

NORTH WALES FIRE AND RESCUE AUTHORITY
AUDIT COMMITTEE

Minutes of the **Audit Committee** of the North Wales Fire and Rescue Authority held on Monday 20 March 2023 virtually via Zoom. Meeting commenced at 09.30hrs.

Councillor

Mark Young (Deputy Chair)
Marion Bateman
Michelle Blakeley-Walker
Jeff Evans
Marc Jones
Gwynfor Owen
Arwyn Herald Roberts
Austin Roberts

Representing

Denbighshire County Council
Flintshire County Council
Denbighshire County Council
Anglesey County Council
Wrexham County Borough Council
Gwynedd Council
Gwynedd Council (09:34)
Conwy County Borough Council

Also present:

Stewart Forshaw
Helen MacArthur
Dafydd Edwards
Matt Georgiou
George Jones
Lisa Allington
Gill Murgatroyd
Keith Williams

Deputy Chief Fire Officer
Assistant Chief Fire Officer
Treasurer
Deputy Clerk and Monitoring Officer
Atebol - Translator
Executive Assistant
Standards Committee
Conwy County Borough Council

1 APOLOGIES

Councillor

Nigel Smith (Chair)
Beverley Parry-Jones
Tina Claydon
Neil Coverley

Representing

Conwy County Borough Council
Wrexham County Borough Council
Flintshire County Council
Conwy County Borough Council

ABSENT

Councillor

Bryan Apsley
Adele Davies-Cooke
John Brynmor Hughes

Representing

Wrexham County Borough Council
Flintshire County Council
Gwynedd Council

2 DECLARATIONS OF INTEREST

- 2.1 Cllr. Mark Young declared a personal interest in agenda item 9, as he was also Chair of the Denbighshire Planning Committee.

3 NOTICE OF URGENT MATTERS

3.1 There was no notice of urgent matters.

4 MINUTES OF THE MEETING HELD ON 12 DECEMBER 2022

4.1 The minutes of the meeting held on 12 December 2022 were submitted for approval.

4.2 **RESOLVED to:**

i) approve the minutes as a true and accurate record of the meetings held.

5 MATTERS ARISING

5.1 DCFO Forshaw gave a brief update on the Pay Award and the associated for potential industrial action. It was noted that Members had been regularly briefed over the last six-months on this item by the Chief Fire Officer (CFO).

5.2 A pay offer had been made by the National Joint Council on 07 February 2023 of 7% backdated to July last year, and a 5% offer effective July this year. The Fire Brigades Union balloted their members with a recommendation to accept this offer, and 96% voted to accept with a turnout of 84%.

5.3 The Service welcomes any settlement which avoids industrial action and supports its staff, and all preparations for business continuity arising from the potential of industrial action have now been stood down.

5.4 Members were asked to note that there was no additional funding linked to this pay offer and so the additional cost would have to be found from the Service's budget meaning a change in emergency cover to find an appropriate balance between the challenges we face in protecting the people of North Wales and ensuring that we have a sustainable budget going forward.

5.5 Members expressed concern that the pay offer had been agreed without the offer of funding to Fire and Rescue Services from the Government.

5.6 **RESOLVED to:**

- i) endorse the issue being raised with the Chair of the Authority by Cllr. Mark Young; and**
- ii) endorse Members advising their own Council Leaders of the issue.**

6 PROVISION OF INTERNAL AUDIT

6.1 ACFO MacArthur presented the paper on the Provision of Internal Audit, the purpose of which was to outline to Members the requirement for a sound and effective internal audit function. The report also sought endorsement for the proposal to enter into a procurement process for the internal audit contract from 01 April 2023.

6.2 The Treasurer confirmed that the Audit Department within Conwy County Borough Council, who carried out the Service's internal audit arrangements, were satisfied and that it was appropriate for procurement to take place from time to time.

6.3 **RESOLVED to:**

- i) note the requirement to maintain adequate systems of internal control and the role of internal audit in supporting the annual statement;**
- ii) endorse the approach set out in the paper for the procurement of internal audit services utilising the Crown Commercial Services Framework for Audit and Assurance; and**
- iii) delegate the appointment of the successful supplier to a panel comprising of the Chair and Deputy Chair of the Audit Committee and the Authority's Treasurer.**

7. AUDIT WALES ANNUAL AUDIT SUMMARY

7.1 ACFO MacArthur presented the Audit Wales Annual Audit Summary paper which provided members with the Annual Audit Summary 2022 produced by Audit Wales and was intended for information purposes only.

7.2 **RESOLVED to:**

- i) note the annual audit summary.**

8 BUDGET UPDATE

8.1 Dafydd Edwards, Authority Treasurer, presented the Budget Update paper which aimed to provide members with a financial update following the approval of the 2023/24 revenue budget at the North Wales Fire and Rescue Authority meeting of the 16 January 2023.

8.2 It was noted that in-depth discussions had taken place around this subject previously and challenges had been made around the inflationary increase in the budget. Members were advised that the recent pay award had now resulted in an additional budget pressure of £1m, in addition to the existing pressure of £1.4m.

- 8.3 Reserves would be used to bridge the gap for financial year 2022/23 but this would leave them severely depleted. The only options available to the Service moving forward, therefore, was to look at both increasing income via the levy to the Local Authorities and to make cost efficiencies.
- 8.4 Members were advised that the Pay Award was a National arrangement rather than a local agreement and so the Welsh Government had little influence over it.
- 8.5 It was noted that cost efficiencies via the Emergency Cover Review were now necessary to ensure that there were enough reserves moving forward to maintain financial stability.
- 8.6 One Member urged that fellow Councillors approach their local MP's to initiate talks around the provision of additional funding to cover the pay award, and it was confirmed that there were no confidentiality issues surrounding this.
- 8.7 **RESOLVED to:**
- i) note the conclusion of the pay negotiations for firefighters and the associated further cost pressures;**
 - ii) consider the short-term use of reserves to address the cost pressures arising from the firefighters' pay settlement;**
 - iii) note that the pay negotiations for all other staff remain outstanding at this time; and**
 - iv) note that the £2.4m underlying deficit will have unavoidable implications for future service delivery and increased levy for 2024/25.**

9 TRAINING CENTRE

- 9.1 DCFO Forshaw presented the Training Centre paper which presented an update on the work undertaken on the production of a detailed business case for a new fire and rescue training and development centre in North Wales.
- 9.2 It was asked whether the existing training centre in Dolgellau would need to be closed entirely, or if there would be an opportunity to keep it open in order to deliver specific aspects of training. Members were advised that the existing training centre would remain open for at least five-years as it would take this long to establish the new training centre, should approval be given.
- 9.3 The Chair advised that Cllr Rees and Cllr Cunningham form part of the working group for this item, along with a representative from each of the remaining four constituent councils. This was approved by Members.

9.4 RESOLVED to:

- i) note the background to reviewing Fire and Rescue training facilities in North Wales;**
- ii) note that the current training provision is reaching its end of life;**
- iii) note that the next stage of the project, to confirm the suitability of the identified land, has commenced;**
- iv) note the timescales set out in this report for the provision of a detailed business case for Members' consideration; and**
- v) identify Members from each constituent council to form a working group to help to develop and scrutinise plans for a new training centre.**

10 URGENT MATTERS

10.1 There were no urgent matters to discuss.

Meeting closed 10:20 hrs