

Report to	<b>North Wales Fire and Rescue Authority</b>
Date	<b>19 March 2018</b>
Lead Officer	<b>Chief Fire Officer</b>
Contact Officer	<b>Chief Fire Officer 01745 535253</b>
Subject	<b>Governance and finance arrangements for FRAs in Wales</b>



## **PURPOSE OF REPORT**

- 1 To make Members aware of developments in the Welsh Government's plan to revise the financial and governance arrangements of fire and rescue authorities (FRAs) in Wales.

## **EXECUTIVE SUMMARY**

- 2 The Welsh Government has expressed a clear intention to make revisions to the existing finance and governance arrangements of Welsh FRAs. The Cabinet Secretary for Local Government and Public Services has written to the three FRA Chairs setting out his concerns and inviting views on how these concerns could be addressed.

## **RECOMMENDATIONS**

- 3 That Members:
  - (i) note the contents of the Cabinet Secretary's 21 February 2018 letter;
  - (ii) require the Chair, Deputy Chair, Chief Fire Officer, Clerk and Treasurer to work with the other two FRAs in Wales on a co-ordinated joint response; and,
  - (iii) keep Members informed of progress and any further developments.

## **OBSERVATIONS FROM THE EXECUTIVE PANEL/AUDIT COMMITTEE**

- 4 This matter has not previously been considered by the Executive Panel or Audit Committee other than briefly at the time of the publication of the 2017 White Paper.

## **BACKGROUND**

- 5 The Authority's current financial and governance arrangements are set out in high level terms in The North Wales Fire Services (Combination Scheme) Order 1995. This was the statutory instrument that created both the Authority and the Service following local government re-organisation in 1996. A copy of the Order is attached, for Members' information, at Appendix 1. Parts II to IV are of particular relevance.

- 6 Members will be aware that the Welsh Government's White Paper, *Reforming Local Government: Resilient and Renewed* was published on 31 January 2017 and made reference to the current governance and financial arrangements for FRAs in Wales. Paragraphs 4.3.2 to 4.3.5 of the White Paper signalled Welsh Government's intention to revise those arrangements albeit very little detail was provided (Appendix 2).

## INFORMATION

- 7 Prior to February of this year, little progress was made in respect of the proposed revision. On 15 February, the Chairs of the three FRAs in Wales met with the Cabinet Secretary for Local Government and Public Services, Alun Davies AM. At the meeting, the Cabinet Secretary agreed to set out in writing his concerns about the existing finance and governance arrangements and to invite the three FRAs to contribute to a dialogue on how those concerns could be addressed. Mr Davies subsequently wrote in identical terms to the three FRA Chairs on 21 February 2018 and a copy of his letter is attached as Appendix 3.
- 8 The Chairs of the three FRAs in Wales have already agreed that a joint response to the Cabinet Secretary's letter is the most appropriate way forward. The response will be developed in time for the meeting referred to in the penultimate paragraph of the Cabinet Secretary's letter.
- 9 The Authority may wish to take a view on the level of wider Member involvement in the development of the response given that the Cabinet Secretary's suggested timescales are very tight. At this time it is recommended that Members receive updates as appropriate on the progress of this issue.

## IMPLICATIONS

Well-being Objectives	None at this time.
Budget	Change to the Authority's financial and governance arrangements has the potential to affect the Authority's budget position in the future. Any legal advice that may be sought is not budgeted for at this time.
Legal	There are potential legal issues around amendments to, or repeal of, The North Wales Fire Services (Combination Scheme) Order 1995. Legal advice may need to be sought at a future date.
Staffing	None at this time.
Equalities/Human Rights/Welsh Language	None at this time.
Risks	There is the potential for any change to the Authority's governance and financial arrangements to affect its ability to deliver appropriate services to the North Wales community, particularly if the budget position is negatively affected.