

AWDURDOD TÂN AC ACHUB GOGLEDD CYMRU



NORTH WALES FIRE AND RESCUE AUTHORITY

A meeting of the NORTH WALES FIRE AND RESCUE AUTHORITY will be held MONDAY 17 OCTOBER 2022 at 10:00 virtually via Zoom.

Yours faithfully

Gareth Owens
Clerk

AGENDA

- 1. Apologies**
- 2. Declarations of Interest**
- 3. Notice of Urgent Matters**

Notice of items which, in the opinion of the Chair, should be considered at the meeting as a matter of urgency pursuant to Section 100B (4) of the Local Government Act, 1972.
- 4. Minutes of meeting held on 20 June 2022**
- 5. Matters Arising**
- 6. Chair's Report**
- 7. Financial Outturn 2022-23**
- 8. Energy Contract Renewal**
- 9. New Training Centre Paper**
- 10. Budget Setting 2023-24**
- 11. Annual Governance Statement**
- 12. Annual Performance Assessment**
- 13. Statement of Accounts 2021-22**

14. Covid-19 Inquiry Preparation

15. Urgent Matters

To consider any items which the Chair has decided are urgent (pursuant to Section 100B (4) of the Local Government Act, 1972) and of which substance has been declared under item 2 above.

PART II

It is recommended pursuant to Section 100A (4) of the Local Government Act, 1972 that the Press and Public be excluded from the meeting during consideration of the following item(s) of business because it is likely that there would be disclosed to them exempt information as defined in Paragraph(s) 12 to 18 of Part 4 of Schedule 12A of the Local Government Act 1972.

16. Firefighter Pay Negotiations and Potential Industrial Action

NORTH WALES FIRE AND RESCUE AUTHORITY

Minutes of the meeting of North Wales Fire and Rescue Authority held on Monday 20 June 2022 virtually via Zoom. Meeting commenced at 10.10am.

Councillor

Jeff Evans
Dylan Rees
Ken Taylor
Carol Beard
Neil Coverley
Chris Hughes
Austin Roberts
Nigel Smith
Alan Hughes
Mark Young
Marion Bateman
Paul Cunningham
Adele Davies-Cooke
Dale Selvester
Gwynfor Owen
Arwyn Herald Roberts
Gareth A Roberts
Rob Triggs
Bryan Apsley
Beverley Parry-Jones
Rondo Roberts

Representing

Anglesey County Council
Anglesey County Council
Anglesey County Council
Conwy County Borough Council
Denbighshire County Council
Denbighshire County Council
Flintshire County Council
Flintshire County Council
Flintshire County Council
Flintshire County Council
Gwynedd Council
Gwynedd Council
Gwynedd Council
Gwynedd Council
Wrexham County Borough Council
Wrexham County Borough Council
Wrexham County Borough Council

Also present:

D Docx (Chief Fire Officer); G Owens (Clerk and Monitoring Officer); D Edwards (Treasurer); S Forshaw (Deputy Chief Fire Officer); R Fairhead, H MacArthur and S Millington (Assistant Chief Fire Officers); S Morris (Assistant Chief Officer); G Williams (Conwy County Borough Council); M Georgiou (Deputy Clerk and Monitoring Officer); T Williams (Corporate Communications Manager); A Davies (Member Liaison Officer).

1 APOLOGIES

Councillor

Tina Claydon
Chrissy Gee
John Brynmor Hughes
Marc Jones
Paul Rogers

Representing

Flintshire County Council
Flintshire County Council
Gwynedd Council
Wrexham County Borough Council
Wrexham County Borough Council

2 DECLARATIONS OF INTEREST

2.1 There were no declarations of interest.

3 NOTICE OF URGENT MATTERS

3.1 There was no notice of urgent matters.

4 MINUTES OF THE MEETING HELD ON 14 MARCH 2022

4.1 The minutes of the meeting held on 14 March 2022 were submitted for approval.

4.2 **RESOLVED to approve the minutes as a true and correct record of the meetings held.**

5 MATTERS ARISING

5.1 There were no matters arising.

6 WILD FIRES

6.1 ACFO Millington delivered a presentation on wild fires and the resources required to deal with such incidents.

6.2 Members had the opportunity of asking questions following the presentation and it was noted that a review was currently being undertaken into the resources and the options available around personal protective equipment.

6.3 **RESOLVED to note the information presented.**

7 FINANCIAL YEAR-END 2021/22

7.1 The Treasurer introduced himself to Members and explained that this was his first meeting and that he was looking forward to working with the Authority. He thanked ACFO MacArthur and the finance team and commended them for having been able to prepare the statement of accounts by the end of May.

7.2 ACFO MacArthur presented the report detailing the draft year-end financial position and performance for 2021/22. The report also incorporated the draft 2021/22 Statement of Accounts presented for audit, confirmation of the proposed reserves as at 31 March 2022 and a summary of the bad debts written off during 2021/22.

7.3 Members were also requested to delegate approval of the final audited version to the Executive Panel at its meeting on 19 September 2022; it was noted that minor typographical amendments would be made to the accounts prior to the final audit.

7.4 **RESOLVED to**

- (i) note the draft revenue and capital outturn positions as detailed within the 2021/22 Statement of Accounts;**
- (ii) delegate approval of the final audited 2021/22 Statement of Accounts to the Executive Panel, at its meeting on 19 September 2022;**
- (iii) approve the earmarked reserves;**
- (iv) note the bad debts written off in 2021/22.**

8 ANNUAL GOVERNANCE STATEMENT 2021/22

8.1 ACO Morris presented the draft Annual Governance Statement for 2021/22.

8.2 It was noted that the CIPFA/Solace Delivering Good Governance in Local Government Framework (2016) requires the the Authority to publish an Annual Governance Statement. The Annual Governance Statement will be published as part of the production of the statutory financial statements for 2021/22. An assessment will be made by the external auditor to confirm whether it is consistent with the financial statements and has been produced in line with the Framework.

8.3 **RESOLVED to**

- (i) note the governance arrangements outlined within the draft 2021/22 Annual Governance Statement;**
- (ii) note the forward work plan for 2022/23; and**
- (iii) approve the draft 2021/22 Annual Government Statement.**

9 FIREFIGHTERS PENSION SCHEMES LOCAL PENSION BOARD – ANNUAL REPORT 2021/22

9.1 ACFO MacArthur presented the annual report of the Local Pension Board which details the work of the board during the 2021/22 financial year.

9.2 **RESOLVED to approve the Local Pension Board annual report 2021/22 for publication on the Authority's website.**

10 INTERNAL AUDIT ANNUAL REPORT 2021/22

10.1 Keith Williams presented the internal audit annual report 2021/22; it analysed the work of the Internal Audit Service for 2021/22 and contained the assurance statement based on the work of Internal Audit during the year ended March 2022.

- 10.2 **RESOLVED to note the content of Head of Audit and Procurement's Annual Report and the overall 'opinion' upon the adequacy and effectiveness of the Authority's framework of governance, risk management and control.**
- 11 AUDIT PLAN 2022
- 11.1 Mike Whiteley from Audit Wales presented the external audit plan 2022 for North Wales Fire and Rescue Authority. The audit plan sets out the proposed work of Audit Wales for the coming year as well as confirming the fee amount of £63,721.
- 11.2 Mr Whiteley informed Members that since the report had been written, the topic for the value for money/thematic review had been confirmed as reducing/preventing false alarms.
- 11.3 **RESOLVED to note the information provided.**

Report to	North Wales Fire and Rescue Authority
Date	17 October 2022
Lead Officer	Not applicable
Contact Officer	Members Services (members.services@northwalesfire.gov.wales)
Subject	Chair's Report



PURPOSE OF REPORT

- 1 This report provides Members with information on the meetings and events attended by the Chair and Deputy Chair of the Authority in their official capacities between June and October 2022.

EXECUTIVE SUMMARY

- 2 The Chair and/or Deputy Chair have attended several meetings and events, both internally and externally on behalf of the Authority.

RECOMMENDATION

- 3 That Members note the information provided.

OBSERVATIONS FROM EXECUTIVE PANEL/AUDIT COMMITTEE

- 4 This report has not previously been considered.

INFORMATION

- 5 In addition to the Authority-related meetings, the Chair and Deputy Chair have met with the Chief Fire Officer (CFO) on a regular basis.
- 6 The Chair represented the Authority at Royal Memorial Services following the death of the Queen.
- 7 The Chair and Deputy Chair have visited the following stations – Caernarfon, Wrexham and Deeside. They have also visited the Joint Control Room at St Asaph.
- 8 In addition, the Chair has visited Conwy and Llanberis stations plus the training centre at Dolgellau. He has also attended Station Open Days at Menai Bridge and Bangor.

- 9 On 9 July the Chair represented the Authority at a meeting of the North Wales Regional Partnership Board.
- 10 On 12 July the Chair attended the launch of “Olivia’s Story” at Ruthin Courthouse. This is a road safety initiative which has been jointly produced with the North Wales Police.
- 11 On 4 August, the Chair and the CFO attended a virtual meeting with the other Welsh Chairs and CFO’s to discuss their response to the Chief Fire and Rescue Advisor’s thematic review.
- 12 A further National Employers Chairs and CFOs consultation session was held on 21 September which the Chair attended together with the CFO.
- 13 The Chair, along with the CFO and Officers, welcomed the Deputy Minister for Housing and Local Government on 30 September 2022.

IMPLICATIONS

Wellbeing Objectives	Not relevant.
Budget	Any costs associated with meetings and events attended by members are reimbursed from the travel and subsistence budget.
Legal	No specific implications arise from approving the recommendation.
Staffing	No specific implications arise from approving the recommendation.
Equalities/Human Rights/ Welsh Language	No specific implications arise from approving the recommendation.
Risks	No specific risks arise from approving the recommendation.

Report to	North Wales Fire and Rescue Authority
Date	October 2022
Lead Officer	Helen MacArthur Assistant Chief Fire Officer (Finance and Resources)
Contact Officer	Helen Howard, Head of Finance
Subject	Provisional Outturn 2022/23



PURPOSE OF REPORT

- 1 To provided members with an update on the revenue and capital expenditure position for 2022/23, as at 31 August 2022.

EXECUTIVE SUMMARY

- 2 The net budget requirement was approved by the Fire and Rescue Authority (the Authority) at its meeting of 20 December 2021. This confirmed a net requirement of £39.41m to be funded by the constituent local authorities. Actual expenditure is forecast to be £42.5m which includes projects deferred during the Covid-19 pandemic, estimates of national pay settlements above the 2% budget provision and general inflationary pressures. The use of earmarked reserves, the general fund and provisions will mitigate the additional costs and it is not anticipated that a supplemental levy will be required.
- 3 The Authority approved the 2022/23 capital budget of £2.91m on 20 December 2021. The capital programme is experiencing cost pressures, and if all expected works are completed, there will be an overspend of £0.20m.

RECOMMENDATIONS

- 4 Members are asked to:
 - (I) note the draft revenue and capital outturn projections for the 2022/23 financial year, as detailed within the report;
 - (II) note the risks associated with inflation and supply chain issues;
 - (III) note the risks associated with the ongoing pay negotiations; and
 - (IV) approve the use of earmarked and general fund reserves.

OBSERVATIONS FROM EXECUTIVE PANEL/AUDIT COMMITTEE

- 5 This report has not previously been considered by members.

BACKGROUND

- 6 This report provides information on the draft revenue and capital expenditure outturn position for the 2022/23 financial year.

INFORMATION

REVENUE BUDGET

- 7 The net budget for 2022/23 of £39.412m was approved at the Authority meeting on 20 December 2021. Following further planning work, the overall net budget requirement was confirmed at the Authority meeting on the 20 June 2022. At this time it was also noted that expenditure deferred from 2021/22 would be met from earmarked reserves. In addition, the specific risk associated with pay awards was noted as the national agreements were outstanding.
- 8 Staff costs represent 72% of gross expenditure. The budget is set on the approved staffing establishment and anticipated activity.
- 9 The budget setting process included an assumption that pay awards would be 2% for all staff. The latest pay offer for local government staff is an uplift of £1,925, across all grades which equates to approximately 6.6%. The current position is that Unison members have voted to accept the offer. However, the results of the ballot from the other unions representing local government staff are not yet known, although we are anticipating receiving them by the end of the month.
- 10 An initial pay offer of 2% for firefighters and control staff was rejected by the employee side negotiators (Fire Brigades Union) and staff were to be balloted for strike action. A further offer of 5% has been made and although the Fire Brigades Union has indicated that this is not adequate, it is currently undertaking a consultation with its members.
- 11 The non-pay forecasts reflect the known unavoidable cost pressures that are being experienced in relation to utility costs, building maintenance and fuel cost. However, further uncertainty remains due to general inflationary pressures and supply chain issues resulting in expenditure above anticipated budget.
- 12 Whilst the majority of expenditure is funded from the constituent authority levy, income is received from the Welsh Government for grant funded activities and recharges from other bodies in relation to the use of our premises.

- 13 Capital financing costs include the costs of borrowing and revenue charges for using capital assets. When the budget was set, the significant rise in the Bank of England base rates was not anticipated during 2022/23. The subsequent increase has resulted in a detrimental impact on the position which is factored into the forecast.

REVENUE OUTTURN

- 14 The report is projecting an overall balanced position, but given the inflationary pressures it has been necessary to include transfers from earmarked reserves. The breakdown is detailed below.

	Budget (£000)	Forecast (£000)	Variance (£000)	Variance (%)
Employees	30,120	31,553	1,433	4.8%
Premises	2,901	3,896	995	34.3%
Transport	1,204	1,204	-	0.0%
Supplies	4,919	5,391	472	9.6%
Third Party Payments	451	451	-	0.0%
Capital Finance & Charges	2,263	2,513	250	11.0%
Income	-2,456	-2,482	-26	1.1%
Forecast Outturn	39,402	42,526	3,124	7.9%
Transfer from Earmarked Reserves		-2,128	-2,128	
Transfer from Provisions		-296	-296	
Transfer from General Fund		-700	-700	
Use of Reserves		-	-	
		3,124	3,124	
Forecast Position	39,402	39,402	-	

EMPLOYEE COSTS

- 15 Employee costs form a significant element of the budget (72%) and include pay, pension costs, cost of recruitment and training and employee services such as physiotherapy and occupational health services.

- 16 A new staffing structure was implemented in April 2022. Significant progress has been made in recruiting to vacancies, however the jobs market is proving challenging when recruiting to specialist posts. These posts remain critical to achieving the corporate objectives.
- 17 A recent wholetime recruitment exercise has resulted in 24 new recruits being appointed; 12 commenced in September and 12 are starting in January. These new posts will address known and anticipated retirements although, due to the required period of training, it has been necessary to exceed the normal establishment levels to ensure continuity of service. Action continues to increase the number of retained duty firefighters and is a significant area of focus to address and maintain availability issues.
- 18 Expenditure of £0.29m has been incurred in respect of backdated holiday pay awards. This was necessary following a national legal case in relation to the elements of pay that should be included in the holiday pay calculation and will be funded via a provision established in 2021/22.
- 19 The anticipated overspend in staffing costs amounts to £1.43m and includes the following:
- anticipated in year costs of pay awards;
 - backdated holiday pay;
 - additional wholetime firefighters;
 - temporary posts to deliver specific projects; less
 - reductions arising from current vacancies.
- 20 The anticipated in year cost of pay awards remains uncertain at this time, although any pay award over 2% is a financial risk. This was noted during the budget setting process and it is proposed that for 2022/23 the reserves should be utilised for nationally agreed pay awards.

NON-PAY COSTS

- 21 The non-pay budget is experiencing significant pressures. These include fuel and energy costs which remain unpredictable due to price and supply issues. In addition, the availability and costs of other commodities such as building supplies, ICT equipment and fleet parts are also of concern given the complexity of supply chains and global uncertainty.
- 22 A review of non-pay expenditure is undertaken by budget holders to ensure that the projections continue to be reasonable.

Premises

- 23 Premises costs are projecting an overspend of £0.99m.
- 24 The market instability and increased costs of gas and electricity are a major financial challenge for the Authority. The current projected overspend for utilities is £0.25m. The UK Government has announced support for businesses including public sector bodies until 31 March 2023. The costs of energy are monitored as part of the service level agreement with North Wales Police.
- 25 The projection also includes the cost of works that were delayed in 2021/22. Funding is available for these works from the earmarked reserves.

Transport

- 26 The transport budget is projecting a nil variance; however, increasing costs in relation to fuel and vehicle parts are causing pressures on this budget, which at present are being managed internally.

Supplies

- 27 The net supplies budget is £4.9m and current forecast expenditure is £5.4m, which includes in-year initiatives that will be funded from earmarked reserves.
- 28 Significant inflationary pressures are being experienced in a number of business-critical areas and action is being taken to contain and mitigate these, where possible.
- 29 The projected outturn position includes costs for new Fire Safety software, the replacement of essential operational equipment and project work in relation to the various reviews that are currently being undertaken throughout the Service. These were planned following the closure of the 2021/22 financial year and will be funded from earmarked reserves.

Third Party Payments

- 30 Third party payments relate to service level agreements with partners, including Conwy County Borough Council, Flintshire County Council and North Wales Police.
- 31 This expenditure is currently projected to budget.

CAPITAL FINANCING

- 32 The capital financing budget sets aside revenue funding to finance capital expenditure.
- 33 The Minimum Revenue Provision (MRP) represents the minimum amount that must be charged to an authority's revenue account each year for financing of capital expenditure, which will have initially been funded by borrowing. It is part of all Authority's accounting practices and is about making sure that the Authority can pay off the debts it has from buying capital assets, such as buildings and vehicles.
- 34 Regulations require the Authority to determine, each financial year, an amount of MRP which it considers to be prudent by reference to a calculated capital financing requirement (CFR). The MRP for 2022/23 is £1.94m.
- 35 In addition, the budget holds the interest costs in relation to the Authority's loans. Due to the volatile economic position, the cost of borrowing has now increased significantly, which has resulted in a current budget pressure of £0.25m.
- 36 This situation is being monitored carefully but there is a risk of further increases as new loans are required in the second half of the year to replace maturing loans and to fund capital expenditure.
- 37 Currently, there is a reserve of £0.3m to offset increased interest costs.

INCOME

- 38 As well as the constituent authority levy, the budget also includes expected income for fees, charges and grants.
- 39 Fees and charges largely relate to the recharges for buildings shared with other bodies.

	Budget £000	Projection £000	Variance £000
Grants	2,299	2,1299	0
Fees and charges	277	303	26
Total	2,576	2,602	26

- 40 Other income increased due to additional government funding for apprentice training.

Grant Funding

- 41 2022/23 grant funding allocations total £2.299m (2021/22: £2.397m). A breakdown of grant funding, for 2022/23, is detailed below. All grants are carefully monitored throughout the financial year to identify any variances and to enable remedial action to be taken.

	Allocation £000
Arson Reduction	157
Home Safety Equipment	223
Youth & Young People Engagement	148
All Wales National Resilience	154
Firefighters Pension Contributions	1,081
Firelink Service Fees	416
EV Charging Points	120
Total Grant Funding	2,299

CAPITAL PROGRAMME

- 42 The Authority approved a capital programme of £2.916m in December 2021. In addition, £0.167m of expenditure will be funded from reserves due to slippage in a previously approved scheme.
- 43 The projection assumes that all schemes will be delivered by March 2023.
- 44 As is the case with the revenue budget, the capital program is experiencing cost pressures, with increased costs in relation to the purchase of vehicles and building works. This has resulted in the need for an additional £0.205m of funding.
- 45 Details of the schemes are below:

Scheme	Budget £000	Forecast £000	Variance £000
Fire Appliance Replacement	1,248	1,248	-
Multi-Purpose Station Vans	160	170	10
Workshop Equipment	20	20	-
Training Tower Replacement	160	250	90
Buildings - Minor Works	245	260	15
Total 2022/23	1,833	1,948	115
Rollover - Fire Appliances	923	923	-
Rollover - Training Towers	160	250	90
Total Rollover from 2021/22	1,083	1,173	90
ICT - Server	167	167	-
Total Funded from Reserves	167	167	-
Total: Capital Programme	3,083	3,288	205

46 The financing of the capital plan is as follows:

Funding	Amount £000
Borrowing	3,121
Earmarked Reserves	167
Total	3,288

BORROWING

- 47 Capital expenditure is largely funded via external borrowing. In the short term, the Authority utilises surplus revenue cash known as internal borrowing.
- 48 The Authority continues to utilise internal borrowing. This means that the capital borrowing needed, as calculated by the Capital Financing Requirement (CFR), has not been fully funded with external loan debt. Rather cash supporting the Authority's reserves, balances and cash flow have been used as a temporary expedient to fund capital spend and generate revenue savings. However, as reserves are utilised it becomes necessary to replace the internal borrowing with external borrowing.
- 49 The Authority's borrowings are projected to be £22.26m at 31 March 2023. This includes £6.0m of temporary short-term loans, from other public sector bodies and £16.26m of loans from the Public Works Loans Board. This is dependent on the availability of internal funds and remains a risk area for the Authority.

USE OF EARMARKED RESERVES

- 50 The aim of the authority's financial reserves is to provide funding for investment in future activities, and to act as a safety net in case of short-term financial challenges arising from activity demands or unforeseen pressures.
- 51 The Authority currently has earmarked reserves of £5.57m which have been built up in recent years due to slippage in recruitment and activities due to the Covid-19 pandemic.
- 52 In 2021/22 earmarked reserves were set aside to fund costs that should have been incurred in 2021/22, but supply chain issues meant that these could not be completed and were delayed. In addition, there are reserves set up to fund interest rate rises, increases in inflation, system improvements and service improvements.

- 53 The provisional outturn assumes that reserves of £2.13m will be utilised in year. The use of reserves is kept under review as part of the budget monitoring process.

IMPLICATIONS

Well-being Objectives	This report links to NWFRA's long-term well-being objectives. Funding for the Service benefits the communities of North Wales and ensures there is sufficient investment in infrastructure to enable the service to provide emergency responses and prevention work well in to the future.
Budget	Budget is set annually in accordance with the proposed service delivery which includes emergency response and prevention work.
Legal	It is a legal requirement that the Authority produces the Statement of Accounts in accordance with the prescribed standards.
Staffing	Effective financial management supports the long-term workforce strategy to ensure that the Authority is able to discharge its responsibilities
Equalities/Human Rights/Welsh Language	None
Risks	Income and expenditure are closely monitored to ensure that deviations from the approved budget are properly identified and reported to Members.

Report to	North Wales Fire and Rescue Authority
Date	17 October 2022
Lead Officer	Helen MacArthur, Assistant Chief Fire Officer
Contact Officer	Helen MacArthur
Subject	Renewal of energy contracts



PURPOSE OF REPORT

- 1 This report is to provide Members with an update on the energy contracts for the supply of gas and electricity across the estate of North Wales Fire and Rescue Authority (the Authority).

EXECUTIVE SUMMARY

- 2 The contracts for the Authority's gas and electricity expired on 30 September 2022. The extreme price increases that have been experienced in the energy market have created a significant financial risk to the Authority.
- 3 The contracts for gas and electricity have been awarded via Gwynedd Council's Energy Procurement Framework. The gas and electricity will be purchased using a dynamic purchasing system which allows purchases to be made over the lifetime of the contract at the prevailing rate at that time.
- 4 The dynamic purchasing arrangement will be subject to an agreed risk strategy which includes the option of purchasing all estimated outstanding gas and electricity should the market continue to increase, providing a safety net which limits the Authority's exposure.
- 5 At the time of writing, the UK Government has announced support measures for businesses up to 31 March 2023. This reduces the cost pressure for the financial year 2022/23 to £0.2m. However, without this support the 2023/24 cost pressure is estimated to be £0.9m due to the extreme price movements in the gas and electricity wholesale markets.

RECOMMENDATION

- 6 Members are asked to note the:
 - (i) contractual arrangements for the purchase of gas and electricity; and
 - (ii) associated risk and cost implications from 1 October 2022.

BACKGROUND

- 7 The Authority is a member of the North Wales Energy Partnership comprising North Wales councils, police and fire. This has enabled members to benefit from collective procurement arrangements via compliant frameworks. Traditionally, energy has been purchased at a fixed tariff which is set on 1 October each year.
- 8 The existing supply contracts for gas and electricity expire on 30 September 2022 and it has been necessary to undertake a procurement exercise for new energy contracts.

INFORMATION

- 9 The Authority has been able to benefit from a procurement framework established by Gwynedd County Council as the lead authority. The Energy Procurement Framework is compliant with public sector procurement regulations.
- 10 The underlying tender process was conducted in accordance with OJEU rules and was undertaken by a market expert, Beond, on behalf of Gwynedd County Council.
- 11 The objective of the tender process was to determine the most economically advantageous tender response from licenced energy suppliers for a 48-month period. There were a range of core objectives within the tender process including supporting the achievement of sustainability goals and moving away from a fixed tariff to a dynamic purchasing system. Although a dynamic purchasing system is the preferred option, it is noted that some suppliers have, in any event, withdrawn from offering fixed rate tariffs due to the market conditions.
- 12 A dynamic purchasing system is a mechanism to provide flexibility for energy to be purchased at different stages of the contract. Under this arrangement some, but not all, of the forecasted energy consumption is purchased at the start of the contract and remaining balance is purchased over the contract period. The aim of this strategy is to make purchases over a longer period of time rather than one fixed price to increase the chance that we can benefit from dips in the market and obtain cheaper prices over the duration of the contract.
- 13 The Authority has an agreed risk strategy which includes the option of purchasing all estimated outstanding gas and electricity should the market continue to increase. This effectively provides a safety net which limits the Authority's exposure.

- 14 The situation is further complicated by the extreme price rises that have been experienced in the energy sector. The cost of gas has increased from approximately 266p per therm in April 2022 to 525p per therm when the contracts were signed and have since seen market highs of 827p per therm.
- 15 The dynamic purchasing system is managed by Beond and the aim is for a risk averse approach which may provide mitigation against the fixed tariff option. The Authority has an agreed risk strategy which includes the option of purchasing all estimated outstanding gas and electricity should the market continue to increase. This effectively provides a safety net which limits the Authority's exposure.
- 16 The contract for electricity has been awarded to Drax, a UK based company that provides the UK's largest source of renewable energy. The company has announced its ambition to be carbon negative by 2030 which supports the Authority in its own environmental objectives.
- 17 The contract for the supply of gas has been awarded to TotalEnergies, a global company that produces and sells fuels including natural gas and electricity. The company is committed to lowering emissions in its natural gas processes to support its green objectives.
- 18 Due to the extreme price increases the risk management strategy was invoked and gas and electricity was fully purchased for the period 1 October 2022 – 30 September 2023. The gas was purchased at a cost of 518p per therm and electricity £546 per megawatt hour (MWh). These prices give rise to a full year cost pressure of £0.9m.
- 19 The UK Government has since announced a range of measures to support UK businesses including the public sector. These measures cap the prices at £211 per MWh for electricity and gas at 220p per therm. This support is available until 31st March 2023 and limits the cost pressure to £0.2m for the 2022/23 financial year. The support available after 31 March 2023 remains uncertain and therefore the planning assumptions for the 2023/24 budget have assumed a full year cost pressure of £0.9m.

IMPLICATIONS

Wellbeing Objectives	This report links to NWFRA's long-term well-being objectives. The purchase of gas and electricity from suppliers committed to carbon reduction supports the long-term sustainability agenda.
Budget	Budget is set annually in accordance with the anticipated cost and associated usage.
Legal	The procurement process is fully compliant with the public sector procurement regulations.
Staffing	None
Equalities/Human Rights/Welsh Language	None
Risks	Members should note that the use of a dynamic purchasing system includes the inherent risk that the cost of gas and electricity will increase above the fixed tariff option. The strategy includes a stop loss arrangement for the Authority to purchase the outstanding balance if costs increase above an agreed level.

Report to	North Wales Fire and Rescue Authority
Date	17 October 2022
Lead Officer	Stewart Forshaw, Deputy Chief Fire Officer
Contact Officer	Stewart Forshaw, Deputy Chief Fire Officer
Subject	New Training Centre



PURPOSE OF REPORT

- 1 This report presents an update on the work undertaken to date on the production of a detailed business case for the option/s of a new training and development centre.

EXECUTIVE SUMMARY

- 2 The Authority is committed to the provision of essential operational training to its staff to support service delivery and firefighter safety. The Chief Fire Officer's assessment undertaken during 2021 identified training as a priority area and Authority approval was given to undertake a full review on the future delivery of operational training and development in the Service.
- 3 This has included a review of operational training facilities in the Service, including those located at Dolgellau and Rhyl Fire Stations. This identified the need to invest in training and development facilities to ensure operational preparedness and safety, both in terms of existing and future provision. In particular, the need to provide practical and immersive training experiences across a range of scenarios will require investment in new training facilities.
- 4 This investment will also include the identification and purchase of land to build a training and development centre within North Wales. It should be accessible within an hour's travel for the majority of our staff located at fire stations across the Service.
- 5 In order to develop a detailed business case for the options/s of a new training and development centre for NWFRS, an initial budget allocated to the project requires approval.

RECOMMENDATION

- 6 That Members:
- (i) note the content of the report;
 - (ii) authorise release of expenditure up to a maximum of £250,000 from reserves to develop the next stage of a detailed business case for the option/s of a new training and development centre for North Wales Fire and Rescue Service.

BACKGROUND

- 7 At the meeting of the Fire Authority September 2021 the three main priorities for the Service were presented by the Chief Fire Officer in her assessment and approved by Members. They included improving availability, improving training and strengthening the corporate structure.
- 8 This report includes some of the work that has commenced to improve operational training and development in the Service, which includes a project to build a new training and development centre.

INFORMATION

- 9 The Service has undertaken a detailed review of its operational training facilities at Rhyl and Dolgellau fire stations and as a result it has become apparent that, they do not provide the facilities required to train firefighters operating in a modern-day fire and rescue service.
- 10 Although the fire house training facility at Dolgellau fire station continues to be used for operational training it is 47 years old. Significant investment is now required to extend its medium-term life span for risk critical breathing apparatus and firefighting tactics training across a range of scenarios faced by our firefighters.
- 11 During the past decade the Authority will have noted the number of fires and other emergency incidents have reduced significantly. Although this is a success story for the fire prevention work that has taken place in our communities during this time, it has resulted in the risk of firefighters having less exposure to the hazards and complex situations they are likely to face when attending such incidents.

- 12 Fire contaminants is also a risk present in the smoke and toxic flammable gases released during fires and may contribute to cancer and other health conditions in firefighters. So, the management of fire contaminants needs to be included in training and development centre design, operational procedures and fire and rescue service culture.
- 13 To mitigate these risks, operational training and development for our staff in a realistic and immersive training environment which includes adequate health and safety measures, needs to be at the forefront of a new training and development centre design. Therefore, a project has commenced to develop options with our staff. This will provide essential facilities required for training and development for at least the next 25 years.
- 14 The new training and development centre will aim to imitate through the use of realistic training props, such as fire houses, farming area, ship fires, road network, all of the current and foreseeable hazards NWFRS firefighters are likely to face in their communities when responding to emergency incidents.
- 15 Subject to Members approval, the next steps of the project will involve the production of a detailed business case which will allow the Authority to consider if building a new training and development centre at a new site in North Wales is a valid option. During the next stage of the project the following will be undertaken:
 - appoint consultants required for the project (building consultant, architect, quantity surveyor and services engineer);
 - identify suitable land and agree an exclusivity agreement with the land owner;
 - undertake surveys, such as ground investigation, contamination, topographical, ecological;
 - develop a design brief in conjunction with users, architects and energy and sustainability experts;
 - discuss the project with the local planning authority;
 - liaise with statutory bodies and services suppliers to ensure the proposal meets modern regulations;
 - produce a cost estimate for the project covering both capital investment and longer-term revenue consequences.

IMPLICATIONS

Well-being Objectives	This project is aligned to all of the Well-being and Corporate Objectives 2022/23 and will promote firefighter safety, support operational preparedness and ensure sustainability over the longer term
Budget	£250,000 funded from reserves.
Legal	The Authority has a duty under the Health and Safety legislation to ensure the sufficiency of training of its staff, management of risks such as contaminants. The project also addressed the wider legal obligation to reduce carbon emissions.
Staffing	Project team and stakeholders are included in the Project Initiation Document (PID) for approval at Service Leadership Team. The project supports staff health and safety and wellbeing.
Equalities/Human Rights/ Welsh Language	Implications for the protected characteristics are covered within the PID Integrated Impact Assessment.
Risks	All risks are included in the PID risk register.

Report to	Fire and Rescue Authority
Date	17 October 2022
Lead Officer	Dafydd Edwards, Treasurer
Contact Officer	Helen MacArthur, Assistant Chief Fire Officer
Subject	Budget Setting 2023/24



PURPOSE OF REPORT

- 1 This report is to present to Members the budget process, planning assumptions and timescales for setting the Fire and Rescue Authority's (the Authority) revenue budget for 2023/24.

EXECUTIVE SUMMARY

- 2 The Authority is required to set the revenue budget for 2023/24 at its meeting on 16 January 2023. The preliminary work required to establish the base budget has commenced which includes a review of current expenditure levels, key planning assumptions and risks. A summary is provided in Appendix 1.

RECOMMENDATIONS

- 3 Members are asked to:
 - (i) note the planning assumptions being used to set the revenue budget for 2023/24; and
 - (ii) note the proposal to provide initial budget estimates to the Executive Panel at its meeting of 12 December and to seek approval for the 2023/24 revenue budget by the Authority at its meeting of 16 January 2023.

BACKGROUND

- 4 Each year the Authority is required to set a balanced revenue budget which must be approved by the full Authority before the commencement of the financial year. Although the term "balanced" is not formally defined in the legislation, the Chartered Institute of Public Finance (CIPFA) recognises that organisations should have financial plans which demonstrate how expenditure will be funded over the short and medium term.

- 5 The Authority's financial sustainability in the short, medium and longer term is underpinned by knowledge and understanding of key cost drivers including the evaluation of risks and uncertainties. Pivotal to this is an understanding of service demands, resources available and the future strategic vision.
- 6 The Chief Fire Officer's report to Members in September 2021 provided a situation assessment. This confirmed that the key challenges facing the Authority are maintaining sufficient availability of on-call fire crews; ensuring sufficient resources to maintain and develop firefighter skills; and having enough corporate capacity to meet current and future demands.
- 7 Following this assessment, the Authority approved a number of internal reviews including a fire cover review, a review of the retained duty system (on-call crews) and a training review to ensure firefighter safety. These reviews are ongoing and are being supplemented through further work in key areas such as wildfire tactical assessments and decontamination of appliances, kit and equipment.
- 8 In addition to these specific areas of challenge, the Authority is also facing the uncertainties common to all public sector bodies due to the uncertain economic situation. In particular, the need to manage the impact of inflation, supply issues and wage inflation being the key priorities.
- 9 Although the initial budget assessment for 2023/24 presented to the Authority in December 2021 indicated a net budget requirement of £40.913m, it will be necessary to revise this to fully reflect the current assessment.
- 10 The budget planning for the 2023/24 financial year will focus on the issues identified above and discussed at the planning workshop held on 6 October 2022.
- 11 Further work will be undertaken with the constituent local authorities to ensure that the Authority's budget requirements are fully communicated.

INFORMATION

- 12 The initial planning assessment contained within the medium-term financial plan is being revised and additional information is provided within Appendix 1. The 2023/24 draft revenue budget will be prepared and considered for approval by the Authority at its meeting on 16 January 2023.

- 13 The situational assessment has identified challenges in relation to availability of retained stations, corporate capacity and training of firefighters. Following approval from the Authority, detailed reviews are being planned to provide further insight for medium and longer-term planning. Short term actions are also required to address immediate pressures and this matter will be progressed with Members through planning workshops. The costs associated with the short-term imperatives will be included in the budget assessment for 2023/24.
- 14 Employee costs typically account for in excess of 72% of expenditure and the planning assessment for the medium-term financial plan assumed a pay award of 2% for all staff groups. However, the national pay negotiations for 2022/23 have not yet concluded and this, therefore, represents a significant risk for both the 2022/23 outturn position and the 2023/24 financial planning. It is estimated that in year, a further £0.25m would be required for each 1% above the planning assumption with a full year effect of £0.33m
- 15 A further risk to employee costs relates to the employer pension contributions for firefighters which increased during 2019/20 following a revaluation by the Government Actuary's Department. The valuation of pensions is a complex area involving long term projections. Following a change to the assumptions, the employer contributions for unfunded schemes increased significantly in 2019/20. Since that time, the Welsh Government has provided financial support. The position has not yet been confirmed for 2023/24 onwards and this represents a risk of £1.1m. At this time, the budget assumption is that funding will be received.
- 16 The UK Government has announced that the increase in employer's Class 1 National Insurance contributions that was applied in April 2022 to cover NHS and social care costs in the UK will now be reversed. This will reduce staff costs by circa £0.17m.
- 17 Although an inflationary increase has been applied to non-pay budgets a number of significant risks and uncertainties remain. These include fuel costs which remain unpredictable due to price and supply issues. In addition, the availability and costs of other commodities such as building supplies, ICT equipment and fleet parts are also of concern given the complexity of supply chains and global uncertainty.

- 18 The market instability and increased costs of gas and electricity are a major financial challenge for the Authority and the planning assumption at this time is a cost pressure of £0.9m. The UK Government has announced support for businesses including public sector bodies until 31 March 2023 but the longer-term support available is unknown at this time.
- 19 There are a number of further risks within non-pay budgets including uncertainty over Welsh Government funding for the national Emergency Services Network (communication).
- 20 Capital financing costs include the costs of borrowing and revenue charges for using capital assets. Interest rate increases, inflationary pressures and supply chain issues are a challenge to the capital programme. Further reviews are ongoing to ensure the long-term affordability of the capital plan.
- 21 The ongoing training review will consider the provision of training facilities to provide safe and sustainable arrangements. These plans will have a capital and revenue impact in future years although no provision is required in 2023/24.

IMPLICATIONS

Well-being Objectives	This report links to the Authority's Improvement and Well-being Objectives. It reports on the financial viability of the Authority.
Budget	The initial assessment of £40.913m contained within the medium-term financial plan approved by Members during December 2021 will be revised to reflect the current assessment.
Legal	The Fire and Rescue Authority has a legal duty to set a balanced budget based on realistic planning assumptions.
Staffing	Over 70% of expenditure relates to staff costs and therefore is a material factor when considering future financial stability. The risks identified by the Chief Fire Officer include ongoing pay negotiations as well as the need to recruit further retained duty staff and build corporate resilience.
Equalities/Human Rights/Welsh Language	These issues will be factored into budget setting proposals.
Risks	The key risks and uncertainties to the 2023/24 budget have been outlined in Appendix 1.

Summary of planning assumptions and risks

Heading	Planning assumptions used in budget setting	Risks/Uncertainties
Employee costs	<ul style="list-style-type: none"> • The staffing budgets will be formulated on existing service delivery models and updated to address the risks identified within the Chief Fire Officer's 2021 situational assessment. It is anticipated that additional provision will be required to address the training needs of staff and to ensure that corporate capacity is maintained. • The initial planning assessment presented to members in December 2021 assumed national pay awards of 2%. This assessment is no longer valid and significant provision is required to address 2022/23 pay awards (not yet finalised) and 2023/24 awards. • The increase of 1.25% in national insurance contributions applicable from April 2022 have now been reversed following the outcome of the September 2022 mini budget. • It is assumed that the increases to the employer pension contribution rates arising from the last Government Actuary's Department valuation will continue to be grant funded by the Welsh Government. 	<ul style="list-style-type: none"> • The National Joint Council (NJC) has not yet reached agreement on the firefighter pay award for 2022/23 although settlements above the budget provision are anticipated at the time of writing this report. • The National Joint Council (NJC) for Local Government Services has not yet reached agreement on the pay award for staff on LGPS contracts for 2022/23. The current offer exceeds the budget provision and creates a recurring pressure of £0.25m. • The budget planning assumes normal levels of activity. If spate conditions occur budget pressures will be experienced. The working assumption is that the General Fund would be utilised in the first instance. • The Welsh Government has not yet confirmed that the grant to support the increase in employer contributions for the firefighter pension scheme will continue at its current level of £1.1m. • In December 2018, the government lost its appeal to the legal challenge of the transitional pension arrangements for firefighters. The remedy will apply across the public sector pension schemes. The financial outcome is unknown and no provision has been made.

Heading	Planning assumptions used in budget setting	Risks/Uncertainties
	<ul style="list-style-type: none"> Following the public inquiry into the Grenfell disaster the Fire Safety Act (2021) has introduced changes to building regulations. The budget proposals will reflect revised staffing and training for staff to ensure that the Authority is able to respond to these changes. 	<ul style="list-style-type: none"> The pension scheme for staff employed on local government terms and conditions is subject to a four-yearly valuation. The latest valuation is being finalised and will take effect from April 2023. It is not known whether this will impact on the employer contributions and this remains a risk at this time. The pension scheme for firefighters is subject to a four-yearly valuation. The results inform the employee and employer contribution rates which are set by the Welsh Government. The next valuation outcome will be applicable from April 2024 and is expected to increase employer contribution rates from their current level of 27.3% of pensionable pay. Although this will not impact on the 2023/24 financial year it remains a key risk and uncertainty over the medium-term planning cycle.
Non-Pay	<ul style="list-style-type: none"> The initial planning assessment has confirmed that the non-pay budgets will be formulated on existing service delivery models and updated to reflect imperatives arising from the Chief Fire Officer's situational assessment. The demands on the non-pay budget are further exacerbated by the inflationary impact and supply chain issues. 	<ul style="list-style-type: none"> Whilst the Service continues to review non-pay costs and strives to manage cost pressures within the planned budget this remains an area of risk due to ongoing pressures within the supply chain arising from price rises and availability issues. This position is being carefully managed but due to significant volatility it is not possible to fully quantify the impact. The cost of gas and electricity is a known cost pressure and current planning assumptions include an increase of £0.9m from the initial assessment in the medium-term financial plan.

Heading	Planning assumptions used in budget setting	Risks/Uncertainties
	<ul style="list-style-type: none"> Budgets have been formulated using the knowledge and professional judgement of budget managers and underlying contractual obligations but through necessity include a large degree of estimation. Where costs pressures can be quantified these have been separately identified and included (e.g. energy) 	<ul style="list-style-type: none"> The national procurement of an Emergency Services Network is progressing but significant delays are being experienced. The existing contract has been extended and the Authority currently receives £0.4m from the Welsh Government towards the provision of the existing service. The assumption is that the current revenue support will continue although this has not yet been confirmed. Although the Authority continues to work towards reducing its carbon footprint detailed plans have not yet been formalised. This work will progress during 2023/24 and no budget provision has been included.
Capital Financing	<ul style="list-style-type: none"> The capital financing requirement for 2023/24 is influenced by historical capital expenditure, the need to borrow for the 2023/24 capital programme and the impact of interest rate increases. 	<ul style="list-style-type: none"> The increase in interest rates is a key risk area given the economic uncertainty at this time. Further financial modelling will be undertaken to assess the sensitivity of the Authority's financial position and performance to further increases in interest rates and reported as part of the budget setting.
Income	<ul style="list-style-type: none"> Income budgets have been reviewed and set in line with previous years. 	<ul style="list-style-type: none"> No specific risks have been identified over and above the grant income from the Welsh Government referenced within this report.

Report to	North Wales Fire and Rescue Authority
Date	17 October 2022
Lead Officer	Shân Morris, Assistant Chief Officer
Contact Officer	Pippa Hardwick, Head of Corporate Planning 01745 352785
Subject	Annual Governance Statement 2021/22



PURPOSE OF REPORT

- 1 This report is to present the revised draft Annual Governance Statement 2021/22 for approval.

EXECUTIVE SUMMARY

- 2 The CIPFA/Solace Delivering Good Governance in Local Government Framework (2016) (the Framework) requires the Fire and Rescue Authority (the Authority) to publish an Annual Governance Statement.
- 3 The first draft Annual Governance Statement for 2021/22 was approved by the Authority at its meeting in June 2022 and was subsequently submitted to the external auditor to confirm whether it was consistent with both the Framework and the Authority's financial statements.
- 4 Comments received back from the external auditor have now been incorporated into the final draft (Appendix 1) for the Authority's approval.

RECOMMENDATION

- 5 Members are asked to:
 - (i) note the amendments made to the draft Annual Governance Statement 2021/22; and
 - (ii) approve the revised draft Annual Government Statement 2021/22.

BACKGROUND

- 6 Since 2010/11 all local government bodies have been required, by the Accounts and Audit Regulations 2015, to prepare an Annual Governance Statement which is published as part of the Statutory Accounts.

- 7 The purpose of the Annual Governance Statement is to assess and demonstrate that there is a sound system of corporate governance throughout the organisation.
- 8 In 2016, CIPFA and Solace published a new governance framework, Developing Good Governance in Local Government: Framework (the Framework). The Framework is structured around seven principles of governance which enables the Authority to demonstrate its overall arrangements and set out how it has discharged its responsibilities.
- 9 The purpose of the Annual Governance Statement is to set out the Authority's arrangements to ensure that:
 - (i) business is conducted in accordance with all relevant laws and regulations;
 - (ii) public money is safeguarded and properly accounted for; and
 - (iii) resources are used economically, efficiently and effectively to achieve agreed priorities which benefit local people.

INFORMATION

- 10 The draft 2021/22 Annual Governance Statement is set out in Appendix 1. It provides an overview of the governance arrangements and confirms the work plan for 2022/23.
- 11 The Annual Governance Statement has been reviewed by Audit Wales to confirm that it is consistent with its knowledge of the Authority and the financial statements.
- 12 Comments received from Audit Wales have now been reflected in the revised draft at Appendix 1. In summary, these related to:
 - minor corrections (page numbers, a reference to the Auditor General, etc.)
 - providing a fuller explanation of the impact of the Covid-19 pandemic on the Authority's governance arrangements during 2021/22. (p.3)
 - adding hyperlinks to other Audit Wales publications and giving further explanation of their implications for NWFRA. Specifically, these were to its review of the Authority's Corporate Resilience (noting that Members needed to play a more central role in addressing the big risks facing the Service), and to a national report on Joint Working Between Emergency Services. (pp.9 and 12)
 - inserting a note to explain that performance against key areas of risk and priority are also subject to scrutiny by external audit (i.e. not only the statement of accounts). (p.11)

- providing progress reports against two actions in the 2020/21 Annual Governance Statement that were not fully achieved in that year but were not carried forward into the 2021/22 action plan. These related to embedding a unified annual cycle of Corporate Planning and Financial Planning stages, and reviewing Standards of Conduct for staff. (p.13)
- referencing a report by Audit Wales on the Authority's progress in reducing carbon emissions that concluded that the Authority was unlikely to achieve net carbon zero status by 2030 without a step change in performance. (p.14)
- giving further explanation of progress towards achieving Cyber Essentials Plus certification and including an explicit statement that it was not achieved in 2021/22 and has therefore been carried forward into the 2022/23 action plan. (p.14)
- inserting an overall conclusion of the Authority's compliance with the principles of the Financial Management Code (this requirement came into effect in 2021/22). (p.20)

IMPLICATIONS

Wellbeing Objectives	This report links to NWFRA's long-term well-being objectives and demonstrates the governance arrangements in place to enable the Service to provide emergency responses and prevention work well in to the future.
Budget	Not applicable
Legal	The Annual Governance Statement has been prepared in accordance with the prescribed standards.
Staffing	None
Equalities/Human Rights/Welsh Language	None
Risks	A sound governance framework supports the Authority's risk management arrangements.

Annual Governance Statement 2021/22

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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:

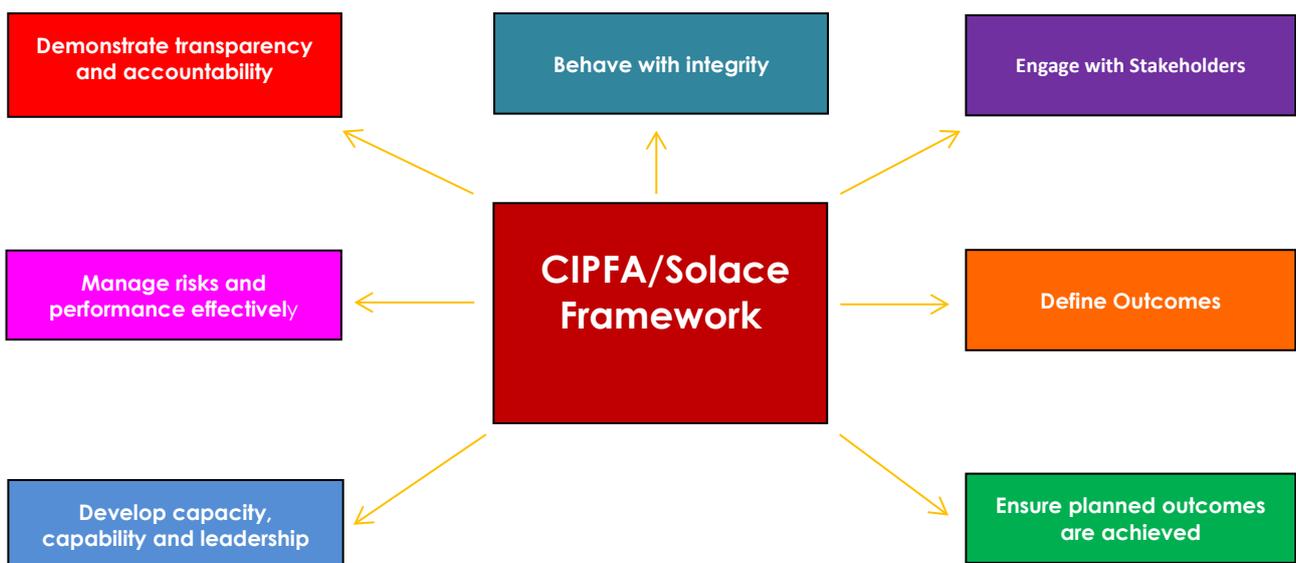
- business is conducted in accordance with all relevant laws and regulations;
- public money is safeguarded and properly accounted for; and
- resources are used economically, efficiently and effectively to achieve agreed priorities which benefit local people.

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. 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 st 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)

.....**2022**

Governance Opinion and Conclusion

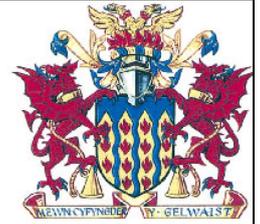
The Authority recognises that good governance provides the foundation for the delivery of good quality services that meet the needs of stakeholders and ensures that public money is well spent. This review confirms the governance systems and monitoring in place for 2021/22 and the steps taken to ensure 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)2022

Signed:(Chief Fire Officer)2022

Report to	North Wales Fire and Rescue Authority
Date	17 October 2022
Lead Officer	Stewart Forshaw, Deputy Chief Fire Officer
Contact Officer	Pippa Hardwick, Corporate Planning Manager
Subject	Annual Performance Assessment 2021/22



PURPOSE OF REPORT

- 1 To present for Members' approval a draft assessment of North Wales Fire and Rescue Authority's performance during 2021/22 in relation to:
 - (i) its progress towards achieving its long-term Improvement and Well-Being Objectives, and medium-term Equality Objectives; and
 - (ii) its compliance with applicable Welsh Language Standards.

EXECUTIVE SUMMARY

- 2 The Authority made good progress last year towards meeting its long-term Improvement and Well-Being Objectives. This was achieved in part through the successful delivery of the planned actions outlined in the Authority's published Improvement and Well-being Plan for 2021/22.
- 3 Steady progress was also made during the year towards achieving the Authority's 2016-20 Equality Objectives; and the Authority continued to comply with the applicable Welsh Language Standards.

RECOMMENDATION

- 4 That Members:
 - (i) approve the draft assessment of the Authority's performance in 2021/22 (subject to minor additions and corrections if required) for publication on the Authority's website by 30/09/2022; and
 - (ii) note the Service's intention to publish a simple summary version of the key elements of the assessment report.

OBSERVATIONS FROM THE EXECUTIVE PANEL/AUDIT COMMITTEE

- 5 This report has not previously been considered by Members.

BACKGROUND

- 6 The Authority is required under various pieces of legislation to give a public account of its performance, progress and compliance. These pieces of legislation include:
- i. the Well-being of Future Generations Act 2015 which requires the Authority to set and publish objectives that will contribute to improving local well-being and to moving Wales closer to achieving its well-being goals. Having set these long-term objectives, the Authority must take all reasonable steps to pursue them and to report publicly after the end of each financial year on the progress it has made
 - ii. the Local Government (Wales) Measure 2009 which requires the Authority to set and publish improvement objectives and to publish performance information annually by 31 October in relation to the preceding financial year
 - iii. the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011 which require the Authority to produce a strategic equality plan and to report annually by 31 March on the progress that it has made towards fulfilling its equality objectives
 - iv. the Welsh Language (Wales) Measure 2011 which requires the Authority to comply with Welsh Language Standards and to report annually by 30 September on its compliance with those Standards.
- 7 For convenience, reporting against all four of the above has been incorporated within a single document for publication on the Authority's website.

INFORMATION

- 8 This year's Annual Performance Assessment opens with introductory sections which describe the legal requirements for reporting, presenting information about the challenges and issues facing Wales in the future along with information about the area covered by the Authority. This provides context to aid understanding of the Authority's provision of services and its contribution to the well-being of North Wales communities.

- 9 The middle section of the Assessment Report gives a detailed account of the specific actions that the Authority took last year to meet its long-term Improvement and Well-Being Objectives. As in last year's report, more emphasis has been placed in this year's report on narrative and case studies that demonstrate the real difference that the Authority's work makes to people's lives.
- 10 The number of actions also increased from forty-five to fifty-three and evidence of progress against all of these actions is included. Unfortunately, the ongoing limitations imposed by the pandemic meant the target of 20,000 Safe and Well Checks (SAWCs) could not safely be met. In total 14,062 SAWCs were completed with 4,896 coming from partner agency referrals.
- 11 This middle section of the Assessment Report also presents information on the Authority's compliance with the Welsh Language Standards. As at 31 March 2022, 692 or 82% of the Service's employees had self-assessed or been assessed as having at least some Welsh language skills, with 36% categorised as fluent Welsh speakers. In the past, language ability levels of each shortlisted candidates were assessed but more recently owing to the time/number of recruitment posts, those being offered posts are assessed to confirm their level in order to offer the support they need through the probationary period. For the fourth year in succession, no complaints had been received during the year in relation to the Welsh language. The many steps taken by the Authority to promote the Welsh language and proactively encourage a language choice for all staff and Service users are also described in this section.
- 12 The progress that was made during 2021/22 towards meeting each of the Authority's six Strategic Equality Objectives is also described in this middle section of the Assessment Report. Through a range of actions, the Authority has been able to contribute to improving aspects of people's lives under each one of the subject areas of: life and health; employment; education; personal safety; representation and voice; and access to services, information and buildings.
- 13 The final sections of the Assessment Report include performance indicator information in the Welsh context and an account of how the Authority has met its commitments under the 'All-Wales Dwelling Fires Response Charter'. Activity during the year included:
- handling 12,470 emergency 999/112 calls;
 - alerting an emergency response within 90 seconds on 89.2% of occasions, against a target of 80%;
 - attending 5,354 emergency incidents, of which 1,879 were fires;
 - delivering fire safety talks in schools to 8,279 children and young people at key stages 1 to 4.

14 Additional information at the end of the Assessment Report includes the outcome of work undertaken by Audit Wales that looked specifically at the Authority's approach to corporate resilience. The report found that the Authority has demonstrated its short-term resilience but needs to take some decisions to remain resilient in the future:

- Finance: The Authority has managed budgets well, but some key risks need to be addressed to remain financially sustainable;
- Governance: The Authority has an appropriate governance framework but Members need to play a more central role in addressing the big risks facing the Fire and Rescue Service;
- Workforce: The Authority has a resilient workforce and has dealt well with immediate challenges, but there are some medium-term risks that need to be managed to ensure services are sustainable;
- Assets: The Authority has good examples of how it is integrating assets and developing its use of technology but there are some long standing challenges that need to be addressed to help support future resilience; and
- Business continuity: The Authority's business continuity plans helped maintain corporate and operational resilience in responding to the pandemic.

IMPLICATIONS

Well-being Objectives	This assessment describes the Authority's progress during 2021/22 in relation to achieving its adopted long-term improvement and well-being objectives.
Budget	None identified.
Legal	The combined document discharges the Authority's duties under: the Local Government (Wales) Measure 2009; the Well-being of Future Generations Act 2015; the Equality Act 2010 and the (Statutory Duties) (Wales) Regulations 2011; and the Welsh Language (Wales) Measure 2011.
Staffing	None identified.
Equalities/Human Rights/ Welsh Language	Implications for the protected characteristics are covered within the draft assessment.
Risks	None identified.



***NORTH WALES FIRE AND RESCUE AUTHORITY
ANNUAL PERFORMANCE ASSESSMENT 2021/22
Published Autumn 2022***



NORTH WALES FIRE AND RESCUE AUTHORITY

MAKING NORTH WALES A SAFER PLACE TO LIVE, WORK AND VISIT

Welcome to North Wales Fire and Rescue Authority's progress and self-assessment report for 2021/22. In March 2021, the Authority published its Improvement and Well-being Plan for 2021/22, which confirmed its long-term objectives and explained its plans in order to achieve these objectives.

The COVID-19 pandemic continued to have an impact on the Authority in 2021/22, challenging the resilience of the workforce and the traditional delivery of community-based services. The emergence of a further variant and the imposition of new nationwide restrictions resulted in various aspects of recovery being delayed. COVID-19 has however provided the Authority with the opportunity to reflect upon its future course, with a fresh perspective of progress towards meeting its long-term well-being objectives.

With lockdown restrictions continuing during 2021/22, the pandemic has understandably affected progress against our objectives not only during the previous year, but also during 2021/22 as the Authority and the Service prepared and implemented new methods of working.

These new methods of working included enhancements in our information and communications technology, and more agile working practices for staff enabled progress despite the continued lockdowns across Wales during the year. As the lockdown restrictions eventually began to ease in a move towards a Coronavirus-Stable scenario nationally further challenges presented themselves, as well as further opportunities which were accepted as they became available.

Despite challenging circumstances because of the pandemic, good progress was made in completing planned actions, thereby demonstrating progress against the seven long term Improvement and Well-being Objectives. The section entitled 'Progress against Improvement and Well-being Objectives' details evidence in support of the achievement of these actions.

It is intended that this year's account is interesting and informative. More emphasis was placed in last year's report on including examples of collaboration and how the Service compares with others and this year's report shows a continuation of this area of focus. As always, feedback is welcome on how improvements on reporting could be made in the future.

Comments or suggestions for improvement can be made using the contact details available on the final page.

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LEGAL REQUIREMENTS FOR REPORTING

The Authority considers public accountability and transparency to be of vital importance in all aspects of its relationships with local communities, partners and organisations and welcomes the opportunity to publish performance information.

Each year the Authority is required to publish an assessment of its performance in accordance with the legislation below:

The Well-being of Future Generations (Wales) Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. Its aim is to make public bodies think more about the long-term aims, work better with people, communities and each other, look to prevent problems and take a more joined-up approach¹. The Act requires the Authority to set and publish well-being objectives. These long-term objectives are improvements that the Authority wants to help bring about in North Wales, that will contribute to improving local well-being and to moving Wales closer to achieving its well-being goals.



Having identified these long-term objectives, the Authority has a duty to take all reasonable steps to pursue them in accordance with the Sustainable Development Principle and the five ways of working, and to publish a progress report after the end of each financial year.

Five ways of working;



Balancing short term needs with long term needs



Preventing problems from occurring or getting worse



Taking an integrated approach, balancing social, economic and environmental needs



Remembering the rich diversity of people in North Wales and encouraging them to get involved in decisions that affect them



Collaborative working to meet the well-being objectives.

¹ Well-being of Future Generations (Wales) Act 2015 – The Essentials <https://futuregenerations.wales/wp-content/uploads/2017/02/150623-guide-to-the-fg-act-en.pdf>

Fire and rescue authorities in Wales are also classed as ‘Welsh Improvement Authorities’ and are subject to the requirements of the Local Government Measure 2009. They therefore must follow an annual process of setting and achieving local improvement objectives.

In addition to the duties placed on individual public bodies, the Well-being of Future Generations (Wales) Act 2015 also requires each local authority area to form a Public Services Board (PSB).

With the area covered by North Wales Fire and Rescue Authority, four Public Services Boards have been established:

- Anglesey and Gwynedd
- Conwy and Denbighshire
- Flintshire
- Wrexham.

Each Public Services Board published a ‘Well-being Plan’ to identify its priorities and how it is working to achieve those priorities in its areas.

The Equality Act 2010



The Equality Act 2010 includes a public sector equality duty that requires public sector bodies, in the exercise of their functions, to have due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Equality Act 2010

Welsh Language Standards 2016

The Welsh Language Commissioner issued fire and rescue authorities with their Compliance Notices on 30 September 2016. This document lists which of the Welsh Language Standards (as listed in full in the Welsh Language Standards Regulations (No.5); 2016) an organisation must comply with, along with any exemptions and their implementation dates.



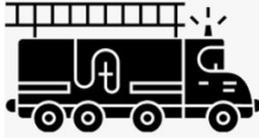
ABOUT NORTH WALES

Knowing about North Wales today helps the Authority plan to make positive changes for the future:

Population:			
	<p>NORTH WALES 703,361</p> <p>WALES 3,169,586</p> <p>0 2,000,000 4,000,000</p>	<p>22.2%</p> <p>of Wales</p>	<p>Source: Welsh Government</p>
Area KM²:			
	<p>NORTH WALES 6,153</p> <p>WALES 20,736</p> <p>0 5,000 10,000 15,000 20,000 25,000</p>	<p>29.7%</p> <p>of Wales</p>	<p>Source: Welsh Government</p>
Population Density:			
	<p>NORTH WALES 114</p> <p>WALES 153</p> <p>0 50 100 150</p>	<p>114</p> <p>The Welsh average is 153</p>	<p>Source: Welsh Government</p>
Dwellings:			
	<p>NORTH WALES 329,382</p> <p>WALES 1,454,608</p> <p>0 500,000 1,000,000 1,500,000 2,000,000</p>	<p>22.6%</p> <p>of Wales</p>	<p>Source: Welsh Government</p>
Non-Domestic Properties:			
	<p>NORTH WALES 32,946</p> <p>WALES 124,366</p> <p>0 40,000 80,000 120,000</p>	<p>26.5%</p> <p>of Wales</p>	<p>Source: Welsh Government</p>
Road Length KM:			
	<p>NORTH WALES 9,852</p> <p>WALES 35,019</p> <p>0 10,000 20,000 30,000 40,000</p>	<p>28.1%</p> <p>of Wales</p>	<p>Source: Welsh Government</p>
Agricultural Area KM²:			
	<p>NORTH WALES 496,191</p> <p>WALES 1,594,887</p> <p>0 500,000 1,000,000 1,500,000 2,000,000</p>	<p>31.1%</p> <p>of Wales</p>	<p>Source: Welsh Government</p>
Welsh Speakers:			
	<p>NORTH WALES 280,700</p> <p>WALES 883,300</p> <p>0 500,000 1,000,000</p>	<p>31.8%</p> <p>of Wales</p>	<p>Source: Welsh Government</p>

ABOUT NORTH WALES FIRE AND RESCUE AUTHORITY

Below is a snapshot of the Authority’s resources and activity levels during 2021/22.

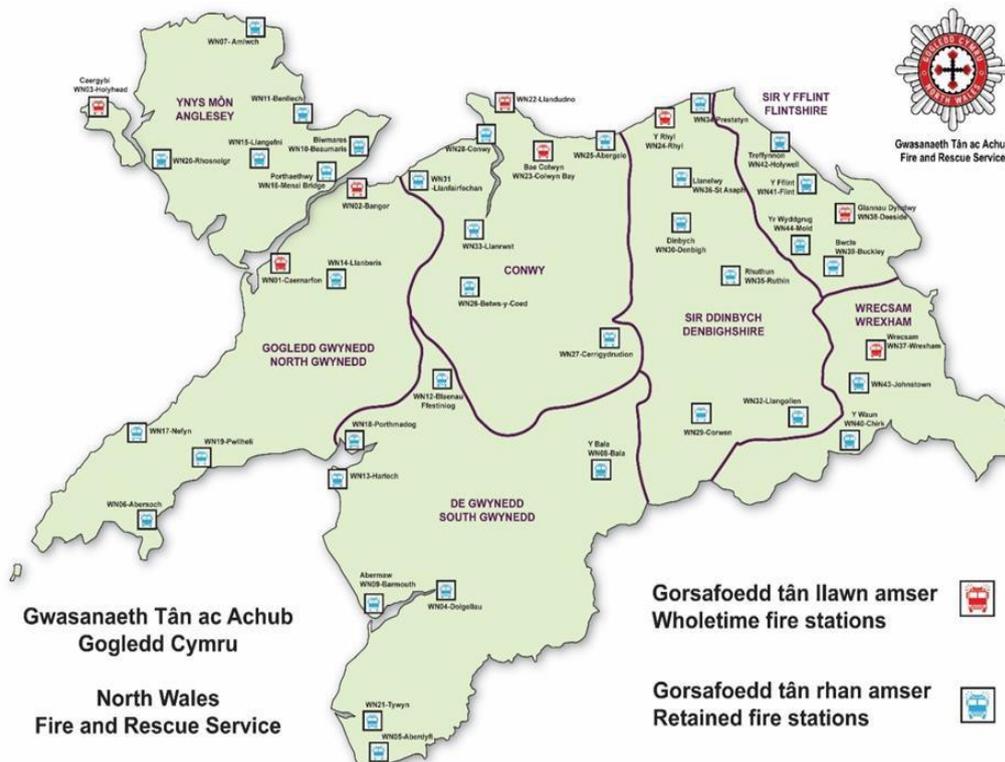
Fire Stations	Fire Engines	999 Calls Handled	Fire Service Staff
			
44	54	12,470	873
Emergency Incidents Attended	Fires	False Alarms	Non-Fire Emergencies
			
5,354	1,879	2,517	958

Fire Stations

The Service operates from 44 fire stations across the service area.

Whole-time Fire Stations - There are three fire stations that remain open around the clock. Five fire stations are crewed between midday and 10:00pm, and operate as on-call stations outside those hours.

Retained/on-call Fire Stations – There are 36 fire stations that operate an on-call system. The deployment of fire appliances and crews to emergency incidents is managed centrally by control room staff, who are based in St Asaph.

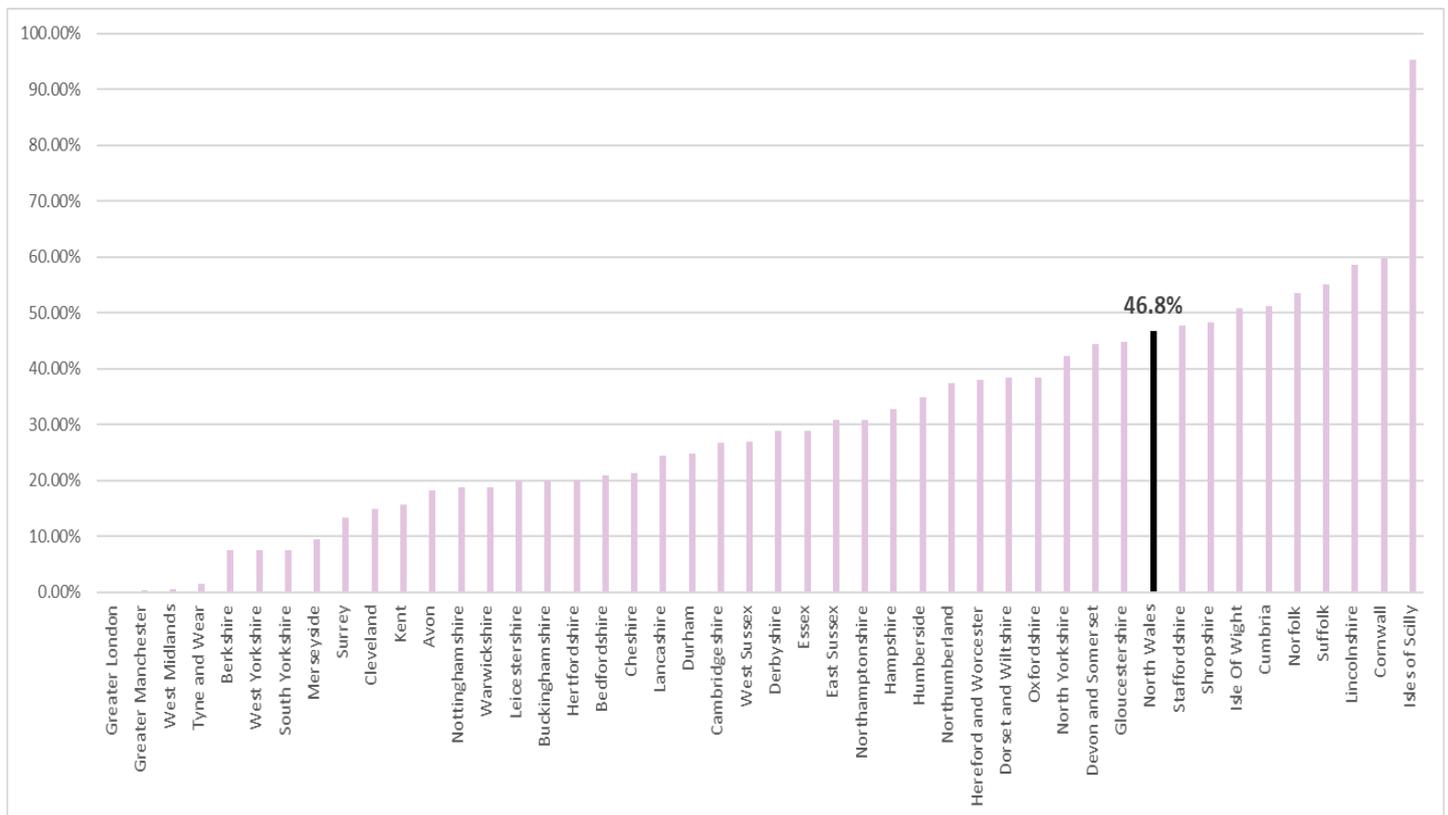


Staffing

As at 31 March 2022	Full time equivalent strength	Headcount of individual staff
Wholetime Operational (WDS)	278.00	278
Retained Operational (RDS/on-call)	352.50	429
Support and Prevention	129.65	136
Control	29.25	30
Totals	789.40	873

Nearly half of the personnel employed by the Authority are categorised as on-call firefighters; this is amongst the highest proportion when compared with fire and rescue authorities in England.

Graph showing the total number of on-call firefighters (by strength) as a percentage of the total workforce, by fire and rescue authorities in England and North Wales.

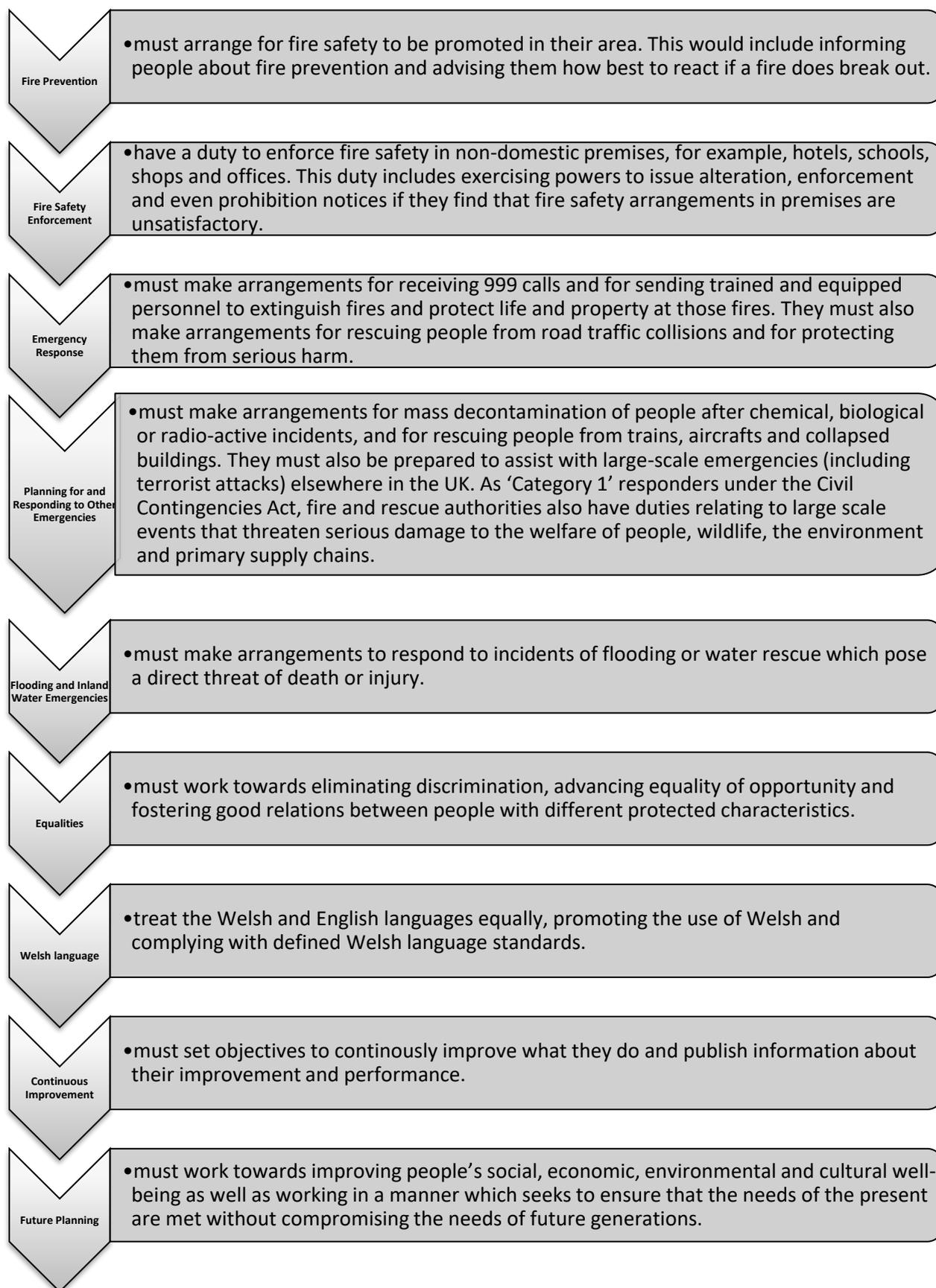


*Awaiting on updated information for English FRS staffing to be released from the Home Office.

Source: [Fire statistics data tables - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/fire-statistics-data-tables)

WHAT IS EXPECTED OF THE FIRE AND RESCUE AUTHORITY

Fire and Rescue Authorities in Wales:

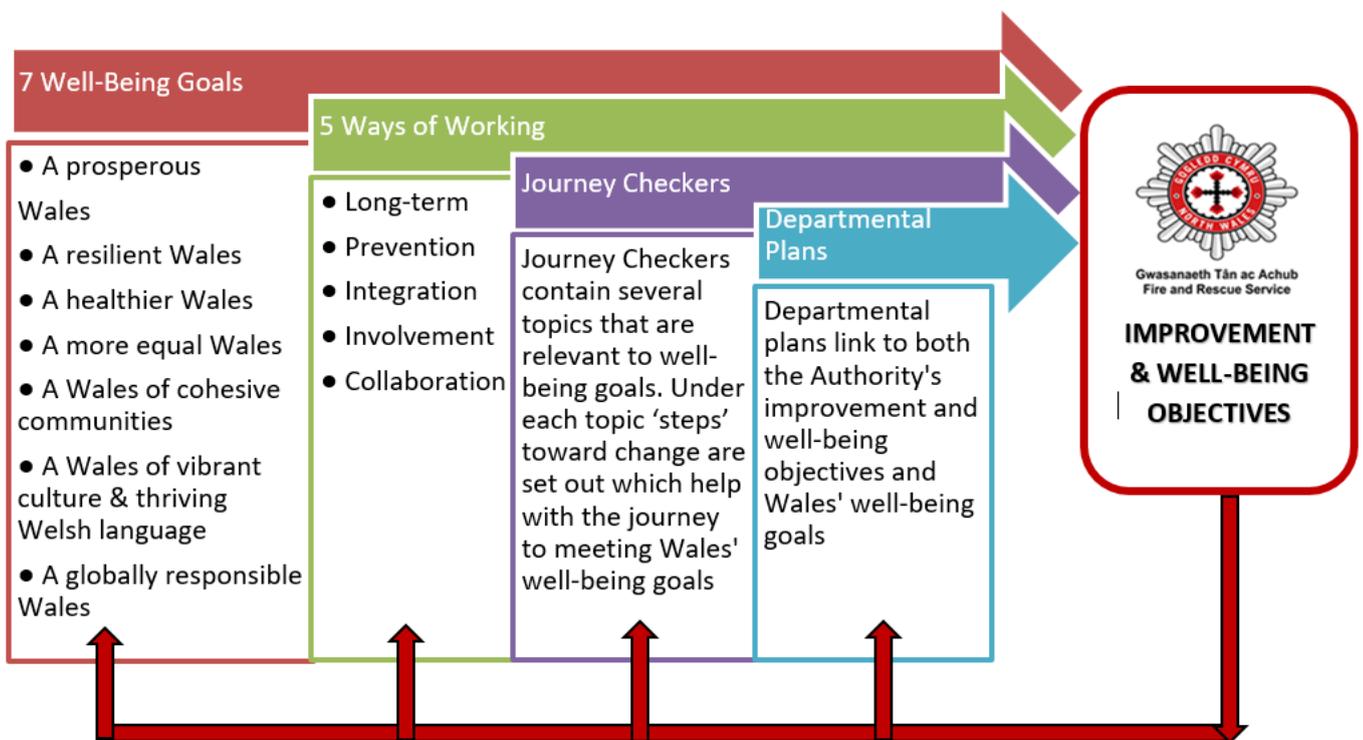


PROGRESS AGAINST IMPROVEMENT AND WELL-BEING OBJECTIVES

This section describes the progress the Authority made towards meeting its long-term improvement and well-being objectives during 2021/22. The Authority is required to publish this assessment of its own performance for 2021/22 and the statutory performance indicators for the same year by 31st October 2022.

In 2018/19 the Authority increased the number of objectives that it was pursuing to better comply with section 3(2) (a) of the Well-being of Future Generations Act 2015, which states that a public body must set and publish objectives “...that are designed to maximise its contribution to achieving each of the well-being goals”.

Using a variety of resources on the Commissioner’s [website](#) such as ‘journey checkers’, a new set of objectives were developed in accordance with the sustainable development that helped identify opportunities for the Authority to improve its contribution to Wales’ well-being goals.



Throughout this self-assessment comparisons have been made with the other two Welsh Fire and Rescue Services, along with English Fire and Rescue Services with similar geography, demography, and population size, such as Cumbria, North Yorkshire, Hereford and Worcester, Devon and Somerset, and Lincolnshire Fire and Rescue Services. Where possible, comparisons are also made with other public bodies in the region, such as Natural Resources Wales. Comparative data was not available for the year 2021/22, at the time of producing this report and therefore 2020/21 data was used.

Objective 1: To work towards making improvements to the health, safety and well-being of people in North Wales



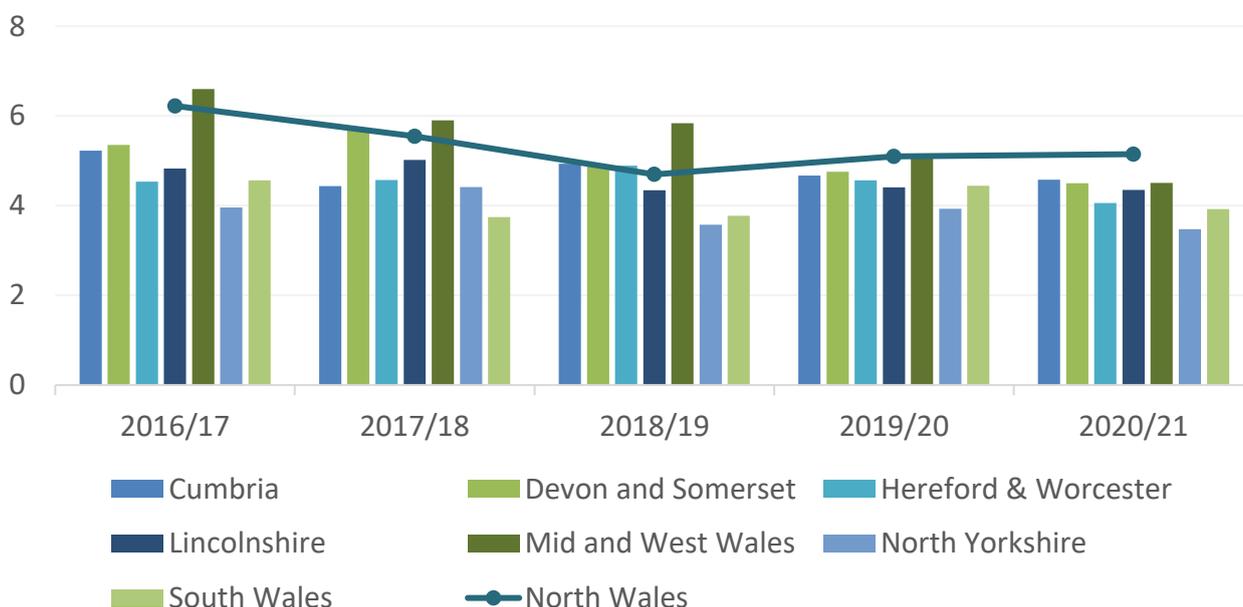
A range of factors can place people at an increased risk of accidental fires in the home. For example, their age (young children and older adults), having a disability or a limiting medical condition, being alone at the time of the fire and being affected by alcohol and/or drugs.

Individuals and communities who know how to prevent fires and stay safe when they do occur will not only be safer and healthier, but economically, socially and culturally more resilient. The polluting effect of fires contributes to a less healthy environment, which in turn deters people from outdoor activities and can negatively impact on physical and mental well-being. Throughout 2021/22 the Authority continued to focus its efforts on helping people stay safe whether at home, in work, on the roads or out in the community.

Action: support people to prevent accidental dwelling fires and stay safe if they do occur

The Service attended a total of 399 Accidental Dwelling Fires (ADFs) in 2021/22, at which 34 people sustained slight injuries, five people sustained serious injuries, and five people lost their lives. The majority of ADFs were caused by cooking, where people had become distracted and left items unattended. These contributing factors have been the areas of focus for Service campaigns and communications utilising social media, partnership engagement and 'hot spotting' close to where a fire occurred.

Accidental Fires in dwellings per 10,000 population



The graph above highlights the comparative five-year trend observed from 2016/17 to 2020/21 between the five similar English Fire and Rescue Services and the other two Welsh Fire and Rescue Services. It shows that there were approximately 5 ADFs attended per 10,000 population in 2020/21 which represents a slight decrease from the 6 per 10,000 in 2016/17. Whilst the number of ADFs per 10,000 population in North Wales reduced overall since 2016/17, 2019/20 saw a slight increase. When compared nationally, the number of ADFs per 10,000 population in 2020/21 in North Wales rose to slightly higher than in South Wales, and became more in line with Mid and West Wales.

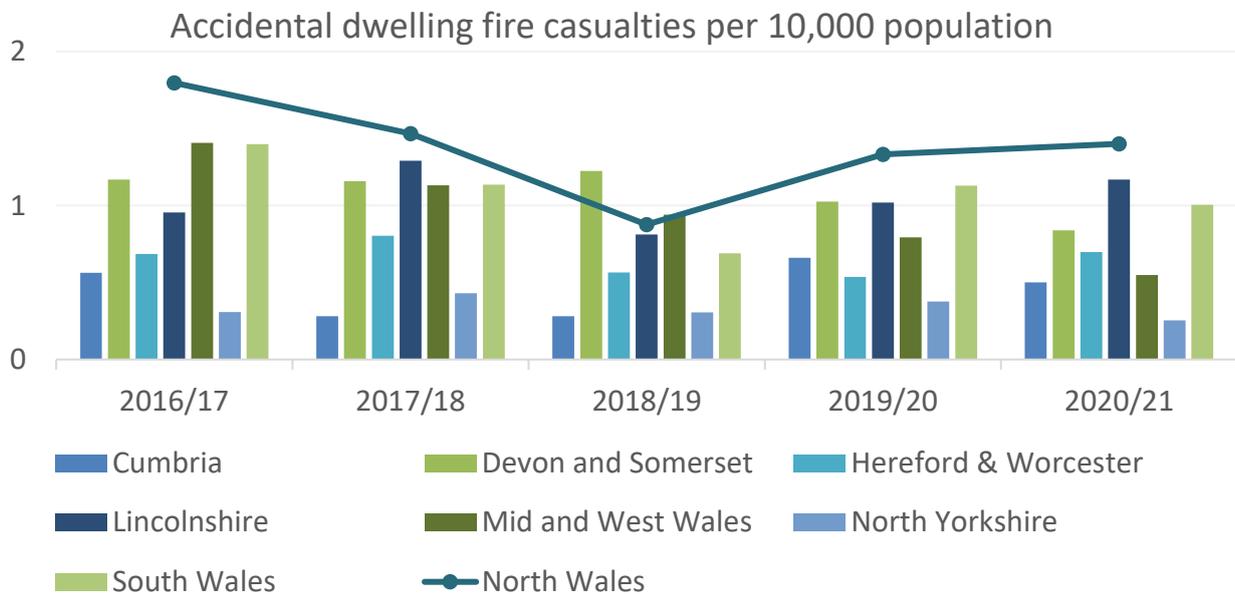


The May 2021 'You can save a life' campaign urged community members to look after vulnerable family, friends and neighbours.

As part of the launch of the campaign, the Service released photos of the damage caused by a dwelling fire which can be seen to the left, which is thought to have been started by a cigarette. Smoke alarms in the property were linked to an alarm system, which notified our control room of the fire.

Further videos from staff and posts featuring these messages were posted on the Fire Service social media pages over the following weeks.

The graph below illustrates the overall reduction in casualties at ADFs over the five years, 2016/17 to 2020/21. However, between 2018/19 and 2019/20 there was an increase in ADF casualties per 10,000 of the population, and this was observed to continue into 2020/21. The Service is working to understand and improve preventative action where necessary.



Action: delivering 20,000 safe and well checks in either English or Welsh with at least 25% of those being delivered to households referred to the Service by another agency

The Service continued offering free Safe and Well Checks (SAWCs) to residents across North Wales. The checks are undertaken by fully trained staff and involve the provision and installation of smoke detectors (or ensuring those already installed are in working order), advice on making homes safe from fire, assistance preparing an escape plan in the event of fire, and assessment of whether someone is of high risk and could benefit from specialist safety equipment.

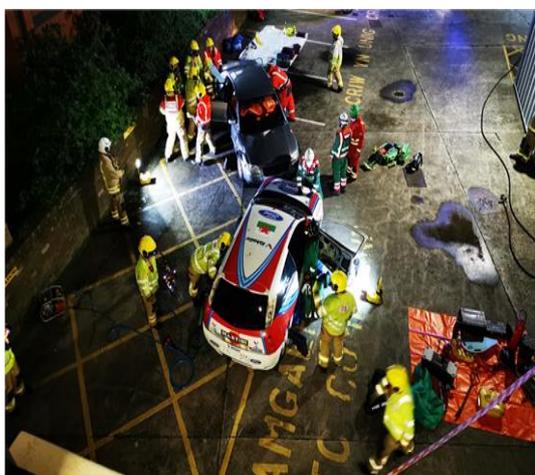
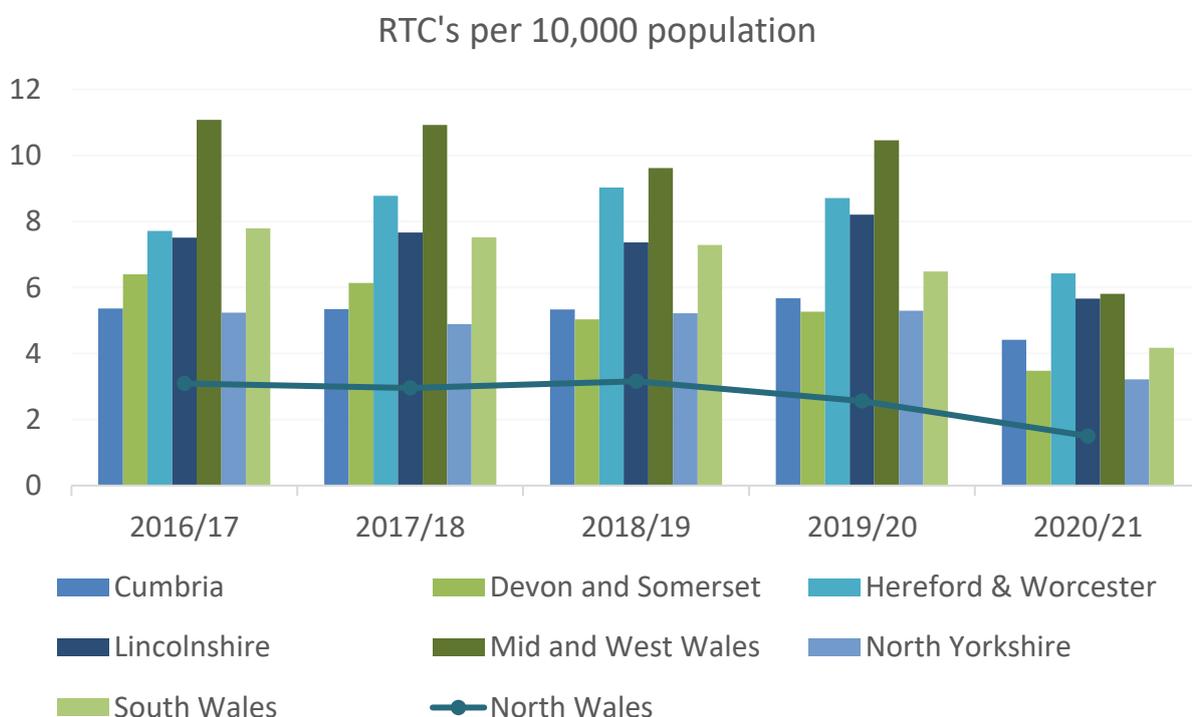
As part of its commitment to working towards a healthier Wales, the Service focused on delivering timely SAWCs during 2021/22. The Authority consistently had a target of 20,000 SAWCs per year with 5,000 of those coming from agency referrals.

A total of 14,062, SAWCs were delivered in 2021/22 with 4,896 coming from agency referrals. Of these, 12,159 were delivered in English with 1,680 delivered in Welsh.

Action: support other agencies in reducing the number of road traffic collisions and associated deaths and injuries

Fire and Rescue Services are responsible for rescuing people in the event of road traffic collisions (RTCs). The graph below shows that North Wales attended a total of two RTCs per 10,000 of the population in the 2020/21 financial year. Of those, 71 required the use of equipment to rescue those trapped; approximately one attendance per 10,000 of the population.

Whilst the number of RTCs attended in North Wales stayed relatively consistent over the five-year period from 2016/17 to 2020/21, there was an increase in RTCs attended in the financial year 2021/22 from 105 in 2020/21, to 207. The lifting of pandemic travel restrictions resulted in increased road traffic and a 97.1% increase in RTCs. North Yorkshire Fire and Rescue Service also saw a reduction in the number of RTCs attended in 2020/21 when compared with the year before. It is likely that other fire and rescue services witnessed a similar reduction due to pandemic restrictions which resulted in there being fewer vehicles on the roads, followed by an increase once restrictions were lifted.



In October 2021 staff joined with representatives from Outreach Rescue Medic Skills (ORMS) for 'Exercise Hotwheels' hosted at Llandudno Fire Station.

Organised by one of the Service's Crew Managers, the Road Traffic Collision exercise involved On-Call Firefighters from Llandudno and Conwy, student medics from ORMS and British Association for Immediate Care doctors from the area. Staff from the Professional and Service Standards department and fire control were also involved.

The exercise gave crews experience in working alongside medics in extricating live casualties with injuries from vehicles, enhancing the working relationships and understanding between medics and crews.

Action: embed safeguarding practices into day-to-day activities and ensuring these are aligned with national policy and guidance

In 2021/22, Level 1 and Level 2 Safeguarding training was delivered across the Service which received positive feedback. Since its implementation the number of appropriate safeguarding referrals increased and the content of information within referrals improved. In addition, a review of staff training was undertaken to identify which staff members needed training at Levels 3 and 4 and training is being planned for those identified.

A safeguarding quarterly meeting was established to ensure that best practice was shared and any issues resolved. It also ensured that national policy and guidance aligned with Service activity and actions were undertaken to achieve this. Partnership Managers were included in multi-agency meetings regarding vulnerable people in the community and data sharing agreements were established which enabled NWFRS to deliver Safe and Well Checks to the most vulnerable.

The Safeguarding risk assessment was completed by the Service in line with the National Fire Chiefs' Council (NFCC) guidance. There was a Service representative in the All Wales Safeguarding Group, who ensured that peer assessment with the other Welsh Fire and Rescue Services was completed. Safeguarding was also included as a standing item within all risk assessments that were linked to activities and engagements with children and young people.

Additionally, the Authority supported National Safeguarding week in November 2021, when the North Wales Safeguarding Board arranged a number of safeguarding workshops and safeguarding information materials for professionals and the general public to access. The week presented an opportunity to raise awareness of important safeguarding issues, facilitate conversations and share examples of best practice. The Service also worked closely with partners such as the Welsh Ambulance Services NHS Trust (WAST), launching a new digital fire risk referral process as an all Wales initiative.

Action: continue to develop and deliver interventions and engagement with children and young people through targeted activities



During 2021, young people attended face-to-face Phoenix courses based at Menai Bridge and Flint. These courses were designed to encourage community spirit and fire safety skills through vocational activities. Educationists continued online sessions for young people throughout the summer, and the Service hopes to launch the exciting online Staywise platform following the appointment of a Project Manager.

The Service also committed to involvement with the 'Be a Nice Guy' (BANG) campaign after an appeal from North Wales Police, for people to consider how they celebrated Halloween. There was a focus on reminding parents to protect their children from the fire risk posed by some fancy-dress costumes.

Action: work with organisations that support vulnerable people



The Service helped develop an agreement with the British Red Cross (BRC) in relation to its 'Prepare, Respond, Recover' assistance programme. The agreement allows the BRC to provide aid in the form of practical and emotional support to individuals affected by emergency incidents. Those affected may have experienced emotional trauma, required immediate practical support (e.g. money, hygiene packs, clothes etc.) as well as assistance in finding temporary accommodation in the event their home was uninhabitable after a fire.

Action: implement the latest technological advancements and upgrades to enhance efficiency, accuracy and safety

In November 2021, at an exercise at Hafod-Dinbych, a specialist vehicle which acts as a mobile transmitter was tested by staff from Service and colleagues from North Wales Police. The Emergency Service Network (ESN) Rapid Response Vehicle (RRV) is a mobile transmitter designed to be deployed



when events such as power outage or flooding disable transmitter sites. This network gives first responders immediate access to life-saving data, images and information in live situations and emergencies on the front line. Investment in ESN will also mean improvements to 4G network coverage, which will enable 999 calls to be made securely from mobile phones in some of the most remote and rural parts of Great Britain.

Action: implement the findings of the Grenfell Tower Fire inquiry and review to mitigate the risk of such a tragedy occurring in North Wales

The Authority continued to work to improve the safety of High-Rise Residential Buildings. At a local level, this involved continuing to audit residential buildings and providing support to responsible persons in order for them to comply with current fire safety requirements. Nationally, the Service worked with Welsh Government to support initiatives and law changes which they are making, to make residential properties safer. This included the creation of a Joint Inspection Team, advising and informing the remediation scheme being run by Welsh Government, and working to ensure any future legislation is fit for purpose.

In addition, the Service reviewed how it trains, prepares, communicates between Fire and Rescue Service control rooms, and also how they (the Service Control Centre) link to the incident ground and the sharing of risk critical information. Other progress included how Control deals with calls in high volume conditions; wider command and control training and competence; the provision and effectiveness of operational equipment and the creation and revision of evacuation training, underpinned by policies and procedures.

Action: introduce more eco-friendly electric vehicles to promote better air quality whilst reducing carbon emissions

The Service currently has 146 vehicles within its light vehicle fleet, six of these are electric vehicles and four plug-in hybrid (PHEV). In addition there are twenty-nine hybrid cars which have recently been added to the Service’s fleet. Whilst still using some petrol, hybrid cars store their own kinetic energy from the turning of their wheels in a separate electric battery. This makes them a much more sustainable option than other cars, without having to be charged. These vehicles have helped with the transition to a more eco-friendly fleet.

In 2021/22 the Service applied for Welsh Government Grant funding for Electric Vehicle Charging Points which would improve the ability to charge an increasing number of electric vehicles.

Objective 2: continue to work collaboratively to help communities improve their resilience



Working with local communities is extremely important to improve safety and help communities become more resilient. The Authority worked closely with partner agencies throughout 2021/22 around targeted areas to assist communities and local businesses with pre-planning and education, enabling them to become more resilient to emergencies.

The risks faced by communities are ongoing, and the Authority remained committed in 2021/22 to working with and supporting people to become more resilient. Working in close collaboration with partners, the Authority continued to ensure that a joined-up message was communicated, not only about safety but also about a range of other initiatives designed to improve the well-being of the whole community.

Action: work with partners and stakeholders such as Natural Resources Wales and farmers/graziers, to identify locations in North Wales which are at greater risk of outdoor/grassland fires and help to develop emergency response plans

The Service deals with different types of deliberate fire setting, ranging from grassland fires as a result of anti-social behaviour, the burning of household/garden refuse, to farmers and landowners burning grassland which is permitted during winter months. The Service attended a total of 879 secondary fires in 2020/21 (46.8% of all 1,879 fires attended), with 329 started deliberately.

All secondary grassland, woodland and crop fires per 10,000 population



The graph above shows that the number of secondary grassland, woodland and crop fires attended in North Wales remained relatively constant since 2016/17, notwithstanding an unusual increase in 2018/19.

In March 2022, staff at the North Wales Fire and Rescue Service Joint Communications Centre were inundated with calls when they assisted colleagues in Mid and West and South Wales Fire and Rescue Services, dealing with overflow calls from their control room.



The Service control room also dealt with a very high number of calls notifying them of controlled burning as the public heeded 'call before you burn' messages.

Action: continue to contribute to the development of a multi-agency regional wildfire plan



The Service continued to be an active partner of the Denbighshire Moorland Project Board. The board was established to assist in running the Denbighshire Moorland Management and Wildfire Prevention Project. The aims of the board are to manage the risk and impact of wildfires by identifying areas at high risk of wildfire and implementing practical land management solutions.

During the fire at Mynydd Wawr, Y Fron in March 2022, the Service was able to work in partnership with Natural Resources Wales to secure the use of a helicopter to help tackle the fire. This was in accordance with an all Wales Fire and Rescue Service agreement, which is in place to provide the Service with the additional capability to deal with this growing area of risk.

Action: build relationships with partners such as Natural Resources Wales, Local Resilience Forums, the Joint Emergency Services Group (JESG) and inland flood and water rescue groups to improve the joint capabilities of agencies to help those affected by flooding

Partnership work continued on an all Wales basis to promote water safety messages and to support interventions that educate the public about the dangers of open water and activities such as 'tomb stoning' where people jump from elevated positions into water.

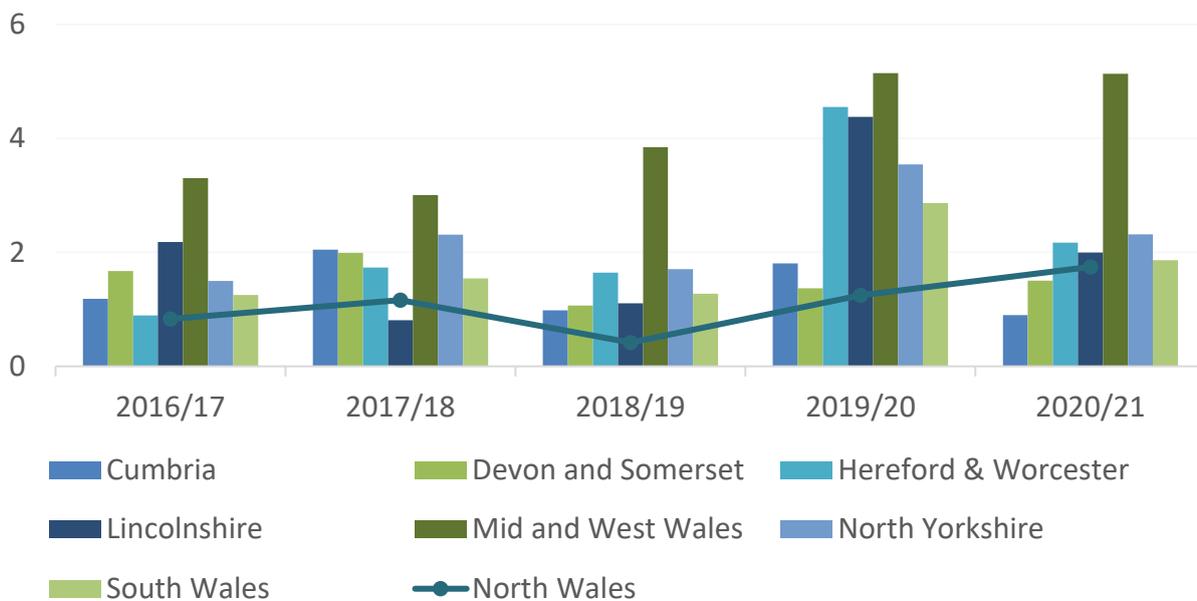


Storms Dudley and Eunice hit the UK at the end of February 2022, followed by storm Franklin with heavy rain and strong winds. In five days, the region saw three named storms, which the Service responded to.

Working alongside North Wales Resilience Forum partners, the Service was able to ensure a multi-agency response to these extraordinary multi-weather events, with regular updates and briefings from the Met Office and Natural Resources Wales. Storm Eunice was forecast as the worst storm in a generation, and the response involved four tactical coordination meetings with 25 partner

organisations present as well as two strategic coordination meetings with 20 partner organisations. A strategic holding area was set up at NWFRS headquarters in St Asaph to provide resilience. The storm divided in two before it reached Wales, and whilst North Wales was not affected as badly as Gwent, in South Wales, damage was experienced in many areas including Tywyn, which required a multi-agency response to a block of flats which involved Aberdyfi Search and Rescue Team, Gwynedd Council, and Tywyn fire station resulting in the successful and safe evacuation of 16 residents.

Flooding incidents per 10,000 population



The number of flooding incidents per 10,000 population, rose slightly in North Wales after being relatively consistent over the five-year period 2016/17 to 2020/21, temporarily dropping below one incident per 10,000 population in 2018/19.

The most currently available data places North Wales alongside South Wales as the Fire and Rescue Services with approximately two flooding related incidents per 10,000 population in 2020/21. The other Fire and Rescue Service in Wales experienced considerable increases in flooding incidents attended in both 2019/20 and 2020/21, with increases in the later period due to the severe weather and flooding that hit Wales during February 2020.

Action: work collaboratively with communities and retained firefighters to enhance resilience of fire cover in their areas



At the beginning of 2021 the Service’s new website, designed by the Corporate Communications department, went live as part of continuous efforts to make information and safety messages clear, simple and easy to access especially for potential on-call firefighters. A series of social media initiatives were also developed for individual station Facebook accounts in order to promote recruitment events at stations, such as advertising ‘Brew with the crew’ events, where members of the public can sit with current crew members in the station and discuss what it is like to be a firefighter.

The Service's recruitment and availability team worked throughout the year to improve communication with stations to develop local recruitment initiatives with an emphasis on priority stations where more personnel are needed. The team also attended jobs fairs, career events and community events to promote on-call opportunities and other employment opportunities within the Service.

Staff also attended meetings with local employment engagement officers and local employers to encourage them to consider the benefits of supporting the on-call duty system, by agreeing to release staff during work hours.

Action: introduce Microsoft 365 as a means of further improving communication and integration with partners

All Service staff were given a license to enable them to use Microsoft Teams, prior to this only 120 staff had access to a Skype for Business license. The Service used multimodal training strategies to ensure all staff in the organisation have had the opportunity to familiarise themselves with Teams and feel confident in attending meetings with other agencies. This especially benefitted our staff in the Local Resilience Forum as previous to this they would need to ask one of their Police colleagues to host meetings.

The introduction of Multi-Factor Authentication enabled staff access to their Service emails from home. Previously only staff that had been allocated a Service laptop were able to do this. This change was of great benefit to on-call staff who were previously unable to respond to outstanding emails until they were on fire service premises.

Objective 3: to operate as effectively and efficiently as possible, making the best use of resources available



Given the backdrop of financial uncertainty, amplified by the pandemic, and the potential increase in demand for services across the public sector, it is inevitable that the Authority will be faced with challenges to being able to sustain its services over the coming decades. The pressure on fire and rescue services is likely to come from several different directions including being able to recruit and retain sufficient operational firefighters who meet the requisite fitness standards, as well as the potential expansion of the firefighter role that could increase pay significantly.

Rationalising the Authority's own costs and finding a balanced way of funding the Service over the next few years will help sustain fire and rescue services into the future, making the area more resilient to demographic and other changes.

Action: deliver fire and rescue services in North Wales within the agreed budget

The Authority remained committed to playing its part in building stronger and safer communities. It recognises that in order to prepare for the future financial challenges whilst being able to sustain service delivery requires flexibility and innovation.

The initial planning assessment for 2021/22 identified a net budget requirement of £37.07m compared to £35.9m for 2020/21; developed using current service provision, whilst being mindful of the need to keep the increase to constituent authorities as low as possible. In November 2021 Members reflected on some key challenges that had been highlighted through the new Chief Fire Officer's situational assessment, and the consequences for the Authority's budget. The revenue budget subsequently approved in December 2021 included an increase of £1.3m to address those challenges.

Authority	2020/21 Contribution £	Population	Population %	2021/22 Contribution £	Increase in contributions £	Increase %
Anglesey Council	3,689,651	69,864	10%	3,915,486	225,835	6.1%
Gwynedd Council	6,596,692	125,220	18%	7,017,885	421,193	6.4%
Conwy County Borough Council	6,230,520	118,320	17%	6,631,214	400,694	6.4%
Denbighshire County Council	5,060,195	96,021	14%	5,381,432	321,236	6.3%
Flintshire County Council	8,282,403	157,264	22%	8,813,821	531,418	6.4%
Wrexham County Borough Council	7,214,775	136,535	19%	7,652,042	437,266	6.1%
Total	37,074,237	703,224	100%	39,411,879	2,337,642	6.3%

During the year, significant work was undertaken to identify and review all expenditure, in particular costs in relation to fleet management and training delivery. This enabled the Service to report an underspend of £0.07m for 2021/22 as well as maintaining earmarked reserves of £3.46m, for future known pressures.

The detailed annual statement of accounts summarising the financial performance of the Authority for year ending 31 March 2021 is available on the Service website when published.

In summary, the Authority's financial position in relation to its revenue budget for 2021/22 was:

	2021/22 Budget £000	2021/22 Outturn £000	2021/2022 Variance £000
Employee Costs	28,379	26,916	-1,463
Premises	2,725	2,579	-146
Transport	983	1,034	51
Supplies and Third-Party Payments	5,005	4,837	-168
Income	-2,485	-3,041	-556
Capital Financing and Interest Charges	2,467	2,305	-162
Transfers to/from Reserves	0	2,374	2,374
Total Revenue	37,074	37,004	-70

Action: continue to pursue ongoing internal efficiencies

Various cost-saving efficiencies were implemented during 2021/22 which included;

- Introducing LED lighting and roof insulation in order to save energy long term;
- Increasing the number of electric and plug in hybrid vehicles in the fleet to reduce fuel usage and promote sustainability for the future;
- Continuing to extend bilingual in-house media training to more staff to reduce the need for external resources.

As well as ensuring the careful management of its revenue budget, the Authority continued to scrutinise its capital programme in order to ensure that best value was achieved. The Authority remained committed to ensuring that its assets are utilised efficiently and effectively and continued to analyse the capital programme against possible negative revenue implications.



The initial trial of the new iTrent employee self-service platform ended in October - having received positive feedback from those taking part.

The trial piloted the use of Employee Self-Service and Manager Self-Service with a small group of departments, allowing for controlled assessment of the effectiveness and take up of the new platform.

Action: build on existing measures to monitor operational performance by fire crews before, during and after incidents

The Service continued to build on existing measures for monitoring all aspects of operational performance, including the provision of risk-based audits, operational assurance and the sharing of best practice. Covid Workplace Audits (CWPA's) continued during the first few months of the financial year 2021/22 with 18 CWPA's conducted between 1st April 2021 – 31st August 2021 followed by a series of Strategic Management Inspections (SMI's) which involved at least two members of the Professional Service Standards Team along with either a Principal Officer or an Area Manager. Changes were also made to fitness management processes followed by the Service to comply with Covid regulations, in line with guidelines set by the National Fire Chief's Council (NFCC).

Action: develop a more flexible model for the delivery of training and development including providing training more locally to support the needs of retained/on-call firefighters

In 2021, the Service's Training and Development department delivered a number of local on-call initial training courses including events at Llanberis, Rhyl and Deeside. These courses would typically have been delivered residentially at Dolgellau but were relocated to fire stations close to those attending in order to minimise disruption and travelling time. The service also had a number of new starters who joined from other fire and rescue services and this enabled the Service to offer training at wholtime stations to work through bespoke development programmes.

In 2021 the Service also ran two supervisory leadership and management courses provided by a local college and delivered online. These were open to those in supervisory roles or who were in the process of developing themselves in preparation for supervisory roles. They were attended by personnel from all duty systems, including a number of RDS personnel.

Following on from an external quality assurance visit by Skills for Justice, the Service's training and development accredited centre met the Skills for Justice Awards compliance criteria and maintained its low risk rating. Skills for Justice is a non-profit organization which supports employers across the UK to develop workforce, leadership and research strategies to improve and retain skilled staff in Policing, Probation Services, Custody and Detention, Armed Forces, Fire & Rescue and Local Government. The Accredited Centre was judged by Skills for Justice to have appropriate occupationally competent, skilled and knowledgeable internal quality assurers and reliable, robust internal quality assurance systems in place.

Action: focus on improving the effectiveness of cover provided through the Retained/on-call Duty System (on call firefighters)

In 2016, a new model was introduced by the Authority to better balance its resources to correspond to risk. The model allowed for a new way of planning that ensured there are at least 20 strategically located fire crews available in North Wales at times of relatively low risk, and at least 38 available at times of higher risk. Across the Service operational managers reviewed local factors affecting specific stations to determine whether there were barriers to recruitment. For stations identified as critical to support the 20/38 model, dedicated selection days were held and applicants were progressed more rapidly than those applying for lower priority stations.

The Service sought to further enhance the effectiveness of on-call firefighter recruitment during 2021/22. The 'Can you fill these boots?' on-call recruitment campaign ran for a third year in support of the national campaign to recruit more on-call firefighters across the whole of the UK. Press statements were placed on the Service's social media platforms, and banners and posters were supplied to on-call stations to be distributed in the local areas, to attract the attention of potential recruits or willing employers.



As part of this work, staff stepped up their efforts to recruit on-call firefighters in a number of areas to help protect communities across the region –including fire stations located at Aberdyfi, Abersoch, Amlwch, Bala, Beaumaris, Benllech, Betws y Coed, Cerrigydrudion, Corwen, Harlech, Llangefni, Llanrwst, Menai Bridge, Porthmadog, Rhyl, St Asaph and Tywyn.

Action: review Business Continuity Management and enhancing the Service's capability to deal with large-scale incidents

In January 2022, staff from the Service took part in a Hazardous Materials Environmental Protection (HMEPO) training event at RAF Valley on Anglesey.

The Service's HMEPO Lead Officer, explains more:

"RAF Valley is a fast jet training facility providing advanced pilot training using 30 Hawk T2 aircraft. It is also home to Anglesey airport operating daily commercial flights to UK airports."



"The site houses several different hazards and risks which the Service and our on-site airport fire-fighting teams plan and exercise for, as well as being a major employer within the area."

"The event included a risk visit to the explosive and fuel storage areas on site, a HAZMAT exercise based on a Hawk jet crash affecting an explosives storage building, and a presentation on the growing risk from incidents involving lithium ion battery powered vehicles and storage systems. In addition, 'show and tell' sessions were included focusing on the capabilities and advantages of utilising both the High-Volume Pump and the Environmental Protection Unit equipment on site."



There was also a Business Continuity Awareness Week in May 2021, with the theme 'business continuity starts with you'. The focus was on a 'back to basics' approach - how to raise awareness, embed business continuity, and build resilience within organisations.

Action: continue to monitor and evaluate the impact and effectiveness of programmes undertaken in partnership with other organisations

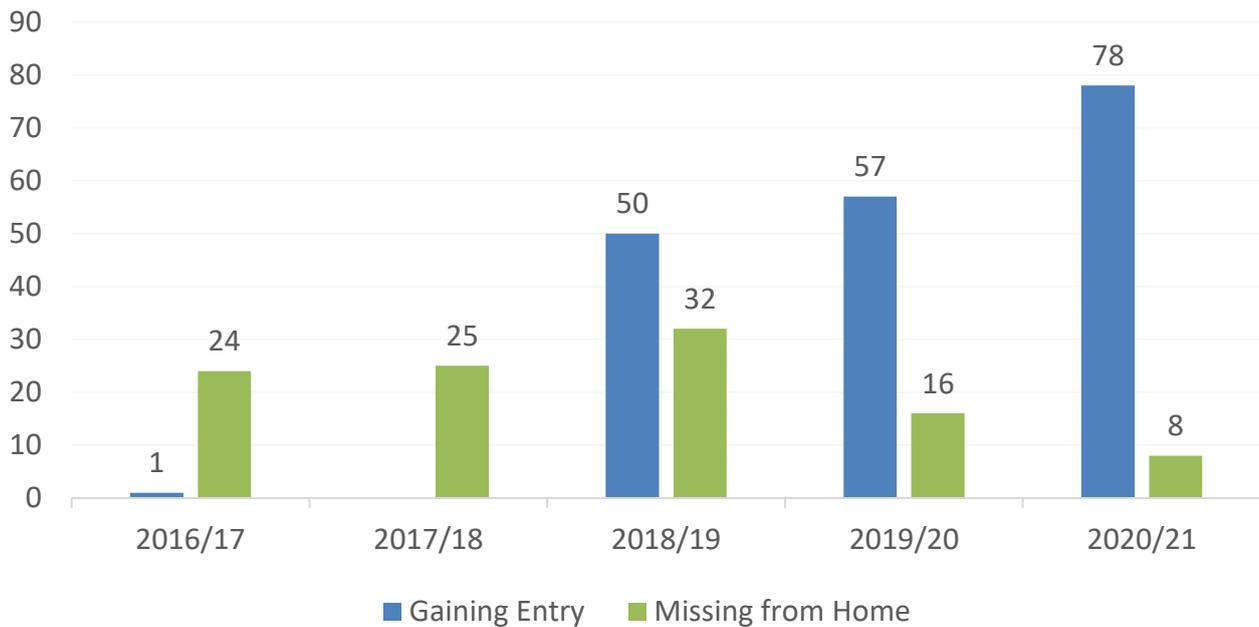
Statistics from North Wales Police suggest that 3,000 people are reported missing from home every year. Early deployment of resources can help to improve the chances of finding people who may have gone missing for a variety of reasons. The Service continued to support police with the 'Missing from Home' scheme, where Service personnel assist in the vital early stages of a search for missing persons. Crews remain on call for fire service incidents, but respond to assist police to locate people who are missing from home (as and when required).

The scheme was expanded in 2018/19 to include staff from each of the 44 fire stations who can now be called upon to provide assistance, and as a formally coordinated arrangement, is a national first.

The 'Gaining Entry' scheme introduced in 2018/19 continued through 2021/22, which meant that operational crews could continue to support the Welsh Ambulance Service Trust (WAST) to gain entry into properties for people requiring medical care and to those unable to assist themselves. The scheme allows crews to gain entry in a timely manner, with reduced damage to the property due to the additional ability to replace door locks to secure a property before departure. This specialist training is organised through the Emergency Services Collaboration Board and was provided to all whole-time staff.

The graph below shows the number of call outs when assisting with 'Missing from Home' and 'Gaining Entry' incidents. The Service attended increasing numbers of 'Gaining Entry' incidents year on year since 2018/19.

Number of Gaining Entry and Missing from Home incidents



During the year, community safety staff identified an increase in the numbers of incidents attended in high-rise flats in Flint. In order to highlight safety messages to local residents, slides were created and displayed on the digital boards located in communal areas of buildings. The slides, which featured messages on cooking, smoking and electrical safety were seen by up to 270 residents.



The Service helped to promote messages about keeping our communities safe, featuring on the national stage within a video created for 'BBC Newsround' which can be viewed [here](#). The RSPCA also promoted the #BangOutOfOrder campaign to highlight the impact of fireworks on animals - their [video](#) can be viewed to find out more.

Action: develop an effective asset management system that promotes optimal resource allocation

The Service's Control team worked to progress delivery of a new Integrated Communication Control System (ICCS) to replace the current Airwave system, to ensure compliance with Home Office Emergency Services Network rollout. To ensure compatibility, emergency service control rooms must have a compliant ICCS to take radio and telephony communications with stakeholders.

A contract with Capita, who provided the technology began for the new system in September 2020, with a draft project plan which went live at the Joint Communications Centre in May 2021, followed by installation at the Secondary Control site in Rhyl in June 2021. Delivery of the replacement ICCS was achieved in alignment with the Wales Emergency Services Network User Group deliverables.

Objective 4: to continue to identify opportunities to encourage greater engagement with people, communities, staff and stakeholders



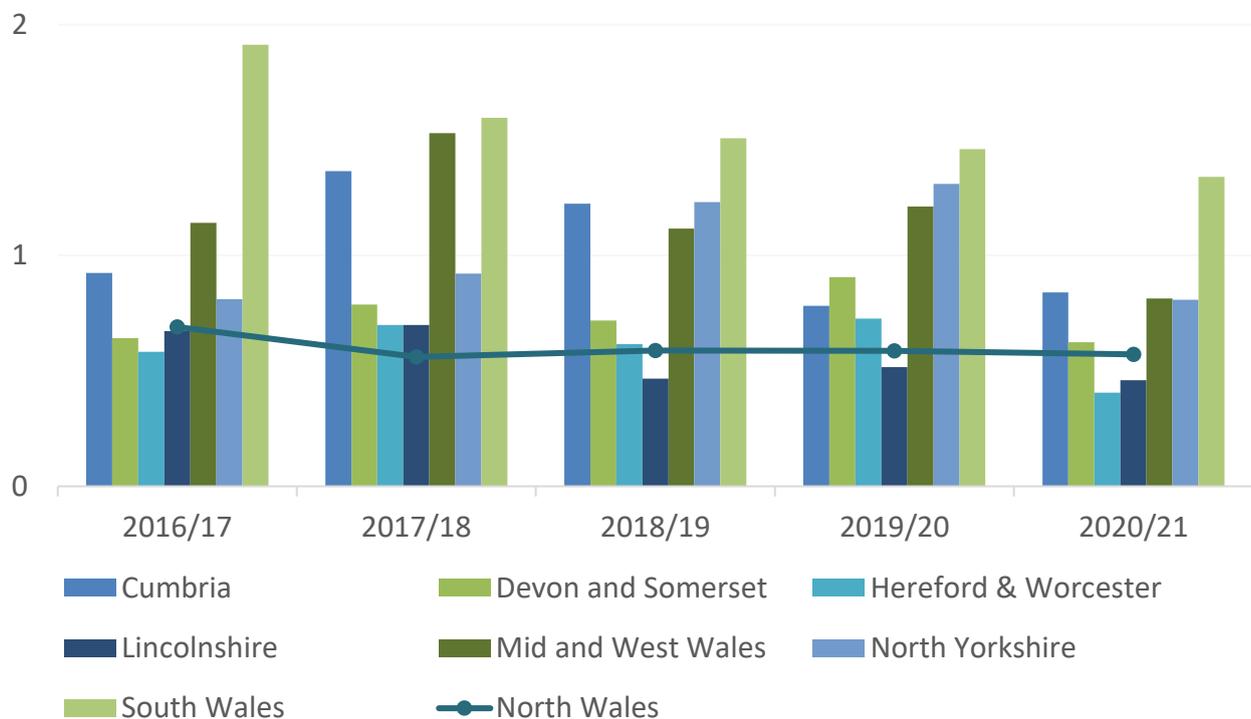
During 2021/22 the Authority continued to improve the way it communicates and engages with communities about the services it delivers.

A collaborative approach with local authorities, public services boards and other stakeholders ensured the consistent and widespread promotion of safety messages, throughout the challenging conditions experienced during 2021/22.

Action: raise awareness of, help prevent arson attacks and reduce the number of deliberate fires and false alarms

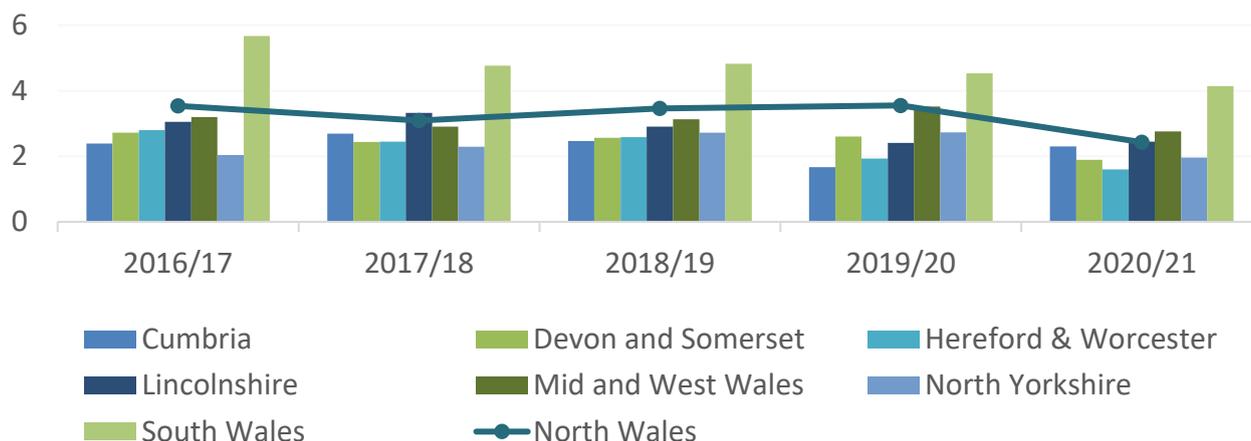
Malicious false alarms present a significant risk to local communities, and unnecessarily compromise the resources available to tackle genuine emergencies. Throughout the five-year period 2016/17 to 2020/21, NWFRS consistently responded to less than one malicious false alarm per 10,000 population. Targeted campaigning and education around the impacts that malicious false alarms have may have contributed positively to low numbers. More broadly, however, it is encouraging to observe a general steady decline in malicious false alarms in the other Fire and Rescue Services over the five-year period, particularly Mid and West Wales.

Malicious Fire False Alarms per 10,000 population



In 2021/22, the Service attended 1,879 fires with 471 started deliberately. The number of deliberate primary fires attended by the Service remained relatively stable between 2016/17 and 2020/21, ranging between three and four per 10,000 population, highlighting the importance of ongoing arson prevention strategies to avoid future increases. The Service also delivered training for 120 new NWP recruits during six sessions, consisting of Community Support Officers and Police Officers. The training focused on raising awareness of the issues regarding deliberate fires and the work that the Service does to reduce such instances.

Deliberate Primary Fires am bob 10,000 population



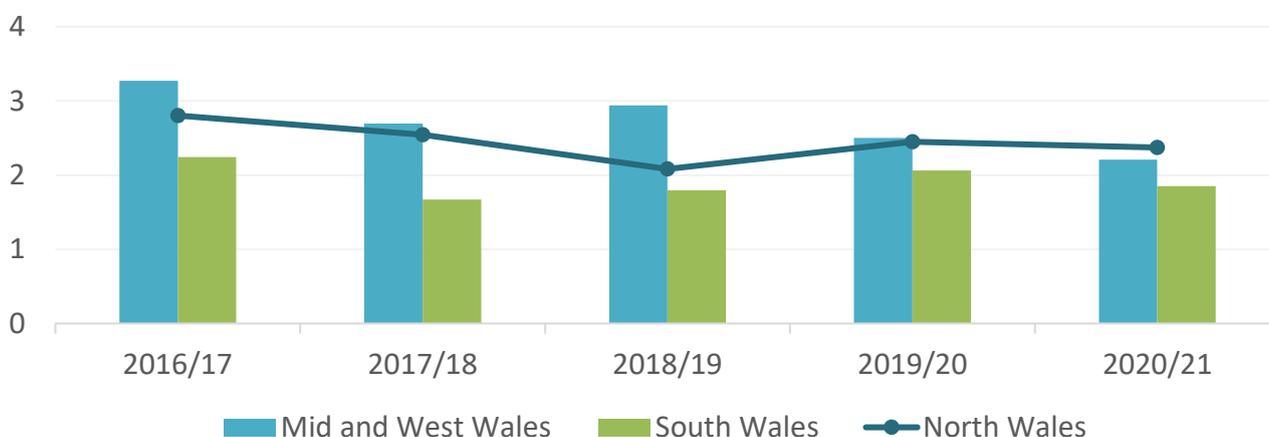
Action: engage with local employers, communities and those directly affected by fire and other emergency incidents to develop prevention activities and campaigns

In October 2021 the Chief Fire Officer met with representatives from a local social housing provider, as well as colleagues from the Community Safety Department to discuss the partnership with the Service. This partnership working included the signing of a new three year partnership initially established seven years ago, which meant that a Home Safety Support Worker was embedded within the social housing team, giving direct access to 4,000 of their properties across the North Wales area.

The Service also trialed a new partnership with a local social housing maintenance provider, which will see a Home Safety Support Worker in a part funded role liaising directly with residents referred to the scheme - this includes people who have been signposted to help make their homes safe prior to them leaving hospital. In addition, there was an initiative in 2021 which saw the Service link in with the local authority to utilise their resources to help keep residents safe.

Action: promote national and local safety campaigns, ensuring that areas of greatest risk are prioritised, for example, fires caused by cooking

Accidental dwelling fires by cooking appliance source of ignition per 10,000 population





In April 2021 the Service held a 'Register My Appliance' Week, reminding households to look around their homes and register their appliances on the portal registermyappliance.org.uk. Nearly 60 leading brands are represented on the portal, developed by the Association of Manufacturers of Domestic Appliances, with most manufacturers welcoming details of products up to 12 years old and includes advice on safe usage. It is reported that 49% of people have never registered their products and this initiative was aimed at encouraging everyone, members of the public and staff alike, to make their homes safer by registering machines.

Action: maintain the currency of existing information-sharing agreements, and seek to establish new agreements where appropriate

The Wales Accord on the Sharing of Personal Information (WASPI) supports organisations directly concerned with the health, education, safety, crime prevention and social well-being of people in Wales. The consistent approach promoted by WASPI helped the Service to develop effective ways of sharing personal information effectively and lawfully.



The Community Safety Department reviewed and, where necessary, updated its Data Disclosure Agreements (DDAs) with a view, once complete, to transferring to a central Service register.

Staff from the Service met with colleagues from Centre of Sign, Sight and Sound (COS) to discuss continuing the partnership for another two years from the 1st of April 2022. The partnership sees staff from the Conwy and Denbighshire Community Safety Team providing training and intervention equipment to COS staff in order that they can deliver Safe and Well checks to residents of North Wales living with Sensory loss.

Action: conduct a health and well-being survey of all staff, promoting activities throughout the Service

The Service took a number of actions to make sure that health, fitness and wellbeing was actively promoted during 2021/22, ensuring that employees were encouraged to maintain a fit and healthy lifestyle. A health and well-being survey was carried out to assist in highlighting the self-perceived well-being of employees.

In May 2021 the Service committed to supporting a mental health awareness week in collaboration with Mind charity. Staff from the health, fitness and wellbeing team posted different activities for colleagues on the Workplace Facebook platform each day, encouraging staff to think about their own mental health and the importance of supporting others around who may be struggling. During the week staff were encouraged to make time to visit the 'Mental Health Support' page of the intranet, to help signpost them to mental health advice and support available including access to the colleague support team, blue light mental health champions and the Care First employee assistance programme. Many staff also benefited from 'Mindfulness' sessions, as well as the weekly 'Centergy' exercise sessions which offered 60-minute mind-body workouts incorporating yoga and pilates.



Action: complete a review of the Corporate Communication Strategy

A new Corporate Communications Delivery plan for 2021-24 was published following the review of the Corporate Communications Strategy.

The delivery plan outlines the direction and framework to actively support and engage with a wide range of internal and external audiences and to do so clearly and effectively.

Action: develop an online generic / standalone rolling survey which reflects all seven corporate objectives which could be used to record feedback from all stakeholders on the services the Authority provides

Work continued to improve and develop the Authority's website in order to create a more interactive environment for surveys and engagement. This programme of work will continue into 2022/23 with the aim of transitioning all Corporate reports, plans and assessments to a dedicated area on the website rather than as attached PDF documents. The Authority remained committed to ensuring that objectives are met through engagement.

Objective 5: to maintain a suitably resilient, skilled, professional and flexible workforce

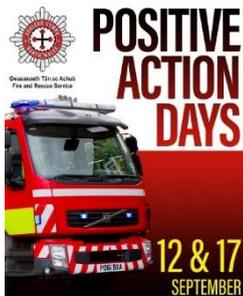


The Authority continued to extend its efforts to attract, develop and retain a workforce that reflects the diversity within the communities it serves.

Supporting equality and diversity lies at the heart of the Authority's culture and core values: a commitment to diversity and inclusion; a desire to strive for excellence; protecting communities and valuing its people. A workforce that is appropriately developed and trained to be safe benefits the people of Wales, and a well-developed performance management framework supports managers in meeting the demands of their roles.

Action: recruit, develop and retain a highly skilled, motivated and bilingual workforce

In early 2021 it was announced that there would be a review of the promotions process. There were two aspects to this work, a review of temporary promotions and a longer-term piece of work involving permanent promotions. Since the review was announced, work was ongoing to address the issues raised by staff and members of the Fire Brigades Union to gain a better understanding of concerns. The Chief Fire Officer made the following comment:



'As these reviews continue I am confident that it will lead to an improvement in practices and to an acceptable way forward for the Service as a whole, ensuring that we can maintain the highest standards for service delivery.'

The Service also hosted positive action days on the 12th and 17th of September 2021 for prospective firefighters in under represented groups which included females and people from LGBTQ+, black and ethnic minority groups.

Action: develop employment practices aimed at increasing the employment prospects of people who might otherwise find it difficult to gain access to work and prioritise action to promote gender equality

The UK-wide National Joint Council Inclusive Fire Service Group (IFSG) was established in 2015 in order to consider matters relating to equality, diversity and cultural issues such as bullying and harassment. A cross-cutting Service sub-group consisting of staff, representative bodies and senior management, was established. Work of the sub-group continued with a forward work plan to reaffirm and embed the Service's commitment to embrace inclusion. Work included promotion of the group as a response to global protests against racism, reminding staff to embrace inclusion and reject racism. An online event, 'Pride Inside' was promoted to encourage staff participation and support 'Pride' month.

The Service's health and well-being team continued to be involved in the recruitment process and provided virtual fitness assessments and online positive action days/events to support under represented groups. 'Get Fire Fit' was an opportunity to develop females interested in joining the Service, which included engagement and support leading up to recruitment stage.

In March, international women's day was celebrated by the Service and whilst the original theme was 'Gender equality today for a sustainable tomorrow', which aimed to recognise women who are working to build a more sustainable future, this was later adapted to be 'Break The Bias'. This means each of us becoming more aware of our conscious and unconscious biases, and being willing to question ourselves and others. It means speaking up for change and being willing to think differently, hire differently, and promote differently.

Action: adopt agile and flexible working models which will contribute to a low carbon society though reducing emissions associated with travel for work purposes



At the end of 2021, a review was carried out by Audit Wales on the Service's progress towards achieving carbon neutrality. As part of this journey, Audit Wales emphasised the need for everyone to understand the challenges and opportunities associated with achieving carbon neutrality.

The Service introduced an agile working policy for staff, for whom it was suitable, which enabled them to work from home as well as from the office offering a hybrid arrangement, vastly reducing the number of staff members commuting on a daily basis to North Wales Fire and Rescue Service premises.

Action: continue to seek out new opportunities to develop apprenticeship schemes within the Service

The latest cohort of apprentices joined the Service in June 2021, after recruitment was paused in 2020 due to the pandemic. The group, which included a mix of firefighter and future leader apprentices, started on their learning journey supported by staff from the training and development department. Their first development module incorporated learning about core operational roles and responsibilities, with sessions held at various training locations. The first group of future leader apprentices who joined the Service in April then went onto



their placements on wholetime watches and periods supporting various departments across the Service, along with enrolment on academic and vocational qualifications.

Action: adopt a more holistic approach to improving employee wellbeing, continue to invest in reducing absence and concentrate on health promotion

During September an 'Agile Working' policy was formally agreed, which introduced a blended approach of working from the office, home or other Service locations.

"This move supports the Welsh Government's long-term ambition to see 30% of Welsh workers working from home, or close to home, following the Covid-19 pandemic. Furthermore, it builds on the success of the working arrangements we have put in place in light of the coronavirus restrictions."

"The pandemic has made us rethink several of our working practices, with many of us also reassessing how our home life fits with our work life. Working in an agile way is an important step."

Action: renew certification of the Gold Corporate Health Award

In May 2021 the Service was re-awarded the Platinum Corporate Health Standard for a further 12 months, following an on-line assessment. The Corporate Health Standard is funded as part of the Welsh Government's 'Healthy Working Wales' programme, and is the national quality framework and award to encourage employers to improve health and well-being in the workplace and within communities.



The Corporate Health Standard has four levels of award to recognise each stage of the developmental health and well-being work achieved by employers. The four levels are Bronze, Silver, Gold and Platinum. The Service previously achieved Platinum, the highest Standard, in 2017.

The Platinum level recognises responsible employers who demonstrate an organisational commitment to support not only their employees, but also other employers and the local community. The Platinum Standard is awarded to exemplar employers who demonstrate sustainable development as an integral part of their business practice and culture. Sustainable Development can be understood as improving the social, economic and environmental well-being of people and communities to achieve a better quality of life for our own and future generations.

The Assessor from Public Health Wales gave extremely favourable feedback and complimented the Service and the Authority's work, saying that the issue of sustainability is one that is comprehensively considered by the Service.

Action: continue to contribute to the All-Wales 'People and Organisational Development Strategy'

Work continued on implementing the All-Wales 'People and Organisational Development Strategy' 2018/21. The key elements of the strategy included; resourcing, health and wellbeing, fitness, inclusive workplaces (equality and diversity), reward and recognition, management information systems, and training and development. The strategy underpinned the three Welsh Fire and Rescue Services' commitment to lifelong learning and workplace competence, supporting new ways of working for the benefit of the public in Wales.

Action: improve ways of supporting staff to become future leaders

During 2021/22 the Service continued to develop its recruitment and selection process to ensure resilience at all levels. New apprentice fire-fighters were moved around Service departments to help them obtain a comprehensive understanding of all functions and their responsibilities.

Bespoke progression plans were developed for candidates on the Service's 'high potential' programme, designed to help fast track talented candidates. Candidates were exposed to a range of development and enrichment opportunities, such as masterclasses, in order to support progression and build on their skillsets.



As part of the staff development process to support and develop leaders, a masterclass in tactical incident command was hosted online for temporary and newly promoted Managers.

The interactive session focused on the role of the tactical manager including how to become a confident incident commander, nonverbal communication, as well as understanding decision bias and the psychology of decision making.

This masterclass was one element of a whole range of courses and support available to staff who wished to develop and progress

within the Service.

Objective 6: to develop ways of becoming more environmentally conscious in order to minimise the impact of our activity on the environment



In 2017, the Welsh Government set the ambition of achieving a net carbon neutral public sector by 2030. In March 2019, it published Prosperity for All: A Low Carbon Wales, which aims to support the public sector to baseline, monitor and report progress towards carbon neutrality.

In 2021/22 the Authority reaffirmed its commitment to improving environmental performance and considering it in all areas of its work, from fire prevention to making sure that it considers environmentally friendly technology. The Authority also committed to renewing its environmental vision to become a more environmentally conscious and responsible organisation.

Action: establish a Strategic Board with responsibility for developing an Environment Strategy for the Authority

The Service remains committed to establishing a Strategic Board with responsibility for developing a robust Environment Strategy. Following on from the unprecedented challenges posed by COVID-19, which delayed the progress in developing the strategy during 2020/21, these delays have continued into 2021/22. However, the Authority recognises the significant threats that climate change presents and is fully committed to developing the strategy.

The Authority did continue to pursue its current sustainable development action plan, with planned maintenance aimed at reducing energy consumption and carbon emissions. A number of premises received replacement boilers/equipment and upgrades to the fabric of the buildings during 2021/22.

Action: explore opportunities to reduce plastic packaging on goods brought in to the Service

The Service currently has a Service Level Agreement (SLA) with North Wales Police's (NWP) Procurement Department to deliver all major tenders, therefore all higher valued tenders include social value and sustainable procurement principles as per NWP's tender requirements.

Recyclable goods were actively sourced by the Service, for example the purchase of wooden pencils in cardboard tubes for use by community safety staff when delivering intervention and engagement sessions, as well as new refill spray and hand gel bottles in response to the global shortage of spray bottles. The Service plans to retain these into the future as a means of reducing plastic waste.

During the pandemic, the Service introduced telephone SAWCs to low and medium risk households deemed capable of installing their own smoke detectors. Safety advice was provided to the occupier via telephone and the smoke detector was then posted to them. The packaging selected to transport the detector was carefully selected to ensure that it was recyclable in order to reduce the environmental impact. Fuel consumption by NWFRS vehicles was also reduced as a result of the new approach to delivering SAWCs, which brought its own environmental benefits.

Action: identify ways to use water supplies as responsibly as possible

Rain water harvesting systems (RWHS) have been installed at Nefyn and Tywyn fire stations as part of new-build schemes (in 2014 and 2015 respectively). Rain water from the RWHS is used to supply all non-potable water at both stations and helps to reduce the demand on incoming mains water supplies.

All Service buildings have undergone assessments relating to their accessibility in accordance with the requirements of the Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011. During the past decade the majority of sites have had their urinals removed and replaced with low-flush WCs and have also had percussion taps installed in washrooms and changing rooms.

These combined measures have led to a reduction in mains water demand at the sites in question from not having urinals flushing regularly (irrespective of building occupancy levels) and taps being unintentionally left running.

Action: seek opportunities to reduce the amount of waste the Authority sends to landfill

The Service consistently tries to re-use and re-purpose items as an alternative to throwing them away, with all delivery boxes received by the Service re-used to transport goods to stations and offices across the region. Metal dry-cleaning coat hangers provided by the uniform cleaning company are returned for re-use, and the cardboard they use to support the shape of items of uniform are recycled. Personal and protective equipment that cannot be repurposed is sent to recycling containers held at the North Wales Police HQ in Colwyn Bay. Uniform such as t-shirts, trousers and firefighter gloves are repurposed for use in the Service training centre in Dolgellau by attendees, and as back-up uniform should it be required. The cardboard boxes and printer cartridges that are distributed to Service

premises are recycled once returned after use. Retention of the original packaging allows individuals to return the cartridges to a central site, and a free collection is arranged on a monthly basis.

Action: identify ways to increase biodiversity on premises

The Authority continued to pursue its biodiversity action plan, published in December 2019. A contract to ensure grounds maintenance and biodiversity enhancement commenced in May to ensure compliance with the requirements of the Environment (Wales) Act, 2016. As a result, grounds maintenance commenced at all sites and continued throughout 2021/22.

Action: work with Public Services Boards across North Wales to understand climate change from a regional perspective

New groups have been established (e.g. North Wales Decarbonisation) as well as new reporting mechanisms (e.g. Welsh Government Carbon accounting) in order to achieve this action. As part of the broader climate change agenda the Welsh Government Energy Service continued promoting a regional approach. Given the increasing importance and emphasis on climate change the Conwy and Denbighshire PSB agreed that there would be merit in undertaking some work in order to map the different initiatives and groups working to that agenda and ascertain how PSB could best add value. Work is ongoing to develop a regional approach to reducing carbon footprints. The table below shows how the decarbonisation groups of interest feed into one another:



BUILDINGS	LAND	FLEET	PROCUREMENT	
Regional Leadership Board				North Wales Chief Executives Forum
North Wales Economic Ambition Board – Low Carbon Energy Programme Board/Project Board				
Economic Recovery Group				
Regional Economic Framework – Zero Carbon Economy				
North Wales Planning Officers Group				
North Wales Energy Strategy – Task and Finish Group				
Public Service Boards				
<i>(Gwynedd & Mon Climate Change Sub-Group)</i>	<i>(Conwy & Denbighshire Environmental Resilience Group)</i>	<i>(Flintshire & Wrexham Environment Group)</i>		
North Wales Decarbonisation Officer Advisory Group				
County Surveyors Society Wales (CSS) (Including street lighting, transport, asset management and waste)				Operational Groups Key: National Regional
Ystadau Cymru (Welsh Government Lead)		All Wales Fleet Managers Group	All Wales Heads of Procurement (WLGA lead)	
Consortium of Local Authorities Wales (CLAW)		North Wales Fleet Managers Group	N. Wales Procurement Forum (Cross-sector) (facilitated by NPS and Welsh Gov)	
North Wales Group of Ystadau Cymru (Chair NW Police)			North Wales Heads of Procurement	
RSL Climate Change Group				
North Wales Energy Matters Group				

Action: working with landowners to reduce incidences of wildfires and encourage notification of controlled burning



Prior to the 2022 April bank holiday, the Service’s Community Safety Manager for Conwy and Denbighshire recorded a powerful video at the scene of a fire in the open in Nantmor, appealing to residents and land owners to avoid burning rubbish and garden waste. This message was also communicated over the subsequent bank holiday weekend to encourage residents to think twice about burning in their gardens, with the footage clearly demonstrating how easily small fires can spread.

Action: replacing technical rescue units to achieve greater fuel efficiency and lower engine emissions

Valuable information was gained following a consultation with users through the Vehicle Resource Group. This assisted managers within the Operations and Fleet departments to reach an agreement and a joint vision of the type of vehicle required. This will facilitate the production of a detailed specification that will be required to progress the procurement process. A review will be carried out which will consider vehicle suitability and equipment requirements.

Action: report on energy usage and reduce carbon prevalence within NWFRS buildings, including the development of an ‘Invest to Save’ fund for future carbon reduction projects

The Authority allocated £110k to cover LED lighting and roof insulation, amongst other energy saving strategies. As LED lighting uses much less electricity than other bulbs, and with the growing energy crisis which began in 2021, this will promote efficiency and sustainability for the future within the North Wales Fire Service buildings as well as saving costs.

Below is a table showing the details of the new electric and plug-in hybrid vehicles added to the fleet alongside the twenty-five hybrid vehicles which were already in the fleet.

Make, model & number of vehicles	Efficiency Rating	CO2 g/km
BMW i3 Range extender x3	A	13
Nissan Leaf Acenta x1	A	1
Kia Soul EV Automatic x1	A	1
Renault Zoe I Dynamique Nav ZE 40 Automatic x1	A	1
Kia E-Nitro Electric Estate 150kW 364 kWh 5dr Automatic x1	A	1
BMW 3 Series Saloon 330e Sport Pro 4dr Automatic x1	A	37
Kia Nitro Estate 1.6 GDi PHEV 3 5dr DCT x3	A	31

Objective 7: to ensure that social value and sustainability are considered, including during procurement processes.



Social value is the value that people place on the changes they experience in their lives. During 2021/22 the Authority continued developing its social value and ensured that social, economic and environmental issues were considered as part of its activities including support for the local Young Firefighters Association (YFAs) and the Phoenix Project.

Action: continue to seek out opportunities to add social value to communities



The Service continued to focus on reducing the incidence of arson as part of its drive towards delivering social value in 2021/22.



In December 2021 the Community Fire Safety Team assisted Llanfairfechan food bank in delivering food parcels to the local community. The food bank is run by volunteers to deliver basic foods, toiletries and occasional treats. They mainly rely on donations from the community. This partnership was established because members of the Community Safety Team engaged with County and Town Councils across North Wales to open doors to groups working in their areas. Recipients of the food parcels also received fire safety advice and the option for a safe and well check to be carried out in their homes.

Action: develop a Social Value and Sustainable Procurement Strategy

Whilst progress towards agreeing a Social Value and Sustainable Procurement Strategy for the Authority was delayed by the challenges presented by the pandemic, the Service recognises the importance of developing a sustainable and ethical procurement strategy. Despite limited progress, sustainability still played a key part in decisions around procurement and purchasing as evidenced in this objective and objective six.

As part of the planning process for adding more fuel-efficient vehicles to the fleet, any tendering process routinely considered the benefit of local suppliers who met Service requirements.

Action: explore options for local procurement to be delivered via national/regional collaboration both within the fire and rescue sector and across other blue light agencies

Following extensive trials and end user feedback, Ballyclare Ltd were the successful manufacturer selected to supply the three Welsh Fire and Rescue Services with structural fire kit. The Xenon fire kit is lightweight and provides maximum protection, aiming to minimise the risk of heat stress – which can impact decision making – by reducing the physiological load on the wearer.

The innovative design provides high levels of comfort, breathability and freedom of movement, whilst ensuring excellent thermal protection including being water resistant and quick drying.



Action: ensure procurement frameworks and contracts measure social value and sustainability during tendering processes



Performance trials for the new Xenon fire kit took place back in April 2019 in Earlswood, where crews on an all-Wales basis took part in the extensive end-user trials. The comprehensive evaluations took place over a period of five days, with each set of kit evaluated in a number of key areas through practical scenarios. These included: road traffic collisions, working at height, hose running, working in confined spaces and in fire situations. Following the intensive performance trials, the shortlisted kits then underwent Station based pilots. The final stage saw experienced crews carrying out extensive compartment firefighting techniques and procedures in extremely challenging conditions in Dolgellau’s Fire Behaviour Facility.

Action: further develop opportunities to work with ‘Fire Aid’ to ensure that equipment is recycled where possible

A Wrexham Firefighter visited West Africa in March 2022, having embarked on on a charity expedition to help form an ambulance and fire service in rural Gambia. He explained:

“I have been selected by the National Police Aid Convoy charity (NPAC) and the International Police Association (IPA) to take part in Operation Zephyr to deliver 35 ambulances, fire appliances and support vehicles to Gambia in West Africa.

“Gambia currently has the highest infant mortality rate in the world, where 1 in 5 children will not survive past 4 weeks old, and 1 in 20 won't make it past 5 years old.

“Queues outside the main city hospitals are not made up of ambulances, but of wheelbarrows containing women in labour, whilst Mules and Donkeys will transport civilians from the rural villages often over 50 miles to seek medical help.

“The state of the fire and rescue service is not much better, with the main central fire station in Banjul containing three fire appliances, one of which was recently involved with a head on collision with a HGV, the other had broken down a long time ago, leaving now one appliance, dating from the 1980s still on the run. The firefighters take shelter from the sun underneath their fire appliances, hoping they can respond to an emergency with the very limited equipment they have.

“This convoy aims to provide functioning emergency vehicles, PPE, radios, medical equipment and training to this emerging but still very poor African nation. Our emergency service families need our help.”



Action: develop a procurement awareness training package

The Authority continued to draw together examples of good practice in relation to the procurement of sustainable products in 2021/22. Work was also put into the reuse of equipment to demonstrate good practice in relation to the sustainable procurement of goods and services. This will be used to develop a training package for departments, for purchasing goods and supplies.

Action: ensuring that the procurement of new operational equipment includes consideration of 'total end of life' disposal

The Authority supported the implementation of an all-Wales procurement group which covers the three Welsh services. This identified opportunities for joint procurement, and during 2021/22 the roll-out of the new fire kit was finalised. The Service also procured a number of fire appliances using the all-Wales framework. Significant joint working was evident during Covid, with Kent Fire and Rescue Service providing a national platform for the procurement of PPE. Future projects include the all-Wales procurement of Service uniforms and employee benefits.

Action: promoting social value and sustainability within the Service

Over the summer of 2021 the Service's Head of Community Safety shared a video to introduce the Community Safety team, encourage communication, and to ensure a consistent approach to delivering Safe and Well Checks. These videos helped keep colleagues informed and demonstrated flexibility and ingenuity to continue with prevention work despite the challenges presented by Covid-19.

In January 2022 the Service also resumed face to face youth activity including School visits, Phoenix courses, Cadet meetings, Deadly Impacts and FACE / Firesafe sessions.

The decision was taken in late December (2021) to temporarily suspend face to face sessions to help protect our young people and our staff as news of the new variant emerged. Staff once again adapted brilliantly, providing online provision to help keep everyone safe - however, the importance of interacting face to face sometimes cannot be underestimated.

For other work, the development of online interaction has proved very successful, leading to the Service's decision to continue with a blend of both online and face to face provision.

MONITORING COMPLIANCE WITH WELSH LANGUAGE STANDARDS

Background

The Welsh Language (Wales) Measure 2011 replaced the Welsh Language Act 1993 and as part of this legislation, both the Welsh and English languages have equal legal status and neither must be treated any less favourably. The Authority no longer needs to develop and implement Welsh Language Schemes; however, it must instead comply with a set of Welsh Language Standards.

The Welsh Language Commissioner issued fire and rescue authorities with their Compliance Notice on 30 September 2016. This document lists which of the Standards, as listed in full in the Welsh Language Standards Regulations (No.5) 2016, North Wales Fire and Rescue Authority must comply with, along with any exemptions and their implementation dates.

The Authority is required to publish its Welsh Language Standards annual report for 2021-22 by September 2022 and to publicise it appropriately.

The Authority is committed to ensuring that, in conducting public business in Wales, the English and Welsh languages should be treated on the basis of equality in order to recognise and value the rich diversity of communities, against a backdrop of significant natural and cultural heritage.

The Authority also acknowledges its duty towards its staff, most of whom are residents of North Wales, and who themselves reflect the linguistic and cultural make-up of their own communities. By acknowledging its moral and legal duties to protect the cultural heritage of the area and meet the expectations of the local community, the Authority continues to work towards ensuring that it conducts its public business in both languages.

During 2021-22, the Authority continued to comply with the set of Welsh Language Standards issued in the Compliance Notice of 30 September 2016. In January 2022, the Service successfully appointed to a newly created full-time post of Welsh Language Officer, demonstrating the Authority's continued commitment to promote the Welsh Language. However, despite three widely-advertised attempts to recruit a Welsh Language Translator during this period, the Service was unsuccessful in appointing. As a result, the provision of translation services is being sought externally through a competitive tendering process.

The Authority also continues to work collaboratively with external language groups via the Welsh Language Officer, in addition to the introduction of a Welsh Language Governance Group that serves the purpose of;

- Co-ordinating between departments on Welsh Language issues
- Scrutinising and offering guidance to improve any aspect of the bilingual provision
- Collaborating on how to resolve any challenges or complaints
- Ensuring that the Welsh language is being treated as favourably as the English language within the Service.

The Authority also continues to collaborate with the two other Welsh fire and rescue services, with partners such as North Wales Police and local authorities, and with the National Fire Chiefs Council (NFCC) in order to share information on best practice.



Establishment of a Welsh Language Governance Group



Exceeding provision by continuing to facilitate Welsh emergency calls



82% of our staff have some Welsh language skills



36% of our staff are fluent Welsh speakers



Welsh drop-in sessions for learners and others to use Welsh at work



Recruitment of a dedicated Welsh Language Officer - a new post demonstrating commitment to the Welsh language

Service delivery standards

The Compliance Notice which lists these standards can be seen on the North Wales Fire and Rescue Service [website](#). Arrangements have been made to meet the Service Delivery Standards that have come into force including the following:

Standards 8-17 – All staff have been made aware of the requirement to respect language choice when dealing with telephone calls to and from members of the public.

Additionally, the Authority recognises the value and benefit of offering language choice and as such has continued to operate a fully bilingual Control Room/Joint Communications Centre, despite there being no statutory requirement to answer 999 calls bilingually. In addition to recognising its moral and ethical duty to deal with 999 calls swiftly and effectively in the caller's language of choice, the Authority's decision to go above and beyond the requirements of the Standards also acknowledges the benefits in terms of safety in emergency situations when some callers are able to communicate more effectively in Welsh.

Job vacancies in the Control Room are advertised with a Level 4 requirement to ensure an active language choice is offered to any caller wishing to speak Welsh.

Welsh language ability of Level 4 or above is required in order to be able to offer a proactive language choice. Data is collected on how many Service users contact us in Welsh for monitoring and evaluation purposes. During the 2021/22 year, 2.8% of calls (343) were handled in Welsh. The majority of these calls coincide with the end of the controlled burning period. Control operators use a bilingual standard greeting when answering the call, which should indicate that people can continue in Welsh if they wish, however, as the initial contact with the 999-emergency switchboard is monolingual English, this could be a barrier to continuing in Welsh. Awareness campaigns highlighting our bilingual Control operators are being explored further. Training is provided to ensure that staff are able and willing to deal with calls in Welsh.

Standards 32, 36, 58-60 – All public materials are displayed bilingually including the Service's website and corporate Social Media accounts. Any posters, leaflets, or other promotional material are also bilingual. With the exception of operational signs, all signs are bilingual.

Standards 62-64 – Service policy notes that staff with front facing positions must be fluent in the Welsh language (Level 4 and above). The number of positions identified as being front facing is 91. However, a number of staff members within these roles were employed by the Service prior to this requirement and therefore are supported on Welsh language matters where the need arises. This helps to monitor compliance and identify any potential skills gaps. In addition, Welsh language promotional material can be seen in reception areas to encourage staff to use Welsh.

Standards 73-77 - All tender advertisements are bilingual. In relation to the Welsh Language Act, if a supplier prefers to correspond in Welsh this can be arranged; any tender or related documents submitted in Welsh will not be treated less favourably than those submitted in English. We would issue a tender in Welsh if the need arises e.g. Welsh Language Training. Both languages are treated equally (it is noted that not many tenders are submitted to us in Welsh but sometimes parts are in Welsh). Use of external Welsh language translation services help compliance with standard 76.

Operational standards

The Compliance Notice which lists these standards can be seen on the NWFRS [website](#). Arrangements have been made to meet the Operational Standards that have come into force including the following:

Standards 96-101 - Staff have a right that is promoted and communicated to them, to receive any relevant correspondence in Welsh or bilingually. Relevant forms are available bilingually for use for

various reasons relating to their employment. Staff can view these on our staff information site. A record is kept of preferred language of Staff to receive correspondence in their preferred language.

Standards 102 -108 - New and revised policies are published internally in both Welsh and English and each policy is required to have an associated integrated impact assessment to ascertain its impact on the Welsh language and to identify and promote ways of creating a positive impact and avoiding negative impact.

Standards 125 – 132 - In terms of developing Welsh language skills, as mentioned, the Service offers Level 1, 2 and 3 courses using internal Welsh language learning materials. Staff can receive support from a Welsh Language Officer or Language Champion. Conversation sessions are offered, and 1-to-1 sessions to promote and support staff to develop their Welsh language skills.

Welsh language learning courses are offered to all staff through the Learn Welsh service and through Coleg Cambria provision. Language Awareness training is offered in two ways; either face-to-face, usually for operational staff joining in groups, or an online module is provided through LearnPro. The requirement to include Welsh language on e-mail signatures and out of office messages is promoted to staff. Examples are available on our staff Information site along with relevant logos. In terms of training, essential and desirable modules are available bilingually on the LearnPro online training system.

Standard 143 – Complaints are monitored and dealt with by the Human Resources (HR) Department and Business Support Unit. Complaints and letters of appreciation are reported annually to the Fire Authority. No complaints were received in 2021-22 in relation to the Welsh language. North Wales Fire and Rescue Service has published a complaints procedure on its website and also has an internal policy for staff on how to raise a concern or complaint.

Standard 147 – As of 31 March 2022, 692 employees out of 843 (82%) were able to demonstrate that they had Welsh language skills (Level 1 and above), which relates to the physical headcount of staff e.g. people only counted once where they have more than one position. A total of 307 employees were classed as fluent speakers (Level 4 and above) which equates to 36% of all staff.

Standards 150,151 – In the past, language ability levels of candidates were assessed at the shortlisting stage, but more recently owing to the throughput of candidates and the availability of resources to conduct assessments, only successful candidates who are offered posts are assessed to confirm their Welsh language level and establish how much support they will require to reach the required level during their probationary period. Sometimes this happens in the first few weeks if they have not had an assessment during the recruitment process.

Support is offered through NWFRS Welsh learning resources, drop-in sessions with the Welsh Language Officer, support from one of the Welsh Language Champions, as well as the offer to attend Level 2 courses delivered by Coleg Cambria.

This method has successfully seen those staff joining with little or no Welsh ability being able to reach Level 2 and 3.

Recent appointments

All posts require some level of Welsh and the Service's minimum requirement is Level 2 speaking and listening skills.

During 2021-22 there were several senior operational staff appointed where successful candidates were required to achieve Welsh language ability of Level 3 on appointment or within the probation period.

The table below shows the number of operational appointments in different roles and the number that met Welsh language requirements on appointment.

Role	No. Appointed	No. that met Level 3 requirement on appointment
Area Manager	4	2
Group Manager	6	5
Station Manager	12	10
Watch Manager	18	18
Crew Manager	15	15

Similarly, the table below shows the number of support staff appointed and that met Welsh language requirements on appointment.

Of the 19 Support staff appointed	Required Level	No. that met the required level of skills on appointment
11	Minimum Level 2	4
12	Minimum Level 4	8

In addition, three members of staff were recruited to the Control Room who all met the requirement for Level 4 or above Welsh language skills on appointment. Furthermore, during an internal promotion process within the Control Room, one Station Manager and six Watch Managers were appointed and all met the required level.

Four appointments were made for senior staff and three of those met the requirement of Level 3 on appointment.

Generally, where staff appointed did not meet the required level of Welsh language skills, they are supported to reach the required level within their probation period.

Monitoring, Promoting and Developing the Welsh Language within the Service

Monitoring and promoting the Welsh language among staff within the Service is delivered internally in a variety of different ways including:

- In January 2022, a Welsh Language Officer was appointed for the first time, demonstrating the continued commitment to promote the Welsh language and monitor progress.
- The HR monitoring system, iTrent, is used to keep track of Welsh language ability of staff including their Level of ability (on a scale of 0-5 with 4 being fluent) and monitoring Welsh Language assessments (either formal or self-assessment).
- The Welsh Language Champions scheme offers a financial allowance for staff members that commit to promoting the Welsh language within their departments or fire stations. Welsh Language Champions are spread across the Service areas and departments and facilitate the promotion of using Welsh at work, support staff with Welsh language assessments, and promote Welsh language activities with other staff. The Welsh Language Champions are rewarded for their efforts and submit a quarterly task form noting their achievements in order to receive an allowance.

- The Welsh Wednesday monthly bulletin shares information about the Welsh language, learning Welsh, and using Welsh more on a day to day basis. Included within is a section reminding staff of key Welsh language standards and ways they can ensure compliance e.g. bilingual e-mail signatures and out of office messages.
- A new weekly Welsh drop-in session is available on Microsoft Teams each Friday for staff that wish to take up the opportunity to use Welsh with another staff member or for any help or advice to do with Welsh language development.
- During December 2021, the Service took part in a national social media campaign to promote Welsh Language Rights Day and promote its commitment to ensuring that staff are aware of their rights in regards to the Welsh language.
- The Welsh Language Officer offers 1-2-1 Welsh speaking sessions which are available to all members of staff to help build confidence and prepare staff to use their Welsh skills with others within the Service.
- Various language confidence learning courses and sessions have been offered to staff, including an innovative Welsh Language Resilience course that teaches behavioural change strategies for speakers to use more Welsh.
- In addition, during 2021, members of staff concluded their trial of Say Something in Welsh and feedback noted that the delivery was excellent, with the only barrier to progressing being time constraints. An extension of this service is being considered for new and future staff that may wish to improve their Welsh.
- The Service has attended Welsh community events such as the Urdd Eisteddfod that was held in Denbigh this year. This afforded staff with the opportunity to work on the stall and make use of their Welsh language skills with members of the public. The importance of using the 'Dwi'n Siarad Cymraeg' (I speak Welsh) badge was highlighted by a member of public who expressed that it gave them confidence to use Welsh with staff.
- Bilingual corporate Social Media Accounts continue to be operated across a variety of different platforms e.g. Facebook, Instagram and Twitter where information is shared about our services across North Wales. Where appropriate, staff will record bilingual promotional or informational videos for a more interactive provision.
- Staff are encouraged to engage with Welsh national events e.g. St. David's Day celebrations in 2022 involved encouraging people to complete Welsh challenges in order to win a hamper. This succeeded in introducing staff to a variety of ways of being able to use Welsh in their day to day activities, with the opportunity to win a local Welsh produce hamper helping to motivate staff to take part whilst also supporting local Welsh businesses.
- An award for 'Contribution to the Welsh Language' is included as part of the Community Awards ceremony 2022, where a member of staff will be awarded for their service in promoting the Welsh language or for excellence in succeeding to learn Welsh. During the pandemic, the Awards Ceremony had to be postponed or strictly limited, so the 2022 ceremony will be the first opportunity to present this award since 2019.
- One of the primary areas of the Service that is public facing is the work of our Home Safety Support Workers. They are responsible for delivering safety advice, guidance, and equipment in the homes of identified target groups to contribute to their health, safety and wellbeing. They also proactively support the delivery of fire safety awareness activities and safety campaigns. Because of this, an active language choice is offered at the first point of contact if it has not already been stated on referral from a partner agency. Many of those receiving a Safe and Well Check are vulnerable people where offering language choice is even more important. During 2021-22, a total of 14,062 Safe and Well Checks were carried out with 1,679 (11.9%) of these being delivered in Welsh.

Welsh Language Development

The Training and Development Department maintains a record of all the Welsh courses attended and assessments undertaken by employees, and records the results on its internal recording system. Following a Welsh language assessment, the ability of staff is subsequently recorded onto the iTrent system, where internal staff information is stored such as leave requests and timesheets. The Training and Development Department also facilitates internal Welsh courses provided by Coleg Cambria, and members of staff are encouraged to request courses during their annual appraisal.

The use of Welsh is also encouraged among staff on social media, especially on individual fire station social media accounts. Key phrases and a social media toolkit are available to highlight the importance of including Welsh in posts or tweets on these accounts.

During the recent Wholetime Firefighter recruitment process, a bilingual option was offered to applicants during the physical fitness testing stage. This was undertaken to encourage potential new staff members to establish Welsh as a default language with other Welsh speakers. It is well documented that this is the primary way of increasing the use of Welsh among Welsh speakers as opposed to changing linguistic behaviours and habits later on. Facilitating this also complies with the Welsh language standards.

The Authority will continue to concentrate its efforts on encouraging more applications from Welsh speakers, as well as encouraging people to be confident when noting their linguistic skills.

The Authority will continue to look at new ways of engaging with its communities to highlight the Welsh language services on offer and emphasise that Welsh is a valued skill in its workplace.

Future Opportunities

This report has demonstrated that the bilingual capacity of the Service's workforce surpasses the bilingual landscape of North Wales and ensures that a competent bilingual service is provided to all.

The following priorities and opportunities have been identified:

- Adopt techniques to improve the informal use of Welsh in and around the workplace and to ensure frontline staff are being proactive in providing a Welsh language public service – to include exploring other ways of promoting language use using connections with external forums and groups.
- Explore new ways of raising awareness of the availability of Welsh speaking call handlers with Service users and assist in promoting call handler recruitment to ensure continued commitment to the requirement for Level 4 Welsh language skills.
- Continue to build on opportunities to facilitate the continuity in the use of Welsh by staff after achieving their required level. In addition to this, providing the same opportunities for confident Welsh speaking members of staff to be able to use their language of choice naturally at work.
- The Service is in talks with researchers from Bangor University to implement its ARFer behaviour change methodology. ARFer aims to change language practices by helping colleagues who can speak Welsh (but have established a habit of using English) to use more Welsh at work.

Key performance indicators are monitored to see trends and allow us to consider where any improvements can be made, for example;

- One indicator monitors the bilingual capacity of the Service's workforce so it can be monitored to see whether there are increases or decreases when appointments or resignations/retirements are made.
- Another tracks the usage of our front-line Welsh services; particularly take up of Home Safe and Well Checks in Welsh and Welsh calls made to our Control room.
- The Service is therefore eager to progress in delivering statutory obligations so that services can be further improved for Welsh-speaking Service users in their language of choice.

PROGRESS AGAINST STRATEGIC EQUALITY OBJECTIVES

What the Act requires the Authority to do

The Equality Act (2010) requires the Authority to write an equality plan every four years. The Authority's Strategic Equality Plan 2020/2024 identifies five priorities. These priorities are broken down into six equality objectives that the Authority wants to help bring about to make Wales a fairer place to live. The aim of the Equality Act is to ensure that everyone has the right to:

- be treated fairly;
- have the same chances as others;
- be free from discrimination.

The categories for the objectives are based on the area headings in the Equality and Human Rights Commission's "How Fair is Wales" document. These headings also align with the North Wales Public Sector Equality Network Strategic Equality Plan; this enables joint objectives to be included in individual public sector organisations' strategic equality plans.

Having identified these objectives, the Authority has a duty to take all reasonable steps to pursue them and to report publicly after the end of each financial year on the progress it has made. The Equality Act lists a number of characteristics which must be taken into consideration when determining the actions to be undertaken. These are the 'protected characteristics':

- Age;
- Disability;
- Gender reassignment;
- Marriage and civil partnership;
- Pregnancy and maternity;
- Race;
- Religion or belief/non-belief;
- Sex;
- Sexual orientation;
- Socioeconomic status and associated inequality.

A number of sources have been used to develop the Authority's strategic equality objectives:

- equality impact assessments;
- combined improvement and risk reduction planning objectives;
- business plans from heads of departments;
- existing strategies and plans;
- outcome of engagement activities.

Legislation allows for the objectives to be changed at any time, therefore ongoing engagement is undertaken to ensure objectives remain current. The Authority continuously examines the most effective methods of engagement via existing links with community groups and organisations, and endeavours to establish relationships with new groups and local communities. The Authority is required to publish this assessment of its own performance for 2021/2022 by 31 March 2023.

Priority 1 – Life and Health

Equality Objective 1

Reduce dwelling fires and associated casualties through a comprehensive prevention strategy that specifically targets people living in North Wales who can be shown to be at greater risk because they may share one or more particular characteristic.

Working to achieve this objective, the Authority has:

- Continued to build on its relationships with its strategic partners underpinned by agreed data sharing agreements to allow the Authority to focus on those most at need. This supports the delivery of Safe and Well Checks targeting those most at risk in the community.
- Collaborated with Care and Repair, giving the Authority direct access to vulnerable members of the community before they return to their homes from hospital. This allows the Authority to proactively install interventions, making their homes safer. As communities emerge from Covid-19, the programme of re-engagement has commenced which has seen an increase of higher risk referrals made to us by our partner agencies.
- The Authority in addition to the CFOTG 2007 report (revised 2009), has continued to identify/review its approach to its target audience. This included wider input themes from the North Wales Community Risk Register, Safeguarding Adults Regional Board (SARB) in Wales and the National Fire Chiefs Council (NFCC). Partnership Managers are embedded into local partnerships which allows the Authority to directly engage with those most at risk, for example hoarding, as a member of the North Wales Hoarding Group.
- Launched a number Fire Safety (business owner) interactive tools (virtual fire risk assessment of a workplace) and it is being explored whether this can be utilised in Welsh and British Sign Language.

Priority 2 – Employment

Equality Objective 2

Through our own employment practices, programmes and schemes we aim to increase the employment prospects of people who might otherwise find it difficult to gain equal access to the world of work. We will prioritise action to advance gender equality in North Wales.

Working to achieve this objective, the Authority has:

- Conducted face to face positive action events during the year following postponements due to Covid-19 during 2020/21. These were advertised and open to females, people from LGBTQ+, black and ethnic minorities and with disabilities. The events took place prior to the recruitment campaign for wholetime firefighters, encouraging potential applicants that 'there is no such thing as a typical firefighter'.
- The Authority was approached by NFCC project team to provide information for a case study on the activities undertaken for positive action events held during the year. Once finalised, this will be shared

as a good practice case study for other fire and rescue services to view.

- Produced firefighter fitness guidance booklets that are shared with potential applicants to improve their fitness. This has been shared with the members of the Get Fire Fit Facebook page. Fitness Support Packs were created and provided to all enquiries leading up to wholetime firefighter recruitment.
- Celebrated neurodiversity week that including interviews with members of staff to raise awareness and support.
- The Fire Fit Steering Group (Get Fire Fit) operated virtually via Facebook Workplace to share ideas to improve fitness and achieve standards for becoming a firefighter. The online Get Fire Fit exercise videos have been shared in the lead up to wholetime firefighter recruitment and its continuous use has been used to promote retained duty system (RDS) firefighter recruitment.
- A working group was formed to review and produce a draft policy and procedure outlining the process to be followed for the recruitment and promotion process of wholetime operational staff and crew manager and above. A watch manager and crew manager recruitment process were also undertaken following the structure of the draft policy and procedure, resulting in the substantive appointment of 9 watch managers and 16 crew managers. An evaluation and feedback session were held with the working group and members of the interview panel to identify any areas of amendments required.
- Further promotion processes for all levels of roles were also completed between January and March 2022, which included an appropriate level question specifically related to equality, diversity and inclusivity in accordance with our Core Values.
- Developed a recruitment information booklet to be used when advertising support role vacancies providing a more attractive and engaging proposition for candidates from all backgrounds, with the benefits and key information about the role in one place.
- Created a right to work checklist in accordance with the UK Border Agency with a guidance document and checklist for managers included. This supports managers verifying original documents provided by applicants at the start of employment and ensures that the Authority complies with statutory processes in the event of attracting candidates from further afield.
- The Authority has introduced a new RDS contract, in addition to the existing contract, to enable applicants that can offer availability from their workplaces to be considered for an RDS role. This change is also aimed to attract a more diverse workforce, which is anticipated will help to improve daytime availability at RDS fire stations.
- Continued to gather equality monitoring information from all applicants at the application stage of each recruitment process, so that data can be compiled to monitor and ensure the effectiveness of job advertising. This also included asking the applicants where they had seen the advert to ensure roles are advertised in the most appropriate places.
- Collated equality data at each stage of high-volume recruitment campaigns to monitor and track the progress of applicants from under-represented groups throughout our recruitment processes.
- The Authority's Strategic Equality Plan's Employment Monitoring Report will be completed and placed

on the website in Autumn 2022. This report will form the basis for continuity planning, and act as a catalyst in identifying who works for us this is useful information broken down by age, disability, race, religion sex and sexual orientation. The report helps to identify underrepresentation amongst staff in the various work types (i.e. Operational, Support Staff and Control Staff). This work is still a key priority for the Authority, although it has experienced a delay as a result of the pandemic. However, work has recommenced and remains a priority for the Inclusivity, Diversity and Equality Steering Committee during the coming year.

- Covid-19 related difficulties continued to impact on attending recruitment events with some career events being postponed at short notice due to rising levels of transmission within communities. To adapt and overcome the Service embraced the use of electronic technology to provide an input to virtual recruitment fairs where possible.
- Introduced a new organisational structure which includes Recruitment and Availability Managers across the three areas of the region (West, Central and East), who will assume the responsibility for attendance at recruitment events.
- Although Covid restrictions continued to present challenges to the Service in the first part of the year the Operational Resourcing Committee continued to utilise social media and electronic media to engage potential recruits to the Service. Information was shared across personal networks and contacts to encourage engagement and participation from diverse groups, including sports teams.
- Held positive action events in March 2022 in advance of the Wholetime Firefighter recruitment campaign, with the events being rebranded to be called Taster Sessions. The advertising of these sessions clarified who the events were aimed at and included the purpose being to remove barriers for people from underrepresented groups to apply as opposed to this guaranteeing an offer employment.
- The Fire Authority received an update in September 2021, on the work of the Inclusive Fire Service Group (IFSG) had integrated into the daily business of departments. It included the 27 objectives forming the IFSG Work Programme 2019-22 and how each one has been either achieved or embedded. A newly established Inclusion, Diversity and Equality Steering Group will now build on this work to performance manage equality, diversity and inclusion in the Authority.
- Coaching and mentoring was offered via the Academi Wales site, whilst internal coaches/ mentors completed appropriate qualifications. Opportunities has also been sought following the introduction of the NFCC Coaching and Mentoring Portal and Toolkit, before further work is carried to create a coaching culture across the organisation in the coming year.
- Developed two electronic ED&I learning packages for staff on the Service's learning management system. A series of leadership and management events will now be delivered during 2022/23 to build on this learning and also the areas of interest that were identified through the Service's cultural survey and staff appraisals.
- An essential skills training course for supervisory/team managers was introduced following an initial pilot and includes more specific scenario-based exercises around bullying, harassment and role modelling behaviours.
- For all progression and development events candidates and students are asked if they have any specific needs that would require adjustment to the event or process. Advice has been taken through

our Human Resources function to determine what reasonable adjustments can be made and the appropriateness of those adjustments for each case

- Ensured that the Service's Core values are at the centre of all development events being delivered by the training and development function, with training and development members of staff being role model's through their actions and behaviours.
- Embedded the Core Values within the programmed Essential Skills for Line Managers development events.

Equality Objective 3

We will progress an inclusive culture where leaders and staff demonstrate their commitment to promoting equality and support for a fair and inclusive workforce.

Working to achieve this objective, the Authority has:

- Offered coaching and mentoring courses to train members of staff as coaches and mentors if requested via appraisal processes. Where coaching and mentoring support has been identified to support development or has been specifically requested, staff have been signposted to the coaches who provide support to the public sector in Wales through the Academi Wales Learning Portal.
- The LearnPro modules Challenging Unacceptable Behaviour and Equality, Diversity and Inclusion have been completed and are available online for all staff to complete.
- Provided training to LGBGTQ+ allies and managers, with work ongoing on producing a series of leadership events for delivery in 2022/23 to include managing diverse teams and promoting an inclusive culture.
- Revised the promotion processes at all levels during 2021/22, with the review completed in consultation with representative bodies and feedback from staff groups. Equality, transparency and fairness was at the heart of these processes and a review of the processes is due again in 2022/23.
- The Authority appointed two new Policy Development Managers who are responsible for reviewing policies across the Service and streamlining the policy writing, quality assurance and approval process. It is anticipated that this will improve the timeliness of policy review which embeds equality analysis within the development.
- The recruitment policy and grievance policy have both been updated to reflect current practice and published on the intranet. Several other policies are being reviewed at the time of writing this update report.
- Work has been undertaken on discipline policies and will fall under the remit of the Policy team to progress. In addition, a new EDI Officer was appointed following the retirement of the existing incumbent who will be responsible for progressing any equality related policies.
- Further work has been completed to ensure the service reduces the gender pay gap. This is a result of further women being recruited into the service including operational roles. Gender gap data for 2021/22 has been submitted to the government and it was published on their website as per the legislative reporting requirements.

- The Employment Monitoring Report will be published in the Autumn of 2022. This includes all employment data identified by the Welsh Specific Equality Duty 2011 ensuring this is reported by contract type, permanent and fixed-term contracts, full-time, part-time and other flexible working arrangements. This information enables the authority to monitor the diversity of its workforce and plan positive action activity accordingly.

Equality Objective 4

Through a comprehensive programme of tailored education and advice provided singly and in collaboration, to empower people living, working and visiting North Wales to continue to reduce their own level of risk from fire and other hazards throughout the different stages in their lives.

Working to achieve this objective, the Authority has:

- Recommended its programme of engagement with specific communities/schools/colleges. The extent of the engagement will be determined by Covid levels in the communities as we emerge from the pandemic.
- All Wales resources continue to be developed and aligned with the new curriculum. Where there are any identified issues in an area, engagement will include this subject matter. All sessions have supporting bespoke/tailored lesson plans. A member of staff has completed British Sign Language (BSL) level 1 which supports community safety delivery. Work continues to develop a range of materials that via the StayWise Cymru education platform.
- Included the possible impact of the cost of living crisis affecting the most vulnerable groups in our communities during community safety activities, in addition to any further impacts from the Grenfell Tower fire inquiry.
- Placed a series of equality information leaflets on the Authority website under each of the protected characteristics, with information explaining the Social Model of Disability included on the equalities page on the intranet.

Priority 4 – Personal Safety

Equality Objective 5

Reduce the risk of death or injury from fires in North Wales by the provision of effective prevention and protection services and emergency fire and rescue response.

Working to achieve this objective, the Authority has:

- Continued to deliver training in Welsh language to staff, with a view to continue with a training plan of new starters and refresher training for existing members of staff.
- Delivered training to all departments and new employees for safeguarding the most vulnerable people in our community, with regular reviews to identify best practice and resolve any issues identified. The Authority also completed the NFCC Safeguarding self-assessment and is preparing to do an all Wales peer review.

- Continued to increase the number of face-to-face visits in the community, whilst being constantly reviewed and informed on Welsh Government Covid-19 advice and guidance.

Priority 5 – Participation and Communication

Equality Objective 6

By being open and accountable about what we do and what our plans are, encourage more people to involve themselves in the process of determining the way fire and rescue services are delivered in North Wales, and aim to increase the range of representative voices that contribute to that process.

Working to achieve this objective, the Authority has:

- The Equalities Advisor has led on suitable messaging and campaigns and coordinated our attendance at events with under-represented groups, which has embraced and developed relationships in our communities.
- Been part of the North Wales Public Sector Equality Network who have been meeting bi-monthly and identified engagement with underrepresented groups as one of their key objectives for 2022/23. This collaboration will widen access and enhance the ability to connect with different community groups across North Wales.
- Actively engaged with underrepresented groups through its strategic partners and other agencies. This work has been supported by the Equalities Officer and will continue with the support of staff networks, to create better connections with communities as a way of continually achieving our strategic equality objectives and outcomes.
- Continued to emerge from Covid-19 with increasing face to face engagements in the community, to develop a sustained and prolonged re-engagement programme which has seen referrals being received from over 60 partner agencies through data sharing agreements.
- Delivered Community safety campaigns coordinated through the Campaigns Steering Group, which have been scheduled and resourced appropriately in advance for the coming year with clear objectives and evaluation afterwards.
- Considered appropriate means and methods of communications as part of the strategies adopted, with collaboration undertaken with partners in North Wales and with Welsh FRS partners as appropriate.
- Corporate Communications has supported work involving looking at how best to deliver Safe and Well Checks and educational programmes, whilst meeting equality and diversity objectives as part of this delivery.
- Developed a new easy-read safe and well leaflet with the help of external expertise in this field – this was trialled successfully and has now been adopted across all of North Wales.
- Increased our engagement with more with local communities via local events, recruitment events and Service open days. This has seen a significant increase in engagement with local members of the

public helping to raise awareness of our safety messages as well as recruitment opportunities. This work is supported with a new events toolkit as guidance to staff on how best to take part in local events or organise station events to ensure consistency of approach.

- Conducted an accessibility audit of our website which concluded in confirming our accessibility standards are the highest standard possible which will continue to be reviewed regularly.
- Continued to use established public procurement routes, via the various available frameworks. Collaborative procurement is continuing between the 3 Welsh fire and rescue services.
- The Socio-Economic Duty has been considered against Strategic organisational decisions and incorporated into the Services Integrated Impact Assessment template.

In accordance with the requirements of the Equality Act 2010, specified employment information in respect of employees and applicants between 1st April 2021 and 31st March 2022 has been published on our website.

To promote equality of opportunity and access, please contact our Equality, Diversity and Inclusion (EDI Officer, if you require this report in large print, different language and/or format.

PERFORMANCE INFORMATION SUMMARY



The Fire and Rescue Authorities (Performance Indicators) (Wales) Order 2015 introduced three statutory performance indicators that accompany locally collected sector indicators.

STATUTORY INDICATORS:		2020/21		2021/22	
		Number	Rate	Number	Rate
RRC/S/001i	Fires attended	1,770	25.34	1,879	26.70
RRC/S/001ii	False alarms attended	2,314	33.13	2,517	35.79
RRC/S/001iii	Road traffic collisions	105	1.50	207	2.94
RRC/S/001iv	Other emergency incidents attended	509	7.29	751	10.68
Where the rate is based on 10,000 population					
RRC/S/002i	Fire deaths and injuries	50	7.11	58	8.25
RRC/S/002ii	Deaths and injuries arising from fires started accidentally	47	6.68	50	7.11
Where the rate is based on 100,000 population					
RRC/S/002iii	Dwelling fires confined to room of origin	339	87.60	375	87.62
As a percentage of the number of dwelling fires attended					

SECTOR INDICATORS:		2020/21		2021/22	
		Number	Rate	Number	Rate
SEC/FI/001i	Deliberate fires	446	6.38	471	6.70
SEC/FI/001ii	Accidental fires (or motive not known)	1,324	18.93	1,408	20.02
Where the rate is based on 10,000 population					
SEC/IN/002i	Fire related fatalities	5	0.72	7	1.00

SEC/IN/002ii	Injuries caused by fires	42	6.01	51	7.25
SEC/IN/002iii	Fire related fatalities in accidental dwelling fires	4	0.57	5	0.71
SEC/IN/002iv	Fire related fatalities in deliberate dwelling fires	0	0	0	0
SEC/IN/002v	Fire related injuries in accidental dwelling fires	32	4.57	39	5.54
SEC/IN/002vi	Fire related injuries in deliberate dwelling fires	1	0.14	5	0.71
Where the rate is based on 100,000 population					
SEC/FI/001iii	Dwelling fires	387	11.78	428	12.99
SEC/FI/001iv	Accidental fires in dwellings	360	10.96	400	12.14
SEC/FI/001v	Deliberate fires in dwellings	27	0.82	28	0.85
SEC/FA/003ii	AFA false alarms in dwellings	940	28.62	1,100	33.40
Where the rate is based on 10,000 dwellings					
SEC/FI/001vi	Fires in non-domestic premises	145	4.53	156	4.74
SEC/FA/003i	AFA false alarms in non-domestic premises	273	8.54	295	8.95
Where the rate is based on 1,000 non-domestic premises					
SEC/SA/004i	Dwelling fires attended where a smoke alarm was not fitted	61	15.76	58	13.55
As a percentage of the number of dwelling fires attended					

THE DWELLING FIRES RESPONSE CHARTER IN 2021/22

During 2012 the three Welsh fire and Rescue Authorities jointly developed an all-Wales Charter to ensure that wherever people live in Wales, they can expect to be helped and supported to remain safe from fire in their homes. They should also be able to expect that if a fire does break out, they will receive a prompt, effective and professional emergency response to their call for assistance.

The Charter makes seven specific commitments that the Fire and Rescue Authority will:

1. Take the lead in driving down the number of dwelling fires that occur and in reducing their impact on people.
2. React quickly and efficiently every time we receive an emergency 999 call to attend a dwelling fire.
3. Attend dwelling fires swiftly and properly equipped to deal with them.
4. Deal with dwelling fires effectively, efficiently and professionally.
5. Help to restore normality to communities in the aftermath of dwelling fires.
6. Investigate the causes of dwelling fires and hold relevant people to account when appropriate to do so.
7. Strive to maintain high standards and improve aspects of what we do.

The following pages provide information about our compliance with these commitments during 2021/22.

For consistency, we use a standard narrative for reporting against the Charter each year, and only update the figures within the narrative framework.

1. We will take the lead in driving down the number of dwelling fires that occur and in reducing their impact on people.



We are committed to taking the lead in maintaining a downward trend in the incidence of dwelling fires and associated casualties in Wales.

In 2021/22 we provided advice and encouragement to people on how they can prevent fires from starting in their home and how they can keep themselves safe from fire. Our prevention activity included delivering 14,036 SAWCs to householders, and 8,279 children and young people at key stages 1 - 4 received a fire safety talk.

During 2021/22 we attended 399 accidental dwelling fires. As a consequence of those fires, five people lost their lives and a further 39 people sustained injuries. The number of accidental dwelling fires in the FRA area has trended upwards with 327 accidental fires attended during 2018/19.

The number of accidental dwelling fires in the FRA area over the past five years, which had declined in 2018/19 compared to 2017/18, has sadly trended upwards.



2. We will react quickly and efficiently every time we receive an emergency 999 call to attend a dwelling fire.

We are committed to reacting quickly and efficiently when emergency 999/112 calls are put through to us by the operator.

Our emergency fire control facility remains available around the clock every day of the year, with special arrangements in place for a seamless transfer of calls from one control facility to another in the event of serious disruption or a surge in the number of calls coming in at the same time.

Sophisticated mapping and electronic systems help us to: a) identify the location of the reported incident and b) send the most appropriate available resource to attend the incident.

In 2021/22, we handled a total of 12,470 emergency 999/112 calls. We were able to obtain enough information about dwelling fire incidents to alert the appropriate initial response within 90 seconds on 89.2% of occasions and between 91 and 120 seconds on 6.6% of occasions.

However, we know that the speed of call handling – although important - is not the only relevant yardstick. Knowing where our services are needed requires specialist skills to effectively glean information from callers who may, for example, be unfamiliar with the area they are in, be frightened or in distress, be very young, or have communication or language difficulties.

Another important skill is recognising when a caller is abusing the 999/112 system by falsely claiming that there is an emergency when, in fact, there is not. It is a criminal offence to knowingly make false calls to the emergency services. Sadly, that does not seem to deter a minority of people who tie up the 999 lines and divert services away from people who may be in a genuinely life- threatening situation. Every time we turn out to one of these malicious false alarms, it wastes both time and money, and places the rest of the community at higher risk.

In 2021/22, we received 80 malicious false alarms. In 45% of cases, we were able to establish that these calls were not genuine and so avoided needlessly mobilising resources to attend.

3. We will attend dwelling fires swiftly and properly equipped to deal with them.

Once we have answered the emergency 999/112 call and allocated the most appropriate resources to make up the initial attendance at the incident, our next priority is to get to the incident quickly, safely and properly equipped to deal with it.



In 2021/22 we responded to 10% of dwelling fires within 1-5 minutes, 53% within 5-10 minutes, 20% within 10-15 minutes and 17% in over 15 minutes. These times include the time it takes for personnel to turn in to the fire station as well as the travel time. As a result, a number of things can affect the speed of response figures, including the urban/rural geography and the nature of road networks in the area.

Speed of response to dwelling fires is extremely important, but we cannot over-emphasise the importance of preventing those fires from happening in the first instance, and of having at least one working smoke alarm fitted and a pre-planned escape route in case a fire does occur. However, if a dwelling fire has occurred, we ensure that our firefighting crews are properly equipped to deal with it.

We equip our firefighters with high quality personal protective equipment and firefighting equipment. We require them to be operationally fit and healthy and we make sure that their skills are routinely tested and exercised. We also routinely check that the way our crews dealt with incidents was in accordance with accepted firefighting procedures.

We take the safety of our firefighters very seriously, given the nature of the work that they undertake. In 2021/22, our crews attended 1,878 fires in a variety of different types of premises and at outdoor locations. Whilst fighting those fires, no operational staff received an injury.

4. We will deal with dwelling fires effectively, efficiently and professionally.

We are committed to dealing with fires effectively, efficiently and professionally. To this end, we equip our highly trained fire crews with the right skills, knowledge, information, firefighting equipment and command support so that whatever the circumstances of the dwelling fire, they will be correctly prepared to deal with it.



In 2021/22, of all the dwelling fires that we attended, 89% were successfully contained within the room of origin, without spreading any further. Although a number of factors could contribute to this statistic that would be outside the control of the attending crews such as how long it took for someone to discover the fire in the first instance, whether or not internal doors had been shut to help prevent the spread of the fire, and how far away from a fire station the dwelling was located, we still consider this to be a reasonable indicator of our firefighting success.

We recognise the importance of research and equipment improvements, and ensure that we invest time and effort in staying in touch with the latest developments.

We also take very seriously the professional image of the fire and rescue service. We place great emphasis on the personal qualities and attributes of all our operational staff, as well as their physical and psychological fitness and the high standard of their operational and management training.

We encourage all our staff to adhere to a set of core values that was adopted nationally by the UK Fire and Rescue Service. This expresses our commitment to valuing service to the community, people, diversity and improvement.



5. We will help to restore normality to communities in the aftermath of dwelling fires.

We are committed to helping to restore normality to communities in the aftermath of dwelling fires.

A fire in the home can leave people feeling extremely vulnerable. When people have lost their possessions, they will have need for practical as well as emotional support. When people have been injured or killed in the fire, the experience can affect whole communities as well as the individual and his or her immediate friends and family. For this reason, the fire and rescue service's role in supporting communities does not end when the fire was extinguished and everyone was accounted for.

In all cases, the cause of the fire will be investigated and carefully recorded. Every detail of how and where the fire started, how far it spread, any special circumstances, and any particular factors that contributed to the fire will be recorded as a source of future learning, research and monitoring.

If there are reasons to believe that a fire was started deliberately in a dwelling, either by someone living there or by someone else, this will be followed up with the police and other relevant agencies.

In some premises, such as blocks of flats or houses occupied by a number of different tenants, the post-incident investigations might indicate that a landlord had failed to ensure the necessary level of fire safety. Our specialist fire investigators might then be involved in a criminal investigation and court proceedings.

If a fire is found to have started accidentally, we might undertake some form of community safety activity or campaign in the vicinity, offering advice and reassurance by way of free SAWCs.

6. We will investigate the causes of dwelling fires and hold relevant people to account when appropriate to do so.



We always investigate the causes of dwelling fires. In many cases the cause and origin of a fire will be very clear and straightforward, but in others a more in-depth, forensic investigation will be required to ascertain the most likely cause of the fire. In 2021/22, 25 dwelling fires were recorded as having an unknown cause.

If a crime is suspected, the investigation of the fire will be conducted with the police. People suspected of deliberately setting fire to a dwelling are likely to face criminal prosecution, although in some cases this may not be the only course of action available, for example if the fire was started by a young child or by a person attempting suicide.

In 2021/22, we attended 428 fires in dwellings, of which 29 were found to have been started deliberately.

In some residential premises, such as flats and houses of multiple occupation, the communal and shared areas are covered by regulations that require whoever is responsible for those premises (such as the landlord or the premises manager) to have good fire safety arrangements in place. Failure to do so can lead to the closure of the premises and prosecution of the responsible person with the prospect of imprisonment and/or an unlimited fine.

As an enforcing authority, we ensure that responsible persons fulfil their obligations under this legislation, and can select from a range of enforcement options available to us, depending on the seriousness and risk posed by the contravention.

In 2021/22, There were no enforcement notices or formal prohibition notices issued, and no prosecutions were concluded during the year.



7. We will strive to maintain high standards and improve aspects of what we do.
We continuously strive to maintain high standards and improve aspects of what we do.

Under legislation, Fire and Rescue Authorities are classed as ‘Welsh Improvement Authorities’ and are expected to routinely review and continuously improve their own performance through a formal process of setting, implementing and reporting against annual improvement objectives.

We do not limit our improvement activity to this formal annual process; high standards and continual improvement form an integral part of our everyday running of the Fire and Rescue Service.

Examples of improvement activities that go on include:

- Responding positively to peer reviews, audits and inspections;
- Responding positively to consultation responses, feedback from stakeholders, complaints and compliments;
- Learning from our experiences, such as from post-incident debriefs, reports of accidents, or ‘near misses’;
- Contributing to working groups, sharing good practice, and learning from research undertaken;
- Taking opportunities to learn from, and with, other organisations through partnerships, committees, boards and professional associations;
- Planning for potential challenges in order to maintain our operations, such as through business continuity management processes;
- Planning for potential challenges to future service delivery, such as through local resilience forums;
- Continuously developing the technical and professional skills of our staff;
- Maintaining and renewing our physical and computerised assets such as our equipment, vehicles, buildings and technology

WHAT OTHERS SAID ABOUT US

[Audit Wales – Review of Involvement 2019/20](#)

The 2019/20 report by Audit Wales focused on the Authority's approach and management of involving stakeholders when proposing service and policy changes, and in the design of activities. The report concluded that the Authority has pockets of good engagement activity but is yet to shift to an integrated strategic approach to involvement.

[Audit Wales - Corporate Resilience 2020/21](#)

The most recent report by Audit Wales reviewed the Authority's approach to corporate resilience in order to provide assurance on how well it is addressing the financial and capacity challenges facing public bodies. The report found that the Authority has demonstrated its short-term resilience, but needs to take some major decisions to remain resilient in the future:

- Finance: The Authority has managed budgets well, but some key risks need to be addressed to remain financially sustainable;
- Governance: The Authority has an appropriate governance framework, but Members need to play a more central role in addressing the big risks facing the Fire and Rescue Service;
- Workforce: The Authority has a resilient workforce and has dealt well with immediate challenges, but there are some medium-term risks that need to be managed to ensure services are sustainable;
- Assets: The Authority has good examples of how it is integrating assets and developing its use of technology, but there are some long standing challenges that need to be addressed to help support future resilience; and
- Business continuity: The Authority's business continuity plans helped maintain corporate and operational resilience in responding to the pandemic.

OTHER INFORMATION

The **Fire and Rescue Services Act 2004** clarifies the Authority's duties and powers to:

- promote fire safety;
- fight fires;
- protect people and property from fires;
- rescue people from road traffic accidents;
- respond to other specified risks, such as chemical incidents;
- respond to large scale emergencies such as terrorist attacks.

The **Fire and Rescue Services (Emergencies) (Wales) Order 2007 and (Amendment) Order 2017** place duties on the Authority in connection with emergencies involving chemical, biological or radioactive contaminants; structural collapse; trains, trams or aircrafts; and flooding and inland water emergencies when they present a risk of death, serious injury or illness.

The **Civil Contingencies Act 2004** requires the Authority to plan for and respond to large scale emergencies that threaten serious damage to human welfare, the environment or to security.

The **Regulatory Reform (Fire Safety) Order 2005** requires the Authority to enforce fire safety in non-domestic premises, including the communal parts of blocks of flats and houses in multiple occupation.

Under the **Local Government (Wales) Measure 2009** the Authority must set objectives to continuously improve what it does and publish information about its improvement and performance.

The **Well-being of Future Generations (Wales) Act 2015** requires the Authority to work towards improving the social, economic, environmental and cultural well-being of future generations of people in Wales, both individually, and as a statutory member of Public Services Boards in North Wales.

The **Equality Act 2010** places duties on the Authority to have due regard to eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between people with different protected characteristics.

The Welsh Language (Wales) Measure 2011 replaced the Welsh Language Act 1993. As part of the new legislation in Wales the Welsh language has equal legal status with English and must not be treated any less favourably. Public bodies no longer need to develop and implement Welsh Language Schemes and must comply with a set of national Welsh Language Standards instead.

The UK Data Protection Act 2018 was introduced to modernise data protection laws and meet the needs of an increasingly digital economy and society. It provides a legal framework for data protection, implements GDPR standards across all general data processing and ensures that the UK continues to have appropriate data protection legislation in place after it leaves the EU.

Welsh Government – People and Communities

<http://gov.wales/topics/people-and-communities/communities/safety/fire/?lang=en>

Audit Wales

Audit Wales publishes reports on behalf of the Auditor General who is required to assess the likelihood that the Authority will continue to improve and whether the Authority is discharging its duties and acting in accordance with relevant issued guidance. Auditors also work with Fire and Rescue Authorities across Wales to deliver a programme of financial and value-for-money audits.

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External information sources used in compiling this document

Wales Fire and Rescue Incident Statistics: [Fire incidents \(gov.wales\)](#)

England Fire and Rescue Incident Statistics:

[Fire statistics data tables - GOV.UK \(www.gov.uk\)](#)

Welsh Government Future Trends Report 2017:

<https://gov.wales/sites/default/files/statistics-and-research/2018-12/170505-future-trends-report-2017-en.pdf>

INTERVENTION IN THE EVENT OF FAILURE OR POTENTIAL FAILURE TO COMPLY:

The Welsh Government has powers of intervention:

- under section 22 of the **Fire and Rescue Services Act 2004** if it considers that a Fire and Rescue Authority is failing, or is likely to fail, to act in accordance with the National Framework. In such cases, section 23 - Intervention Protocol would apply;
- under section 29 of the **Local Government (Wales) Measure 2009** if it considers that a Fire and Rescue Authority is failing, or is at risk of failing, to comply with the Measure. However, in all but the most exceptional circumstances, Welsh Ministers may only intervene after they have offered voluntary support to the Authority under section 28 of the Measure.

CONSULTATIONS:

Each year the Authority seeks the opinions and views of the North Wales public and other stakeholders as part of its process of developing its strategic plans and objectives.

Recent consultations are listed below:

Title	Consultation	Publication	For year
Improvement and Well-Being Objectives for 2020/21 onwards (new Environmental Strategy)	Autumn/Winter 2019	March 2020	2020/21
Improvement and Well-Being Objectives for 2019/20 onwards	Summer/Autumn 2018	March 2019	2019/20
Improvement and Well-Being Objectives for 2018/19 onwards	Autumn 2017	March 2018	2018/19
Improvement and Well-Being Objectives for 2017/18 onwards	Autumn 2016	March 2017	2017/18
Improvement Objectives for 2016/17	Autumn 2015	March 2016	2016/17
Improvement Objectives for 2015/16	Autumn 2014	March 2015	2015/16

GLOSSARY / DEFINITIONS

- **Fires**

All fires fall into one of three categories – primary, secondary or chimney.

- **Primary Fires**

These are fires that are not chimney fires, and which are in any type of building (except if derelict), vehicles, caravans and trailers, outdoor storage, plant and machinery, agricultural and forestry property, and other outdoor structures such as bridges, post boxes, tunnels, etc.

Fires in any location are categorised as primary fires if they involve casualties, rescues or escapes, as are fires in any location that were attended by five or more fire appliances.

- **Secondary Fires**

Secondary fires are fires that are neither chimney fires nor primary fires. Secondary fires are those that would normally occur on open land, in single trees, fences, telegraph poles, refuse and refuse containers (but not paper banks, which would be considered in the same way as agricultural and forestry property to be primary fires), outdoor furniture, traffic lights.

Secondary fires do not involve casualties, rescues or escapes, and will have been attended by four or fewer fire appliances.

- **Chimney Fires**

These are fires in occupied buildings where the fire is confined within the chimney structure, even if heat or smoke damage extends beyond the chimney itself.

Chimney fires do not involve casualties, rescues or escapes and will have been attended by four or fewer fire appliances.

- **Special Service Incidents (other emergency incidents)**

These are non-fire incidents which require the attendance of an appliance or officer and include:

- local emergencies e.g. flooding, road traffic incidents, rescue of persons, 'making safe' etc;
- major disasters;
- domestic incidents e.g. water leaks, persons locked in or out etc;
- prior arrangements to attend incidents, which may include some provision of advice and inspections.

- **Fire Deaths (fire related)**

This is where a person whose death is attributed to a fire even if the death occurred weeks or months later. There are also occasional cases where it becomes apparent subsequently that the fire was not the cause of the death. These figures are therefore subject to revision.

- **Fire Injuries**

For consistency after April 2009 across the UK, fire casualties are recorded under four categories of severity:

- i) the victim went to hospital, injuries appear to be serious;
- ii) the victim went to hospital, injuries appear to be slight;
- iii) the victim was given first aid at the scene only, but required no further treatment;
- iv) a precautionary check was recommended – the person was sent to hospital or was advised to see a doctor as a precaution, but having no obvious injury or distress.

- **False Alarm (general guidance)**

Where the Fire and Rescue Service attends a location believing there to be an incident, but on arrival discovers that no such incident exists, or existed.

Note: if the appliance is 'turned around' by Control before arriving at the incident it is not classed as having attended and does not need to be reported.

- **False Alarms – Malicious**

These are calls made with the intention of getting the Fire and Rescue Service to attend a non-existent incident, including deliberate and suspected malicious intentions.

- **False Alarms – Good Intent**

These are calls made in good faith in the belief that the Fire and Rescue Service really would attend a fire or special service incident.

- **False Alarms – Automatic Fire Alarm (AFA)**

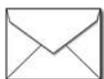
These are calls initiated by fire alarm and fire-fighting equipment. They include accidental initiation of alarm equipment or where an alarm operates and a person then routinely calls the Fire and Rescue Service as part of a standing arrangement, with no 'judgement' involved, for example from a security call centre or a nominated person in an organisation.

ALTERNATIVE VERSIONS AND HOW TO CONTACT US

Other versions of this document are available:

- in paper and electronic formats;
- in Welsh and English;
- as a short summary leaflet of the key points;
- in accessible formats through our website.

Contact Details:



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www.nwales-fireservice.org.uk

You can also follow us on:



@northwalesfire



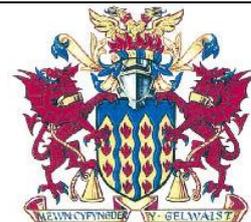
www.facebook.com/northwalesfireservice

AN INVITATION TO CONTRIBUTE TO IMPROVING OUR SERVICES

North Wales Fire and Rescue Authority is constantly looking for ways to improve its operations and delivery of services. By regularly publishing information that is meaningful we hope to attract an increasing level of engagement with the people and communities who rely on our services.

So, if you have any comments about this assessment, or how we might improve our future annual performance assessments, we would very much like to hear from you.

Report to	North Wales Fire and Rescue Authority
Date	17 October 2022
Lead Officer	Dafydd Edwards – Treasurer
Contact Officer	Helen Howard
Subject	Audited Statement of Accounts 2021/22



PURPOSE OF REPORT

- 1 This report is to present to members the audited Statement of Accounts for 2021/22. This report also presents the findings of the Auditor General for Wales which confirms an unqualified audit opinion.

EXECUTIVE SUMMARY

- 2 The draft accounts were submitted for audit on 31 May 2022. These confirmed net expenditure of £37.074m, with a contribution to the General Fund of £0.070m. The final audited position remains unchanged.
- 3 During May 2022, Audit Wales provided further guidance on asset valuations due to significant increases in building costs and market conditions. This required detailed assessments of the Authority's land and property valuations to determine if asset valuations required revision. In agreement with Audit Wales, the outcome of this work was incorporated into a revised version prior to the commencement of the audit.
- 4 The effect of these revisions and those identified during audit was to increase the estimated carrying value of the Authority's estate to £43.391m (draft accounts £42.732m).
- 5 The report issued by Audit Wales on behalf of the Auditor General for Wales is set out in Appendix 2 and confirms an unqualified audit opinion.
- 6 The Accounts and Audit (Wales) (Amendment) Regulations 2010 require that the audited accounts are normally approved by Members by 31 July 2022. However, as was the case last year, these timescales have been extended to 30 November 2022 due to ongoing pressures on audit arising from Covid.

RECOMMENDATION

- 7 Members are asked to:
- (i) note the audited outturn position and performance as detailed within the 2021/22 Statement of Accounts (Appendix 1);
 - (ii) note the report of the Auditor General for Wales which confirms an unqualified audit opinion (Appendix 2);
 - (iii) note the proposed letter of representation; and
 - (iv) approve of the final audited 2021/22 Statement of Accounts.

BACKGROUND

- 8 In compliance with the Accounts and Audit (Wales) (Amendment) Regulations 2010, the Authority has produced a statement of accounts which were presented to the Authority at its meeting of the 20 June 2022. These have been subject to external audit and the appendices contain the final audited versions.

INFORMATION

REVENUE EXPENDITURE

- 9 Members of the Authority were presented with a financial performance report for 2021/22 at the Fire and Rescue Authority meeting on 20 June 2022. This confirmed the draft outturn position of net expenditure of £37.004m, with a contribution to the General Fund of £0.070m. The final audited position remains unchanged.

BALANCE SHEET

- 10 The Balance Sheet provides further information on the Authority's long-term financial position and is contained on page 19 of the Accounts (set out in Appendix 1). The following paragraphs provide further information.

Fixed assets and borrowing

- 11 The final audited accounts confirmed that the Authority held assets of £43.391m as at 31 March 2022 (Draft Accounts: £42.732m).
- 12 Following the submission of the draft accounts, further work was undertaken in relation to land and buildings. In agreement with Audit Wales, a revised version of the accounts was submitted prior to the audit commencing.
- 13 The Authority's independent valuers had highlighted ongoing uncertainty in relation to asset values across the public sector and following guidance from Audit Wales, a further valuation has been completed, based on the valuer's market review report.

- 14 As part of the revaluation process, a further audit adjustment was identified in relation to the valuation of the Fleet Workshop and Stores, due to the building being incorrectly classified by the valuer. A revised valuation was completed by the Authority's valuer and the adjustments have been actioned.
- 15 Work is ongoing with the valuer to ensure that future valuations reflect all buildings on each site, as the audit also identified that a number of training towers had been omitted. Without undertaking further revaluations, it is not possible to determine the value of these although based on estimates provided the auditor is satisfied that the impact is not material. Work will be undertaken during the 2022/23 financial year to review and revise all valuations as appropriate.
- 16 The Authority is permitted to borrow to fund capital assets and as at 31 March 2022 the value of outstanding loans was £24.435m, which is in line with the limits set by the Authority.

Pension Liabilities

- 17 The Authority is required to account for the estimated liabilities relating to its pension schemes. The Authority has two schemes; the Firefighters' Pension Scheme and the Local Government Pension Scheme. The value of future liabilities is calculated by the actuary for each scheme and amounted to £327.498m at the balance sheet date. These liabilities are estimated and accounted for in accordance with the technical accounting requirements and do not represent an immediate obligation.

Usable reserves

- 18 The Authority's usable reserves as at 31 March 2022 were £7.325m which included £1.520m of general fund reserves, £5.566m of earmarked reserves and £0.238m of capital grant unapplied. The reserves policy was approved by the Authority at its meeting of 21 June 2021.
- 19 The earmarked reserves have been adjusted by £0.146m, in relation to a Welsh Government grant which has now been classified as an unapplied capital grant.

AUDIT OF THE FINANCIAL STATEMENTS

- 20 The Auditor General for Wales is responsible for providing an opinion on whether the financial statements give a true and fair view of the financial performance and position of the Authority for the year ended 31 March 2022.

- 21 In performing the audit work, Audit Wales does not seek to provide absolute assurance but considers whether there are any material issues which may result in a reader of the accounts being misled. When an error or misstatement is identified Audit Wales will consider whether an amendment is required. Guidance on the approach is set out in Appendix 3.
- 22 The Auditor General for Wales proposes to issue an unqualified audit opinion which means that the accounts present a true and fair view of the financial transactions of the Authority. The report is contained within Appendix 2 and the following is noted:
- The audit report recognised the progress made in previous years to improve the quality of the financial statements. However, additional work is required to further enhance the quality assurance arrangements to reduce the number of audit adjustments.
 - The audit identified a number of amendments which were agreed with management. The amendments included a number of technical adjustments necessary to fully comply with the Code of Practice on Local Authority Accounting.
- 23 The audit identified two matters which remained uncorrected. The first item related to a single payment of £ 0.958m to Clwyd Pension Fund to address the deficit for the period 2021/22 through to 2023/24. In making a lump sum payment the Authority took advantage of reduced costs over the three-year period and apportioned the payment over the relevant period. The second item related to the omission, by the valuer, of a number of training towers, from the valuations of the buildings. The estimated value of the towers is £0.586m.
- 24 The Audit Report also contained the final letter of representation. This letter provides representation from the Chair and Treasurer to acknowledge their responsibilities and to confirm the arrangements for ensuring that the accounts provide a true and fair view.

IMPLICATIONS

Wellbeing Objectives	This report links to NWFRA's long-term well-being objectives. Funding for the Service benefits the communities of North Wales and ensures there is sufficient investment in infrastructure to enable the service to provide emergency responses and prevention work well in to the future.
Budget	Budget is set annually in accordance with the proposed service delivery which includes emergency response and prevention work. The accounts provide an analysis against the budget.
Legal	It is a legal requirement that the Authority produces the Statement of Accounts and Annual Governance Statement in accordance with the prescribed standards.
Staffing	None
Equalities/Human Rights/Welsh Language	None
Risks	Income and expenditure is closely monitored to ensure that deviations from the approved budget are properly identified and reported to Members.

North Wales Fire and Rescue Authority Statement of Accounts 2021/22



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STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT OF ACCOUNTS
THE AUTHORITY'S RESPONSIBILITIES

The Authority is required:

- to make arrangements for the proper administration of its financial affairs and to secure that one of its officers has the responsibility for the administration of those affairs. In this Authority, that officer is the Treasurer.
- to manage its affairs to secure economic, efficient and effective use of resources and to safeguard its assets.
- to approve the Statement of Accounts.

AUTHORITY'S CERTIFICATE

I approve the Statement of Accounts of North Wales Fire and Rescue Authority as at 31 March 2022.

Signed: _____ Dated: _____

Chairman, North Wales Fire and Rescue Authority

THE TREASURER'S RESPONSIBILITIES

The Treasurer is responsible for the preparation of the Authority's Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing the Statement of Accounts, the Treasurer has:

- selected suitable accounting policies and then applied them consistently.
- made judgements and estimates that were reasonable and prudent.
- complied with the Code of Practice.
- kept proper accounting records which were up-to-date.
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

TREASURER'S CERTIFICATE

I certify that the accounts provide a true and fair view of the financial position of the Authority as at 31 March 2022 and its income and expenditure for the year then ended.

Signed:  _____ Dated: 31/05/2022

Dafydd L. Edwards, Treasurer.
North Wales Fire and Rescue Authority

Independent auditor's report of the Auditor General for Wales to the members of North Wales Fire and Rescue Authority

Opinion on financial statements

I have audited the financial statements of:

- North Wales Fire and Rescue Authority
- North Wales Fire and Rescue Authority's Firefighters Pension Fund

for the year ended 31 March 2022 under the Public Audit (Wales) Act 2004.

North Wales Fire and Rescue Authority's financial statements comprise the Expenditure and Funding Analysis, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Movement in Reserves Statement, the Cash Flow Statement and the related notes, including a summary of significant accounting policies.

The Firefighters Pension Fund Accounts comprise the Fund Account and Net Assets Statement and related notes.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.

In my opinion the financial statements:

- give a true and fair view of the financial position of North Wales Fire and Rescue Authority and the North Wales Fire and Rescue Authority's Firefighters Pension Fund as at 31 March 2022 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of North Wales Fire and Rescue Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighters Pension Fund's ability to

continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the Statement of Accounts other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Report on other requirements

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of North Wales Fire and Rescue Authority and the North Wales Fire and Rescue Authority's Firefighters Pension Fund and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Responsibilities

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for the preparation of the statement of accounts, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the statement of accounts, the responsible financial officer is responsible for assessing the North Wales Fire and Rescue Authority and the North Wales Fire and Rescue Authority's Firefighters Pension Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the North Wales Fire and Rescue Authority's Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighters Pension Fund's policies and procedures concerned with:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud by posting of unusual journals;
- Obtaining an understanding of the legal and regulatory frameworks North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighters Pension Fund operate in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighter's Pension Fund.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Fire and Rescue Authority about actual and potential litigation and claims;

- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighter's Pension Fund's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighters Pension Fund in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Adrian Crompton
Auditor General for Wales

2022

24 Cathedral Road
Cardiff
CF11 9LJ

NARRATIVE REPORT

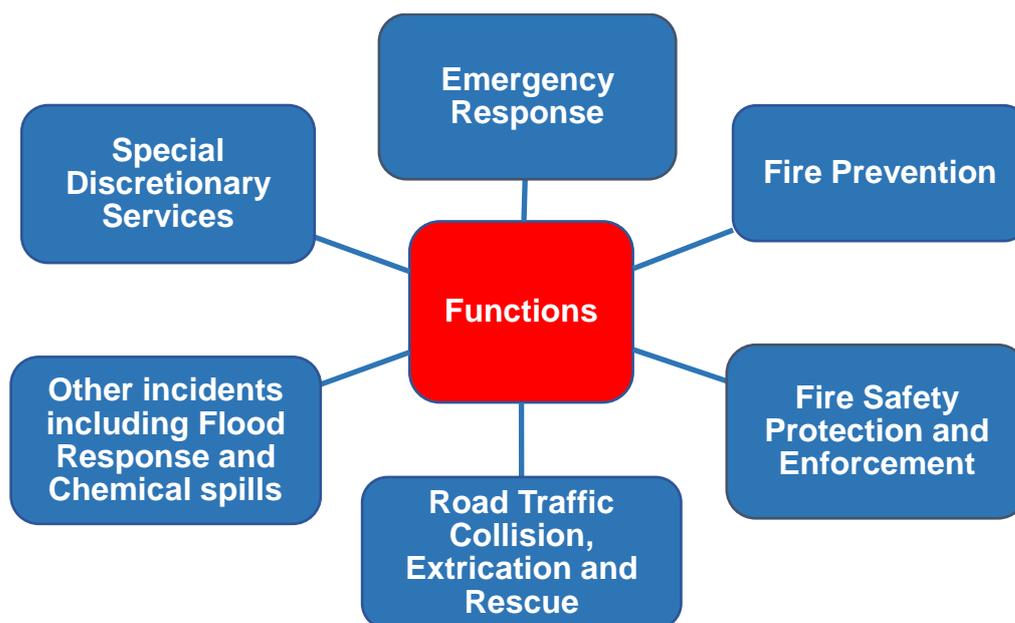
The purpose of the narrative report is to offer interested parties clear information about the financial position and the financial performance of the North Wales Fire and Rescue Authority for the financial year 2021/22.

ORGANISATION OVERVIEW

The North Wales Fire and Rescue Authority (NWFRA) is made up of 28 Elected Members nominated by each of the six local authorities and provides direction and governance for the day to day activities delivered by North Wales Fire and Rescue Service (NWFRS).

NWFRS serves the communities within the counties of Gwynedd and Ynys Môn, Conwy and Denbighshire and Wrexham and Flintshire.

NWFRA is responsible for providing adequate resources to enable the Fire and Rescue Service to undertake a range of activities as detailed below.



The Service deals with a wide-range of emergencies, from house fires and road traffic collisions, to floods and chemical spills. Extensive work is carried out with schools, businesses and local communities to promote fire safety and prevention and to help keep people and property safe.

The Authority is financed by contributions from the six constituent authorities, in proportion to population for each authority.

Details of our service area, funding and activities can be found on the following pages.

About Our Service Area



Resources



44 fire stations across North Wales



66 fire appliances



39 special appliances including rescue boats and aerial ladder platforms



3 Community Safety Offices in Caernarfon, Colwyn Bay and Bangor



877 staff

Engagement Activities



Virtual engagement with **8,297** school children



64 pupils engaged with the Phoenix programme



4 Fire cadet groups supporting around **40** cadets



Member of the Regional Partnership Board and **4** Public Service Boards

Key Activities



14,036 Safe and Well checks completed



334 Business audits conducted



1,879 Attendances at fires



2,517 False alarms



958 Special Service calls including **207** Road Traffic Collisions

THE AUTHORITY'S IMPROVEMENT AND WELLBEING OBJECTIVES

Fire and Rescue Authorities in Wales are required to publish 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. For the purposes of the Authority's planning processes these are treated as one and the same.

These long-term objectives are changes that the Authority wants to help bring about in North Wales that will contribute to improving local well-being and to moving Wales closer to achieving its well-being goals. Having identified these long-term objectives, the Authority has a duty to take all reasonable steps to pursue them and to report publicly after the end of each financial year on the progress it has made.

In March 2021 the Authority published its Corporate Plan for 2021/24 with a set of seven long-term objectives:

- Work towards making improvements to the health, safety and well-being of people in North Wales
- Continue to work collaboratively to help communities improve their resilience
- Operate as effectively and efficiently as possible, making the best use of the resources available
- Continue to identify opportunities to encourage greater engagement with people, communities, staff and stakeholders
- Maintain a suitably resilient, skilled, professional and flexible workforce
- Develop ways of becoming more environmentally conscious in order to minimise the impact of our activity on the environment
- Ensure that social value and sustainability are considered, including during procurement processes

The following link provides information relating to North Wales Fire and Rescue Service activity and performance against improvement objectives over the last twelve months-[Information and statistics - Performance and improvement - About Us - North Wales Fire And Rescue Service \(gov.wales\)](#)

The statutory deadline for publishing an Annual Performance Assessment is 30th September 2022. The Annual Performance Assessment will be available on the website at [Corporate Planning - Performance and improvement - About Us - North Wales Fire And Rescue Service \(gov.wales\)](#)

FINANCIAL PERFORMANCE

North Wales Fire and Rescue Authority is committed to continuing to provide excellent prevention services, fire safety prevention and enforcement services and a comprehensive emergency response. The Authority remains committed to playing its part in building stronger and safer communities, but also acknowledges that for the

future the financial situation means that being able to sustain service delivery will require a great deal of flexibility and innovation.

In order to secure financial sustainability for the Authority and maintain service levels, Members agreed a 3 year medium term financial strategy. Members agreed for 2021/22 to increase the contributions from the constituent authorities by 3%, to £37.07m.

The new Chief Fire Officer took up post on 1st July 2021 and undertook a series of meetings internally with staff, representatives of the Fire Brigades Union, other emergency service leaders as well as local Authority Chief Executives. This work culminated in a presentation to members of the Authority on 20 September 2021 to discuss the situational assessment. This confirmed that the key challenges facing the Authority are maintaining sufficient availability of on-call fire crews; ensuring sufficient resources to maintain and develop firefighter skills; and having enough corporate capacity to meet current and future demand. This assessment has informed future funding requirements.

The Authority's position over the medium term is sound, but careful attention will need to be paid to cost pressures relating to pension and payroll costs and also anticipated changes to the funding mechanism that is used, by the Welsh Government, for Fire and Rescue Authorities.

IMPACT OF THE CURRENT ECONOMIC CRISIS

In common with all public sector bodies, the Authority has experienced significant challenges arising from the COVID-19 pandemic, particularly during the first half of the year.

A number of measures were taken to ensure the safety of our workforce which included, where possible, working from home and on occasions delaying recruitment to vacant posts. Therefore, actual expenditure was less than the planned budget in a number of areas which enabled the Authority to establish reserves for known liabilities. All of the vacant posts remain critical to achieving the Service objectives and recruitment will continue to progress during 2022/23.

During the year, budgets have been impacted by significant increases in the cost of goods. This has particularly impacted on the costs of building works and fuel. Moving forward there we will also see an unprecedented increase in the gas and electricity prices. Departments continue to monitor the impact of the economic situation recognising that changes on both revenue and capital may materialise over the coming months and years.

REVENUE PERFORMANCE (£m)

Constituent Authority Contributions 37.074	Revenue Grants 2.627	Interest Received 0.002	Other income including fees and charges 0.412
↓			↓
Available Funding			40.115
↓			↓
Employee Costs 26.916	Running Expenses 8.449	Capital Financing 2.306	Contribution to Earmarked Reserves 2.374
↓			↓
Amount Spent			40.045
↓			
Contribution To General Fund			0.070

PROVISIONS AND RESERVES

The Authority has made provision for known liabilities and established reserves for future liabilities or earmarked for future service developments. Reserves have been increased in 2021/22, to cover ongoing service requirements including system improvements, environmental building works and implementing additional staff training to conform to legislation. £0.5m of reserves were utilised in 2021/22 but it is envisaged that there will be further use in future years. Further information is available in Note 18 and Note 19.

CAPITAL PERFORMANCE

The original capital programme was revised in year to take account of the restrictions relating to the Covid 19 pandemic. This was most marked within building works where delays continued to be experienced. The schemes are now progressing and the funding has been rolled over into 2022/23 for the work to complete.

		Original Capital Plan £m	Revised Capital Plan £m	Expenditure £m	Rollover of funding £m
Fleet	Replacement vehicles and appliances	2.028	2.099	1.176	923
Facilities	Building upgrades	790	120	0	120
Information Technology	System upgrades and associated works	167	167	0	167
	Total	2.985	2.386	1.176	1.210

TREASURY MANAGEMENT

An annual treasury report detailing the financial activity for the year is presented to the Fire Authority and made available on the website at [North Wales Fire And Rescue Service \(gov.wales\)](https://www.northwalesfireandrescue.gov.wales).

PENSION COSTS

Firefighters' Pension Scheme

During 2021/22 employer normal contributions to the Pension Fund amounted to £3.19m (2020/21: £3.17m). During this period 5 whole time uniformed staff and 5 retained duty system staff retired.

The scheme is unfunded and the liability in terms of future pension commitments has decreased to £312.95m (2020/21: £318.75m). This was due to a change in the actuarial assumptions.

Local Government Pension Scheme

In 2021/22, employer contributions to the Pension Fund amounted to £0.92m (2020/21: £1.82m).

The actuarially assessed liability as at 31 March 2022 was £14.55m (2021/22: £18.57m). The decrease was due to a change in actuarial assumptions used to re-measure the schemes liabilities.

Note 32 and the Firefighter's Pension Fund Account provide further information.

EXPLANATION OF ACCOUNTING STATEMENTS

The Statement of Accounts summarises the financial performance of the Authority for year ended 31 March 2022. These accounts have been prepared in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom published by the Chartered Institute of Public Finance and Accountancy (CIPFA) which in turn is underpinned by International Financial Reporting Standards.

The **Core Statements** are:

- The **Comprehensive Income and Expenditure Statement** – this records all of the Authority’s income and expenditure for the year. The top half of the statement provides an analysis by service area. The bottom half of the statement deals with corporate transactions and funding.
- The **Movement in Reserves Statement** is a summary of the changes to the Authority’s reserves over the course of the year. Reserves are divided into “useable”, which can be invested in capital projects or service improvements, and “unusable” which must be set aside for specific legal or accounting purposes.
- The **Balance Sheet** is a “snapshot” of the Authority’s assets, liabilities, cash balances and reserves at the year-end date.
- The **Cash Flow Statement** shows the reason for changes in the Authority’s cash balances during the year, and whether that change is due to operating activities, new investment, or financing activities (such as repayment of borrowing and other long term liabilities).
- **The Pension Fund Account** which shows the movements relating to the Firefighters’ Pension Fund.

The **Notes** to these financial statements provide further detail about the Authority’s accounting policies and individual transactions.

FURTHER INFORMATION

Additional information about these accounts is available from the Treasurer. Interested members of the public have a statutory right to inspect the accounts before the audit is completed. Availability of the accounts for inspection is advertised on the website for North Wales Fire and Rescue Authority (<https://www.northwalesfire.gov.wales/fire-and-rescue-authority/financial/>) and a notice is displayed in the Fire and Rescue Service Headquarters, Ffordd Salesbury, St Asaph, LL17 0JJ.

COMPREHENSIVE INCOME and EXPENDITURE ACCOUNT

This statement shows the accounting cost in the year of providing services in accordance with GAAP, rather than the amount to be funded from contributions. The Authority's expenditure is funded by contributions from the six Local Authorities in North Wales in accordance with regulations; this may be different from the accounting cost. The contribution position is shown in the Movement in Reserves Statement.

2020/21				2021/22			
Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000		Note	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
25,479	0	25,479			32,491	0	32,491
2,641	0	2,641			2,578	0	2,578
924	0	924			1,034	0	1,034
5,053	0	5,053			4,197	0	4,197
603	0	603			639	0	639
4,950	0	4,950			(279)	0	(279)
0	(2,664)	(2,664)			0	(2,918)	(2,918)
39,650	(2,664)	36,986			40,660	(2,918)	37,742
41		41		8	(15)	0	(15)
7,394	(2)	7,392		9	7,085	(2)	7,083
0	(35,942)	(35,942)		10	0	(37,074)	(37,074)
		8,477					7,736
678	0	678		20	0	(2,162)	(2,162)
		17,947		20			(22,167)
		18,625					(24,329)
		27,102					(16,593)

MOVEMENT IN RESERVES STATEMENT

This statement shows the movement in the year on the different reserves held by the Authority, analysed into 'usable reserves' (i.e. those that can be applied to fund expenditure or reduce contributions from the Constituent Authorities) and other reserves.

The Surplus or (Deficit) on the Provision of Services line shows the true economic cost of providing the Authority's services, more details of which are shown in the Comprehensive Income and Expenditure Statement. These are different from the statutory amounts required to be charged to the General Fund Balance which is funded by contributions from the six Constituent Authorities.

The Net Increase / Decrease before Transfers to Earmarked Reserves line shows the statutory General Fund Balance before any discretionary transfers to or from earmarked reserves undertaken by the Authority.

2021/22	Note	General Fund Balance £'000	Earmarked and Grant Reserves £'000	Capital Grants Unapplied £'000	Earmarked Capital Reserves £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Authority Reserves £'000
Balance at 31 March 2021		1,450	3,462	0		4,912	(327,022)	(322,110)
Movement in Reserves during 2021/2022								
Surplus or (Deficit) on the Provision of Services		(7,736)	0	0		(7,736)	0	(7,736)
Other Comprehensive Income & Expenditure		0	0	0		0	24,329	24,329
Total Comprehensive Income & Expenditure		(7,736)	0	0		(7,736)	24,329	16,593
Adjustments between accounting basis & funding basis under regulations	6	10,059	0	238	(148)	10,149	(10,149)	0
Net (Increase)/Decrease before Transfers to Earmarked Reserves		2,323	0	238	(148)	2,413	14,180	16,593
Adjustments		0	0	0		0	0	0
Other Transfers to/(from) Earmarked Reserves		(2,253)	2,105	0	148	0	0	0
Increase/(Decrease) in 2021/22	7	70	2,105	238	0	2,413	14,180	16,593
Balance as at 31 March 2022		1,520	5,567	238	0	7,325	(312,842)	(305,517)

MOVEMENT IN RESERVES STATEMENT

2020/21	Note	General Fund Balance £'000	Earmarked and Grant Reserves £'000	Capital Receipts Reserve £'000	Total Usable Reserves £'000	Unusable Reserves £'000	Total Authority Reserves £'000
Balance at 31 March 2020		1,387	1,820	0	3,207	(298,215)	(295,008)
Movement in Reserves during 2020/2021							
Surplus or (Deficit) on the Provision of Services		(8,477)	0	0	(8,477)	0	(8,477)
Other Comprehensive Income & Expenditure		0	0	0	0	(18,625)	(18,625)
Total Comprehensive Income & Expenditure		(8,477)	0	0	(8,477)	(18,625)	(27,102)
Adjustments between accounting basis & funding basis under regulations	6	10,182	0	0	10,182	(10,182)	0
Net (Increase)/Decrease before Transfers to Earmarked Reserves		1,705	0	0	1,705	(28,807)	(27,102)
Adjustment		0	0	0	0	0	0
Other Transfers to/(from) Earmarked Reserves		(1,642)	1,642	0	0	0	0
Increase/(Decrease) in 2020/21	7	63	1,642	0	1,705	(28,807)	(27,102)
Balance as at 31 March 2021		1,450	3,462	0	4,912	(327,022)	(322,110)

BALANCE SHEET

The Balance Sheet shows the value as at the Balance Sheet date of the assets and liabilities recognised by the Authority. The net assets of the Authority (assets less liabilities) are matched by the reserves held by the Authority. Reserves are reported in two categories. The first category of reserves are usable reserves, i.e. those reserves that the Authority may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use (for example the Capital Receipts Reserve that may only be used to fund capital expenditure or repay debt). The second category of reserves is those that the Authority is not able to use to provide services. This category of reserves includes reserves that hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the Movement in Reserves Statement line 'Adjustments between accounting basis and funding basis under regulations'.

31 March 2021 £'000		Note	31 March 2022 £'000
39,537	Property, Plant & Equipment	11	43,165
477	Intangible Assets	11	226
376	Long Term Debtors	15	33
40,390	Long Term Assets		43,424
566	Inventories	14	601
2,647	Short Term Debtors	15	3,732
0	Assets Held For Sale	11	0
1,528	Cash & Cash Equivalents	16	2,532
4,741	Current Assets		6,865
16,774	Short Term Borrowing	12	13,763
426	Provisions	18	602
3,148	Short Term Creditors	17	3,047
20,348	Current Liabilities		17,412
337,323	Pension Liability	33	327,498
135	Long Term Provisions	18	135
9,435	Long Term Borrowing	12	10,761
346,893	Long Term Liabilities		338,394
(322,110)	Net Assets		(305,517)
4,912	Usable Reserves	19	7,325
(327,022)	Unusable Reserves	20	(312,842)
(322,110)	Total Reserves		(305,517)

CASH FLOW STATEMENT

The Cash Flow Statement shows the changes in cash and cash equivalents of the Authority during the reporting period. The statement shows how the Authority generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Authority are funded by way of contributions and grant income or from the recipients of services provided by the Authority. Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Authority's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Authority.

2020/21 £'000		Note	2021/2022 £'000
8,477	Net (Surplus)/Deficit on the Provision of Services		7,736
(13,113)	Adjustments to Net (Surplus) or Deficit on the Provision of Services for Non-Cash Movements	21	(11,437)
(378)	Adjustments for Items Included in the net (Surplus) or Deficit on the Provision of Services that are Investing and Financing Activities	21	(303)
(5,014)	Net Cash Flows From Operating Activities	21	(4,004)
0	Investing Activities	22	1,013
5,257	Financing Activities	23	1,987
243	Net (Increase) or Decrease in Cash and Cash Equivalents		(1,004)
(1,771)	Cash and Cash Equivalents at the beginning of the reporting period		(1,528)
(1,528)	Cash and Cash Equivalents at the End of the Reporting Period	16	(2,532)

NOTES TO THE FINANCIAL STATEMENTS

The notes present information about the basis of preparation of the financial statements and the specific accounting policies used. They provide information not presented elsewhere in the financial statements and are relevant to an understanding of the accounts.

1 CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In applying the accounting policies set out in Appendix 1, the Authority has had to make certain judgements about complex transactions or those involving uncertainty about future events. The critical judgement in the Statement of Accounts is due to the high degree of uncertainty about future levels of funding for Local Government. However the Authority has determined that this uncertainty is not yet sufficient to provide an indication that the assets of the Authority might be impaired as a result of the need to reduce levels of service provision.

2 ASSUMPTIONS MADE ABOUT THE FUTURE AND OTHER MAJOR SOURCES OF ESTIMATION AND UNCERTAINTY

The statement of accounts contains estimated figures that are based on assumptions made by the authority about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. The assumptions and other sources of estimation uncertainty disclosed below relate to the difficult, subjective or complex judgements. As the number of variables and assumptions affecting the possible future resolution of the uncertainties increases, those judgements become more subjective and complex. As a result, balances cannot be determined with certainty and actual results could be materially different from the assumptions and estimates.

The main items in the Authority's Balance Sheet at 31 March 2022, for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

Item	Uncertainties	Effect if Actual Results Differ from Assumptions
Pensions Liability	<p>Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement ages, mortality rates and, for the Local Government Pension Scheme, the expected return on pension fund assets.</p> <p>An assessment of the liabilities is provided by the government actuary department. Further information is provided within the pension fund account.</p>	<p>Relatively small changes in the assumptions made can have a significant impact on the pension net liability.</p> <p>The pension net liability shown in the balance sheet will only become payable over the retirement period of current and retired employees, so adjustments to the liability can be spread over a number of years through changes in employee and employer contributions. Increases in employer contributions have a direct impact on the budget.</p>
Property Valuations	<p>The Authority revalue its assets every 5 years. Due to material fluctuations within the market an additional revaluation exercise was undertaken within 2021/22. It is possible that property values could continue to fluctuate especially during times of economic uncertainty. Valuations are based on assumptions about asset conditions, useful lives, residual values and market conditions.</p> <p>These judgements are underpinned by the best available information and made by qualified valuers but are still based on estimates.</p> <p>The impact of Brexit, the Pandemic and more recently the implications brought about by the war in Ukraine is creating a volatile market position. This is being kept under review to determine whether the valuation cycle needs amending.</p>	<p>A fluctuation in property values would impact on the values held in the Balance Sheet and on the corresponding depreciation charge.</p>

3 MATERIAL ITEMS OF INCOME AND EXPENSE

Due to changes in actuarial assumptions the total net liability on the Firefighters Pension Scheme and Local Government Pension Scheme have decreased by £9.8m.

This is mainly due to the changes associated with the re-measurement of the net defined benefit assets / liability.

4 EVENTS AFTER THE REPORTING PERIOD

The Statement of Accounts have been authorised for issue by the Treasurer to the Fire and Rescue Authority on the 17th October 2022. Events taking place after this date are not reflected in the financial statements or notes.

Where events taking place before this date provided information about conditions existing at 31st March 2022, the figures in the financial statements and notes have been adjusted in all material respects to reflect the impact of this information.

5 EXPENDITURE AND FUNDING ANALYSIS

The statement shows how annual expenditure is used and funded from resources (grants, contributions etc.) by local authorities compared to resources consumed or earned by authorities in accordance with generally accepted accounting practices.

It also shows how this expenditure is allocated for decision making purposes according to the type of expenditure incurred.

Income and Expenditure accounted for under generally accepted accounting practices (GAAP) is presented more fully in the CIES.

2020/21				2021/22		
Net Expenditure Chargeable to the General Fund £'000	Adjustments Between the Funding and Accounting basis £'000	Net Expenditure in the Comprehensive Income & Exp Statement £'000		Net Expenditure Chargeable to the General Fund £'000	Adjustments Between the funding and Accounting basis £'000	Net Expenditure in the Comprehensive Income & Exp Statement £'000
25,198	281	25,479	Employees	26,917	5,574	32,491
2,641	0	2,641	Premises	2,578	0	2,578
924	0	924	Transport	1,034	0	1,034
5,053	0	5,053	Supplies & Services	4,197	0	4,197
603	0	603	Support Services	639	0	639
2,484	2,466	4,950	Capital Financing Costs	2,306	(2,585)	(279)
(2,666)	2	(2,664)	Income	(2,920)	2	(2,918)
34,237	2,749	36,986	Net Cost of Service	34,751	2,991	37,742
			Other Income & Expenditure			
0	7,433	7,433	Other Income & Expenditure Adjustments	0	7,068	7,068
(35,942)	0	(35,942)	Taxation and Non Specific Grant Income	(37,074)	0	(37,074)
(1,705)	10,182	8,477	Deficit or (Surplus) on Provision of Services	(2,323)	10,059	7,736
		(1,387)	Opening General Fund Balance			(1,450)
		(63)	(Surplus)/Deficit on General Fund Balance in Year			(70)
		0	Other Movements Not included above i.e.			0
		(1,450)	Earmarked Reserves			0
			Closing General Fund Balance			(1,520)

Notes to the Expenditure and Funding Analysis

	2021/22			
	Adjustment for Capital Purposes £'000	Net Change for the Pension Adjustments £'000	Other Differences £'000	Total Adjustments £'000
Employees	0	5,562	12	5,574
Supplies & Services	0	0	0	0
Capital Financing Costs	(2,585)	0	0	(2,585)
Income	0	0	2	2
Net Cost of Service	(2,585)	5,562	14	2,991
Other Income & Expenditure				
Other Income & Expenditure Adjustments	(15)	6,780	303	7,068
Difference between General Fund Surplus or deficit and CIES Surplus or deficit on the provision of services	(2,600)	12,342	317	10,059

	2020/21			
	Adjustment for Capital Purposes £'000	Net Change for the Pension Adjustments £'000	Other Differences £'000	Total Adjustments £'000
Employees	0	244	37	281
Supplies & Services	0	0	0	0
Capital Financing Costs	2,466	0	0	2,466
Income	0	0	2	2
Net Cost of Service	2,466	244	39	2,749
Other Income & Expenditure				
Other Income & Expenditure Adjustments	41	7,014	378	7,433
Difference between General Fund Surplus or deficit and CIES Surplus or deficit on the provision of services	2,507	7,258	417	10,182

Reconciliation of Service Income and Expenditure presented in the Management Accounts to Cost of Services in the Comprehensive Income and Expenditure Statement.

This reconciliation shows how the figures in the Expenditure and Funding Analysis Statement relate to the amounts included in the Comprehensive Income and Expenditure Statement.

2020/21 £'000			2021/22 £'000	
	34,237	Net Expenditure in the Service Analysis		34,751
		Amounts in the Comprehensive Income & Expenditure Statement not reported to management in the Analysis		
2,477		Depreciation	2,101	
0		Government Grant Released	(238)	
244		IAS 19 – Pensions Adjustment (Note 32)	5,562	
2,473		Impairment / Reversal of Impairment	(2,206)	
0		Prior Year Adjustment of Land & Buildings	64	
37	5,231	Accumulated Absences	12	5,295
		Amounts included in the Analysis not included in the Comprehensive Income & Expenditure Statement		
(2,104)		Debt Repayment (MRP)	(2,001)	
(380)		Interest Paid	(305)	
2	(2,482)	Interest Received	2	(2,304)
	36,986	Cost of Services in the Comprehensive Income & Expenditure Statement		37,742

6. ADJUSTMENTS BETWEEN ACCOUNTING BASIS AND FUNDING BASIS UNDER REGULATION

This note details the adjustments that are made to the total Comprehensive Income and Expenditure recognised by the Authority in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Authority to meet future capital and revenue expenditure.

2021/22	Useable Reserves				Unusable Reserves
	General Fund Balance £'000	Capital Grants Unapplied £'000	Earmarked Capital Reserves £'000	Total Usable Reserves £'000	Movement in Unusable Reserves £'000
Adjustments primarily involving the Capital Adjustment Account:					
Reversal of items debited or credited to the Comprehensive Income & Expenditure Statement:					
Charges for depreciation and impairment of non-current assets	2,101	0	0	2,101	(2,101)
Prior Year Adjustment on Land & Buildings	64	0	0	64	(64)
Revaluation losses/Gains on Property, Plant and Equipment	(2,206)	0	0	(2,206)	2,206
Gain on Disposal	(15)	0	0	(15)	15
Capital expenditure financed from revenue/earmarked reserve balances	0	0	(148)	(148)	148
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:					
Statutory provision for the financing of capital investment	(2,001)	0	0	(2,001)	2,001
Adjustments primarily involving the Capital Receipts Reserve:					
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	0	0	0	0	0
Adjustment primarily involving the Pensions Reserve					
Employer's pensions contributions and direct payments to pensioners payable in the year	(8,830)	0	0	(8,830)	8,830
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 20)	21,172	0	0	21,172	(21,172)
Reversal of items debited or credited to the Comprehensive Income & Expenditure Statement:					
Adjustment to Grants reserve	(238)	238	0	0	0
Adjustment primarily involving the Accumulated Absences Account:					
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	12	0		12	(12)
Total Adjustments	10,059	238	(148)	10,149	(10,149)

2020/21	Useable Reserves			Unusable Reserves
	General Fund Balance £'000	Capital Grants Unapplied £'000	Total Usable Reserves £'000	Movement in Unusable Reserves £'000
Adjustments primarily involving the Capital Adjustment Account:				
Reversal of items debited or credited to the Comprehensive Income & Expenditure Statement:				
Charges for depreciation and impairment of non-current assets	2,477	0	2,477	(2,477)
Revaluation (losses)/Gains on Property, Plant and Equipment	2,473	0	2,473	(2,473)
Loss on Disposal	41	0	41	(41)
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:				
Statutory provision for the financing of capital investment	(2,104)	0	(2,104)	2,104
Adjustments primarily involving the Capital Receipts Reserve:				
Transfer of cash sale proceeds credited as part of the gain/loss on disposal to the Comprehensive Income and Expenditure Statement	0	0	0	0
Use of Capital Receipts Reserve to finance new capital expenditure	0	0	0	0
Adjustment primarily involving the Pensions Reserve				
Employer's pensions contributions and direct payments to pensioners payable in the year	(9,837)	0	(9,837)	9,837
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement (see Note 20)	17,095	0	17,095	(17,095)
Reversal of items debited or credited to the Comprehensive Income & Expenditure Statement:				
Adjustment to Grants reserve	0	0	0	0
Adjustment primarily involving the Accumulated Absences Account:				
Amount by which officer remuneration charged to the Comprehensive Income and Expenditure Statement on an accruals basis is different from remuneration chargeable in the year in accordance with statutory requirements	37	0	37	(37)
Total Adjustments	10,182	0	10,182	(10,182)

7 MOVEMENTS IN EARMARKED RESERVES

This note sets out the transfers to and from reserves as from the 1 April 2020.

	Balance 01-Apr-20 £'000	Transfers out 2020/21 £'000	Transfers In 2020/21 £'000	Balance 31-Mar-21 £'000	Transfers out 2021/22 £'000	Transfers In 2021/22 £'000	Balance 31-Mar-22 £'000
General Fund	(1,387)	0	(63)	(1,450)	0	(70)	(1,520)
Earmarked and Grant Reserves	(1,819)	60	(1,702)	(3,461)	515	(2,620)	(5,566)
Capital Grants Unapplied	0	0	0	0	0	(238)	(238)
Total	(3,206)	60	(1,765)	(4,911)	515	(2,928)	(7,324)

8 OTHER OPERATING EXPENDITURE AND INCOME

2020/21 £'000		2021/22 £'000
41	(Gains) or Loss on the disposal of non-current assets	(15)
0	(Gains) or Loss on the derecognition of assets	0
41	Total	(15)

9 FINANCING AND INVESTMENT INCOME AND EXPENDITURE

2020/21 £'000		2021/22 £'000
380	Interest payable & similar charges	305
(2)	Interest	(2)
7,014	Net Interest on the net defined benefit liability	6,780
7,392	Total	7,083

10 CONTRIBUTIONS FROM THE CONSTITUENT AUTHORITIES

2020/21 £'000		2021/22 £'000
6,005	Conwy County Borough Council	6,230
3,593	Anglesey County Council	3,690
6,364	Gwynedd Council	6,597
4,899	Denbighshire County Council	5,060
7,968	Flintshire County Council	8,282
7,113	Wrexham County Borough Council	7,215
35,942	Total	37,074

11 PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS.

Assets are valued as outlined in Notes 14 and 15 of Accounting Policies.

Movement in 2021/2022

2021-2022	Land and Buildings £'000	Vehicles and Equipment £'000	Assets Under Construction £'000	Property Plant & Equipment Total £'000	Intangible Assets Total £'000	Assets Held for Sale Total £'000
Gross Book Value at 1 April 2021	31,625	22,770	198	54,593	1,221	0
Re-categorisation of assets	0	198	(198)	0	0	0
Prior Year Adjustment recognised through Revaluation Reserve (Llandudno Workshop Valuation)	(1,009)	0	0	(1,009)	0	0
Prior Year Adjustment recognised through Capital Adjustment Account (Llandudno Workshop Valuation)	(65)	0	0	(65)	0	0
Additions	0	148	1,027	1,175	0	0
Derecognition - Disposals	0	(65)	0	(65)	0	0
Derecognition - Other	0	(801)	0	(801)	(549)	0
Revaluation increase / (decreases) recognised in the Revaluation Reserve	3,048	0	0	3,048	0	0
Revaluation increase / (decreases) recognised in the Surplus / Deficit on the Provision of Services	1,237	0	0	1,237	0	0
Gross Book Value at 31 March 2022	34,836	22,250	1,027	58,113	672	0
Accumulated Depreciation at 1 April 2021	(605)	(14,451)	0	(15,056)	(744)	0
Depreciation Prior Year Adjustment recognised through Revaluation Reserve (Llandudno Workshop)	29	0	0	29	0	0
Depreciation Prior Year Adjustment recognised through Capital Adjustment Account (Llandudno Workshop)	1	0	0	1	0	0
Depreciation written out of the Revaluation Reserve	184	0	0	184	0	0
Depreciation written out to the Surplus / Deficit on the Provision of Services	967	0	0	967	0	0
Depreciation/Amortisation for Year	(576)	(1,363)	0	(1,939)	(251)	0
Derecognition - Disposals	0	65	0	65	0	0
Derecognition - Other	0	801	0	801	549	0
Accumulated Depreciation at 31 March 2022	0	(14,948)	0	(14,948)	(446)	0
NET BOOK VALUE AT 31 MARCH 2022	34,836	7,302	1,027	43,165	226	0
NET BOOK VALUE AT 31 MARCH 2021	31,020	8,319	198	39,537	477	0

2020-2021	Land and Buildings	Vehicles and Equipment	Assets Under Construction	Property Plant & Equipment Total	Intangible Assets Total	Assets Held for Sale Total
	£'000	£'000	£'000	£'000	£'000	£'000
Gross Book Value at 1 April 2020	38,723	23,082	628	62,433	1,231	0
Re-categorisation of assets	0	101	(186)	(85)	85	0
Additions	0	0	0	0	0	0
Derecognition - Disposals	0	(413)	0	(413)	0	0
Derecognition - Other	0	0	(244)	(244)	(95)	0
Revaluation increase / (decreases) recognised in the Revaluation Reserve	(1,762)	0	0	(1,762)	0	0
Revaluation increase / (decreases) recognised in the Surplus / Deficit on the Provision of Services	(5,336)	0	0	(5,336)	0	0
Gross Book Value at 31 March 2021	31,625	22,770	198	54,593	1,221	0
Accumulated Depreciation at 1 April 2020	(3,947)	(13,202)	0	(17,149)	(578)	0
Re-categorisation of assets	0	0	0	0	0	0
Depreciation written out of the Revaluation Reserve	1,084	0	0	1,084	0	0
Depreciation written out to the Surplus / Deficit on the Provision of Services	2,863	0	0	2,863	0	0
Depreciation/Amortisation for Year	(605)	(1,621)	0	(2,226)	(252)	0
Derecognition - Disposals	0	372	0	372	0	0
Derecognition - Other	0	0	0	0	86	0
Accumulated Depreciation at 31 March 2021	(605)	(14,451)	0	(15,056)	(744)	0
NET BOOK VALUE AT 31 MARCH 2021	31,020	8,319	198	39,537	477	0
NET BOOK VALUE AT 31 MARCH 2020	34,776	9,880	628	45,284	653	0

A full property revaluation exercise was undertaken by Wilks Head and Eve, on 1 April 2020. Office accommodation has been valued at existing use value and fire stations at depreciated replacement cost. To comply with the Code of Practice the valuer estimated residual lives for all the Authority's buildings. Depreciation is based on the Beacon Approach where an estimate is made of the components of the building and the useful life of each component.

Other assets are recognised at historic cost which is a proxy for current cost on short life assets and depreciated over their useful lives.

12 FINANCIAL INSTRUMENTS

Categories of Financial Instruments

The following categories of financial instrument are carried in the Balance Sheet:

	Non Current		Current	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£'000	£'000	£'000	£'000
Investments				
Loans and receivables	0	0	0	1,495
Available-for-sale financial assets	0	0	0	0
Total Investments	0	0	0	1,495
Debtors				
Loans and receivables	33	376	3,732	2,647
Financial assets carried at contract amounts	0	0	0	0
Total Debtors	33	376	3,732	2,647
Borrowings				
Interest Accrued	0	0	89	90
Financial liabilities at amortised cost	10,761	9,435	13,674	16,684
Total Borrowings	10,761	9,435	13,763	16,774
Creditors				
Financial liabilities carried at contract amount	0	0	3,047	3,148
Total Creditors	0	0	3,047	3,148

Note 1 – Under accounting requirements the carrying value of the financial instrument value is shown in the balance sheet, which includes the principal amount borrowed or lent and further adjustments for breakage costs or stepped interest loans (measured by an effective interest rate calculation) including accrued interest. The effective interest rate is accrued interest receivable under the instrument, adjusted for the amortisation of any premiums or discounts reflected in the purchase price.

Note 2 – Fair value has been measured by:

- Direct reference to published price quotations in an active market; and/or
- Estimating using a valuation technique.

Where assets are identified as impaired because of a likelihood arising from a past event that payments due under the contract will not be made, the asset is written down and a charge made to the Comprehensive Income and Expenditure Statement.

Any gains and losses that arise on the de-recognition of the asset are credited/debited to the Comprehensive Income and Expenditure Statement.

Whilst there is no need to produce more detailed information, additional information will however be needed in the following, albeit unlikely, circumstances:

- Any unusual movements;
- De-recognition of instruments;
- Allowance for credit losses;
- Reclassification of instruments;
- Collateral;
- Defaults and breaches.

These are explained in more detail below.

Financial Instruments Gains/Losses

The gains and losses recognised in the Comprehensive Income and Expenditure Statement in relation to financial instruments are made up as follows:

	2020/21		2021/22	
	Financial Liabilities Measured at amortised cost £'000	Financial Assets Loans and receivables £'000	Financial Liabilities Measured at amortised cost £'000	Financial Assets Loans and receivables £'000
Interest expense	380		305	
Total expense in Surplus or Deficit on the Provision of Services	380		305	
Interest income		(2)		(2)
Total income in Surplus or Deficit on the Provision of Services		(2)		(2)
Net gain/(loss) for the year	(380)	2	(305)	2

External Borrowing

The loans outstanding have been raised through the Public Works Loan Board (PWLB) and on the financial markets.

The following table gives an analysis of the long and short term loans.

The table excludes the interest accrual for the year which is shown under short term borrowing.

	2020/21		2021/22	
	Rates	Loans £'000	Rates	Loans £'000
Market Loans	0.05 - 0.10	14,000	0.07 - 0.20	9,000
Public Works Loan Board	1.45 - 4.9	12,119	1.0 - 4.9	15,435
Total External Borrowing		26,119		24,435

	2020/21		2021/22	
	Short Term £'000	Long Term £'000	Short Term £'000	Long Term £'000
Market Loans	14,000	0	9,000	0
Public Works Loan Board	2,684	9,435	4,674	10,761
Total External Borrowing	16,684	9,435	13,674	10,761

Conwy County Borough Council manages the treasury function on behalf of the Fire and Rescue Authority but all loans are under the name of North Wales Fire and Rescue Authority.

13 FAIR VALUE OF ASSETS AND LIABILITIES CARRIED AT AMORTISED COST

Financial liabilities and financial assets represented by loans and receivables are carried on the balance sheet at amortised cost (in long term assets/liabilities with accrued interest in current assets/liabilities). Their fair value can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments, using the following assumptions:

- For loans from the PWLB and other loans payable, borrowing from the PWLB has been applied to provide the fair value under PWLB debt redemption procedures;
- For loans receivable prevailing benchmark market rates have been used to provide the fair value;
- No early repayment or impairment is recognised;
- Where an instrument has a maturity of less than 12 months or is a trade or other receivable the fair value is taken to be the carrying amount or the billed amount;
- The fair value of trade and other receivables is taken to be the invoiced or billed amount.

The fair values calculated are as follows:

	31-Mar-21		31-Mar-22	
	Carrying amount £'000	Fair value £'000	Carrying amount £'000	Fair value £'000
PWLB debt	12,119	13,781	15,435	16,175
Non-PWLB debt	14,000	14,000	9,000	9,000
Total Debt	26,119	27,781	24,435	25,175

The fair value has been calculated with direct reference to published price quotations in an active market. In the case of the Fire and Rescue Authority they are based on premiums that would be payable if PWLB loans were surrendered and provides an estimate of the additional interest payable compared to the same loan at current market rates discounted back to the current period. The carrying amount excludes the accrued interest as per note 12.

14 INVENTORIES

	Main Stores		Fleet Stock		Totals	
	2020/21 £'000	2021/22 £'000	2020/21 £'000	2021/22 £'000	2020/21 £'000	2021/22 £'000
Balance at start of year	545	419	122	147	667	566
Purchases	165	99	158	220	323	319
Recognised as an Expense in year	(291)	(98)	(133)	(186)	(424)	(284)
Balance outstanding at year end	419	420	147	181	566	601

15 DEBTORS

2020/21 £'000		2021/22 £'000
	Long Term	
376	Prepayments	33
376	Total Long Term	33
	Short Term	
277	Other Receivable Amounts	384
1,803	Trade Receivables	2,511
567	Prepayments	837
2,647	Total Short Term	3,732
3,023	Total Long and Short Term Debtors	3,765

16 CASH AND CASH EQUIVALENTS

The actual cash in hand represented the cash shown in the balance sheet, together with transactions not effected within the cleared bank balance at 31 March 2022. The following table summarises the position:

31-Mar-21 £'000		31-Mar-22 £'000
1,495	Bank Call Accounts	0
23	Bank Current Accounts	2,522
10	Petty Cash Imprests	10
1,528	Total	2,532

17 CREDITORS

2020/21 £'000		2021/22 £'000
1,302	Other Payables	1,195
1,846	Trade Payables	1,852
3,148	Total	3,047

18 PROVISIONS

At 31 March 2022 the Authority held a provision with a value of £737k relating to employee liabilities. This provision will be utilised to offset revenue expenditure, when it occurs.

	Opening Balance £'000	Movements In £'000	Movements Out £'000	Closing Balance £'000
Short Term Provisions	426	417	(241)	602
Long Term Provisions	135	0	0	135
Total	561	417	(241)	737

19 USABLE RESERVES

General Reserves

It is prudent for the Authority to hold a General Reserve and it is anticipated that the areas where it will be used will be:

- pay increases;
- decrease in grant funding.

The balance on the reserve at 31 March 2022 is £1,520k (31 March 2021: £1,450k).

The increase is due to a £70k underspend within the revenue budget.

Earmarked Reserves

A number of earmarked reserves have been set up for specific purposes, which the Authority has agreed to fund.

	Balance 1 April 2020 £'000	Transfers in/(out) 2020/21 £'000	Balance 31 March 2021 £'000	Transfers in/(out) 2021/22 £'000	Balance 31 March 2022 £'000
Pension Reserve	85	0	85	0	85
Radio Scheme	300	200	500	250	750
HFSC Grant	195	0	195	0	195
Reduction/Training					
Interest Reserve	100	0	100	200	300
Fire Hydrant Repairs	90	0	90	0	90
PPE Uniform / Stock	250	0	250	0	250
Transformational Change	350	450	800	51	851
Facilities Improvement	150	340	490	833	1,323
Legal Liability	200	0	200	25	225
Training	100	0	100	150	250
Major Incidents	0	150	150	0	150
System Improvements	0	502	502	346	848
Inflation	0	0	0	250	250
Total	1,820	1,642	3,462	2,105	5,567

Grant Reserves

Under IFRS any grants that have been received by the Authority for specific schemes but have not yet been utilised in year have been shown under Capital Grants receipts in advance.

Total Usable Reserves

31-Mar-21 £'000		31-Mar-22 £'000
1,450	General Reserve	1,520
3,462	Earmarked Reserves	5,567
0	Capital Grants Unapplied	238
4,912	Total	7,325

20 UNUSABLE RESERVES

31-Mar-21 £'000		31-Mar-22 £'000
6,719	Revaluation Reserve	8,550
3,908	Capital Adjustment Account	6,444
(337,323)	Pensions Reserve	(327,498)
(326)	Accumulated Absences Account	(338)
(327,022)	Total	(312,842)

Revaluation Reserve

The Revaluation Reserve contains the gains made by the Authority arising from increases in the value of its Property, Plant and Equipment.

The balance is reduced when assets with accumulated gains are:

- *revalued downwards or impaired and the gains are lost;
- * used in the provision of services and the gains are consumed through depreciation or disposed of and the gains are realised.

The Reserve contains only revaluation gains accumulated since 1 April 2007, the date that the Reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account.

2020/21 £'000		2021/22 £'000
7,318	Balance at 1 April	6,719
0	Upward revaluation of assets/Remove depreciation	3,231
(678)	Downward revaluation of assets and impairment losses not charged to the surplus/deficit on the provision of services.	0
0	Prior Year Adjustment	(980)
203	Adjustment from Capital Adjustment Account	(331)
(124)	Difference between fair value depreciation and historical cost depreciation	(89)
6,719	Balance at 31 March	8,550

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions.

The Account is debited with the cost of acquisition, construction or enhancement as depreciation, impairment losses and amortisations are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the Revaluation Reserve to convert fair value figures to a historical cost basis). The Account is credited with the amounts set aside by the Authority as finance for the costs of acquisition, construction and enhancement. The Account contains accumulated gains and losses on Investment Properties and gains recognised on donated assets that have yet to be consumed by the Authority.

The Account also contains valuation gains accumulated on Property, Plant and Equipment before 1 April 2007, the date that the Revaluation Reserve was created to hold such gains.

2020/21 £'000		2021/22 £'000
6,874	Balance at 1 April	3,908
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
(41)	Amount of non current asset written off on disposal or sale as part of the gain/loss on disposal to CIES	15
(2,353)	Charges for depreciation & impairment of non-current assets	(2,101)
	Prior Year Adjustment through the CIES	(64)
(2,473)	Adjustment relating to the revaluation of assets	2,206
(203)	Adjusting amounts written out of the Revaluation Reserve	331
(5,070)	Net written out amount of the cost of non-current assets consumed in the year	387
	Capital financing applied in the year:	
0	Capital grants & contributions credited to the Comprehensive Income and Expenditure Statement that have been applied to capital financing	148
2,104	Statutory provision for the financing of capital investment charged against the General Fund	2,001
(2,966)		2,536
3,908	Balance at 31 March	6,444

The opposite entries for depreciation, impairment charges and revaluations are posted to either the Revaluation Reserve or the Capital Adjustment Account according to the criteria detailed above. The table below shows the transactions that have been posted to the Revaluation Reserve and the Capital Adjustment Account.

2020/21					2021/22			
Fixed Asset Statement (Note 11)	Revaluation Reserve	Capital Adjustment Account	Totals		Fixed Asset Statement (Note 11)	Revaluation Reserve	Capital Adjustment Account	Totals
(2,477)	(124)	(2,353)	(2,477)	Depreciation	(2,190)	(89)	(2,101)	(2,190)
0	0	0	0	Prior Year Adjustment	(1,074)	(1,009)	(65)	(1,074)
(3,151)	(678)	(2,473)	(3,151)	Revaluation	5,436	3,232	2,204	5,436
(5,628)	(802)	(4,826)	(5,628)	Total	2,172	2,134	38	2,172

Pensions Reserve

The Pensions Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding in accordance with statutory provisions

The Authority accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require any benefits earned to be financed as the Authority makes employer contributions to pension funds or eventually pays any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a substantial shortfall in the benefits earned by past and current employees and the resources the Authority has set aside to meet them.

The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2020/21 £'000		2021/22 £'000
(312,118)	Opening Balance 1 April	(337,323)
(17,095)	Reversal of Items related to retirement benefits debited to the Provision of Service in the Comprehensive Income & Expenditure Statement	(21,172)
9,837	Employer's pensions contributions and direct payments to pensioners payable in the year	8,830
(17,947)	Re-measurement of the net defined benefit liability	22,167
(25,205)	Movement on Pension Reserve	9,825
(337,323)	Closing Balance	(327,498)

Accumulated Absences Account

The Accumulated Absences Account absorbs the differences that would otherwise arise on the General Fund balance from accruing for compensated absence earned but not taken in the year, e.g. annual leave entitlement carried forward at 31 March. Statutory arrangements require that the impact on the General Fund Balance is neutralised by transfers to or from the Account.

2020/21 £'000		2021/22 £'000
(290)	Balance at 1 April	(326)
290	Settlement or cancellation of accrual made at the end of the preceding year	326
(326)	Amounts accrued at the end of the current year	(338)
(326)	Balance at 31 March	(338)

21 CASH FLOW STATEMENT - OPERATING ACTIVITIES

2020/21 £'000		2021/22 £'000
8,477	Net (Surplus)/Deficit on the Provision of Services	7,736
	Adjustment to net (surplus)/deficit for non-cash movements	
(101)	Increase/(Decrease) in Inventories	35
1,293	Increase/(Decrease) in Debtors	742
(1,706)	(Increase)/Decrease in Creditors	101
(2,478)	Depreciation Charge	(2,100)
0	Contributions Received/Capital Receipts	148
(7,258)	IAS 19 Pension Adjustments	(12,342)
(2,474)	Impairment Charge/Revaluation of Assets	2,142
(296)	Carrying amount of Non Current Assets sold or derecognised	0
(56)	Contribution (to)/from Various Provisions	(151)
0	Other non-cash items charged to the net surplus or deficit on the provision of services	0
(37)	Accumulated Absences Reserve	(12)
(13,113)	Less Total	(11,437)
	Adjustments for Items Included in the net (Surplus) or Deficit on the Provision of Services that are Investing and Financing Activities	
(380)	Interest paid	(305)
2	Interest Received	2
(378)	Less Total	(303)
(5,014)	Net Cash Flow From Operating Activity	(4,004)

22 CASH FLOW STATEMENT – INVESTING ACTIVITIES

2020/21 £'000		2021/22 £'000
0	Purchase of property, plant and equipment, investment property and intangible assets	1,176
0	Proceeds from the sale of property, plant and equipment, investment property and intangible assets	(15)
0	Other receipts from investing activities	(148)
0	Net cash flow from investing activities	1,013

23 CASH FLOW STATEMENT – FINANCING ACTIVITIES

2020/21 £'000		2021/22 £'000
(8,077)	Cash receipts of short-term and long-term borrowing	(10,767)
12,957	Repayments of short-term and long-term borrowing	12,451
377	Other payments for financing activities	303
5,257	Net cash flow from financing activities	1,987

24 MEMBERS' ALLOWANCES

2020/21 £		2021/22 £
	Full Year Allowances	
10,705	Chair of the Fire and Rescue Authority	10,818
5,705	Deputy Chair of the Fire and Rescue Authority	5,765
5,705	Chair of the Audit Committee	5,765
2,005	Members	2,026
72,068	Total of Members' Allowances paid	72,997
	Expenses Paid	
854	Standards Committee Members	898
0	Authority Members	96
854	Total Expenses Paid	994
72,922	Total Paid to Members	73,991

During 2021/22 there were a total of 28 Authority Members (2020/21: 33 Members including 4 standards committee members who did not receive an allowance).

Note the 2020/21 figures have been restated to include the expenses paid element.

Note 25 - OFFICERS' REMUNERATION

Senior Officers' Emoluments 2021/22 - Salary between £60,000 and £150,000

Post Title	Year	Salary (Inc Fees & Allowances) £	Expenses Reimbursed £	Benefit in Kind £	Total (Excluding Pension Contributions) £	Pension Contributions £	Total Remuneration £
Chief Fire Officer (Commenced July 2021)	2020/21	0	0	0	0	0	0
	2021/22	101,763	0	0	101,763	17,300	119,063
Chief Fire Officer (Retired June 2021)	2020/21	131,392	126	0	131,518	42,244	173,762
	2021/22	33,669	32	0	33,700	5,724	39,424
Deputy Chief Fire Officer (Commenced February 2022)	2020/21	0	0	0	0	0	0
	2021/22	12,820	978	0	13,798	3,500	17,298
Assistant Chief Fire Officer	2020/21	94,926	126	0	95,052	26,104	121,156
	2021/22	100,365	126	0	100,491	27,400	127,891
Assistant Chief Fire Officer (Commenced January 2021, previously ACO)	2020/21	71,721	0	0	71,721	23,060	94,781
	2021/22	99,428	0	0	99,428	16,903	116,331
Assistant Chief Fire Officer (Commenced February 2021)	2020/21	14,664	0	0	14,664	3,679	18,343
	2021/22	95,547	24	0	95,571	23,976	119,547
Assistant Chief Officer	2020/21	64,141	126	12,531	76,798	20,622	97,420
	2021/22	71,931	126	8,789	80,846	12,228	93,074
Temporary Assistant Chief Fire Officer (Retired January 2021)	2020/21	76,032	105	0	76,137	18,285	94,422
	2021/22	109	0	0	109	0	109
Treasurer - Section 151 Officer (15 days per Year) (Retired Dec 2021)	2020/21	7,812	0	0	7,812	0	7,812
	2021/22	5,859	0	0	5,859	0	5,859

The Treasurer retired in December and during January to March the Assistant Chief Fire Officer undertook the Treasurer's duties and responsibilities.

The Authority does not have any employees with a salary in excess of £150k. The Monitoring Officer is provided by Flintshire County Council as part of a Service Level Agreement so no costs for an individual are shown in the table above. Further details on the Monitoring Officer costs can be found within Note 29 – Related Parties.

The number of employees whose remuneration was £60,000 or more in bands of £5,000 was:

REMUNERATION BAND	2020/2021 NUMBER OF EMPLOYEES	2021/2022 NUMBER OF EMPLOYEES
£80,000 - £84,999	0	2
£75,000 - £79,999	2	0
£70,000 - £74,999	1	2
£65,000 - £69,999	0	0
£60,000 - £64,999	3	6

The above excludes senior officers as they are detailed separately within the remuneration table.

Remuneration includes all sums paid to or receivable by an employee, expense allowances chargeable to tax and the money value of benefits. The above data does not include employer's pension contributions.

The following table gives the ratio between the Chief Fire Officer's remuneration and the median remuneration of Fire and Rescue Service staff:

2020/21 £		2021/22 £
131,518	Chief Fire Officer	134,940
31,767	Median	32,244
4.14	Ratio	4.18

The staff that are employed under Retained Duty System Contracts have been included in the calculation on their Full Time Equivalent scale point rather than actual earnings. The above data includes total salary paid (excludes pension contributions).

Exit Packages

The number of exit packages with total cost per band and total cost of the compulsory and other redundancies are set out in the table below:

Exit Package Cost Band	Number of Compulsory Redundancies		Number of Other Departures Agreed		Total Number of Exit Packages		Total Cost of Exit Packages	
	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21 £'000	2021/22 £'000
£0-£20,000	0	0	0	2	0	2	0	28
£20,000 - £40,000	0	0	0	1	0	1	0	28
£40,000 - £60,000	0	0	0	1	0	1	0	48
Total	0	0	0	4	0	4	0	104

26 EXTERNAL AUDIT COSTS

2020/21 £'000		2021/22 £'000
61	Fees payable to the Auditor General for Wales with regard to external audit services carried out by the appointed auditor.	64

27 GRANTS

The following grants were received by the Authority:

2020/21 £'000		2021/22 £'000
	Revenue	
416	Firelink Service Fees	416
157	Arson Reduction	157
136	Home Safety Equipment	213
1	Ask and Act	10
143	All Wales National Resilience (New Dimensions)	233
162	Youth & Young People Engagement (Phoenix)	160
1,104	Firefighter Pension Scheme Employer Contribution Costs	1,089
3	Cyber Training	0
0	Emergency Services Network Upgrade	210
2,122	TOTAL	2,488
	Capital	
0	Training Facility equipment	238
0	TOTAL	238

The Training Facility Upgrade Grant expenditure of £238k has been committed within 2021/22.

28 AGENCY SERVICES

The Authority acts as an agent on behalf of Welsh Government in administering two grant schemes for all the Fire and Rescue Services in Wales. The approved grants are paid to North Wales Fire and Rescue Service who are then responsible for distributing the grants to the Mid and West Wales Fire and Rescue Service and South Wales Fire and Rescue Service.

The Authority acts as an agent for the Local Resilience Forum. This is a multi-agency partnership made up of representatives from local public services, including the emergency services, local authorities, the NHS, the Environment Agency and others. Contributions from the various public bodies, are paid to North Wales Fire and Rescue Service.

This funding is utilised to pay for the expenditure of the Forum.

2020/21 £'000		2021/22 £'000
2,845	All Wales National Resilience	2,766
206	Youth and Young People Engagement	208
184	Local Resilience Forum	119
3,235	Total	3,093

29 RELATED PARTIES

The authority is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Authority or to be controlled or influenced by the Authority. Disclosure of these transactions allows readers to assess the extent to which the Authority might have been constrained in its ability to operate independently or might have secured the ability to limit another party's ability to bargain freely with the authority.

Welsh Government

The Welsh Government has significant influence over the general operations of the authority – it is responsible for providing the statutory framework within which the authority, operates provides the majority of its funding in the form of grants (the Revenue Support Grant is paid to constituent authorities) and prescribes the terms of many of the transactions that the authority has with other parties. Directly received grant receipts are shown in Note 27 and constituent authority contributions are shown in Note 10.

Members

Members of the authority have direct control over the authority's financial and operating policies. The total of members' allowances paid in 2021/22 is shown in Note 24.

All Members completed a declaration of interest with related parties return for the year 2021/22. Apart from allowances and expenses no other transactions were identified. Nothing was paid by the Authority, during 2021/22, under such arrangements (2020/21: nil), and no income was received by the Authority, during 2021/22 (2020/21: nil).

Senior Officers

The senior officers completed a declaration of interest with related parties return for the year 2021/22. Senior officers' remuneration is shown in Note 25.

An Assistant Chief Fire Officer declared an interest as a trustee with Dangerpoint. Payments of £5,700 have been made to Dangerpoint in 2021/22, as part of Welsh Government grant funding (2020/21: £1,580). In addition funding is provided for the cost of an administrator, which amounted to £26,701 (2020/21: £26,386). No income was received by the Authority during 2020/21 and 2021/22.

Other Public Bodies

Flintshire County Council provide the role of Monitoring Officer. Until his retirement this post was held by the Chief Executive but has now transferred to the Chief Officer (Governance)/Monitoring Officer.

Conwy County Borough Council provides financial services. This includes internal audit, transactional processing, and technical assistance including the management of the treasury function involving the brokering of market loans and investments. Conwy CBC also provides legal services to the Authority.

Carmarthenshire County Council provides a pension administration service for the Authority in relation to the Firefighters' Pension Scheme.

There are joint arrangements with North Wales Police and Crime Commissioner which include Facilities Management, a shared control room and partnership working on a number of projects

During the year transactions with related parties arose as shown below:

2020/21 Transactions £'000	2020/21 Outstanding Balance £'000		2021/22 Transactions £'000	2021/22 Outstanding Balance £'000
17	0	Flintshire CC – Monitoring Officer	17	0
138	69	Conwy CBC – Financial Services	140	70
10	0	Conwy CBC – Legal Services	12	12
53	0	Carmarthenshire CC – Superannuation Service	59	0
207	52	North Wales Police Crime Commissioner – Facilities Management	212	53
7	7	North Wales Police Crime Commissioner – Procurement	7	7

30 CAPITAL EXPENDITURE AND FINANCING

The capital expenditure incurred during the year and the impact upon the Capital Financing Requirement is detailed below:

2020/21 £'000		2021/22 £'000
31,746	Opening Capital Financing Requirement	29,389
	Capital Investment in Year	
0	Fixed Assets	1,176
	Sources of Finance	
0	Grants & Contributions	0
(253)	Prior Year Adjustment Relating to Ceased Project	0
(2,104)	Revenue and Other Provisions	(2,164)
29,389	Closing Capital Financing Requirement	28,401
2,357	Change in Capital Financing Requirement	988
	Explanation of change:	
2,357	(Increase)/decrease in underlying need to borrow	988

CAPITAL COMMITMENTS 2022/23 Onwards

The Authority is committed to capital expenditure in future periods arising from contracts entered into at the balance sheet date. Capital expenditure committed at the 31 March 2022 for future periods equates to £2,251k (2020/21: £2,190k). The commitments relate to the following:

Description	£'000
Equipment	92
Vehicles	2,159
Total	2,251

FINANCING OF CAPITAL SPEND

Capital expenditure in the year was financed as follows:

2020/21 £'000		2021/22 £'000
0	External Loans	1,013
0	Grant Funding	0
0	Capital Receipts	15
0	Revenue Contribution to Capital	148
0	Total	1,176

31 LEASES

Finance Leases

The Authority acquired the Wrexham Fire Station under a finance lease in 2016/17. The asset acquired under the lease is carried on the Balance Sheet under Property, Plant and Equipment with a net value of £4,485k.

The lease payment for the Wrexham Fire Station is a peppercorn rent, therefore there is no reconciliation between the total of future minimum lease payments and the present value.

Operating Leases

The authority has acquired vehicles and equipment by entering into operating leases with typical lives of four years.

In addition the authority leases three buildings with typical lease periods of five years.

The future minimum lease periods due under non cancellable leases in future years are:

2020/21 £'000		2021/22 £'000
294	Not later than 1 year	312
920	Later than 1 year and not later than 5 years	808
247	Later than 5 years	183
1,461	Total	1,303

32 TRANSACTIONS RELATING TO POST-EMPLOYMENT BENEFITS

Pensions

(i) Local Government Services and Control Staff

In 2021/22 the Authority paid employer's pension contribution of £920k (2020/21:£1,827k) representing 17% (2020/21: 17%) of employees' pensionable pay.

During 2020/2021 the authority made a £958k upfront pension contribution payment which relates to the following years 2020/21 £308k, 2021/22 £319k and 2022/23 £331k.

The upfront lump sum payment were paid into the Clwyd Pension Fund, which provides members with defined benefits related to pay and service.

The contribution rate is determined by the Fund's Actuary based on triennial actuarial valuations, the last review being at 31 March 2019. Following the review, the employer's contribution is 17.0% for 2021/22. Under current Pensions Regulations contribution rates are set to meet 100% of the overall liabilities of the Fund.

Further information on the Clwyd Pension Fund can be found in the Pension Funds Annual Report and Accounts which is available on request from the County Treasurer at Flintshire County Council, County Hall, Mold, CH7 6NA or on the website www.flintshire.gov.uk.

(ii) Firefighters

The Firefighters' Pension Scheme is an unfunded scheme with defined benefits.

In 2021/22 the Authority paid an employer's pension contribution of £3,192k (2020/21: £3,173k). Pensions payments relating to ill health paid from revenue amounted to £346k (2020/21: £364k).

The majority of pension payments to retired firefighters are paid from a separate Pension Fund account administered by the Authority. Note that the Firefighters' Pension Fund contribution rates can be found on page 63 and 64.

GMP equalisation and indexation

The Government has published a consultation on indexation and equalisation of Guaranteed Minimum Pensions (GMP), with the proposal being to extend the "interim solution" to those members who reach State Pension Age after 5 April 2021.

A past service cost was included within the 2019/20 disclosures for extending the equalisation to all future retirees. There was also a further court ruling on 20 November 2020 regarding GMP equalisation. The court ruled that scheme trustees are required to revisit past Cash Equivalent Transfer Values (CETVs) to ensure GMP equalisation. This may result in additional top-ups where GMP equalisation means that members did not receive their full entitlement. For public service pension schemes, the expectation is that this ruling will be taken forward on a cross scheme basis and will need legal input.

This may require revisiting past CETV cases for members with State Pension age after 5 April 2016 and who took a CETV from the scheme before CETV were equalised. The scope of any costs are yet to be determined. Data on historic CETVs is not available to estimate the potential impact. It is expected that this will be a relatively small uplift for a relatively small subset of members (i.e. those who took a CETV and are in scope for a top up).

International Accounting Standard No 19 – Retirement Benefits

In accordance with the requirements of International Accounting Standard No 19 - Retirement Benefits (IAS19) the Authority has to disclose certain information concerning assets, liabilities income and expenditure related to pension schemes for its employees. As explained in Note 32 the Authority participates in two schemes, the Firefighters' Pension Scheme for Firefighters which is unfunded, and the Local Government Pension Scheme (Clwyd Pension Fund) for other employees which is administered by Flintshire County Council. In addition, the Authority has made arrangements for the payment of added years to certain retired employees outside the provisions of the schemes.

To comply with IAS19 the Authority appoints actuaries on an annual basis to assess the assets and liabilities of both schemes.

COVID 19

The current population mortality projections make no specific allowance for the impact of Covid-19 or any other pandemics. The starting rates of mortality improvement are based on projections of past trends in UK mortality and the effects of past pandemics will already be reflected in these trends. In general, the effects of pandemics on mortality rates are usually expected to be short term, with rates going back to what they would have been before the pandemic after a year or two, unless the pandemic remains over several years. It is too early to determine whether Covid-19 changes the long-term view of life expectancy in the UK. It is therefore not unreasonable to retain the existing mortality assumptions. A death rate from Covid-19 in excess of that already allowed for in the mortality assumptions would emerge as an experience gain over the next year's accounts.

Goodwin

The Welsh Government have advised that there is no requirement to allow for this legal challenge within the 2021/22 disclosures. (Case refers to dependants benefits)

O'Brien

Welsh Government Ministers agreed to extend the pension entitlement to eligible retained firefighters to cover service pre-July 2000. This requires FRAs to undertake a second options exercise. At this stage the disclosures have not been adjusted to account for any changes as the outcomes are uncertain at this point.

McCloud and 2016 valuation cost control

Following the Court of Appeal, the McCloud judgment was handed down in December 2018 which concluded that the transitional protections introduced in 2015 were discriminatory on the basis of age. The UK Government subsequently announced plans to address the discrimination across the UK public sector pension schemes including the Firefighters' Pension Scheme. The cap mechanism for the 2016 valuation has since been un-paused and the calculations completed, with the outcome being no changes to benefits or contributions.

It also announced that the outstanding issues arising from the 2016 actuarial valuation will be addressed and that the McCloud costs would fall into the 'member cost' category of the cost control element of the valuations process. By taking into account the increased value as a result of the McCloud remedy the scheme cost control valuation outcomes will show greater costs than otherwise would have been expected.

The past service costs have been estimated to take into account the impact of the McCloud judgment and have been included since 2018/19 and updated to reflect the proposed remedy outlined by the UK Government following the consultation during 2020.

IAS 19 Pension Adjustment to the Net Cost of Service Income and Expenditure Statement

2020/21 £'000		2021/22 £'000
9,661	Current Service Costs	11,869
0	Past Service Costs	2,400
40	Administration Expenses	43
(5,791)	Employer's Contributions	(4,636)
(4,046)	Top Up Grant	(4,194)
0	Actuarial Adjustment/Curtailment	0
380	Transfer In	80
244	Adjustment to Net Cost of Service	5,562

Pension assets and liabilities recognised in the balance sheet arising from the Authority's obligation, in respect of its defined benefit plan are as follows:

31st March 2021 £'000		31st March 2022 £'000
318,750	Estimated Present value of the defined benefit obligation in the Fire Fighters Pension Fund	312,950
55,644	Estimated Present value of the defined benefit obligation in the Clwyd Pension Fund	56,519
374,394	Total Estimated share of liabilities	369,469
(37,071)	Estimated Share of assets in Clwyd Pension Fund	(41,971)
337,323	Net Pensions Deficit	327,498

Assets and Liabilities in Relation to Post-employment Benefits

Reconciliation of present value of the scheme liabilities (defined benefit obligation):

Liabilities	2020/21	2020/21	2021/22	2021/22
	£'000	£'000	£'000	£'000
	Clwyd	Firefighters	Clwyd	Firefighters
Balance as at 1 April	45,350	295,550	55,644	318,750
Current Service Cost	1,561	8,100	2,119	9,750
Transfer Values	0	380	0	80
Interest	1,082	6,650	1,159	6,400
Actuarial Loss/Gain	8,126	16,080	(1,490)	(16,520)
Benefits paid	(815)	(9,620)	(1,284)	(9,520)
Member contribution	340	1,610	371	1,610
Past Service Cost	0	0	0	2,400
Net Pension Liabilities at Year End	55,644	318,750	56,519	312,950

Transactions Relating to Retirement Benefits Recognised in the Accounts

	Funded		Unfunded	
	2020/21	2021/22	2020/21	2021/22
	£'000	£'000	£'000	£'000
Comprehensive Income & Expenditure Statement				
Net Cost of Service				
Current Service Cost	1,561	2,119	8,100	9,750
Past Service Costs	0	0	0	2,400
Administration Expenses	40	43	0	0
Financing & Investment Income & Expenditure				
Net Interest Expense	364	380	6,650	6,400
Transfers out of scheme	0	0	0	0
Transfers in to scheme	0	0	380	80
Total Defined Benefit Charged to Provision of Service	1,965	2,542	15,130	18,630
Other Post Employment Benefits Charged to the Comprehensive Income & Expenditure Statement				
Remeasurement of the net defined benefit/liability comprising:				
*Return on Plan Assets (excluding Interest) (A)	(6,259)	(4,157)	0	0
*Actuarial (Gains)/Losses arising on Changes in Demographic Assumptions (B)	0	0	0	0
*Actuarial (Gains)/Losses arising on Changes in Financial Assumptions (C)	8,914	(1,177)	30,810	(3,780)
*Other (D)	(788)	(313)	(14,730)	(12,740)
Total Pension Costs Charged to the Comprehensive Income & Expenditure Statement	1,867	(5,647)	16,080	(16,520)
Movement in Reserves Statement				
Reversal of net charges made to the surplus or deficit on the Provision of Services for Post Employment Benefits in accordance with the Code	(1,965)	(2,542)	(15,130)	(18,630)
Actual Amounts charged to the General Fund for pensions in the year				
Total Employer Contributions	1,827	920	3,964	3,716
Fire Fighters Pensions Top Up Grant	0	0	4,046	4,194

* A + B + C + D = Re-measurement of the Net Defined Benefit Liability/(Asset) as quoted in the Comprehensive Income and Expenditure Statement:
2021/22: £22,167k; 2020/21: (£17,947k)

The expected return on scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the Balance Sheet date. A reconciliation of the fair value of the scheme assets only relates to the Clwyd Pension Fund:

2020/21 £'000		2021/22 £'000
(28,782)	Balance 1 April	(37,071)
(718)	Interest on Plan Assets	(779)
(6,259)	Remeasurements (Assets)	(4,157)
40	Administration Expenses	43
(1,827)	Employer Contributions	(920)
(340)	Member Contributions	(371)
815	Benefits Paid	1,284
(37,071)	Net Pension Assets at Year End	(41,971)

The Local Government Scheme is a funded scheme and as such has built up assets over the years to generate income to meet future liabilities. Assets in the Clwyd Pension Fund consist of:

Asset Category	Quoted Prices in Active Markets	31-Mar-21	31-Mar-21	31-Mar-22	31-Mar-22
		£'000	%	£'000	%
Equity Securities					
Global Quoted	Y	3,928	11%	4,490	11%
Emerging Markets	Y	3,930	11%	3,777	9%
Bonds					
Overseas Other	Y	4,263	11%	4,197	10%
LDI	Y	9,045	24%	10,703	25%
Property					
UK	Y	1,854	5%	2,099	5%
Overseas	Y	371	1%	420	1%
Alternatives					
Hedge Funds/Private Equity/ Commodities/GTAA	Y	13,050	35%	14,942	36%
Cash & Cash Equivalents					
All	Y	630	2%	1,343	3%
Totals		37,071	100%	41,971	100%

Sensitivity Analysis

If the assumptions were changed the effect on the data would be as per the following table.

	LGPS % Change	LGPS Impact £ Million	Firefighters % Change	Firefighters Impact £ Million
Rate of Discounting	0.1	13.5	0.5	-29.0
Rate of Increase in Salaries	0.1	14.7	0.5	5.0
Rate of Increase in Inflation	0.1	15.7	0.5	25.0
Life Expectancy + 1 Year	1.0	16.1	1.0	10.0

Basis for Estimating Assets and Liabilities

Liabilities have been valued on an actuarial basis using the projected unit method which assesses the future liabilities of the fund discounted to their present value. The Firefighters' Scheme has been valued by the Government Actuary's Department and the Clwyd Pension Fund liabilities have been valued by Mercer, an independent firm of actuaries. The main assumptions used in the calculations are:

	Firefighters' Scheme		Clwyd Pension Fund	
	2021 %	2022 %	2021 %	2022 %
Rate of Inflation	2.40	3.00	2.70	3.30
Rate of Increase in Salaries	4.15	4.75	3.95	4.55
Rate of Increase in Pensions	2.40	3.00	2.80	3.40
Rate of Discounting Scheme Liabilities	2.00	2.65	2.10	2.80

Life Expectancy	Estimated as at 31 March 2022			
	Males	Females	Males	Females
Life Expectancy at 65				
Current Pensioners	21.5	21.5	22.5	24.9
Future Pensioners	23.2	23.2	24.0	26.9

The Firefighters' Pension Scheme is an unfunded scheme and as such holds no assets to generate income to meet the scheme's liabilities. Funding for the payments made from the scheme is met from employers and employees contributions in the year and an annual grant from the Welsh Government.

33 NATURE AND EXTENT OF RISKS ARISING FROM FINANCIAL INSTRUMENTS

Credit Risk

This is the possibility that other parties might fail to pay amounts due to the Authority.

The authority's strategy is to reduce debt with any surplus funds, therefore the investments at the year end were nil. Any surplus funds would be within the current bank accounts.

Liquidity Risk

This is the possibility that the Authority might not have funds available to meet its commitments, to make payments.

The Authority has ready access to borrowings from the Public Works Loan Board. There is no significant risk that it will be unable to raise finance to meet its commitments, under financial instruments. Instead, the risk is that the Authority will be bound to replenish a significant proportion of its borrowings at a time of unfavourable interest rates.

Market Risk

This is the possibility that financial loss might arise for the Authority as a result of changes in such measures as interest rates and stock market movements.

An assessment of the financial effect of a 1% increase in interest rates has been undertaken. Interest on variable rate and temporary borrowing would have increased by £45k.

The Authority has adopted the CIPFA Code of Practice on Treasury Management which ensures the Authority has measures in place to manage the above risks.

At the beginning of the financial year Members are presented with a report outlining the Treasury Management Strategy and setting out the Prudential Indicators (PI's) for the year. Half way through the year a report details progress against the strategy and if necessary a revision of the PI's.

At year end the final report sets out how the Authority has performed during the year. How the Authority manages risks arising from financial instruments is detailed in the treasury reports presented to Members and can be accessed from North Wales Fire and Rescue Service website - www.northwalesfire.gov.wales

34 CONTINGENT LIABILITY

There are legal claims currently being dealt with by the Authority where there is less than 50% likelihood of settlement. The Authority has a sum of £0.23m reserved for insurance in relation to current emerging claims not currently recognised. The value of known legal cases are £0.034m.

Following a lengthy legal process, the judgment in the case of O'Brien vs Ministry of Justice was issued during 2019. This found that the decision to limit the period from which a part-time employee could join the pension scheme was erroneous and eligible employees should be permitted to join the relevant scheme with effect from the start of their contracts.

This judgment will have implications for the Firefighters' Modified Pension Scheme which previously restricted past service to 1 July 2000. The result is that the government proposes to run a second options exercise although precisely when it will open is not yet known. The FPS can only be amended by legislation, the timing of which will depend on a consultation exercise and parliamentary timetable. It is not yet possible to determine the financial impact of the second options exercise.

35 CONTINGENT ASSET

In July 2016 the European Commission fined European truck manufacturers 2.926 billion euros for price fixing and other cartel activities between 1991 and 2001. DAF, Daimler, Iveco, MAN, and Volvo/ Renault acknowledged their guilt (Scania is still being investigated) and confirmed they did the following:

- At Senior HQ management level, fixed gross and sometimes net list prices.
- Aligned gross list prices in Europe including the UK at the start of the cartel.
- Reduced rebates when the Euro was introduced.
- Delayed introduction of more fuel efficient Euro 3, 4, 5 and 6 technologies.
- Agreed the cost that operators should pay for Euro technologies.

This involves any trucks of 6 tonnes and over, purchased outright, financed or leased between 1997 and 2011. A legal action is now ongoing to recoup some of the money lost due to this cartel price fixing. No specific value or percentage has been discussed as yet and the legal action may take several years to complete.

Under the Litigation Funding Agreement, only the VAT is payable by the Authority for the legal costs.

Current payments under the Litigation Funding Agreement (VAT payable only) for 2021/22 totalled £1,257 (2020/2021: £1,509).

36 ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT NOT YET ADOPTED

At the balance sheet date the following new standards and amendments to existing standards have been published but not yet adopted by the Code of Practice of Local Authority Accounting in the United Kingdom:

- * IFRS 16 Leases (but only for those local authorities that have decided to adopt IFRS 16 in the 2022/23 year).
- * Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)

Annual Improvements to IFRS Standards 2018–2020. The annual IFRS improvement programme notes 4 changed standards:

- * IFRS 1 (First-time adoption) – amendment relates to foreign operations of acquired subsidiaries transitioning to IFRS
- * IAS 37 (Onerous contracts) – clarifies the intention of the standard
- * IFRS 16 (Leases) – amendment removes a misleading example that is not referenced in the Code material
- * IAS 41 (Agriculture) – one of a small number of IFRSs that are only expected to apply to local authorities in limited circumstances.

None of the matters covered in the annual improvements are dealt with in detail in the 2022/23 Code. During the consultation process on the 2022/23 Code CIPFA/LASAAC did not envisage them having a significant effect on local authority financial statements.

The implementation of IFRS 16 has been deferred for another year. Therefore it is anticipated that it will be implemented on the 1st April 2023 and will impact the accounts as from 2023/2024 onwards.

FIREFIGHTERS' PENSION FUND ACCOUNT

This shows the financial position of the Firefighters' Pension Fund Account, indicating whether the Authority owes, or is owed money by the Welsh Government in order to balance the account, together with details of its net assets.

2020/21 £'000		2021/22 £'000
	INCOME	
	Contributions Receivable:	
(3,173)	Employer normal contributions	(3,192)
(152)	Employer ill health charge	(131)
(1,494)	Members normal contributions	(1,509)
(126)	Members backdated contributions	(132)
0	Employer backdated contributions	(186)
(379)	Transfers In	(76)
(5,324)	TOTAL	(5,226)
	EXPENDITURE	
	Benefits Payable:	
7,698	Pension Payments	7,983
1,594	Commutation of Pensions and Lump Sum benefits	719
76	Backdated Commutation Payments	7
	Payments to and on behalf of leavers:	
2	Transfers out	711
9,370	TOTAL	9,420
	NET AMOUNT (PAYABLE)/RECEIVABLE BEFORE TOP UP GRANT	
(4,046)	Top Up grant receivable from WG	(4,194)
0	NET AMOUNT (PAYABLE)/RECEIVABLE FOR YEAR	0

2020/21 £'000		2021/22 £'000
	Net Current Assets and Liabilities:	
(647)	Prepayment to Pensioners	(669)
(1,023)	Top Up payable (from)/to WG	(1,908)
1,670	Amount owed (from)/to the General Fund	2,577
0	Net Assets at year end	0

Notes to the Firefighters' Pension Fund Account

The Fund was established 1 April 2007 and covers the 1992, 2007 and 2015 Firefighters' Pension Schemes and is administered by the Authority.

Employee and employer contributions are paid into the Fund, from which payments to pensioners are made. Employee's and employer's contribution levels are based on percentages of pensionable pay set nationally by the Welsh Government and subject to triennial revaluation by the Government Actuary's Department (GAD). The scheme is an unfunded scheme with no investment assets and any difference between benefits payable and contributions receivable is met by Top Up Grant from the Welsh Government.

Transfers in to the scheme are a transfer of pension benefits from another pension scheme, for new or existing employees and transfers out are transfer of benefits for employees who have left the Authority and joined another pension scheme.

The Authority is responsible for paying the employer's contributions into the fund. These are the costs that are included in the accounts for the Authority.

Carmarthenshire County Council, acting on behalf of the Dyfed Pension Fund, manage the payments made to firefighter pensioners on behalf of the Authority. They are also responsible for managing the records of current pensioners and active members of the scheme.

In 2021/22 the estimate for the Top Up Grant due was £3,320k and the actual was £4,194k. At the year end the WG owed £1,908k to the Authority.

Contribution Rates

Under the Firefighters' Pension Regulations the employer's contribution rate for the 2015 scheme was 27.3% (27.3% - 2020/2021) of pensionable pay with employee's rate as per the pensionable pay banding detailed below:

Pensionable Pay Band	2021/22 Contribution Rate %
Up to £27,818	11.0
£27,819 to £51,515	12.9
£51,516 to £142,500	13.5
More than £142,501	14.5

Under the Firefighters' Pension Regulations the employer's contribution rate for the 2007 scheme was 26.6% (26.6% - 2020/2021) of pensionable pay with employee's rates as per the pensionable pay banding detailed.

Pensionable Pay Band	2021/22 Contribution Rate %
Up to and including £15,609	8.5
More than £15,609 and up to and including £21,852	9.4
More than £21,852 and up to and including £31,218	10.4
More than £31,218 and up to and including £41,624	10.9
More than £41,624 and up to and including £52,030	11.2
More than £52,030 and up to and including £62,436	11.3
More than £62,436 and up to and including £104,060	11.7
More than £104,060 and up to and including £124,872	12.1
More than £124,872	12.5

For the 1992 scheme the employer's contribution rate was 29.3% (29.3% - 2020/2021) of pensionable pay with employee's rate as per the pensionable pay bandings detailed below:

Pensionable Pay Band	2021/22 Contribution Rate %
Up to and including £15,609	11.0
More than £15,609 and up to and including £21,852	12.2
More than £21,852 and up to and including £31,218	14.2
More than £31,218 and up to and including £41,624	14.7
More than £41,624 and up to and including £52,030	15.2
More than £52,030 and up to and including £62,436	15.5
More than £62,436 and up to and including £104,060	16.0
More than £104,060 and up to and including £124,872	16.5
More than £124,872	17.0

The Firefighters' Pension Fund Account does not take account of liabilities for pensions and other benefits after the period end as this is the responsibility of the Authority. Details of the long term pension obligations can be found in Note 32 to the core financial statements.

ACCOUNTING POLICIES

1. BASIS OF PREPARATION

The Statement of Accounts summarises the Authority's transactions for the 2021/22 financial year and its position at the year-end of 31 March 2022. The Authority is required to prepare an annual Statement of Accounts by the Accounts and Audit (Wales) Regulations 2014, which require the accounts to be prepared in accordance with proper accounting practices. These practices, under section 12 of the Local Government Act 2003, primarily comprise of the Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 (the Code) supported by International Financial Reporting Standards (IFRS).

The accounting convention adopted in the Statement of Accounts is principally historical cost, modified by the revaluation of certain categories of non-current assets and financial instruments.

2. INCOME AND EXPENDITURE

In the revenue accounts, income and expenditure are accounted for, net of VAT (unless the VAT is irrecoverable), in the year in which they arise, not simply when cash payments are made or received.

- Fees, charges and rents due from customers are accounted for as income at the date the Authority provides the relevant goods or services.
- Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and consumption they are carried as stocks on the Balance Sheet.
- Interest payable on borrowings and receivable on investments is accounted for on the basis of the effective interest rate for the relevant financial instrument rather than the cash flows fixed or determined by the contract.
- Where income and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. A de-minimus limit of £100 is set for these transactions. Where it is doubtful that debts will be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

3. CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in no more than three months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Cash Flow Statement, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Authority's cash management.

4. EMPLOYEE BENEFITS

Benefits payable during employment

Salaries and employment-related payments are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Termination Benefits

Termination benefits are amounts payable as a result of a decision by the Authority to terminate an officer's employment before the normal retirement date or an officer's decision to accept voluntary redundancy and are charged on an accruals basis to the Comprehensive Income and Expenditure Statement at the earlier of when the authority can no longer withdraw the offer of those benefits or when the authority recognises costs for a restructuring.

5. POST EMPLOYMENT BENEFITS

The Authority participates in distinct pension schemes for Fire fighter and corporate members of staff. The schemes are as follows:

Firefighters' Pension Scheme (FPS)

The Firefighters' pension scheme is an unfunded defined benefit scheme, meaning that there are no investment assets built up to meet the pension liabilities and cash has to be generated to meet the actual pension payments as they fall due. Employee and employer contributions are based on a percentage of pensionable pay set nationally by the Welsh Government and this is subject to triennial revaluation by the Government Actuary's Department (GAD).

The pension fund is treated as a separate income and expenditure statement in the Statement of Accounts and is ring fenced to ensure accounting clarity, please see Note 32 and the Firefighters' Pension Fund Account for more detail. It is through the pension fund that the Authority discharges its responsibility for paying the pensions of retired officers, their survivors and others who are eligible for benefits under the scheme.

The estimated long term liability to the Fire and Rescue Authority to meet these costs is disclosed by a note to the accounts as required by IAS 19.

Local Government Pension Scheme (LGPS)

Support and control room staff are part of the Clwyd Pension Fund (the 'fund'). This is a funded scheme with pensions paid from the underlying investment funds administered by Flintshire County Council.

The Local Government Pension Scheme is accounted for as a defined benefits scheme.

Actuaries determine the employer's contribution rate. Further costs, which arise in respect of certain pensions paid to retired employees, are paid on an unfunded basis.

Discretionary Benefits:

The Authority also has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

6. EVENTS AFTER THE REPORTING PERIOD

Events after the reporting period are those events, both favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified.

- those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period), and
- those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

7. EXCEPTIONAL ITEMS

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Comprehensive Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of the Authority's financial performance.

8. PRIOR PERIOD ADJUSTMENTS, CHANGES IN ACCOUNTING POLICIES AND ESTIMATES AND ERRORS

Prior period adjustments may arise as a result of a change in accounting policies or to correct a material error. Changes in accounting estimates are accounted for prospectively, i.e. in the current and future years affected by the change and do not give rise to a prior period adjustment.

Changes in accounting policies are only made when required by proper accounting practices or the change provides more reliable or relevant information about the effect of transactions, other events and conditions on the Authority's financial position or financial performance. Where a change is made, it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always been applied. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

9. FINANCIAL INSTRUMENTS

A Financial Instrument is defined as 'any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another'. Financial liabilities (loans) and financial assets (investments) are initially measured at fair value and carried at their amortised cost. The annual interest paid and received in the Income and Expenditure account is based on the carrying amount of the loan or investment multiplied by the effective rate of interest for the instrument. For all of the loans and investments the Authority has, the amounts presented in the Balance Sheet are the principal outstanding plus any accrued interest for the year.

The authority recognises expected credit losses on all of its financial assets held at amortised cost.

10. INVESTMENTS

Investments are shown in the Balance Sheet at their cost to the Authority and are itemised in a separate note.

11. FOREIGN CURRENCY TRANSACTIONS

The majority of transactions of the Authority are in sterling. Where the Authority has entered into a transaction denominated in a foreign currency, the transaction is converted into sterling at the exchange rate applicable on the date the transaction was effective. Where equipment has been purchased from abroad it has been necessary to pay for the goods in the currency of the country the transaction took place.

12. ACCOUNTING FOR GOVERNMENT GRANTS

Whether paid on account, by instalments, or in arrears, government grants and third party contributions and donations are recognised as due to the Authority when there is reasonable assurance that:

- the Authority will comply with the conditions attached to the payments, and
- the grants or contributions will be received.

Amounts recognised as due, are not credited to the Comprehensive Income & Expenditure Statement until conditions attached to the grant or contribution have been satisfied.

Monies advanced as grants and contributions for which conditions have not been satisfied are carried in the Balance Sheet as creditors. When the conditions are satisfied, the grant or contribution is credited to the relevant service line (attributable revenue grants and contributions) or Taxation & Non-specific Grant Income (non-ring fenced revenue grants and all capital grants) in the Comprehensive Income & Expenditure Statement.

Where capital grants are credited to the Comprehensive Income & Expenditure Statement, they are reversed out of the General Fund Balance in the Movement in Reserves Statement. Where the grant

has yet to be used to finance capital expenditure, it is posted to the Capital Grants Unapplied Reserve. Where it has been applied, it is posted to the Capital Adjustment Account. Amounts in the Capital Grants Unapplied Reserve are transferred to the Capital Adjustment Account once they have been applied to fund capital expenditure

13. LEASES

Finance leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Authority, the asset is recorded as Property, Plant and Equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability. The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expires. The annual rental is split between the repayment of the liability and a finance cost. The annual finance cost is calculated by applying the implicit interest rate to the outstanding liability and is charged to Finance Costs in the Statement of Comprehensive Income.

Operating Leases

Where assets are available for use under leasing arrangements, the rentals payable are charged to the appropriate service account on a straight-line basis irrespective of the payment arrangements. Since the Authority does not own these assets, the cost does not appear in the Balance Sheet. The liability to pay future rental charges is similarly excluded, but a separate note is annexed to the Balance Sheet.

14. PROPERTY PLANT AND EQUIPMENT

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant & Equipment.

Recognition

Expenditure on the acquisition, creation or enhancement of Property, Plant & Equipment is capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the Authority and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e. repairs and maintenance) is charged as an expense when it is incurred.

A de-minimus expenditure level of £5,000 has been set for Property, Plant & Equipment, below which expenditure will not be subject to capital accounting requirements. Where an asset is

revalued below £5,000, any associated expenditure and depreciation will normally be written out and the asset removed from the Fixed Asset Register.

Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management
- an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located

Assets are carried in the Balance Sheet using the following measurement bases:

- Land & Buildings – fair value
- Assets under construction - historical cost
- All other assets - current value, determined as the amount that would be paid for the asset in its existing use (existing use value - EUV).

Depreciation

Depreciation is provided for all property, plant and equipment assets, by systematic allocation of their depreciable amounts over their useful lives.

Useful Economic Life of Assets

Land	Infinite (no depreciation)
Buildings	20-75 years
Buildings (leased)	Term of lease
Vehicles, Plant and Equipment	3-20 years
Intangible Assets	5-15 years

Depreciation is provided on a straight-line basis, with acquisitions being depreciated in the year following purchase. A full year's depreciation is charged in the year of disposal.

Buildings are depreciated using the Beacon Approach. An estimate is made of the components of the building and the useful life of each component. The weighted average method is then used to determine the depreciation charge. The percentages used are:

Buildings – fire stations	2.00% - 2.22%
Buildings – offices	2.23%

Depreciation is charged within the income and expenditure account. This amount is credited to the General Fund Balance and has a neutral impact on the contributions made by the constituent authorities.

The Authority is required to make an annual contribution from revenue towards the reduction in its overall borrowing requirement. Depreciation, revaluation and impairment losses and amortisation are therefore replaced by the contribution from General Fund Balances (MRP) by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement for the difference between the two.

Impairments

Assets are carried at no more than their recoverable amount, and impairment is measured by comparing the carrying value with the higher of fair value less costs to sell (equivalent to net selling price) and value in use. Impairment is assessed annually, and the indicators to reverse an impairment are the same for tangible and intangible assets. All impairment losses on re-valued assets are recognised in the Revaluation Reserve up to the amount in the Revaluation Reserve for each individual asset.

Disposals

When an asset is disposed of or decommissioned, the carrying amount of the asset in the Balance Sheet (whether property, plant and equipment or assets held for sale) is written off to the Other Operating Expenditure line in the Comprehensive Income and Expenditure Statement as part of the gain or loss on disposal.

Revaluation

When an asset is re-valued, an entry has been made between the Revaluation Reserve and the Capital Adjustment Account which represents the difference between depreciation based on historic cost and the re-valued amount.

When a revaluation loss occurs that is due to a clear consumption of economic benefit, where applicable the loss is charged to the previous revaluation surplus on that asset, to the extent of the surplus, with the balance of the loss being charged to the Comprehensive Income and Expenditure Account.

15. INTANGIBLE ASSETS

Internally generated intangible assets are capitalised where the recognition criteria are met. The criteria are as follows:

- it must be possible to separate the asset from the entity, the entity must control the asset,
- there must be future economic benefit from the asset,
- it must be probable that the economic benefits will flow to the entity, and
- the cost of the asset can be measured reliably.

The intangible asset will be initially measured at cost, all revaluations are charged initially to the revaluation reserve, and there is no maximum useful life for the asset.

16. CAPITAL RECEIPTS

The proceeds from disposed of assets are held as Usable Capital Receipts in the Usable Capital Receipts reserve until used to finance capital expenditure. All receipts from the sale of assets above £10,000 are treated as capital receipts. The exception to this rule is when the receipt relates to specific vehicles for which the proceeds have been factored in to the repayment schedule, these amounts could be less than £10,000.

17. MINIMUM REVENUE PROVISION (MRP) POLICY

Regulations require that the Fire and Rescue Authority approve an MRP statement in advance of each year. For Land and Buildings the MRP policy is to repay expenditure incurred using the Asset Life Method-straight line. For Vehicles, Plant, Equipment and Infrastructure the MRP will be based on the estimated life of the assets.

18. INVENTORIES

Due to technical limitations with the stock recording systems, stock is valued on a last price paid basis.

19. RESERVES and PROVISIONS

Provisions are made where an event has taken place that gives the Authority an obligation that probably requires settlement by a transfer of economic benefits, but where the timing of the transfer is uncertain.

Provisions are charged to the appropriate service revenue account in the year that the Authority becomes aware of the obligation, based on the best estimate of the likely settlement. When payments are eventually made, they are charged to the provision set up in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year - where it becomes more likely than not that a transfer of economic benefits will not now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service revenue account.

The Authority maintains reserves to meet future expenditure. These are disclosed within the balance sheet and their purposes are explained in the notes to the balance sheet.

20. CONTINGENT LIABILITIES

A contingent liability arises where an event has taken place that gives the Authority a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain

future events not wholly within the control of the Authority. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but disclosed in a note to the accounts.

21. CONTINGENT ASSETS

A contingent asset arises where an event has taken place that gives the Authority a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the Authority. Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

Audit of Accounts Report – North Wales Fire and Rescue Authority

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

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

Contents

We intend to issue an unqualified audit report on your Accounts. There are some issues to report to you prior to their approval.

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Audit of Accounts Report

Introduction

- 1 We summarise the main findings from our audit of your 2021-22 accounts in this report.
- 2 We have already discussed these issues with Section 151 officer, Assistant Chief Fire Officer (Finance and Resources) and her team.
- 3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.
- 4 We set this level at £964,000 for this year's audit of the main financial statements and at £188,000 for the Fire Fighters Pension Fund.
- 5 There are some areas of the accounts that may be of more importance to the reader and we have set a lower materiality level for these, as follows:
 - Related Party Disclosures £10,000
 - Senior officer remuneration £1,000
- 6 We have now substantially completed this year's audit.
- 7 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Impact of COVID-19 on this year's audit

- 8 The COVID-19 pandemic has had a continuing impact on how our audit has been conducted. We summarise in **Exhibit 1** the main impacts. Other than where we specifically make recommendations, the detail in **Exhibit 1** is provided for information purposes only to help you understand the impact of the COVID-19 pandemic on this year's audit process.

Exhibit 1 – impact of COVID-19 on this year’s audit

Timetable	<ul style="list-style-type: none">• We received the draft accounts on 31 May 2022 which was in accordance with the agreed timetable.• We expect your audit report to be signed by late October 2022.
Audit evidence	<p>We have built on our experience of completing the audit remotely in previous years and our ability to obtain audit evidence has not been significantly impacted this year – for example:</p> <ul style="list-style-type: none">• holding weekly Microsoft teams meetings with officers throughout the audit to discuss progress and emerging issues;• using a secure remote file transfer portal to safely share information; and• arranging remote access to financial systems.

Proposed audit opinion

- 9 We intend to issue an **unqualified audit opinion** on this year’s accounts once you have provided us with a Letter of Representation based on that set out in **Appendix 1**.
- 10 We issue a ‘qualified’ audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.
The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards.
- 11 Our proposed audit report is set out in **Appendix 2**.

Significant issues arising from the audit

Uncorrected misstatements

- 12 **Exhibit 2** sets out the misstatements we identified in the accounts, which have been discussed with management but remain uncorrected. We request that these are corrected. If you decide not to correct these misstatements, we ask that you provide us with the reasons in writing for not correcting them.

Exhibit 2 – uncorrected misstatements

Pension Deficit single lump sum payment	<p>As reported in prior years, the Authority made a single lump sum pensions deficit payment of £958,490 to the Clwyd Pension Fund covering the three financial years from 2020-21 to 2022-23 of which two years have been debited to the Comprehensive Income and Expenditure Account. The remaining year's charge has been included as a short-term prepayment totalling £331,062 in Note 15 'Debtors'.</p> <p>The pre-payment has also been taken into account in the IAS 19 Retirement Benefits actuarial valuation and included in the pension fund assets valuation in Note 32 'Transaction Relating to Post-Employment Benefits'. Consequently, the treatment as a prepayment gives rise to double counting of the asset in the Authority's financial statements.</p> <p>The statutory requirements for the local government pension scheme are set out in the Local Government Pension Scheme Regulations 2013 (the 2013 Regulations). Accounting requirements are specified in the Local Authorities (Capital Finance and Accounting) (Wales) Regulations 2003 (the 2003 Regulations). Regulation 24 of the 2003 Regulations requires the Authority to charge to a revenue account the amount equal to the payments made in the year. The full amount of payment should have been debited to the General Fund in 2020-21 via the Movement in Reserves Statement with a corresponding credit to the pension reserve.</p>
Assets omitted from valuations	<p>Our review of valuations completed by the Authority's external valuers has identified that a number of training towers present at Fire Stations have been incorrectly omitted from the valuations. This has resulted in the following misstatements:</p> <ul style="list-style-type: none">• Property, Plant & Equipment – Land and Buildings: understated by £586,000• Revaluation reserve: understated by £586,000

Corrected misstatements

- 13 There were initially misstatements in the accounts that have now been corrected by management. However, we believe that these should be drawn to your attention and they are set out with explanations in **Appendix 3**.

Other significant issues arising from the audit

- 14 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. There are two issues arising that we are reporting to you:

Asset valuations

- 15 The CIPFA Code of Practice on Local Authority Accounting allows audited bodies to adopt a valuation programme that values their assets over a 'short' period of time. A 'short period' is interpreted to mean that assets are normally revalued once every five years for each class of assets, provided that the carrying amount does not differ materially from the valuation at the reporting date.
- 16 There have been changes in market conditions over the past year, namely increases in building costs and rental values, which have impacted on the valuation of assets held, leading to audited bodies considering whether the carrying value of assets not revalued at 31 March 2022 remain materially correct.
- 17 The Authority completed their asset valuation review to a good standard and valuations were updated accordingly. This resulted in an overall increase in asset values of £5,436,000. Further details of the amendments to the financial statements are included in Appendix 3.
- 18 However, the Authority encountered difficulties with processing the associated complex changes through their accounting records and financial statements, which resulted in our work taking longer than originally planned. We will consider the cost implications of this additional work and will discuss any proposed impact on the audit fee with the Assistant Chief Fire Officer (Finance and Resources).
- 19 The Authority should look to strengthen the quality assurance arrangements of the information provided to and from the valuer when the next valuation exercise of its land and buildings is undertaken.

Quality of accounts

- 20 Whilst we recognise that the Authority has made progress in improving the quality of its financial statements, we still identified a large number of errors and inconsistencies in the financial statements. As part of bringing the provision of financial services and systems back in-house during 2022-23, the Authority should

further develop its quality assurance arrangements for reviewing the financial statements prior to them being submitted for audit to reduce the number of errors and inconsistencies.

Recommendations

- 21 Following the audit certification by the Auditor General, we will continue to work with the Authority's finance team to further improve the accounts production process for 2022-23.

Appendix 1

Final Letter of Representation

The Fire and Rescue Authority's letterhead

Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ

17 October 2022

Representations regarding the 2021-22 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of North Wales Fire & Rescue Authority for the year ended 31 March 2022 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22; in particular the financial statements give a true and fair view in accordance therewith;
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;

- additional information that you have requested from us for the purpose of the audit; and
- unrestricted access to staff from whom you determined it necessary to obtain audit evidence;
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- our knowledge of fraud or suspected fraud that we are aware of and that affects North Wales Fire and Rescue Authority and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements;
- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements;
- the identity of all related parties and all the related party relationships and transactions of which we are aware;

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. A summary of these items is set out below:

- Incorrect treatment of the pension deficit single lump sum payment; and
- Land and Building asset values understated due to training towers being incorrectly omitted from valuations.

It has been decided not to adjust for the pension deficit lump sum as it is not material to the financial statements and the amendment would have a significant effect across a number of entries within the accounts. The Authority also recognises the omissions of the valuer in respect of the training towers and does not wish to amend on the basis that it is not material to the financial statements and work will be undertaken with the valuer to ensure that these are fully included in future year.

Representations by North Wales Fire and Rescue Authority

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Fire and Rescue Authority on 17 October 2022.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:

Dafydd Edwards
Treasurer

Signed by:

Councillor Dylan Rees
Chair of the Authority

Date: 17 October 2022

Date: 17 October 2022

Appendix 2

Proposed Audit Report

The independent auditor's report of the Auditor General for Wales to the members of North Wales Fire and Rescue Authority

Opinion on financial statements

I have audited the financial statements of:

- North Wales Fire and Rescue Authority
- North Wales Fire and Rescue Authority's Firefighters Pension Fund

for the year ended 31 March 2022 under the Public Audit (Wales) Act 2004.

North Wales Fire and Rescue Authority's financial statements comprise the Expenditure and Funding Analysis, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Movement in Reserves Statement, the Cash Flow Statement and the related notes, including a summary of significant accounting policies.

The Firefighters Pension Fund Accounts comprise the Fund Account and Net Assets Statement and related notes.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.

In my opinion the financial statements:

- give a true and fair view of the financial position of North Wales Fire and Rescue Authority and the North Wales Fire and Rescue Authority's Firefighters Pension Fund as at 31 March 2022 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and UK adopted international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.

Basis of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of North Wales Fire and Rescue Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighters Pension Fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the Statement of Accounts other than the financial statements and my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Report on other requirements

Opinion on other matters

In my opinion, based on the work undertaken in the course of my audit:

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2021-22.
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

Matters on which I report by exception

In the light of the knowledge and understanding of North Wales Fire and Rescue Authority and the North Wales Fire and Rescue Authority's Firefighters Pension Fund and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Responsibilities

Responsibilities of the responsible financial officer for the financial statements

As explained more fully in the Statement of Responsibilities for the Statement of Accounts, the responsible financial officer is responsible for the preparation of the statement of accounts, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the statement of accounts, the responsible financial officer is responsible for assessing the North Wales Fire and Rescue Authority and the North Wales Fire and Rescue Authority's Firefighters Pension Fund's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the North Wales Fire and Rescue Authority's Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighters Pension Fund's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud by posting of unusual journals;
- Obtaining an understanding of the legal and regulatory frameworks North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighters Pension Fund operate in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighter's Pension Fund.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Fire and Rescue Authority about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighter's Pension Fund's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Certificate of completion of audit

I certify that I have completed the audit of the accounts of North Wales Fire and Rescue Authority and North Wales Fire and Rescue Authority's Firefighters Pension Fund in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

Adrian Crompton
Auditor General for Wales

October 2022

24 Cathedral Road
Cardiff
CF11 9LJ

Appendix 3

Summary of Corrections Made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Exhibit 3: summary of corrections made

Value of correction	Nature of correction	Reason for correction
Land and buildings valuation increased by £5,436,000	<p>Asset valuations</p> <p>The Authority undertook a review of their asset valuations at year end in light of increased market costs, to ensure asset values remain materially correct. The review resulted in the following amendments:</p> <ul style="list-style-type: none">• Property, plant and equipment – Land and buildings gross book value - revaluation increase: increase by £4,255,000;• Property, plant and equipment – Land and buildings accumulated depreciation – written out on revaluation: increase by £1,181,000;• Property, plant and equipment – Land and buildings accumulated depreciation – depreciation for the year: reduce by £31,000;• Comprehensive income and expenditure account – Cost of services – capital financing costs: decrease by £2,235,000;• Comprehensive income and expenditure account – (Surplus) on revaluation of	To update asset valuations at year-end to ensure they are not materially misstated

	<p>property, plant and equipment: increase by £3,232,000;</p> <ul style="list-style-type: none"> • Movement in reserves statement – adjustment between accounting basis and funding basis: decrease by £2,204,000; • Revaluation reserve – upward revaluation of assets: increase by £3,232,000; and • Capital adjustment account – adjustment relating to the revaluation of assets: increase by £2,204,000. 	
£Nil impact on the overall financial position	<p>Note 25 Officers’ Remuneration – Senior officers’ emoluments – pension contributions 2021-22:</p> <ul style="list-style-type: none"> • Chief Fire Officer (commenced July 2021): decreased from £23,320 to £17,300; • Assistant Chief Fire Officer (commenced January 2021, previously ACO): decreased from £22,785 to £16,903; and • Assistant Chief Officer: decreased from £13,483 to £12,228. 	To remove the incorrect inclusion of the proportion of the pension lump sum payment in advance attributed to officers’ remuneration in 2021-22
£Nil impact on the overall financial position	<p>Note 25 Officers’ Remuneration – Median remuneration ratio:</p> <ul style="list-style-type: none"> • Chief Fire Officer salary: amended from £134,450 to £134,940; and • Ratio: amended from 4.17 to 4.18 	To correct a minor error in the median salary disclosure

<p>£Nil impact on the overall financial position</p>	<p>Note 25 Officers' Remuneration – Exit packages:</p> <ul style="list-style-type: none"> Total number of exit packages £20,000 - £40,000: Amend from 2 to 1 	<p>To correct the number of exit packages disclosed</p>
<p>£Nil impact on the overall financial position</p>	<p>Note 11 – Property, plant and equipment</p> <p>As part of the review of asset valuations this year, the Authority identified that the asset valuation completed in 2020-21 for the Llandudno Junction workshop was on an incorrect basis. The Authority has corrected this via a prior period adjustment in the accounts:</p> <ul style="list-style-type: none"> Land and buildings – Gross book value: decreased by £1,074,000; and Land and buildings – Accumulated depreciation: decreased by £31,000. <p>This also impacts on the following account areas:</p> <ul style="list-style-type: none"> Capital adjustment account: decreased by £64,000; and Revaluation reserve: decreased by £979,000. 	<p>To correct the valuation of the Llandudno Junction workshop in the accounts.</p>
<p>£Nil impact on the overall financial position</p>	<p>Capital grant income</p> <p>The Authority received £238,000 funding in respect of capital works at Dolgellau Fire Station. Part of the funding was incorrectly recognised in earmarked reserves instead of capital grants unapplied:</p> <ul style="list-style-type: none"> Usable reserves – capital grant unapplied: increase from £92,000 to £238,000; Usable reserves – earmarked reserve – WG 	<p>To correctly recognise the capital grant funding received</p>

	Grant: reduce from £146,000 to £0.	
£Nil impact on the overall financial position	<p>Note 21 - Cash Flow Statement – operating activities</p> <ul style="list-style-type: none"> • Increase/(decrease) in debtors: reduced from £896,000 to £742,000; and • (Increase)/decrease in creditors: decreased from (£53,000) to £101,000. 	To correct the movements in debtors and creditors disclosed
£Nil impact on the overall financial position	<p>Local Resilience Forum balances:</p> <ul style="list-style-type: none"> • Short term creditors: decreased by £93,000; and • Short term debtors: decreased by £93,000 	To remove the agency debtor and creditor from the accounts, to comply with the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2021-22
£Nil impact on the overall financial position	<p>Annual Governance Statement:</p> <p>Minor disclosure amendments have been made to the Annual Governance Statement</p>	To include minor omissions and to ensure compliance with the requirements of the CIPFA/SOLACE 'Delivering Good Governance in Local Government Framework'
There have also been a number of minor amendments and disclosure updates as a result of our work.		



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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

Report to	North Wales Fire and Rescue Authority
Date	17 October 2022
Lead Officer	Dawn Docx, Chief Fire Officer
Contact Officer	Shân Morris, Assistant Chief Officer
Subject	COVID-19 Inquiry preparation



PURPOSE OF REPORT

- 1 This report is to inform Members of work being undertaken by North Wales Fire and Rescue Service (the Service) to collate and archive evidence of North Wales Fire and Rescue's preparations and response to the COVID-19 pandemic.

EXECUTIVE SUMMARY

- 2 The public inquiry into the UK's preparation and response to the COVID-19 pandemic has now commenced. This Inquiry has powers to compel the production of documents and to summon witnesses to give evidence under oath.
- 3 The Authority has not received notification as to whether or not it will be contacted by the Inquiry, but by taking action now to collate the relevant information the Authority should be better placed to give evidence if asked.
- 4 Separately, in the event that any proceedings or claims are made against the Authority as regards its response to the pandemic, it will be important to be able to contextualise and justify the decisions it took at the time.

RECOMMENDATION

- 5 That Members note the information contained in this report.

BACKGROUND

- 6 The COVID-19 pandemic arose from an outbreak of the SARS-CoV-2 virus in Wuhan, China in December 2019. The virus spread worldwide, leading the World Health Organisation to declare this outbreak a public health emergency of international concern on 30 January 2020, and a pandemic on 11 March 2020.

- 7 On 12 May 2021 the Prime Minister confirmed that the UK Government would establish a public inquiry into the pandemic. This Inquiry is established under the Inquiries Act 2005 so has powers to compel the production of all relevant documents and to summon witnesses to give oral evidence in public under oath.
- 8 On 15 December 2021 the Prime Minister appointed Baroness Heather Hallet to Chair the Inquiry with the aims of:
 - examining the COVID-19 response and the impact of the pandemic in England, Wales, Scotland and N. Ireland; and
 - identifying the lessons to be learned from the above, to inform preparations for future pandemics across the UK.
- 9 The Inquiry's terms of reference set out how it proposes to examine and report on preparations and the response to the pandemic up to and including the Inquiry's formal setting-up date of 28 June 2022.
- 10 Given the breadth of the subject, the Inquiry's work has been grouped into Modules so that evidence can be obtained and analysed by different teams working in parallel.
- 11 Modules will be announced and opened in sequence, with anyone wishing to take a formal role in the Inquiry invited to apply to become 'core participants' for each module, rather than throughout the Inquiry as a whole.
- 12 The first three modules and associated preliminary hearings are planned for this year, but substantive public hearings will not begin until late Spring 2023.
- 13 Having considered the picture from a UK-wide (and also English) perspective the same overarching and strategic issues will be considered again by the Inquiry from the perspective of Wales, Scotland and Northern Ireland.

INFORMATION

- 14 A project has now commenced within the Service to:
 - prepare to provide written documents and/or to support witnesses (who could be current or former Authority Members, officers or employees) if summoned to give evidence to the Inquiry;
 - archive information regarding the Service's response to the pandemic;
 - inform the Authority's preparedness for future pandemics.

- 15 The timescales set for this project are to undertake an initial review by December 2022 and to complete the project in its entirety by June 2023.

IMPLICATIONS

Wellbeing Objectives	Learning from this project will help inform the Authority's preparedness for future pandemics. This will contribute to both the resilience of the workforce and to the health, safety and well-being of people in North Wales.
Budget	In the event of any future insurance claim, civil or legal proceedings against the Authority for actions taken or not taken during the pandemic period, the Authority will be better placed to defend its position.
Legal	As above, and also the Authority will be in a better position to respond to the Public Inquiry if asked.
Staffing	None.
Equalities/Human Rights/Welsh Language	None.
Risks	As no additional resources dedicated to this project, timescales may slip.