



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

# Annual Improvement Report

## South Wales Fire and Rescue Authority

Issued: June 2014

Document reference: 314A2014



# About the Auditor General for Wales

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

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

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

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

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

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# Summary report and recommendations

## Summary

1 Each year, the Auditor General must report on how well Welsh councils, fire and rescue authorities, and national parks are planning for improvement in delivering their services. This report draws on the work undertaken on the Auditor General's behalf by staff of the Wales Audit Office, as well as the work of the relevant Welsh Language Commissioner. The report covers the Authority's delivery and evaluation of services in relation to 2012-13, its planning of improvement for 2013-14 and 2014-15 and, taking these into account, records the Auditor General's conclusion on whether the Authority will make arrangements to secure continuous improvement for 2014-15.

2 We found that, in 2012-13, the Authority delivered improvement in its core functions. We have come to this conclusion because the Authority:

- has worked hard to reduce the number of fires it attends in dwellings by undertaking an extensive range of preventative activities;
- engages well with partners to encourage safer non domestic premises and is seeking ways to improve the management information it uses to support this work;

- has an extensive, well managed programme of activities in place to reduce the number of deliberate fires;
- works actively with partners to encourage road safety; and
- maintained an effective and resilient service during periods of industrial action.

3 We also found that the Authority has discharged its improvement reporting duties under the Local Government (Wales) Measure 2009. We came to this conclusion because:

- the Authority published its Performance Assessment for 2012-13 (the Assessment) within statutory deadlines, clearly evaluated success in achieving its improvement objectives and included all required national strategic and core performance indicators;
- the Assessment outlines its approach to collaboration;
- the Authority made citizens and partners aware of the Assessment in innovative ways; and
- previous proposals for improvement have been implemented.

- 4 Finally, we found that the Authority has discharged its planning duties under the Local Government (Wales) Measure 2009, albeit that continued decisive leadership will be needed to address the financial challenges ahead. We came to this conclusion because:
- business planning arrangements are well-embedded and outcome-focused, arrangements are in place to refine evaluation and reporting arrangements following the recent restructure to merge Communications and Performance Management staff into one team;
  - financial challenges continue to be managed effectively, although the scale of change required to manage within reduced resources will continue to demand decisive leadership and direction;
  - initiatives to promote and support the use of the Welsh Language continue;
  - adequate arrangements are in place to meet Public Interest Disclosure legislation; and
  - work is continuing with other Welsh Fire and Rescue Authorities to develop consistent Human Resource baseline information.
- 5 Taking the above into account, the Auditor General considers that the Authority is likely to comply with the statutory requirement to make arrangements to secure continuous improvement in 2014-15.

## Recommendations and Proposals for improvement

- 6 One new proposal for improvement is made in this report.

P1 Review the new arrangements for supporting the 10 Local Service Boards in the Service's area to assess if these have increased the Authority's contribution at these forums.

# Detailed report

## Introduction

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

## The Authority is delivering improvement in its core functions

- 11 In July 2013 the Welsh Government published a report<sup>1</sup> about the progress the three Welsh fire and rescue authorities have made against the National Framework<sup>2</sup> during the period April 2011 to March 2013. The report takes a strategic overview and focuses on those priority areas highlighted in the previous and extant Framework made by the FRAs over the last two years, particularly for:
- Collaboration – how the FRAs engage with other public bodies, the third sector, the Welsh Government and the public and communities which the FRAs serve;
  - Planning and Performance – improving the quality and availability of the FRAs' services and the need to deliver improved services and better outcomes for the people of Wales, with less resources;
  - Service Delivery – core duties of the FRAs to mitigate the effect of identified risks, ensuring a professional and effective response to a range of incidents;
  - Resilience – how the FRAs work to respond to major threats; and
  - Resources – how the FRAs focus on priorities for leadership and workforce planning, development and training to ensure that the FRAs provide the best possible service to citizens, while protecting their own staff.
- 12 The purpose of the National Framework is to provide direction for Welsh Fire and Rescue Authorities in the discharging of their statutory duties and their role in the context of the wider public sector. There are a number of key roles and duties which form the core of both Frameworks:
- the need to provide a resilient service;
  - the need to work collaboratively to achieve common goals; and
  - the need for innovation and new ways of working to make the most of the talents, expertise and resources that exist in Wales.
- 13 There are two key themes running throughout the “2012 onwards” Framework for FRAs to focus on:
- measuring outcomes for citizens and how collaboration supports this agenda; and
  - managing with less, whilst maintaining appropriate services to citizens, in the current economic climate.
- 14 In light of the report, and to avoid duplication of effort, we have not undertaken further evaluation of the fire and rescue authorities progress against the national framework ourselves. However, in the following paragraphs we provide a summary of the Authority's performance in four specific areas (dwelling fires, non-domestic premises fires, deliberate fire setting, road traffic accidents) in order to form a view on the

1 Fire and Rescue National Framework report 2011-2013

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

Authority's improvement in its core functions. We have highlighted some examples of the activities undertaken by the Authorities in keeping with the main themes of the Framework as outlined in paragraphs 12 and 13.

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

- 15 The Authority has, with the other Welsh fire and rescue authorities developed the Dwelling Fire Response Charter which outlines the level of prevention, protection and response that communities can expect on dwelling fire risk in order to reduce the instances of death, injury and accidental fires in domestic dwellings.
- 16 The Authority undertakes extensive preventative activities to reduce the number of dwelling fires it attends. Many staff, based in both operational stations and central teams, contribute to a range of different activities aimed at raising awareness and warning of the dangers that may lead to a dwelling fire.
- 17 Home fire safety checks are an important part of this work as is the school education programme, many of which are undertaken in conjunction with external partners. The Authority aims to make the home fire safety checks undertaken as targeted as possible to those most at risk from fire in the home. In order to do this it liaises with a number of partner agencies who have access to a data that the Authority can use as a means of determining risks. Home Fire Safety Checks provide households with a range of information and advice on how to reduce the risk of fires in the home and what to do if one occurs.
- 18 The Authority recently introduced a 'post code checker' whereby households can find out more information about the likely time it would take for the fire and rescue service to respond to a fire call in their home. This allows households to consider the fire safety measures within the home and to seek advice accordingly, for example in determining an escape plan.
- 19 The total number of fires attended across Wales has reduced considerably over the last decade, from 26,327 in 2004-05 to 11,437 in 2012-13, a reduction of 57 per cent. Within South Wales the total number of fires attended has decreased by 60 per cent over the same period (from 14,747 in 2004-05 to 5,843 in 2012-13).



- 20 The total number of dwelling fires attended in South Wales decreased by three per cent during 2012-13 compared with the previous year (from 881 in 2011-12 to 854 in 2012-13) which is lower than the five per cent decrease across the whole of Wales for the same period.
- Dwelling fires started accidentally decreased by two per cent during 2012-13 compared with the previous year (from 759 in 2011-12 to 745 in 2012-13). This is not as good as the Welsh average decrease of four per cent for the same period.
  - The number of dwelling fires started deliberately decreased by 11 per cent (from 122 in 2011-12 to 109 in 2012-13) which again is not as good as the average decrease across Wales of 20 per cent.
- 21 The total number of fires in homes in which a home fire safety risk assessment and/or associated risk reduction activity has taken place within two years before the fire increased slightly from 76 in 2011-12 to 78 in 2012-13, an increase of three per cent compared with a five per cent increase across Wales.
- 22 Five people died in dwelling fires during 2012-13 (one more than in 2011-12), three deaths occurred in one incident. The number of injuries sustained in dwelling fires decreased by one per cent (from 87 in 2011-12 to 86 in 2012-13) which is the same as the one per cent decrease across Wales for the same period.
- 23 There is some evidence to suggest that free smoke alarms, education and advice provided as part of its home fire safety checks work are reaching those at risk, in particular, of those fires attended:
- fewer had no smoke alarm fitted (from 42 per cent in 2011-12 to 38 per cent in 2012-13), although this proportion is still higher than the Welsh average of 30 per cent;
  - there was an increase in the activation of fire detection equipment (from 46 per cent in 2011-12 to 47 per cent in 2012-13), although this proportion is still below the average of 51 per cent across Wales for 2012-13; and
  - more dwellings had detection equipment fitted which did not activate (from 13 per cent in 2011-12 to 15 per cent in 2012-13) and this is better than the Welsh average of 19 per cent for 2012-13.

**The Authority engages well with partners to encourage safer non domestic premises and is seeking ways to improve the management information it uses to support this work**

- 24 The Authority undertakes business fire safety activities each year through a programme of risk based audits of business premises. The Authority also uses knowledge of incidents to target additional work to minimise fire risk in non-domestic premises. New approaches have been used to raise awareness, and work collaboratively with the business community such as providing support for business owners via a mobile device 'app'.
- 25 The Authority recognised the need to replace the database which holds management information to support the work of the business fire safety team. They have been working collaboratively with West Midlands Fire and Rescue Authority to develop a bespoke system that will meet its needs. Whilst this is being developed the Authority is using a set of management information which is difficult and cumbersome to maintain. Our data quality review identified that it may contain inaccurate information in respect of the location and type of non domestic buildings.
- 26 It is positive that the number of fires in non-domestic premises across Wales has fallen by 51 per cent in the period from 2004-05 to 2012-13, whilst in South Wales it has fallen by 43 per cent over the same period.
- 27 The number of non-domestic premises fires attended within South Wales decreased by two per cent during 2012-13 compared with the previous year (from 354 attendances in 2011-12 to 346 in 2012-13). Whilst that reduction represents a positive trend, it is not as good as the 16 per cent decrease in non-domestic fires across the whole of Wales over the same period.
- 28 There were no deaths in non-domestic premises fires during 2012-13 (the same as 2011-12) in line with the position across Wales. The number of injuries sustained in such fires remained at four (the same figure as 2011-12) whilst the average decrease across Wales shows a 33 per cent reduction in injuries. It should be noted these numbers are small and each incident can have a significant impact on the year on year comparison.
- 29 Reducing the number of false alarm calls (caused by automatic fire detection and alarm systems in non-domestic premises) received and attended (including malicious) so that fire and rescue services across Wales spend less time, fuel and resources at unnecessary events is a key strand of work with managers of non domestic premises. This includes working with hospitals and universities as well as owners of small and large business premises.

- 30 The total number of malicious false alarm calls received has been falling significantly over the last few years across Wales (from 5,210 in 2004-05 to 2,706 in 2012-13, a decrease of 48 per cent). Within South Wales the number of calls received in the same period decreased from 3,083 in 2004-05 to 1,749 in 2012-13, a reduction of 43 per cent.
- 31 Within South Wales the number of calls received decreased from 1,935 in 2011-12 to 1,749 in 2012-13, a reduction of 10 per cent. This is broadly in line with the 11 per cent decrease across Wales in the same period (from 3,024 in 2011-12 to 2,706 in 2012-13).
- 32 Since 2004-05 the number of malicious false alarm calls attended within Wales reduced by 60 per cent from 1,775 in 2004-05 to 702 in 2012-13. Within South Wales the number of malicious false alarm calls attended reduced by 56 per cent over the same period from 943 in 2004-05 to 416 in 2012-13. The total number of malicious false alarm calls attended decreased from 494 in 2011-12 to 416 in 2012-13 a reduction of 16 per cent. This is better than the 13 per cent decrease across Wales over the same period (from 807 in 2011-12 to 702 in 2012-13).
- 33 Across Wales the total number of false alarms attended (caused by automatic fire detection and alarm systems in non-domestic premises) has fallen by 25 per cent over the last few years (from 9,217 in 2004-05 to 6,953 in 2012-13). Within South Wales the number attended also decreased by 25 per cent (from 4,384 in 2004-05 to 3,290 in 2012-13) over the same period.
- 34 Within South Wales the total number of false alarms attended (caused by automatic fire detection and alarm systems in non-domestic premises) has decreased by 14 per cent, from 3,838 in 2011-12 to 3,290 in 2012-13, compared with a one per cent decrease across Wales over the same period.
- 35 The National Issues Committee is currently reviewing call challenge and response arrangements in respect of automated false alarms in non-domestic premises in order to develop an all Wales approach.
- The Authority has an extensive, well managed programme of activities in place to reduce the number of deliberate fires**
- 36 Reducing the number of deliberate fires is one of the Authority's improvement objectives. It has committed resources to tackle this issue in a variety of ways during the last three years whilst also acknowledging that seasonal factors and the weather can affect deliberate fire setting. For example it has developed the 'BERNIE' project which involves diversionary activities and increased fire patrols at locations which have seen a high number of grass land fires in previous years. The Authority has also sought to work with the community to raise the importance and risk of deliberate fires by attending events such as school fetes, shows, the Eisteddfods and Mardi Gras, as well as raising awareness through social media campaigns such as twitter and facebook. The Authority also works closely with local Police and Crime Commissioners and the Police and Crown Prosecution Service in order to deter, detect

and prosecute those people that continue to deliberately set fires.

- 37 Across Wales the total number of deliberate fires attended over the last few years has fallen by 68 per cent over the last few years (from 19,709 in 2004-05 to 6,399 in 2012-13). Within South Wales the number attended also decreased by 68 per cent (from 12,5432 in 2004-05 to 4,070 in 2012-13) over the same period.
- 38 The number of deliberate fires attended during 2012-13 decreased by 41 per cent compared with the previous year (from 6,847 in 2011-12 to 4,070 in 2012-13), which is slightly better than the 40 per cent decrease across Wales over the same period. Nonetheless, deliberate fires remain a significant problem area, with 70 per cent of all fires attended during 2012-13 being started deliberately, which is higher than the Welsh average of 56 per cent over the same period.
- 39 The number of injuries sustained in deliberate fires decreased by 58 per cent (from 19 in 2011-12 to eight in 2012-13) which is better than the Welsh average decrease of 50 per cent over the same period. These numbers are small and each incident can have a significant impact on the year on year comparison.
- 40 Four people died in deliberate fires during 2012-13, (three deaths occurred in one incident). There were two deaths in deliberate fires during 2011-12. The numbers are small and each incident can have a significant impact on the year on year comparison.

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

- 41 Road safety is not a statutory duty for the Authority but it works in collaboration with the Police and other partners to improve safety on the roads through the Road Safety Wales Group. The Authority undertook many initiatives designed to decrease the number of road accidents including:
- maintaining its partner role with the Road Safety Wales Group;
  - introducing the Pass plus Cymru driving scheme which is aimed at young drivers aged 18 to 25;
  - engaging in The Motor Education Scheme, which is a partnership initiative involving Police and Local Authorities; and
  - running impact roadshow displays and participating in multi-agency road safety days.
- 42 Road safety figures show a general improvement across Wales during 2012-13, with significant reductions in fatal and serious accident figures, with fewer deaths and injuries than the previous year. The Authority has seen an improvement this year and, although the total number of road traffic collisions attended increased, the number of fatal and serious accidents, casualties, fatalities and young drivers involved in accidents decreased. The Authority have told us the increased attendance may be due to collaborative working with partner agencies in order to promote skills. The Authority plans to evaluate this different way of working in the future:

- The number of road traffic collisions attended during 2012-13 increased during the year from 1,083 in 2011-12 to 1,129 in 2012-13. This is an increase of four per cent, compared with a three per cent decrease across Wales in the same period.
- Fatal and serious accidents have reduced in South Wales by 24 per cent, from 343 accidents in 2011 to 261 accidents in 2012; this is a higher reduction than the 16 per cent reduction across Wales in the same period.
- The number of people who died in road traffic collisions has fallen with 41 deaths in 2011 and 31 fatalities in 2012. This is a reduction of 25 per cent, compared with a 23 per cent reduction in the number of deaths across Wales over the same period.
- The number of casualties decreased by 13 per cent between 2011 when there were 3,763 casualties and 2012 when there were 3,252, which is more than the nine per cent reduction seen across Wales.
- Fewer drivers aged 25 and under were involved in road traffic accidents. The number involved has fallen from 1055 in 2011 to 897 in 2012, a reduction of 15 per cent. This reduction is higher than the 11 per cent reduction across Wales over the same period.
- There were 191 motorcyclist casualties in 2011 compared with 211 in 2012 – an increase of five per cent, which is higher than the two per cent increase across Wales over the same period.

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

- 43 Since mid 2013 the Authority has faced challenges in a national dispute primarily relating to the Government's proposed changes to Pension arrangements for fire fighters. This has required the Authority to put in place arrangements to maintain its services during these periods of industrial action which has placed an additional burden on the Authority, both financially and operationally. The Authority managed this challenge effectively during 2013 without any substantive loss of service, but the ongoing dispute remains a challenge for the Authority during 2014 and it is uncertain what impact this will have on the Authority moving forward.

## The Authority has discharged its improvement reporting duties

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

- 44 The Authority approved and published its *Assessment of Performance 2012-13* (the Assessment) by the statutory deadline of 31st October 2013. Within the Assessment the Authority evaluated its success in achieving its improvement objectives and expressed its view clearly.
- 45 The Assessment includes details of performance as measured by the national strategic and core performance indicators. Our review of data quality during 2013 found that national strategic indicators were accurate and supported by appropriate mechanisms to evaluate, monitor and review data. The Authority's internal auditors reviewed data assurance arrangements during May 2013 and made three recommendations as a result of the work undertaken. These were accepted by the Authority and implemented.
- 46 In its Performance Indicator Framework for Fire and Rescue Authorities the Welsh Government also suggest that the following (mainly local) measures should be included:
- performance in reducing fire fighter operational injuries;

- performance in maintaining operational competence;
- performance against the Welsh Fire and Rescue Authority Equality and Diversity Strategy (although some equality and diversity data is included);
- performance against the Authority's Welsh Language Scheme; and
- information in respect of sustainability (where there is a specific improvement objective for this).

- 47 The Authority has included relevant information in these areas within its Performance Assessment for 2012-13.

### The Assessment outlines its approach to collaboration

- 48 The Authority has set out in its Assessment how it continues to work with partners on prevention and protection activities. It works primarily with the Police Service, Health service, Unitary Authority Areas and other Fire and Rescue Authorities. Links with regional collaboration boards are well established and senior Officers attend these on a regular basis but attendance at Local Service Boards is more inconsistent across the 10 unitary authorities within its area.
- 49 The Authority works in collaboration with the voluntary sector to improve community fire safety, by for example, fitting smoke detection equipment and carrying out joint homes fire safety checks.

- 50 Other areas of collaboration include Community Safety Partnerships (CSPs) which are established in each Unitary Authority Area to understand local priorities to reduce crime and substance misuse.

### The Authority made citizens and partners aware of the Assessment in innovative ways

- 51 The Authority has made its citizens aware of the existence of its Assessment. It is easily accessible, in English and Welsh, on the Authority's website with hard copies, and other formats, available on request. The Assessment makes it clear how people can propose new priorities for improvement and engage with the Authority on improvement planning.
- 52 The Authority has acted innovatively in trying to promote the performance assessment and performance information more widely. For example, it has produced a 'digital story' in both English and Welsh language versions which it has posted in the internet. It also produce large visual banners to be affixed on the outside of each fire station showing local area performance over the previous year. The performance assessment also includes comparative data against national UK figures, and Welsh averages. It also continues to use comparison with its nearest Family Group of Fire and Rescue Authorities.

### The Authority implemented our previous proposals for improvement

- 53 In the Auditor General's last *Annual Improvement Report* in March 2013, we concluded that evaluation of performance was balanced but there was scope to strengthen public reporting and make it more accessible, in line with Welsh Government guidance. The Authority has responded positively to our previous proposals for improvement and suggestions to make the document more 'user friendly'. The Authority did this by:
- producing a widely available summary which includes a clear and concise update for the public;
  - using less 'technical' language and providing clearer explanations that enable readers to see and understand the impact of improvements and changes made during the year, better signposting within the electronic version, more concise narrative and less technical language; and
  - using more comparative data to explain its own performance.

## The Authority has discharged its improvement planning duties but continued decisive leadership will be needed to address the financial challenges ahead

Business planning arrangements are well-embedded and outcome-focused, arrangements are in place to refine evaluation and reporting arrangements following recent restructure to merge Communications and Performance Management staff into one team

- 54 The Authority's leadership is continuing to drive change. Arrangements are in place to determine improvement objectives in a collaborative way and staff were aware of the improvement objectives for 2013-14 and 2014-15. The Authority has a member working group and has given staff opportunities to feed their views in on improvement planning. Staff were also supportive of the general direction of improvement.
- 55 The Authority has set out a clear explanation of why its two improvement objectives were chosen for 2014-15. The two improvement objectives are:
- to reduce deliberate fire setting by 41 per cent over the next five years using 2010-11 results as a baseline; and
  - to engage with its communities to identify their community and local business priorities for service provision in future years.
- 56 Although outcomes are stated for both improvement objectives, the Authority is continuing to refine the relevant measures and reporting arrangements for the second improvement objective following recent restructuring within the performance management and communications team (January 2014) and consultation undertaken as part of the Fire Cover Review.
- 57 The Authority has provided details of the improvement objectives to stakeholders and the public. The Authority e-mailed its Performance Assessment to partners and stakeholders and sent links to the on line 'digital story'. The Authority has invited responses from the public by including forms to be completed in the Performance Assessment, by carrying out surveys of the public as part of the Fire Cover review activities and by using a consultation panel. The Authority has established some basic measures of success around engagement and consultation within the improvement planning process and is refining and developing more sophisticated measures during 2014.
- 58 We found an increased focus on equality whilst selecting the Improvement Objectives for 2014-15. Work has been done to ensure that relevant documents, plans and strategies are now subject to Equality Impact Assessments and more adequately reflect the needs of those people with protected characteristics under the Equality Act 2010.



59 We found there are some challenges regarding the adequacy of systems which the Authority uses to support its planning and producing Welsh Government returns in two specific areas:

- **Business fire safety data** – the database which holds information in respect of the location and type of non domestic buildings which is not accurate.
- **Fire fighter competency levels** – the service does not report on a routine basis on the level of competency, so that any skills gap can be routinely monitored. Whilst central records are maintained on an individual and command basis, there is not an organisation wide figure which is reported routinely.

**Financial challenges continue to be managed effectively although the scale of change required to manage within reduced resources will continue to demand decisive leadership and direction**

60 On 25 September 2013, the auditor appointed by the Auditor General issued an unqualified audit opinion on the Authority's accounting statements. A copy of the Appointed Auditor's *Annual Audit Letter* to the Authority, which summarises the key messages arising from the audit, is enclosed at [Appendix 3](#).

61 On 20 October 2010, the Chancellor of the Exchequer announced the 2010 spending review to Parliament. This review formed a central part of the coalition government's response to reducing the national deficit, with the intention to bring public finances into balance. These savings represent the largest reduction in public spending since the 1920s and come at a time when demographic changes and recession-based economic pressures are increasing demand for some services. To effectively plan their finances, authorities need to analyse details of financial trends, appropriate benchmarking information, possible scenarios and their likely impact over the short, medium and long term. The current financial climate and the recent tough settlement for local government mean that good financial planning is critical to sustaining financial resilience.

62 We are currently examining authorities' financial health, their approach to budgeting and delivering on required savings, to provide assurance that authorities are financially resilient. This work will consider whether authorities have robust approaches in place to manage the budget reductions that they are facing to secure a stable financial position that enable them to continue to operate for the foreseeable future. The focus of the work is on the 2014-15 financial planning period and the delivery of 2013-14 budgets. This review will be completed early in 2014-15 and we will publish the findings in our next cycle of improvement assessment work.

- 63 The Authority has approved a net budget of £69,955,985 for 2014-15 which represents a two per cent reduction from the previous year. It has also approved a Capital Programme and a vehicle replacement programme for the period 2014 to 2017.
- 64 Whilst the Authority does not yet have indicative funding figures for 2016-17, the pressures on its finances for the next two years are considerable and challenging. The Authority has a robust Medium Term Financial Strategy in place and undertakes regular reporting of the financial position to members. There are significant challenges facing the Authority as it seeks to balance financial constraints and the changing profile of demands upon its services. The pattern of demand for the service is evolving with fewer dwelling fires and non-domestic incidents but an increase in activity involving special services such as flooding and other rescue work.
- 65 The need to balance budgets in 2015-16 and 2016-17 will require the Authority to make difficult decisions if it is to continue to operate within the predicted financial constraints. To date the Authority has sought to make financial savings by implementing a series of Strategic Transformation Projects. These have been targeted to achieve a sustainable reduction in the revenue budget whilst maintaining a high standard of service across South Wales. These projects have included flexible rostering, a review of the provision of second pumping appliances, special response equipment and fire cover reviews.

- 66 The Authority has also addressed the pressure on budgets by reviewing the number of operational tactical managers, reviewing overtime and out of hours arrangements and allowances, and made changes to payroll and human resources processes and functions.

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

- 67 Due to a reduction in the number of posts across the Authority in general, there has been a fall in the number of posts where the Welsh language is considered essential and which were filled by Welsh speakers. The number of fire-fighters with Welsh language skills has also fallen. However, the Authority is still committed to filling Welsh-essential posts in accordance with its policy. The Authority has mainstreamed the Welsh language by including a specific section on the performance of the Welsh language in its Annual Improvement Plan. The Authority has approved and started to implement a mentoring scheme to support use of the Welsh language in the workplace, and set aside a budget for training mentors.

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

- 68 The Authority has put in place adequate arrangements to meet the requirements of the Public Interest Disclosure Act 1998, and the changes made to Whistle Blowing law by the Enterprise and Regulatory Reform Act 2013.

- 69 It has received external advice and support in developing a new policy for Public Interest Disclosure (Whistle Blowing) and has consulted on this new policy. The policy was agreed in January 2014 and the Authority should now ensure that staff are aware of the new policy and how it affects them.

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

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

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

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

# Appendices

## Appendix 1 Status of this report

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

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

Improvement authorities are under a general duty to 'make arrangements to secure continuous improvement in the exercise of [their] functions'.

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

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

## Appendix 2

# Useful information about South Wales Fire and Rescue Authority

### The Authority

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

### The Fire and Rescue Services Act 2004

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

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

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

### Civil Contingencies Act 2004

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

- assess the risk of emergencies occurring and use this to inform contingency planning;
- put in place emergency plans;
- put in place Business Continuity Management arrangements;
- put in place arrangements to make information available to the public about civil protection matters and maintain arrangements to warn, inform and advise the public in the event of an emergency;
- share information with other local responders to enhance co-ordination; and
- co-operate with other local responders to enhance co-ordination and efficiency.

There is an additional duty placed on local authorities to:

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

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

The Authority is funded directly by its constituent local authorities based on the population forecasts in each area. It comprises 24 councillors from the 10 unitary authorities of South Wales (the number of representatives from each constituent authority is determined by the number of registered local government electors in each area).

The Authority's annual revenue budget for 2013-2014 is £71.4 million (plus £2.3 million Welsh Government revenue grant funding) giving a total of £73.7 million. In the same year the Authority also had a capital budget of £7.2 million (plus an estimated £2.7 million capital slippage) giving a total capital budget of £9.9 million. This equates to about £50 per resident.

The current Chairperson of the Fire and Rescue Authority Councillor Tudor Davies.

The Authority acts as the main policy-making body and governs the adoption of various working practices in line with statutory guidelines laid down by the Welsh Government. The Authority meets on a quarterly basis and its work is supported by three main committees, namely, Finance, Audit and Performance Management, HR and Equalities and Standards and a number of working groups. All of these groups meet regularly to consider issues within their areas of responsibility. Meetings of the committees are open to the public, and records of the Authority's transactions are available from the Authority's website.

The Authority is lead and managed by Huw Jakeway, the Chief Fire Officer supported by the executive leadership team.

For more information see the Authority's own website at [www.southwales-fire.gov.uk](http://www.southwales-fire.gov.uk) or contact the Authority at Fire and Rescue Service Headquarters, Forest View Business Park, Llantrisant, Rhondda Cynon Taf, CF72 8LX

## Appendix 3

### Annual Audit Letter

Huw Jakeway  
Chief Fire Officer  
South Wales Fire and Rescue Service Headquarters  
Forest View Business Park  
Llantrisant  
CF72 8LX

Dear Huw

#### Annual Audit Letter

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

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

It is the Authority's responsibility to:

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

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

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



Local authorities in Wales prepare their accounting statements in accordance with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. This Code is based on International Financial Reporting Standards. On 25 September 2013 I issued an unqualified audit opinion on the accounting statements stating that they present a true and fair view of the Authority's and the Pension Fund's financial position and transactions. My report is contained within the Statement of Accounts. The key matters arising from the accounts audit were reported to members of the Audit Committee in my Audit of Financial Statements report on the 16 September 2013, and a more detailed report will follow in due course.

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

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

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

Yours sincerely

**Virginia Stevens**

For and on behalf of the Appointed Auditor  
cc. Sally Chapman, Deputy Chief Officer

28 November 2013

## Appendix 4

### South Wales Fire and Rescue Authority's Improvement objectives and self-assessment

#### The Authority's improvement objectives

The Authority is required by the Welsh Government to make plans to improve its functions and the services it provides. Each year it must publish these plans along with specific 'improvement objectives' that set out the key things that the Authority intends to do to improve. The Authority must do this as soon as possible after 1 April each year.

The Authority published its improvement objectives for 2013-14 in its 2013-14 Improvement Plan: Stage 1 Forward Planning which can be found on the Authority's website [www.southwales-fire.gov.uk](http://www.southwales-fire.gov.uk).

2012-2013 Improvement Objectives	2013-2014 Improvement Objectives	2014-2015 Improvement Objectives
Our Communities: To reassure, educate and protect our Community from the effects of fire, road traffic collisions and other emergencies as they occur.	Reduce deliberate fire setting by 41% over the next five years using 2010-11 results as a baseline.	Reduce deliberate fire setting by 41% over the next four years using 2010-11 results as a baseline.
Our People: To continue to develop a responsive and creative workforce who practice our values.	Engage with our communities to identify their community and local business priorities for our service provision in future years.	Bring together and improve all our engagement activities to identify our communities and local business' needs to shape our future service provision.
Our Resources: To ensure that our resources and assets are utilised efficiently and effectively to support service delivery.		
Our Organisation: To improve internal business processes to ensure the most efficient and effective use of both financial and people resources.		

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

The Authority's self-assessment of its performance during 2012-13 can be found at [www.southwales-fire.gov.uk](http://www.southwales-fire.gov.uk).



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