

# Fire Futures Report

## Report of the Chief Fire Officer

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### 1 Purpose of Report

This report summarises the five Fire Futures reports presented to the Fire Minister, Bob Neil MP, and suggests themes for a response for Authority Members.

### 2 Recommendations

The Committee is asked to:

- a) Note and discuss the contents of the report; and
- b) Task Officers with responding to the Minister with a report based on Member's agreement following discussion.

### 3 Background

With a new set of challenges facing the Fire Sector the new Government, through the Fire Minister, Bob Neill MP, invited fire partners to take a lead to generate wide-ranging options for the future of the fire and rescue provision in England.

The Minister set the challenge for a short and focussed review and he agreed on the 4 work streams that would make up the review:

- Role of the Fire and Rescue Service (Delivery Models)
- Efficiency, Effectiveness and Productivity
- Localism and Accountability
- National Interests

It is not clear why these subjects were chosen or how the Chair of each work stream was selected.

Much of the work of the above committees was formed by a range of 'thought papers' principally developed by Chief Fire Officers and Elected Members from across the Country.

It is stated clearly in the introduction to the reports that the findings are just the beginning of the process to determine the future direction of fire and rescue provision. The completed reports set out a range of options designed to address the challenges the Fire and Rescue Services (FRS) face.

The Minister is now considering these reports and has requested that comments are made to influence his final decisions on a way forward. In order for a consensus to be reached in a response this paper will discuss the main recommendations and findings of each of the above work streams and provide a commentary and suggestions for a response.

The report also contains as an appendix a summary of the very extensive papers submitted to the Minister for the Fire Futures Report.

## 4 Fire Futures Topics

The topics covered in each Work Stream can be summarised as:

- **Role of the FRS**  
This examined the extent and applicability of the FRS role, looking at barriers to delivery, governance models and alternative service combinations.
- **Efficiency, Effectiveness and Productivity**  
This looked at resource balance and deployment, options for cost efficiency and the potential for income generation. It also looked at funding, pay and conditions, balance of resources, delivery models and use of assets.
- **Localism and Accountability**  
This work stream looked at how localism and accountability related to the FRS. In particular, it looked at transparency, assurance and decentralisation.
- **National Interests**  
This group considered the role of the FRS within a national context and the respective roles of the FRS and government in national resilience, decentralisation, pan-FRA arrangements, risk, interoperability, the Fire Service College and the built environment.

## 5 Summary and Commentary

There are a number of major themes raised in the five papers submitted to the Fire Minister that are worthy of summary and commentary.

### Finance

Very little in the papers suggests that a radical look at the way Fire is funded is necessary.

Some suggestions are made as to how County fire authorities can more clearly identify FRS costs but it is surprising that financing of the Service is not more prominent, especially as a full review of local government funding, including fire, is now beginning.

The consensus within the reports is that authorities should be free to differentially set precept levels across their areas to reflect the costs of service provision in those areas, but little is mentioned about the possible political ramifications of doing so.

Strangely, many of the authors of the papers seem generally to believe that the Fire Service has not really changed significantly over the last 10 years. They state that only relatively few authorities have made difficult decisions to change models of delivery to achieve significant savings. They do, however, recognise that the 'big ticket' item is wholetime staff costs, so it is clearly a move from wholetime to 'on call' delivery models, to which the 'difficult decisions' refer.

Authors frequently refer to 'risk resourcing' and how this creates latent capacity within services. Using this latent resource in the most effective way then becomes the priority for change and flexibility within the powers of Authorities. This is perhaps why there has been a successful drive for the general power of competence to be extended to fire authorities, to open up possibilities for employing firefighters in other work to keep the 'latent capacity' busy.

The papers also state that value for money in the funding of the FRS is essentially about making sure existing capacity costs are reduced.

Some of the papers argue that 'workload arising from risk' might be a good starting point to begin looking at funding. I believe this to be the wrong position to take. Fire authorities are at too different stages of managing out unnecessary activity to make this viable. One only has to look at attendance at automatic fire alarms or lift rescues (per 1,000 head of population or per 1,000 business premises) and how this varies greatly around the Country to realise that this would be a dangerous and very unfair starting point.

Rather, I propose that the starting point for any Fire Futures should be the following questions:

- *What is the minimum provision of a fire and rescue service for a given community?*
- *What should delivery of that provision cost?*
- *How should the funding of that provision be shared between local and national taxation?*
- *How could Fire Authorities increase the minimum provision through dialogue with and support from local people?*

In asking these questions government and fire authorities would have to explore the basic foundations of cost within the sector, which might, at its most basic level, be seen as:

**Risk** – the likelihood of use of a resource and the size of resource likely to be used (i.e. the severity of the event arising from the hazard)

**Risk appetite** – how concerned local people are about fire and what level of service they might expect to reduce that concern. Also the risk appetite of government (local and national) in dealing with an inability (perceived or actual) to respond to events

**Capacity for extreme events** – and whether this capacity is immediately available

Officers would argue that only once the sector has explored these areas can it then move on to propose new delivery models, new governance structures or indeed localism and accountability.

The papers do point out that the current position on aggregate funding for the sector has been reached incrementally and not from a bottom-up assessment of the cost of resourcing modern patterns of risk. This has meant both a mismatch between the total amount available for the sector and huge disparities in funding for individual authorities. This is no more starkly illustrated when one looks at this Authority. With around £17 per head of population from central government it is almost half the amount given to fund West Midlands Fire Authority. Such a difference cannot solely be explained by risk.

In summary, therefore, it is recommended that, rather than look at structure and governance, efficiency and decentralisation first, the Government should agree a fairer funding mechanism with the sector and from this basis jointly design the best structure to deliver the most effective service.

## **Governance**

A number of Governance models are discussed in the papers but a radical one for the UK is given prominence – the creation of a Community Protection Authority, which includes both Fire and Ambulance services. This is, indeed, a radical vision and one which would, should it succeed, produce a very different community safety provision for England. But one must ask at what level would such an Authority operate, when the current Ambulance Service is managed at a regional level?

The reason that this question is pertinent is that other models for governance discussed in the papers recommend structures and governance models that improve localism and the empowerment of local people, and staff to run local fire stations or even new district or borough fire service commissioning bodies.

Commissioning of the fire and rescue service has a great deal of prominence in the papers with a new role for fire authorities as commissioners for the fire service, as in Denmark. The idea has merit and is something that our Authority may wish to explore. However, one must be cautious in applying one idea from another country, if one is not fully aware of the interrelationships between history, culture and structure of that country. This is particularly true of Denmark and the UK, as Members, who had the privilege to visit there and study Falck discovered.

The suggestion of joint Fire and Ambulance Services is, however, an idea of some merit, especially if a Shropshire Fire and Ambulance Service could provide a more transparent and cost-effective service for our communities.

Directly elected fire authority members is also recommended because the authors of the report are generally convinced that current elected members of fire authorities do not reflect the needs of the public but are more concerned with representing staff. This is not my experience in this authority and I am surprised that it might be the case in others.

Members may want to reflect on how they might further increase their already excellent visibility as Fire Authority members in their constituencies and beyond to counter any suggestion that they are remote from the electorate. Members may also wish to respond to the suggestion that they represent the interests of staff before the public.

The idea of mutualisation or social enterprise models is also raised in the papers. The ethos of Shropshire and Wrekin Fire and Rescue Authority would give these ideas some weight. The coalition Government is particularly keen on this concept and it may well be taken up as one of the options arising from the Fire Futures work. Members may wish officers to explore this further, so we are prepared should the need arise.

## **Localism**

The paper on this subject correctly points out that the key practical issue for localism is how to move central decision making to the lowest possible level, whilst maintaining the capacity of larger organisations. They also ask how the FRS can encourage citizens to take an active part in the running of their local services. Clearly transparency and assurance will only be small parts of this but they will equip citizens to hold services to account.

The paper's drive for transparency fits very well with this Authority's aim for openness in Financial Data (we were one of the first FRAs to publish £500 spends), Performance Information (we publish this but are now making our 'measures' much more transparent), Service Information (we have the most open web site in the Country with most service information open to all) and Decision Making (we have one of the most open decision making regimes through Integrated Risk Management Planning and now Public Value).

The paper does point out, however, that localism should not be seen as an excuse to move all responsibility to the FRS. Instead it is recommended that localism should be supported by central government in practical ways.

Linked to Localism is the final paper on Decentralisation and protecting the citizen. The authors of this paper seem to have a very negative view of the Service with many doubts about capability, training, coherence in co-ordination between services, procurement, shift systems, and Integrated Risk Management Plans.

The solution to many of these perceived weaknesses is, they say, to split the link between the commissioners of the service (FRAs) and the deliverers (today predominantly FRS) In effect follow the path of the NHS towards simple commissioning and a mixed market provision of FRS services. It is not clear how this act would fix the problems they identify.

The authors also offer options for the running of FRS. They propose mutuals or social enterprises as the preferred model. Certainly, a mutual organisation, delivering local services, would improve delivery of services local people require but it is not so clear how this would ensure joined-up collaboration between services. It may be better perhaps for the Government to look nationally how current fire authorities get closer to citizens and deliver the public value they require, rather than redesign a national service on the experience of some authorities.

### **The Built Environment**

One issue most prominent in the papers is the thought that fire safety in buildings is being stretched to breaking point by the application of innovative approaches by architects to fire safety that are not tried or tested. Officers agree that better regulation of the built environment is essential and welcome the paper's call to continue to use professional fire officers as fire inspecting officers.

The papers cover a broad range of other issues, many of which have been raised by individuals in the Service previously, some perhaps for reasons of local expediency and others for a genuine wish to make the Service better.

## **6 Conclusion**

The papers were obviously created through a great deal of effort to meet the Government deadline, however due to this haste they do lack some cohesion, except for the single threads running through most, which are:

- That the Service should become part of a much bigger community safety service and at the same time become more local and responsive to local communities
- That the Service should look at more local delivery models, freed from links with FRAs but with elected members much closer to the citizen and at arm's length with the deliverers of the service
- That the Government should 'let go' but support the Service through the transition

Perhaps in summary a better way for this Service to respond practically to the weaknesses identified in the reports is the following:

1. The Authority continues to apply the process of Public Value and sets clear measures against which the Service will be measured.
2. Authority Members continue to represent all their communities through increased constituency meetings (Local Joint Committees or similar).
3. The Service continues to be flexible in the services it offers to respond to local and national requirements. In particular, the discussion with our communities about the concept of a joint Fire and Ambulance Service.
4. The Service continues to support national response to major incidents, where this is funded by central government.
5. The Authority continues to build the Public Value of the Fire and Rescue Service locally.

## **7 Financial Implications**

There are no direct financial implications arising from this report.

## **8 Legal Comment**

This paper comments on a series of option papers and as such does not require legal comment.

## **9 Equality Impact Assessment**

This paper comments on a series of option papers and as such does not require an Equality Impact Assessment.

## **10 Appendix**

Summary of Each Fire Futures Paper with commentary

## **11 Background Papers**

There are no background papers associated with this report.

## Summary of Each Fire Futures Paper with Commentary

### Role of the Fire & Rescue Service (Delivery Models)

This work stream carried out an analysis of the current issues facing the Fire and Rescue Services (FRS), the principal one being the funding challenge. They also identified a range of challenges that would intensify over the next few years:

#### Demographic

- The number of people over 60 would increase, particularly in FRS areas, such as Shropshire, who are receiving the lowest grant settlement awards.
- The number of non-English speaking residents will increase.
- Rural FRS report that there are increasing challenges with traveller communities.
- Drug and alcohol abuse is increasing, resulting in more people at risk from fire both to themselves and others.

#### Economic

With income per household decreasing in most areas, particularly where public sector employment is a major income stream, many increased risks are expected:

- People are likely to cut back on 'luxuries', such as smoke alarms, just as funding for FRS free fitting is reducing.
- There are likely to be larger numbers of people in Homes of Multiple Occupancy, much of it unofficial. Official rental property is likely to have reduced maintenance with subsequent increases in risk.
- Illegal squatters are likely to increase.
- Accidental and deliberate fires in business are likely to increase.
- Income from council tax and National Non-Domestic Rates is likely to fall.

#### Climatic

Meteorological instability is likely to further increase leading to more extremes of weather:

- Increased number and severity of forest and heath land fires with the subsequent huge demand on resources
- Floods will continue to be more frequent and severe.
- Extremes of temperature will place new demands on FRS.

#### Other

- Reducing budgets and pay freezes will put strains on industrial relations.
- Short to medium-term increase in civil unrest
- Continued terrorist threat



From this list the authors suggest that a better co-ordinated Risk Reduction / Response sector is required to improve delivery and management.

The paper then discusses the barriers that should be removed, if the FRS is required to respond effectively to these challenges.

- Allowing County FRS to form Combined Fire Authorities (CFAs) with others
- General competence powers to match other public sector organisations
- Differential precepting to allow an FRA to charge constituent authorities different levels of council tax, reflecting the expenditure in different areas
- National Joint Council Framework with continued central negotiation but on conditions that can be adapted to meet local Integrated Risk management Plans
- Flood and Water Rescue with the role of FRS more clearly defined
- National registration scheme for qualified fire risk assessors to create assurance across the sector
- Simplified system for the FRS to call on military assistance, including helicopter support

Finally, the paper discusses the proposed integration of the FRS and Emergency Ambulance Service.

They report that some FRAs already carry out co-responding roles and some do so on a cost-recovery basis. They see a major expansion of this into a 'Community Risk Reduction and Response Service', also called in the paper a 'Community Protection Authority' (CPA). They see a particular benefit in rural areas where retrained duty system staff are already on call.

They state that only half of Ambulance Service Trusts are meeting their attendance standards but that, because they do not have the member scrutiny of the FRS, these failures are not challenged. They add that the CPA would increase localism although they do not state whether the CPA would cover the areas of Fire Authorities or Regional Ambulance Services.

They then see an expansion of these CPAs to include other groups, such as Building Control, Environmental Health and Trading Standards and even traffic control matters. The CPA would then encompass areas vital for response, prevention and protection, including legislative enforcement. To support the CPAs they ask that the Civil Contingencies Secretariat adopt a wider role, similar to that of the Federal Emergency Management in the USA.

## **Comments**

Officers agree with the risks identified in the paper but have differing views on many of the suggested removal of barriers.

Giving freedom for County fire services to form CFAs is a sensible approach and the Power of General Competence is generally welcome but with some reservations. The ability to spend tax payers' money on anything that can be linked with our statutory duty is welcome but could be abused to spend money on officers' or members' 'pet' subjects, or to use 'latent capacity' for activities far away from the intended use of tax payers' money.

Increased local scrutiny of budget spend will be required to prevent this. In times of reducing budget it could also be seen as perverse that authorities are seeking wider powers to spend the little money they have for delivering core functions.

Differential precepting also has some positive aspects but may well create more problems than it solves. Imagine the debate, if this Authority were to decide to charge Telford & Wrekin tax payers £90 per year but Shropshire tax payers £80, due to different costs for each authority area. Then imagine the debate with fire authorities made up of 10 or 15 constituent authorities. Accounting systems in fire authorities would need to be very different, and locally more expensive, should this be accepted by the Government. Differential precepting would also remove a significant barrier to mergers, and perhaps acquisitions, of fire authorities.

Officers agree in principle to the other four areas for barrier removal.

The difficulties of joining with the Ambulance Service are, however, a little more complicated than is set out in the papers. Clearly the amalgamation of both fire and ambulance services for Shropshire and Telford & Wrekin would be welcomed, especially as the resultant service could be more transparent and accountable to local people. There are, however, a few misconceptions in the report that need clarification.

Firstly the idea that retained duty system staff could provide an ambulance service that would meet the current attendance times is not clearly thought out. Bishops Castle for example take 5 minutes to turn out, so to meet the 8 minute attendance time for serious, life-threatening ambulance calls means they would be restricted to a three minute travel time, in effect part of the town only. Providing this service would probably make provision of an ambulance response in limited parts of rural areas cheaper and could thus allow for a greater number of ambulances in more populated areas. Savings could also be generated through single purpose premises and a single management team.

Currently fire authorities cannot legally charge for rendering medical aid, so it is not clear how the CFAs cited in the paper can carry out co-responding on a cost recovery basis. This will be explored further by officers. The Localism Bill does not suggest any changes to our current inability to charge for rendering medical treatment.

Expanding the joint fire / ambulance authority into a Community Protection Authority appears to be an excellent idea. Combining organisations that have significant impact on prevention of ill health and accidents, have shared interest in preparing for disasters, and can support each other during response and recovery is worthy of greater scrutiny locally, if not nationally.

## Efficiency, Effectiveness and Productivity Report

The paper identifies a number of underpinning issues that create some major obstacles in fire and rescue services. There are 46 independent fire authorities with no established, cross-sector bodies to take on general function of national activities. FRAs vary greatly in size with a huge difference in the proportion of their funding coming from grant and local tax payers. Historical funding patterns further exacerbate this problem. Change in the FRS can be difficult to achieve and the authors cite lack of political will, difficult industrial relations and reluctance to erode operational independence as the root causes.

The paper states that most proposals to meet the financial challenge are neither radically new nor innovative, unless the radical change proposed in the previous paper for a new root and branch national restructure is adopted. The authors argue that only very few authorities have made difficult decisions to change models of delivery to achieve significant savings. They state that the limitations put into place by the stated intention of the Government and employers that 'individual authorities are sovereign' will lead to salami slicing of the Service and reductions in prevention and response capability.

They state that services must work closer together and for those, who are better off under Government funding cuts, to be incentivised to act collectively.

The work stream then summarises a range of initiatives and changes that need to take place to meet the challenges ahead:

- FRA freedom to adopt different models of governance and delivery
- A sector owned procurement process
- Work with Local Government Productivity Programme to drive down costs.
- FRS to develop a value for money benchmarking and peer review model
- An invest to save fund for the FRS should be considered

### Comment

Officers agree that funding is the main issue for all FRAs but point out that the principle problem is the historic funding pattern. Until a system of funding is created that really addresses community needs for a FRS without restrictions on the overall spend we will just continue to cut the historic funding 'cake' in different ways.

The paper then continues with a list of actions that should be taken by the FRS and the Government. This is worth repeating, as it can be seen as a useful template for improvement / assessment for this Authority (comments are included after each section for simplicity).

### Balance of resources

The latent capacity of the FRS should be maximised and used to extend the productivity of the Service – either through local models or enabling national change.

## **Comment**

The ongoing use of the phrase 'latent capacity' does cause officers in this Service some problems. As Members will know, our latent capacity is either at home or at work, waiting for their pager to activate. It is not available to extend productivity. Perhaps if Services have latent capacity, they should look at why rather than try to create work to maximise productivity. Alternatively, we might question if soldiers, who are not fighting a war are 'latent capacity' should be doing more valuable work than training for the next war. Most people would think this is nonsense. So why apply a different principle to firefighters?

## **Alternative Models**

The recommendation is that, even if the FRS stays very local, it would need to consider how it supports national functions.

## **Asset Management**

The authors state that the FRA should have an effective asset management strategy. A sector led study on use of cross-border assets and property should be carried out and we should work with partners at local level to eliminate duplication. All FRAs should use the OGC benchmarking tool.

## **Comment**

Officers agree that asset management is vital but only a small amount of savings can be generated from this, as our current asset management system is based on private sector best practice.

## **Charging and Trading**

The paper recommends, as suggested in the new Localism Bill, that options for charging for services should be extended and that FRS should be able to charge for road traffic collisions. It also asks for consideration to look at levies on home and motor insurance to cover some of the cost of running fire services.

## **Comment**

Officers agree with being able to charge for more of our services but this should not replace the concept of an emergency service, free at the point of delivery. Officers totally agree that FRS should be able to claim on car insurance to part fund attendance at road traffic collisions, especially as the Ambulance Service has done this for many years.

## **Workforce, skills and training**

The paper asks for a collective funding arrangement for the work of the sector Skills Council and for a sector led national review of training.

## Comment

It has been 10 years since the Integrated Personal Development System (IPDS) was introduced to the Service as a means to ensure competence of all staff. Officers are not convinced that a root and branch review of training is required but a look at the effectiveness of IPDS would be welcome.

## Key questions posed by the Work stream

The paper looks at many of the smaller areas of cost in the FRS and then suggests that one of the only means to reduce large-scale costs is to look at the sizes of fire and rescue services. They recognise that full scale combination is not the only answer but suggest that there are a range of activities that a FRS should look at and consider for local savings.

It is useful for officers to comment on each of these and suggest areas for further work:

Suggestion	Comment
Streamlining management teams, including brigade managers	This Service already shares Gold Command cover and from April will have reduced its management structure by 25%. One Brigade Manager will also disappear in the current Public Value plans.
Training: this would include all aspects of operational training, trainers and training managers	We already outsource much training but our difficulty in sharing training more widely is the distance and travelling time for the majority of our staff, who are retained duty system. Further work will be done with surrounding services to look for efficiencies, especially for stations close to the border with other services.
Health and Safety Services	We already outsource specialist H&S advisory services.
Fleet Services and Management	A recent Best Value Review identified that our fleet management service was cost effective. Distance and retained duty system appliances increase the cost of provision.
Operational Officer Rotas	<p>Shropshire has the lowest number of flexible duty staff in the Country with a rota system that maintains minimum level of cover as well as ensuring maximum management resource from these staff. We are reducing this team of managers by 25% during Public Value cost reductions. Many other services could well save much from looking at rotas.</p> <p>We could increase resilience from sharing operational officers (as we do with Gold Command with Hereford and Worcester) but we may well have to pay other Services for this.</p>

Suggestion	Comment
Media / Communications	We currently outsource this function at the cost of around £12k per year. Other services employ large teams of media experts, so they may well be able to make efficiency savings.
Special Appliances	Our public value plans remove much of the cost from these vehicles by not primary crewing them. However, there is benefit in speaking to other services and the private sector about the provision of reserve appliances, particularly special appliances such as aerial ladder platforms.
Logistical Support and Resource Management.	An area worth exploring to gain capacity especially with large-scale projects. However, this conversation would be better had with our current partners, such as Shropshire and Telford & Wrekin Councils, who already give us added capacity in this area.
Control Room	Conversations are already underway with Hereford and Worcester and others on how we can secure resilience and cost-effectiveness though sharing resources.
Fire Investigation	We do not have specialist fire investigation staff and rely on our flexible duty staff to carry out this function, so little gain financially can be made in this area, unlike larger services, who have large specialist investigation teams.
Arson Task Force and Dog Handlers	We already outsource this and call on dog handlers from surrounding services.
Fire Safety Enforcement	We have shrunk this team by 10%. There are currently no plans to look at outsourcing this function.
Community Safety Teams	We have already shrunk this team by 10% and have no plans for outsourcing, although we will continue to seek partnerships to increase capacity.
Hydrant Inspection	We already outsource this function to the private sector.

The report states that much can be saved by 'sharing these resources at a spatial level' another way of perhaps arguing for regional fire and rescue services?

### **Balance of Resources**

The paper then discusses how the sector can balance resources by using the 'latent capacity' to take on more functions, such as emergency medical services, wider social functions and community safety functions from the police. They also suggest trading in fire prevention activity to raise income.

## Alternative Models

The paper again moves on to how economies of scale can be achieved by a '*...harmonised approach by authorities on some issues at an appropriate spatial level to deliver savings...*' and goes on to list a range of issues where collaboration would work. The authors seem to miss local collaboration with Councils, concentrating only on fire to fire partnership.

Most, if not all, of the subjects mentioned are already in place or being looked at locally but many lead to a single national system for issues, such as payroll, Human Resources, consumables and occupational health. These may well produce some savings locally but our experience of trying to achieve national agreement for the FiReControl project makes this difficult to imagine.

## Funding Structures

The paper sets out how we have arrived at the current funding position through incremental changes to an outdated funding formula. The funding also, they argue, has not kept pace with the changing role of the Service with additional responsibilities not being matched with increased resource. They also point out that issues, such as sparsity, are not fully reflected in the grant. The authors argue for the ability for differential precepting, already discussed in this document.

Protection of capital funding streams, the authors argue, is a central theme of the Service's development plans. In particular, they point to issues, such as:

Issue	Comment
Investment in new stations to achieve efficiencies, such as 'two into one' initiatives	With our stations being so far apart both from our own and bordering stations this could not be achieved without significantly increasing attendance times. This is, therefore, not a priority issue for us.
New type of vehicles, such as combined aerial / pumping appliances	As we move to not primary crewing our special appliances investment of these would not provide significant savings. Better perhaps for other services to consider secondary crewing of specials?
Combined emergency service sites are likely to require new investment.	We are very keen to look at this and are currently in discussion with the Ambulance Service, but why limit to emergency service sharing?

The authors then ask for increased capital grant to be made available.

Finally, in this section the paper discusses Area Based Funding (ABF) and the concern that this might drive service provision away from risk resourcing towards the perceived needs of a community that is not concerned about the risks of fire. It asks that, even if ABF becomes the norm, the Fire and Rescue Service requires continued basic funding for both national functions and basic service provision.

Locally we could argue that, after the 20% reduction in our grant, this Service is already at that level and any sharing of our income would inevitably lead to a diminution of our ability to deliver the Service.

### **Sharing out the National Funding Pool**

The paper then moves to perhaps the most controversial area. It points out that there is a wide variation in costs per 1,000 of population and also in workload of the FRS in terms of calls and fire safety workloads, which is partly driven by the way the Service is resourced.

They state that tightly condensed areas of wholetime service are the most cost effective. This is very questionable, especially in the outskirts of larger towns that have similar risks to our market towns, yet predominantly in Metropolitan areas are protected by wholetime resources.

They do point out, rightly in our view, that ‘...this generates totally different cost structures not currently reflected in the funding formula’. One suspects, however, that this is a plea for more funding for areas currently covered by wholetime resources, rather than a movement of this resource from wholetime to retained provision.

The fairness and consistency of the grant formula is questioned, particularly as very localised risk patterns across the Country are not reflected in cash for fire authorities.

The paper then expresses Shropshire’s position that ‘Any model to be used [for grant calculation] has to be capable of identifying a figure representing the minimum resource threshold because this establishes the baseline costs before any action is taken to utilise capacity in a way the generates income’.

Officers and Members will strongly agree with this final statement but will be more cautious in supporting a new grant formula that ignores sparsity, rural deprivation and basic service provision costs.

### **Charging and Trading**

This section echoes the Localism Bill in seeking increased freedoms for fire authorities to trade. The authors additionally ask for an insurance levy for fire, as previously discussed in this document.

### **Asset Management**

This section encourages professional asset management and increased sharing of assets. Officers and Members will agree with this position.

### **Workforce, Skills and Training**

The paper argues for continuation of support from the Skills for Justice as the Sector Skills Council and the ongoing development of a national qualification framework. We would agree on this matter.



They point out that much can be saved by training centrally but miss the point that the majority of staff in some services are not available to travel long distances on a frequent basis for training. Officers agree that some services that compete with the Fire Service College on an unfair financial basis are threatening the viability of our central training provision.

### **Retained Duty System**

The Big Society and its objectives can be seen very clearly in how we use on call firefighters to provide emergency cover in the Service and the paper argues that expansion of this provision into more urban environments should be explored. One might argue that much of the efficiency required of the whole sector could be achieved with this one action.

The counter argument is also exercised with the statement that with increasing management overheads to manage the Retained Duty System (RDS) the economic argument for RDS is not as compelling as it once was. One might argue, however, that, even with the increased management overheads on this Service, a Retained Duty Station costs approximately one tenth of operating a wholetime station.

### **Volunteering**

The paper argues that volunteering would offer a cheaper resource than even RDS and that this should be developed. This should include locally funded and operated fire stations.

This is a model that should be further explored, especially as an 'hybrid' option that might save an RDS station from closure.

### **Pay and Conditions**

Finally, this very broad-ranging paper asks that the current mechanisms for negotiating pay and conditions are kept but are changed in light of changes to how fire services are run, i.e. if localism drives local change in the function of the FRS, then greater determination of pay and conditions should follow.

# Localism and Accountability Report

This paper looks at the options open to the Government and the Service in how the Service is organised, governed and measured. It starts by looking at key principles, which should be adopted in taking forward the localism agenda:

## Option 1: Locally Driven Change

This option allows individual FRAs to assess the needs of local citizens and design their processes to meet those needs. The authors point out the weakness in this approach is that it would lead to very little universality and a variable pace of change. However, they assert that this weakness could be addressed by incorporating clear citizen rights and expectations and by active promotion of the most effective models of delivery developed locally. Members and officers are using this approach in delivering Public Value.

## Option 2: Supported Locally Driven Change

This option takes the best from the first option and adds nationally driven and co-ordinated changes, such as governance structures, community engagement processes and Integrated Risk Management Planning decisions.

## Option 3: New Structural Parameters

This option proposes a different framework for delivery of local services across the board. They suggest there are three elements of:

- **Integrated Service commissioning** – for a number of local services, not just the FRS, pooling funding and a new way to separate the commissioning and delivery of services
- **Supply Pluralism** – encouraging citizens and professionals to compete in delivery of services with perhaps firefighters owning the Fire Service ‘cooperative’
- **Strategic Co-ordination** – so that local control of services is reconciled with national policy objectives

Although this last option fits very well with the ethos of Shropshire FRA, whether there is the national consensus to deliver this is a question worth asking.

## Governance

The paper suggests that Combined Fire Authorities and Metropolitans adopt a locally different structure, with fewer Members and inclusion of independents to give ‘a clearer voice to local priorities’.

Officers and Members may be surprised that in some areas it would appear from this suggestion that elected councillors do not ‘give a clear voice to local priorities’.

The authors offer another option of a new way to govern FRAs, which includes alternatives of:

- Directly elected bodies or commissioners
- Sharing the Police Commissioner as a community safety commissioner
- Citizen panels to assist current governance structures

Members may wish to reflect on the current structure of the Authority and perhaps look at inclusion of some of these ideas, such as increased use of citizens' panels, attendance at Local Joint Committees etc, and Members' engagement with their communities locally should be an argument against imposed governance changes, such as joint Police / Fire Commissioners.

## **Delivery**

Again the authors argue for a change in delivery of the FRS with an emphasis on greater collaboration between a range of services that link to safety matters, such as the three blue light services, planning departments and trading standards teams of local councils. Officers are exploring with the two constituent councils increased join up in functions, such as fire prevention, trading standards and building control.

## **Transparency and Assurance**

Finally the paper looks at how tax payers can judge the effectiveness of their local or regional service. This should start with the four areas for transparency suggested by the coalition government:

- **Financial Data**  
S&WFA has already met this requirement
- **Performance Information**  
The Authority will do this under its new Public Value Framework, starting April 2011.
- **Service Information**  
This is freely available on our very comprehensive web site.
- **Decision Making**  
The Authority is open and transparent with all significant Authority decisions.

# Decentralisation in the Fire Sector – Empowering and Protecting the Citizen

This very detailed report starts by making the suggestion that fire and rescue services cannot operate as joined up services and sets out a number of reasons why that is the case. It cites differences in training, no central operational doctrine, different views on risk, no central procurement (with FireBuy's demise), shift systems and response times unrelated to risk and Integrated Risk management Plans that take no heed of the desires of citizens.

In addition to these pressures the author adds a range of difficulties emerging over the next few years:

- Lower levels of funding
- Changing risk profiles through an ageing population
- Citizens dictating what services they need and how they want them delivered
- Increases in severe weather
- Terrorism

The paper then proposes a number of recommendations to deal with the problems identified.

## Commissioning

They propose breaking the link between delivery of the service and its commissioning following the same pattern as Denmark and Sweden. The reason is that in the mind of the author the current method of Fire Authority management *'undermines effective accountability and transparency, frustrates innovation and focuses more on those who deliver the service rather than those who receive it'*.

The author suggests that districts and boroughs should break away and commission their own Fire Service and smaller FRAs band together to procure services from a single service provider.

## Mutualisation

As another means to break up the current structure, which seems in the author's mind to be irrevocably broken, is the idea of mutuals or social enterprises, run by the staff.

The paper suggests that the change to commissioning to mutuals would improve organisational performance and efficiency, as well as increasing employee engagement and citizen empowerment.

## Decentralisation

Next the paper looks at decentralisation and what the public expect from their fire and rescue service:

- Quick and effective response

- Resilience and the ability to deal with threats to national security
- Helping the public to prevent incidents
- Being cost effective and delivering value for money
- Giving them information on the level of risk they are exposed to, so they can make decisions for themselves

Officers and Members will generally agree with these but may question if the public are really interested in national security, when it comes to their local FRS.

When making recommendations for the future the author states that the Government should not force FRAs to change but be permissive and '*Therefore those FRAs and constituent bodies who feel that the current system works for them can remain with it while those who are more enterprising can break away...*'.

### **Secure Place to Live and Work: the Built Environment**

This section is perhaps the most cogent of this paper and sets out why greater control is needed on the design and construction of the built environment and subsequent control of fire safety in buildings.

For a paper that is so radical in some areas it becomes very conservative here. The paper states that Fire Services should maintain the requirement to enforce fire safety. It goes on to identify areas where the permissive fire safety design laws are pushing the boundaries of 'safe by design' into areas of uncertainty, resulting in less room for error, should the unexpected happen.

What the paper does not discuss at this point is the significant differences between design criteria in Denmark and Sweden, both cited earlier, and the UK. The superior levels of built-in fire safety in the Scandinavian countries are perhaps the reason why they can deliver cheaper, outsourced, fire and rescue services.

The paper then suggests what can be done to improve current fire safety levels within current legislation by:

- Better application of what is already known
- Better understanding of fire behaviour and building response to fire
- Improved compliance with regulation and legislation
- Better collaborative working for connected fire safety from design to occupation of building

Officers fully support these suggestions.

Finally in this section the authors request much improved joining up and dissemination of fire data to be used to create better integrated risk management plans.

At a national level the paper suggests that more needs to be done to manage major risks and national threats though improved local and national planning and joining up plans and risk assessments across the public sector and Civil Contingencies Secretariat.

## Functions Best Performed at National Level

Even with a decentralised system some functions are best performed collaboratively and at national level including:

- Risk horizon scanning
- Policy issues
- Capability management for national resilience arrangements
- Knowledge management
- Service standards
- EU / UK technical improvements
- Assurance and audit
- Improvement and support
- Collaborative improvement
- Equality and diversity
- National campaigns
- Workforce development

Again officers think it strange that an initially very radical report that talks about *'totally changing the governance of fire authorities'* asks that equality and diversity and workforce development etc should be managed centrally.

## The Future of the Fire Service College

The paper sets out how the College can be saved for the benefit of the Fire and Rescue Service.

For the first time since it was set up as an Executive Agency / Trading Fund it will break even. Much of the reason for this is that it is required to charge for total costs of running the establishment, whilst most of its competitors, fire authorities, did not. The oversupply in the training market and insufficient use by fire authorities also helped in its near demise.

The paper suggests that one way to reinvigorate the College would be to set it up as a joint venture with the private sector.

Officers agree that the Fire Service College should be the central hub for training excellence but must do so by being cost effective and offering excellent training and development opportunities for the Service in fair competition with other training providers.