</p> <ul style="list-style-type: none"> considering how to address ongoing capacity issues and short-term funding challenges as some plans are overly focused on short term gains; improving the quality, sharing and availability of data to determine current levels of community resilience and the outcomes the Authority is aiming for; systematic evaluation of prevention initiatives to help pinpoint impact; further integration of plans and strategies; setting out a strategic approach to collaborations including conditions of exit; improving Involvement and making the results of engagement a strategic resource; and

Issue date	Brief description	Conclusions	Proposals for improvement
		<ul style="list-style-type: none"> the Authority can demonstrate the positive impact of its collaborations with some key partners but needs to develop and strengthen its relationships and contribution to the objectives of wider partnerships; and prevention is at the heart of the work of FRAs and the Authority has good examples of its positive work. Strengthening evaluation will help avoid duplication and maximise impact. 	<ul style="list-style-type: none"> capacity issues caused by servicing PSBs needs to be managed.
May 2019	<p>Annual Audit Letter 2017-18</p> <p>Letter summarising the key messages arising from the Auditor General's statutory responsibilities under the Public Audit (Wales) Act 2004 and his reporting responsibilities under the Code of Audit Practice. The Annual Audit Letter is in Appendix 2.</p>	<ul style="list-style-type: none"> The Authority complied with its responsibilities relating to financial reporting and use of resources. I am satisfied that the Authority has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources. I issued a certificate confirming that the audit of the accounts has been completed on 20 March 2019. 	None.
Improvement planning and reporting			
June 2018	<p>Wales Audit Office annual improvement plan audit</p> <p>Review of the Authority's published plans for delivering on improvement objectives.</p>	The Authority has complied with its statutory improvement planning duties.	None.

Issue date	Brief description	Conclusions	Proposals for improvement
November 2018	<p>Wales Audit Office annual assessment of performance audit</p> <p>Review of the Authority's published performance assessment.</p>	The Authority has complied with its statutory improvement reporting duties.	None.

Appendix 1

Status of this report

The Local Government (Wales) Measure 2009 (the Measure) requires the Auditor General to undertake a forward-looking annual improvement assessment, and to publish an annual improvement report, for each improvement authority in Wales. Improvement authorities (defined as local councils, national parks, and fire and rescue authorities) have a general duty to 'make arrangements to secure continuous improvement in the exercise of [their] functions'.

The annual improvement assessment considers the likelihood that an authority will comply with its duty to make arrangements to secure continuous improvement. The assessment is also the main piece of work that enables the Auditor General to fulfil his duties. Staff of the Wales Audit Office, on behalf of the Auditor General, produce the annual improvement report. The report discharges the Auditor General's duties under section 24 of the Measure, by summarising his audit and assessment work in a published annual improvement report for each authority. The report also discharges his duties under section 19 to issue a report certifying that he has carried out an improvement assessment under section 18 and stating whether (as a result of his improvement plan audit under section 17) he believes that the authority has discharged its improvement planning duties under section 15.

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

Appendix 2

Annual Audit Letter

Councillor Rowland Rees-Evans
Chair Mid and West Wales Fire and Rescue Authority
Fire Service Headquarters
Lime Grove Avenue
Carmarthen
SA31 1SP

Reference: 1241A2019-20

Date issued: 7 May 2019

Dear Councillor Rees-Evans

Annual Audit Letter – Mid and West Wales Fire and Rescue Authority 2017-18

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

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

It is Mid and West Wales Fire and Rescue Authority's (the Authority)'s responsibility to:

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

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

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

Local authorities in Wales prepare their accounting statements in accordance with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. This code is based on International Financial Reporting Standards.

On 20 March 2019 I issued:

- an unqualified audit opinion on the 2017-18 accounting statements of the Fire Fighters' Pension Fund
- an unqualified audit opinion on the 2017-18 accounting statements of the authority.

My audit report is contained within the audited Statement of Accounts. The key matters arising from the accounts audit were reported to members of Fire Authority in my Audit of Financial Statements report on 18 March 2019. No significant issues were reported and although a more detailed report of recommendations to management will follow in due course, no issues warranted reporting to the Authority.

I am satisfied that the Authority has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources

My consideration of the Authority's arrangements to secure economy, efficiency and effectiveness has been based on the audit work undertaken on the accounts as well as placing reliance on the work completed under the Local Government (Wales) Measure 2009. I highlighted areas where the effectiveness of these arrangements could be improved in my 2017-18 Annual Improvement Report issued August 2018. Since then, the improvement areas have been addressed.

I issued a certificate confirming that the audit of the accounts has been completed on 20 March 2019

The financial audit fee for 2017-18 is currently expected to be below the agreed fee set out in the Annual Audit Plan and if outturn is as expected a refund will be due to the Authority. This is due to the marked improvement made by the Authority in the quality of the financial statements and supporting papers, and the economies of scale obtained undertaking two years audits in quick succession.

Yours sincerely



Derwyn Owen
For and on behalf of the Auditor General for Wales

Cc Chris Davies, Chief Fire Officer
Chris Moore, Section 151 Officer
Kevin Jones, Director of Resources

Appendix 3

National report recommendations 2018-19

Exhibit 3: national report recommendations 2018-19

Date of report	Title of review	Recommendation
November 2018	<u>Local Government Services to Rural Communities</u>	R1 Socio economic change, poor infrastructure and shifts in provision of key services and facilities have resulted in the residualisation of communities in rural Wales. We recommend that the Welsh Government support public bodies to deliver a more integrated approach to service delivery in rural areas by: <ul style="list-style-type: none">• refreshing rural grant programmes to create sustainable financial structures, with multi-year allocations; and• helping people and businesses make the most of digital connectivity through targeted and more effective business and adult education support programmes.

Date of report	Title of review	Recommendation
November 2018	<u>Local Government Services to Rural Communities</u>	<p>R2 The role of Public Service Boards is evolving but there are opportunities to articulate a clearer and more ambitious shared vision for rural Wales (see paragraphs 2.2 to 2.9 and 2.28 to 2.31). We recommend that PSB public services partners respond more effectively to the challenges faced by rural communities by:</p> <ul style="list-style-type: none"> • assessing the strengths and weaknesses of their different rural communities using the Welsh Government’s Rural Proofing Tool and identify and agree the local and strategic actions needed to support community sustainability; and • ensuring the Local Well-Being Plan sets out a more optimistic and ambitious vision for ‘place’ with joint priorities co-produced by partners and with citizens to address agreed challenges.

Date of report	Title of review	Recommendation
November 2018	<u>Local Government Services to Rural Communities</u>	<p>R3 To help sustain rural communities, public services need to think differently in the future (see paragraphs 3.1 to 3.12). We recommend councils provide a more effective response to the challenges faced by rural communities by:</p> <ul style="list-style-type: none"> • ensuring service commissioners have cost data and qualitative information on the full range of service options available; and • using citizens' views on the availability, affordability, accessibility, adequacy and acceptability of council services to shape the delivery and integration of services.

Date of report	Title of review	Recommendation
November 2018	<u>Local Government Services to Rural Communities</u>	<p>R4 To help sustain rural communities, public services need to act differently in the future (see paragraphs 3.1 to 3.12). We recommend councils do more to develop community resilience and self-help by:</p> <ul style="list-style-type: none"> • working with relevant bodies such as the Wales Co-operative Centre to support social enterprise and more collaborative business models; • providing tailored community outreach for those who face multiple barriers to accessing public services and work; • enhancing and recognising the role of town and community councils by capitalising on their local knowledge and supporting them to do more; • encouraging a more integrated approach to service delivery in rural areas by establishing pan-public service community hubs, networks of expertise, and clusters of advice and prevention services; • enabling local action by supporting community asset transfer identifying which assets are suitable to transfer, and having the right systems in place to make things happen; and • improving community-based leadership by developing networks of interest, training and coaching, and encouraging volunteering.

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