

REPORT OF THE CHIEF FIRE OFFICER

AUDIT COMMISSION CONSULTATION – THE FIRE AND RESCUE SERVICE PERFORMANCE FRAMEWORK 2006/07

1 Purpose of Report

Members are requested to note the Audit Commission's proposals for auditing fire and rescue authorities during 2006/07.

2 Recommendations

Members are requested to:

- a) Note the contents of this report and appended consultation document;
- b) Delegate authority to the Strategy and Resources Committee to receive, and if considered acceptable, approve a response on behalf of the Fire Authority to the consultation exercise, and
- c) Receive at the Fire Authority's next meeting (14 June 2006) an update on the proposed Audit Commission's performance framework arrangements, identifying expected audit dates and Member/officer involvement, where applicable.

3 Background

The Audit Commission recently published a consultation document that sets out the Commission's proposals for auditing fire and rescue authorities during 2006/07. The document is entitled **Fire and Rescue Performance Framework 2006/07** and is attached at Appendix A to this report.

Following the 2005 Comprehensive Performance Assessment (CPA) process all fire and rescue authorities are currently in the process of improvement planning and the Audit Commission has stated that the early signs of improvement are only now starting to emerge. The Audit Commission's proposals are, therefore, designed to be proportionate and measure the scale and sustainability of this improvement. The Framework at Appendix A sets out the proposed arrangements to measure improvement, arrangements that will be proportionate, focus on improvements made



against the fire and rescue CPA assessments and measure the service as experienced by the community.

The Audit Commission's overall approach to measuring improvement and performance in fire and rescue authorities will be through a performance framework with three elements:

- a **use of resources assessment**. This will assess the Fire Authority across a broad range of financial issues and provide a scored assessment, including whether the fire and rescue authority is providing value for money. This work is supported by key lines of enquiry;
- an assessment of improvement, or deterioration, in performance measured through a scored **direction of travel assessment**. The assessment will be outcome focused and draw together all assessments on the fire and rescue authority; and
- a **scored service assessment**, which will have an emphasis on service delivery and include an operational assessment of the quality of service delivery.

The assessments will, when brought together, provide a clear picture of the improvements a fire authority has made since its baseline fire and rescue CPA. They will not directly result in a change in CPA category in 2006/07; however, they will be important in any consideration of whether further work is appropriate in order to determine a re-categorisation (up or down) at some point in the future.

The consultation period for the performance framework commenced on Thursday, 6 April and will conclude on **30 May 2006**. Members who wish to contribute to the Fire Authority's formal response to the consultation exercise are requested to return comments to Steve Worrall, Assistant Chief Fire Officer, on 01743 260204 or steve.worrall@shropshirefire.gov.uk at the earliest opportunity.

4 Actions to Date

Officers have implemented measures to commence a structured and co-ordinated response to the Audit Commission's consultation document. The response will also incorporate comments prepared in respect of the related Office of the Deputy Prime Minister consultation exercise (see Appendix B) that sets out proposals for operational assessments as a component of the scored service assessment. It is recommended that the Fire Authority's Strategy and Resources Committee, at its next meeting (25 May 2006), receive, and, if considered acceptable, approve on behalf of the Authority a proposed response to the Audit Commission's consultation document.

At the June 2006 meeting of the Fire Authority it is proposed to bring forward an update on the performance framework arrangements, identifying expected audit dates and Member/officer involvement, where applicable. The update will also provide a status report on the Fire Authority's own performance improvement arrangements that are embedded within the annual Performance Plan 2005/06. It should be noted that the Fire Authority's earlier proposal to act as a pilot authority within the use of resources assessment exercise was declined by the Audit Commission.

Members are also asked to note that the Fire Authority recently secured £24,000 of funds through the Capacity Building Programme on behalf of the West Midlands



Regional Management Board (WMRMB). The funds have facilitated the undertaking of regional operational assurance peer reviews in preparation for the scored service assessment. This has resulted in the training and accreditation of 15 regional peer assessors, who will review during May/June each Authority's operational assurance preparations in advance of the Audit Commission's assessments later this summer.

5 Appendices

Appendix A - Audit Commission Fire and Rescue Performance Framework
2006/07

Appendix B - Office of the Deputy Prime Minister Fire and Rescue Service Circular
20-2006 Assessing Operational Performance in the Fire and
Rescue Service

6 Background Papers

There are no background papers to this report.

Implications of all of the following have been considered and, where they are significant (i.e. marked with an asterisk), the implications are detailed within the report itself.

Balance Score Card		Integrated Risk Management Planning	
Business Continuity Planning		Legal	
Capacity	*	Member Involvement	*
Civil Contingencies Act		National Framework	*
Comprehensive Performance Assessment	*	Operational Assurance	*
Equality and Diversity		Retained	
Efficiency Savings		Risk and Insurance	
Environmental		Staff	
Financial	*	Strategic Planning	*
Fire Control/Fire Link		West Midlands Regional Management Board	*

For further information about this report please contact Alan Taylor, Chief Fire Officer, on 01743 260201 or Steve Worrall, Assistant Chief Fire Officer, on 01743 260204.



Fire and Rescue

Consultation

April 2006

Appendix A to report on
Audit Commission Consultation -
The Fire and Rescue Service
Performance Framework 2006/07
Shropshire and Wrekin Fire Authority
10 May 2006

Fire and rescue – performance framework 2006/07

Consultation document

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local services for the public. Our remit covers around 11,000 bodies in England, which between them spend more than £180 billion of public money each year. Our work covers local government, health, housing, community safety and fire and rescue services.

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1

Introduction

- 1 Comprehensive Performance Assessment (CPA) is a tool for improvement, which measures how well councils and fire authorities are delivering services for local people and communities.
- 2 Since its introduction in 2002, council services have improved significantly, and CPA is acknowledged as one of the catalysts for this. CPA was introduced for fire and rescue authorities (FRAs) in 2005 and has been acknowledged as a driver for improvement in the service. Eight in ten chief fire officers feel that the benefits obtained from the process were proportionate to the staff resources they applied to the process.¹
- 3 Fire and Rescue CPA results were published in July and August 2005 and FRAs have since been following a programme of improvement led by the Office of the Deputy Prime Minister (ODPM) and supported by the Audit Commission. This programme will continue in 2006/07 and beyond.
- 4 The Audit Commission is committed to measuring the improvement FRAs have made since their Fire and Rescue CPA. This document sets out how we propose to achieve this and seeks views on the proposals. Our proposals for 2006/07 are for a fire and rescue performance framework that builds upon the Fire and Rescue CPA judgement and measures improvement, or regression, from that baseline. It does not allow for re-categorisation at this stage.
- 5 Fire and Rescue CPA was a corporate assessment used to deliver a CPA judgement. It rated FRAs on a five point scale from excellent to poor. The score for each FRA set a baseline for improvement against the backdrop of the government's modernisation agenda.

¹ MORI survey 2005 based on a sample of 43 participating chief fire officers.

- 6 Analysis of all Fire and Rescue CPA reports¹ has shown that FRAs are changing. However, while there is a clear appetite for change, the pace varies substantially and improvement has not always been achieved. Forty-seven per cent of FRAs have been categorised as good or excellent, but only a small proportion are performing across the board at above minimum requirements. This means that there is still much scope for improvement and that improvements will take some time to be delivered.
- 7 The Commission will target its future audit and inspection activities where it can have greatest effect and in line with our guiding principles of Strategic Regulation. Our proposals will reflect the need to:
- promote value for money;
 - improve financial management and improved financial reporting;
 - encourage improvements in public services that people value, by challenging the FRA from the perspective of service users and diverse communities;
 - promote good governance, greater accountability, better decision making and the proper conduct of public business; and
 - stimulate significant improvement in the use of performance information, data quality, data analysis, information management and the public accessibility of relevant information.
- 8 This document is being issued prior to the publication of *CPA – The Harder Test* framework for 2006 for county councils. County FRAs should read this document in conjunction with *CPA – The Harder Test* as aspects of the performance framework described here are applicable to the county council CPA framework.

¹ *Comprehensive Performance Assessment – Learning from CPA for the Fire and Rescue Service in England 2005*, Audit Commission, January 2006.

Outline of the consultation document

- 9 Sections 3 to 5 outline the main proposals in more detail, covering the proposals for the different elements in the performance framework for 2006/07:
- use of resources;
 - direction of travel; and
 - service assessment.
- 10 Sections 6 and 7 then set out:
- proposals for reporting and re-categorisation; and
 - consultation questions.

Responding to the consultation

- 11 The consultation will continue until 30 May 2006. Responses on the issues raised in this document should be clearly headed 'Fire & Rescue consultation' and sent to cpa@audit-commission.gov.uk. Responses to the questions set out in Section 7 would be particularly welcome.
- 12 Please note that we will not be able to accept any responses submitted after 30 May, and that all responses will be considered as being on the record.
- 13 We then aim to publish a summary of the consultation responses alongside the confirmed fire and rescue performance framework at the end of July 2006.

2

Main proposals

- 14 We recognise that FRAs are currently in the process of improvement planning and that the early signs of improvement are only now starting to emerge. Our proposals are therefore designed to be proportionate and to measure the scale and sustainability of this improvement.
- 15 Our approach to measuring performance in 2006/07 has been influenced by the learning gained from Fire and Rescue CPA and the Initial Performance Assessment (IPA) of the London Fire and Emergency Planning Authority. We want to ensure that it is proportionate, focuses on improvements made against the Fire and Rescue CPA assessments and measures the service as experienced by the community. Our approach is applicable to:
- combined FRAs;
 - county council FRAs;
 - metropolitan FRAs;
 - the Council of the Isles of Scilly; and
 - the London Fire and Emergency Planning Authority.
- 16 We propose that our overall approach to measuring improvement and performance in FRAs will be through a performance framework with three elements:
- a **use of resources assessment**. This will assess the authority across a broad range of financial issues and provide a scored assessment including whether the FRA is providing value for money;
 - an assessment of improvement, or deterioration, in performance measured through a scored **direction of travel assessment**. The assessment will be outcome focused and draw together all assessments on the FRA; and
 - a scored **service assessment** which will have an emphasis on service delivery and will include an operational assessment of the quality of service delivery. The assessment will be applicable to all FRAs. The service assessment for county FRAs will also form part of the overall CPA for single tier and county councils (ST&CC) for 2006.

Each of these areas is described more fully in the following sections and appendices of this document.

- 17 Our approach for county council FRAs will be tailored to ensure we only undertake sufficient work in these authorities to form a judgement that will be wholly consistent with those for all other FRAs.
- 18 The assessments will, when brought together, provide a clear picture of the improvements a fire authority has made since its baseline Fire and Rescue CPA. They will not directly result in a change in CPA category in 2006/07; however, they will be important in any consideration of whether further work is appropriate in order to determine a re-categorisation (up or down) at some point in the future. We intend to consult on the issue of re-categorisation later in 2006.

3

Use of resources

- 19 Use of resources (UoR) assessment will provide a scored assessment across a broad range of financial issues including a judgement on whether the authority is securing value for money. It is proposed that we will apply a UoR assessment in 2006/07 using evidence from the 2005/06 audit.

Basis of the assessment

- 20 The assessment will be based on the work carried out by the authority's appointed auditor to deliver the Code of Audit Practice and will take a strategic approach with emphasis on the quality of management arrangements. To assess UoR, auditors will form assessments across the following areas (**Table 1**).

Table 1

Fire and rescue use of resources

Proposed use of resources key lines of enquiry.

Fire and rescue use of resources key line of enquiry

- **Financial reporting**
how good the authority's financial accounting and reporting arrangements are
- **Financial management**
how well the authority plans and manages its finances
- **Financial standing**
how well the authority safeguards its financial standing
- **Internal control**
how the authority's internal control environment enables it to manage its significant business risks
- **Value for money**
whether the authority currently achieves good value for money and how well it manages and improves value for money

Source: Audit Commission

Value for money

- 21 In reaching a view on value for money (VFM), appointed auditors take into account whether the authority as a whole provides VFM. Their assessment will consider current achievement of VFM and how the authority strategically manages and improves VFM. Auditors look at how costs compare to others, but will also take account of local context, the quality of services delivered and how IRMP informs service delivery.
- 22 Auditors will take into account the results of the operational assessment of service delivery, provided by the Office of the Deputy Prime Minister (ODPM), when reaching their judgement on VFM.

Scoring

- 23 We will score the use of resources assessment based on the Local Service Inspectorate Forum agreed approach which is as follows (**Table 2**).

Table 2

Use of resources

Fire and rescue use of resources scores and definitions.

Score	Definition descriptor
4	Performing strongly – well above minimum requirements
3	Performing well – consistently above minimum requirements
2	Adequate performance – only at minimum requirements
1	Inadequate performance – below minimum requirements

Source: Audit Commission

- 24 County FRAs will receive their own UoR assessment. This will be consistent with that for the county council, but have regard to the fire service and its achievement of VFM. We will pilot how best to deliver this assessment for county FRAs in order to keep additional work to a minimum.
- 25 Full details of the KLOEs and scoring definitions can be found on the Audit Commission's website at www.audit-commission.gov.uk.

4

Direction of travel

- 26 A scored direction of travel assessment is an important element of the performance framework for FRAs from 2006/07. The purpose of this assessment will be to provide a concise statement on an authority's improvement, or deterioration, since the baseline Fire and Rescue CPA categorisation. The assessment will state how well the authority has performed since the original Fire and Rescue CPA categorisation and whether or not it is considered that it will continue to improve.

Basis of the assessment

- 27 The assessment will be determined by examining two areas of focus, each supported by KLOEs. We propose to use the following areas of focus, and sub-questions, to determine direction of travel.

Table 3

Fire and rescue direction of travel

Proposed key areas of focus and sub-questions.

Area of focus

What evidence is there of the FRA improving outcomes?

- Are services improving in areas the FRA has identified as priorities and areas the public say are important to their communities?
- What contribution is the FRA making towards wider community outcomes?
- To what degree is the FRA improving both access and the quality of service for all its citizens focusing on those who have been hard to reach or previously excluded?
- Is value for money improving as well as quality of services?

How much progress is being made to implement improvement plans to sustain improvement?

- Does the FRA have robust plans for improving? (Aligned with other plans, SMART, detailed, resourced, agreed and widely communicated?)

- How well is the improvement planning being implemented – are key objectives and milestones being achieved?
- Does the FRA have the capacity to deliver its plans?
- Are there any significant weaknesses in arrangements for securing continuous improvement or failures in corporate governance that would prevent improvement levels being sustained?

Source: Audit Commission

Making the assessment

- 28** The assessment will be made by the FRA's Relationship Manager (RM) appointed by the Audit Commission. The FRA will have the opportunity to provide supporting evidence to inform the RM of its progress. The self-assessment will give the FRA the opportunity to provide information on:
- local context – focusing on key issues that inform and shape local priorities and improvement;
 - priority services and wider outcomes – demonstrating achievement against these; and
 - the robustness of improvement planning and the extent to which improvements are delivered as planned.
- 29** The RM will use the self-assessment, along with the evidence gathered from the service assessment, including the operational assessment of service delivery and use of resources assessment, to come to an overall judgement.
- 30** County FRAs will receive their own direction of travel assessment. This will be consistent with that for the county council, but have regard to the fire service and its service improvement. We will pilot how best to deliver this assessment for county FRAs.

Scoring

- 31 The direction of travel assessment will be scored. We propose to score the direction of travel assessment in line with the descriptors used for single tier and county councils which are as follows (Table 4).

Table 4

Direction of travel

Proposed direction of travel scores and definitions.

Score	Definition descriptor
4	Improving strongly
3	Improving well
2	Improving adequately
1	Not improving adequately / Not improving

Source: Audit Commission

- 32 Full details of the KLOEs and scoring definitions can be found at **Appendix 1**.

5

Service assessment

- 33** In developing the service assessment we will seek to be consistent with the Commission's established service assessment methodology wherever possible. For county FRAs this service assessment will form part of their county council's CPA framework in 2006.

Basis of the assessment

- 34** The objective of the fire and rescue service assessment is to take a broad view of the authority's performance in delivering the fire and rescue service, as defined in the Fire and Rescue Services Act 2004.
- 35** The assessment will focus on service delivery and will look at the effectiveness of the service as experienced by recipients of the service. The service assessment for 2006 will be constructed from two elements:
- the operational assessment of service delivery; and
 - the performance information element.

These two elements will be scored separately and the scores will be brought together to determine the overall fire and rescue service assessment score.

The operational assessment of service delivery

- 36** The operational assessment of service delivery will cover the following areas, based on the principles used in Integrated Risk Management Planning (IRMP). It includes an assessment of the local risks, decision making about service delivery resource allocation, preventative and protective services, call handling, command support and operational response, together with the arrangements in place to secure the health and safety of staff, particularly the training and development they receive for operational response options. All emergency responses, (firefighting, fire rescue, transport accidents, specialist rescues, major incidents, terrorism, and environmental threats) are to be included.

- 37 Teams organised by ODPM, comprising practitioners from FRAs, will assess fire and rescue services on their operational service delivery. Operational assessment of service delivery will cover the following components:
- risk analysis;
 - prevention and protection;
 - operational preparedness;
 - call management and incident support; and
 - emergency response.
- 38 Further details of this assessment can be found in ODPM's separate consultation on this assessment at www.odpm.gov.uk.
- 39 ODPM will present the operational assessment of service delivery as a 1 – 4 score with a supporting narrative. The Commission will combine this score with the score from the PI component to inform the overall service assessment score. Further details can be found in **Appendix 2**.

The performance information element

- 40 We propose to bring together a range of current performance indicators (PIs), both best value performance indicators (BVPIs) and other measures, to determine the performance information element score. We will select PIs from those nationally available to assess the quality of the services delivered by FRAs. The set of PIs we intend to use measure outcomes rather than inputs or process wherever possible and cover the full range of services provided. **Table 5** sets out the PIs we are proposing to use in the 2006 fire and rescue service assessment.

Table 5**Performance indicators proposed to be used for the 2006 fire and rescue service assessment**

Proposals for the 2006 service assessment.

Audit Commission reference	Performance indicator description
F1	Primary fires per 10,000 population.
F2	Accidental dwelling fires per 10,000 dwellings.
F3	Deaths arising from accidental dwelling fires per 100,000 population.
F4	Injuries arising from accidental dwelling fires per 100,000 population.
F5	Percentage of accidental dwelling fires confined to room of origin.
F6	False alarms caused by automatic fire detection per 1,000 non-domestic properties attended.
F7	Number of deliberate primary fires (including vehicles) per 10,000 population.
F8	Number of non-fire related incidents attended per 10,000 population.

Source: Audit Commission

- 41 The results for some of these PIs are subject to significant annual variations and we propose to treat them in such a way as to minimise the impact of this potential volatility. This treatment will also include adjustments for deprivation where it is relevant to do so.
- 42 In order to distinguish between good and poor performance the result for each PI will be compared against a pre-determined upper and lower threshold. We will take a consistent approach to setting these thresholds and details on the basis on which the thresholds are set, and the specific thresholds we are proposing to use in 2006, can be found in **Table 10** in **Appendix 2**.

- 43 The distribution of all the PIs around the thresholds will determine the performance information element score, given as a 1 – 4 by the Audit Commission. **Appendix 2** shows how the performance information element score will be determined. It also sets out how we are intending to deal with any missing data, make adjustments for deprivation and the specific treatment of individual indicators.

The overall service assessment score

- 44 We will bring together the operational assessment of service delivery score and the performance information element score, using an equal weighting for each, to give an overall fire and rescue service assessment score. We explain in **Appendix 2** how we intend to do this. The Local Services Inspectorate Forum (LSIF) has agreed a consistent approach to scoring service assessments on a 1 – 4 scale. The overall fire and rescue service assessment score will be given as a 1 – 4 score, in line with the descriptions agreed by LSIF and set out in **Table 6** below.

Table 6
Fire and rescue service assessment
Service assessment scores and definitions.

Score	Performance descriptors
4	Performing strongly – well above minimum requirements
3	Performing well – consistently above minimum requirements
2	Adequate performance – only at minimum requirements
1	Inadequate performance – below minimum requirements

Source: Audit Commission

6

Reporting and re-categorisation

Reporting

- 45 The proposed scored assessments for a fire service assessment, use of resources assessment and direction of travel will provide a clear picture of the progress a fire authority has made since its baseline Fire and Rescue CPA. These results will form the basis of the Commission's public reporting in 2006/07.
- 46 In our public reporting we propose to supplement the baseline 2005 Fire and Rescue CPA scores, which remain current in 2006, with the results of the performance framework. We will publish these results in March 2007 in the form of a score card that shows the baseline Fire and Rescue CPA score and the three new component judgements.
- 47 The service assessment and use of resources assessments will be made available to the FRA as they are completed towards the end of the financial year. These results, along with the direction of travel assessment, will be publicly reported in March 2007 alongside the Fire and Rescue CPA category.
- 48 County FRAs will also have their fire and rescue service assessment score reported as part of their county council CPA scores when these are published.

Re-categorisation

- 49 The Commission is committed to measuring improvement within the FRAs and to do this in a proportionate way. For the Commission to re-categorise an authority improvements have to have taken place in management and governance arrangements as well as operational service delivery, and these need to be significant and sustainable. For some authorities this will take time to achieve.
- 50 The performance framework we are proposing in this document will enable the Commission to determine if any authority is showing signs of significantly improving or deteriorating from its previous Fire and Rescue CPA. If this were to be the case the Commission would seek to measure this comprehensively through a corporate assessment that could result in re-categorisation.

- 51 We are considering the potential requirements to re-categorise FRAs where appropriate. We will undertake consultation in relation to this in the autumn of 2006. We anticipate that corporate assessments will be required to determine whether or not FRAs shall be re-categorised. It would be our intention that the priority for any corporate assessment programme should be those FRAs where there are signs of deterioration and to existing poor or weak authorities showing significant signs of improvement. We would expect a corporate assessment programme focusing on these FRAs to commence in autumn 2007.

7

Consultation questions

52 We would particularly welcome responses to the following questions set out in this document.

Consultation questions

1. Main proposals

- 1.1 Do you agree or disagree that the proposed performance framework for fire and rescue authorities will provide a clear picture of improvement or deterioration in service since the baseline Fire and Rescue CPA assessment?
 - 1.2 Are there other factors the Audit Commission should take into account to measure performance in fire and rescue authorities?
-

2. Use of resources

- 2.1 Do you agree or disagree that the key lines of enquiry for use of resources assessments in fire and rescue authorities are appropriate? If not, please outline your areas of concern and proposals for improving them.
-

3. Direction of travel

- 3.1 Do you agree or disagree that the direction of travel key lines of enquiry will enable the capture of the fire and rescue authority's improvement since the baseline Fire and Rescue CPA and the likelihood of continued improvement? If not, please outline your areas of concern and proposals for improving them.
-

4. Service assessments

- 4.1 Do you agree or disagree that the performance indicators used give an accurate reflection of service outcomes for fire and rescue authorities? Are there other national indicators you suggest we use in the service assessment?
 - 4.2 Do you agree or disagree with the proposals for the treatment of performance indicators; the calculation of performance indicator thresholds and the distribution of performance indicators around the thresholds set out in Appendix 2?
 - 4.3 Do you agree or disagree with the method proposed for determining the fire and rescue service assessment set out in Appendix 2 to be appropriate?
-

4. Service assessments (continued)

- 4.4 Do you agree or disagree with our proposals to score missing BVPI data below the lower threshold?
-

5. Reporting and categorisation

- 5.1 Do you agree or disagree with our proposal to report the baseline Fire and Rescue CPA score with the results of the performance framework?
-

6. General

- 6.1 Are there any other observations you wish to make on the proposals in this document, or any suggestions for improvement?
-

Appendix 1 – Direction of travel

Introduction

- 53 A scored direction of travel assessment is an important element of the performance framework for FRAs from 2006/07. The purpose of this assessment will be to provide a concise statement on an authority's improvement, or deterioration, since the baseline Fire and Rescue CPA assessment. The assessment will recognise progress since the Fire and Rescue CPA and qualify it by stating how well the authority is performing and whether or not it is considered that it will continue to improve.

Key lines of enquiry and evidence sources

- 54 Set out below (**Table 7**) are the proposed KLOEs which we will use to inform the scored direction of travel assessments for FRAs.

Table 7

Key lines of enquiry and evidence sources

Fire and rescue authorities.

Key lines of enquiry (KLOE)	Evidence source
<p>1. What evidence is there of the fire and rescue authority (FRA) improving outcomes?</p> <p>1.1. Are services improving in areas the FRA has identified as priorities and areas the public say are important to their communities?</p> <p>1.2. What contribution is the FRA making towards wider community outcomes?</p>	<p>Evaluation of the FRA's self-assessment</p> <p>Use of resources assessment that directly provides the evidence of value for money</p>

Key lines of enquiry (KLOE)	Evidence source
<p>1.3. To what degree is the FRA improving both access and the quality of service for all its citizens focusing on those who are hard to reach or have been previously excluded?</p> <p>1.4. Is value for money improving as well as quality of services?</p>	<p>Report on the operational assessment of service delivery</p> <p>Relevant PI data pack – track record of improvement, including in user satisfaction results</p> <p>Published reports and findings of other relevant inspectorates and regulators</p> <p>On-site interviews and any further evidence of outcomes being achieved</p>
<p>2. How much progress is being made to implement improvement plans to sustain future improvement?</p> <p>2.1 Does the FRA have robust plans for improving? (Aligned with other plans, SMART¹, detailed, resourced, agreed and widely communicated?)</p> <p>2.2 How well is the improvement planning being implemented: are key objectives and milestones being achieved?</p> <p>2.3 Does the FRA have the capacity to deliver its plans?</p> <p>2.4 Are there any significant weaknesses in arrangements for securing continuous improvement or failures in corporate governance that would prevent improvement levels being sustained?</p>	<p>Evaluation of the authority’s self-assessment</p> <p>Document reviews including improvement plans and performance reports showing delivery against the improvement plan</p> <p>Published reports and findings of auditors, other relevant inspectorates and regulators relating to improvement planning and delivery</p> <p>On-site interviews</p>

Source: Audit Commission

¹ Specific, measurable, achievable, realistic, timed.

Judgement labels and descriptors

55 Set out below (**Table 8**) are the judgement labels and descriptors we propose to use to produce direction of travel assessments for FRAs from 2006/07.

Table 8
Judgement labels and descriptors
Fire and rescue authorities from 2006/07.

Judgement labels	Descriptors
<p>Score of 4</p> <p>Improving strongly</p>	<p>The FRA has a strong record of improvement in its priority services and in making an effective contribution to wider community outcomes. Where comparisons can be made it has a record of achieving strong improvement relative to the performance of other FRAs.</p> <ul style="list-style-type: none"> • The FRA has a strong record of implementing the requirements of the National Framework for fire and rescue authorities. • The FRA is delivering improved outcomes to all its diverse communities and providing improved value for money. • The FRA has robust plans for further improving its corporate ability and can demonstrate it is delivering its planned improvements. As a result the FRA provides high levels of confidence that the better outcomes are sustainable. • The FRA can clearly show that it has the capacity it needs to deliver its future plans. The FRA has no weaknesses in its arrangements for securing continuous improvement, or failures in corporate governance, that would prevent improvement levels being sustained.
<p>Score of 3</p> <p>Improving well</p>	<p>The FRA has a record of improvement in its priority services and in contributing to wider community outcomes. Where comparisons can be made it is improving well relative to the performance of other FRAs.</p> <ul style="list-style-type: none"> • The FRA can evidence improvements in outcomes for its diverse communities and in providing improved value for money.

Judgement labels	Descriptors
<p>Score of 3</p> <p>Improving well</p>	<ul style="list-style-type: none"> ● The FRA has a record of implementing the requirements of the National Framework for fire and rescue authorities. ● The FRA has robust plans for further improving its corporate ability and its service outcomes. The FRA is delivering improvements in line with most of its plans, so providing confidence that outcomes will continue to improve. It may need to improve delivery against some of its plans. ● The FRA can show it has the capacity to deliver its future plans. ● There are no significant weaknesses in how it delivers improvement or failures in corporate governance that would prevent improvement levels being sustained.
<p>Score of 2</p> <p>Improving adequately</p>	<p>The FRA is meeting only minimum requirements for securing continuous improvement. The FRA is generally making improvements to services, but its record may be inconsistent. The FRA has contributed to wider community outcomes but significant contributions may be isolated.</p> <ul style="list-style-type: none"> ● Where comparisons can be made, the FRA is improving relative to the performance of other FRAs in some service areas. ● The FRA may be still identifying the needs of the National Framework for fire and rescue authorities in its area. ● The FRA is addressing some sectors of its diverse communities, and may be still in the process of identifying how to effectively engage with all its communities. The FRA is generally improving value for money. ● The FRA has reasonably robust plans for further improving its corporate ability. It needs to make some of its plans more robust. ● The FRA is generally delivering improvements as planned, so providing some confidence that better outcomes will be secured in the future. It needs to improve delivery against its plans in some areas. ● The FRA generally has the capacity to deliver its plans but there may be uncertainty about the capacity to deliver some of its plans. ● There are no failures in corporate governance that would prevent improvement levels being sustained.

Judgement labels	Descriptors
<p>Score of 1</p> <p>Not improving adequately /Not improving</p>	<p>For FRAs in this category a judgement will be made as to whether or not the failure to improve adequately can be reasonably described as ‘not improving’.</p> <ul style="list-style-type: none"> ● If there is no overall improvement in the FRA’s performance, especially in relation to its priorities for improvement, the label ‘not improving’ will be applied. ● If overall there are some signs of improvement, but the extent or speed of improvement is inadequate, the label ‘not improving adequately’ will be applied. ● The FRA is struggling to implement the requirements of the National Framework for fire and rescue authorities. ● The FRA is failing to improve priority service areas and performance in some services may be deteriorating. The FRA does not have a consistent record of improvement. Contributions to wider community outcomes are weak. While there may be some absolute improvements, where comparisons can be made there is no overall relative improvement. ● The FRA is still identifying how to reach sectors of its diverse communities and is still in the process of identifying their needs. The FRA cannot provide clear evidence of improving value for money. ● The FRA has poor plans for improving its corporate ability and/or is not meeting objectives and milestones for improvement. The FRA is not providing confidence that better outcomes will be achieved in the future. ● The FRA may lack the capacity to deliver its plans. It may have serious weaknesses in its arrangements for securing continuous improvement, or failures in corporate governance.

Appendix 2 – Service assessments

Introduction

- 56 The fire and rescue service assessment will be made up of two elements: the operational assessment of service delivery; and the performance information element. Both of these elements will be scored separately and given a 1 – 4 score, which will then be combined to give the overall service assessment score.

The operational assessment of service delivery

- 57 A score of 1 – 4 for the operational assessment of service delivery will be provided to the Audit Commission by ODPM. For further detail on how the operational assessment score will be delivered please consult the ODPM consultation (*Operational Assessment of Service Delivery – Consultation Paper March 2006*).

The performance information element

- 58 We propose to bring together a range of indicators, both BVPIs and other performance measures, to determine the overall performance information element score. We have identified a number of PIs that we are proposing to include in the 2006 service assessment. The Commission has taken into account the following factors in identifying PIs for inclusion:
- PIs must be robust and reliable and capable of being compared on a nationally consistent basis;
 - PIs must measure outcome, rather than an input or process measure; and
 - the set of PIs must be broadly representative of the service that authorities provide.

The PIs we are proposing to use in the fire and rescue service assessment for 2006 are detailed in **Table 10**.

- 59 In general, in order for PIs to be included in the service assessment there must be at least one full year of data available on which to set and consult on the relevant thresholds. In practice this means we are not intending to use any PIs that were collected for the first time in 2005/06 in the 2006 fire and rescue service assessment. However, we are

considering using the following PIs in the 2007 service assessment:

- BVPI 149 (ii) – No of properties (from BVPI 149i) with more than one attendance by FRS;
- BVPI 149 (iii) – Percentage of false alarms caused by automatic fire detection which are to a non-domestic property with more than one attendance;
- BVPI 206 (iii) + 206 (iv) – No of deliberate secondary fires (including vehicles);
- BVPI 207 – No of fires in non-domestic premises;
- BVPI 208 – Percentage of people in accidental dwelling fires who escape unharmed without FRS assistance at fire; and
- BVPI 209 – Percentage of fires attended in dwellings where the smoke alarm was activated.

Treatment and thresholds of performance indicators

- 60** We intend to include the most up-to-date data available for each PI in the 2006 service assessment, which in most cases we anticipate being 2005/06 data. There are some difficulties with basing the result for each PI on only one year of data. For many of the PIs we are proposing to use, data from previous years shows the range or spread of results is often very small. This could lead to potential volatility in the result for each PI and instability in the performance information element score from year to year.
- 61** In order to try and overcome this problem, where relevant we are proposing to calculate a result for each PI based on an average of the last three years data. Using an average means that the impact that a change in the data between any two years may have will effectively be ‘smoothed out’. The specific treatment we propose to use for each individual PI is set out in **Table 10**.
- 62** We are proposing to compare the result for each PI against a pre-determined upper threshold and lower threshold. We will take a consistent approach to setting the thresholds. Where there are national requirements, standards or targets that have been determined or endorsed by the relevant government department, achievement or progress towards the requirement, standard or target, will be used to set the thresholds. In other cases where there are no such national requirements the default thresholds will be linked to quartiles, as follows:

- the lower threshold will be set at the 25th percentile based on the average data for that PI from 2002/03, 2003/04 and 2004/05; and
- the upper threshold will be set at the 75th percentile based on the average data for that PI from 2002/03, 2003/04 and 2004/05.

The upper and lower threshold we are proposing to use for each indicator is detailed in **Table 10**.

- 63** In practice for most PIs this means that for each authority the result for a PI will be calculated as the average data for that authority from 2003/04, 2004/05 and 2005/06 and will be compared against an upper and lower threshold based on the average data for all authorities from 2002/03, 2003/04 and 2004/05. As the result for each PI and the threshold for each PI are based on data that is one year apart, it means that if there is a general improvement in the performance of an indicator then authorities that do improve will still get the benefit, for example, it does not automatically mean that 25 per cent of authorities will be below the lower threshold for a PI.
- 64** For reasons of stability in the service assessment scores, and where it is relevant to do so, most thresholds will remain unchanged for two years.

The overall performance information element score

- 65** We will calculate a performance information element score, from 1 – 4, based on the distribution of PIs that are below the lower threshold, above the upper threshold, or in-between the two thresholds, using the approach set out in **Table 9** overleaf.

Table 9**Approach to scoring the performance information element for the fire and rescue service assessment**

Performance information element score	Distribution of PIs
4	No PIs at or below the lower threshold and 35% or more PIs at or above the upper threshold
3	No more than 15% of PIs at or below the lower threshold and 25% or more PIs at or above the upper threshold
2	Any other combination
1	35% or more PIs at or below the lower threshold

Source: Audit Commission

Making adjustments for deprivation

- 66 We will adjust PI data where a significant correlation exists between the extent of deprivation locally, as expressed in the IMD 2004 index, and performance in the relevant years of data we will be using. PIs where the correlation coefficient between deprivation and performance in relevant years is greater than 0.5 will be adjusted. **Table 10** indicates which PIs we are proposing to make adjustments to.
- 67 We will uplift all authorities' results for these PIs to take account of their level of deprivation, therefore, the higher the level of deprivation the higher the uplift.
- 68 We will make the adjustments where relevant using a linear regression model. The adjusted PI value would be calculated using the following equation:
- $$\text{Adjusted PI value} = \text{original PI value} - \text{linear function of deprivation}$$

The function element will use the gradient of the linear regression equation calculated from the relevant data. An example of a calculation is given below:

Original PI value = 38%

Gradient = +0.25

Deprivation (IMD 2004 average score) = 36

Adjusted PI value = original PI value – linear function of deprivation

Adjusted PI = 38% – (+0.25 x 36) = 29%

- 69 Where data is adjusted and thresholds are based on quartiles, the thresholds will be derived from adjusted PI data for the relevant years.

Dealing with missing PI data

- 70 Where the 2005/06 data for a BVPI is considered to be missing because an authority has failed to supply the necessary information then we are proposing that the PI should be scored as being below the lower threshold in the 2006 service assessment.
- 71 This treatment does not apply to non-BVPI data in the 2006 service assessment due to its different nature. Where an authority has failed to supply data for an indicator in 2005/06 we will refer to the data reported in the previous year (2004/05) if available. If the data is not available in the previous year then we will remove the relevant PI from the distribution of PIs to give the performance information element score for the service assessment.

Table 10**PIs, treatment and thresholds proposed for the 2006 fire and rescue service assessment**

Proposal for 2006.

Ref.	Description of PI	Source and ref.	Treatment notes
F1	Primary fires per 10,000 population	BVPI 142 (ii)	<p>Result is calculated as the average of the data from 2003/04, 2004/05 and 2005/06</p> <p>Thresholds based on 25th and 75th percentile points of the average of the data from 2002/03, 2003/04 and 2004/05</p>
F2	Accidental dwelling fires per 10,000 dwellings	BVPI 142 (iii)	<p>Result is calculated as the average of the data from 2003/04, 2004/05 and 2005/06</p> <p>Thresholds based on 25th and 75th percentile points of the average of the data from 2002/03, 2003/04 and 2004/05</p>
F3	Deaths arising from accidental dwelling fires per 100,000 population	BVPI 143 (i)	<p>Thresholds based on floor target that every authority should be within 1.25 of the national average, based on results over five years</p> <p>Results for each authority are calculated as the average of the data from 2001/02 to 2005/06</p> <p>The upper threshold is based on the national average of the data from 2000/01 to 2004/05</p> <p>The lower threshold is based on 1.25 x national average of the data from five years 2000/01 to 2004/05</p>

Lower threshold	Upper threshold	Adjustment
15.2	7.5	Deprivation
10.0	5.2	Deprivation
0.625	0.5	None

Ref.	Description of PI	Source and ref.	Treatment notes
F4	Injuries arising from accidental dwelling fires per 100,000 population	BVPI 143 (ii)	<p>Result is calculated as the average of the data from 2003/04, 2004/05 and 2005/06</p> <p>Thresholds based on 25th and 75th percentile points of the average of the data from 2002/03, 2003/04 and 2004/05</p>
F5	Percentage of accidental dwelling fires confined to room of origin	BVPI 144	<p>Result is calculated as the average of the data from 2003/04, 2004/05 and 2005/06</p> <p>Thresholds based on 25th and 75th percentile points of the average of the data from 2002/03, 2003/04 and 2004/05</p> <p>Note – BVPI 144 was previously split into parts a, b, c and d – data for each part will be added together for previous years</p>
F6	False alarms caused by automatic fire detection attended per 1,000 non-domestic properties	From data returned through FDR3	<p>Result is calculated as the average of the data from 2003/04, 2004/05 and 2005/06</p> <p>Thresholds based on 25th and 75th percentile points of the average of the data from 2002/03, 2003/04 and 2004/05</p> <p>Note – Data from FDR3 is used to enable comparison over the years – similar BVPI 149 (I in 2205/06) (previously called BVPI 149)</p>

Lower threshold	Upper threshold	Adjustment
10.9	6.3	None
89.8%	91.3%	None
150.9	112.2	None

Ref.	Description of PI	Source and ref.	Treatment notes
F7	Number of deliberate primary fires (including vehicles) per 10,000 population	BVPI 206i+ii	<p>Thresholds based on the progress towards the national target of 10% reduction in baseline figure from 2001/02 by 2010</p> <p>A reduction of 1.25% from baseline would be required each year over eight years to meet this target</p> <p>Note – BVPI 206 is split into parts i, ii, iii and iv in 2005/06 but parts i and ii can be added together to give the same data as BVPI 206 from previous years</p>
F8	Number of non-fire related incidents attended per 10,000 population	Non-BVPI – from national fire statistics	<p>Result is calculated as the average of the data from 2003/04, 2004/05 and 2005/06</p> <p>Thresholds based on 25th and 75th percentile points of the average of the data from 2002/03, 2003/04 and 2004/05</p>

Lower threshold	Upper threshold	Adjustment
No change or increase from 2004/05 to 2005/06	Net reduction of 5% from 2001/02 to 2005/06 (1.25% each year for five years)	None
30.2	23.1	None

Source: Audit Commission

The overall service assessment score

- 72 We propose to give the operational assessment of service delivery and the performance indicator element equal weighting in the overall fire and rescue service assessment score. We will bring these two assessments together using the matrix shown in **Table 11**.

Table 11
Matrix to determine the overall fire and rescue service assessment score

Proposals for 2006.

Overall service assessment score		Operational assessment of service delivery score			
		1	2	3	4
Performance Indicator score	1	1	1	2	2
	2	1	2	2	3
	3	2	2	3	3
	4	2	3	3	4

Source: Audit Commission

- 73 This approach to bringing the two elements together to determine the overall fire service assessment score applies to 2006 only and may be revised in future years as the PI set for the fire and rescue service assessment is more fully developed.

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Audit Commission
1st Floor, Millbank Tower,
Millbank, London SW1P 4HQ
Tel: 020 7828 1212 Fax: 020 7976 6187
Textphone (minicom): 020 7630 0421
www.audit-commission.gov.uk



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Assessing Operational Performance in the Fire and Rescue Service

Issued by:

Max Hood
Director, Operational Assessment of Service Delivery

Addressed to:

The Chair of the Fire and Rescue Authority
The Chief Executive of the County Council
The Clerk to the Fire and Rescue Authority
The Clerk to the Combined Fire and Rescue Authority
The Commissioner of the London Fire and Emergency Planning Authority
The Chief Fire Officer

Summary

Consultation on proposals for assessing operational performance in the fire and rescue service

For further information, contact:

Di Bell
Office of the Deputy Prime Minister
Allington Towers
PO Box 50200
Floor 5, Zone C, Allington Street
London SW1E 5WY

Direct line **020 7944 5449**
Fax **020 7944 5558**
E-mail Diane.bell@odpm.gsi.gov.uk

General helpline **020 7944 8194**

Website www.odpm.gov.uk

1.0 Introduction

- 1.1 This circular invites you to participate in the consultation on a new approach to assessing operational performance in the fire and rescue service (FRS) in England. This is intended to form part of the 2006 Service Assessment carried out by the Audit Commission. The Audit Commission is consulting separately on their overall proposals for 2006.
- 1.2 The proposals contained in this consultation exercise deal with the development of a self assessment toolkit focusing on service delivery, use of the toolkit, and the follow up review work of the operational assessment teams.
- 1.3 The assessment teams, seconded to ODPM to review fire and rescue authorities' self assessments, have now been selected. Each team will comprise a team leader and two Team Members. The majority of secondees have been recruited at Area Manager or Group Manager level. Training for secondees will consist of a structured programme, provided jointly by ODPM and the Audit Commission, which will cover a broad range of issues including audit/verification skills, dealing with difficult situations, recording data, use of IT and achieving consistency. We will also allow teams to rehearse things in a safe environment and draw on the experience and lessons learned from fire CPA assessment teams.

2.0 The Consultation

- 2.1 This consultation document seeks views on:
 - the toolkit;
 - the guidance provided to support use of the toolkit as a self assessment tool;
 - the scoring and evidence requirements;
 - the approach ensuring consistency of scoring (Quality Assurance) and the review procedure; and
 - the timetable.
- 2.2 Subject to comments received in response to this consultation, we expect that all English fire and rescue authorities (FRAs) should undertake the self assessment, as a part of the overall service assessment.
- 2.3 Consultees are invited to:
 - comment on the details of the proposals;
 - provide any supporting evidence which they consider would be useful; and
 - suggest amendments that might improve the documents.
- 2.4 After the deadline date of 16 June 2006, we will analyse the responses to the consultation and produce a summary of the responses which will be available on the ODPM website within three months. This will cover:
 - received responses and comments; and
 - amendments to the draft as a result of the consultation.
- 2.5 All information in responses, including personal information, may be subject to publication or disclosure under freedom of information legislation. If a correspondent requests confidentiality, this cannot be guaranteed and will only

be possible if considered appropriate under the legislation. **Any such request should explain why confidentiality is necessary.** Any automatic confidentiality disclaimer by your IT system will not be considered as such a request unless you specifically include a request, with an explanation, in the main text of your response.

- 2.6 A list of individuals and organisations that have been invited to comment on the draft guidelines can be found at Annex C of the consultation document but comments are welcome from anyone. You are invited to bring this consultation to the attention of anyone else you think might be interested.
- 2.7 We consider that these proposals will place no (or in the case of the public sector, negligible) extra burdens on business, charities, the voluntary and public sectors – and therefore no Regulatory Impact Assessment has been produced.

3.0 Contact Information

- 3.1 The consultation document and toolkit is in MS Word/PDF format. Comments on the consultation document should be submitted to Di Bell, by e-mail to Diane.Bell@odpm.qsi.gov.uk by 16 June 2006. We are proposing a ten week consultation period, based on the significant involvement that CFOA and a number of fire and rescue services have had in the development of the Toolkit. In addition, as this forms part of the CPA process for Single Tier and County Council Authorities, the timetable for completion is tight and the timetable as proposed meets Audit Commission requirements.
- 3.2 The consultation document can be accessed from the website at <http://www.odpm.gov.uk/consultations>.
- 3.3 Any enquiries about this consultation should be directed in the first instance to Di Bell at the above e-mail address. Should you require a printed copy of this document please contact Di Bell.

Max Hood
Fire and Resilience Directorate