

# Annual Governance Statement 2021/22

## Contents

Delivering Good Governance Framework .....	1
Key Contributors to Developing and Maintaining the Governance Framework .....	2
Summary: Governance Arrangements .....	3
Summary of the Authority's Governance Framework .....	6
Core Principles.....	7
How has the Authority addressed the Governance Improvement Actions from 2021/22? .....	14
Governance Improvement Action Plan 2022/23 .....	18
Compliance with the Financial Management Code .....	21
Governance Opinion and Conclusion.....	22

# Delivering Good Governance Framework

---

The Chartered Institute of Public Finance and Accountancy/Solace Delivering Good Governance in Local Government Framework (2016) (the Framework) requires the Fire and Rescue Authority to publish an Annual Governance Statement, to demonstrate that:

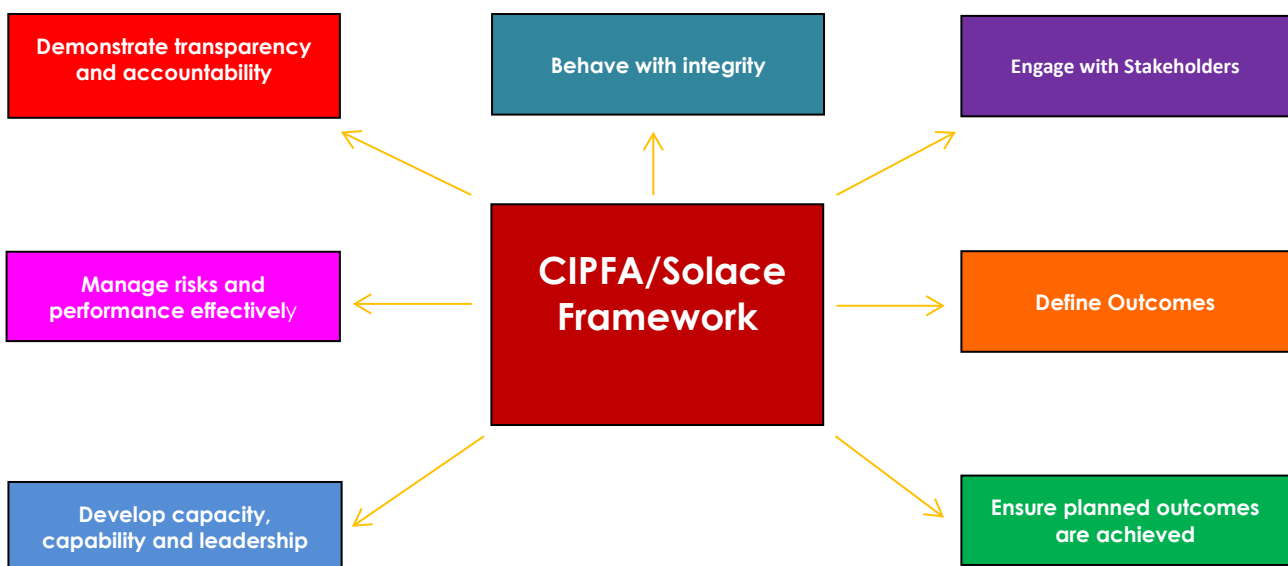
- business is conducted in accordance with all relevant laws and regulations;
- public money is safeguarded and properly accounted for; and
- resources are used economically, efficiently and effectively to achieve agreed priorities which benefit local people.

To fulfil its wide range of functions, the Authority must satisfy political, economic, social and environmental objectives over the short, medium and longer term. This subjects it to a different set of external and internal constraints and incentives from those found in the private sector, all of which affect its governance arrangements. A key piece of legislation in Wales is the Well-being of Future Generations (Wales) Act 2015, which requires the Authority to consider the longer term in making its decisions and to work collaboratively with other public bodies to improve well-being in Wales.

Stakeholders are, therefore, interested in issues such as:

- whether the Authority's planned outputs have been delivered and outcomes achieved; and
- whether this has been done in an efficient, economic, effective and equitable manner.

The core principles underpinning the CIPFA/Solace Framework are set out below. The following pages detail how the Authority is meeting these principles.



## Key Contributors to Developing and Maintaining the Governance Framework

---

Fire and Rescue Authority	Provides the strategic leadership, political interface and corporate challenge in relation to the provision of fire and rescue services across North Wales, encouraging public participation and conducting its affairs in an open and transparent manner. It agrees the Improvement and Wellbeing Plan, and the revenue and capital budgets.
Executive Panel	Monitors the performance of the Service and makes recommendations to the Authority on its key policies, including the Improvement and Wellbeing Plan. The Panel reviews the strategic risk register.
Planning Working Group	Undertakes detailed work associated with the Authority's planning and budget-setting process. It submits its observations to the Executive Panel which in turn makes recommendations for improvement/risk reduction/well-being objectives to the Authority.
Audit Committee	Provides independent review of the governance, risk management and control frameworks and oversees the financial reporting, including the Treasury Management Strategy and annual accounts.
Standards Committee	Promotes and maintains high standards of conduct by Members of the Authority and oversees the whistle-blowing policy for complaints against Members of the Authority. Also, where statute permits, to receive reports and complaints about Members and to conduct or oversee investigations and make recommendations to the Authority.
Service Leadership Team	Sets and leads the implementation of the governance standards across the Service. Receives the annual improvement plan and feeds into the annual self-assessment.
Internal Audit	Provides an annual independent and objective opinion on the adequacy and effectiveness of internal control, risk management and governance arrangements. Investigates fraud and irregularity.

## **Summary: Governance Arrangements**

---

The Authority is required to review the effectiveness of its arrangements each year to ensure that there is a sound system of governance. The key contributors to this process are summarised on page 2 and include:

- Regularly reviewing the effectiveness of the Authority's Constitution.
- Having an Authority and committee structure that:
  - monitors the effectiveness of risk management arrangements;
  - regularly reviews the governance arrangements;
  - considers and reviews internal and external audit strategies, plans and reports; and
  - reviews, scrutinises and approves the annual statement of accounts.
- Having an Executive Board that:
  - provides leadership on governance;
  - contributes to the completion and review of the Annual Governance Statement; and
  - provides clear direction to the Service and senior managers.
- The use of information from various sources to inform the governance arrangements, for example:
  - performance reports;
  - risk management arrangements;
  - external regulator reports; and
  - the Internal Audit Annual Report.

Achievements against the core principles are set out within pages 7-13. The Authority's agreed improvement actions for 2021/22 are contained on pages 14-17, which confirms the progress made.

### **Governance Arrangements, including the Impact of the COVID-19 pandemic**

The Authority's 2020/21 Annual Governance Statement reported that its adaptations to minimise the risk of COVID-19 transmission had not fundamentally changed emergency response services, but that non-emergency services and the day-to-day running of the organisation had been affected more.

Following temporary disruption to the Fire and Rescue Authority's normal schedule of meetings between March and November 2020, these subsequently resumed as multi-location meetings with all participants attending remotely. This arrangement has worked effectively and is likely to continue until such time as a technical solution can be found to enable webcasting and simultaneous English translation of Authority meetings if some participants wish to attend in person and others remotely.

Business items considered at the final meeting of the Authority before the Local Government elections in May 2022 ensured a smooth handover to the new Authority. These included approving a revised Corporate Plan 2021-24 which:

- confirmed the Authority's existing long-term objectives;
- outlined what actions were planned for 2022/23;
- reflected the key challenges facing the Authority;
- took account of recent Audit Wales findings and recommendations;
- considered the ongoing work of the Public Services Boards;
- ensured preparedness for an updated National Framework and recommendations from the Well-being of Future Generations Commissioner's office; and
- aligned with the Authority's revenue budget, capital plan and medium-term financial plan.

Once established, the new Authority will be considering its future course based on this revised Plan, including Audit Wales proposals relating to its governance arrangements.

Also, in anticipation of a period without Authority members between the elections and the first meeting of the new Authority in June 2022, Members delegated powers temporarily to the Chief Fire Officer to deal with any urgent matters in consultation with the Clerk and the Treasurer. <https://www.northwalesfire.gov.wales/fire-and-rescue-authority/2019-onwards-meetings-agendas-and-reports/2022/3/fra-14-march-2022/>

At the Service level, a formal business continuity (BCM) structure comprising Gold and Silver governance meetings, supported by functional 'cells', was activated in March 2020. Regular (virtual) meetings were held throughout 2020/21 and into 2021/22 to maintain strategic oversight and co-ordinated decision-making at senior levels of the Service.

A new Service Leadership Team (SLT) met for the first time in September 2021. Chaired by the new Chief Fire Officer who took up the position in July 2021, this group comprises Principal Officers, Area Managers and Heads of Department. It meets as a Performance Board to scrutinise performance, and as an Improvement Board to provide challenge and senior oversight of programmes, projects and policies.

A new organisational structure was introduced in April 2022 following permanent appointments to senior roles. As part of this change, a new Service Governance Structure of committees and groups reporting up to the new SLT is being introduced with a view to rationalising the various groups that existed previously across the Service and aligning these to the new Governance Structure to ensure appropriate lines of reporting, monitoring, scrutiny and decision-making.

Learning from experiences during the pandemic, a number of changes are now becoming embedded as alternative ways of delivering 'business as usual'. For example, an agile working policy was introduced so that work, people management and decision-making can continue without necessarily attending a location in person. Remote working with the facility to meet virtually has become a normal feature of day-to-day 'hybrid' working. The importance of keeping staff informed was also recognised during the pandemic, so internal communications have increased considerably e.g. through the Workplace Facebook platform, an enhanced programme of visits by Principal Officers to fire stations and departments, and regular meetings with middle and supervisory manager groups to cascade information on progress to date and to discuss what is expected from staff at all levels. What impact these changes will have on governance will continue to be monitored through the evolving Service Governance Structure.

With a number of projects being undertaken at any given time, a new post of Programme Management Officer was also introduced in April 2022 to help direct and co-ordinate the work, so improving the overall governance of projects.

# Summary of the Authority's Governance Framework

## Principles of Good Governance

Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law  
Ensuring openness and comprehensive stakeholder engagement  
Defining outcomes in terms of sustainable economic, social and environmental benefits  
Determining the interventions necessary to optimise the achievement of the intended outcomes  
Developing the Authority's capacity, including the capability of its leadership and employees  
Managing risks and performance through robust internal control and strong financial management  
Implementing good practices in transparency, reporting and audit to deliver effective accountability

### Evidence Sources

- Medium Term Financial Strategy
- Financial planning
- Partnership arrangements
- HR strategy and policies
- Contract Procedure Rules
- Constitution
- Job descriptions
- Chief Fire Officer
- Treasurer
- Monitoring Officer
- Published reports
- Community Engagement Plan
- Communication Strategy
- Improvement and Well-being Plan
- Integrated Impact Assessments

### Assurance Sources

- Performance reports
- Financial reports
- Democratic arrangements
- Reports from external audit and regulators
- Internal Audit reports
- Partnership boards
- Customer feedback
- Consultations

### Members

- Fire and Rescue Authority and its committees

### Executive

- Executive Board

### Evidence Sources

- Leadership
- Core Values
- Equalities arrangements
- FOI arrangements
- Codes of Conduct
- Anti-fraud and Corruption Policy
- Whistle-blowing Policy
- Audit and Standards Committees
- Expert advice and guidance
- Risk management
- Internal controls
- Internal Audit service
- Information management
- Staff and elected member development
- Complaints processes



**Annual Governance and Improvement Assessment signed by  
Chair and Chief Fire Officer**



**Governance Improvement Action Plan reviewed quarterly by Executive Board**

## Core Principles

---

### Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

- The Constitution sets out the responsibilities of the Fire and Rescue Authority and its committees and includes the Scheme of Delegation to Officers.
- The Monitoring Officer ensures that decisions taken are within the law and comply with the provisions of the Constitution.
- The Constitution includes the Code of Conduct for Members and this is monitored by the Standards Committee.
- Where necessary legal advice is sought to inform decision making.
- Codes of Conduct for Members and Officers are in place, which requires the declaration of business interests and recording of the receipt of gifts and/or hospitality.
- The Authority has a procedure to receive and respond to any complaints received. A summary report of complaints and appreciations is provided to the Fire and Rescue Authority annually.
- Key policies are in place to prevent and minimise the risk of fraud. Policies include: Whistleblowing Policy, Anti-Fraud and Corruption Policy and Financial Regulations and Contract Procedure Rules. Where irregularity is suspected arrangements are in place to ensure that it is thoroughly investigated.
- The recruitment policy, induction and training processes incorporate personal behaviours with ethical values. The core values of the Service are fully embedded and include; service to the community, striving for excellence, people and diversity and inclusivity.
- Attainment of the Public Health Wales Corporate Health Bronze and Platinum awards.
- The Inclusive Fire Service Group (IFSG) was established to consider matters relating to equality, diversity and cultural issues. The Group reviewed and updated the core values in 2019/20 to reflect the Service's modern and professional ways of working - [core-values](#)
- Disciplinary cases and any allegations of wrongdoing are investigated in accordance with the Service's Discipline Handbook.
- A Strategic Equality Plan is published in compliance with the Equality Act 2010. Equality objectives are reviewed annually and monitored throughout the year.
- As part of our commitment to the Welsh language, all new members of staff are required to achieve a minimum of Level 2 Welsh language skills.
- The Improvement and Well-being Plan is published on the Authority's website. This details the improvement objectives as required by the Local Government (Wales) Measure 2009, and well-being objectives in accordance with the Well-being of Future Generations (Wales) Act 2015.
- Safeguarding policy and procedure is in place to refer vulnerable people the Service come into contact with, to other agencies.



## Core Principles

---

### Ensuring openness and comprehensive stakeholder engagement

- All meetings are advertised and open to the public (subject to pandemic regulations and multi-location meetings guidance), full Authority meetings are webcast. Agendas and papers are available on the Authority's website.
- Information is published on the Authority's website as part of the publication scheme. Easy read/read speak/Welsh versions of documents are provided.
- Public consultation arrangements are in place to invite the views of stakeholders prior to developing and implementing key changes. This includes consultation on the Improvement and Well-being Plan
- The commitment to openness is also shown through:
  - completion of impact assessments for all key decisions;
  - the Complaints and Compliments Procedure which includes Authority reporting arrangements;
  - the Public Engagement and Consultation Strategy (presented to the July 2018 meeting of the Executive Panel);
  - engagement with Employee Representative Bodies;
  - membership of the North Wales Equality Group.
  - Audit Wales identified areas of good engagement activity but recognised a need to move to an integrated strategic approach to involvement. The full report can be accessed [2019-20 review of involvement](#) and will be considered further as part of the annual performance assessment.
- A variety of engagement methods are used including:
  - directed communication using social media, with accounts on Facebook and Twitter. Ability to sign up for email updates on specific issues via the website;
  - engagement with young people via the Phoenix programme, Fire cadets and school visits;
  - community safety engagement with householders and businesses;
  - Positive Action events and attendance at park runs for firefighter recruitment;
  - attendance at open days/events – for example the Eisteddfod;
  - internal communications include the Weekly Brief and Y Fflam newsletter;
  - participation in the Local Resilience Forum's Warning and Informing Group including an agreement to retweet messages to reach a wider audience;
  - public media campaigns, led by the Community Safety Managers.
- Partnership arrangements are in place to deliver certain outcomes. For example, Principal Officers attend the four local Public Services Boards and the Regional Partnership Board.
- Collaboration with other Emergency Services partners.

## Core Principles

---

### Defining outcomes in terms of sustainable economic, social and environmental benefits

- The Improvement and Well-being Plan sets the strategic direction for the Authority and details the improvement objectives in accordance with the Local Government (Wales) Measure 2009, and well-being objectives in accordance with the Well-being of Future Generations (Wales) Act 2015.
- The Service has four core values – People, Diversity and Inclusivity, Striving for Excellence and Service to the Community. These summarise the principles and personal values that staff are encouraged to adopt and demonstrate.
- The Service has gained White Ribbon accreditation which demonstrates a commitment to stop violence against women.
- The Service has a statutory duty to put in place business continuity arrangements. Plans across the Service have been updated. There is ongoing collaboration with the other fire and rescue services in Wales to improve planning and consider current risks. The National Issues Committee includes a business continuity work stream.
- The Medium-Term Financial Strategy (MTFS) and annual budget process aims to ensure that financial resources are directed to the Authority's priorities.
- Partnership working is undertaken where there are shared objectives and advantages from working together - for example, the Strategic Arson Reduction Board and Public Services Boards.
- The Strategic Risk Management Policy sets out the process used to identify and control exposure to uncertainty, which may impact on the achievement of the objectives or activities. This is reviewed throughout the year to ensure that risks are identified and appropriately assessed. The Corporate Risk Register records these risks, and they are regularly monitored, by the Corporate Planning Department and reported to the Executive Panel.
- Key decisions are subject to an integrated impact assessment, which takes account of equality; data protection; health, safety and wellbeing; Welsh language; finance; sustainability and staffing; Well-being of Future Generations (Wales) Act 2015 and the socio-economic duty that came into force on 1 April 2021.
- Safeguarding policy and procedure is in place to refer vulnerable people the Service come into contact with, to other agencies.

## Core Principles

### Determining the interventions necessary to optimise the achievement of the intended outcomes

- Public consultation is carried out as part of setting the Authority's objectives which are set out in the Improvement and Well-being Plan. This outlines how the Authority intends to work together with other public bodies to tackle the complex issues that affect people's lives. An assessment of the Authority's performance is published in October each year.
- The Authority's Strategic Risk Management Policy sets out the process used to identify and control exposure to uncertainty, which may impact on the achievement of the objectives or activities. This is reviewed throughout the year to ensure that risks are appropriately managed.
- Following scrutiny from the Executive Group, performance and financial reports are presented to the Authority and its committees.
- Monitoring of availability, incidents, the workforce and budgets ensures that issues are identified and appropriate interventions agreed.
- National Operational Guidance is available and an operational learning forum manages and implements any changes
- There is a significant amount of partnership working across Wales to respond to issues facing the fire sector and other more general public sector issues. Collaboration with multiple agencies is an important aspect of the Authority's work including prevention and protection, responding to incidents and use of resources. A national report by Audit Wales published in January 2022 on Joint Working Between Emergency Services concluded that although blue light emergency service collaboration is slowly growing, it requires a step change in activity to maximise impact and make the best use of resources <https://www.audit.wales/publication/joint-working-between-emergency-services>. The Authority will therefore be engaging at an all-Wales level to consider the recommendations within that report.
- The budget planning processes ensure budgets are prepared in accordance with objectives, strategies and the Medium-Term Financial Strategy (MTFS). This involves input from both Service leads and Authority Members. It shows how the resources will be deployed over the next few years to deliver agreed outcomes and agreed priorities.
- Audit Wales's review of corporate resilience (April 2021) found that the Authority had demonstrated its short-term resilience but needed to take some major decisions to remain resilient in future. [https://www.audit.wales/sites/default/files/publications/north\\_wales\\_fra\\_corporate\\_resilience\\_english.pdf](https://www.audit.wales/sites/default/files/publications/north_wales_fra_corporate_resilience_english.pdf). In relation to Governance, it found that the Authority had an appropriate governance framework but that Members needed to play a more central role in addressing the big risks facing the Service. The three proposals made will be considered as part of the annual planning cycling to ensure that opportunities for improvement are fully considered.

## Core Principles

---

### **Developing the entity's capacity, including the capability of its leadership and the individuals within it**

The Authority's Constitution outlines the roles of elected members and designated officers to enable shared understanding of roles and objectives. The designated posts include the Chief Fire Officer, Treasurer and Monitoring Officer.

- Collaborative and partnership working is in place regionally and nationally. For example, the three fire and rescue services in Wales are part of the all Wales Fire Investigation Training Forum. This supports shared learning and promotes a consistent approach across Wales.
- The All Wales People and Organisational Development Strategy 2021-2024 underpins the commitment to lifelong learning and workplace competence.
- Induction processes are in place for Members and employees. These include an introduction to the organisation's core values, the standards of conduct and the role requirements.
- The development needs of employees are identified through one to one, supervision and appraisal meetings. The Service operates a future leaders programme for staff already employed and has developed a future leader apprenticeship programme, which commenced in April 2021, in conjunction with Coleg Llandrillo.
- The health and wellbeing of the workforce is key to the organisation and support is provided to maintain physical and mental wellbeing. This is achieved through a range of measures including HR policies and guidance documents, flexible working approach, the occupational health service and the employee assistance programme.
- The Service has a dedicated training department, with competency frameworks for operational staff. Training is delivered using a variety of methods including e-learning modules which are mandatory for certain subjects e.g. Data Protection.
- Arrangements are in place for internal reviews of compliance with Service standards and health and safety requirements.
- Staff are members of relevant professional bodies and undertake the required continual professional development.

## Core Principles

---

### Managing risks and performance through robust internal control and strong public financial management

- The Treasurer is responsible for the proper administration of the Authority's financial affairs as required by S151 Local Government Finance Act 1992.
- The Monitoring Officer ensures compliance with established policies, procedures, laws and regulations.
- The Strategic Risk Management Policy details the process for the identification and control of risks. A corporate risk register is maintained by the Corporate Planning Department and is monitored throughout the year.
- Reports to the Authority and its committees include an integrated impact assessment to inform and support decisions.
- Business continuity arrangements are in place to ensure that critical services can continue to be delivered at all times.
- Management arrangements ensure that recommendations for improvement made by the Internal Auditor are agreed and monitored.
- Members and senior management are provided with regular reports on Service performance against key performance indicators and milestones.
- The Authority has arrangements to maintain registers of Members' personal and business interests and a register of gifts and hospitality.
- Policies for Anti-Fraud and Corruption and Whistle-blowing are in place which confirms the Authority's commitment to operating in a fair and transparent manner.
- Policies and arrangements are in place to manage the handling of data. These are the Data Protection Policy, Freedom of Information Policy, Data Retention Policy and Communications and Information Security Policy. These policies are supplemented with training and the e-learning module on data protection is mandatory for all staff.
- Information sharing protocols have been developed and agreed with partners.
- Financial management supports the delivery of services and transformational change as well as securing good stewardship. A financial update is presented to each Authority meeting, with reports available to the public on the website.
- The Treasury Management arrangements follow professional practices and are reviewed annually by members.
- The Authority's Statements of Accounts and its performance against key areas of risk and priority are subject to scrutiny by external audit.

## Core Principles

---

### Implementing good practices in transparency, reporting and audit to deliver effective accountability

- The Authority, with assistance from the Monitoring Officer, oversees and reviews the adequacy and effectiveness of the governance arrangements and internal control environment.
- Agendas and minutes of meetings are publicly available on the internet along with webcasts of the Authority meetings (when available).
- Authority reports follow a structured format which ensures that key information is presented in a clear and consistent manner to aid decision making.
- The Authority has a publication scheme and complies with the requirements of the Information Commissioner in relation to Freedom of Information requests which ensures the public have access to information held.
- The Improvement and Well-being Plan documents the objectives of the Authority.
- The Annual Statement of Accounts are produced in a user-friendly format. This provides clear information on income and expenditure and demonstrates the stewardship of public money for the year. The accounts are submitted for audit by the statutory deadline of 31 May.
- The Annual Pay Policy Statement is approved and published in accordance with the Localism Act 2011. Members' salaries are paid in accordance with the Independent Remuneration Panel decisions and reported on the internet.
- Members and senior officers declare relevant interests in accordance with the Code of Practice on Local Authority Accounting in the UK. These declarations enable the Authority to identify and report any related party transactions.
- The Annual Governance Statement provides transparency on the governance arrangements and the planned improvements for the coming year.
- The Auditor General is the external auditor appointed by statute and provides an opinion on the Statement of Accounts, which is published on the Authority's website. The Authority acts on recommendations and, where necessary, takes corrective action.
- The Internal Audit arrangements include a risk-based approach, which provides assurance that key risks are being managed. The Authority acts on recommendations and where necessary, takes corrective action.
- Processes are in place to ensure that recommendations from inspection and regulatory bodies are actioned.
- The Audit Wales review of corporate resilience referenced on page 9 will be considered as part of the annual planning cycling to ensure that opportunities for improvement are fully considered.

## How has the Authority Addressed the Governance Improvement Actions from 2021/22?

The Annual Governance and Improvement Assessment 2021/22 contained the following improvement actions. Here is how they have been addressed:

Improvement Action	Responsibility	Progress as at May 2022
Standards of conduct for staff to be reviewed.	ACFO (Operations and Training) ACFO (Finance and Resources) Head of HR	(Action from 2020/21 Action Plan, not carried over into the 2021/22 Action Plan.) Work commenced in 2020/21 to draft a revised set of Standards of Conduct for adoption. After further consideration decision taken to incorporate standards of conduct across a range of key workforce-related policies, which is regarded as a more effective way of communicating expectations aligned to the Service's revised Core Values and cultural direction. New post of Corporate Policy Development Manager created to promote consistency and coverage across the Service's policies.
Embed a co-ordinated corporate planning and financial planning cycle.	Head of Finance Corporate Planning Manager	(Action from 2020/21 Action Plan, not carried over into the 2021/22 Action Plan.) Action completed to introduce new procedure to co-ordinate corporate objective-setting and medium-term financial planning within a single annual planning cycle. It is anticipated that over time this will become increasingly well-embedded.
The Financial Regulations will be reviewed to ensure they reflect the requirements of the Fire and Rescue Authority, including an assessment of arrangements to achieve the principles of the CIPFA Financial Management Code.	ACFO (Finance and Resources) Head of Finance	The Financial Regulations were updated during 2021/22 and approved by the Fire and Rescue Authority at its meeting in March 2022 following scrutiny by the Audit Committee

Improvement Action	Responsibility	Progress as at May 2022
Continuation of 2020/2021 action by the ICT Department, in relation to Cyber Essentials Plus to guard against cyber threats.	ACFO (Fire Safety) Senior Control and ICT Manager	<p>Progress continues to be made towards achieving Cyber Essentials certification, and work to prepare to make an application for certification remains on the 2022/23 action plan.</p> <p>The threat from cyber criminals increased during the year. The ICT department, working to the guidelines of the National Cyber Security Centre (NCSC) at GCHQ, continued to take action to protect the organisation, including maintaining vigilance to the constantly changing threat. The Service's Cyber Security Protection Team within ICT meets regularly to plan strategy and threat protection. Other measures have included participating in meetings of WARP (Warning, Advice and Reporting Point, part of the NCSC), engaging with cyber security experts (SEP2) to design an Incident Response Plan, and monthly use of a product (NESSUS) that scans the Service's network for vulnerabilities so enabling interventions to be made to improve security.</p>
Following on from the environmental and energy policy statements adopted previously, the Planning Working Group will consider a new environmental strategy.	ACO (Planning and Performance) Corporate Planning Manager	As a consequence of the impact of COVID-19 informal planning working groups could not be held resulting in slower than expected progress, however work has now been reinvigorated to recruit a Climate Change Manager and develop a robust environmental strategy. A review undertaken by Audit Wales during 2021/22 concluded that the Authority was unlikely to achieve net carbon zero status by 2030 without a step change in performance. Over the coming months the Authority will be taking action to address the five recommendations for improvement.



Improvement Action	Responsibility	Progress as at May 2022
<p>Support a regional and national response to the Grenfell incident and implement any procedural changes resulting from the independent review.</p>	<p>ACFO (Fire Safety) Senior Fire Safety Manager</p>	<p>The Service continues to work to improve the safety of High-Rise Residential Buildings (HRRB). At a local level, this involves continuing to audit residential building and providing support to Responsible Persons (RP) in order for them to comply with current fire safety requirements. Nationally, we are working with Welsh Government to support initiatives and law changes they are making to make residential properties safer. This includes the creation of a Joint Inspection Team (JIT), advising and informing the remediation scheme being run by Welsh Government and working to ensure any future legislation is fit for purpose.</p> <p>At a UK level, we are part of the National Fire Chiefs Council's (NFCC) group of fire safety professionals. This allows us to influence UK wide thinking regarding fire safety. We have also been consulted on proposed changes to UK fire safety law.</p> <p>All of the action from stage 1 of the Grenfell Tower Inquiry have been completed and we continue to follow and await the outcome of stage 2 of the inquiry.</p>
<p>Ensure the recommendations from the internal Covid-19 response report are progressed during 2021/22.</p>	<p>ACFO (Operations and Training) Senior Operations and Training Managers</p>	<p>Progress has been made against all 20 recommendations with most being fully completed and others transitioning into business as usual process that will change the way that we do things now and in the future. For the purposes of monitoring the actions from the Learning from COVID report are considered to be complete.</p>

Improvement Action	Responsibility	Progress as at May 2022
<p>Complete all actions and requirements arising from the updated government advice and Scheme Advisory Board for Wales.</p>	<p>ACFO (Finance and Resources) Pensions Manager</p>	<p>The Authority continues to prepare for the implementation of UK Government remedy proposals following the McCloud Judgment. The legislative process is ongoing and implementation is anticipated by October 2023. Update reports have been issued to the Fire and Rescue Authority and the matter is discussed at each Local Pension Board meeting.</p>

## Governance Improvement Action Plan 2022/23

The actions planned for 2022/23 are summarised in the table below. Progress during the year will be reported to the Service Leadership Team through the forums shown.

Improvement Area	Planned Action	Forum	Responsibility	Timescale
Cyber Security	Action through the ICT Department to prepare for achieving Cyber Essentials Plus certification to help protect against cyber security threats to the organisation.	Information Steering Group	Head of ICT, Control and Central Area Head of ICT	March 2023
Service Restructure (introduced 1 <sup>st</sup> April 2022)	Action through the Finance and Corporate Planning Departments to check and confirm that the integrated planning approach remains appropriate and effective.		Head of Finance Head of Corporate Planning	September 2022
	Action through the Service Leadership Team to trial the Service's recently developed Assurance Framework and Building Blocks; and revise if necessary.	Service Leadership Team	DCFO	March 2023
	Action through the Service Leadership Team to design an annual process that explicitly involves the SLT and Internal Audit in assessing the extent to which the principles contained in the Good Governance Framework are being applied.	Service Leadership Team	ACO Head of Corporate Planning	December 2022

Improvement Area	Planned Action	Forum	Responsibility	Timescale
Environmental Strategy	Action through the FRA's Planning Working Group to develop a new Environmental Strategy	Organisational Resourcing Committee Environment and Sustainability Group Planning Working Group (FRA)	Head of Operations and East Area Head of Sustainability Head of Corporate Planning	March 2023
Internal Audit	Review the contract for the provision of Internal Audit services to ensure its continuing effectiveness in providing assurance with regard to governance arrangements and that recommendations are acted upon.		ACFO (Finance and Resources)	December 2022
FRA Member Development	Working with the FRA, design a more structured programme of Member Development to support Members to be effective in fulfilling their leadership and governance roles on the Authority.		ACO Clerk to the FRA Head of Training and Development	December 2022

Improvement Area	Planned Action	Forum	Responsibility	Timescale
Constitution	Action for the Clerk to the FRA to incorporate into the Constitution arrangements for pre-election periods leading up to local government elections and interregnum periods between Authorities.		Clerk to the Fire and Rescue Authority.	March 2023

## **Compliance with the Financial Management Code**

---

The CIPFA Financial Management Code (CIPFA FM Code) is designed to support good practice in financial management and to assist the Authority in demonstrating their financial sustainability. The CIPFA FM Code therefore sets the standards of financial management for the Authority.

The Code is based on a series of principles supported by specific standards and statements of practice which are considered necessary to provide the strong foundation to:

- Financially manage the short, medium- and long-term finances of the Authority;
- Manage financial resilience to meet foreseen demands on services; and
- Financially manage unexpected shocks in their financial circumstances.

Each Authority must demonstrate that the requirements of the Code are being satisfied.

As Section 151 Officer I have the Statutory Responsibility (supported by the Senior Leadership Team and Members of the Authority) for ensuring compliance with the CIPFA FM Code. I have carried out a full assessment of compliance with the CIPFA FM Code as part of the annual review of the Annual Governance Statement and I can confirm that in my opinion the Authority is compliant with the code in the majority of areas.

Areas of improvement, however, have been identified, many of which are already underway, including:

- Further develop the budget process to embed long term decision-making and consultation as core principles
- Develop the latest Medium-Term Financial Strategy and begin considerations early, on options for ensuring a sustainable budget, including exploring any opportunities for transformation of services.
- Develop a clear long-term capital strategy.
- Complete the assessment of the revised CIPFA Prudential Code for Capital to ensure compliance and to ensure future capital plans are affordable, prudent and sustainable.

**Signed:**



**(Treasurer)**

**17 October 2022**

## Governance Opinion and Conclusion

---

The Authority recognises that good governance provides the foundation for the delivery of good quality services that meet the needs of stakeholders and ensures that public money is well spent. This review confirms the governance systems and monitoring in place for 2021/22 and the steps taken to ensure that they are working effectively.

The Authority is satisfied that appropriate governance arrangements are in place and remains committed to enhancing these through the implementation of the action plan for 2022/23.

  
Signed:.....(Chair) 17 October 2022

  
Signed: . .....(Chief Fire Officer) 17 October 2022