

**BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY**  
**BUCKINGHAMSHIRE FIRE AND RESCUE SERVICE**

Director of Legal & Governance, Graham Britten  
Buckinghamshire Fire & Rescue Service  
Brigade HQ, Stocklake, Aylesbury, Bucks HP20 1BD  
Tel: 01296 744441



---

**Chief Fire Officer and Chief Executive**

Jason Thelwell

---

To: Members of Buckinghamshire and Milton Keynes Fire Authority

4 February 2019

**MEMBERS OF THE PRESS**  
**AND PUBLIC**

Please note the content of Page  
2 of this Agenda Pack

Dear Councillor

Your attendance is requested at a meeting of the **BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY** to be held in Meeting Room 1, Fire and Rescue Headquarters, Stocklake, Aylesbury on **WEDNESDAY 13 FEBRUARY 2019 at 11.00 am** when the business set out overleaf will be transacted.

Yours faithfully

Graham Britten  
Director of Legal and Governance

Chairman: Councillor Reed

Councillors: Carroll, Christensen, Clare, Cranmer, Exon, Geary, Glover, Hopkins, Irwin, Lambert, Marland, McDonald, Roberts, Teesdale, Watson and Wilson



**MAKING YOU SAFER**

[www.bucksfire.gov.uk](http://www.bucksfire.gov.uk)



## **Recording of the Meeting**

The Authority supports the principles of openness and transparency. It allows filming, recording and taking photographs at its meetings that are open to the public. Requests to take photographs or undertake audio or visual recordings either by members of the public or by the media should wherever possible be made to [enquiries@bucksfire.gov.uk](mailto:enquiries@bucksfire.gov.uk) at least two working days before the meeting.

The Authority also allows the use of social networking websites and blogging to communicate with people about what is happening, as it happens.

## **Adjournment and Rights to Speak – Public**

The Authority may, when members of the public are present, adjourn a Meeting to hear the views of the public on a particular agenda item. The proposal to adjourn must be moved by a Member, seconded and agreed by a majority of the Members present and voting.

Prior to inviting the public to speak, the Chairman should advise that they:

- (a) raise their hands to indicate their wish to speak at the invitation of the Chairman,
- (b) speak for no more than four minutes,
- (c) should only speak once unless the Chairman agrees otherwise.

The Chairman should resume the Meeting as soon as possible, with the agreement of the other Members present.

Adjournments do not form part of the Meeting and should be confined to times when the views of the public need to be heard.

## **Rights to Speak - Members**

A Member of the constituent Councils who is not a Member of the Authority may attend Meetings of the Authority or its Committees to make a statement on behalf of the Member's constituents in the case of any item under discussion which directly affects the Member's division, with the prior consent of the Chairman of the Meeting which will not be unreasonably withheld. The Member's statement will not last longer than four minutes.

## **Petitions**

Any Member of the constituent Councils, a District Council, or Parish Council, falling within the Fire Authority area may Petition the Fire Authority.

The substance of a petition presented at a Meeting of the Authority shall be summarised, in not more than four minutes, by the Member of the Council who presents it. If the petition does not refer to a matter before the Authority it shall be referred without debate to the appropriate Committee.

## **Questions**

Members of the Authority, or its constituent councils, District, or Parish Councils may submit written questions prior to the Meeting to allow their full and proper consideration. Such questions shall be received by the Monitoring Officer to the Authority, *in writing*, at least two clear working days before the day of the Meeting of the Authority or the Committee.

## **COMBINED FIRE AUTHORITY - TERMS OF REFERENCE**

1. To appoint the Authority's Standing Committees and Lead Members.
2. To determine the following issues after considering recommendations from the Executive Committee, or in the case of 2(a) below, only, after considering recommendations from the Overview and Audit Committee:
  - (a) variations to Standing Orders and Financial Regulations;
  - (b) the medium-term financial plans including:
    - (i) the Revenue Budget;
    - (ii) the Capital Programme;
    - (iii) the level of borrowing under the Local Government Act 2003 in accordance with the Prudential Code produced by the Chartered Institute of Public Finance and Accountancy; and
  - (c) a Precept and all decisions legally required to set a balanced budget each financial year;
  - (d) the Prudential Indicators in accordance with the Prudential Code;
  - (e) the Treasury Strategy;
  - (f) the Scheme of Members' Allowances;
  - (g) the Integrated Risk Management Plan and Action Plan;
  - (h) the Annual Report.
3. To determine the Code of Conduct for Members on recommendation from the Overview and Audit Committee.
4. To determine all other matters reserved by law or otherwise, whether delegated to a committee or not.
5. To determine the terms of appointment or dismissal of the Chief Fire Officer and Chief Executive, and deputy to the Chief Fire Officer and Chief Executive, or equivalent.
6. To approve the Authority's statutory pay policy statement.

## AGENDA

### Item No:

#### 1. Apologies

#### 2. New Member of Authority and Appointment to Committee

To welcome the new Member from Buckinghamshire County Council and to appoint to a Committee in accordance with the Group Leader's wishes.

#### 3. Minutes

To approve, and sign as a correct record the Minutes of the meeting of the Fire Authority held on 12 December 2018 (Item 3) **(Pages 7 - 14)**

#### 4. Disclosure of Interests

Members to declare any disclosable pecuniary interests they may have in any matter being considered which are not entered onto the Authority's Register, and officers to disclose any interests they may have in any contract to be considered.

#### 5. Chairman's Announcements

To receive the Chairman's announcements (if any).

#### 6. Petitions

To receive petitions under Standing Order SOA6.

#### 7. Questions

To receive questions in accordance with Standing Order SOA7.

#### 8. Recommendations from Committees

##### Executive Committee – 6 February 2019

##### (a) Members' Allowances

"That the Authority be recommended to adopt a Scheme for Members' Allowances for 2019/20"

The report considered by the Executive Committee is attached at Item 8(a) **(Pages 15 - 50)**

##### (b) The Prudential Code, Prudential Indicators and Minimum Revenue Provision

"That the Authority be recommended to approve the Prudential Indicators and the Minimum Revenue Provision policy statement"

The report considered by the Executive Committee is attached at Item 8(b) **(Pages 51 - 60)**

**(c) Medium Term Financial Plan (MTFP) 2019/20 to 2021/22**

"That the Authority be recommended to note and have due regard to the report and Statement of the Chief Finance Officer (Section 8 of Annex A)"

"Approve a Council Tax precept of £64.57 for a band D equivalent property (a 2.98% increase from 2018/19 – equal to 3.6p per week) and the revenue budget as set out in Appendix 1(b)"

"Approve the capital programme as set out in Appendix 2"

"Discuss the implications of holding a referendum to increase Council Tax above the 3% threshold in a future year"

The report considered by the Executive Committee is attached at Item 8(c) **(Pages 61 - 80)**

**The above recommendations are recommendations from officers to the Executive Committee. Revisions, if any, will follow.**

**9. Treasury Management Strategy 2019/20**

To consider item 9 **(Pages 81 - 94)**

**10. Milton Keynes Safety Centre Review of Funding Agreement**

To consider item 10 **(Pages 95 - 104)**

**11. Pay Policy Principles and Statement 2019/20**

To consider item 11 **(Pages 105 - 128)**

**12. 2020-2025 Public Safety Plan: Listening and Engagement Research**

To consider item 12 **(Pages 129 - 154)**

**13. Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services - Preparation Update**

To consider item 13 **(Pages 155 - 244)**

**14. Exclusion of Press and Public**

To consider excluding the public and press representatives from the meeting by virtue of Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as the report contains information relating to the financial or business affairs of any particular person (including BMKFA) and Paragraph 5 of Part 1 of Schedule 12A of the Local Government Act 1972 as the report contains information in respect of which a claim to legal professional privilege could be maintained in legal proceedings; and on these grounds it is considered the need to keep information exempt outweighs the public interest in disclosing the information:

**15. Report of the Interim Deputy Monitoring Officer**

To consider item 15

**16. Date of next meeting**

To note that the next meeting of the Fire Authority will be held on Wednesday 12 June 2019 at 11am.

If you have any enquiries about this agenda please contact: Katie Nellist (Democratic Services Officer) – Tel: (01296) 744633 email: [knellist@bucksfire.gov.uk](mailto:knellist@bucksfire.gov.uk)

**MINUTES OF THE MEETING OF THE BUCKINGHAMSHIRE AND MILTON KEYNES  
FIRE AUTHORITY HELD ON WEDNESDAY 12 DECEMBER 2018 AT 11.00 AM**

**Present:** Councillors Carroll, Clare (part), Exon, Geary, Glover (part), Hopkins, Lambert (part), Marland, Reed (Chairman), Roberts and Watson

**Officers:** J Thelwell (Chief Fire Officer), G Britten (Director of Legal and Governance), L Swift (Director of People and Organisational Development), M Hemming (Director of Finance and Assets), J Parsons (Head of Service Development), D Norris (Head of Service Delivery), S Gowanlock (Corporate Planning Manager), A Chart (Health and Safety Manager), D Whitelock (Station Commander POD Projects), D Melia (Station Commander High Wycombe and Gerrards Cross) and K Nellist (Democratic Services Officer)

**Apologies:** Councillors Cranmer, Irwin, McDonald, Teesdale and Wilson

**FA27 MINUTES**

RESOLVED –

That the Minutes of the meeting of the Fire Authority held on 17 October 2018, be approved and signed by the Chairman as a correct record.

**FA28 CHAIRMAN'S ANNOUNCEMENTS**

The Chairman's Announcements had been circulated in advance.

Members of the Authority asked that their thanks be passed onto all involved in winning the 'Fire and Emergency Resilience' Award at the Excellence in Fire and Emergency Awards 2018 held on Friday 7 December 2018.

The Chairman welcomed Mr Mike Clayton, Chairman of FRIC Ltd and Mr Paul Kay, Service Liaison Lead, HMICFRS to the meeting.

**FA29 RECOMMENDATIONS FROM COMMITTEES: OVERVIEW AND  
AUDIT COMMITTEE – 14 NOVEMBER 2018****Her Majesty's Inspectorate of Constabulary and Fire and  
Rescue Services**

The Head of Service Development advised Members that an earlier version of this paper was considered by the Overview and Audit Committee at its meeting on 14 November 2018 and it was agreed that it would be shared with the Authority, together with any updates. There were two highlight reports, the first was what was reported to the Overview and Audit Committee in November and the second was an updated version with key changes shown in red.

The Head of Service Development advised Members that the Tranche 1 inspections were now complete, the fourteen individual reports plus a national summary were scheduled to be published

on Friday 14 December 2018. A report on the outcomes would be presented at the Fire Authority meeting on 13 February 2019.

The Head of Service Development advised Members that Tranche 2 inspections were now underway. Members would note that this tranche included the Authority's Thames Valley neighbours. Oxfordshire Fire and Rescue Service had completed their inspection and Royal Berkshire Fire and Rescue Service were currently in discovery week, with formal inspection due to take place at the end of January. It was currently anticipated that Tranche 2 reports would be published in May 2019.

The Head of Service Development advised Members that as they were aware, this Authority was in Tranche 3. A detailed service level timetable had yet to be published, however, as Members would see from Zoe Billingham's letter at Appendix 3, there were timescales for the overall phasing of the various elements of the inspection process.

A Member asked what the financial implications were for the Authority and how was the inspection process funded and was advised that as far as the Authority was aware, it was being funded by the Home Office and it was not known if individual fire and rescue services would have to contribute.

RESOLVED –

1. That the Overview and Audit committee continue to receive progress reports on preparations for the HMICFRS inspection;
2. a summary of the overall findings from each inspection tranche be received by the Authority when available;
3. the HMICFRS' full inspection report relating to Buckinghamshire Fire and Rescue Service be received by the Authority following publication;
4. following publication of the HMICFRS inspection report, the Overview and Audit Committee monitor progress with plans to address any recommendations made by HMICFRS.

### **FA30**

### **INSURANCE ARRANGEMENTS FROM 2019/20**

(Councillor Peter Marland declared an interest as he was on the Board of The Local Government Mutual)

The Director of Finance and Assets advised Members that this report presented a proposal to join the Fire and Rescue Indemnity Company Ltd (FRIC) from 1 April 2019. FRIC was a private company limited by guarantee formed by other Fire and Rescue Authorities to act as a pool for insurance purposes. This model helped to spread the cost of risk, as well as helping to reduce the number of claims and the cost of those claims, therefore reducing the cost of insurance to the Authority.



The Chairman of FRIC gave Members an overview of the company.

A Member asked for more information on the claims and settlement history, so that when claims occur, they were managed in a timely fashion and was advised that FRIC had a good record of settling claims and through their managed services contract had dedicated claim handlers.

A Member asked how long the protection period was and was advised that there was a minimum period of three years from joining.

A Member also asked should FRIC Ltd be wound up in the future, would the Authority have a share of the surplus and was advised that it would be entitled to any surplus accrued from the date it joined.

A Member asked if there were any tax implications for the Authority and was advised that there was not.

Members were in agreement that regular update reports should be presented to future Overview and Audit Committee meetings.

RESOLVED –

1. that the Authority's participation in the pooling arrangement and that the Authority becomes a member of the Company (providing a guarantee of £100) be approved;
2. that the Authority's participation in the pooling arrangement for its corporate property, liability, motor and other miscellaneous insurance requirements for a minimum period of three years through FRIC with effect from 1 April 2019 be approved;
3. participation in a financial guarantee for supplementary premiums should claims against the pool exceed the funding available be approved;
4. the Director of Finance and Assets be appointed as the Authority's representative to:
  - a) receive statutory and other notices and documents from the FRIC,
  - b) communicate with and give instruction to the FRIC on the Authority's behalf, and
  - c) provide a receipt for payments which may be made by the FRIC to the Authority;
5. the Director of Finance and Assets be appointed as the Authority's voting representative at FRIC general meetings or otherwise and to exercise the Authority's right to attend and be heard at any FRIC general meeting; and

6. an exemption from Standing Order 8 of Standing Orders Relating to Contracts (Competitive Tendering Process) be granted.

**FA31**

## **ANNUAL HEALTH, SAFETY AND WELL-BEING REPORT 2017/18**

The Lead Member for Health and Safety and Corporate Risk introduced the report and advised Members that that focus of the Health and Safety Department this year had been primarily on the promotion of safer working practices throughout the service and on the development of the Well-being Strategy. The Well-being Strategy was the framework to enable the improvement in the physical and mental well-being of the Authority's staff through education, mental health first aiders and champions on station. Also, the Authority's performance nationally in terms of injury to firefighters had been excellent and there had been a significant decrease in the total number of persons injured.

The Health and Safety Manager advised Members that it had been an excellent year in terms of the Authority's performance statistics internally and nationally. Internally, for all staff groups, there had been a reduction in 4 of the 7 performance indicators, with a significant decrease in the number of safety events and injuries compared to last year. Nationally, the safety event statistics for injuries to operational personnel had reduced which was excellent news.

The Health and Safety department had been actively monitoring vehicle safety events since the installation of CCTV in fire appliances back in 2016. The decreasing number of vehicle safety events indicated that CCTV was having a positive impact especially as the investigating officer would view the footage as part of their investigation. The reasons for this decrease could be attributed to drivers being aware that CCTV was recording their actions; third parties who may have been inclined to initiate spurious claims against the Authority, for damage to their vehicle, were discouraged by the presence of CCTV; and lastly the difference in height in some of the new appliances has meant drivers have had to be aware of this when manoeuvring.

The Health and Safety Manager advised Members that the first mental health first aid course had been run and there were now 11 people across all areas of the Service trained to carry out this role. Health, safety and well-being noticeboards were being installed on all Authority sites which would display specific information regarding mental health awareness and the support mechanisms available as well as health and safety information. Early next year a mental health champions course would take place for 14 candidates across all areas of the Service who would act as the 'eyes and ears' on the ground and signpost people identified as suffering signs of mental ill health to the mental health first aiders and/or the other support mechanisms in place.

A Member asked why it was 'disappointing' that there had been a reduction in the number of near miss reports this year and was advised that a near miss report was something that could have caused either injury or loss, but an event had not actually taken place. Over the past three years staff had been encouraged to report these, which enables the Health and Safety Department to carry out an investigation into the circumstances of that near miss which would then put in recommended actions to prevent a safety event from occurring.

A Member asked if how we support our staff, as well as being part of the people strategy could also be added to this report and was advised that regular updates were reported at the Health, Safety and Well-being Committee, but it could also be added to this report in future.

**RESOLVED –**

That the performance of the Service in terms of Health, Safety and Well-being be noted.

**FA32**

**HEALTH AND SAFETY STRATEGY 2019-2022**

The Lead Member for Health and Safety and Corporate Risk advised Members that this strategy sets out the strategic health and safety objectives for the next three years that seek to improve health and safety across the Service. It sits alongside the Well-being Strategy, dovetails into the People Strategy and aligns with the Public Safety Plan.

The Health and Safety Manager advised that this strategy sets out the objectives for the next three years. There were five strategic objectives: working together, drive continuous improvement in health, safety and well-being; build an even better health and safety culture; effectively manage risk and engaging together. This strategy was already working and was evidenced through the Authority's excellent health and safety performance statistics, the achievement of the RoSPA Gold Award and the case studies detailed within this strategy. Despite the challenges faced in terms of continuing financial pressures and the requirement for fire and rescue services nationally to do 'more with less' the Authority had a health and safety record to be proud of. The implementation of this strategy would result in a greater and wider ownership and resolution of health and safety issues and improve productivity through a strong health and safety culture.

**RESOLVED –**

That the Health and Safety Strategy 2019-22 be approved.

**FA33**

**2020-2025 PUBLIC SAFETY PLAN: "LISTENING & ENGAGEMENT" RESEARCH**

The Head of Service Development advised Members that work was now underway on preparing for the Authority's next Public Safety Plan which would take effect from April 2020 following the expiry of the existing 2015-2020 Plan.

The Corporate Planning Manager advised Members that this report preceded a more detailed report that would be presented to the Authority at its February 2019 meeting, on the outcomes of some of the engagement work that would have been completed with the public as part of the overall build process for the next Public Safety Plan. A wide range of input was needed to develop a plan that conformed to the National Framework and, indeed, the Authority's own requirements. As Members could see from the report the approach to consultation with the public and other stakeholders comprised of two key phases. A similar exercise was undertaken five years ago as the current Public Safety Plan was developed. It would be interesting to see whether there had been any significant changes in public attitudes and expectations since then.

The Corporate Planning Manager advised Members that Opinion Research Services (ORS) had been commissioned to undertake the public facing elements of the consultation work, via a number of focus groups held across the county. Phase 1 had already taken place and phase 2 would take place during the summer of next year. An attempt to re-recruit as many of the people who participated in Phase 1, so that they can see what the Authority proposed to do and how their views had been taken into account, would be undertaken.

A Member asked if, with the changes taking place within Buckinghamshire, Parish and Town Councils would be consulted and was advised that they would as part of the formal consultation.

RESOLVED -

That the report be noted.

#### **FA34**

#### **EMERGENCY SERVICES COLLABORATION IN THE THAMES VALLEY**

The Director of People and Organisational Development advised Members that whilst the Authority had been collaborating with its Thames Valley partners for a significant number of years, this report pulled together all the key projects that were currently being worked on, and set out ideas for future collaboration. When the Thames Valley Fire Control Service was established, it gave significant opportunity for further operational alignment and there was a large project being undertaken at present, where all three services were looking to align operational policy based on the national operational guidance. There were also areas such as work force reform that focussed on operational recruitment, which included apprenticeships and on call etc. Some of the projects were very fire service related, but there were a significant number of other projects and some included the

Authority's other emergency services partners, South Central Ambulance Service and Thames Valley Police. One of the key elements of this report, the Thames Valley Steering Group Terms of Reference, sets out the governance arrangements around the Thames Valley Collaboration.

RESOLVED –

That the report be noted.

**FA35 APPRENTICE RECRUITMENT CAMPAIGN 2019**

The Station Commander POD Projects gave Members a presentation on the apprentice recruitment campaign for 2019.

The Station Commander POD Projects invited Members to come and watch any of the new apprentice training sessions.

A Member asked if the wording relating to the 'BA facefit' could be amended or clarified and was advised that it would be looked at again.

A Member asked if the charging model used by Global could be clarified and was advised that it would.

Members asked if an update of the recruitment campaign could be presented at a future Fire Authority meeting.

The Station Commander POD Projects was thanked for the presentation.

(Councillor Lambert left the meeting)

**FA36 HS2 FORWARD LOOK AND CONSIDERATIONS FOR BMKFA**

The Station Commander High Wycombe and Gerrards Cross gave Members a presentation on HS2 a forward look of the significant impact on the area during and after the construction phase and the resource considerations for BMKFA. The Station Commander High Wycombe and Gerrards Cross advised that he would shortly be leaving the Authority and was thanked for the presentation.

(Councillors Glover and Clare left the meeting)

**FA37 DATE OF NEXT MEETING**

The Authority noted that the next meeting of the Fire Authority was to be held on Wednesday 13 February 2019 at 11am.

THE CHAIRMAN CLOSED THE MEETING AT 13:12 PM

This page is left intentionally blank

# Buckinghamshire & Milton Keynes Fire Authority



<b>MEETING</b>	Executive Committee
<b>DATE OF MEETING</b>	6 February 2019
<b>OFFICER</b>	Graham Britten, Director of Legal and Governance
<b>LEAD MEMBER</b>	Councillor Roger Reed, Chairman
<b>SUBJECT OF THE REPORT</b>	<b>Members' Allowances</b>
<b>EXECUTIVE SUMMARY</b>	<p>The Authority is required to adopt a Scheme of Members' Allowances before 1 April each year and, in so doing, have due regard to the recommendations of the Independent Remuneration Panels of the constituent authorities when considering its own Scheme of Members' Allowances and confirm that it has done so when it gives public notice of the Scheme of Allowances.</p> <p>Buckinghamshire County Council's terms of reference require a review of the Scheme of Members' Allowances to be undertaken every four years and this was carried out in January 2015 following a part review which was undertaken in 2013. The review carried out in January 2015 is attached at <b>Appendix A</b>. A scheduled review by a new Independent Remuneration Panel for 2019 has been postponed due to proposed changes to governance arrangements.</p> <p>The Independent Remuneration Panel of the scheme for Milton Keynes Council undertook a review in January 2018 and this is attached at <b>Appendix B</b>.</p> <p>Further to a meeting of the Authority's Executive Committee on 7 February 2018 comparative data has been collected from websites of other combined fire and rescue authorities (<b>Appendix C</b>) and the views of the three group leaders ascertained.</p> <p>The Authority agreed at its meeting on 14 December 2011 that the index linking for the period 2012/13 to 2014/15 – for basic and special responsibility (and co-optee) allowances – be the pay award for the Authority's staff on National Joint Council (NJC) for Local Authorities' Fire and Rescue Services, Scheme of Conditions of Service (Grey Book).</p> <p>It is recommended that the Authority continue this indexation for the period 2019/20.</p> <p>The NJC Circular NJC/4/18 of 2 October 2018 confirmed a 2% pay award effective from 1 July 2018. The effects of a 2% increase with no alterations to</p>

	either Group Leader or Lead Member entitlements are reflected in <b>Appendix D</b> .
<b>ACTION</b>	Decision
<b>RECOMMENDATIONS</b>	That the Authority be recommended to adopt a Scheme for Members' Allowances for 2019/20 ( <b>Appendix D</b> )
<b>RISK MANAGEMENT</b>	The recommendation will have no adverse effect on the Authority's business.
<b>FINANCIAL IMPLICATIONS</b>	<p>The current budget for Members' Allowances (Basic and Special Responsibility Allowances) is £72,780, including National Insurance.</p> <p>Costs will be incurred in publishing a notice that the Authority has made a Scheme of Members' Allowances in a newspaper circulating in its area. The cost is estimated to be in the region of £800 (<i>£788.40 last year</i>).</p>
<b>LEGAL IMPLICATIONS</b>	The making or amendment of the Members' Scheme of Allowances is a function reserved to a meeting of the Authority. An amendment may be made by the Authority in year. Regulation 10(4) of Local Authorities (Members' Allowances) (England) Regulations 2003 provides that "A scheme may make provision for an annual adjustment of allowances by reference to such index as may be specified by the authority and where the only change made to a scheme in any year is that effected by such annual adjustment in accordance with such index the scheme shall be deemed not to have been amended."
<b>CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE</b>	The making of a scheme of allowances is the responsibility of each individual authority defined in the Local Authorities (Members' Allowances) (England) Regulations 2003. The methodology for doing so is prescribed exclusively by those regulations.
<b>HEALTH AND SAFETY</b>	Not applicable.
<b>EQUALITY AND DIVERSITY</b>	<p>The Authority's Scheme of Members' Allowances does not include any element for meeting costs incurred by a Member who has to arrange care in order to carry out their function as a Member of the Fire Authority.</p> <p>The Local Authorities (Members' Allowances) (England) Regulations 2003 exclude the Authority from including such a provision in its Scheme. However, with the exception of co-opted members, all Members are appointed by either Buckinghamshire County Council or Milton Keynes Council and are entitled to claim "dependent carers' allowances" from their appointing authority. There are currently no co-opted members on the Authority.</p>



<b>USE OF RESOURCES</b>	The recommendation is consistent with the extant Scheme of Allowances.
<b>PROVENANCE SECTION &amp; BACKGROUND PAPERS</b>	<p>Minute EX26 of the Executive Committee Meeting of 7 February 2018: <i>'A discussion was held about Group Leaders' Allowances in the constituent authorities where proportionality was applied based on size of group; and where only one SRA can be claimed. The Chief Fire Officer suggested that the Director of Legal and Governance could look at the Scheme of Members' Allowances in consultation with the Group Leaders. The Director of Legal and Governance advised Members that he would undertake a review, but it would ultimately be for the Authority to decide on what it wished to adopt having regard to the IRP reports of Buckinghamshire County Council and Milton Keynes Council'.</i></p> <p><a href="#">Minutes of the Executive Committee 7 February 2018</a></p> <p>BMKFA Scheme for Members' Allowances 2018/19:  <a href="https://bucksfire.gov.uk/files/8515/2206/8006/MEMBERS_ALLOWANCES_201819.pdf">https://bucksfire.gov.uk/files/8515/2206/8006/MEMBERS_ALLOWANCES_201819.pdf</a></p> <p><a href="#">Circular NJC/4/18</a></p>
<b>APPENDICES</b>	<p>Appendix A: Report of the Independent Panel on Member Allowances for Buckinghamshire County Council January 2015.</p> <p>Appendix B: Milton Keynes Council report of the Independent Panel of Members' Allowances January 2018.</p> <p>Appendix C: Comparative Data Combined Fire and Rescue Authorities</p> <p>Appendix D: Draft Scheme for Members' Allowances 2019/20.</p>
<b>TIME REQUIRED</b>	10 minutes.
<b>REPORT ORIGINATOR AND CONTACT</b>	<p>Katie Nellist  <a href="mailto:Knellist@bucksfire.gov.uk">Knellist@bucksfire.gov.uk</a>  01296 744633</p>

This page is left intentionally blank

## **5. REPORT OF THE INDEPENDENT PANEL ON MEMBER ALLOWANCES FOR BUCKINGHAMSHIRE COUNTY COUNCIL**

### **Introduction: The Regulatory Context**

1. The following report notes the proceedings and recommendations made by Buckinghamshire County Council's Independent Panel on Member Allowances.

2 The Panel was established under Regulation 20 of the Local Authorities (Member Allowances) (England) Regulations 2003 (SI 2003 No 1021) to produce a report and make recommendations as required by Regulation 21. These regulations, made under relevant provisions in the Local Government and Housing Act 1989 and the Local Government Act 2000, require all local authorities to maintain an Independent Panel on Member Allowances to review and make recommendations in respect of member allowances.

3. Councils are required to have regard to the recommendations of their Independent Panel before they make or amend a Member Allowances Scheme.

### **The Panel**

Richard Benz, Partner, Kidd Rapinet, Solicitors, Aylesbury and founding Director and initial Chairman of Bucks Economic Partnership Alex Pratt JP BSc OBE, Managing Director, Serious Brands Ltd, and Chairman of Bucks Business First Lisa Williams, Managing Director of John Lewis, High Wycombe.

### **Terms of Reference**

This review by the Panel is a whole-scheme review which has to be undertaken at least every four years. A part review was undertaken in 2012 and revisions made to the Special Responsibility Allowances (SRAs) after approval of the Panel's recommendations by full Council. The County Council also accepted the following Recommendations from the Panel in July 2013:

1 That the changes to the Scheme of Allowances mentioned above, and outlined in detail in Appendix 1 to this Report, be approved;

2 That an appropriate system of performance management for members be considered.

### **Interviews conducted by the Panel**

The Panel met with the Party Group Leaders and the Chief Executive, individually, during the summer and invited comments from members of the Council on the Scheme and any changes that might be made. The Panel particularly invited comments on their recommendation from 2013 that a system of performance management for members should be developed.

**Mr Martin Tett, Leader of the Council, and Mr Mike Appleyard, Deputy Leader of the Council.**

Martin Tett and Mike Appleyard informed the Panel that, following the changes made in July last year, they were not proposing any further changes to the Member Allowances Scheme. They felt that the annual increase in rates linked previously to any officer pay award should be discontinued and the current rates of Special Responsibility Allowances, as outlined in Appendix 1 to this Report, should, therefore, be maintained. Other allowances in the Scheme should also continue at the current levels.

The Leader and Deputy Leader discussed their views on performance management of members with the Panel. In summary:-

They fully supported the principle but felt the development of a comprehensive system was not easy to achieve in practice. Members of the Council are elected every four years and this is a judgement in itself. Performance could not simply be gauged on the number of meetings a member attended, work in the community was as important. How would 'excellence' be judged and by whom? In the past when similar schemes have been discussed, the view has been that Group Leaders are not well placed to know what members do and contribute locally? How would contributions be 'moderated' between Groups? e.g. if one Group Leader thought his/her Group were all 'excellent' but another Group Leader were more challenging and rated his/her Group as only 'satisfactory'? No budget exists for further rewards and, in the light of the county's financial situation; the Council would probably have to reduce the standard Allowance to fund it. When services are being reduced and higher charges being made it is not an appropriate time to consider increasing allowances.

**Mr Andy Huxley, Leader of the UKIP and Independent Group**

Although he had some concerns over the number of SRAs paid, and felt that travel expenses paid were rather generous, Mr Huxley felt that the current system of Allowances works well. Whilst he supported the principle of performance management of members he was unsure how it could be applied in practice. Who would judge and on what criteria?

**Mrs Avril Davies, Leader of the Liberal Democrat with Buckingham Labour Group**

Mrs Davies felt that the existing rates in the Member Allowances Scheme were reasonable but expressed similar concerns about the number of SRAs paid. Travel expenses should be at paid at lowest petrol rate she felt. Mrs Davies supported the concept of performance management and shared with the Panel the performance management and review template that she uses with her Group. Mrs Davies wouldn't be against reward for excellence but was mindful of the budget implications. Money would be better spent on administrative support to her group, she felt.

Mrs Davies considered that the Council should pursue an accredited modular course of member development.

**Mr Chris Williams, Chief Executive**

Mr Williams explained the Council's Delivering Successful Performance (DSP) system of performance management for officers. It would be possible for a system of performance management to be developed for members, perhaps with a lower basic allowance and

then an "earned amount", but he appreciated all the issues mentioned by others that would make a system difficult to achieve.

### **Other Members of the Council**

The Panel invited comments from all members of the Council on the current Allowances Scheme generally and, specifically, whether an element could possibly be built into the Scheme to reward excellence. In terms of the number of SRAs, and the levels of the allowances, there were no comments recommending that they be increased. There has been a historic link between the allowance rates and the annual officers pay award. The Council will need to decide whether the current rates of allowances should remain unchanged this year and, in future, how and when they are reviewed. The Council need to have "regard to" the views of the Panel before making changes to the Scheme of Allowances. The view of the Panel is that they should be delinked.

On the subject of "rewarding excellence", members were generally against this. Reasons such as budgetary implications, potential difficulties of fair and effective implementation (i.e. no "level playing field"), particularly in a political organisation, were mentioned.

### **Views of the Panel**

The Panel are grateful to those members who gave up their time to meet with them and to the members who expressed their views in writing.

Contributors made the Panel aware of the Council's "Future Shape" proposals and for the Council to be more commercially aware in its approach. The Panel welcome this business-centred drive, particularly given the pressures local authorities are under in delivering quality services to the public with diminishing budgets. The ramifications of the "Future Shape" proposals are such that an even greater focus on a commercial approach and performance management is likely to be needed.

The Panel is aware that the Council will be under even more pressure, budget-wise, over the years ahead. Discussions will doubtless continue at national and local level about possible devolution of functions from central to local government and the debate about re-structuring local government in Buckinghamshire will gather pace. As a result of this, the Panel believes that the Council, as part of its business-centred approach, will need to give further consideration to performance management at all levels of the organisation. The Panel is disappointed that the Council has not yet acted on the recommendations it accepted in July 2013 and would urge the Council to act on them. In the view of the Panel, objections raised are not insurmountable and with careful thought and planning can be worked through and resolved. The Panel understands that other Councils are exploring the use of such a system and believes the Council should take the lead. The Panel notes that the Council uses it to measure the performance of its own staff.

The Panel consider that the "Future Shape" proposals are likely to require a reconsideration of the roles of elected members on the one hand and officers on the other- including (1) the traditional approach of elected members setting policy which is then implemented by officers and (2) in a cabinet-style system those involved in what could amount to a virtually full-time executive role being remunerated on a proper basis

for the time and effort put in, as opposed to simply receiving allowances. The Panel appreciates that these matters are outside of its terms of reference but proper consideration of them is, in its view, essential.

The Panel noted that the Council had recently been successful in achieving a refresh of the South-East Employers' (SEEMP) Member Development Charter. They congratulate the Council on this award and in their continuing commitment to member development. The Panel support the views of the SEEMP Panel judging the Award that the Council should, particularly, pursue the following areas of improvement:-

- All Members of Cabinet should be encouraged to have a Personal Development Plan (PDP) and a target of 80% of all members having a PDP should also be set
- All elected members be invited to prepare an Annual Report setting out their achievements for the year which could be uploaded to the Council's website. This would increase the visibility and accountability for each individual member. The Council should also re-visit and use the role profiles for all elected members as part of the PDP discussion. The role profiles will need to be reviewed to reflect the changing role of the member.
- The provision of leadership development particularly for members of the Cabinet
- The Council's Member Development Working Group should pilot and implement a 360 degree process to assist with the support for individual members.

With regard to POPs, the Panel see the following headings as being useful:-

### **Performance against (Strategic Plan) objectives**

- What has worked particularly well in performing your role?
- What has worked less well and what have you learned from this?
- Attendance and contribution at Scrutiny and Committee Meetings?
- Attendance and contribution at Council?
- Attendance and contribution at Group Meetings?
- Representing constituents through Casework?
- Performance as a Deputy Cabinet Member Spokesperson?

### **Setting Objectives for next 12 months**

Objectives should cover the period from April to March.

### **Learning and Development Needs**

How are you seeking to develop your role and how will you acquire the required skills and experience? What support from the group and council would help?

In addition to the above, the Panel feels that the Council could add the 360 degree process to the template.

The Panel believes that a system of performance does not necessarily mean that the total spend on allowances would increase. Even if it did, the increased performance in delivery of Council activities could result in efficiency savings outweighing any increased allowances.

The Panel considers that, as part of any future structural review of local government in Buckinghamshire, central government should look again at the way local councillors are remunerated to ensure that the rewards are sufficient to attract the calibre of people who will be needed to run a different type of organisation.

#### THE PANEL'S RECOMMENDATIONS

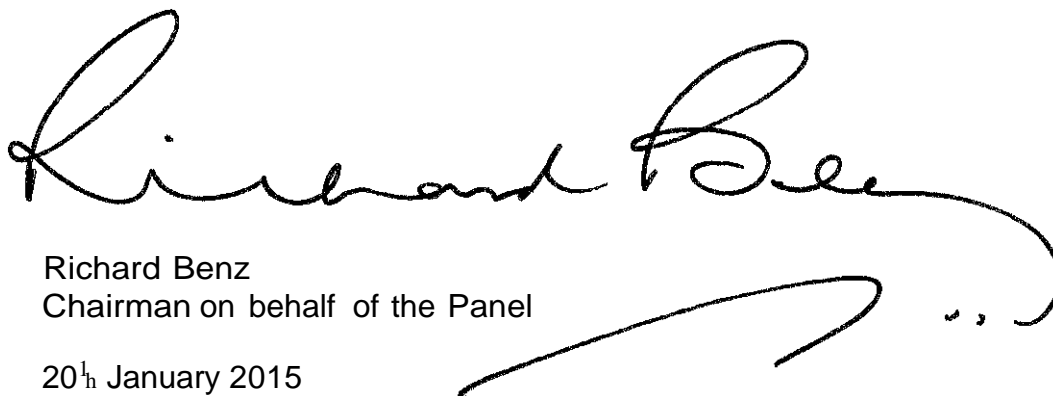
Following the four-yearly review the Panel recommends:-

1 That (having regard to the views of the Panel) the Council should decide whether the current rates of all Allowances in the Scheme should remain unchanged this year and, in future, how and when they are reviewed.

2 That the Council should take steps to implement the Panel's recommendations in its July 2013 report and continue to give due consideration to the development of a system of performance management for members starting with the initiatives outlined above.

3 That the Council should address in a timely way issues likely to result from the "Future Shape" proposals, having regard to the comments made in this report.

4 That the Council should invite the Panel to present and speak to this report.



Richard Benz  
Chairman on behalf of the Panel

20<sup>th</sup> January 2015

## APPENDIX 1

### CURRENT SPECIAL RESPONSIBILITY ALLOWANCES

<b>Post</b>	<b>SR Allowance (pa)</b>	<b>Total</b>
Leader	£39,709	£39,709
Deputy leader	£26,473	£26,473
Cabinet Member (6)	£20,172	£121,032
Select Committee (Ch) x 4	£10,092	£40,368
Statutory Committee (Ch) x 4	£5046	£20184
Deputy Cabinet Members (7)	£5,046	£35,322
Group Leaders *		
Conservative (36)	£10,948	£10948
Liberal Democrat (6) (5 Lib Dem /1 Labour	£2,938	£2,938
UKIP (7) (6 UKIP /1 Independent)	£3,205	£3,205
Chairman of the Council	£12,610	£12,610
Vice-Chairman of the Council	£3,156	£3,156
Chairman of Police & Crime Panel **	£10,092	£10,092
Police and Crime Panel Representative	£1,500	£1,500
Basic Allowance x 49	£10,718	£525,182
<b>TOTAL</b>		<b>£852719</b>

\*Allowances derived from formula: £1,336 basic plus £267 per member

\*\* This is only payable in the case where the Panel elects the Buckinghamshire County Council's representative as its Chairman



**REPORT BY  
THE MILTON KEYNES COUNCIL  
INDEPENDENT REMUNERATION PANEL**

**An Independent Review of Members' Allowances  
January 2018**

<b>Contents</b>	<b>Page</b>
<b>Executive Summary</b>	<b>3</b>
<b>Introduction</b>	<b>4</b>
<b>The Panel</b>	<b>4</b>
<b>Terms of Reference</b>	<b>4</b>
<b>The Evidence Considered</b>	<b>5</b>
<b>The Panel’s Conclusions and Recommendations</b>	<b>6</b>
<b>The Basic Allowance</b>	<b>7</b>
<b>Special Responsibility Allowances</b>	<b>7</b>
<b>Other Allowances</b>	<b>10</b>
<b>Appendix 1: Proposed Scheme of Allowances</b>	<b>12</b>

## Executive Summary

Milton Keynes Council's Independent Remuneration Panel has been asked to prepare this report in order to help the Council fulfil its statutory duty to review its scheme of allowances at regular intervals.

The Panel took account of a range of information prior to formulating their recommendations. This included information on the governance arrangements and structures of the Council, the views of councillors – via both face-to-face interviews, written submissions and a short survey – relevant benchmarking data, the economic and financial climate within which the Council operates and the desire to encourage citizens to participate in local democracy. The Panel also considered the statutory framework for members' allowances, including the relevant statutory instruments and the guidance issued by the Department for Communities and Local Government.

The Panel took particular care to try to balance the need to ensure that citizens are able to participate in local democracy by standing for election against the reality of the prevailing financial climate. In doing so, the Panel have based their recommendations upon the existing scheme of allowances but have made a small number of recommendations in order to address the issues that they perceive to exist within the scheme.

In terms of the basic allowance, the Panel have also taken into consideration the increasing workloads of councillors and the demands in representing citizens and participating in decision making in one of the most dynamic and fastest-growing areas of the United Kingdom. While councillors expressed a general level of satisfaction with the level of the basic allowance, the Panel were conscious of the fact that the amount is not index linked and has therefore not changed for some time. The Panel hope that their recommendations will address this issue.

The Panel have given equally careful consideration to the special responsibility allowances payable to councillors who undertake additional duties, many of which are equivalent to a demanding full-time job. The Panel heard a range of views on these allowances, which they took account of alongside benchmarking data from other comparable authorities and the particular governance structures and political landscape at Milton Keynes Council. The Panel have taken the decision to leave this section of the scheme largely untouched, but have made some recommendations for the Council to consider. The first is the introduction of an index to ensure allowances keep pace with the rising cost of living. The second is the introduction of an allowance for the Deputy Leader of the Council as Milton Keynes is almost unique in not recognising this position within its scheme of allowances.

The Panel would like to thank all of the councillors who took part in the review by answering the many questions that the Panel posed. The Panel believes that these recommendations, if adopted, will result in a scheme of allowances that is fair, transparent and affordable. The Panel hope that the Council will approve these recommendations.

## **Introduction**

1.1 The Council is required to make a scheme of allowances for its councillors in accordance with the Local Authorities (Members' Allowances) (England) Regulation 2003. The process for making and reviewing such a scheme is regulated so that the public can have confidence in the independence, openness and accountability of the process involved. The process requires that the Council must establish an independent remuneration panel and, before making or amending its scheme of allowances, must have regard to the views of the Panel.

1.2 This report presents the recommendations of the Independent Remuneration Panel to the Council for consideration and approval.

## **The Panel**

2.1 In accordance with the Council's constitution, the current Panel was appointed following a recruitment process established by the Council. The Panel comprises the following members:

- Ms Ruby Parmar. Ruby is the Senior Partner at PricewaterhouseCoopers' Milton Keynes Office. Ruby also sits on the Board of Trustees of the Magic Bus India Foundation, a charity dedicated to providing children living in poverty the opportunity to shape their future.
- Ms Jan Flawn CBE. Jan is the founder and Chair of PJ Care, a leading Milton Keynes-based provider of specialist neurological care and neuro rehabilitation for people with progressive or acquired neurological conditions.
- Mr Stewart Bailey. Stewart is Managing Director of Virtual Viewing, a company specialising in computer generated work aimed at inspiring inward investment and interest in construction and design projects.

The Panel was assisted in their deliberations by Paul Hanson, Democratic Services Manager from the LGSS Northamptonshire office.

## **Terms of Reference for the Review**

3.1 The Panel's terms of reference were based on the relevant statutory instrument (Members Allowances (England) Regulations 2003), as well as guidance issued by the Department for Communities and Local Government (New Council Constitutions: Guidance on Regulation for Local Authority Allowances). It should be noted that the Panel is required to take these documents into account when preparing recommendations on the Council's scheme of allowances.

3.2 In line with the statutory requirements relating to schemes, the Panel's agreed terms of reference were as follows:

- To determine the amount of basic allowance that should be payable to councillors;

- To determine the responsibilities or duties which should lead to the payment of a special responsibility allowance and the amount of such allowances;
- To determine the duties for which a travelling and subsistence allowance can be paid and the amount of such allowances;
- Whether the Council's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and the amount of this allowance and the means by which it should be determined; and
- Whether annual adjustments of allowance levels should be made by reference to an index, and, if so, for how long such a measure should run.

3.3 The Panel also agreed the following set of broad principles within which the review of allowances was undertaken:

- In line with the statutory guidance, the Panel took into account the principle that an element of the role of councillor must be voluntary, but that should not mean that councillors should suffer significant financial loss as a result of undertaking the role;
- Allowances should not be designed to reward councillors, but neither should the level of allowances prohibit individuals from considering standing for election; and
- The Panel were mindful that a reasonable percentage of councillors that should be eligible to receive a Special Responsibility Allowance.

### **The Evidence Considered**

4.1 The Panel considered a range of qualitative and quantitative evidence, as well as benchmarking data. In the area of basic and special responsibility allowances, the Panel attributed greatest weight to the written and verbal testimony of councillors.

4.2 Benchmarking evidence was considered, however, the Panel had to be cautious in the application of this data. This was because the data, while helpful in determining the relative position of allowances paid by Milton Keynes Council in comparison to other comparable (statistical nearest neighbour) authorities, the data does not reveal the reasons for any discrepancies, nor the detail of the range of responsibilities covered by each post.

4.3 The Panel issued an open invitation to all councillors to meet with them and share their views. Individual interviews were conducted with ten councillors over the course of the review, representing all of the political groups on the Council. A simple questionnaire was also circulated at the Panel's request and nine responses were received. A range of opinions were heard, relating not just to allowances but also to the nature of the role of councillor, the time commitment involved and other forms of support that are available to councillors. Input was received from councillors who were employed, self-employed and retired.

4.4 There was a general consensus that the current rate of basic allowance is broadly sufficient, but some concerns were expressed about the lack of any form of indexation within the scheme and the long-term effect this could have on the viability of allowances. The Panel

felt that the basic allowance must be set at a level that allows councillors to make the not-inconsiderable time commitment required in order to fulfil their roles effectively, particularly now given the rapid growth within the Milton Keynes area.

- 4.5 On the issue of special responsibility allowances, a diverse range of opinions were expressed. There was a broad consensus on the level of allowances attached to such roles as group leaders and committee chairs, but rather less consensus about roles such as committee vice-chairs. The Panel took careful account of this information and used benchmarking data to determine how such roles were treated in other comparable authorities.
- 4.6 In terms of the expenses that may be claimed in the course of carrying out their roles, councillors were generally satisfied with the arrangements in place. Some small changes to the scheme were suggested, however, and the Panel has made recommendations based on their own views as to the fairness and transparency of this aspect of the scheme.
- 4.7 Some councillors expressed the view that a form of means testing could be used to ensure that the budget for allowances is apportioned efficiently. The Panel noted this issue but were mindful of the fact that the legislative framework which underpins local authority allowances provides no freedom to do this.
- 4.8 The Panel noted that most formal committee meetings take place in the evenings in order to make the best use of councillors' time and reduce the impact on those councillors who are in paid employment. The Panel welcomed the efforts made by the Council but felt that the Council could, and should, do more to support councillors who are also employed, particularly where they undertake additional roles within the Council.
- 4.9 In formulating recommendations about the special responsibility allowances within the new scheme, the Panel sought to examine the nature of the roles undertaken by councillors and determine the position of each role within the hierarchy of allowances. This approach was based on the principles that underpin every review of allowances and takes into account factors such as
- The level of decision making responsibility associated with each role;
  - Other responsibilities associated with each role (such as responsibility for chairing a committee, and attendance at outside meetings associated with the role);
  - The time requirement of each role; and
  - Any other specialist skills, knowledge or other factors needed to be able to carry out each role effectively.

## **The Panel's Conclusions and Recommendations**

- 5.1 In undertaking their review, the Panel were mindful of the fact that their recommendations would be subject to considerable internal and external scrutiny and would have to be supported by the evidence considered. The Panel also considered whether the current

financial and economic climate should inform their recommendations. The Panel took the view that this was an important factor and the public would rightly expect it to form part of the Panel's considerations. The Panel also felt, however, that it had to be balanced against other factors such as the need to encourage democratic diversity and participation in local democracy.

5.2 The councillors whose views were provided to the Panel represented a range of backgrounds, including employed, self-employed and retired members. The Panel took the view that no-one should be prevented from undertaking the role of councillor as a result of their personal circumstances. Having considered the range of information presented to them, they took the view that while there is evidence to suggest that allowances play a part in this issue, factors such as the time commitment required of councillors also has a direct bearing. The Panel have sought to make recommendations that will enable a diverse range of citizens are able to consider standing for election.

### **The Basic Allowance**

6.1 The Panel considered a range of evidence and opinion about the basic allowance. The Panel felt that, although there was general satisfaction with the level of basic allowance currently paid to councillors, care needed to be taken to ensure that the allowance properly covers the costs associated with undertaking the role of councillor, particularly for councillors in full or part-time employment who may need to take unpaid leave and experience a corresponding loss of pensionable pay in order to undertake their role. The Panel were also cognisant of the additional workloads placed on all councillors as a result of the rapid growth taking place in Milton Keynes and the increasing complexity of the role as a result of this.

6.2 The Panel feel that the basic allowance should be seen as covering the reasonable costs associated with holding the office of councillor. In light of the above, the Panel recommend that the basic allowance should be set at £10,500 per year from 1 April 2018

6.3 The Panel also recommend that the basic allowance should increase by 2% every year from 1 April 2019 for a period of four years. This increase is the same as that recently announced for local government staff. The Panel feels that this recommendation will address a shortcoming of the Council's current scheme of allowances in a sensible and sustainable way.

### **Special Responsibility Allowances**

7.1 On the subject of special responsibility allowances (SRAs), the Panel heard a wide range of views on the different roles that are necessary in order to facilitate the operation of the new governance arrangements. In some cases the message was fairly clear and consistent, while in other cases – such as committee vice chairs - there was far less consensus.

7.2 The Panel reviewed each role individually, using the evidence supplied by councillors, as well as written material supplied by the Council, as the basis for evaluating each role and determining an appropriate allowance.

### 7.3 Leader of the Council, Deputy Leader of the Council and Cabinet Members

7.3.1 In the case of the Leader, Deputy Leader and Cabinet, the Panel were satisfied that councillors undertaking these roles continue to take on very significant decision making and other responsibilities. These include holding senior officers to account, negotiating with Government representatives and other external agencies and, in the case of the Leader, setting priorities for other decision makers and representing Milton Keynes at an international level. It was clear to the Panel that these roles also require a substantial time commitment. The Panel is satisfied that the allowance for both the Leader and members of the Cabinet are appropriate and should not be changed.

7.3.2 The Panel were, however, greatly concerned that the role of Deputy Leader is not recognised within Milton Keynes Council's scheme of allowances. The Panel have no doubt that the role of Deputy Leader is an important one which, by definition, is more onerous than that of Cabinet Member. The Panel also noted that Milton Keynes Council is the only one of the nearest neighbour authorities not to recognise the role of Deputy Leader within its scheme of allowances.

7.3.3 The Panel therefore recommend the following allowances:

Leader of the Council	£30,000
Deputy Leader of the Council	£15,000
Cabinet Member	£11,000

7.3.4 Additionally, the Panel could see no practical value in the application of a cap on the total cost of cabinet positions, particularly given the limitation on the size of the Cabinet prescribed by statute and the fact that no similar cap is in place for other positions such as scrutiny committee chairs. The Panel therefore recommend that the cap be removed from the scheme of allowances.

### 7.4 Overview and Scrutiny Committees

7.4.1 Unlike the Cabinet, roles associated with overview and scrutiny (Chair of Scrutiny Management Committee and Chairs of Scrutiny Committees) are not associated with significant decision making responsibility. The Panel felt that this continues to be an important distinction which must be taken into account. Nevertheless, the Panel acknowledge that scrutiny plays an important part in the governance of the Council, particularly at a time of significant challenge. It is clear to the Panel that the councillors responsible for leading the scrutiny function take on significant



responsibility in terms of holding decision makers (i.e. the Cabinet) and senior officers to account. The Panel acknowledges that chairing a scrutiny committee can be a time consuming role.

7.4.2 The Panel recommends no changes to the existing allowances:

Chair of Scrutiny Management Committee	£7,500
Chair of Scrutiny Committee	£4,500
Chair of Task and Finish Groups (pro-rata)	£4,500

## 7.5 Other Committees

7.5.1 The Panel acknowledged that chairing other committees (Licensing and Regulatory, Development Control, Audit Committee, Standards Committee and RegenerationMK Committee) are notable roles. The Panel are clear that councillors undertaking these roles are expected to carry out their duties diligently, but also acknowledged that the time commitment and level of subject matter knowledge required varied between committees.

7.5.2 The Panel heard a range of views about the role of vice chairs of these committees. Some councillors felt that vice chairs undertake an important and onerous role, while others felt that vice chairmanship of a committee is a developmental role which may be undertaken in preparation for a more onerous role in the future. The Panel considered this issue carefully but ultimately decided that, given the number of councillors who are already eligible to receive a special responsibility allowance, these roles do not merit an allowance

7.5.3 The Panel agreed that the allowances provided within the current scheme, and the relative hierarchy of roles, is correct. The Panel therefore recommend the following allowances:

Licensing and Regulatory Committee Chair	£8,000
Development Control Committee Chair	£8,000
Audit Committee Chair	£5,500
Standards Committee Chair	£3,000
RegenerationMK Committee Chair	£3,000

## 7.6 Opposition Group Leaders

7.6.1 The Panel felt that councillors undertaking the role of group leader undertake a responsible and demanding job, particularly given the current and historical political makeup of the Council.

7.6.2 The Panel recommend the following allowances:

Main Opposition Group Leader	£620 per group member
Smaller Opposition Group Leader	£620 per group member

## 7.7 Civic Allowances

7.7.1 Although civic allowances do not strictly form part of the Panel's remit, as they are included within the scheme of allowances the Panel saw fit to include these roles within their recommendations. The Panel recommend no changes to these allowances:

Mayor	£11,000
Deputy Mayor	£5,500

## 7.8 Indexation

7.8.1 The Panel considered the need to put in place a form of indexation for special responsibility allowances in order to ensure that the level of compensation provided to councillors who undertake these important roles does not fall behind the cost of living. The Panel discussed this point in depth and resolved to recommend that special responsibility allowances should increase by 2% every year from 1 April 2018 for a period of four years. It should be noted that one member of the Panel felt it was more appropriate to defer the introduction of this indexation until April 2019, for reasons of affordability. The remaining two members of the Panel, however, felt that this issue needed to be addressed immediately. This indexation should also apply to civic allowances.

## Other allowances and expenses

8.1 The Panel considered and reviewed all of the other allowances and expenses under their terms of reference (set out in section 3). They have decided to make the following recommendations:

- The dependents' and carers' allowance should be retained at the present rate (living wage in respect of child care, £10 per hour or Milton Keynes Council Home Help rate in respect of care for adults);
- The amounts payable for travel expenses should continue to be paid at the same rates as those paid to officers;
- The amounts payable for subsistence expenses should continue to be paid at the current rates; and

- The amounts payable to co-opted members should continue to be paid at the current rates.
- The Panel have recommended small clarifications to the list of approved duties for which expenses can be claimed.

### **Other recommendations**

9.1 The Panel heard much about the difficulties of balancing the demands associated with the role of councillor with employment and family life. The Panel were concerned to hear about the impact that this has on councillors, particularly when deciding whether to take on additional roles or even whether to re-stand for election once election.

9.2 The Panel therefore recommends that the Council should investigate ways of helping councillors manage their work-life balance effectively. This should extend to providing information about employment rights for councillors who are employed, as well as providing employers with information about the benefits of employing councillors.

This page is left intentionally blank



## Combined Fire and Rescue Authorities Members' Scheme of Allowances

Authority	Member numbers	Political Group Leader SRA	Basic Allowance	Political Group Leader SRA	Details
Avon <a href="#">Members Allowance Scheme 2018-2019</a>	20	Yes	£1,512	£2,066	A Member other than the Chairman may receive more than one SRA
Bedfordshire	12	No	£3,280.78		
Buckinghamshire <a href="#">Members' Scheme of Allowances 2018/19</a>	17	Yes	£1,223	£3,665	Only the highest SRA will be payable, with the exception that a Lead Member may claim one Lead Member's Allowance in addition to one other SRA
Cambridgeshire <a href="#">Members' Allowances Scheme 2018/19</a>	17	Yes	£2,483	£2000	Plus 1/17 <sup>th</sup> of Chairman's SRA (£12415.04) per Member in Group. Members will be restricted to being in receipt of one SRA at any one time unless a 'project board' SRA
Cheshire <a href="#">Members' Allowance Scheme 2018-19</a>	23	Yes	£4,160.27	£1,052.97	Only one SRA shall be paid to an individual Member. Where a Member holds two or more positions which attract an SRA only the highest amount will be paid. This excludes regional appointments.
Cleveland	16	No	£2,194		
Derbyshire <a href="#">Summary of Members Allowances 2015/2016</a>	16	Yes	£3,187.50* *13/14	£3,000* *13/14	Leader of the largest Minority Group 21% of the Chairman's SRA. No Member to receive more than 1 SRA

Devon and Somerset <a href="#">Scheme of Members' Allowances</a>	26	No	£2,679		Members may, normally, receive only 1 SRA – at the highest appropriate rate – in addition to the basic allowance irrespective of how many eligible positions they hold. The exception to this is Authority appointed non-executive directors to the Board of Red One Ltd
Dorset and Wiltshire	18	No	£3,200		No Member may receive more than one SRA
Durham and Darlington <a href="#">Members Allowances 2015/16</a>	21	Yes	£1,158* *15/16	£1,738* *15/16	Spokesperson for Minority Group. No Member can receive more than one SRA
East Sussex <a href="#">Members' Allowances Scheme</a>	18	Yes	£2,472* *17/18	£2,493* *17/18	Leader of a Political Group (except where the Group includes either the Chairman or Vice-Chairman of the Fire Authority). No Member can be paid more than one SRA.
Hampshire <a href="#">Members Allowances Scheme 2017/18</a>	10	Yes	£6,000* *17/18	Principal Opposition Spokesperson 0.5 x Basic Other Opposition Spokesperson 0.125 x Basic	Principal Opposition Spokesperson being the nominated spokesperson for the largest opposition Group. Should there be multiple opposition Groups of equal size, the nominated spokespersons to share equally the combined allowances for a "Principal" and "Other" spokesperson i.e 0.3125 x Basic each. For this purpose, an opposition Group has no minimum size and may consist of a single Member.  Should a Member be appointed to more than one role for which an SRA is payable, only one SRA may be claimed

Hereford and Worcester <a href="#">Members' Allowances Scheme 2017/18</a>	25	Yes	£1,165.80* *17/18	£1,357.44* *17/18	Political Group Leaders. Members with more than one special responsibility will only receive one SRA at the higher appropriate level.
Humberside	22	No	£4,457		
Kent <a href="#">Members' expenses and allowances</a>	25	Yes	£1,442.28	30% of Chairman's SRA (£18,915.00)	Opposition Group Leader *plus £300 for every Member above two. Members may only receive one SRA at any one time
Lancashire <a href="#">Members' Allowances Scheme</a>	25	Yes	£2,784.96	£4,043.71 £3,234.97	Majority Opposition Group Spokesperson Minority Opposition Group Spokesperson
Leicestershire <a href="#">Members' Allowances Rates 2018-2019</a>	17	Yes	£3,157	£1,831	Group Leaders (not being Chairman or Vice-Chairman). No member to receive more than one SRA
North Yorkshire	16 Gone to PCC	No info available now			
Nottinghamshire	18	No	£3,502*		*2016/17
Royal Berkshire <a href="#">Scheme of Allowances</a>	20	Yes	£2,266	20% of Chairman's SRA (£11,332)	Main Opposition Group Leader A Member may not receive more than one SRA at any one time
Shropshire <a href="#">Members Allowances</a>	25	Yes	£2,771	£2,771	Leader of Opposition Group with 3 or more Members. No Member shall receive more than one SRA

This page is left intentionally blank





**BUCKINGHAMSHIRE AND MILTON  
KEYNES FIRE AUTHORITY**

***MEMBERS' SCHEME OF ALLOWANCES  
2019/20***

# **THE BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY**

## **MEMBERS' SCHEME OF ALLOWANCES**

### **Introduction**

1. This Scheme is governed by the Local Authorities (Members' Allowances)(England) Regulations 2003 and the Local Authorities (Members' Allowances)(England) (Amendment) Regulations 2003 – “the regulations.”
2. Elected Members of the Buckinghamshire and Milton Keynes Combined Fire Authority may claim basic allowances, special responsibility allowances, travelling allowances and subsistence allowances for approved duties in accordance with the provisions of this scheme.
3. Appointed (non elected) members may claim co-optees allowance, travelling allowances and subsistence allowances for approved duties specified in this scheme.
4. "Year" means the 12 months ending with 31 March.
5. The Scheme has four Schedules attached which are:
  - (a) Schedule 1 - Special Responsibility Allowances
  - (b) Schedule 2 - Payment of Travelling and Subsistence Allowances
  - (c) Schedule 3 - Duties Excluded from the Allowances Scheme
  - (d) Schedule 4 - Rates of Allowances

### **Creation and Amendment of the Scheme**

6. This scheme comes into effect on 1 April 2019.
7. For subsequent changes in basic allowances, special responsibility allowances and co-optees allowances, new rates will be payable from the date the amendment takes effect as set out either in this scheme or the Regulations.
8. The Fire Authority will be responsible for amending the scheme and in doing so will have regard to any recommendations to its constituent councils of the independent remuneration panels set up by them.

### **Basic Allowances**

9. The Fire Authority will pay equally to each Member of the Authority a basic allowance of an amount specified in Schedule 4.
10. Where the term of office of a Member begins or ends in the course of a financial year entitlement will be apportioned in accordance with the Regulations. The apportionment will not take place where a Member's term of office lasts less than one month.
11. Basic Allowances are payable monthly and are subject to tax and national insurance deductions.

### **Special Responsibility Allowances**

12. The Fire Authority will pay each year to the Members of the Fire Authority who have special responsibilities by reason of the office(s) they hold the special responsibility allowances set out in Schedule 1.
13. Where a Member takes up or relinquishes any post that carries a special responsibility allowance in the course of a financial year the entitlement will be apportioned in accordance with the Regulations. The apportionment will not take place where a Member's term of office lasts less than one month.
14. Special responsibility allowances are payable in monthly instalments and are subject to tax and national insurance deductions. Where a Member is eligible for more than one special responsibility allowance (whether payable by the Fire Authority or another authority for Fire Authority duties) only the highest one will be payable, with the exception that a Lead Member may claim one Lead Member's Allowance in addition to one other Special Responsibility Allowance payable.

### **Approved Duties**

15. Travelling and Subsistence Allowances are payable monthly and are only payable to Elected Members of the Fire Authority for the approved duties set out in Schedule 2.

### **Co-optees Allowance**

16. A Co-optees Allowance may be paid to appointed members (i.e. non-Elected Members whether voting or not) for the performance of any approved duty as defined by this document.
17. The allowance will be payable in monthly instalments and are subject to tax and national insurance deductions.

## **Travelling and Subsistence Allowances**

18. The term "Member" for the purpose of travelling and subsistence allowances applies to any person who is a Member of the Fire Authority, or who is a member of any committee, sub-committee or panel of the Fire Authority, and so includes appointed non-elected members of those bodies. The payment of these allowances is dependent upon the performance of an "approved duty" which is an attendance as a member at a meeting, or the carrying on of a duty, set out in Schedule 2.
19. The rates for travel and subsistence allowances are specified in Schedule 4.

## **Allowances are Maxima**

20. The scales for all allowances are maxima and there is no obligation on any Member to claim any or all of the allowances.
21. A Member shall give notice in writing to the Chief Finance Officer that he/she elects to forego any part of his/her entitlement to an allowance under the scheme.

## **Social Functions and Occasions**

22. Elected Members on occasions are invited, or feel it necessary to attend functions, or occasions which have a social element. No allowances are paid to Members of the Fire Authority on these occasions unless the Member is undertaking the performance of a positive duty and one of significant size, e.g. making a speech or distributing prizes when travel and subsistence allowances may be paid. Merely to attend because the member is interested or represents people in the district is insufficient to justify payment of any allowances.

## **Conference Expenses**

23. If attendance at a conference has been approved by the Authority, conference expenses which are obligatory and outside the control of the Member, will be paid in advance on request or will be reimbursed. These expenses will include the conference fee. The actual cost of accommodation, meals and the like, will only be met or reimbursed if it is part of the inclusive charge for the conference or it is a requirement of the conference or its organisers that the Member should stay at a particular hotel.
24. Travel and subsistence allowances are payable where appropriate.

## **Telephones**

25. A mobile phone will be provided to the Chairman of the Fire Authority, with the cost of supply, rental and business calls being met by the Fire Authority.

## **Avoidance of Duplication**

26. A claim for an allowance under this scheme must include, or be accompanied by, a statement signed by the claimant that no other claim has been, or will be made for the matter to which the claim relates.

## **Records of Payments**

27. Records of payments made to Members are available for inspection free of charge by any local government elector of the Fire Authority.
28. A person entitled to inspect a record may make a copy of any part of it.
29. Details of total payments made to each Member for allowances under this scheme will be published as soon as practicable after the end of the year to which they relate.

## **Expense Claims**

30. All information requested for the expense claim must be provided, including the number of miles, the locations travelled from and to and the reason for travel. (It is always advisable for Members to make contemporaneous notes in their diary to assist in the completion of claims).
31. Claims for expenses should only be made when actually incurred, ie rail/bus, taxis, hotel accommodation. Receipts must be provided.
32. Claims for the same expenses (mileage, travel and subsistence etc) must not be made from more than one body.
33. Payments for basic and special responsibility allowances will be paid monthly in arrears and travel and subsistence payments will be paid monthly in arrears on the submission of a claim through the HR and Payroll Portal.
34. No claim from a Member for traveling or subsistence allowances which is submitted more than three months after the costs were incurred and no later than the end of April for the preceding financial year will be entertained, except in exceptional circumstances and approved in writing by the Chief Finance Officer.

## **SCHEDULE 1**

### **SPECIAL RESPONSIBILITY ALLOWANCES FROM APRIL 2019**

#### **Special Responsibility Allowance per annum**

• Position	£
• Chairman	12,459
• Vice-Chairman	4,175
• Chairman – Executive Committee	5,140
• Chairman – Overview and Audit Committee	3,367
• Chairman – Human Resources Sub-Committee	1,685
• Group Leaders	3,738
• Lead Members	3,249

DRAFT

## **SCHEDULE 2**

### **PAYMENT OF TRAVELLING AND SUBSISTENCE ALLOWANCES**

The duties in this Section have been approved for the payment of travel and subsistence allowances:

- (a) Attendance at a meeting of the Fire Authority;
- (b) Attendance at a meeting of any committee or sub-committee of the Fire Authority;
- (c) Attendance at a meeting of any section, panel, working party or other meeting authorised by the Fire Authority or a committee or sub-committee of the Fire Authority or a joint committee of the Fire Authority and one or more other authorities to which the member has been specifically appointed provided that it is a meeting to which Members of at least two political groups have been invited.
- (d) Attendance at a meeting of an association of authorities of which the Fire Authority is a member and to which the member has been appointed by the Fire Authority to represent it.
- (e) Attendance at ad hoc meetings with other authorities, organisations or bodies authorised by a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable.
- (f) Attendance at briefing meetings to which Members of at least two political groups have been invited authorised by a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable.
- (g) Attendance at seminars and conferences arranged by the Fire Authority, a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable, about any of its functions.
- (h) Attendance at specific visits arranged by the Fire Authority, a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable, about any of its functions and where Members of at least two political groups have been invited.
- (i) Attendance at a meeting of any body or authority upon which the member has been appointed by the Fire Authority or a committee or sub-committee of the Fire Authority to represent it.

- (j) Attendance in connection with the discharge of any function of the Fire Authority conferred by or under any enactment and empowering or requiring the Fire Authority to inspect or authorise the inspection of premises.
- (k) Attendance at meetings of bodies where the Fire Authority makes appointments, where the Fire Authority has a major influence at national, regional, county or district level. These bodies are listed below:
- (i) Local Government Association
  - (ii) Fire Commission
- (l) Attendance at any disciplinary, grievance, dismissal or appeals sub-committee or panel.
- (m) The following duties if approved by the Fire Authority or a Committee:
- Attendance at briefing meetings held for the purpose of, or in connection with, the discharge of the functions of the Fire Authority or any of its committees or sub-committees.
  - Attendance at the official opening of new Fire Authority establishments or projects.
  - Attendance by the Chairman and Vice-Chairman of the Fire Authority and of committees at official functions in a representative capacity.
  - Duties undertaken by Chairmen and Vice-Chairmen of the Fire Authority, committees or subcommittees acting in an official capacity.
  - Members' delegations to Government Departments.
  - Town Centre Management Meetings and Parishes.
- (n) Meetings organised by the Chief Fire Officer, Chief Finance Officer or Director of Legal and Governance or their nominated representatives with external bodies or persons to further the business and aims of the Fire Authority which the relevant officer certifies requires the attendance of members on the grounds of urgency which prevents approval being obtained from the Fire Authority, a committee or sub-committee

*Note: In authorising attendances in accordance with the above, no member, official or officer of the Fire Authority shall act in a discriminatory manner reflecting party political preference. Members, officials and officers should take care to ensure that their actions can not be construed as having been discriminatory.*



### **SCHEDULE 3**

#### **DUTIES EXCLUDED FROM THE ALLOWANCES SCHEME**

The duties in this Section are those for which the Fire Authority has decided that no allowances will be paid.

- Members' surgeries
- Political activities

DRAFT

## **SCHEDULE 4**

### **RATES OF ALLOWANCES**

From April 2019 the following rates of allowances will apply

#### **Basic Allowance:**

£1,247 per annum

#### **Special Responsibility Allowances:**

See Schedule 1

#### **Co-optees Allowance**

£312 per annum

#### **Travel Allowances**

##### **(a) Car**

The rate for travel by a Member's own private motor vehicle, or one belonging to a member of his/her family or otherwise provided for his/her use, other than a solo motor cycle, shall be 45 pence for the first 10,000 miles and 25 pence for each mile after that.

##### **(b) Motorcycle**

The rate for travel by a Member's own motorcycle, or one belonging to a member of his/her family, or otherwise provided for his/her use, shall be 24 pence per mile.

##### **(c) Bicycle**

The rate for travel by a Member's own bicycle, or one belonging to a member of his/her family, or otherwise provided for his/her use, shall not exceed 20p a mile.

##### **(d) Public Transport**

Members can claim the full cost of travelling on public transport at standard class rates whilst carrying out Approved Duties, provided a valid receipt, bus ticket etc is produced to substantiate the claim.

#### **Subsistence**

The rate of subsistence allowance shall not exceed the amounts which can be claimed under the Buckinghamshire County Council Members Allowances Scheme applicable at the time when the cost is incurred.

#### **Uplift for Inflation**

Basic, Special Responsibility and Co-optees allowances will be adjusted for inflation each year until, but not beyond 1 April 2020, in line with the pay award for the Authority's staff on National Joint Council for Local Authorities' Fire and Rescue Services, Scheme of Conditions of Service (Grey Book).

# Buckinghamshire & Milton Keynes Fire Authority



<b>MEETING</b>	Executive Committee
<b>DATE OF MEETING</b>	6 February 2019
<b>OFFICER</b>	Mark Hemming, Director of Finance & Assets
<b>LEAD MEMBER</b>	Councillor Peter McDonald
<b>SUBJECT OF THE REPORT</b>	<b>The Prudential Code, Prudential Indicators and Minimum Revenue Provision</b>
<b>EXECUTIVE SUMMARY</b>	<p>This report is being presented as the Prudential Indicators (Appendices A and B) and Minimum Revenue Provision policy statement (Appendix C) are required to be approved by the Fire Authority and to support the Medium Term Financial Plan (MTFP).</p> <p>A review of the Balance Sheet indicates that the Authority is currently in an over-borrowed position. Due to prohibitive penalties the early repayment of borrowing is not currently an option. The Authority has no plans for additional borrowing in the foreseeable future, according to the current MTFP.</p>
<b>ACTION</b>	Decision
<b>RECOMMENDATIONS</b>	<p>That the Executive Committee approve the recommendations below for submission to the Fire Authority.</p> <p>That the Authority be recommended to approve:</p> <ol style="list-style-type: none"> <li>1. the Prudential Indicators; and</li> <li>2. the Minimum Revenue Provision policy statement</li> </ol>
<b>RISK MANAGEMENT</b>	<p>The Prudential Code was established to ensure that capital investment plans are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. The indicators presented here demonstrate that the current plans for capital investment meet these criteria and present an acceptable level of risk to the Authority.</p> <p>Minimum revenue provision is a statutory charge to the General Fund, which ensures that an Authority has sufficient cash balances to repay borrowing upon maturity, reducing the refinancing risk.</p> <p>There are no direct staffing implications.</p>

<p><b>FINANCIAL IMPLICATIONS</b></p>	<p>The decision on the prudential indicators sets out the financial limits within which the Authority will operate in future years.</p> <p>The minimum revenue provision is a statutory charge against the General Fund, estimated at £47k for 2019/20 (no change from 2018/19).</p>
<p><b>LEGAL IMPLICATIONS</b></p>	<p>The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, SI 2003/3146 make provision for capital finance and accounts under the Local Government Act 2003 requiring the authority to have regard to the 'Prudential Code for Capital Finance in Local Authorities' when determining, under the Local Government 2003 Act, how much money it can afford to borrow; and require the Authority to determine for the current financial year an amount of minimum revenue provision which it considers to be prudent.</p>
<p><b>CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE</b></p>	<p>No direct impact.</p>
<p><b>HEALTH AND SAFETY</b></p>	<p>No direct impact.</p>
<p><b>EQUALITY AND DIVERSITY</b></p>	<p>No direct impact.</p>
<p><b>USE OF RESOURCES</b></p>	<p>The impact of the Prudential Code will allow the Authority to make informed choices between revenue and capital financing of procured services, to encourage invest to save schemes and will only allow capital investment to proceed where the Authority can fund projects within prudential limits.</p> <p>Making sufficient minimum revenue provision ensures that when borrowing matures, cash is available to make the repayment. This ensures that the Authority does not need to borrow additional money to repay existing loans.</p>
<p><b>PROVENANCE SECTION &amp; BACKGROUND PAPERS</b></p>	<p><b>Background</b></p> <p>Realignment of Reserve Balances to Facilitate the Medium Term Financial Plan, Executive Committee, 18 November 2015:</p> <p><a href="http://bucksfire.gov.uk/files/7314/4612/0201/ITEM_6_.Reserve_Balances_Update_Post_Pre-Brief.pdf">http://bucksfire.gov.uk/files/7314/4612/0201/ITEM_6_.Reserve_Balances_Update_Post_Pre-Brief.pdf</a></p>
<p><b>APPENDICES</b></p>	<p>Appendix A – Prudential Indicators</p> <p>Appendix B – Summary Table of Prudential Indicators</p> <p>Appendix C – Minimum Revenue Provision Policy Statement</p>

<b>TIME REQUIRED</b>	10 minutes
<b>REPORT ORIGINATOR AND CONTACT</b>	Asif Hussain <a href="mailto:Ahussain@bucksfire.gov.uk">Ahussain@bucksfire.gov.uk</a> (01296) 744421

## Appendix A – Prudential Indicators

### 1.0 Indicators for Affordability

#### 1.1 The ratio of financing costs to net revenue stream

This indicator measures the percentage of the net revenue funding used to finance external debt. As no future borrowing is planned and a decision was made to reallocate reserves to reduce the capital financing requirement in 2015/16, the ratio of financing costs to net revenue stream will remain consistently low from 2017/18 onwards:

Indicator	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22
Ratio of financing costs to net revenue stream	0.7%	0.6%	0.7%	0.7%	0.7%

### 2.0 Indicators for Prudence

#### 2.1 Gross borrowing and the Capital Financing Requirement

The table below shows gross borrowing and the capital financing requirement (CFR). The Authority should ensure that gross borrowing does not, except in the short term, exceed the CFR. However, due to the reallocation of reserves to reduce the CFR (excluding finance lease) to zero (see Provenance Section & Background Papers) gross borrowing will exceed CFR for the medium to long-term. This situation will exist until borrowing is repaid. Due to early repayment premiums it is prohibitively expensive to make any early repayments at the current time.

Gross borrowing at the start of 2017/18 financial year was £7.382m. A repayment of £585k was made in May 2018 which will reduce the gross borrowing to £6.797m from 2019/20 onwards. The figures shown below indicate the maximum level of borrowing during the year (i.e. repayments will reduce the limit for the following year):

Indicator	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22
Gross borrowing (£000)	7,382	7,382	6,797	6,797	6,797
Capital financing requirement (£000)	1,684	1,637	1,590	1,543	1,496

### 3.0 Indicators for Capital Expenditure

#### 3.1 Capital Expenditure

This indicator shows the expected level of capital expenditure for future years:

Indicator	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22
Capital expenditure (£000)	4,474	7,941	7,351	1,216	1,466

### 3.2 Capital Financing Requirement (CFR)

The CFR reflects the Authority's underlying need to borrow. This figure was reduced down to the level of the finance lease by the reallocation of reserves (see Provenance Section & Background Papers). No additional borrowing is planned in the medium term. The CFR should be looked at in relation to gross borrowing, as detailed in Section 2.1:

Indicator	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22
Capital financing requirement (underlying need to borrow for a capital purpose) (£000)	1,684	1,637	1,590	1,543	1,496

### 4.0 Indicators for External Debt

#### 4.1 Authorised Limit

This is the maximum limit on borrowing and other long-term liabilities (currently limited to the finance lease at Gerrards Cross). This amount cannot be exceeded without approval from the Fire Authority:

Indicator	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22
Authorised limit for borrowing (£000)	7,382	7,382	6,797	6,797	6,797
Authorised limit for other long-term liabilities (£000)	1,739	1,692	1,645	1,598	1,551
Authorised limit for external debt (£000)	9,121	9,074	8,442	8,395	8,348

## 4.2 Operational Boundary

This indicator shows the most likely estimate of debt for future years:

Indicator	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22
Operational boundary for borrowing (£000)	7,382	7,382	6,797	6,797	6,797
Operational boundary for other long-term liabilities (£000)	1,739	1,692	1,645	1,598	1,551
Operational boundary for external debt (£000)	9,121	9,074	8,442	8,395	8,348

The actual external debt for the year ending 31 March 2018 was **£9.074m**.

## 5.0 Indicators for Treasury Management

### 5.1 Adoption of CIPFA's Treasury Management in the Public Services: Code of Practice and Cross-Sectorial Guidance Notes

The aim is to ensure that treasury management is led by a clear and integrated forward treasury management strategy, and a recognition of the pre-existing structure of the Authority's borrowing and investment portfolios.

### 5.2 Upper limit on fixed interest rate exposures

This indicator shows the Authority's upper limit of the net exposure to fixed interest rates. Currently all borrowing is at a fixed rate of interest:

Indicator	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22
Upper limit on fixed interest rate exposures	100%	100%	100%	100%	100%

### 5.3 Upper limit on variable interest rate exposures

This indicator shows the Authority's upper limit of the net exposure to variable interest rates:

Indicator	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22
Upper limit on variable interest rate exposures	20%	20%	20%	20%	20%



## 5.4 Maturity structure of fixed rate borrowing

This shows the repayment profile of fixed rate borrowing. All loans are repayable on maturity:

Indicator	Actual 2017/18	Estimate 2018/19		Estimate 2019/20		Estimate 2020/21		Estimate 2021/22	
	Actual Maturity	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit
Under 12 months	0%	0%	0%	0%	8%	0%	0%	0%	0%
12 months and within 24 months	8%	0%	8%	0%	0%	0%	0%	0%	0%
24 months and within five years	0%	0%	0%	0%	8%	0%	24%	0%	24%
five years and within 10 years	22%	0%	22%	0%	27%	0%	15%	0%	15%
10 years and within 20 years	32%	0%	32%	0%	19%	0%	20%	0%	20%
20 years and within 30 years	0%	0%	0%	0%	0%	0%	0%	0%	0%
30 years and within 40 years	38%	0%	38%	0%	38%	0%	41%	0%	41%
40 years and above	0%	0%	0%	0%	0%	0%	0%	0%	0%

## 5.5 Total principal sums invested for periods longer than 364 days

The purpose of this indicator is for the Authority to contain its exposure to the possibility of loss that might arise as a result of its having to seek early repayment or redemption of principal sums invested. The Authority currently have £4m invested split between two local Authorities, both over a period longer than 364 days.

Indicator	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22
Total principal sums invested for periods longer than 364 days (£000)	4,000	5,000	5,000	5,000	5,000

## 5.6 Credit Risk

The duration of any investment with a counterparty will be restricted as advised by our treasury management advisors. The advisors will base their assessment of credit risk based on credit ratings provided by the major agencies, as well as reviewing credit default swaps (a proxy measure for the markets perceived risk of default).

**Appendix B – Summary Table of Prudential Indicators**

For reference, the following table summarises the key indicators detailed in Appendix A in a single table:

	Indicator	Actual 2017/18	Estimate 2018/19	Estimate 2019/20	Estimate 2020/21	Estimate 2021/22
<b>Indicators for Affordability</b>						
1.1	Ratio of financing costs to net revenue stream	0.7%	0.6%	0.7%	0.7%	0.7%
<b>Indicators for Prudence</b>						
2.1	Gross borrowing (£000)	7,382	7,382	6,797	6,797	6,797
<b>Indicators for Capital Expenditure</b>						
3.1	Capital expenditure (£000)	4,474	7,941	7,351	1,216	1,466
3.2	Capital financing requirement (£000)	1,684	1,637	1,590	1,543	1,496
<b>Indicators for External Debt</b>						
4.1	Authorised limit for external debt (£000)	9,121	9,074	8,442	8,395	8,348
4.2	Operational boundary for external debt (£000)	9,121	9,074	8,442	8,395	8,348
<b>Indicators for Treasury Management</b>						
5.2	Upper limit on fixed interest rate exposures	100%	100%	100%	100%	100%
5.3	Upper limit on variable interest rate exposures	20%	20%	20%	20%	20%
5.5	Total principal sums invested for periods longer than 364 days (£000)	4,000	5,000	5,000	5,000	5,000

The actual external debt for the year ending 31 March 2018 was £9.074m. The projected external debt for the year ending 31 March 2019 is £8.442m (both figures include the finance lease liability).

The following indicators are not shown above:

- 5.1 – the Authority has adopted CIPFA’s Treasury Management Code for 2018/19
- 5.4 – details of the maturity structure of fixed rate borrowing (see Appendix A)
- 5.6 – narrative regarding credit risk (see Appendix A)

## **Appendix C – Minimum Revenue Provision (MRP) Policy Statement**

The two methods for calculating prudent provision are set out below and were approved by members in 2008/09. Regulation 28 of the 2003 Regulations (as amended by regulation 4 of the 2008 Regulations) requires a local authority to calculate for the current financial year an amount of MRP which it considers to be prudent. The Secretary of State recommends that, for the purposes of regulation 4 the prudent amount of provision should be determined in accordance with one of four options, two of which were agreed by members in 2008/09 and are outlined below.

The broad aim of prudent provision is to ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits (asset life).

### **(a) CFR Method**

MRP is equal to 4% of the Capital Financing Requirement (CFR) at the end of the preceding financial years. Since the CFR (excluding finance lease) is now at zero, this method is no longer applicable (for finance leases, the MRP requirement is regarded as met by a charge equal to the element of the rent that goes to write down the Balance Sheet liability).

### **(b) Asset Life Method**

Since 1 April 2008, where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP is to be determined by reference to the life of the asset, based on an equal instalment method. This amount is projected to be nil for 2018/19.

Where assets have been purchased utilising Capital grants or Revenue Contributions no MRP calculation is required. Only assets purchased utilising borrowing require an MRP charge.

The asset life method calculation requires estimated useful lives of assets to be input in to the calculations. These life periods will be determined by the Director of Finance and Assets & Treasurer, with regard to the statutory guidance and advice from professional valuers.

This page is left intentionally blank



# Buckinghamshire & Milton Keynes Fire Authority

<b>MEETING</b>	Executive Committee
<b>DATE OF MEETING</b>	6 February 2019
<b>OFFICER</b>	Mark Hemming, Director of Finance and Assets
<b>LEAD MEMBER</b>	Councillor Peter McDonald
<b>SUBJECT OF THE REPORT</b>	<b>Medium Term Financial Plan (MTFP) 2019/20 to 2021/22</b>
<b>EXECUTIVE SUMMARY</b>	<p>The main report (Annex A) presents the proposed revenue and capital Medium Term Financial Plan (MTFP) for the financial years 2019/20 to 2021/22.</p> <p>The provisional settlement was announced on 13 December 2018 and is included in the funding assumptions. Final confirmation is expected in February 2019. Within the settlement it was announced that authorities without any specific council tax freedoms can increase Council Tax by up to 3% without the need for a referendum.</p> <p>Key assumptions are detailed in Section 4 of Annex A and are based on information received to date.</p> <p>The most significant change from last year relates to employer pension contributions. In the Budget 2016 it was announced that the discount rate used in the valuations was going to decrease from 3% to 2.8% above inflation. This was factored into the MTFP and makes up the vast majority of the total shown under 'Previous year Savings and Growth Adjustments' within Appendix 1.</p> <p>In September 2018 the Treasury announced that the rate would reduce even further to 2.4% above inflation. The initial report from the government's Actuary Department suggests that the employers' contribution for the firefighter's scheme would increase from 17.6% to 30.2%. The impact on the Authority would be an increase of annual contributions of £1.6m.</p> <p>The Treasury had said that for 2019/20 it would fund 90% of this amount. That leaves the Authority in a position of uncertainty the year after. Despite representations made to Government for increased precept flexibility none has been forthcoming. Section 9 of Annex A considers the merit of holding a referendum to increase Council Tax above the 3% threshold.</p> <p>Further uncertainty regarding pensions has been</p>

	<p>introduced by the ruling in December 2018 that the transitional arrangements introduced for the firefighters scheme in 2015 were discriminatory. However, it is too early at this stage to quantify the impact this may have on budgets.</p> <p>Appendix 1 shows the base budget for 2018/19 with adjustments made for savings and growth to give the position for each future year. The savings and growth lines match the totals for those bids scrutinised by officers, Strategic Management Board and Members at the challenge sessions held on 9 October 2018 and 7 January 2019. This year Appendix 1 has been split into two models:</p> <ul style="list-style-type: none"> <li>• Model 1(a) shows the funding gap that has resulted from the change of discount rate used to value pensions;</li> <li>• Model 1(b) shows how the gap could be funded by significantly reducing the revenue contribution to capital. Whilst this balances the revenue budget, it will restrict the capital programme to essential building work and replacement of vehicles and equipment with no funding available for any other capital investment.</li> </ul> <p>It should also be noted that the figures for council tax and business rates are provisional. The statutory deadline for the billing authorities to provide this information to the Authority is 31 January. Any changes to the figures will be presented in a revised Appendix 1 at the meeting.</p> <p>Appendix 2 shows the latest summary of the capital programme for 2018/19 and approved schemes for the following years.</p> <p>Appendix 3 provides further detail on the level of council tax chargeable for each band if the Authority accepts the recommendation to increase the band D equivalent amount by 2.98%.</p> <p>As well as the uncertainty regarding pensions noted above, there is also significant uncertainty regarding next year’s Comprehensive Spending Review, Fair Funding Review, USAR funding and funding for Firelink/ESMCP. In order to effectively plan for the future, during 2019/20 Officers will be taking a zero-based budgeting approach to develop budgets for a number of potential scenarios. These will be developed alongside the new Public Safety Plan.</p>
<b>ACTION</b>	Decision
<b>RECOMMENDATIONS</b>	<p>It is recommended that the Authority be recommended to:</p> <p style="padding-left: 40px;">1(a) Note and have due regard to the report and Statement of the Chief Finance Officer (see</p>

	<p>section 8 of Annex A).</p> <p>1(b) Approve a Council Tax precept of £64.57 for a band D equivalent property (a 2.98% increase from 2018/19 - equal to 3.6p per week) and the revenue budget as set out in Appendix 1(b).</p> <p>1(c) Approve the capital programme as set out in Appendix 2.</p> <p>and;</p> <p>2 Discuss the implications of holding a referendum to increase Council Tax above the 3% threshold in a future year.</p>
<p><b>RISK MANAGEMENT</b></p>	<p>Management of our Financial resources is a key risk to the Authority. By projecting forward and monitoring our financial plans, we are in a better position to avoid and mitigate the risk of adverse financial consequences.</p> <p>Section 9 details the potential financial benefits and risks of holding a referendum to increase Council Tax above the 3% threshold.</p>
<p><b>FINANCIAL IMPLICATIONS</b></p>	<p>All financial implications are shown in the main body of the report.</p>
<p><b>LEGAL IMPLICATIONS</b></p>	<p>The Local Government Act 2003 gives the responsible finance officer, namely the Chief Finance Officer of the Combined Fire Authority under s112 of the Local Government Finance Act 1988, the responsibility to report to Members of the Authority on their assessment of the robustness of the estimates used within the budget and on the adequacy of reserves.</p> <p>Members must take account of the advice of the Chief Finance Officer in respect of the above and the highlighted associated risks before considering the recommendations as set out in the report.</p> <p>The Council Tax referendum scheme was introduced via the Localism Act 2011. The process for conducting referendums is contained within the Local Authority (Referendums Relating to Council Tax Increases) Regulations 2012 [2012/460] and the Local Authorities (Conduct of Referendums) (Council Tax Increases) (England) Regulations 2012 [2012/444].</p> <p>If the Authority were to set a council tax increase in excess of the relevant threshold, it must notify each of the five billing authorities to which it issues precepts. The notification must include a precept based on the substitute calculation which results in a basic amount of Council Tax which is not excessive. It must make the notification by 8 March in the financial year preceding that year. Those billing authorities will then be required to make arrangements to hold a referendum in relation to the Authority's relevant basic amount of council tax for the financial year on the first</p>

	<p>Thursday in May, the usual date for local elections (or such other date as is specified by order of the Secretary of State).</p> <p>A billing authority which holds a referendum on behalf of the Authority is able to recover its costs from the Authority. Furthermore, if the excessive amount is not approved by the referendum, the billing authority will need to set a new amount of council tax to take into account the Authority's substitute precept (a demand for payment of council tax based upon the Authority's substitute calculations). The billing authority will be able to recover its costs of setting a new amount of council tax from Authority. If the excessive relevant amount is approved by the referendum that amount continues to have effect for the year.</p> <p>Regulation 3 and Schedule 1 prescribe the question to be asked in the referendum. Voters are to be asked whether they approve of the percentage change in the relevant basic amount of council tax set by the authority for the financial year in question and are also informed of what the percentage change will be if the voters do not agree with the increase.</p> <p>Regulation 5(2) would require the Authority, as soon as is reasonably practicable and not fewer than 28 days before the date on which the referendum will be held, to publish in such a manner as it considers likely to bring to the attention of persons who live in the Authority's area, a notice which contains a statement including the following—</p> <ul style="list-style-type: none"><li>(a) that a referendum is required to be held on the authority's council tax increase for the relevant financial year;</li><li>(b) that arrangements to hold the referendum will be made by relevant billing authorities which are to be specified in the notice;</li><li>(c) of the date on which the referendum will be held;</li><li>(d) of the question to be asked in the referendum;</li><li>(e) that the referendum will be conducted in accordance with procedures similar to those used at local government elections;</li><li>(f) of the referendum expenses limit that will apply in relation to the referendum and the number of local government electors by reference to which that limit has been calculated;</li><li>(g) of the authority's relevant basic amount of council tax for the relevant financial year;</li><li>(h) of the authority's relevant basic amount of council tax for the financial year preceding the relevant financial year;</li><li>(i) of the percentage change in the authority's relevant basic amount of council tax from the</li></ul>
--	---



	<p>preceding financial year to the relevant financial year expressed to one decimal place;</p> <p>(j) of what the amount calculated by the authority as its relevant basic amount of council tax for the relevant financial year would be if the authority's relevant basic amount of council tax is not approved; and</p> <p>(k) of what the percentage change in the authority's relevant basic amount of council tax from the preceding year to the relevant financial year expressed to one decimal place would be if the authority's relevant basic amount of council tax is not approved.</p> <p>Once this notice has been published (and triggered the period of campaigning), the Authority may publish an additional statement setting out the reasons for the excessive increase, and the likely consequences if its council tax increase is not approved. This statement will be subject to the campaign expenses limit for the referendum and published no later than 28 days before the poll.</p> <p>Regulation 10 places restrictions on the publication of other promotional material by or on behalf of the Authority for the entire period from the date of setting the excessive amount and ends on the date of the referendum. This prohibits publication of any material which (a) provides general information about the referendum; (b) deals with any of the issues raised by the question to be asked in the referendum; or (c) puts any arguments for or against a particular answer to that question.</p> <p>Regulation 16 provides that the Authority must appoint a person to be Chief Counting Officer. This person will be responsible for drawing up a statement of the total number of votes cast in favour of each answer to the question asked in the referendums held by each billing authority and publishing the final result. This person will have a power of direction over counting officers in each area (the respective billing authorities' returning officers), including the power to order a recount.</p> <p>Regulation 12 prescribes a limit on referendum expenses. 'referendum expenses' means the expenses incurred by or on behalf of the Authority during the 'referendum period'. 'referendum period', means the period beginning with the publication made in accordance with Regulation 5 (2) ,mentioned above, and ending on the date of the referendum. The prescribed list of referendum expenses includes the following:</p> <ol style="list-style-type: none"><li>1. Advertising of any nature (whatever the medium used). Expenses in respect of such advertising include agency fees, design costs</li></ol>
--	---

	<p>and other costs in connection with preparing, producing, distributing or otherwise disseminating such advertising or anything incorporating such advertising and intended to be distributed for the purpose of disseminating it.</p> <ol style="list-style-type: none"> <li>2. Unsolicited material addressed to voters (whether addressed to them by name or intended for delivery to households within any particular area or areas). Expenses in respect of such material include design costs and other costs in connection with preparing, producing or distributing such material (including the cost of postage).</li> <li>3. Market research or canvassing conducted for the purposes of ascertaining voting intentions.</li> <li>4. The provision of any services or facilities in connection with press conferences or other dealings with the media.</li> <li>5. Transport (by any means) of persons to any place or places with a view to obtaining publicity in connection with a referendum campaign. Expenses in respect of the transport of such persons include the costs of hiring a particular means of transport for the whole or part of the referendum period.</li> <li>6. Rallies and other events, including public meetings organised so as to obtain publicity in connection with a referendum campaign or for other purposes connected with a referendum campaign. Expenses in respect of such events include costs in connection with the attendance of persons at such events, the hire of premises for the purposes of such events or the provision of goods, services or facilities at them.</li> </ol> <p>The referendum expenses limit is the aggregate of £2,362 and the amount found by multiplying 5.9 pence the number of entries on the electoral rolls for the five billing authorities (591,037). The electorate for Buckinghamshire is 397,190 as at 1 December 2017 (Office for National Statistics, 22 March 2018). The electorate for Milton Keynes Council is 193,847 as at 1 December 2017 (Office for National Statistics, 22 March 2018).</p> <p>Where any referendum expenses are incurred in excess of the referendum expenses limit, a person who knew or ought reasonably to have known that that limit would be exceeded, or who, without reasonable excuse, authorises another person to exceed that limit, is guilty of an offence punishable by a fine or imprisonment (for a term not exceeding 12 months) or both.</p>
--	---

	<p>Section 52ZR of the Local Government Finance Act 1992 provides that if it appears to the Secretary of State that an authority will be unable to discharge its functions effectively or to meet its financial obligations unless it sets an increase in council tax which exceeds the principles, s/he has the discretion to direct that a referendum need not be held. (When promoting the Localism Bill in the House of Lords Earl Attlee stated, "This is a reserve power and the expectation is that this would be used only in exceptional circumstances, such as where the High Court has exercised its powers to appoint a receiver where an authority has failed to service its debt within a set time period" Hansard HL Deb 30 June 2011 c1971)</p>
<p><b>CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE</b></p>	<p>No direct impact. In terms of referendum timing, the district elections have been postponed from May 2019. On 7 May 2020 there are local elections due to take place for the new Buckinghamshire Council; and for the Thames Valley Police and Crime Commissioner across Buckinghamshire and Milton Keynes.</p>
<p><b>HEALTH AND SAFETY</b></p>	<p>No direct impact.</p>
<p><b>EQUALITY AND DIVERSITY</b></p>	<p>No direct impact.</p>
<p><b>USE OF RESOURCES</b></p>	<p>The Medium Term Financial Plan, including capital and revenue budgets, identifies the financial resources required projected into the future based on the delivery of specific aims and objectives of the Authority as set out in the Public Safety Plan (PSP). Members, Senior Management Board and many staff have been involved in agreeing priorities and the budget setting process over the preceding months.</p>
<p><b>PROVENANCE SECTION &amp; BACKGROUND PAPERS</b></p>	<p><b>Background</b></p> <p>Medium Term Financial Plan (MTFP) 2018/19 to 2020/21 and Revised Appendix 1, Fire Authority, 7 February 2018:</p> <p><a href="https://bucksfire.gov.uk/files/3015/1782/9183/ITEM_7c_Medium_Term_Financial_Plan_2018-19_20-21.pdf">https://bucksfire.gov.uk/files/3015/1782/9183/ITEM_7c_Medium_Term_Financial_Plan_2018-19_20-21.pdf</a></p> <p><a href="https://bucksfire.gov.uk/files/7415/1756/5779/Revised_Appendix_1.pdf">https://bucksfire.gov.uk/files/7415/1756/5779/Revised_Appendix_1.pdf</a></p> <p>Four Year Settlement and Efficiency Plan, Executive Committee, 21 September 2016:</p> <p><a href="http://bucksfire.gov.uk/files/3414/7333/8081/ITEM_6_BMKFA_Efficiency_Plan_Appendix.pdf">http://bucksfire.gov.uk/files/3414/7333/8081/ITEM_6_BMKFA_Efficiency_Plan_Appendix.pdf</a></p>
<p><b>APPENDICES</b></p>	<p>Annex A – Medium Term Financial Plan 2019/20 to 2021/22</p> <p>Appendix 1(a) – MTFP Budget Model 1(a)</p> <p>Appendix 1(b) – MTFP Budget Model 1(b)</p>

	Appendix 2 – Capital Programme Summary Appendix 3 – Council Tax Funding
<b>TIME REQUIRED</b>	30 minutes
<b>REPORT ORIGINATOR AND CONTACT</b>	Mark Hemming <a href="mailto:mhemming@bucksfire.gov.uk">mhemming@bucksfire.gov.uk</a> 01296 744687

## **Annex A – Medium Term Financial Plan (MTFP) 2019/20 to 2021/22**

### **1. Introduction**

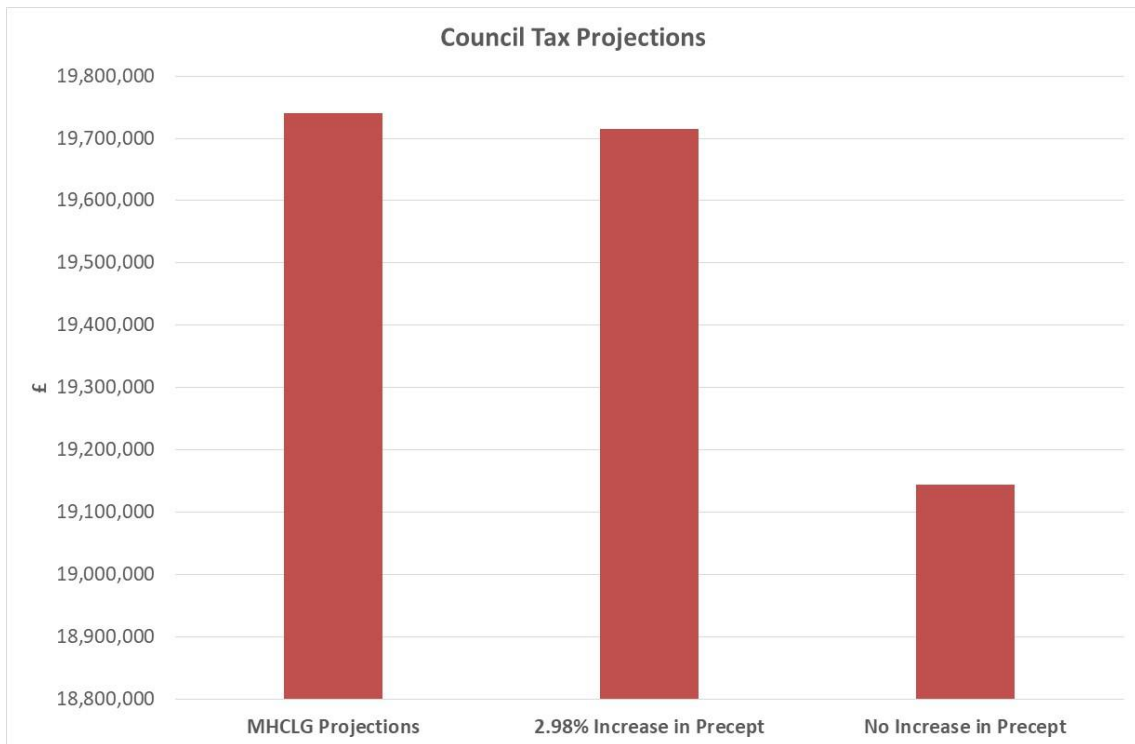
- 1.1. The purpose of this report is to present the proposed revenue and capital Medium Term Financial Plan (MTFP) 2019/20 to 2021/22.
- 1.2. The MTFP is closely linked to the Public Safety Plan (PSP) and Corporate Plan. The PSP sets out our strategic approach to the management of risk in the communities we serve. The Corporate Plan sets out how we intend to equip and develop our organisation and its people to meet the challenges that we face. The MTFP details the resources available to facilitate these plans and how the plans contribute to reducing future operating costs.
- 1.3. As part of the Fire Authority's Terms of Reference and MTFP, the Authority reviews and sets a balanced budget each year in line with corporate priorities. The MTFP is expressed as a detailed annual budget for the first year, with outline indicative budgets for the following two years.
- 1.4. Under Section 25 of the Local Government Act 2003 the Chief Finance Officer (as S.112 Chief Finance Officer of the Local Government Finance Act 1988) is required to report to Members on:
  - The robustness of the estimates made for the purposes of the calculations of the budget
  - The adequacy of the proposed financial reserves
- 1.5. The Local Government Act 2003 requires that Members have regard to the report in making their decisions (see section 8).
- 1.6. Section 42A of the Local Government Finance Act 1992 also requires the Authority to have regard to the level of reserves for meeting estimated future expenditure when calculating the net budget requirement.

### **2. Local Government Finance Settlement 2019 to 2020**

- 2.1. This year's settlement announcement continued the important shift in the Government's principles announced in previous years. Most noticeably, the shift away from freezing council tax to using council tax to generate additional funding has continued.
- 2.2. As part of the this year's announcement, the Government published headline changes in core spending power between 2018/19 and 2019/20 for every authority. The headline change for BMKFA for was an increase of 2.7%:
- 2.3. However, this headline increase is based on two fundamental assumptions
  - That the growth in council tax base between 2018/19 and 2019/20 will be 1.7% (actual increase was 1.57%)
  - That the Authority will increase its Band D council tax in 2019/20 by 3%, which is the maximum increase permissible without triggering a referendum.
- 2.4. Underlying the core spending power figures is a decrease of 57% in revenue support grant that we receive between 2015/16 and 2019/20.

### 3. Council Tax and Business Rates

- 3.1. In publicly declaring core spending power figures, the Government has clearly set an expectation that local authorities will increase council tax every year during the current spending review period by the maximum amount permissible.
- 3.2. The chart below shows the council tax receipts assumed for BMKFA in the Government’s core spending power figures versus the amounts forecast based on local taxbase projections, and the amounts receivable if there was no increase in the Band D equivalent:



- 3.3. The difference between a 2.98% increase in the precept and holding council tax at its current level for 2019/20 is £571k. It is also important to consider that all the Public Safety Plan objectives up to 2020 are assumed to be met as part of the financial planning.
- 3.4. The Authority has taken a responsible approach and frozen council tax in every year from 2010/11 to 2014/15 and decreased it by 1% in 2015/16. This was despite having the option to increase council tax by up to £5.00 (equivalent to an 8.46% rise) in 2013/14 without the need to undertake a local referendum.
- 3.5. Council tax was increased by 1.98% in 2016/17 and 2017/18 and by 2.99% in 2018/19, in response to the aforementioned shift in Government policy away from providing a Council Tax Freeze Grant.
- 3.6. Despite this Authority’s response to the settlement consultation, no specific additional precept flexibility was afforded to fire and rescue authorities. Authorities with no specific additional flexibility may however increase their Band D equivalent by up to 3% without triggering a referendum (last year this figure was also 3%).

- 3.7. The Authority currently sets a band D equivalent precept of £62.70 per annum (approx. £1.20 per week). This is significantly below the national average and is the lowest precept of any non-metropolitan combined fire authority.
- 3.8. Council tax chargeable for each band should the Authority resolve to increase the band D equivalent amount by 2.98% is shown in Appendix 3.
- 3.9. During 2018/19 BMKFA was a participant in the Buckinghamshire business rates pool. This allowed more rates to be retained locally and was budgeted to be worth an additional £104k to the Authority. It was noted in last year's report that the arrangement may be curtailed early subject to Government announcements on the move to retaining 100% of business rates locally. At this year's Provisional Settlement, it was confirmed that Buckinghamshire would be a pilot authority for 75% business rates retention, and therefore the business rates pool will not continue into 2019/20.

#### 4. Risk Factors in Budget Assumptions

- 4.1. The budget proposed for 2019/20 at Appendix 1 has been compiled by looking in detail at current spending and future plans. Savings opportunities and growth bids compared to last year's budget have been identified and subjected to senior officer and Member challenge. As far as possible, bids and savings have been matched to the priorities outlined in the corporate plan.
- 4.2. At the time of writing the Authority had not yet received formal written notification of the continuation of the USAR grant for 2019/20, but it is expected imminently. However, the potential discontinuation of USAR funding in future years is a significant financial risk facing the Authority at present.
- 4.3. Savings and growth bids (including the impacts of those submitted in previous years) which have been subjected to challenge are included for 2019/20 and the base adjusted. Risks which have been identified are to be covered from the general reserves and the remaining contingency.
- 4.4. The detailed costings are based on the updated budget requirement including the annual uplift assumptions below:

	2018/19	2019/20	2020/21	2021/22
Pay inflation	2%	2%	2%	2%
CPI*	-	-	1.75%	1.75%
Council tax increase	2.99%	2.98%	2.99%	2.99%
Council tax base	1.38%	1.57%	1.6%	1.6%
Business tax base	0.75%	0.75%	0.75%	0.75%

\* Non-pay inflation was not added to any budgets during 2018/19. The only non-pay inflation for 2019/20 is in relation to business rates, calculated on actual increases.

- 4.5. Pay inflation has increased and is now projected at 2% per annum, in line with the actual award for 2018/19. However, the Authority is aware that there is a high risk that the national agreement may set a level higher than this. For every additional 1% increase the cost to this Authority is approximately £180k

each and every year. This would clearly have a significant adverse impact on the forecast position within the model.

## **5. Capital**

- 5.1. The revenue impact of the capital programme has been factored into the base revenue budget requirement. This includes an annual revenue contribution to capital, details of which are shown in Appendix 1(b).
- 5.2. The table at Appendix 2 details the approved capital programme for 2018/19, the estimated provisional outturn position and any proposed slippage to the programme. Any slippage is then added to the new budget requests for 2019/20 to give a total capital budget requirement of £7.4m for 2019/20.
- 5.3. The Authority should also take cognisance of the prudential indicators when approving the capital programme (submitted as a separate paper at this meeting).

## **6. Scrutiny and Challenge Process**

- 6.1. All budget changes have been determined based on a series of challenge panels held by officers and then Members during the MTFP process.

## **7. Adequacy of Reserves**

- 7.1. A paper detailing our Reserves Strategy was approved by the Executive Committee at its meeting on 14 March 2018 ([https://bucksfire.gov.uk/files/4215/2024/7103/ITEM\\_5\\_Reserves\\_Strategy\\_2\\_018-19.pdf](https://bucksfire.gov.uk/files/4215/2024/7103/ITEM_5_Reserves_Strategy_2_018-19.pdf)). There have been no subsequent events that require the level of the General Fund determined at that time to be adjusted at present
- 7.2. The forecast balances and reserves at year-end as per the budget monitoring report at the end of December 2018 are:
  - General Fund Balance - £1.5m
  - Earmarked Reserves - £1.5m
  - Capital Reserves - £3.4m

This represents a decrease of £3.4m from the balances held at the start of the year.



## **8. Statement of the Chief Finance Officer**

8.1. The purpose of this statement is to comply with the requirements of the Local Government Act 2003 whereby the Chief Finance Officer, in the Fire Authority's case the Director of Finance and Assets and Chief Finance Officer, must report on:

- The robustness of the estimates made for the purposes of the calculations of the budget and;
- The adequacy of the proposed financial reserves;
- In recommending the budget to the Authority, Members must take the advice of the Chief Finance Officer in respect of the above and the associated risks as highlighted within the report.

8.2. Given the level of the General Fund Balance and earmarked reserves available, the prudent approach to the budget setting process for the next financial year and the controls for budget management, it is my conclusion as Chief Finance Officer for the Authority that there is sufficient capacity in the reserves to cope with the financial risks the Authority faces for 2019/20 and future years and that the methodology applied provides the necessary assurance to the Authority about the robustness of the estimates used in constructing the budget.

## **9. Referendum Limit**

9.1. A local referendum must be held, and won, for an authority to increase council tax by more than the amount specified in the principles. An authority proposing to set an excessive council tax level is required to make substitute calculations which will take effect if the proposed 'excessive' amount of council tax is rejected in a referendum. The substitute council tax level must be below the amount which is considered excessive under the principles

9.2. The higher rate of council tax will be payable unless and until it is overturned by a 'no' vote in the referendum. In the event that a referendum rejects the increase, the billing authorities would be able to issue new bills, offer refunds at the end of the year or allow credits against liability the following year, although individual council taxpayers would be entitled to a refund on demand.

9.3. One referendum has taken place to date. Surrey County Council proposed to hold a referendum on a 15% increase in council tax for 2017-18, but later dropped the proposal. The Bedfordshire Police and Crime Commissioner, Olly Martins, proposed a 15.8% increase in council tax for 2015-16 when the threshold was 2%. The poll was held on 7 May 2015. 91,086 voters (30.5%) supported the proposal, whilst 207,551 (69.5%) opposed it.

9.4. Schedule 1 of the Local Authorities (Conduct of Referendums) (Council Tax Increases) (England) Regulations 2012/444 prescribes the text of the question to be asked at a council tax referendum. Therefore the question asked of the voter by Bedfordshire's Police and Crime Commissioner was as follows:

*'Part of the council tax in your area goes to the Bedfordshire Police and Crime Commissioner.'*

*For the financial year beginning on 1st April 2015 the Bedfordshire Police and Crime Commissioner has set an increase of fifteen point eight percent (15.8%) in the amount it charges.*

*If most voters choose 'yes', the increase will be 15.8%.*

*If most voters choose 'no', the increase will be 2.0% instead.*

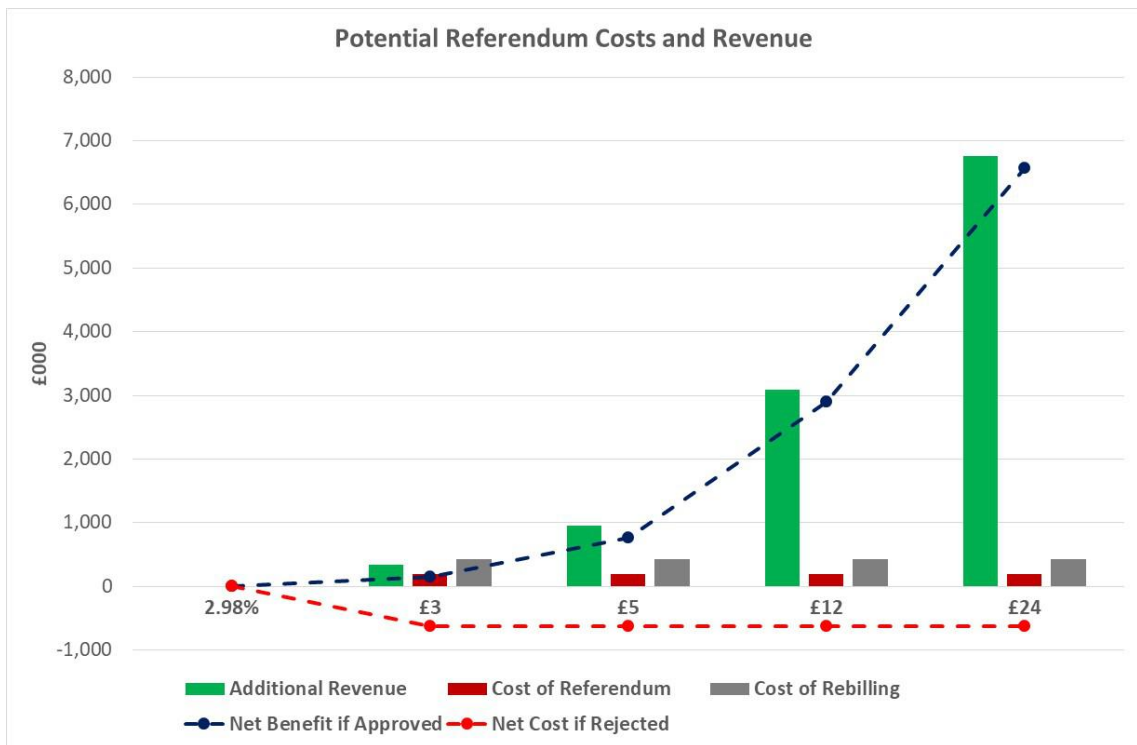
*Do you want the Bedfordshire Police and Crime Commissioner to increase the amount it charges by 15.8%?'*

- 9.5. The one referendum held so far, by Bedfordshire's Police and Crime Commissioner coincided with the poll conducted for the parliamentary general election. , is estimated to have cost £600,000. The Bedfordshire PCC covers three unitary local authorities and a population of some 640,000. An impact assessment on the scheme, published by the Department for Communities and Local Government in January 2011, set out the estimated costs of other referendums including the elected regional assembly referendum in the North East, mayoral referendums and non-binding council tax referendums. 'A more recent estimate of costs comes from Tower Hamlets council, where estimates from the Chief Finance Officer suggest that "the cost of holding a stand-alone mayoral referendum is estimated at up to £250,000. If combined with the Council elections the additional cost is estimated at approximately £70,000." A number of non-binding referendums on Council Tax have already been held, and can offer some guide to potential costs. A referendum on Council Tax in Milton Keynes in 1999 cost around £70,000 – referendums in 2001 cost £150,000-200,000 in Croydon and £120,000 in Bristol. This is the most relevant and reliable data available as these are the only years where formal Council Tax referendums have been held by local authorities, none having been held since then'. The impact assessment concluded: 'it seems reasonable to estimate the range of costs of such referendums as £85,000 - £300,000. Actual costs will vary depending on the size of the authority and whether the referendum is combined with a local election. For example, these figures do not apply to certain major precepting authorities such as police, fire & rescue authorities and the GLA which are typically larger than a principal local authority'. The paper also noted examples of rebilling costs for recently-capped authorities, such as £380,000 for Lincolnshire Police Authority in 2008/09 (£1.22 per household) and £626,000 for Surrey Police Authority in 2009/10 (£1.29 per household)<sup>1</sup>.

---

<sup>1</sup> [Localism Bill: provision for referendums to veto excessive Council Tax increases Impact assessment](#)

9.6. The chart below shows the potential costs and additional revenue for a number of Council Tax increases. The cost of the referendum is based on the mid-point of the amounts noted above (i.e. £192,500) and the rebilling costs based on the average cost per household (i.e. £1.26 per household):



### Appendix 1(a) – MTFP Model 1(a)

The model below is based on the assumptions detailed in Sections 3 and 4 and all growth and savings bids have been subjected to officer and Member scrutiny as detailed in Section 6.1. It is assumed that the USAR grant will continue to be received for the medium-term, although as noted previously, its potential discontinuation represents a risk to the Authority. It should also be noted that the figures for council tax and business rates are provisional. The statutory deadline for the billing authorities to provide this information to the Authority is 31 January. Any changes to the figures will be presented in a revised Appendix 1 at the meeting.

	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>
Base Budget	28,210	28,675	30,591	30,887
Pay Adjustment	366	366	366	366
Inflation Adjustment	0	48	86	86
Savings	-311	-240	0	0
Growth	906	1,318	50	0
Previous year Savings and Growth Adjustments	-646	574	-206	-68
Revenue Contribution to Capital	150	-150	0	0
<b>Net Budget Requirement</b>	<b>28,675</b>	<b>30,591</b>	<b>30,887</b>	<b>31,271</b>
Revenue Support Grant	-2,633	-3,321	0	0
Business Rates	-5,421	-5,642	-7,284	-6,920
Council Tax Receipts Surplus/Deficit	-389	-270	-250	-250
Business Rates Pooling/Levy Account Surplus*	-104	-78	0	0
Fire Specific Grants (USAR/Firelink)	-1,097	-1,097	-1,097	-1,097
Council Tax Receipts	-18,848	-19,715	-20,629	-21,587
Use of Reserves	-183	-366	0	0
<b>Total Funding Available</b>	<b>-28,675</b>	<b>-30,489</b>	<b>-29,260</b>	<b>-29,854</b>
Shortfall/(Surplus) for Year	0	102	1,627	1,417
Cumulative Savings Requirement	0	102	1,729	3,146

\* Business Rates Pooling for 2018/19 and Levy Account Surplus for 2019/20

### Appendix 1(b) – MTFP Model 1(b)

The model below is as per Model 1(a) but with reductions to the Revenue Contribution to Capital (RCCO) in order to balance the budget. The impact on the capital programme is that by 2024/25 the amount remaining in the RCCO Reserve will be almost zero. Effectively, this means that from 2019/20 the Authority will only be able to fund essential property work and replacement of vehicles and equipment, with no funding available for future investment (unless the Authority chose to borrow in order to finance that, although further savings would need to be found to fund the revenue cost of additional borrowing).

	<b>2018/19 £000</b>	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>
Base Budget	28,210	28,675	30,489	29,260
Pay Adjustment	366	366	366	366
Inflation Adjustment	0	48	86	86
Savings	-311	-240	0	0
Growth	906	1,318	50	0
Previous year Savings and Growth Adjustments	-646	574	-206	-68
Revenue Contribution to Capital	150	-252	-1,525	210
<b>Net Budget Requirement</b>	<b>28,675</b>	<b>30,489</b>	<b>29,260</b>	<b>29,854</b>
Revenue Support Grant	-2,633	-3,321	0	0
Business Rates	-5,421	-5,642	-7,284	-6,920
Council Tax Receipts Surplus/Deficit	-389	-270	-250	-250
Business Rates Pooling/Levy Account Surplus*	-104	-78	0	0
Fire Specific Grants (USAR/Firelink)	-1,097	-1,097	-1,097	-1,097
Council Tax Receipts	-18,848	-19,715	-20,629	-21,587
Use of Reserves	-183	-366	0	0
<b>Total Funding Available</b>	<b>-28,675</b>	<b>-30,489</b>	<b>-29,260</b>	<b>-29,854</b>
Shortfall/(Surplus) for Year	0	0	0	0
Cumulative Savings Requirement	0	0	0	0

\* Business Rates Pooling for 2018/19 and Levy Account Surplus for 2019/20

Revenue Contribution to Capital – Model 1(a)	2,075	1,925	1,925	1,925
Revenue Contribution to Capital – Model 1(b)	2,075	1,823	298	508

## Appendix 2 – Capital Programme

The table below summarises the capital programme from 2018/19 through to 2021/22 and is based on the revenue contribution to capital levels shown in Model 1(b):

<b>Capital Programme Summary</b>	<b>Approved Budget 2018/19 £000</b>	<b>Provisional Outturn 2018/19 £000</b>	<b>Slippage 2018/19 £000</b>	<b>Budget Requests 2019/20 £000</b>	<b>Total Budget Requirement 2019/20 £000</b>	<b>Budget Requests 2020/21 £000</b>	<b>Budget Requests 2021/22 * £000</b>
Property	942	550	0	500	500	500	500
Property Review	12,333	6,154	6,040	0	6,040	0	0
Fire Appliances & Equipment	1,199	1,096	90	646	736	641	891
Support	142	141	0	75	75	75	75
<b>Total Expenditure</b>	<b>14,616</b>	<b>7,941</b>	<b>6,130</b>	<b>1,221</b>	<b>7,351</b>	<b>1,216</b>	<b>1,466</b>
<b>Funding b/fwd</b>		<b>-8,596</b>			<b>-3,379</b>	<b>-3,297</b>	<b>-2,379</b>
<b>In year funding</b>		<b>-2,724</b>			<b>-7,269</b>	<b>-298</b>	<b>-508</b>
<b>Funding (Available) / Deficit</b>		<b>-3,379</b>			<b>-3,297</b>	<b>-2,379</b>	<b>-1,421</b>

The table below shows indicative future year's budgets and anticipated funding through to 2024/25:

<b>Capital Programme Summary</b>	<b>Budget Requests 2022/23</b>	<b>Budget Requests 2023/24 ** £000</b>	<b>Budget Requests 2024/25 £000</b>
<b>Total Expenditure</b>	<b>1,466</b>	<b>1,716</b>	<b>1,466</b>
<b>Funding b/fwd</b>	<b>-1,421</b>	<b>-746</b>	<b>-88</b>
<b>In year funding</b>	<b>-791</b>	<b>-1,058</b>	<b>-1,390</b>
<b>Funding (Available) / Deficit</b>	<b>-746</b>	<b>-88</b>	<b>-12</b>

\* For 2021/22 the budget requests for Property and £750k (out of £891k) for Fire Appliances and Equipment are to be approved. The remainder are only indicative requirements at this stage.

\*\* This contains an indicative amount of £500k for replacement of Breathing Apparatus

### Appendix 3 – Council Tax Rates

If the band D equivalent council tax were increased by 2.98% for 2019/20, the following rates would apply to properties in each band:

<b>Bands</b>	<b>Proportion of Band D Charge</b>	<b>Per Week (£)</b>	<b>Per Month (£)</b>	<b>Per Year (£)</b>
A	6/9	0.83	3.59	43.05
B	7/9	0.96	4.19	50.22
C	8/9	1.10	4.78	57.40
D	9/9	1.24	5.38	64.57
E	11/9	1.51	6.58	78.92
F	13/9	1.79	7.77	93.27
G	15/9	2.06	8.97	107.62
H	18/9	2.48	10.76	129.14

This would represent an annual increase of £1.25 per annum on a band A, £1.87 per annum on a band D and £3.74 per annum on a band H property.

This page is left intentionally blank



# Buckinghamshire & Milton Keynes Fire Authority



<b>MEETING</b>	Fire Authority
<b>DATE OF MEETING</b>	13 February 2019
<b>OFFICER</b>	Mark Hemming, Director of Finance & Assets
<b>LEAD MEMBER</b>	Councillor Peter McDonald
<b>SUBJECT OF THE REPORT</b>	<b>Treasury Management Strategy 2019/20</b>
<b>EXECUTIVE SUMMARY</b>	<p>This report is being presented as the Fire Authority is required to approve the Treasury Management Policy Statement, Treasury Management Strategy Statement and the Annual Investment Strategy. These documents (Appendix A) all support the Medium Term Financial Plan.</p> <p>The current strategy is operating effectively and outperforming the benchmark targets. There is one significant change from the previous strategy which is the removal of the proposal to invest in Property Funds in 2019/20. The rationale for this is due to the funding uncertainty around additional cost for pension contributions and the pending outcome of the Comprehensive Spending review. Both of these outcomes could have an adverse financial impact on the Authority which would mean we would not have sufficient funds available to commit to long term investments.</p>
<b>ACTION</b>	Decision
<b>RECOMMENDATIONS</b>	It is recommended that the Authority approve the Treasury Management Policy Statement, Treasury Management Strategy Statement and the Annual Investment Strategy for 2019/20
<b>RISK MANAGEMENT</b>	<p>Making investments in the Authority's own name means that the Authority bears the risk of any counterparty failure. This risk will be managed in accordance with the strategy and with advice from external treasury management advisors.</p> <p>The Director of Finance and Assets will act in accordance with the Authority's policy statement; treasury management practices and CIPFA's Standard of Professional Practice on Treasury Management. There are no direct staffing implications.</p>

<b>FINANCIAL IMPLICATIONS</b>	The proposed budget for 2019-20 is £150k. It is anticipated that the budget will be met. Detailed information is shown within Appendix.
<b>LEGAL IMPLICATIONS</b>	<p>The Authority is required by section 15(1) of the Local Government Act 2003 to have regard to the Department for Communities and Local Government Guidance on Local Government Investments; and by regulation 24 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 [SI 3146] to have regard to any prevailing CIPFA Treasury Management Code of Practice.</p> <p>Under section 12 of the Local Government Act 2003 the Authority has the power to invest for “any purpose relevant to its functions” and “for the purposes of the prudent management of its financial affairs”.</p> <p>However it must exercise its investment power in accordance with its fiduciary duty, analogous to that of a trustee, owed to those who contribute to the funds of the Authority.</p>
<b>CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE</b>	No direct impact.
<b>HEALTH AND SAFETY</b>	No direct impact.
<b>EQUALITY AND DIVERSITY</b>	No direct impact.
<b>USE OF RESOURCES</b>	The projected income has been factored into the Medium Term Financial Plan.
<b>PROVENANCE SECTION &amp; BACKGROUND PAPERS</b>	<p>CIPFA Code of Practice for Treasury Management in the Public Services (CIPFA Code)</p> <p>Department for Communities and Local Government Guidance on Local Government Investments (DCLG Guidance)</p>
<b>APPENDICES</b>	<p>Appendix A – Treasury Management Policy Statement, Treasury Management Strategy Statement and Annual Investment Strategy</p> <p>Appendix B – Provisional Counterparty List</p> <p>Appendix C – Prospects for Interest Rates</p>
<b>TIME REQUIRED</b>	15 minutes
<b>REPORT ORIGINATOR AND CONTACT</b>	<p>Asif Hussain</p> <p><a href="mailto:ahussain@bucksfire.gov.uk">ahussain@bucksfire.gov.uk</a></p> <p>(01296) 744421</p>

## **Appendix A – Treasury Management Policy Statement, Treasury Management Strategy Statement and Annual Investment Strategy**

### **Treasury Management Policy Statement**

This Authority defines its treasury management activities as:

The management of the Authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

This Authority regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation, and any financial instruments entered into to manage these risks.

This Authority acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

The investment policy objective for this Authority is the prudent investment of its treasury balances. The Authority's investment priorities are the security of capital and liquidity of its investments so that funds are available for expenditure when needed. Both the CIPFA Code and DCLG guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The generation of investment income to support the provision of local authority services is an important, but secondary, objective.

The Authority's borrowing objectives are to minimise the revenue costs of debt whilst maintaining a balanced loan portfolio. The Authority will set an affordable borrowing limit each year in compliance with the Local Government Act 2003, and will have regard to the CIPFA Prudential Code for Capital Finance in Local Authorities when setting that limit.

### **Treasury Management Strategy Statement**

#### **Current Portfolio Position**

The Authority's treasury portfolio position as at 30 September 2018 comprised:

##### Borrowing

Fixed Rate Funding: £6.797m Average Rate: 4.46%

The last repayment of £585k was made in May 2018 with the next loan maturity not due until 2022.

##### Investments

£22,211m Average Rate 1 April 2018 to 30 September 2018: 0.85%

It is anticipated that a number of large payments will be made before the end of the year to fund our capital programme. Therefore, projected interest receivable has been modelled on an average fund balance of £17.5m against an average rate return of 0.85%.

### **Prospects for Interest Rates**

For 2019/20, the Authority will continue with Link as its external treasury management advisor. Link's view of the prospects for interest rates can be seen in Appendix C.

Link advise that the current benchmark rate of return on investments should be Base Rate (currently 0.75%), although the rate may be higher if the Authority is able and willing to commit funds for longer durations (up to one year). The Authority will therefore set a benchmark rate of return at Base Rate plus 10 basis points, which would give a current benchmark of 0.85%. Based on this rate the Authority would achieve an annual return of circa £150k on a balance of £17.5m (the total current projected return for 2018/19 is in the region of £190k).

This overachievement can be partly attributed to the change in the Treasury Management Strategy for 2018/19. The Authority increased the maximum lending duration for UK based counterparties, increased the number of building societies and removed the restrictions for them to be rated. This has resulted in the Authority achieving returns in the excess of 0.75% anticipated by our treasury advisors.

For any type of investment there is a downside risk to the level of return we would obtain due to the uncertainty in the markets and the negative impact they have on the interest rates and therefore historical rates of return may not always provide a realistic indication of returns for the future. This will be closely monitored and reported to Members if the position changes from what we are currently projecting.

### **Borrowing Strategy**

The Authority's borrowing objectives are:

- To minimise the revenue costs of debt whilst maintaining a balanced loan portfolio
- To manage the Authority's debt maturity profile, leaving no one future year with a disproportionate level of repayments

No additional borrowing is forecast to take place during the duration of the medium term financial plan.

### **Investment Strategy**

This Authority maintains investments that are placed with reference to cash flow requirements. Investment of the Authority's funds is in accordance with the Annual Investment Strategy.

### **Debt Rescheduling**

The potential for debt rescheduling is monitored in light of interest rate movements.

Any rescheduling will be in accordance with the borrowing strategy. The reasons for rescheduling include:

- The generation of cash savings at minimum risk

- Fulfilment of the borrowing strategy
- Enhancement of the maturity profile of the borrowing portfolio

The level of penalties on the early repayment of borrowing make it difficult to restructure debt effectively at current interest rates.

### **Annual Investment Strategy (AIS)**

A prudent investment policy has two objectives (as defined by the DCLG guidance):

- achieving first of all security (protecting the capital sum from loss);
- and then liquidity (keeping the money readily available for expenditure when needed);
- only once proper levels of security and liquidity are determined, it will then be reasonable to consider what yield can be obtained consistent with those priorities.

### **Investment Policy**

In accordance with guidance from the DCLG and CIPFA, and in order to minimise the risk to investments, the Authority has below clearly stipulated the minimum acceptable credit quality of counterparties for inclusion on the lending list. The creditworthiness methodology used to create the counterparty list fully accounts for the ratings, watches and outlooks published by all three ratings agencies with a full understanding of what these reflect in the eyes of each agency. Using the Link ratings service potential counterparty ratings are monitored on a real time basis with knowledge of any changes notified electronically as the agencies notify modifications.

Continuing regulatory changes in the banking sector are designed to see greater stability, lower risk and the removal of expectations of Government financial support should an institution fail. This withdrawal of implied sovereign support has had an effect on ratings applied to institutions. This will result in the key ratings used to monitor counterparties being the Short Term and Long Term ratings only. Viability, Financial Strength and Support Ratings previously applied have effectively become redundant. This change does not reflect deterioration in the credit environment but rather a change of method in response to regulatory changes.

As with previous practice, ratings will not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Authority will engage with its advisors to maintain a monitor on market pricing such as credit default swaps (CDS) and overlay that information on top of the credit ratings. This is fully integrated into the credit methodology provided by the advisors, Link in producing its colour coding which show the varying degrees of suggested creditworthiness.

Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

The aim of the strategy is to generate a list of highly creditworthy counterparties which will also enable diversification and thus avoidance of concentration risk.

The intention of the strategy is to provide security of investment and minimisation of risk.

### **Creditworthiness Policy**

This Authority applies the creditworthiness service provided by Link. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody's and Standard and Poor's. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies
- CDS spreads to give early warning of likely changes in credit ratings;
- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit watches and credit outlooks in a weighted scoring system which is then combined with an overlay of CDS spreads for which the end product is a series of colour coded bands which indicate the relative creditworthiness of counterparties. These colour codes have been used by the Authority to determine the suggested duration for investments. It is recommended that the Authority continues to use Link's colour codes plus an additional six months for UK counterparties only. It would be beneficial if the Authority could lend to existing counterparties for a longer duration. This will increase the risk slightly but will offer increased returns. The Authority will therefore use counterparties within the following durational bands:

<b>Colour Rating (UK Counterparties)</b>	<b>Colour Rating (Non UK Counterparties)</b>
Yellow - 5 Years and 6 Months	Yellow - 5 Years
Purple – 2 Years and 6 Months	Purple – 2 Years
Blue – 1 Year and 6 Months (only applies to nationalised or semi nationalised UK Banks)	Blue – 1 Year
Orange – 1 Year and 6 Months	Orange – 1 Year
Red – 1 Year	Red – 6 Months

<b>Colour Rating (UK Counterparties)</b>	<b>Colour Rating (Non UK Counterparties)</b>
Green – 9 Months	Green – 3 Months
No colour not to be used (except for building societies on our counterparty list which the Authority can invest with for a maximum duration of 365 days limited to a maximum investment of £2 million per counterparty)	No colour not to be used

The Link creditworthiness service uses a wider array of information than just primary ratings and by using a risk weighted scoring system, does not give undue preponderance to just one agency’s ratings.

Typically the minimum credit ratings criteria the Authority use will be a short term rating (Fitch or equivalent) of short term rating F1, long term rating A-, viability rating of A-. There may be occasions when the counterparty ratings from one rating agency are marginally lower than these ratings but may still be used. In these instances consideration will be given to the whole range of ratings available, or other topical market information, to support their use.

All credit ratings will be monitored weekly. The Authority is alerted to changes to ratings of all three agencies through its use of the Link creditworthiness service.

- if a downgrade results in the counterparty/investment scheme no longer meeting the Authority’s minimum criteria, its further use as a new investment will be withdrawn immediately.
- in addition to the use of credit ratings the Authority will be advised of information in movements in credit default swap spreads against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Authority’s lending list.

Sole reliance will not be placed on the use of this external service. In addition this Authority will also use market data and market information, information on government support for banks and the credit ratings of that supporting government.

**Country Limits**

In 2017/18, the Authority determined that it would not only use approved counterparties based within the United Kingdom but allowed any counterparty (UK or non UK based) rated at least ‘Green’ by Link. Although no counterparty outside UK was used during 2018/19, these will remain on the lending list for 2019/20. The primary purpose of this is not to increase yield, but to provide additional diversity to the portfolio to effectively manage risk. A number of non-UK banks are ranked higher than some of the UK banks on the Authority’s current counterparty list. Therefore the Authority proposes to limit the duration of all non UK investment in line with Link’s recommended limits. A list of the proposed counterparties is shown in Appendix B.

## **Counterparty Limits**

As per the 2018/19 AIS, the Authority has determined that the maximum balance that can be invested with a single counterparty at any point in time will be no more than 30% of the portfolio, up to a limit of £5 million.

There are two exceptions to this limit in the 2018/19 AIS will continue to be Lloyds, where the maximum balance that can be invested will be a limit of £7.5 million. Of this £7.5 million, no more than £5 million will be invested in non-instant access (call) accounts.

The rationale for this is that Lloyds are the Authority's main banking provider, and as part of the contract will pay credit interest on all balances at a rate of Base Rate minus 0.10% (currently giving an effective rate of 0.65%). This means that:

- A higher rate can be achieved than on most other instant-access accounts
- The staff time taken to move money between our main bank account and other instant access account is reduced
- The banking charges associated with the movement of the money between accounts is reduced
- The additional risk exposure to the Authority is minimal as all amounts over the current £5 million limit would be available for withdrawal immediately should circumstances require

The other exception relates to non-rated building societies on our counterparty listing whereby the maximum balance that can be invested will be limited to £2 million for a maximum duration of 365 days.

## **Investment Security**

Investments are defined as being in one of two categories:

- Specified investments – these are investments with high security and high liquidity. All specified investments are in sterling and have a maturity of no more than one year. They will be with the UK government, a local authority, a parish council or with an investment scheme or body of "high credit quality" (as judged against the Creditworthiness Policy detailed earlier in this paper)
- Non-specified investments – any type of investment that does not meet the specified investment criteria. A maximum of £5 million will be held in aggregate in non-specified investments for longer than 364 days – up to a maximum of five years and 6 months as denoted by the yellow banding on the Link creditworthiness policy detailed earlier in this paper. In addition, property funds are also classified as non-specified investments and a maximum of £3 million will be held in aggregate.

## **Investment Training**

Relevant training and updates will be provided to relevant staff by the external treasury management advisors. This will be supplemented by additional training from CIPFA where necessary.



### **Investment of Money Borrowed in Advance of Need**

The Authority does not currently have any money that has been borrowed in advance of need. No further borrowing is planned over the medium term.

### **Investment Liquidity**

In consultation with external treasury advisors, the Authority will review its balance sheet position, level of reserves and cash requirements in order to determine the length of time for which investments can be prudently committed. Investments will be placed at a range of maturities, including having money on-call in order to maintain adequate liquidity.

## Appendix B – Provisional Counterparty List

This list is based on information provided by Link as at 28 December 2018. Please note that all colours indicated refer to Link's creditworthiness policy (see Appendix A):

### UK Based Counterparties

<u>UK Based Counterparties</u>	<u>Counterparty</u>	<u>(as rated by Link)</u>
UK	Abbey National Treasury Services *	Red - 6 mths
UK	Bank of Scotland **	Orange - 12 mths
UK	Barclays Bank plc (NRFB)	Red - 6 mths
UK	Barclays Bank plc (RFB)	Red - 6 mths
UK	Close Brothers	Red - 6 mths
UK	Clydesdale Bank	No colour - 0 mths
UK	Co-operative Bank Plc	No colour - 0 mths
UK	Goldman Sachs International	Red - 6 mths
UK	Handelsbanken Plc	Orange - 12 mths
UK	HSBC Bank plc (NRFB)	Orange - 12 mths
UK	HSBC Bank plc (RFB)	Orange - 12 mths
UK	Lloyds Bank Coproate Markets Plc (NRFB)	Red - 6 mths
UK	Lloyds Banking Group ** (RFB)	Orange - 12 mths
UK	Nat West Markets Plc (NRFB)	No colour - 0 mths
UK	Santander UK PLC *	Red - 6 mths
UK	Standard Chartered Bank	Red - 6 mths
UK	Sumitomo Mitsui Banking Corporation Europe Ltd	Red - 6 mths
UK	UBS Ltd	Orange - 12 mths
UK	Debt Management Office	Yellow - 60 mths
UK	Other Local Authorities	Yellow - 60 mths
UK	Royal Bank of Scotland Group ***	Blue - 12 mths
UK	National Westminster Bank ***	Blue - 12 mths

**\* This is the duration suggested by Link. As per the updated Creditworthiness Policy (see page 6) these will all be extended by six months, except for building societies rated 'Green', which will have a maximum duration of 12 months for up to £2m.**

The Authority will also have the ability to invest in AAA rated money market funds (MMFs) and enhanced money market funds.

Non-UK Based Counterparties

As noted in Appendix A, the duration of all non-UK investments will be in line with Links' duration limits.

<u>Non-UK Based Counterparties</u>	<u>Country Counterparty</u>	<u>(as rated by Link)</u>
Australia	Australia and New Zealand Banking Group Ltd.	Orange - 12 mths
Australia	Commonwealth Bank of Australia	Orange - 12 mths
Australia	Macquarie Bank Ltd.	Red - 6 mths
Australia	National Australia Bank Ltd.	Orange - 12 mths
Australia	Westpac Banking Corp.	Orange - 12 mths
Belgium	BNP Paribas Fortis	Red - 6 mths
Belgium	KBC Bank N.V.	Orange - 12 mths
Canada	Bank of Montreal	Orange - 12 mths
Canada	Bank of Nova Scotia	Orange - 12 mths
Canada	Canadian Imperial Bank of Commerce	Orange - 12 mths
Canada	National Bank of Canada	Red - 6 mths
Canada	Royal Bank of Canada	Orange - 12 mths
Canada	Toronto-Dominion Bank	Orange - 12 mths
Denmark	Danske A/S	Red - 6 mths
Finland	Nordea Bank Abp	Orange - 12 mths
Finland	OP Corporate Bank plc	Orange - 12 mths
France	BNP Paribas	Orange - 12 mths
France	Credit Agricole Corporate and Investment Bank	Orange - 12 mths
France	Credit Agricole S.A.	Orange - 12 mths
France	Credit Industriel et Commercial	Red - 6 mths
France	Societe Generale	Red - 6 mths
Germany	BayernLB	Red - 6 mths
Germany	Commerzbank AG	No colour - 0 mths
Germany	Deutsche Bank AG	No colour - 0 mths
Germany	DZ BANK AG Deutsche Zentral-Genossenschaftsbank	Orange - 12 mths
Germany	Landesbank Baden-Wuerttemberg	Red - 6 mths
Germany	Landesbank Berlin AG	Orange - 12 mths
Germany	Landesbank Hessen-Thuringen Girozentrale	Orange - 12 mths
Germany	Landwirtschaftliche Rentenbank	Purple - 24 mths
Germany	NRW.BANK	Purple - 24 mths
Netherlands	ABN AMRO Bank N.V.	Red - 6 mths
Netherlands	Bank Nederlandse Gemeenten N.V.	Purple - 24 mths
Netherlands	Cooperatieve Rabobank U.A.	Orange - 12 mths
Netherlands	ING Bank N.V.	Orange - 12 mths
Netherlands	Nederlandse Waterschapsbank N.V.	Purple - 24 mths
Qatar	Qatar National Bank	Red - 6 mths
Singapore	DBS Bank Ltd.	Orange - 12 mths
Singapore	Oversea-Chinese Banking Corp. Ltd.	Orange - 12 mths
Singapore	United Overseas Bank Ltd.	Orange - 12 mths
Sweden	Skandinaviska Enskilda Banken AB	Orange - 12 mths

Sweden	Svenska Handelsbanken AB	Orange - 12 mths
Sweden	Swedbank AB	Orange - 12 mths
Switzerland	Credit Suisse AG	Red - 6 mths
Switzerland	UBS AG	Orange - 12 mths
United Arab Emirates	First Abu Dhabi Bank PJSC	Orange - 12 mths
United States	Bank of America N.A.	Orange - 12 mths
United States	Bank of New York Mellon, The	Purple - 24 mths
United States	Citibank N.A.	Orange - 12 mths
United States	JPMorgan Chase Bank N.A.	Orange - 12 mths
United States	Wells Fargo Bank, NA	Orange - 12 mths

### Counterparties Rated 'No Colour' by Link

As noted in Appendix A, sole reliance will not be placed on the use of Link ratings. The Authority will also use market data and market information, information on government support for banks and the credit ratings of that supporting government. The Authority added four building societies to its counterparty list in 2014/15, at which time they were all rated 'No Colour'. These are all now rated by Link and appear on our Provisional Counterparty Listing above. In 2018/19 the Authority increased the number of building societies in our counterparty list to ten. The top-ten building societies (by net assets) were added to the counterparty list. The duration of investment will continue to be limited to 365 days and the maximum amount invested with any non-rated building society at any point in time will not exceed £2 million.

<b>UK Based Counterparties</b>	<b>Country Counterparty</b>	<b>(as rated by Link)</b>
UK	Coventry Building Society	Red - 6 mths
UK	Cumberland	No colour - 0 mths
UK	Leeds Building Society	Green - 100 days
UK	Nationwide BS	Red - 6 mths
UK	Newcastle	No colour - 0 mths
UK	Nottingham	No colour - 0 mths
UK	Principality	No colour - 0 mths
UK	Skipton Building Society	Green - 100 days
UK	West Bromwich	No colour - 0 mths
UK	Yorkshire Building Society	Green - 100 days

## Appendix C – Prospects for Interest Rates

The following table gives the Link central view:

Annual Average %	Bank Rate %	PWLB Borrowing Rates % (including certainty rate adjustment)		
		5 year	25 year	50 year
Dec 2018	0.75	2.00	2.90	2.70
Mar 2019	0.75	2.10	2.90	2.70
Jun 2019	1.00	2.20	3.00	2.80
Sep 2019	1.00	2.20	3.10	2.90
Dec 2019	1.00	2.30	3.10	2.90
Mar 2020	1.25	2.30	3.20	3.00
Jun 2020	1.25	2.40	3.30	3.10
Sep 2020	1.25	2.50	3.30	3.10

The following paragraphs provide Link's commentary on the current economic situation:

The flow of generally positive economic statistics after the quarter ended 30 June meant that it came as no surprise that the MPC came to a decision on 2 August to make the first increase in Bank Rate above 0.5% since the financial crash, from 0.5% to 0.75%. Growth has been healthy since that meeting, but is expected to weaken somewhat during the last quarter of 2018. At their November meeting, the MPC left Bank Rate unchanged, but expressed some concern at the Chancellor's fiscal stimulus in his Budget, which could increase inflationary pressures. However, it is unlikely that the MPC would increase Bank Rate in February 2019, ahead of the deadline in March for Brexit. The next increase in Bank Rate is therefore forecast to be in May 2019, followed by increases in February and November 2020, before ending up at 2.0% in February 2022.

The overall longer run future trend is for gilt yields, and consequently PWLB rates, to rise, albeit gently. However, over about the last 25 years, we have been through a period of falling bond yields as inflation subsided to, and then stabilised at, much lower levels than before, and supported by central banks implementing substantial quantitative easing purchases of government and other debt after the financial crash of 2008. Quantitative easing, conversely, also caused a rise in equity values as investors searched for higher returns and purchased riskier assets. In 2016, we saw the start of a reversal of this trend with a sharp rise in bond yields after the US Presidential election in November 2016, with yields then rising further as a result of the big increase in the US government deficit aimed at stimulating even stronger economic growth. That policy change also created concerns around a significant rise in inflationary pressures in an economy which was already running at remarkably low levels of unemployment. Unsurprisingly, the Fed has continued on its series of robust responses to combat its perception of rising inflationary pressures by repeatedly increasing the Fed rate to reach 2.00 – 2.25% in September 2018. It has also continued its policy of not fully reinvesting proceeds from bonds that it holds as a result of quantitative easing, when they mature. We have, therefore, seen US 10 year bond Treasury yields rise above 3.2% during October 2018 and also seen investors causing a sharp fall in equity prices as they sold out of holding riskier assets.

Rising bond yields in the US have also caused some upward pressure on bond yields in the UK and other developed economies. However, the degree of that upward pressure has been dampened by how strong or weak the prospects for economic growth and rising inflation are in each country, and on the degree of progress towards the reversal of monetary policy away from quantitative easing and other credit stimulus measures.

From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period.

Economic and interest rate forecasting remains difficult with so many external influences weighing on the UK. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.



# Buckinghamshire & Milton Keynes Fire Authority

<b>MEETING</b>	Fire Authority
<b>DATE OF MEETING</b>	13 February 2019
<b>OFFICER</b>	Area Commander Dave Norris, Head of Service Delivery
<b>LEAD MEMBER</b>	Councillor Jean Teesdale
<b>SUBJECT OF THE REPORT</b>	<b>Milton Keynes Safety Centre Review of Funding Agreement</b>
<b>EXECUTIVE SUMMARY</b>	<p>The purpose of this report is to gain approval from the Authority for a staged three year Funding Agreement with the Milton Keynes Safety Centre comprising a £25,000 per annum grant, and additional commitment of up to £2,000 per annum contribution towards travel costs.</p> <p>The Authority and the Milton Keynes Safety Centre (Hazard Alley) Limited have had a Funding Agreement in place since 2011. At the Fire Authority meeting held on 10 February 2016, it was agreed to continue to support this community safety facility for a further three years, a commitment which is due to expire on 31 March 2019.</p> <p>The Funding Agreement provided a grant from the Authority to the Safety Centre of £25,000 per annum for three years from 1 April 2016, in addition to supporting related travel costs of up to £2,000 per annum. In return the Safety Centre pledged to:</p> <ol style="list-style-type: none"> <li>1. Provide safety education for children between the ages of 7-11;</li> <li>2. Provide safety education for community and vulnerable groups;</li> <li>3. Report quarterly as to the Safety Centre's performance.</li> </ol> <p>The key difference between the current funding agreement and this proposal is:</p> <ol style="list-style-type: none"> <li>a) the removal of requirement for the Safety Centre to provide office space for Authority staff (with associated provision of services);</li> <li>b) the increase to 4,000 of the minimum number of children from Buckinghamshire and Milton Keynes schools each year;</li> <li>c) the updated Project actions in Schedule 1 (appendix 1);</li> </ol>

	<p>d) the payment intervals and terms have been adjusted to 6 monthly intervals;</p> <p>e) moving from being terminable by the Authority, in the event of financial constraints or for any other reason, on 3 months' notice to being terminable by the Authority on the first or second anniversary on 1 month's notice.</p> <p>The Safety Centre has indicated that it is in agreement with the proposed terms.</p>
<b>ACTION</b>	Decision
<b>RECOMMENDATIONS</b>	It is recommended that the Fire Authority approves the new funding agreement with the Safety Centre on the terms set out in this report.
<b>RISK MANAGEMENT</b>	<p>The Authority's current financial support equates to 10% of the Safety Centre's annual income but only 8% of its annual running costs.</p> <p>The Safety Centre is a registered charity relying on annual funding commitment such as that provided by the Authority. It should be noted that The Parks Trust currently commit £8,000 per annum to the Safety Centre however this is subject to annual agreement.</p> <p>To supplement regular funding streams, the Safety Centre applies for funding grants, securing £49,628 in the fiscal year 2017-18 (appendix 2). Such grants enable the Safety Centre to keep entrance costs to an affordable level for schools, and dependent on grant terms, offer subsidised places to schools in some areas within Buckinghamshire and Milton Keynes.</p> <p>£110,000 of the Centre's annual income for the fiscal year 2017-18 was through admission fees. £84,500 of this was through unrestricted admission fees. The remaining £25,500 was made up of restricted admission fees.</p> <p>The Safety Centre secures the remainder of its annual turnover from commercial enterprise, sponsorship and donations via community initiatives.</p> <p>Reducing the amount of funding the Authority commits to the Safety Centre would cause it to fundamentally change the way it operates, and impact on its long-term viability.</p>
<b>FINANCIAL IMPLICATIONS</b>	The current agreement committed the Authority to a grant of £25,000 per annum for 3 years for the period 2016-2019, a total expenditure of £75,000. The proposed renewed arrangement would replicate this, committing the Authority to £25,000 per annum for the next 3 financial years, a total funding



	<p>expenditure of £75,000.</p> <p>The Authority will review annually the Safety Centre’s progress against Schedule 1 of the Funding Agreement, and if it considers the Safety Centre has not made satisfactory progress, payments may be withheld or suspended in line with Section 12.1 of the Funding Agreement.</p> <p>Additionally, the current agreement commits the Authority to provide the Safety Centre with a grant for traveling expenses incurred by Safety Centre staff on outreach or liaison activities using their own vehicles or public transport. Staff claim travelling expenses (at the casual user mileage rate of 45p/mile for use of their own vehicles based on HMRC rates) and a claim is submitted to the Authority by the Safety Centre at the close of each financial year. This grant is capped at a maximum of £2,000 per annum. The proposed agreement retains this facility and will commit the Authority to a maximum travel expenditure of £6,000 during the course of the Funding Agreement.</p>
<p><b>LEGAL IMPLICATIONS</b></p>	<p>The funding arrangement supports the Authority’s obligation to promote fire safety and is therefore permitted by Section 5A of the Fire and Rescue Services Act 2004.</p> <p>EU ‘State aid’ rules prohibit subsidies by local authorities when the subsidy might confer an unfair advantage to one organisation. There is no specific exemption for third sector organisations however the proposal remains within the current de-minimis level of EUR 200,000 over three fiscal years.</p>
<p><b>CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE</b></p>	<p>A partnership arrangement has been in existence for many years, with the Authority being one of the driving forces for the Safety Centre’s creation in 1994.</p> <p>The Community Safety and Safeguarding Manager represents the Authority at the Safety Centre’s quarterly stakeholder meetings which provide a forum for the Centre to obtain up to date information regarding current and forthcoming priorities from relevant local partners including Thames Valley Police; The Parks Trust, Safer MK, MK Community Action and Milton Keynes Council (Road Safety Dept.).</p> <p>The Safety Centre actively collaborates with other Safety Centres through the Safety Centre Alliance, a national association formed in 2005 to facilitate support, networking and development between permanent interactive safety centres in the UK.</p>
<p><b>HEALTH AND SAFETY</b></p>	<p>No direct impact.</p>

<p><b>EQUALITY AND DIVERSITY</b></p>	<p>A condition of the Funding Agreement is that the Safety Centre complies with the Authority’s anti-discrimination requirements.</p>
<p><b>USE OF RESOURCES</b></p>	<p>These proposals are in line with the Authority’s Corporate Vision and associated strategic objectives to make Buckinghamshire and Milton Keynes the safest place to live, work and travel.</p> <p>The Authority will continue to provide an officer to sit on the board of trustees. This position is presently held by the Group Commander Service Delivery (North).</p> <p>The Safety Centre’s performance against the Funding Agreement will be monitored by the Community Safety &amp; Safeguarding Manager on a quarterly basis.</p> <p>Throughout the three year period of the last Funding Agreement, the Safety Centre averaged 15,500 visitors per annum, engaging with a further 2,500 children through education liaison sessions delivered at school sites.</p> <p>In the fiscal year 2017-18, 39% (5,582) of the 14,525 children making school visits to the Safety Centre were from Buckinghamshire and Milton Keynes, with 24% (3,444) being from Buckinghamshire, and 15% (2,138) from the Milton Keynes area, notwithstanding the number of children in receipt of liaison sessions at their school sites (appendix 3). These visitor numbers exceed the target set in Schedule 1 of the existing Memorandum Of Understanding.</p> <p>If the Authority were to employ a member of Community Safety staff to educate the equivalent number of children each year at school sites, it would cost £25414.46 for the pro rata staff member (inclusive of NI &amp; pension costs), without factoring in their transport provision, travel expenses, IT equipment or the resources required.</p> <p>In line with the pledges made in the last three year Funding Agreement, development of the use of the Safety Centre’s facilities out of school hours and term time has improved its use as a facility for community groups. This has included evening learning sessions for uniformed youth groups and specialist sessions for SEND groups the county of origin of which is detailed in Appendix 4. Additionally the Safety Centre has utilised school holiday periods to run three open days attended by 4,200 people, birthday parties and family tours.</p> <p>Agreement to continue the current level of funding to the Safety Centre enables the children within Buckinghamshire and Milton Keynes to benefit from a</p>

	more kinaesthetic, experiential learning experience.
<b>PROVENANCE SECTION &amp; BACKGROUND PAPERS</b>	Minutes of the Fire Authority meeting 10 February 2016 <a href="https://bucksfire.gov.uk/index.php/download_file/view/1806/991/">https://bucksfire.gov.uk/index.php/download_file/view/1806/991/</a>
<b>APPENDICES</b>	Appendix 1 – Schedule 1 of the Agreement Appendix 2 – Breakdown of funding grants Appendix 3 – School visitors Appendix 4 – All visitors
<b>TIME REQUIRED</b>	10 minutes.
<b>REPORT ORIGINATOR AND CONTACT</b>	Joanne Cook <a href="mailto:jcook@bucksfire.gov.uk">jcook@bucksfire.gov.uk</a> 07736 922266

This page is left intentionally blank

## **Appendix 1**

### **Schedule 1 – The Project**

The Authority and the Safety Centre agree to collaborate together over the next three years to ensure their work together has a positive impact on all children in Buckinghamshire and Milton Keynes who visit the centre, and to ensure shared values. The Safety Centre must continue to engage with children between the ages of 7-11 years old and engage with any vulnerable groups as determined by the Authority, to allow them to experience the hazardous scenarios in perfect safety. The scenarios encourage children to identify every day hazards and develop safe strategies to deal with potential risks and emergencies. Specific areas of expenditure and development are agreed as follows:

#### **Buckinghamshire and Milton Keynes Schools Agreement**

The Safety Centre agree to a minimum target of 4,000 children from Buckinghamshire and Milton Keynes schools per fiscal year (1 April – 31 March), for each of the three years of this agreement, attending the Safety Centre for safety training. This represents an increase from the previous Agreement, however is in line with current levels of attendance from schools in Buckinghamshire and Milton Keynes.

#### **Year 1: 2019-2020**

##### **Emergency Calling**

The Safety Centre agree to enhance the current phone-box provision to include an additional replica mobile phone element to teach children how to contact the emergency services from a locked mobile phone. Teaching of emergency calling will also include information on the possible consequences of making hoax or malicious calls.

##### **Printed Information**

The Safety Centre will update printed advertising materials to reflect their new logo, current pricing, booking information etc. ensuring information replicates their new website.

##### **Three Year Plan**

The Safety Centre will produce a three year strategy to include a sustainability plan, review of course content and links to external strategic priorities.

##### **Website**

The Safety Centre will review their website annually against the Web Content Accessibility Guidelines (WCAG 2.1 or subsequent) to ensure that in so far as possible it is accessible to users with disabilities.

#### **Years 2 & 3: 2020-2022**

##### **Lighting**

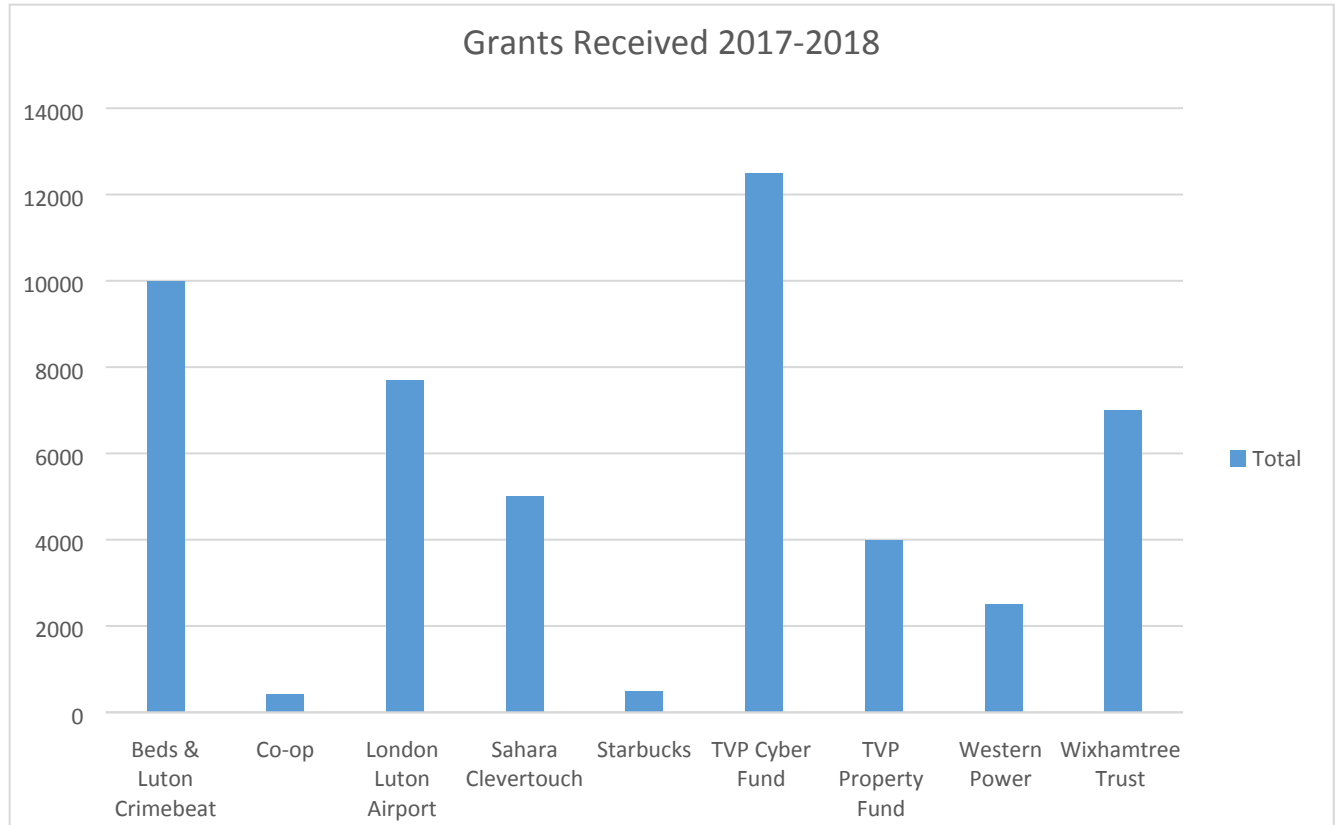
The Safety Centre will investigate improving the lighting within the scenario areas to enhance the visitor experience, enabling details to be noticed.

##### **BP Scenario**

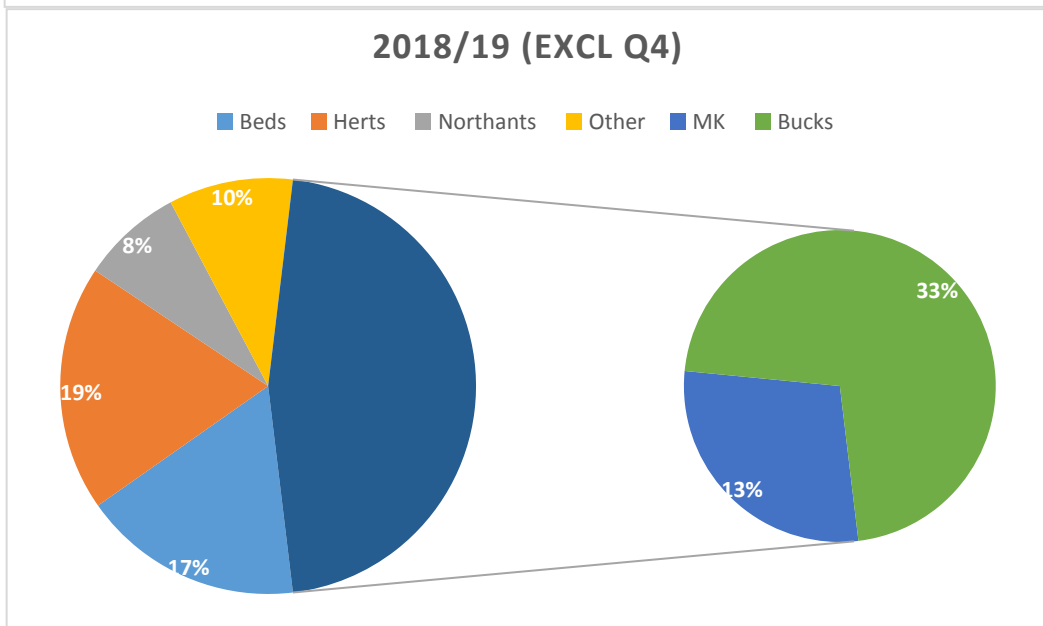
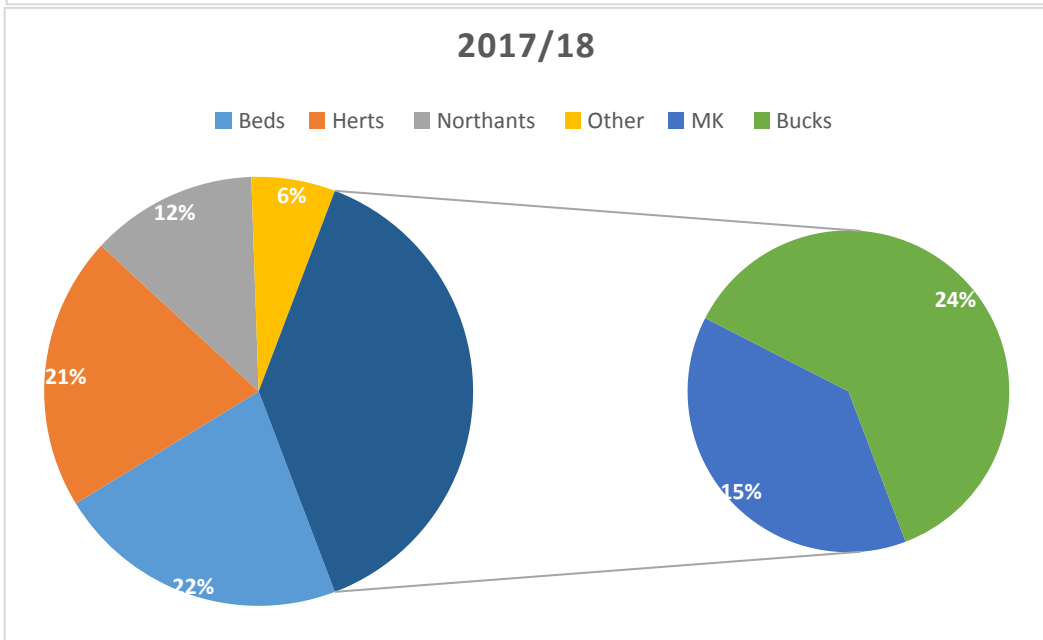
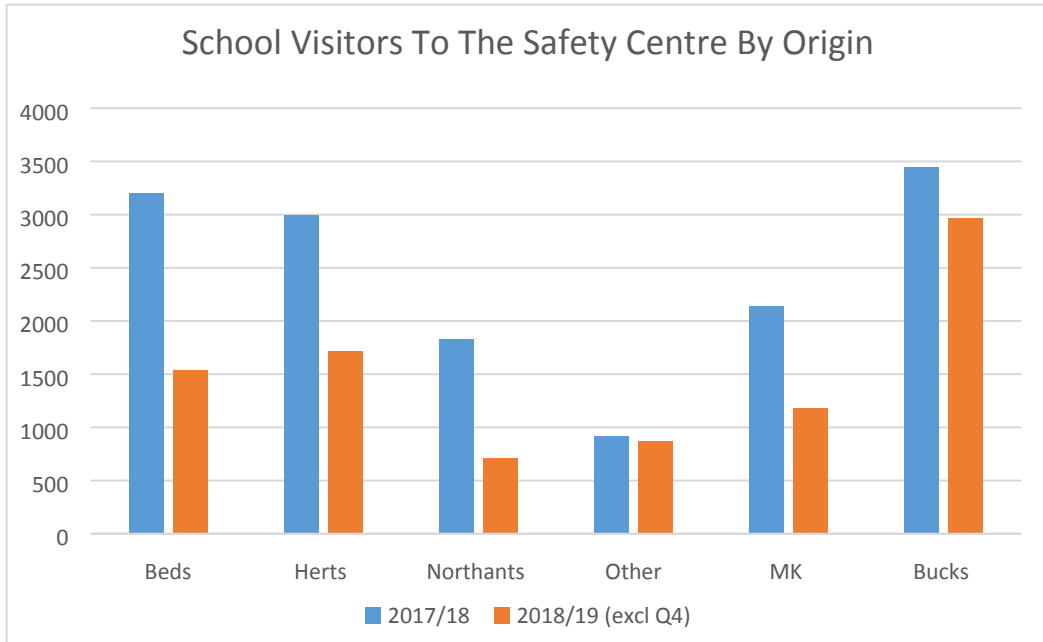
The Safety Centre will explore the viability of replacing the BP garage scenario with an alternative scenario or teaching area reflecting the priorities of 'Safer Stronger Bucks', 'Safer MK' and the Authority.

## Appendix 2 – Safety Centre supplementary grants

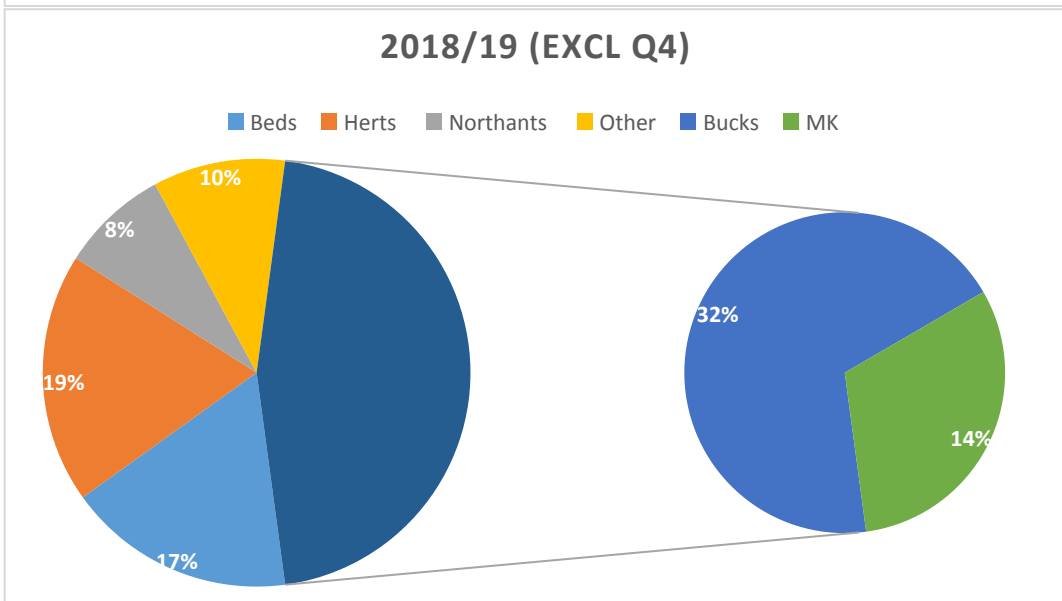
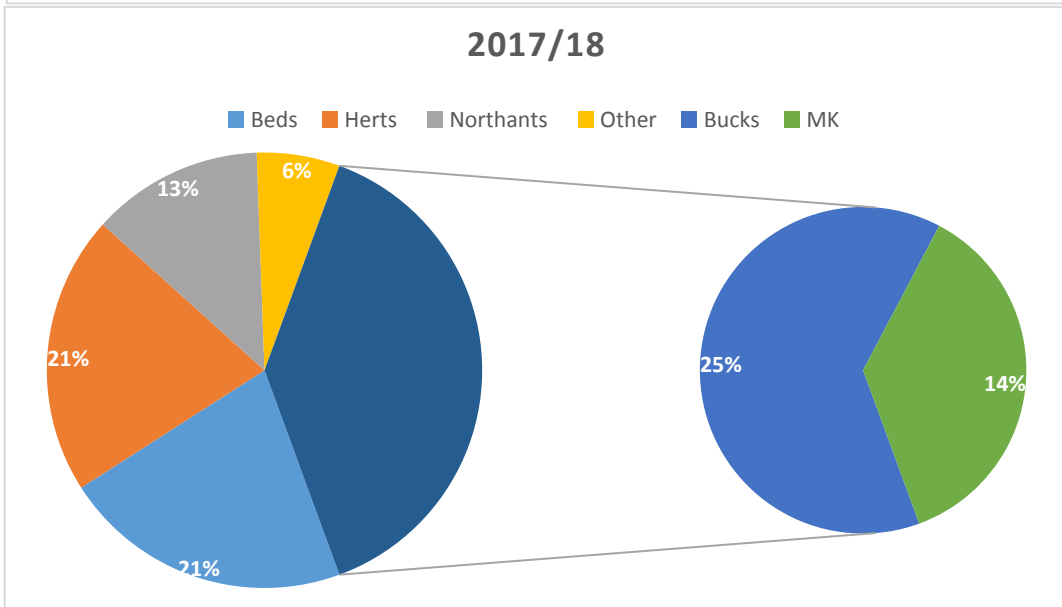
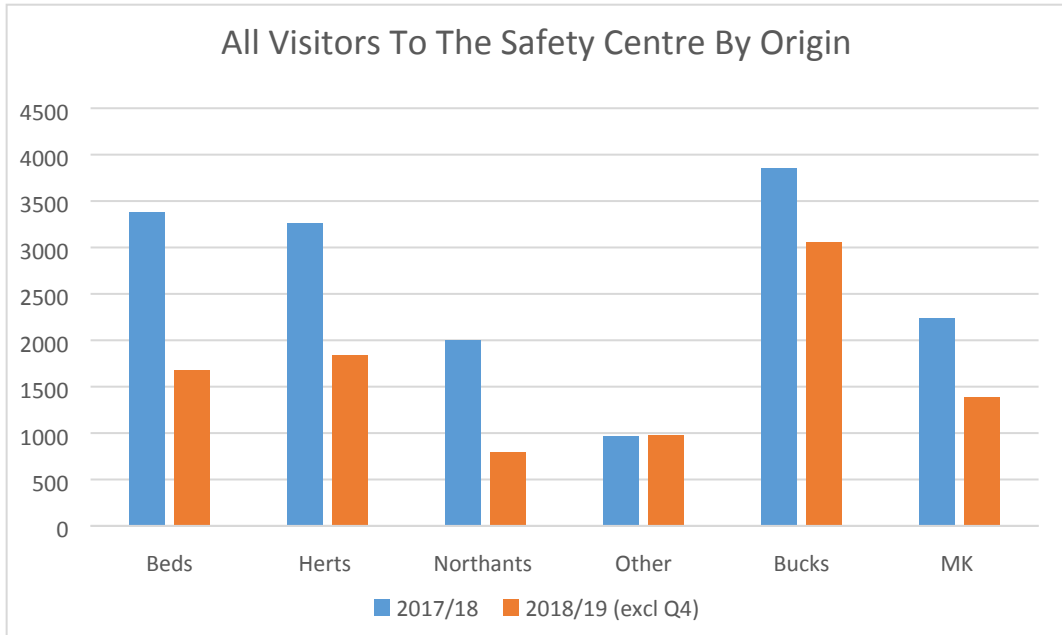
In addition to the regular grant contributions received from Bucks Fire & Rescue Service (£25,000) and The Parks Trust (£8,000), the Safety Centre makes funding applications to other bodies to secure funding.



**Appendix 3 – School visitors**



**Appendix 4 – All visitors**





# Buckinghamshire & Milton Keynes Fire Authority



<b>MEETING</b>	Fire Authority
<b>DATE OF MEETING</b>	13 February 2019
<b>OFFICER</b>	Lynne Swift, Director of People and Organisational Development
<b>LEAD MEMBER</b>	Councillor Steven Lambert
<b>SUBJECT OF THE REPORT</b>	<b>Pay Policy Principles and Statement 2019/20</b>
<b>EXECUTIVE SUMMARY</b>	<p>The Authority is required to approve the Pay Policy Principles and Statement before the end of March immediately preceding the financial year to which it relates.</p> <p>It is proposed that the attached draft (Annex A) be the Authority's revised Pay Policy Principles and Statement for 2019/20. It is based on the Authority's current approved Pay Policy Principles and Statement for 2018/19, save as amended by additional text underlined (<u>underlined</u>) and deleted text shown struck through (<del>struck through</del>).</p> <p>The Pay Policy Principles and Statement has been revised and minor amendments made where appropriate. Additional information has been added for clarification purposes on Additional Responsibility Allowances and Honorarium payments (paragraphs 12 and 13); the Support Services staff pay scales; and the current arrangements for re-engagement of staff in exceptional circumstances where specialist knowledge and expertise is required for a defined period (paragraph 16). An additional paragraph has also been incorporated into Part one of the Statement (paragraph 4) on 'Monitoring and assurance' to confirm the Authority's commitment on annually report on the previous year's decisions and impacts in relation to this policy.</p> <p>It is pleasing to report that the Pay Multiples ratio of highest paid to lowest paid employee (as at December 2018) continues to fall for the seventh year running. This seventh year period sees the ratio improved by 24 per cent since 2012.</p> <p>The Pay Policy Principles and Statement will continue to support and enhance a range of employment opportunities. This will continue to be utilised on a voluntary basis across some roles and functions to offer a more resilient, enhanced and flexible resource,</p>

	<p>focused on meeting demand and offering the very best service to the public.</p> <p>Within the 2018/19 Pay Policy Principles and Statement cover report, a note was made to the introduction of a public sector exit payment cap and 'claw back' termination payments for high earners (The Public Sector Exit Payment Regulations and Repayment of Public Sector Exit Payments Regulations). One provides for the capping of payments made to public sector employees on termination of employment and the other for repayment of those payments should certain public sector employee's return to a role within the public sector within a short period of time after termination of an earlier role. Firm implementation dates for these provisions have not yet been announced. The Authority will continue to await the final details of any Regulation changes and implementation dates.</p>
<b>ACTION</b>	Decision
<b>RECOMMENDATIONS</b>	It is recommended that the Pay Policy Principles and Statement as set out in Annex A be approved as the statutory Pay Policy Statement for 2019/20.
<b>RISK MANAGEMENT</b>	<p>The Fire Authority is required to adopt and publish a Pay Policy Principles and Statement annually.</p> <p>Developing and maintaining good employee morale is key to instilling loyalty and maintaining a productive workplace. By being fair, transparent and accountable in what employees are paid for and why, and being consistent, systematic and clear in applying reward practices for all employees, the Authority is living its values and showing best practices with its reward and recognition needs.</p>
<b>FINANCIAL IMPLICATIONS</b>	There will be minimal direct financial implications arising from the Pay Policy Principles and Statement. Any financial impact of subsequent decisions will be factored into the Medium Term Financial Planning process and scrutinised and challenged by Members. Any in-year impacts will be considered and reported through the budget monitoring process and any resource re-allocation will be subject to the usual virement approvals and limits as set out in the Financial Regulations.
<b>LEGAL IMPLICATIONS</b>	Section 38 of the Localism Act 2011 places a requirement on the Authority to prepare annually, a statement setting out the Authority's policies on the remuneration of its chief officers, the remuneration of its lowest paid employees and the relationship between the remuneration of its chief officers and the

	<p>remuneration of its employees who are not chief officers. Chief officers are the most senior officers of the Authority. Authorities are required to state the definition of lowest paid employees they have adopted in the statement and explain the reasons for adopting that particular definition. The statement may also set out the Authority’s policies relating to other terms and conditions applying to its senior officers. In preparing its Statement, the Authority must have regard to any guidance issued or approved by the Secretary of State.</p> <p>The 2019/20 Pay Policy Principles and Statement must be approved by the full Fire Authority before 31 March 2019. Approval cannot be delegated to any committee, sub-committee, or officers.</p> <p>The Pay Policy Principles and Statement may be amended by the full Fire Authority during the financial year to which it applies.</p> <p>Section 41 of the Localism Act 2011 requires the Authority to comply with its Pay Policy Principles and Statement for the relevant financial year when making a determination that relates to the remuneration, or other terms and conditions of a senior officer of the Authority.</p> <p>The Pay Policy Principles and Statement must include the Authority’s policies in relation to senior pay on:</p> <ul style="list-style-type: none"> <li>(a) the level and elements of remuneration</li> <li>(b) remuneration on recruitment</li> <li>(c) increases and additions to remuneration</li> <li>(d) the use of performance related pay</li> <li>(e) the use of bonuses</li> <li>(f) the approach to payment on their ceasing to be employed by the Authority, and</li> <li>(g) the publication of and access to information relating to remuneration.</li> </ul> <p>The statutory guidance gives discretion as to whether the Authority wishes to mirror these headings in its Pay Policy Principles and Statement in respect of its other employees.</p>
<p><b>CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE</b></p>	<p>The <a href="#">Policing and Crime Act 2017</a> requires the Authority to keep opportunities for collaboration with the police and ambulance services under review. All Authorities are required to have a Pay Policy Principles and Statement. At this time our Thames Valley partners have separate Statements, however an aligned approach may be appropriate in the future, particularly to support collaborative working, sharing of resources and working across boundaries.</p>

<p><b>HEALTH AND SAFETY</b></p>	<p>There are no health and safety implications.</p>
<p><b>EQUALITY AND DIVERSITY</b></p>	<p>Pay decisions will be subject to the demands of equal pay processes.</p> <p>As detailed in Appendix 4, an Integrated Impact Assessment has been updated. This will ensure an equitable, transparent, consistent and legally compliant basis for the employment relationship between the Authority and its employees.</p> <p>The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 was approved by Parliament in 2016 and came into force in 2017. The obligations under the Regulation requires prescribed gender pay gap information to be published within 'the period of 12 months beginning with the data snapshot date' (Regulation 2(2)). The snapshot data for public sector employers is 31 March each year.</p> <p>The intention of the Regulation is to highlight differences in pay between male and female employees, therefore showing greater transparency within the workplace, and will encourage employers to consider what more can be done to close any pay gaps. The Authority will continue to work on closing the Gender Pay Gap and a separate report will be presented to the Executive Committee in March 2019.</p>
<p><b>USE OF RESOURCES</b></p>	<p>Adoption of the annual Pay Policy Principles and Statement ensures statutory compliance. However, as the legislation permits in-year changes there is scope for the Authority to revisit certain elements to reflect the needs of the Service and any relevant reform outcomes of the national aspect of the NFCC FRS People Strategy 2017 to 2022.</p> <p><b>Communication with stakeholders:</b> Following approval of the Pay Policy Principles and Statement, communication will be via the normal policy publication and amendment process. This will include engagement with members of the Joint Consultation Forum.</p> <p><b>Internal Controls:</b> Adherence to the Pay Policy Principles and Statement is controlled via strict establishment and pay change approval process controls and annual reporting.</p> <p>In addition, reports are submitted on key reward areas such as merit awards, which are reviewed and monitored annually.</p>
<p><b>PROVENANCE SECTION &amp; BACKGROUND PAPERS</b></p>	<p><b>Background</b></p> <p>Report to Fire Authority held 14 February 2018; BMKFA Pay Policy Principles and Statement 2018/19:  <a href="https://bucksfire.gov.uk/files/4815/1782/9420/ITEM">https://bucksfire.gov.uk/files/4815/1782/9420/ITEM</a></p>

	<p><a href="#">11 Pay Policy Principles Statement 2018-19 Fire Authority and Annex A.pdf</a></p> <p>The Localism Act 2011:  <a href="http://www.legislation.gov.uk/ukpga/2011/20/content/s/enacted">http://www.legislation.gov.uk/ukpga/2011/20/content/s/enacted</a></p> <p>Openness and accountability in local pay: guidance. Published 2012:  <a href="https://www.gov.uk/government/publications/openness-and-accountability-in-local-pay-guidance">https://www.gov.uk/government/publications/openness-and-accountability-in-local-pay-guidance</a></p> <p>Openness and accountability in local pay: supplementary guidance. Published 2013:  <a href="https://www.gov.uk/government/publications/openness-and-accountability-in-local-pay-supplementary-guidance">https://www.gov.uk/government/publications/openness-and-accountability-in-local-pay-supplementary-guidance</a></p>
<p><b>APPENDICES</b></p>	<p><b>Annex A:</b> Draft Pay Policy Principles and Statement 2018/19</p> <p><b>Appendix 1:</b> Firefighting roles pay rates effective 1 July 2018</p> <p><b>Appendix 2:</b> Support Services staff pay scales effective 1 July 2018</p> <p><b>Appendix 3:</b> Employee Bonus Payment Setting Scheme and Process</p> <p><b>Appendix 4:</b> Integrated Impact Assessment</p>
<p><b>TIME REQUIRED</b></p>	<p>10 minutes.</p>
<p><b>REPORT ORIGINATOR AND CONTACT</b></p>	<p>Faye Mansfield – HR Development Manager  <a href="mailto:fmansfield@bucksfire.gov.uk">fmansfield@bucksfire.gov.uk</a>                      01296 744623</p>

This page is left intentionally blank



## ANNEX A

### **BMKFA Pay Policy Principles and Statement 2019/20**

This document applies to all employees of Buckinghamshire & Milton Keynes Fire Authority (The Authority).

#### **Principles**

##### **1. Accountability**

Decisions on pay policies will be taken by elected members - those who are directly accountable to local communities. We will ensure that all democratically accountable members have a significant input into how decisions on pay are made and that we are open about the policies that determine those decisions.

Our annual Pay Policy Statements and any amendments to them will be considered by a meeting of the Fire Authority and will not be delegated to any sub-committee. In scheduling such meetings, we will act in accordance with our responsibilities under part 5A of the Local Government Act 1972. However, we note that the Secretary of State does not consider that any of the grounds for exclusion of the public would be met for discussions of Pay Policy Statements. Such meetings should therefore be open to the public and should not exclude observers. All decisions on pay and reward for chief officers must comply with the current Pay Policy Statement.

The Fire Authority will be offered the opportunity to vote before salary packages (£100,000 plus) are offered in respect of a new appointment. For this purpose, salary packages should include salary, any bonuses, fees or allowances routinely payable to the appointee and any benefits in kind to which the officer is entitled as a result of their employment.

##### **2. Transparency**

Our Pay Policy Statement along with our approach to the publication of and access to information relating to remuneration will be published on our website.

Although we are not required to use our Pay Policy Statement to publish specific numerical data on pay and reward, we will consider how the information within the Pay Policy Statement fits with that data on pay and reward that we publish separately.

This includes that data required to be published under the Code of Recommended Practice for Local Authorities on Data Transparency and by the Accounts and Audit (England) Regulations 2011.



### **3. Fairness**

We will ensure that decisions about senior pay are taken in the context of similar decisions on lower paid staff salaries and that the relationship between those decisions are considered. We will consider our proposals for the pay relationship between the remuneration of chief officers and employees who are not chief officers.

We will publish our pay multiple – the ratio between the highest paid employee and the mean average earnings and the lowest paid across the Fire and Rescue Service.

We will set out our approach to the award of other elements of remuneration including bonuses, performance related pay as well as severance payments.

### **4. Monitoring and assurance**

On an annual basis, a review will be undertaken on the previous year's decisions and impacts in relation to this policy and a report will be presented to the appropriate Board.

#### **Part One - Pay Policy (all staff excluding SMB)**

1. All pay decisions will be fair, based on policy and reflecting the requirements of legislation.
2. Our systems will be transparent and well known amongst staff groups and we will discuss planned changes to our systems with the appropriate representative bodies.
3. We will, where possible, avoid complex pay systems and in determining pay will make reference to market rates in order to secure best value for the taxpayer.

#### **Level and elements of remuneration**

4. The majority of staff are employed under contracts with either; the terms and conditions of the NJC for Local Authority Fire and Rescue Services Scheme of Conditions of Service, 2004 "the Grey Book" incorporated; or with the provisions of the local terms and conditions of Buckinghamshire and Milton Keynes Fire Authority Scheme of Conditions of Service for Support Services staff.
5. For 'Grey Book' staff rates of pay are set out in circulars issued by the NJC and entitlements are governed by Part B of the Grey Book. However, the Authority recognises that new employees may be employed on terms and conditions outside of the Grey Book. This includes the operation of the 'Bank System'.

The Authority also recognises that employees in existing firefighter roles may want to agree rates of pay outside of the Grey Book for the protection of services and provision of enhanced resilience, including agreement to not participate in industrial action.





In addition, and in line with our retention and succession planning, the Authority does agree enhanced remuneration outside of the 'Grey Book' for specific roles, such as Area Commanders, Group Commanders and Station Commanders.

6. For other staff the pay structure takes the form of pay scales with spinal column points. Progression is based on evidenced performance and would normally occur on 1st April if the required criteria are met; at least six months in post, subject to performance and the maximum grade for the post not being exceeded. Incremental progression may be withheld if performance is not to the required standard.
7. The Government introduced a UK wide apprenticeship levy from April 2017. This levy was to help fund the increase in the quantity and quality of apprenticeship training and to give employers greater control of apprenticeships. The levy rate is set at 0.5 per cent of an employer's pay bill over £3 million and is collected via PAYE. At the Executive Committee meeting on 29 July 2015, Members opted to use the apprenticeship training agency (ATA) model for the recruitment of apprentices. The Authority will utilise apprenticeship opportunities wherever practicable as part of a blended approach to improving diversity and refreshing the workforce. We will reward apprentices appropriately, recognising competence and performance during the various development stages of their apprenticeship.
8. Pay scales are inserted in the annexes:  
  
**Appendix 1:** Grey Book Pay rates from 1 July 2018  
**Appendix 2:** Support Services Staff Pay scales from 1 July 2018
9. Some members of staff participate in lease car arrangements.
10. The Authority reimburses mileage, travel expenses, subsistence and other expenses (e.g. overnight stays, meals and professional fees) when appropriate and in accordance with the Authority's procedures relating to expenses.

## **Remuneration on Recruitment**

11. Remuneration will be based on the evaluated rate for the job, either nationally or locally set.

## **Increases and additions to remuneration**

12. Additional Responsibility Allowance (ARA) payments are used to reward increased responsibilities and duties beyond the normal remit of the role for specific periods, for example to cover managed vacancies for short to medium term periods, enabling successful change management with minimal risk. These payments apply to staff on 'Grey Book' terms and conditions.



13. At the discretion of the Authority, honorarium payments can be given to Support Services staff when they are asked to undertake part of the duties at a higher graded post or duties outside the scope of their post, which is particularly onerous. Where the payment relates to an employee undertaking a proportion of the duties of a higher graded post, the calculation of the payment will normally link to the pay scale of the duties of the higher graded post being undertaken. For duties outside the scope of the employee's role, the amount of the payment will be determined by estimating the relative worth of the task in comparison to the employee's substantive grade. These payments are for Support Services staff.
13. Any such payments require the signature of two Directors in accordance with current procedures.

### **Use of Performance related pay**

14. Performance related pay is not in operation although certain posts attract performance increments based on skill development.

### **Use of bonuses and merit awards**

15. One-off bonus payments will be considered linked to evidenced and scrutinised delivery of performance management objectives and is outlined in Appendix 3.

### 16. Re-engagement

The re-engagement of staff will not normally occur following retirement. In exceptional circumstances, where specialist knowledge and expertise are required for a defined period of time in the event re-engagement may be considered. In the exceptional circumstance that re-engagement were to be necessary in the interest of public safety, any decision will be subject to prior approval at Director level.

### **Approach on ceasing to hold office or be employed by the Authority**

17. The Authority's current policies in respect of discretionary payments are in line with recommendations to be found in the minutes of the Fire Authority on 24 June 2014 titled Local Government Pension Scheme 2014 – Employer Discretions, the minutes of the Executive Committee held on 17 July 2013, and a report to the Executive Committee on 18 October 2017 - Scheme Manager Discretions for the Firefighters' Pension Scheme 2015.

### **Publication of and access to information relating to remuneration**

18. We will publish information in accordance with the Local Government Transparency Code 2014.



## Pay Multiple

19. The pay multiple is the ratio between the highest paid salary and the median average salary of the Authority’s workforce. The average salary level is defined as the total of all regular payments made to an individual.

For the financial year 2019/20, the definition of lowest paid staff are those staff we employ who are paid at rates that are maintained in line with the National Living Wage and the lowest rate will be that applicable for workers aged 25 and over.

### The current BMKFA pay multiples are:

The Authority’s pay multiple; the ratio between the highest paid employee and the median average salary figure for all employees in the Authority is:

Highest pay: lowest pay: ~~9.86:1~~ 9.64:1

Highest pay: median pay: 4.77:1

Year	Highest pay : Lowest pay	Highest pay : Median pay
<u>2019/20</u>	<u>9.64:1</u>	<u>4.77:1</u>
2018/19	9.86:1	4.77:1
2017/18	10.17:1	4.77:1
2016/17	10.71:1	4.72:1
2015/16	11.04:1	4.77:1
2014/15	11.5:1	4.87:1
2013/14	11.72:1	4.9:1
2012/13	12.7:1	5.0:1

20. It is our intention that salary multiples do not reach the 1:20 ratio referred to in the Hutton Report.



## **Part Two - Pay Policy – Strategic Management Board (SMB)**

SMB members pay arrangements are locally determined. Pay progression is performance based, with scope to increase the salary after completion of the annual external SMB remuneration and performance review process. The provisions of the National Joint Council for Brigade Managers of Fire and Rescue Services (referred to as the Gold Book) also apply for remuneration purposes for annual pay awards.

### **Level and elements of remuneration**

- 20 Senior management remuneration comprises salary, car provision or car allowance.
21. Gold Book Pay is based on a twin track approach of an annual nationally agreed pay deal and a local pay agreement. SMB Pay Policy includes proposals to consider the implementation of Earn Back Arrangements and addresses the requirements of the Localism Act in relation to the SMB.

### **Remuneration on Recruitment**

22. Remuneration will be based on the evaluated rate for the job.

### **Increases and additions to remuneration**

23. Increases and additions for senior management posts will require approval of the appropriate committee of the Authority.

### **Use of Performance related pay**

24. Performance related pay will be used in the context of the relevant policy, based on "Earn back" principles and will need approval by the appropriate committee.

### **Use of Bonuses**

25. One off bonus payments may be considered linked to evidenced and scrutinised delivery of performance management objectives.

[NB: Aspects of this section are being considered at the 7 February 2019 Executive Committee as part of the Review of methodology used to carry out the Senior Management Team annual pay review. This could result in the need to amend this section](#)



## **Approach on ceasing to hold office or be employed by the Authority**

26. **Summary dismissal:** Dismissal without notice payments

**Dismissal with notice:** Salary payment in line with contract

**Redundancy:** In accordance with Authority procedures

**Resignation or leave date:** Normal salary payment until end of notice period

**Redeployment:** In accordance with prevailing Authority procedures

27. This Authority does not make payments to senior staff members who leave other than to those who are leaving for the purposes of improved efficiency.

28. Re-employment/re-engagement will not normally occur following retirement, however there may be exceptional circumstances where specialist knowledge and expertise are required for a defined period of time in the event of which re-employment/re-engagement may be considered. In the exceptional circumstance that re-employment/re-engagement is necessary in the interest of public safety, this decision will be subject to prior approval at a meeting of the Fire Authority in open session.

29. The Fire Authority will be given the opportunity to vote as to the terms of appointment or dismissal of the Chief Fire Officer and Chief Executive and deputy to the Chief Fire Officer and Chief Executive, or equivalent.

## **Publication of and access to information relating to remuneration**

30. We will publish information in accordance with the Local Government Transparency Code 2015.



## Appendix 1:

<b>FIREFIGHTING ROLES (Wholetime) PAY RATES effective 1 July 2018</b>			
	<b>Basic annual salary</b>	<b>Basic hourly rate</b>	<b>Overtime rate</b>
<b>Firefighter</b>			
Trainee	22,908	10.46	15.69
Development	23,862	10.90	16.35
Competent	30,533	13.94	20.91
<b>Crew Commander</b>			
Development	32,452	14.82	22.23
Competent	33,851	15.46	23.19
<b>Watch Commander</b>			
Development	34,583	15.79	23.69
Competent A	35,544	16.23	24.35
Competent B	37,854	17.29	25.94
<b>Station Commander</b>			
Development	39,374	17.98	26.97
Competent A	40,556	18.52	27.78
Competent B	43,428	19.83	29.75
<b>Group Commander</b>			
Development	45,347	20.71	Not applicable
Competent A	46,707	21.33	"
Competent B	50,270	22.95	"
<b>Area Manager</b>			
Development	53,238	24.31	Not applicable
Competent A	54,833	25.04	"
Competent B	58,397	26.67	"



<b>FIREFIGHTING ROLES (On-call) PAY RATES effective 1 July 2018</b>				
	<b>£ per annum</b>	<b>£ per annum</b>	<b>£ per hour</b>	<b>£ per occasion</b>
<b>Firefighter</b>				
Trainee	2,291	1,145	10.46	4.02
Development	2,386	1,193	10.90	4.02
Competent	3,053	1,527	13.94	4.02
<b>Crew Commander</b>				
Development	3,245	1,623	14.82	4.02
Competent	3,385	1,693	15.46	4.02
<b>Watch Commander</b>				
Development	3,458	1,729	15.79	4.02
Competent A	3,554	1,777	16.23	4.02
Competent B	3,785	1,893	17.29	4.02
<b>Station Commander</b>				
Development	3,937	1,969	17.98	4.02
Competent A	4,056	2,028	18.52	4.02
Competent B	4,343	2,171	19.83	4.02
<b>Group Commander</b>				
Development	4,535	2,267	20.71	4.02
Competent A	4,671	2,355	21.33	4.02
Competent B	5,027	2,514	22.95	4.02
<b>Area Manager</b>				
Development	5,324	2,662	24.31	4.02
Competent A	5,483	2,742	25.04	4.02
Competent B	5,840	2,920	26.47	4.02

Column 1 shows the full annual retainer  
 Column 2 shows the retainer for employees on the day crewing duty system  
 Column 3 shows the hourly rate for work undertaken  
 Column 4 shows the disturbance payment per call-out



## Appendix 2:

SUPPORT SERVICES PAY SCALES effective 1 July 2018 (Updated)		
Pay Scales	Money Value	Pay Point Descriptor
A (NMW)	n/a	National Minimum Wage (replaced by National Living Wage)
A (NLW)	£15,839	National Living Wage (Statutory rate reviewed April 2019)
B	£16,875	Development
	£17,296	Competent
C	£18,161	Development
	£18,948	Competent
	£19,769	Exempt
D	£20,084	Development
	£20,587	Competent
E	£21,451	Development
	£21,845	Competent
	£22,242	Exempt
F	£23,431	Development
	£23,958	Competent
	£24,484	Exempt
G	£25,697	Development
	£26,068	Competent
	£26,585	Exempt
H	£28,071	Development
	£28,577	Competent
	£29,345	Competent ( <i>Driving Instructors</i> )
	£29,253	Exempt
I	£31,981	Development
	£32,855	Competent
	£33,739	Exempt
J	£34,825	Development
	£35,696	Competent
K	£39,568	Development
	£40,569	Competent
	£41,728	Exempt
L	£43,003	Development
	£44,077	Competent
M	£46,645	Development
	£47,929	Competent
	£49,205	Exempt





<b>SUPPORT SERVICES PAY SCALES effective 1 July 2018 (Updated)</b>		
<b>Pay Scales</b>	<b>Money Value</b>	<b>Pay Point Descriptor</b>
N	£57,205	Development
	£58,631	Competent
	£60,214	Exempt
O	£62,149	Development
	£63,702	Competent
<b>Fleet Management</b>		<b>Pay Point Descriptor</b>
Vehicle Technicians (VT)	£24,764	VT Point 1
	£25,545	VT Point 2
	£26,073	VT Point 3
	£26,586	VT Point 4
	£27,080	VT Point 5
	£27,572	VT Point 6
Supervisors (SU)	£28,070	SU Point 7
	£28,581	SU Point 8
	£29,258	SU Point 9
Fleet Management (FT)	£29,943	FM Point 10
	£30,629	FM Point 11
	£31,309	FM Point 12
	£31,982	FM Point 13
	£32,855	FM Point 14
	£33,739	FM Point 15



## Appendix 3:

### **EMPLOYEE BONUS AND MERIT AWARD PAYMENT SETTING SCHEME AND PROCESS**

#### **Introduction**

The purpose of this document is to outline the principles and process for determining whether or not employees will receive bonus payments and if so, sets out the process to determine the allocation of such payments. Bonus payments will be one-off and paid only to reflect excellent performance; that is performance, which exceeds the standards and targets agreed with the employee during their annual appraisal process and prior to the start of the financial year, for which any performance Scheme is introduced.

#### **Eligibility**

Eligibility would be specified as part of any Scheme rules on an annual basis.

#### **Key Principles**

The following key principles underpin any bonus and/or performance related reward Schemes:

- The Scheme is entirely discretionary and forms no part of the contract of employment.
- The Scheme sits in the context of the Authority's overall strategic and performance management processes, therefore targets and objectives included in any Scheme will align with the Corporate and Public Safety Plan objectives, via the "golden thread" process.
- Payments will only be made where the employee's contribution not only reflects excellence but also clearly assists with achieving the Authority's strategic objectives.
- It is intended to reward those who can demonstrate sustained, outstanding achievement or excellence in their role.
- It is intended to recognise and reward, not only the exceeding of targets and standards, but also the acquisition of the necessary competencies and deployment of behaviours that reinforce the Authority's values and norms.
- The amount of money available to be paid in bonus payments to employees under the Scheme will be determined as part of the annual budgeting process and any Scheme will be self-funding.

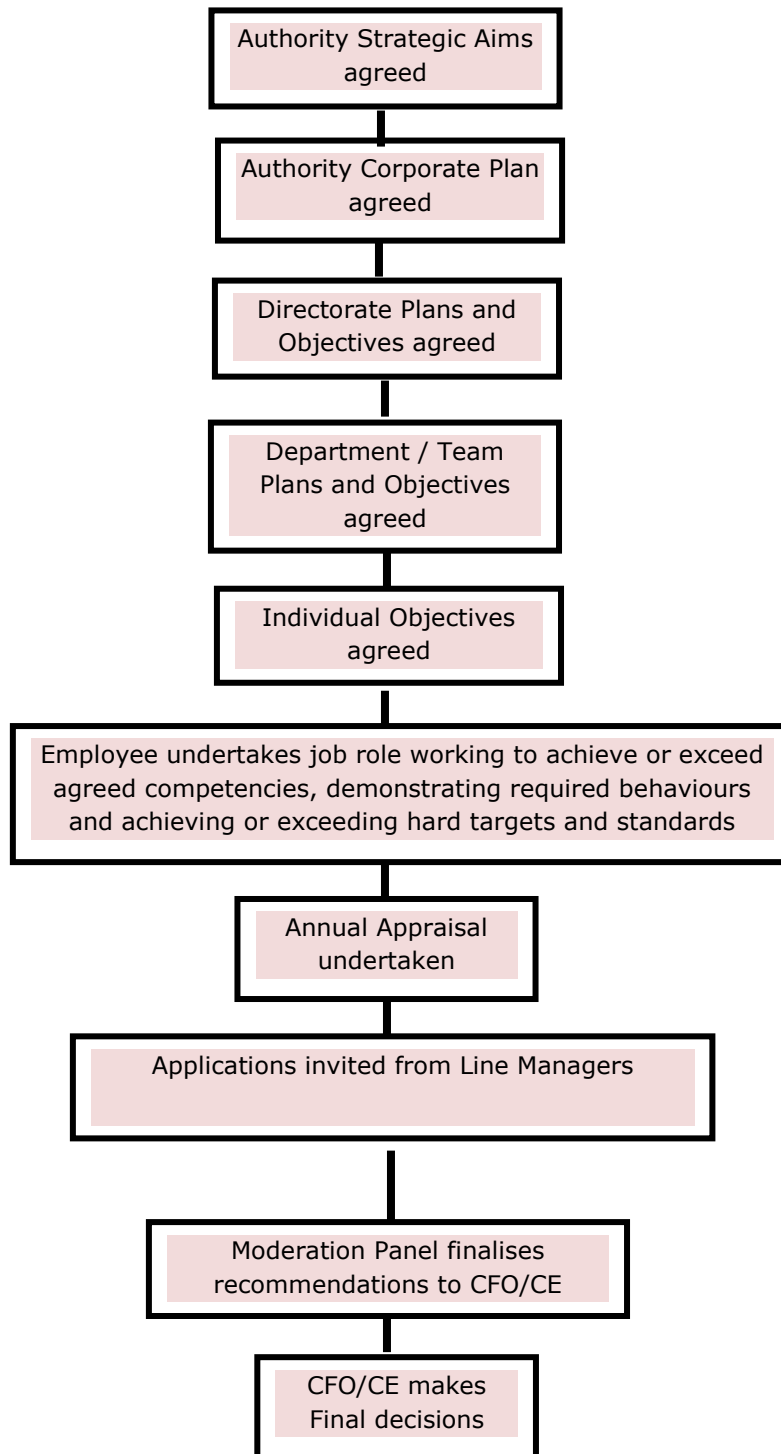


- All eligible candidates invited to participate in any Scheme must have an agreed appraisal, including core and stretching objectives in advance of the bonus Scheme year.
- Recommendations for payments under the Scheme will be made by the employee's line manager following the annual appraisal process to the appropriate Director.
- Recommendations will be reviewed by a Moderating Panel consisting of:
  - The Chief Operating Officer/DCFO
  - The Director of People and Organisational Development
  - The Director of Finance and Assets
  - The Director of Legal and Governance
- The Moderating Panel may choose to appoint an independent advisor to assist with the process of ensuring that proposed awards are based on the exercise of consistent judgement in both the setting of targets and standards and the assessment of achievement against these.
- Payments under the Scheme will be authorised by the Chief Fire Officer/Chief Executive on recommendation of the Moderation Panel.
- Employees will only be informed of approved awards and not as to whether or not a recommendation was made.
- There will be no appeal against recommendations or final decisions.
- The Executive Committee will receive an annual report summarising the awards, if any, that have been made.
- Eligibility criteria will be approved by SMB on an annual basis. This may include decisions not to run a bonus Scheme. ~~or to extend to other workgroups~~
- Decisions will comply with the requirements of the Authority's Pay Policy, which is reviewed and approved annually.
- If and when an annual bonus Scheme is agreed, specific detailed rules will be developed in advance of the Scheme year; for example, new staff who become eligible in year, long term absence etc.
- Any payments will be subject to statutory deductions.



**BUCKINGHAMSHIRE & MILTON KEYNES FIRE  
AUTHORITY**

**Bonus and Merit Award Setting Scheme Process Flow  
Chart**





## Appendix 4

### Integrated Impact Assessment (IIA)

#### A) The impact table

Are there any possible impacts, which need further investigation? To complete the table tick  the likely impact.

Impact Table						
Impact on people (protected groups and "others")	External Individuals			Service Employees		
	Positive	Negative	None	Positive	Negative	None
<b>People</b>						
Gender			✓			✓
Race			✓			✓
Age			✓			✓
Religion/Belief			✓			✓
Sexual Orientation			✓			✓
Gender Reassignment			✓			✓
Pregnancy / Maternity			✓			✓
Marriage/Civil Partnership			✓			✓
Disability			✓			✓
<b>Place</b>						
Strengthen Community Cohesion			✓			✓
Tackling Poverty / Promoting Social Inclusion			✓			✓
<b>Privacy</b>			✓			✓
<b>Health</b>			✓			✓
<b>Environment</b>			✓			✓



## B) Privacy impact assessment screening questions

These questions are intended to help Service staff involved with new projects and / or processes (or significantly changed processes) decide whether an Impact Assessment is necessary. Answering 'yes' to any of these questions is an indication that an Impact Assessment would be a beneficial exercise.

Privacy Screening Questions		
Question	Yes/No?	Comment
Will the project involve the collection of new information about individuals?	No	
Will the project compel individuals to provide information about themselves that they have not had to previously?	No	
Will information about individuals be disclosed to organisations or people who have not previously had routine access to the information?	No	
Are you using information about individuals for a purpose it is not currently used for, or in a way it is not currently used?	No	
Does the project involve you using new technology which might be perceived as being privacy intrusive? For example, the use of biometrics or facial recognition.	No	
Will the project result in you making decisions or taking action against individuals in ways which can have a significant impact on them?	No	
Is the information about individuals of a kind particularly likely to raise privacy concerns or expectations? For example, health records, criminal records or other information that people would consider to be particularly private.	No	
Will the project require you to contact individuals in ways which they may find intrusive?	No	



<b>People Screening Questions</b>		
<b>Question:</b>	<b>Yes/No:</b>	<b>Comment</b>
<p>Will the project you are undertaking affect any of the following factors explicitly?</p> <ul style="list-style-type: none"> <li>- Race</li> <li>- Disability</li> <li>- Gender</li> <li>- Religion/Belief</li> <li>- Sexuality</li> <li>- Age</li> <li>- Gender Reassignment</li> <li>- Pregnancy / Maternity</li> <li>- Marriage / Civil Partnerships</li> </ul>	No	
Could the progression of your project have a negative effect on a particular person/group of persons within the organisation or externally?	No	
Does the progression of your project affect the status of any person/s within the organisation or externally?	No	
Will any person/s within the organisation or externally be negatively impacted, with respect to their personal status, by the completion of your project?	No	
Is there any new technology within your project that will negatively impact the wellbeing of a person/s within the organisation or externally?	No	
Is there any aspect of a person/s status that will negatively impact your project?	No	
Is there any risk that your project could fail to comply with all relative people laws, e.g. the Equalities Act 2010?	No	
If your project requires you to employ new members of staff, is there likely to be any people based prejudice within the recruitment process?	No	

This page is left intentionally blank





# Buckinghamshire & Milton Keynes Fire Authority

<b>MEETING</b>	Fire Authority
<b>DATE OF MEETING</b>	13 February 2019
<b>OFFICER</b>	Julian Parsons, Head of Service Development
<b>LEAD MEMBER</b>	Councillor Jean Teesdale, Lead Member Community Protection
<b>SUBJECT OF THE REPORT</b>	<b>2020 – 2025 Public Safety Plan: "Listening &amp; Engagement" Research</b>
<b>EXECUTIVE SUMMARY</b>	<p>At the Fire Authority meeting on 12 December 2018, Members were advised of some consultation work with the public being undertaken on the Authority's behalf, by Opinion Research Services (ORS), via a series of five focus groups held across the areas served by the Authority.</p> <p>This early consultation work was designed to help inform the development of the next Public Safety Plan (2020 – 2025 PSP) by exploring the participants':</p> <ul style="list-style-type: none"> <li>• general awareness of / perceptions of risk and understanding of the Fire and Rescue Service and the issues facing it (without being given any significant background information);</li> <li>• views and expectations after being more acquainted with the issues and challenges facing the Authority / Service and some potential ways that it could respond to these.</li> </ul> <p>In total 58 people participated across the five focus groups. ORS used a deliberative approach that enabled participants to reflect in depth about the issues facing the Authority / Service. Also, participants were able to do this without the constraint of worrying about any imminent changes to local Fire and Rescue service provision.</p> <p>The consultation embraced consideration of a wide range of issues and topics relevant to the development of the next PSP and the direction of the Service more generally including amongst other things:</p> <ul style="list-style-type: none"> <li>• Awareness / perceptions of, and attitudes towards current and future risks and challenges;</li> <li>• General awareness of and expectations of BFRS (including whether they or someone they know had ever thought of working for the FRS);</li> <li>• Perceptions of Service costs and value for money;</li> </ul>

	<ul style="list-style-type: none"> <li>• Views on incident attendance times;</li> <li>• Awareness of strategic issues and challenges facing the Authority;</li> <li>• Preferences in relation to dealing with funding challenges and opportunities (specifically in relation to respective scenarios of there being less or more funding available for the Service).</li> </ul> <p>The outcomes of the consultation are contained in the annexed ORS report. Because recruitment to the focus groups was inclusive and the participants diverse, ORS advise that the outcomes of the consultation are broadly indicative of how informed public opinion as a whole would incline in similar discussions.</p> <p><u>Next Steps</u></p> <p>Preparation of the 2020 - 2025 PSP is currently underway with a view to officers presenting a draft for Members to approve for a formal 12 week public consultation at the 12 June 2019 Fire Authority meeting. Further stakeholder consultations are planned throughout the PSP development process in line with National Framework requirements.</p> <p>Also, it should be possible to re-convene the five focus groups reported on in the attached report, once Members have approved the draft 2020-2025 PSP for consultation, which means that it will receive scrutiny from a more informed perspective than would be possible with fresh groups of people drawn from the wider public. This will help the Authority to demonstrate that it has met the National Framework requirement for active and informed participation in PSP consultations.</p>
<b>ACTION</b>	Noting
<b>RECOMMENDATIONS</b>	That the report be noted.
<b>RISK MANAGEMENT</b>	<p>A detailed risk assessment was carried out with ORS at the project planning stage with a risk log established within the Project Initiation Document (PID) &amp; appropriate measures identified to control the identified risks. The key corporate risks arising out of the research process include</p> <ul style="list-style-type: none"> <li>• That the range of views expressed are not representative of the public as a whole;</li> <li>• That the research is poorly executed and fails to meet the specified requirements.</li> </ul> <p>Both of these risks could impair the decision making process in relation to the development of the PSP were they to crystallise.</p>
<b>FINANCIAL</b>	The cost of Phase One of the research is £13,550

<b>IMPLICATIONS</b>	which will be paid during the 2018/19 financial year. The cost of the second phase of the research which will take place in the next financial year (2019/20) is £16,150 (as well as a further five focus groups this includes provision of an online consultation channel to facilitate a wider response from members of the public, Authority staff and other external stakeholders). These costs will be met from existing revenue budget resources.
<b>LEGAL IMPLICATIONS</b>	The approach complies with National Framework requirements by ensuring that consultation is undertaken at appropriate points in the IRMP/PSP development process. The outcomes of the consultation are not binding on the Authority. However, it is required to have regard to them in reaching decisions associated with the integrated risk management planning process where relevant.
<b>CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE</b>	The National Framework requires every fire and rescue authority to produce its own IRMP/PSP. However, officers share thinking on approaches to IRMP/PSP development and consultation practices with other fire and rescue services, in particular our Thames Valley partners.
<b>HEALTH AND SAFETY</b>	No direct implications arising from this initial consultation work.
<b>EQUALITY AND DIVERSITY</b>	The participant selection process was designed to ensure that a representative sample of the public is consulted as detailed in the risk management section above. Details of the participants' demographic profile are set out at paragraph 8 on page 7 of the appended report.
<b>USE OF RESOURCES</b>	The consultation work is being resourced from within existing budgets and staff capacity. The outcomes of the consultation work will be used to help inform decision making in relation to future Authority resource allocation.
<b>PROVENANCE SECTION &amp; BACKGROUND PAPERS</b>	<p>Fire and Rescue National Framework for England (2018):  <a href="https://www.gov.uk/government/publications/fire-and-rescue-national-framework-for-england--2">https://www.gov.uk/government/publications/fire-and-rescue-national-framework-for-england--2</a></p> <p>Public Consultation – Pre-IRMP 'Listening &amp; Engagement' Research, Paper to 18 December 2013 CFA Meeting:  <a href="https://bucksfire.gov.uk/files/8314/5555/0771/PUBLICCONSULTATIONPREIRMPfeb14.compressed.pdf">https://bucksfire.gov.uk/files/8314/5555/0771/PUBLICCONSULTATIONPREIRMPfeb14.compressed.pdf</a></p>
<b>APPENDICES</b>	2020-2025 Public Safety Plan: Report of Engagement Phase Focus Groups, Opinion Research Services,

	January 2019.
<b>TIME REQUIRED</b>	15 Minutes
<b>REPORT ORIGINATOR AND CONTACT</b>	Stuart Gowanlock, Corporate Planning Manager <a href="mailto:sgowanlock@bucksfire.gov.uk">sgowanlock@bucksfire.gov.uk</a> 01296 744435



# Buckinghamshire Fire and Rescue Service: 2020-2025 Public Safety Plan

## Report of Engagement Phase Focus Groups

Opinion Research Services  
January 2019



As with all our studies, findings from this survey are subject to Opinion Research Services Standard Terms and Conditions of Contract

Any press release or publication of the findings of this survey requires the advance approval of ORS. Such approval will only be refused on the grounds of inaccuracy or misrepresentation

This study was conducted in accordance with ISO 20252:2012

This version of the report will be deemed to have been accepted by the client if ORS has not been informed of any amendments within a reasonable period of time (1 month).

© Copyright January 2019

# Contents

Contents.....	3
Acknowledgements.....	4
The ORS Project Team.....	5
Project Overview.....	6
The Commission.....	6
Attendance and Representativeness.....	6
Discussion Agenda.....	8
The Report.....	8
Main Findings.....	9
Introduction.....	9
Main Findings: Awareness and Perceptions.....	9
Perception of risk.....	9
Working for BFRS.....	13
BFRS Finances.....	16
Possible future strategies.....	19

# Acknowledgements

Opinion Research Services (ORS) is pleased to have worked with Buckinghamshire Fire and Rescue Service (BFRS) on the consultation reported here.

We are grateful to the members of the public who took part in the focus groups. They were patient in listening to background information before entering positively into the spirit of open discussions. They engaged with the service, with the issues under consideration and with each other in discussing their ideas readily.

We thank BFRS for commissioning the project as part of its programme of consultation. We particularly thank the senior staff and officers who attended the sessions to listen to the public's views and answer questions. Such meetings benefit considerably from the readiness of fire officers to answer participants' questions fully and frankly.

At all stages of the project, ORS' status as an independent organisation engaging with the public as objectively as possible was recognised and respected. We are grateful for the trust, and we hope this report will contribute usefully to thinking about BFRS's future service planning at a time of serious financial constraints. We hope also that ORS has been instrumental in strengthening BFRS's public engagement and consultation through the focus group participants.



# The ORS Project Team

## Project Design and Management

Kelly Lock

Hannah Champion

## Focus Group Facilitators

Kelly Lock

Hannah Champion

Ciara Small

## Report Authors

Kelly Lock

Ciara Small

# Project Overview

## The Commission

1. On the basis of our long-standing experience with the UK fire and rescue service, ORS was commissioned by Buckinghamshire Fire and Rescue Service (BFRS) to undertake five focus groups across its service area (in Aylesbury, Buckingham, Chesham, High Wycombe and Milton Keynes).
2. The point or purpose of the deliberative sessions was to allow BFRS to engage with, and listen to, members of the public about some important issues - so that the participants would become more informed about the fire and rescue service and the current constraints upon it; but also so that the discussions around people's perceptions of risk and ideas about their Fire and Rescue Service could contribute to BFRS's planning for the future. BFRS's key priority was that this would be a 'listening and engagement' process at a very early stage in the organisation's thinking – to understand public opinions and to 'test' some very general ideas and principles.
3. This very early stage consultation programme conforms to the Gunning Principles, which require, above all, that consultation should be at a 'formative stage', before authorities make decisions. The same principles also require that people should be given sufficient information and time to consider the issues in an informed manner, and also that their views should be taken conscientiously into account by the authority.
4. In this context, ORS' role was to design, facilitate and report the consultation in November and December 2018. We worked in collaboration with BFRS to prepare informative stimulus material for the meetings before facilitating the discussions and preparing this independent report of findings.

## Deliberative Research

### Attendance and Representativeness

5. The focus groups were designed to inform and 'engage' the participants both with the issues and with BFRS – by using a 'deliberative' approach to encourage members of the public to reflect in depth about the fire and rescue service, while both receiving and questioning background information and discussing important issues in detail. The meetings lasted for two hours.
6. In total, there were 58 diverse participants at the focus groups. The dates of the meetings and attendance levels by members of the public were as overleaf:

AREA	TIME AND DATE	NUMBER OF ATTENDEES
<b>Buckingham</b>	<b>6:30pm – 8:30pm</b> <b>Wednesday 21<sup>st</sup> November 2018</b>	<b>12</b>
<b>Milton Keynes</b>	<b>6:30pm – 8:30pm</b> <b>Wednesday 21<sup>st</sup> November 2018</b>	<b>9</b>
<b>High Wycombe</b>	<b>6:30pm – 8:30pm</b> <b>Thursday 22<sup>nd</sup> November 2018</b>	<b>11</b>
<b>Chesham</b>	<b>6:30pm – 8:30pm</b> <b>Thursday 22<sup>nd</sup> November 2018</b>	<b>13</b>
<b>Aylesbury</b>	<b>6:30pm – 8:30pm</b> <b>Wednesday 5<sup>th</sup> December 2018</b>	<b>13</b>

7. The attendance target for the focus groups was around eight to 10 people, so the recruitment programme was successful. Participants were recruited by post and follow-up random-digit telephone dialling from ORS' Social Research Call Centre. Such recruitment by telephone is an effective way of ensuring that the participants are independent and broadly representative of the wider community. As standard good practice, people were recompensed for their time and efforts in travelling and taking part.
8. Overall, participants were a broad cross-section of residents from the local areas: for example, across the five groups there were 30 males and 28 females; the age range was fairly evenly split (16 x 16-34; 17 x 35-54 and 25 x 55+); and there were six people in attendance from a Black and Minority Ethnic (BAME) background.
9. In recruitment, care was taken to ensure that no potential participants were disqualified or disadvantaged by disabilities or any other factors, and the venues at which the focus groups met were readily accessible. People's needs were taken into account in the recruitment and venue selection.
10. Although, like all other forms of qualitative consultation, focus groups cannot be certified as statistically representative samples of public opinion, the meetings reported here gave diverse groups of people from Buckinghamshire and Milton Keynes the opportunity to participate. Because the recruitment was inclusive and participants were diverse, we are satisfied that the outcomes of the meeting (as reported below) are broadly indicative of how informed opinion would incline on the basis of similar discussions. In summary then, the outcomes reported here are reliable as examples of the needs and wants of diverse informed people reacting to the possible challenges facing BFRS.

## Discussion Agenda

11. ORS worked in collaboration with BFRS to agree a suitable agenda and informative stimulus material for the meeting, which covered all of the following topics:
  - Sources of worry and concern;
  - People's perceptions of risk and how they manage it;
  - Fire and other risk in Buckinghamshire and Milton Keynes;
  - The BFRS budget and future funding – and whether the Service represents value for money;
  - BFRS's governance;
  - Attitudes to response times; and
  - The issues and challenges facing BFRS and possible future strategies to meet them.
12. The questions were accompanied by a presentation devised by ORS and BFRS to inform and stimulate discussion of the issues - and participants were encouraged to ask any questions they wished throughout the discussions.

## The Report

13. This report concisely reviews the sentiments and judgements of focus group participants about BFRS and what they expect and desire of it. Verbatim quotations are used, in indented italics, not because we agree or disagree with them – but for their vividness in capturing recurrent points of view. ORS does not endorse the opinions in question, but seeks only to portray them accurately and clearly. The report is an interpretative summary of the issues raised by participants.

# Main Findings


## Introduction

- Overall, the five focus group sessions considered a wide range of important issues that are reported fully below. The report has been structured to address each of the areas of discussion in some detail. The views of the five meetings have been merged to give an overall report of findings, rather than five separate and rather repetitive mini-reports – but significant differences in views have been drawn out where appropriate.
- The report of findings is in two main sections – the first deals with people’s perceptions of risk as well as their general awareness and understanding of the FRS (without being given any significant background information), while the second deals with their judgements and expectations after being more informed and asked some challenging questions about policy. Both parts of the report are, of course, relevant to a fuller understanding of public views. It should also be borne in mind that these participants’ views were not influenced by any imminent local decisions: they had the luxury of thinking about important public policy issues without the constraint of worrying about changes in their immediate local services.

## Main Findings: Awareness and Perceptions

### Perception of risk

- As an introductory exercise, participants were shown the following slide and asked for their thoughts on: the biggest issues and risks facing them and their communities; whether they worry about these issues and risks; and if they do, what (if anything) they do to mitigate against them:

**Concerns and worries** 

**What are the biggest issues/risks facing ... ?**

**You**      **Your Community**

**Do you worry about these issues/risks?  
Why/why not?**

**If you do worry about them, what (if anything)  
do you do mitigate against them?**

- Many of the concerns raised across the groups related to political and financial uncertainty. For example, people said they were worried about: affordable housing shortages; job shortages; personal job security and unemployment; finances (including around personal pensions and the

money available for social care more generally); global political uncertainty; and Brexit. Cuts to local public services were also a concern for some.

*Cuts to public service. We are worried about police, anti-social behaviour, just cuts generally in public services. I think as a table we feel public services are dropping and it's a bit of a worry for the future. (Buckingham)*

18. Though there were concerns about affordable housing shortages, the actual impact of addressing this via significant housing growth was another worry across all groups - particularly in relation to safety fears and an apparent lack of corresponding infrastructure development in the form of traffic and transport, schools, medical services etc.

*Huge expansion. Milton Keynes is getting way too big in some areas. We're the biggest city, that doesn't have that status (Milton Keynes)*

*We used to feel safe in rows of houses where you could leave the door unlocked but that's certainly not the case anymore (Milton Keynes)*

*I think in greater Buckingham in general, a lot of the new housing estates have gone in on the fringes and there's the impact that has on wider infrastructure. The roads in and out of the area have been tricky, schools being able to cope with the uptake in the number of pupils and then things like the NHS, particularly doctors surgeries...just whether the town generally can really cope with the number of people that have been coming in. (Buckingham)*

19. Other common concerns and issues that are perhaps more relevant to the discussion were around: traffic congestion, roadworks and inconsiderate parking (and the impact of these on emergency services' response times); the increasing number of road traffic collisions and their consequences for emergency services; and the lack of infrastructure planning within new estates - again leading to inconsiderate parking and difficult access for emergency vehicles. Some of the many typical comments were:

*Traffic, council planning around roadworks and how that affects emergency vehicles response times and their ability to respond (Aylesbury)*

*How are response times going to pan out in the future with more and more traffic? (Milton Keynes)*

*Around where we are it's relating to parking...being in a village location with small roads and awful parking where fire engines and other emergency vehicles can't get through. It is not addressed in any way shape or form... (High Wycombe)*

*Congestion caused by extra houses in the area...the roads are getting all snarled up all the time...getting from A to B took twice as long as it did ten years ago (Chesham)*

*Roads are getting busier so there isn't the space for traffic to go. Accidents happen every day of the week somewhere. So the rescue aspect is as much of a consideration now as individual fire problems (Aylesbury)*

*I'm scared of the amount of road accidents that there are; they happen every day... (High Wycombe)*

*There must be more risks with car accidents and things like that rather than fire...as the population is growing is it a big element of resources? For me personally because I travel quite a lot that's quite a big thing.... (Buckingham)*

*New build estates are problematic for emergency vehicles getting down narrow roads...you have to squeeze past and that's during the day, in a small car (Aylesbury)*

*We didn't know if the FRS are involved in the planning of the new estates that are being built. Is access for emergency services taken into consideration? (Aylesbury)*

20. Few participants spontaneously raised fire risk as a concern, though one Milton Keynes participant had experienced a house fire and so had a heightened sense of awareness of the need to take precautions in the form of smoke alarms and escape routes - and one Chesham group member felt that having small children is another reason why a fear of fire may be more acute:

*House fires because of age and my mobility and comparably the escape routes compared with the security of the house... I was caught in a fire down in London and I'm very aware of it (Milton Keynes)*

*There is a worry about fire in the home; when I had young children and my husband is very careful we had a fire alarm on every wall, he was quite obsessed with it. We had a fire ladder which was under the stairs. But I haven't had small children in the home in a long time, so I don't really worry anymore. (Chesham)*

21. It was, however, widely discussed within the context of the focus group - with participants raising issues around: the dangers of 'cheap imports'; and intensified feelings of risk around, say, bonfire night and Christmas - and following a high-profile tragedy such as Grenfell:

*I think one of the risks from a fire perspective is the cheap imports, like phone chargers. Really understanding that they can be a real risk... (Chesham)*

*I think at certain times of the year it comes more to the forefront, like Halloween, bonfire night, Christmas. With Christmas lights I always think 'do I leave them on or turn them off' (Chesham)*

*With fire I don't think it's a risk you think about every day...you need something like Grenfell then everybody then starts thinking 'that could have been me' and you start thinking about some of the materials that were used that weren't certified or approved, and you think about it... (Buckingham)*

*I've just moved from one of the tallest buildings in London...I lived there when Grenfell happened. It's such a huge building, there was just one exit and so many people. It makes you realise how many people below you could affect our life.... (Aylesbury)*

22. On that note, while Grenfell was discussed at all groups, when asked whether they worried about something similar happening locally most agreed that it was unlikely given the relative lack of high-rise buildings across Buckinghamshire and Milton Keynes (though it did apparently prompt some even in a low-rise properly to be more safety-conscious) - and there was a sense that any fear that may have been felt immediately after the incident has, for most people, abated with time:

*Probably would be if you were in a high rise flat but there aren't many of them in the Buckingham area (Buckingham)*

*It's a bit of a worry but I don't think when you look a Chesham that there are enough large buildings to have that worry (Chesham)*

*I think it's made me more pro-active; check the fire alarms are working; that I've got a carbon monoxide detector. I'm more mindful at home and at work (High Wycombe)*

*For me, when the news said from one domestic appliance, that's how Grenfell happened, that made me think. But my worry has gone down again now. (Aylesbury)*

23. Similarly, terror attacks are typically a significant worry in the immediate aftermath of an incident, but less so in the long-term - except, understandably in the context of travelling into London. Even so, most people would not be deterred from visiting the city due to a perception that the risk of being caught up in an attack is actually very small, and through a sense of 'not letting the terrorists win':

*Because I commute to London every day, it is something that plays on my mind (Milton Keynes)*

*I'm worried about terrorism when traveling to London maybe... (Chesham)*

*It definitely worries me...but at the end of the day I don't want them to take over... (High Wycombe)*

*I feel more insulated and at less of a risk more than perhaps when I go to London. I want to support my local city but there are people who will say 'oh you're not going to London' and I think you can't have that attitude. You have to stand by not only your capital city, but the people who have to go there, who work there, who live there. So perhaps it is naive, but I feel we're not so much of a risk and it doesn't feel so immediate. (Buckingham)*

24. Indeed, many of the quotations above reinforce the point made in the High Wycombe group that what a person worries about is ultimately very much influenced not only by their personal circumstances, but also what happens to be in the public eye (and thus consciousness) at any given time:

*It depends on if it affects you personally. If it doesn't affect you, you're not going to worry about it. But if it's looming up in the future or it's affecting you at the moment then yes, you do worry about it. (High Wycombe)*



25. Furthermore, it was widely acknowledged that health and safety improvements mean that today's homes and public places are generally much safer than they used to be:

*It's not as bad as it used to be. Safety in houses, fuse boxes etc. is better... The risk isn't as great as what it used to be (Aylesbury)*

*In my father's day...he had sixteen plugs on the socket and the wiring was really old. But now most houses have got more up-to-date wiring and appliances have to be PAT tested, which make homes generally safer (High Wycombe)*

*I think health and safety generally has improved incredibly because if you go out to a function in the community, it's a public place and you get your five minutes of 'these are the exits and fire safety'. Twenty years ago you didn't get that...and nobody was actually aware of this. The facilities of public places are now much better and regulated better as well, which means people are safer. (Milton Keynes)*

### Working for BFRS

26. Participants were asked whether they had ever thought about working for the fire and rescue service. None had personally, but some mentioned family members or friends who are either now firefighters (one of whom had begun their career via the BFRS apprentice scheme) - or who had wished to join but had been unable due to blocks on recruitment or stringent entry requirements:

*When I was younger I worked in the leisure industry and when people get fed up of that they seem to think of the ambulance or fire...about seven of my friends have done it and they've stuck with it because they love it (Aylesbury)*

*My best friend went into an apprenticeship when she left school and she's now moved up to be a firefighter and she loves it (Aylesbury)*

*My son mentioned it for a few years but at the time he wanted to do it they weren't recruiting... (Chesham)*

*My son did think about it but at time they weren't taking any applications – this was a couple of years ago (Aylesbury)*

*My grandson in Kent wanted to become a retained firefighter but they weren't recruiting in that category, so he didn't get any further (Aylesbury)*

*There's a lad I know who wanted to join Bucks but they wouldn't let him in because of his eyesight; he was colour-blind. He reckoned he could join the London one because they weren't so stringent. He was desperate to join. (Chesham)*

### Awareness of risk

27. In order to investigate their background perception of fire risk in the community, participants were asked to 'guesstimate' the annual total death rate from fire related incidents across Buckinghamshire and Milton Keynes. Not surprisingly, many over-estimated the number – with

many estimates ranging between 2 and 400, and two people even putting the figure at 1,000! However, there were a few more accurate guesses of 'single figures'. People were pleased to know that the actual number is very low, with an average of less than four accidental dwelling fire deaths per year over the last five years.

28. When asked about the annual total death rate from road traffic collisions (RTC's) across Buckinghamshire and Milton Keynes again, many over-estimated the number – with many estimates ranging between 50 and 500, and two people again putting the figure in the thousands! The Chesham group was the only one in which a couple of participants guessed figures that were less than 100 (50 and 70; the actual figure is 29).
29. Participants were asked whether they considered the aforementioned figures to be acceptable and tolerable. Most said that while no death could ever be considered acceptable, life is inherently risky - and so some degree of tolerance is required inasmuch as it would be unrealistic to drive the already very low figures down even further, especially given the dangerous activity engaged in by some people:

*No death is acceptable is it, whether it's a fire or an accident. Obviously, we would all want them to be zero wouldn't we. But we don't live in society where everyone drives around wearing a seat belt or doesn't use a phone while driving (Chesham)*

*The lives we lead quite frankly that's the way it is. Surely you won't get it any lower? But I'm not saying that any death is acceptable cos it's not (Aylesbury)*

*It's not something that you could really ever totally prevent (High Wycombe)*

*To get those two to six fire related deaths how many rescues do you go to in that time? And for those 29 RTC deaths how many car accidents do you go to? It seems a lot but if you're going to a couple of thousand incidents... (Buckingham)*

### **Awareness/perceptions of BFRS**

30. When asked for their general impressions of BFRS, participants were universally positive. With respect to how these were formed, several participants in the Aylesbury group commented that they had seen the Service at local events; another had found them very 'approachable' during a home safety visit; and one said they attend the frequent road traffic collisions near their home 'very rapidly'. Some typical comments were:

*I think we see them in the community at different events and they reach out to try and join in (Aylesbury)*

*I filled in a survey at an event I went to and they came and fitted a smoke alarm and they looked at access points... It was very useful and they're very approachable (Aylesbury)*

*I live near a dangerous road there have been a couple of high-profile accidents. They are on site very rapidly; so a good impression. (Aylesbury)*

31. In the absence of direct contact, people were asked why they felt so well-disposed toward BFRS. The comments below suggest that they have a positive view of those who work in the emergency services more generally:

*I certainly have a blanket perception of people who work in public services...policemen, firemen... when I meet them I would shake their hand because there's something very noble about what they're doing in my mind... (Buckingham)*

*My impression is not particularly about Bucks but about fire services in general. My experience is you see the fire engines going, you see the guys in there. You think 'oh my god, the skill that they have to go do this thing that is really specialised'. It's not very deep or very knowledgeable but I just see the fire engines going down the road. I think they might have to deal with really horrific stuff. So it's a thumbs up, but I don't really know more. (Chesham)*

32. Participants were then asked how much they knew about BFRS and what it does. Knowledge was generally good: participants were aware that Service now attends a wide range of incidents in addition to fires - as well preventative and educational outreach work and inspecting commercial premises. Nonetheless, some at Buckingham felt the fire and rescue service has a lower public profile in comparison to the other emergency services (that is, the ambulance service and the police). Some typical comments were:

*When you get something like Grenfell, everybody recognises what a great job the fire service did, but then afterwards you don't because it's not quite so visual as the ambulance service or the police service. I don't think its quite as high profile as the other services (Buckingham)*

*I don't think they're as high profile as some of the other services. The ambulance service seems to be around a bit more and the police doing things like security marking. Perhaps it's because I don't go to enough of the big public events where they are. (Buckingham)*

33. It was suggested that BFRS should raise its profile through more public engagement events and/or a targeted social media campaign. The latter, it was felt, could prove more successful than more traditional methods (such as the leaflet distribution) in this day and age:

*I get the idea that there needs to be some kind of public engagement...but in other respects we don't want to have anything to do with you do we?! (Buckingham)*

*I would hazard to say you could spend the equivalent budget on a targeted social media campaign than on leaflets and you'd probably get a higher hit rate. (Milton Keynes)*

34. Perhaps unsurprisingly, when asked which aspects of the service were most and least important to them, 'saving lives' and the front-line response for which the FRS is known were most frequently mentioned as being important, whereas incidents such as lock-ins/lock-outs, lift rescues and 'rescuing cats from trees' were noted as less important.

35. When asked whether they knew where their nearest station was and how it was crewed, responses were mixed. Some were fully aware, whereas others were not. Interestingly, after the facilitator at

the Aylesbury group explained the on-call system, one person said *'we don't have those'* when there is, in fact, one on-call appliance at the station. Another in the group said that, in some respects, where they live is irrelevant as *'I know they'll come when I call them. I don't need to know where they're based'*.

36. The location of their local station was important to others, though. For example, one participant at Buckingham said that: *I don't lose sleep over it but it's comforting to know there is one at hand nearby.*

### BFRS Finances

37. When asked if they knew how BFRS is funded and how much they pay towards it, most participants across all groups knew that the two main sources of income are council tax and central Government.
38. In estimating how much each band D household pays per year for BFRS, participants' guesses varied widely from a relatively accurate £50-£60 - to £10 at the bottom end and £186 at the top (and many other figures in between!). The actual Band D charge of £62.70 a year was universally considered to be exceptional value for money:

*All you have to do is save me from a burning building...of course it's value for money*  
(Buckingham)

*As an insurance policy [it] isn't bad at all.* (Buckingham)

39. A couple of people commented at this stage that the fire and rescue service delivers a better level of service and value for money than some other public services:

*You don't hear the negative stories about the FRS. Hospitals; we're waiting four hours in A&E and a month to get an appointment with a GP* (Aylesbury)

*I think if you phone 999 and requested a fire engine it would turn up fairly swiftly. If you ring the police they do turn up, but the fire engine does turn up a lot quicker.* (Buckingham)

### Future challenges

40. In thinking about the current and future challenges facing the fire and rescue service at a local and national level, 'funding reductions' was the most frequent response. Some typical comments were:

*Politically, there is now this belief that services can provide the same, or a better service, with less money. It's done through the camouflage of tax cuts but it can't keep being chipped away at like this* (Buckingham)

*Central government is a challenge facing the fire and rescue service...it seems bonkers that they can keep cutting and cutting and cutting and stick their heads in the sand and think it will be fine and do more with less; that doesn't work forever* (Milton Keynes).

41. Participants were then given information outlining the other main challenges faced by the Service, namely: Buckinghamshire and Milton Keynes' ageing, diversifying and growing population; proposed infrastructure changes; and workforce issues. In response to this information, the following issues were raised.

### Demographic changes

42. Participants acknowledged that a growing and ageing population will place pressures on the fire and rescue service, and create additional risk:

*There are more people in the area which means more people possibly starting a fire, more traffic, more risk (Buckingham)*

*I think population growth is a key issue... How long do you continue to run a single pump before you hit a threshold? At some point that service will really be squeezed as the population expands. And that seems to be a theme across all emergency services. I think particularly with the fire and rescue service there will be a big threshold moment where they need new kit and stations. (Aylesbury)*

### Infrastructure

43. Participants shared concerns that major developments (such as HS2, the east-west rail and expressway links and the Cambridge to Oxford corridor) will increase stress on existing infrastructure and, together with the significant increase in housing stock, will have a negative impact on BFRS's response times:

*If this area keeps moving in the direction of being a major suburb of Milton Keynes, there needs to be more of a service because it will serve more people (Buckingham)*

*There's construction but no infrastructure in terms of roads. Where I live behind me there's sort of, housing and houses and you just think to yourself; how's another two thousand cars going to go on the London road? (High Wycombe)*

*How are fire and rescue going to get through rush hour traffic to get anywhere? (High Wycombe)*

*With all these new builds, for example, is there a radius where there has to be a fire station? I'm sure you've got targets where you've got to respond. (Aylesbury)*

## Workforce

44. When shown information on BFRS's workforce challenges, participants' instinctive reaction was that salaries should be increased to retain staff – but it was also said that BFRS should increase workforce diversity by targeting young people with fewer academic qualifications:

*If you want maintain a good quality of staff you have to increase salaries in line with inflation*  
(Buckingham)

*Are there things you or everyone can do to target children like my son who is not an academic child. He is going to struggle when he starts secondary school and he will fall into the background...I think you guys could do more to help and target those kind of children.*  
(Chesham)

## Attendance times

45. Participants were impressed with BFRS's urban area response time of a first appliance in attendance in under 10 minutes on over 90% of occasions - and were largely pleased with the fact this standard is met on 79% of occasions in rural areas. Though it was suggested that the latter figure could be improved, the cost-benefit of doing so was questioned:

*Given how rural and spread out Bucks is, I think the attendance time figures are very impressive; I think it's really good.* (Buckingham)

*It depends on what the cost would be it get the rural area response time up from 79% to 90%.*  
(Buckingham)

46. Most people had a fairly pragmatic approach to urban/rural attendance times, suggesting that those living in rural areas should naturally expect a lower response times than those in urban areas given their geographical location and relatively lower demand and risk levels. Some typical comments were:

*I think they have to be realistic* (High Wycombe)

*think If you buy a property in a rural area you expect it. It comes with living in a more desirable, quiet area* (Aylesbury)

*It would be impractical to expect the same level of response in a rural as an urban area and it wouldn't be an appropriate use of funding to have a fire engine in a rural area all the time when it's not going to be used very much* (Aylesbury)

*It has to be acceptable. The engines have further to travel and they have to find the place, which might be quite remote. And getting down farm tracks etc.* (Milton Keynes)

47. Ultimately it was suggested that: *if you can demonstrate the situation clearly...people will understand and accept the difference. Just looking at the numbers it looks like a big difference but if you can lay out the reality of the situation in terms of crewing systems, distance travelled, budget constraints then it'll make sense to them.* (Milton Keynes)

## Possible future strategies

48. Some possible strategies to meet future challenges were outlined to participants, using the following simplified options (which, it should be noted, were based on the assumption that BFRS would have done everything possible to make savings from 'back office' functions and that it would receive no additional money with which to provide services):

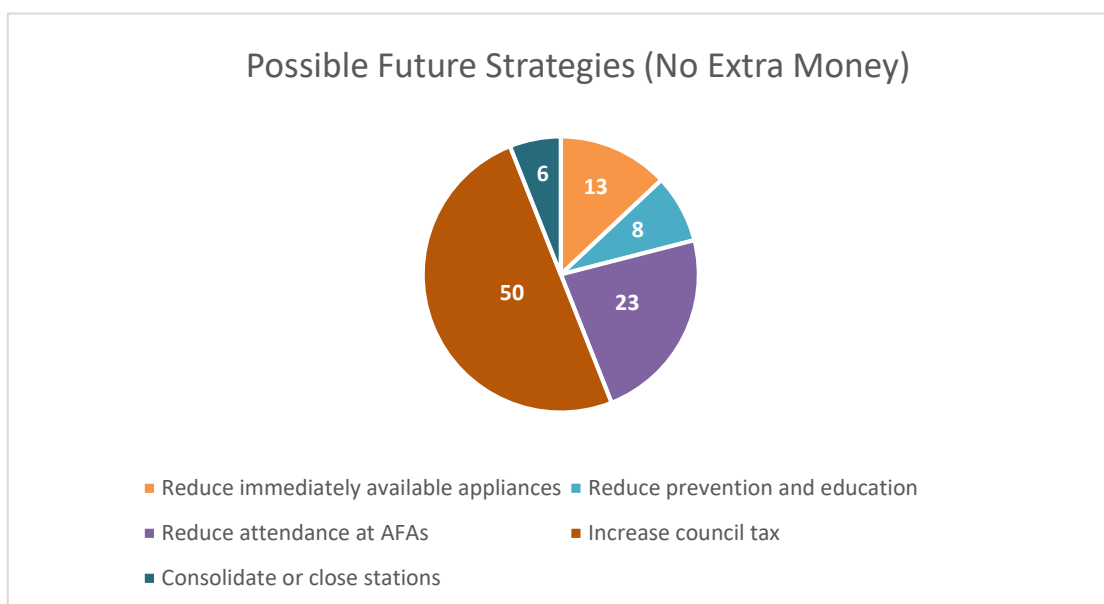
Reduce the number of immediately available appliances;  
 Reduce prevention and education activity;  
 Reduce attendance at or cease to attend automatic fire alarms;  
 Increase Council Tax beyond capped levels; and  
 Consolidate and/or close fire stations.

49. They were asked to allocate 100 points between the options, and the overall preference across the five groups was that BFRS should pursue increases in council tax (a one-off payment of £5 to increase the base charge was favoured) and reduce its attendance at or cease to attend automatic fire alarms. In relation to the latter, some comments were:

*If businesses know they're going to attend anyway – they won't fix their system (Aylesbury)*

*If there were something like a three strikes then you have to change to more efficient method of detecting fires...is that something you can enforce? (Chesham)*

50. There was also some support for reducing the number of immediately available appliances, but less for reducing prevention and education and consolidating and/or closing fire stations - though one participant at Buckingham did say that "consolidation can be understood on some level, but closures are not at all preferred".



51. There were some differences between areas: for example, there was slightly more support for consolidating and/or closing fire stations and reducing prevention and education activity at Buckingham (and correspondingly less for reducing the number of immediately available appliances); and over twice the level of support for reducing the number of immediately available appliances and far less for reducing attendance at or ceasing to attend automatic fire alarms at Milton Keynes.
52. Across most groups though, the preferred options were the same: that is, increasing council tax and reducing attendance at or ceasing to attend automatic fire alarms. In relation to the former though, there were some concerns at around affordability, especially if other services such as the police and local councils also choose to seek precept increases. Moreover, some said they were reluctant to pay more for a service that may (hopefully!) never use;

*Why should I pay for a thing I'll never use; it's not equal for me is it? (Chesham)*

*There are so many other organizations that want this extra £10 -£15 so where does it stop? £5 itself isn't a lot, but if you add everything else up. (Chesham)*

53. Participants were also asked to rank some other possible strategies in the event of BFRS receiving more money from Government or raising additional funds itself through increased council tax levels. The options were to:

Keep existing stations and assets;  
 Enhance protection (to be fit for the post-Grenfell environment);  
 Upgrade stations;  
 Recruit more firefighters;  
 Make on-call firefighting more attractive;  
 Ensure fairer urban versus rural service provision; and  
 Deliver additional services such as co-responding.

54. The overall ranking across all five groups was as follows, with participants expressing a strong preference for making on-call more attractive and retaining existing stations and assets - and least favouring the delivery of additional services such as co-responding and especially ensuring fairer urban versus rural service provision (which is perhaps unsurprising given the widespread acceptance that service levels will be different according to geographical location).

OPTION	RANKING
<b>Make on-call firefighting more attractive</b>	1
<b>Keep existing stations and assets</b>	2
<b>Recruit more firefighters</b>	3



<b>Enhance protection (to be fit for the post-Grenfell environment)</b>	4
<b>Upgrade stations</b>	5
<b>Deliver additional services such as co-responding</b>	6
<b>Ensure fairer urban versus rural service provision</b>	7

- <sup>55</sup>. Again, though, there were some differences between the groups. For example: there was more support for recruiting more firefighters and less for keeping existing stations and assets at both Chesham and Milton Keynes; there was less support for recruiting more firefighters and more for delivering additional services such as co-responding at Buckingham; and only at Aylesbury was making on-call firefighting more attractive not the preferred option – there they would prefer BFRS to keep its existing stations and assets and recruit more firefighters.

This page is left intentionally blank



# Buckinghamshire & Milton Keynes Fire Authority

<b>MEETING</b>	Fire Authority
<b>DATE OF MEETING</b>	13 February 2019
<b>OFFICER</b>	Julian Parsons, Head of Service Development
<b>LEAD MEMBER</b>	Councillor Roger Reed
<b>SUBJECT OF THE REPORT</b>	<b>Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services – Preparation Update</b>
<b>EXECUTIVE SUMMARY</b>	<p>On 20 December 2018, Her Majesty's Inspectorate of Constabulary and Fire &amp; Rescue Services (HMICFRS) published their first wave of reports on completion of the first of three tranches of Fire and Rescue Service (FRS) inspections.</p> <p>A summary of overall tranche one findings was also published and can be found at Appendix 1.</p> <p>The individual reports for each Service inspected can be found <a href="#">here</a>:</p> <p>[<a href="https://www.justiceinspectrates.gov.uk/hmicfrs/news/news-feed/frs-inspections-2018-19-tranche-1-service-press-releases/">https://www.justiceinspectrates.gov.uk/hmicfrs/news/news-feed/frs-inspections-2018-19-tranche-1-service-press-releases/</a>].</p> <p>The report's findings are summarised as follows:</p> <ul style="list-style-type: none"> <li>• Overall most FRS are operationally effective, with ten judged to be good and four requiring improvement.</li> <li>• Generally, FRS were effective in keeping the public safe, but the report detailed concerns over the way FRS regulate fire safety, with fire safety audits having almost halved (down 42 per cent) since 2010/11. In this respect, there were eight FRS requiring improvement and one Service was found to be inadequate, with many teams understaffed and under-resourced.</li> <li>• Half of the FRS were judged to be good at how they use resources to manage risk and how well they are using their resources to ensure they are affordable now and in the future. Five Services require improvement and one Service was found to be inadequate. The report also noted that some FRS carried very high levels of reserves that should be used to invest in things that will help them to become more efficient in the future. Inspectors found that some Services had outdated processes and systems in place that prevented staff being as productive as they</li> </ul>

	<p>could otherwise be.</p> <ul style="list-style-type: none"> <li>The area of greatest concern highlighted in the report was how staff were treated in FRSs. Only three were graded as good, with ten requiring improvement and one judged to be inadequate. A particular concern highlighted in the report, is an environment, in which inspectors were present, where insensitive and inappropriate language was used and in which they were told of autocratic and domineering behaviour by managers. The report emphasises that Services needed to significantly improve the organisational culture in which staff work, encourage diversity and develop talent to ensure that the public is better served.</li> </ul> <p>Officers are now examining the reports to see what lessons can be identified to help improve our services and also prepare for inspection.</p>
<b>ACTION</b>	Noting
<b>RECOMMENDATIONS</b>	That the report is noted.
<b>RISK MANAGEMENT</b>	There are reputational corporate risks to the organisation should we be graded as inadequate. The Service has already taken steps to mitigate this through having extensive internal and external audits of a number of areas of the Service. Notably, our operations have been subject to external independent assurance. Our Health, Safety and Wellbeing function has been independently audited by the Royal Society for the Prevention of Accidents and received a Gold Award.
<b>FINANCIAL IMPLICATIONS</b>	FRS are not funded for the burden and preparation resource implications of HMICFRS visit, nor is the Service charged. This round of inspections is funded by the Home Office. The Police are top sliced from their government grants to fund the HMICFRS inspections of Constabulary. There has been no mention yet that this might be a future funding model for the inspection of FRS.
<b>LEGAL IMPLICATIONS</b>	The powers of inspection of FRS are established by the Policing and Crime Act 2017. There is no contractual relationship between BFRS or HMICFRS. There are no specific legal functions or liabilities anticipated at this time.
<b>CONSISTENCY WITH THE PRINCIPLES OF THE DUTY TO COLLABORATE</b>	Though this is something each Service has to plan and deliver individually, officers have been working on our approach in consultation with our Thames Valley FRS partners and with 'peer' support from Thames Valley and Gloucestershire Police Forces.

<p><b>HEALTH AND SAFETY</b></p>	<p>There are no Health, Safety or Wellbeing implications anticipated. This area is subject to inspectorate scrutiny.</p>
<p><b>EQUALITY AND DIVERSITY</b></p>	<p>There are no Equality and Diversity implications expected as part of the preparation process. However, performance in this area is subject to inspectorate scrutiny and assessment.</p>
<p><b>USE OF RESOURCES</b></p>	<p>A preparation plan was devised for the Service and presented to the Fire Authority on 14 February 2018. The preparations for HMICFRS are being led by the Head of Service Development.</p> <p><b>Communication with stakeholders;</b> A Stakeholder engagement exercise has been carried out and points of communication with Members and staff has been programmed into the preparation plan.</p> <p><b>The system of internal control;</b> Specific areas identified for service improvement have been identified through a number of workshops. These are being captured in relevant departmental plans and in the Operational Assurance Plan. These will be reported on in the usual way and ultimately to the Overview and Audit Committee.</p> <p><b>The medium term financial strategy;</b> No implications for the strategy are identified at this time. There may be future implications depending on the long-term funding model for HMICFRS.</p> <p><b>The balance between spending and resources;</b> No new human resources have been identified as being required to prepare for inspection. The Corporate Planning Manager is overseeing preparation of evidence gathering with support from the Service’s Business Continuity and Resilience Manager. The Viper system has been designed to capture evidence on an ongoing basis. This allows managers to provide evidence as part of their usual reporting process. Further scrutiny of progress towards the delivery of the corporate plan is provided by the Performance Management Board.</p> <p>The ethos of the Service will be to continue to deliver the Service’s vision and strategic aims and gather the relevant evidence for the HMICFRS on a business as usual basis rather than an extra burden.</p> <p>While we develop an understanding of the inspection process and monitor the experience and effect on other Services we will revisit the resourcing needs.</p> <p>We have identified that preparations for aspects of the new Public Safety Plan (PSP) due in 2020 need to be closely aligned with preparations for the HMICFRS. This is reflected in the plan.</p>

<p><b>PROVENANCE SECTION &amp; BACKGROUND PAPERS</b></p>	<p><b>Background</b></p> <p>Chapter four of the Policing and Crime Act 2017 established the legal framework for the inspection of English Fire and Rescue Services. Wales and Scotland have their own mechanisms for assuring Services. The Home Office subsequently awarded a contract to Her Majesty’s Inspectorate of Constabulary and consequently they changed their name to Her Majesty’s Inspectorate of Constabulary and Fire and Rescue Services.</p> <p>Our preparation plans together with our response to HMICFRS’ consultation on the inspection methodology was presented to, and considered at, the 14 February 2018 Fire Authority meeting (see pages 131 – 162):</p> <p><a href="https://bucksfire.gov.uk/files/9615/1782/8239/FIRE_AUTHORITY_AGENDA_AND_REPORTS_140218-min.pdf">https://bucksfire.gov.uk/files/9615/1782/8239/FIRE_AUTHORITY_AGENDA_AND_REPORTS_140218-min.pdf</a></p>
<p><b>APPENDICES</b></p>	<p>Appendix 1: Fire and Rescue Service Inspections 2018/2019: Summary of Findings from Tranche 1</p>
<p><b>TIME REQUIRED</b></p>	<p>10 Minutes</p>
<p><b>REPORT ORIGINATOR AND CONTACT</b></p>	<p>Stuart Gowanlock – Corporate Planning Manager  <a href="mailto:sgowanlock@bucksfire.gov.uk">sgowanlock@bucksfire.gov.uk</a>                      01296 744435</p>

# Fire and Rescue Service inspections 2018/19

Summary of findings from Tranche 1



# Contents

Foreword	2
Summary and main findings	4
Effectiveness	4
Efficiency	12
People	16
How we inspect	21
National context	23
<b>Effectiveness</b>	<b>28</b>
How effective are the services at keeping people safe and secure?	29
Understanding risk	29
Preventing fires and other emergencies	33
Protecting the public through the regulation of fire safety	39
Responding to fires and other emergencies	44
Responding to national risks	50
<b>Efficiency</b>	<b>52</b>
How efficient are the services at keeping people safe and secure?	53
Using resources to manage risk	55
Planning a sustainable model for now and the future	58
<b>People</b>	<b>62</b>
How well do the services look after their people?	63
Values and culture	63
Training and skills	65
Fairness and diversity	66
Leadership and capability	69
Definitions and interpretations	71
Annex A – About the data	76
Annex B – Tranche 1 judgments	80



# Foreword

This report sets out the findings from our first tranche of inspections of fire and rescue services in England.

It is important to emphasise that this report is only based on our findings from 14 fire and rescue services – less than a third of the sector in total. So it doesn't give a complete national picture of how fire and rescue services are doing; it is only a reflection of what we have inspected so far. We will need to see more before we can reach conclusions that apply nationally.

## **Most fire and rescue services are good at responding to emergencies**

This is the first time in 12 years that the fire and rescue sector has been independently inspected. The tragedy at Grenfell Tower brought into sharp relief for the public how important the fire and rescue services are in keeping them safe.

We pay tribute to the bravery and dedication of firefighters, and the broader fire and rescue workforce, day in, day out. The public hold them in high regard; this message came through loud and clear in our public perception survey.

We designed our inspection methodology to focus on the things that matter most to the public. We assessed how well fire and rescue services prevent fires and other emergencies, protect the public through the regulation of fire safety and respond when the public need help.

Overall, we found most of the fire and rescue services we inspected are good at providing these services. In particular, the ability of fire and rescue services to respond to emergencies is the thing the public care about most; the sector deserves great credit for doing this well.

## **Protection, efficiency and diversity are areas of concern**

Fire and rescue services provide education, business support and if necessary, use enforcement powers to make premises as safe as possible. This helps to protect people, property and the environment by preventing fires from occurring in the first place or limiting the effects of fires when they do occur. Protection work was an area of concern in our inspections.

We found that, too often, it is under-resourced and not always as effective as it could be. In many of the fire and rescue services we inspected, budget reductions have disproportionately fallen in protection teams. Services told us they are struggling to recruit, train and retain staff with the specialist skills they need to carry out the more complex technical protection work. This means that important protection work to improve standards of fire safety in premises such as hospitals and care homes isn't always being done as often as it should.

We went into our inspections hoping to find modern organisations that have transformed themselves because of austerity. What we found instead, in half of the services we inspected, was outdated technology, under-investment and lack of proper resourcing to risk. Fire and rescue services will continue to face difficult financial circumstances in the future and need to be prepared for this.

We have concerns about how some fire and rescue services support their staff. Our inspectors found some disappointing practices in this respect. We also found a striking lack of diversity in fire and rescue workforces. Too often services do not have the networks or structures to give people who are different a voice in the organisation. This needs to get better.

Having worked with leaders of the fire and rescue service over the last 18 months, I have every confidence they will respond to our findings. I know they will work together, through the National Fire Chiefs Council, to bring about the improvements needed to make sure the public are well served by fire and rescue services, and the people who work there are well looked after.



**Zoë Billingham**

HM Inspector of Fire and Rescue Services

# Summary and main findings

We answer three principal questions through this inspection of fire and rescue services:

- How effective is the service at keeping people safe from fire and other risks?
- How efficient is the service at keeping people safe from fire and other risks?
- How well does the service look after its people?

These questions are the three pillars of our inspection. We gave each service a graded judgment for each pillar and a graded judgment for the diagnostic questions that sit beneath each pillar question.

## Effectiveness

### Overall most fire and rescue services are operationally effective

Our inspection found that most fire and rescue services we inspected are effective at keeping people safe from fire and other emergencies. This pillar consists of five questions which cover:

- understanding risk;
- preventing fires;
- protection through regulation;
- responding to fires and other emergencies; and
- preparing to respond to national incidents.

Overall we judged ten services to be good and four as requiring improvement. In arriving at the overall effectiveness judgment, we examined a range of operational practices, including: fire prevention; protection through regulation; emergency response; and responding to national risks.<sup>1</sup>

We commend all those employed by fire and rescue services for working to keep the public safe and performing acts of considerable bravery when the public need them most. Fire and rescue services need to train, equip and support all those work for them to do this important work. This is reflected in how we graded fire and rescue services in relation to their ability to respond effectively to fire and other emergencies. We graded 11 services as good at responding to fire and other emergencies. Two services require improvement and one service was graded as inadequate.

---

<sup>1</sup> See '[How we inspect](#)' section for more information.

## **But we have significant concerns about protection**

We are concerned to find that eight out of 14 services require improvement and one is inadequate in the way they protect the public through the regulation of fire safety. All fire and rescue services must promote fire safety, which includes fire prevention. This means they should conduct audits, to ensure that the people responsible for fire safety in buildings comply with fire safety legislation. And they should, where necessary, use available legal powers to enforce fire safety legislation.

The consequences of long-term under-investment in this critical area are too often evident. Protection teams often are not given a sufficiently large share of the service's resource to do their work. We saw this reflected in the 42 percent reduction in the number of fire safety audits over the last seven years. In the 12 months to 31 March 2018, services across England conducted 49,423 fire safety audits. This has decreased by 42 percent when compared with the 12 months to 31 March 2011, where 84,575 fire safety audits were carried out.

There has been a shift towards engaging with businesses rather than using legal powers, because of the *Regulators' Code*<sup>2</sup> published in April 2014. While engaging with business is an important part of the protection work fire and rescue services do, it should not come at the expense of using enforcement powers when they are necessary to keep the public safe.

## **Understanding risk to keep the public and firefighters safe**

Fire and rescue services have to maintain more response capacity within the organisation than is used by the public every day. This is so they can respond to major incidents as and when they occur and meet their local attendance standards. The *Fire and Rescue National Framework for England*<sup>3</sup> requires services to understand the risks the public face and allocate their resources according to those risks. In other words, fire and rescue services need to ensure that sufficient firefighters and equipment are available to respond to fires and other emergencies at the times, and in the places, where they are most likely to occur.

### **Most services have a good understanding of local risk**

Most of the fire and rescue services we inspected are good at understanding risk in their local areas. For example, they know where vulnerable people live and have identified where high-risk premises are located, such as waste plants and chemical factories. Each fire and rescue authority must publish an integrated risk management plan (IRMP) covering at least a three-year time span. The IRMP is the statement to the public about how the service and authority will manage risks the public face in its area. And it should say how the service proposes to allocate its resources according to the risks it identifies.

---

<sup>2</sup> *Regulators' Code*, Better Regulation Delivery Office, April 2014. Available from: [www.gov.uk/government/publications/regulators-code](http://www.gov.uk/government/publications/regulators-code)

<sup>3</sup> *Fire and Rescue National Framework for England*, Home Office, May 2018. Available from: [www.gov.uk/government/publications/fire-and-rescue-national-framework-for-england--2](http://www.gov.uk/government/publications/fire-and-rescue-national-framework-for-england--2)

While the fire and rescue authority is responsible for publishing the IRMP, the fire and rescue service, under the leadership of the chief fire officer or chief executive, is responsible for operational activity. Chief fire officers are not afforded the same operational independence provided to chief constables. An equivalent provision for fire and rescue, as with the police, may help clarify who is responsible for what. And it could help chief fire officers and authority members work together to modernise the fire and rescue service.

### **Services could improve how they engage with communities**

While all the fire and rescue services we inspected have published an IRMP, the quality, quantity and timeliness of the information contained within them varies significantly. Services could improve the way they model and predict risk, and how they explain these risks to the public.

We would particularly like to see fire and rescue services improving the way they use this information to determine allocation of resources across the organisation according to risk. For example, each service should make sure there are enough people working in their protection team so they can visit all high-risk premises within a reasonable period of time. Services could also do more to engage consistently with communities. This would help build the public's understanding of risk and manage their expectations of the fire and rescue service. We welcome the work of the National Fire Chiefs Council (NFCC) through the community risk programme to support this improvement.

### **Some fire and rescue services could handle site risk information better**

It is essential that fire and rescue services collect risk information from high-risk sites. This intelligence helps them fight fires and carry out rescues safely.

We found that site risk information is generally collected effectively and made available to operational crews responding to emergencies on mobile data terminals (MDTs). However, we did find some services that need to make risk information available to crews more quickly. In some services MDTs didn't always work. And in other cases, the right information wasn't being made available quickly enough to crews.

## **Preventing fires and other emergencies**

We graded nine services as good at preventing risks of fires and other emergencies. Five services require improvement.

### **Fire and rescue services are generally targeting prevention work at those who need it most**

Home fire safety checks are just one of the methods fire and rescue services use to help reduce the risk of fire and other emergencies in the community. These checks involve fire and rescue service staff visiting someone at home to give them fire safety advice and either fit or check their smoke alarms.

In the 12 months to 31 March 2018, services carried out 576,040 home fire safety checks. The number of checks carried out has reduced slightly (590,198 were completed over the same timeframe in 2017). But we found evidence that in the majority of services, prevention work is targeted at the people who need it most.

People most at risk of dying in fires are smokers, older people, people with disabilities and those with alcohol dependency. Fire and rescue services use data, including health data, to identify people who most need prevention activity and to make sure those people get support. This could include someone living alone who is dependent on alcohol and is unable to fit their own smoke alarms.

We also found good evidence of fire and rescue services working with other public-sector organisations, such as housing services, to exchange relevant information about people who need support and make sure they receive a visit from the person best placed to help them.

Fire and rescue services are running prevention campaigns – including those promoted by the NFCC and the Home Office – relating to issues such as water safety and road safety. Every service we inspected hosts open days or community days which the public like and find useful. Our public perception survey shows that 16 percent of respondents had had contact with their local service in the past 12 months. Most commonly (5 percent of respondents), people saw them at a community event or open day.

Some services are evaluating the benefit of prevention work themselves or with help from academic institutions, but many are not. All fire and rescue services should evaluate their prevention activities to establish the effect they are having. This will also help make sure resources are targeted where they are needed most.

### **Specialists are more confident in carrying out prevention work**

Unsurprisingly, dedicated prevention teams are more confident and competent than operational crews when carrying out prevention work. Prevention work includes traditional home fire safety checks as well as welfare or ‘safe and well’ checks.

Operational crews are confident and competent in carrying out traditional home fire safety checks. But prevention specialists described feeling more confident in their ability to:

- talk to people from a diverse range of backgrounds;
- discuss sensitive matters, such as alcohol use and stopping smoking; and
- identify someone whose behaviours, circumstances, or health condition might make them vulnerable to fire and other risks.

Fire and rescue services should make sure all staff carrying out prevention activities can provide a full range of prevention support and advice to the whole community they serve.

### **Protection through the regulation of fire safety**

Five services are good at protecting the public through the regulation of fire safety. Eight services require improvement and one service is inadequate in this area.

In discharging their statutory responsibilities, fire and rescue services provide education and business support and, if necessary, use enforcement powers to make premises as safe as possible. This helps to protect people, property and the environment by either preventing fires from occurring in the first place or limiting the effects of fires when they do occur.

Fire and rescue services must carry out a range of protection activities to meet their statutory duties. These include:

- responding to local authority planning application consultations;
- conducting audits, to ensure that the people responsible for fire safety in buildings comply with fire safety legislation; and
- using enforcement powers where necessary to ensure compliance with fire safety legislation.

Fire and rescue services have a range of legal powers available to use if a building owner fails to comply with fire safety regulations.

The tragic fire at Grenfell Tower in June 2017 brought a renewed focus on fire safety. The independent review of building regulations and fire safety, led by Dame Judith Hackitt, assessed the effectiveness of current building and fire safety regulations and related compliance and enforcement issues.<sup>4</sup> The concerns we have identified in protection have been reflected nationally in this review, of which fire and rescue services are just one part.

### **Protection teams are understaffed and under-resourced**

We are concerned that eight services require improvement in the way they protect the public through the regulation of fire safety, and one service is inadequate in this area. Many of the protection teams we spoke to describe themselves as understaffed and under-resourced. Some fire and rescue services we inspected told us they are struggling to recruit, train and retain staff with the specialist skills they need to carry out the more complex technical work. Protection teams are not often given a sufficiently large share of the service's resource to do their work.

Fire and rescue services are free to define what constitutes high-risk premises – there is no national definition of this. This means that in different areas of the country, the public may receive different levels of fire safety protection because of the way the service defines risk. All too often, we saw evidence of services planning their risk-based inspection activity based on staff availability to carry out the work rather than the actual level of risk posed to the public. We also saw that the work services have committed to doing isn't always being done in practice. Too often, protection teams aren't equipped to carry out the level of work needed.

---

<sup>4</sup> *Independent Review of Building Regulations and Fire Safety – terms of reference*, Ministry of Housing, Communities & Local Government, 2017. Available from: [www.gov.uk/government/publications/independent-review-of-building-regulations-and-fire-safety-terms-of-reference](http://www.gov.uk/government/publications/independent-review-of-building-regulations-and-fire-safety-terms-of-reference)

## **Most services have moved to compliance through engagement, rather than enforcement**

Fire and rescue services audit those responsible for premises to ensure they comply with fire safety legislation.<sup>5</sup> Many fire and rescue services see formal enforcement as a last resort, and the exercise of enforcement powers varies from service to service. If all other work to ensure fire safety compliance fails, fire and rescue services have the powers to prosecute building owners. Some services haven't used their prosecution powers for over two years.

Most services said they had moved from enforcement to focusing on engaging with businesses to increase fire safety compliance. This shift in focus came about because of better regulation advice from the government.<sup>6</sup> We are pleased to see many services working with businesses and providing seminars to promote fire safety. But if fire and rescue services choose to focus only on engagement, they will struggle to keep up the skills and competence they need to use the full range of enforcement powers.

## **Responding to fires and other emergencies**

We judged 11 fire and rescue services to be good at responding to the risk of fires and other emergencies. They arrive quickly when the public need them, with skilled and trained firefighters who do their best to help people.

However, we are very concerned that two services require improvement in this area and one service is inadequate. The services that need to improve in this area can still respond to calls from the public, but the speed and quality of their response could improve. We have returned to the services we had concerns about and are pleased to see they are already putting improvements in place.

A prompt response to an emergency gives those affected a better chance of surviving an incident. If crews arrive quickly, they can limit the spread of fire and reduce damage. This means that a service needs to have a good understanding of risk and current risk information to make its response as effective as it can be. For example, it needs to know where hazards such as gas cylinders are located and how to access fire hydrants.

### **Response times are varied**

Each fire and rescue service sets its own response time standards. Services also have different ways of measuring those standards. The set emergency response times vary from service to service according to geography, demography and risk. It is understandable why there will be differences in, for example, the set response times in urban versus rural locations. However, it is also the case that very similar towns, cities and villages across England may have different set response times, depending on the decisions taken by individual fire and rescue authorities.

---

<sup>5</sup> All fire safety legislation in England and Wales is gathered under the Regulatory Reform (Fire Safety) Order 2005. See: [www.legislation.gov.uk/ukxi/2005/1541/contents/made](http://www.legislation.gov.uk/ukxi/2005/1541/contents/made)

<sup>6</sup> *Regulators' Code*, Better Regulation Delivery Office, April 2014. Available from: [www.gov.uk/government/publications/regulators-code](http://www.gov.uk/government/publications/regulators-code)



## **Firefighters have the right equipment and training**

In every service we inspected, firefighters told us they had the right vehicles and equipment to do their job. Firefighters are confident in their ability to respond effectively, thanks in part to regular learning and training which is well managed in most of the fire and rescue services we inspected. This is reassuring and a sign that leaders prioritise the safety of their workforce.

Most services we inspected have either already adopted or are in the process of adopting national operational guidance. The national operational guidance exists to improve standards of operational activity and ensure operational crews – including control room staff and firefighters, regardless of their location – act in a safe and consistent way.

## **Most fire and rescue services have well-trained incident commanders**

Every incident is overseen by an incident commander. The commander is responsible for keeping the public and the operational crews safe during the response.

We talked to incident commanders about their knowledge of how to command an incident. As part of this, we also examined important aspects of the national operational guidance such as ‘operational discretion’. We found that most fire and rescue services have well-trained and knowledgeable incident commanders who are ready to lead operational teams. The more senior the incident commander, the better their knowledge about what to do when commanding an incident.

Given that the first commander at a scene is unlikely to be a senior incident commander, services should make sure all incident commanders have a sound working knowledge of what is expected of them.

## **Fire and rescue services need to match availability to risk**

Services need to determine the appropriate level of response they make available according to the risk to the community. Demand for services varies throughout the day and depends on the demography of the area. Fire and rescue services in England are most likely to attend a fire between 7pm and 8pm (8.8 percent of the fires services attend). The time when people are most likely to die in a fire is between midnight and 1am (in the year ending 31 March 2018).

Fire and rescue services don’t collect consistent data about fire engine availability. This makes it difficult to compare service to service. Some services vary the level of availability they aim to provide according to the time of day or day of the week, while others aim to offer a single level of availability regardless of the day or time.

Fire and rescue services need to make sure that the level of availability promised to the public is designed to meet the known risks in the area. Many of the fire and rescue services we inspected told us they struggle to maintain availability of engines crewed by on-call firefighters. We will return to this issue in the next tranche of inspection reports.

We found many fire and rescue services have reduced the numbers of firefighters riding on fire engines. This reduction is intended to reduce costs while maintaining an appropriate ability to respond. Some services have experienced success in varying their response availability at different times of the day to different types of risk, with firefighters crewing a range of fire engines to match fluctuating resources to risk changes. We talk more about workforce reform in the efficiency section.

### **The effectiveness of learning varies considerably**

All fire and rescue services we inspected conduct operational debriefs of large and small-scale incidents to review performance and promote learning. But the effectiveness of this debrief process varies considerably between services.

Good fire and rescue services have systems and processes in place to make sure that useful learning is provided across the organisation. For example, some services pass on learning to the whole service through alerts and flashes. We saw the benefits of this in the way operational learning helps influence training provision.

Fire and rescue services that require improvement in this area do conduct debriefing exercises after incidents, but the learning from these debriefs tends to stay only with those who had been involved in the incident. This limits the ability of those who work for the fire and rescue service to learn, improve and stay safe in the face of changing threats.

In contrast, we found that most fire and rescue services can show how they learn from national incidents and events. Services have a clear desire to exchange information and learn from each other to improve the way they respond to national incidents and can do so through the NFCC national operational learning system.

### **Responding to national risks**

All fire and rescue services we inspected are good at responding to national risks. We examined how well prepared services are to respond to national risks and their ability to work with other fire and rescue services, and other emergency services during a national incident.

#### **Most fire and rescue services are ready for large-scale incidents**

The fire and rescue services we inspected are well practised and prepared for large-scale and national incidents, such as flooding or terrorist attacks. The only exception is Isles of Scilly FRS, which does not have a national response requirement. The services we inspected understand how to access both support from neighbouring services and national equipment, such as high volume pumps, in times of need.

When we spoke to people who work with fire and rescue services, such as within the police and ambulance services, they were very positive about the role fire and rescue services play in testing and exercising contingency plans for large-scale incidents.

We also found that most services have good access to risk information held by neighbouring services. This would help them to work safely in the event of a national risk.

## Efficiency

### **Fire and rescue services could be more efficient**

We graded over half (eight) of the fire and rescue services we inspected as good for efficiency. This pillar consists of two questions:

- how well the service uses resources to manage risks; and
- how well the service is using resources to ensure the service it provides is affordable now and in the future.

Five of 14 services require improvement in the way they use resources to manage risk; we found one service to be inadequate. Ten out of 14 services are good at securing an affordable service now and in the future.

Almost everyone we spoke to described the difficulties of working through austerity. We saw how austerity has reduced some of the protection activity and, to a lesser degree, the prevention activity carried out. We also saw poor investment in technology. Most of the emergency response teams told us they feel well equipped and can meet the demands of the public. We did, however, hear complaints that resources are being allocated in a way that is not proportionate to risk, with response teams being well resourced but protection teams struggling to do what's required in some services.

We saw evidence of proportions of annual budgets left unspent and vacancies unfilled. We also saw outdated and possibly costly resourcing decisions, such as having a cook on every station or using fax machines to communicate daily information about the availability of firefighters.

We will report on this in more detail when we have inspected a larger proportion of the fire and rescue services in England. Our current sample may not represent what is being done elsewhere.

### **Fire and rescue services need better financial data**

All fire and rescue services would benefit from better access to accurate and robust financial data that is consistent across services. Fire and rescue services governed by county councils can't always understand their true costs because support functions (and therefore costs) are part of the operations of the wider county council.

We are working with the Chartered Institute of Public Finance and Accountancy and the sector to address these problems for 2019. We hope to see better financial data by September 2019.

## Allocation of resources to risk

Fire and rescue services need to determine how to use resources available to them and how to make sure the allocation of resources helps to reduce risks to the public. This means making sure that appropriate resources are available across the range of responsibilities including response, prevention and protection.

### **Services aren't always resourcing based on risk**

All too often, we found services deploying staff to activities in the same way they always have. But this may not be appropriate where fire and rescue services are facing new and emerging risks and now have fewer staff than before.

Good fire and rescue services explain in their IRMPs what they see as an organisational priority (based on an effective assessment of risk to local communities). They are then able to allocate the right number of staff to prevention, protection and emergency response duties. Good services can show how they use risk information to shift resources to areas of highest risk and can explain their rationale for doing so. We also saw evidence that services are exploring new ways to increase the productivity of their workforces. For example, some are managing risk and improving efficiency through new crewing arrangements or shift patterns.

But we also found fire and rescue services that weren't clear how many people they need. And we saw services basing workforce planning on factors other than risk. For example, we saw plans that aim to maintain the same number of firefighters each year.

Good fire and rescue services make sound use of all their people and allocate work so that staff can work across response, prevention and protection. For example, some services have their fire crews carry out home fire safety checks while also being able to respond to emergencies. This is an effective use of time when crews aren't responding to emergencies but need to be available to do so.

### **Most services need to evaluate better the benefits of collaboration**

All of the fire and rescue services we inspected are participating in some form of collaboration, whether with other fire and rescue services or with other public-sector organisations. Collaborations range from sharing buildings to fully collaborative functions such as shared control rooms.

Fire and rescue services are using collaboration as an opportunity to reduce costs and improve services to the public. The North West Fire Control centre – an arrangement that serves four services and is overseen by the relevant local authorities – has led to improved mobilisation of fire engines. This helps make sure the public gets the engine that will arrive quickest, regardless of county boundaries.

Most fire and rescue services could, however, improve the way they evaluate the benefits of their collaborative efforts. All too often, services didn't know what benefits (including financial savings) they were getting out of collaboration.

## Securing an affordable future

### Using financial reserves

We reviewed evidence that fire and rescue services have planned how to use their reserves and that the reserves will be used to help the sustainability of the service in the future.

We found some fire and rescue services with very high levels of reserves. Financial reserves held by the 28 standalone fire and rescue authorities increased by 80 percent to £545.1 million between 31 March 2011 and 31 March 2018. This is equivalent to 42 percent of their main spending power in March 2018.<sup>7</sup> Fire and rescue services should be using reserves to invest in the things that will help them to be efficient in the future. Examples include innovative technology and buildings located in the right places for the service to respond to risks.

While most fire and rescue services use their reserves appropriately, a small number of those we inspected are using reserves to pay for new staffing models without a longer-term sustainable funding plan. We also saw reserves being used to pay for stations that have been earmarked for closure (because the community would be better served by stations elsewhere). Services need to be sure that reserves are being used appropriately and are helping to modernise the way people work to protect the public.

### Scenario planning for the future needs to improve

Along with all other public-sector organisations, fire and rescue services have had their budgets reduced over the last eight years. Future financial settlements are likely to remain difficult. As such, service leaders should be planning for a range of financial scenarios now. This will make sure they can continue to provide a good service to the public even if their budgets do not increase, or reduce further.

We were surprised to find several services with very limited financial planning in place beyond 2020. If service leaders are to understand the potentially tough decisions they may need to make to reduce costs further, the planning work needs to start now.

### Workforce modernisation and reform isn't always evident

Given the reductions in budgets over the last eight years, we expected to see modernisation of working practices and workforce reform to address those problems. Also, times have changed, and fire and rescue services have a vital role to play with other emergency services in responding to threats such as terrorist attacks.

In many fire and rescue services, that modernisation and reform isn't evident. Services are continuing to do what they have always done, with less resource. Service leaders told us about barriers to reform and modernised working practices. They said these barriers include complex negotiating machinery and the strength of the Fire Brigade Union's ability to protect its members' jobs.

---

<sup>7</sup> *Fire and Rescue Authority financial reserves: March 2018*, Home Office, November 2018. Available from: [www.gov.uk/government/publications/fire-and-rescue-authority-financial-reserves-march-2018](http://www.gov.uk/government/publications/fire-and-rescue-authority-financial-reserves-march-2018)

## **Too often, staff are using outdated systems**

Although most fire and rescue services have invested in technology to improve the way their staff operate, we are very concerned that too often staff are using antiquated, unreliable or, at worst, paper-based systems to transfer vital information. Staff described to us their frustrations at having to use poor technology or paper-based systems. They told us it made them less productive.

We are even more concerned that on occasions firefighters are attending incidents without access to all the information that might help keep them, and the public, safe. Fire and rescue services need to make use of available technology and invest now to make sure their workforces are safe, and the public are well protected.

## **Some services are actively exploiting external funding**

Fire and rescue services can generate income. We note the work many services have done to generate extra income that can be invested in improving how they keep the public safe. Six of the services we inspected are actively exploiting external funding and income generation opportunities. Examples include:

- providing vehicle maintenance to a neighbouring service;
- providing training to the public, county councils and private businesses; and
- charging for CCTV monitoring.

In a small number of fire and rescue services, we are concerned that, on occasions, these activities are prioritised over primary duties. For example, staff are sometimes dedicating time to generating income instead of carrying out statutory duties such as fire protection work.

## People

The third pillar against which we inspected is how well the service looks after its people. This includes how well they train, manage, treat and support the people who work for them.

Overall, we graded only three out of 14 fire and rescue services as good at looking after the people who work for them. We graded ten services as requiring improvement and one service as inadequate. This is by far the most worrying set of grades within this inspection. Fire and rescue service leaders should take swift and sustained action to remedy these problems and create a truly inclusive working environment.

We are reassured to see that most of the services we inspected are taking appropriate steps to make sure their staff are competent in risk-critical safety training. This means that staff are adequately and appropriately trained to carry out roles where people's lives may be at immediate risk. However, we are concerned that some services can't be sure that this is the case due to poor information-management systems.

## Values and culture

### **Too few of the services we inspected have achieved a positive culture**

We graded three services as good at promoting values and culture and one service as outstanding. Nine services require improvement and one service is graded as inadequate. These results show that while it is possible to create a positive culture in fire and rescue services, too few services have achieved this.

Good or outstanding fire and rescue services we inspected have a clear statement of the values and culture of the organisation to guide the behaviour and decisions of all those who work for them. In the services we judged to be good in this area, we found that staff not only understand what is expected of them but say that leaders are visible role models of those behaviours.

In other fire and rescue services, we saw that leaders knew the values and behaviours they wanted but haven't yet communicated them effectively, so staff don't understand them well enough. We witnessed staff behaving poorly towards each other. For example, we heard staff using insensitive and inappropriate language. And some staff told us about autocratic and domineering behaviour by middle and senior managers.

### **Staff don't always understand what wellbeing services are available**

We reviewed evidence that fire and rescue services have effective arrangements to support the wellbeing of their own staff, with help in place for those who need it, when they need it. Firefighters and other people who work for fire and rescue services are asked to do difficult and dangerous work, supporting members of the public through sometimes their darkest hours.

Those who work for fire and rescue services also need to have a way of expressing concern about the way they are treated at work by leaders, managers and colleagues. We examined both issues through our inspection.

We found that most fire and rescue services have put in place good support structures including trauma counselling and occupational health provision. But all too often, staff do not fully understand what is available to them, or lack confidence to use these services.

### **There is a lack of trust in the grievance process**

We assessed the way grievances are handled. We found that, while all fire and rescue services we inspected have a grievance policy in place, proper records of how grievances are resolved aren't always available. In some services, staff told us this meant they lacked confidence in raising concerns about treatment.

The results of our survey of staff from Tranche 1 showed just over a quarter of the 1,002 people who responded felt they had been bullied or harassed in the last 12 months. If people who have been victims in this way don't trust the procedures in place to report this kind of behaviour, it will be difficult to improve the situation.

### **Training and skills**

Workforce plans should include the skills and capabilities needed now and in the future to manage risks to the public. Fire and rescue services need to track and monitor the skills and capabilities in their workforces. They need a culture of learning and improving that encourages staff development. And they need a performance management system that supports the individual and monitors their competence and performance.

Most fire and rescue services we inspected perform well in this area, with only four services requiring improvement.

### **Staff are appropriately trained in risk-critical safety skills**

Most of the fire and rescue services we inspected can show how they make sure staff are appropriately trained in risk-critical safety skills. This is positive and should give the public confidence that the fire and rescue service staff they encounter can keep them safe.

All services we inspected provide training and learning opportunities for their staff, including practical training, such as using breathing apparatus in a controlled fire environment. Services also use e-learning or online training to help their workforces learn.

### **Fire and rescue services need to improve their workforce planning**

Services need to improve their workforce planning. Fewer than half of the services we inspected have effective workforce planning processes.

While most fire and rescue services have recruited wholetime firefighters in recent years, a small number of services have carried out little or no recruitment. The ageing workforce and retirement profile of many services mean leaders need to anticipate their future recruitment needs and plan for these accordingly.



## Fairness and diversity

### Too few services are good at promoting fairness and diversity

We graded nine services as requiring improvement in this area and one service as inadequate. Four services were graded as good at promoting fairness and diversity in the workplace.

Fire and rescue services should be inclusive and meet the needs of their workforces. Nationally, no fire and rescue service is close to being representative of its community in terms of disability, gender, and black, Asian and minority ethnic (BAME) diversity.

This was reflected in what we heard about the behaviours of people towards colleagues who are in some way different from most of the workforce. All too often, fire and rescue services are an echo chamber for those of the same gender, age and ethnicity. This means staff who are different often don't have a voice or are reluctant to use their voice to influence positive change. Fewer than half the services we inspected have set up staff support networks.

### Fire and rescue services are taking steps to recruit a more diverse workforce

Most fire and rescue services are now recruiting wholetime firefighters again and have taken steps to increase the diversity of the workforce, in particular operational crews. We welcome this. We also welcome the work the NFCC is doing to improve the diversity of on-call recruits and the work the Home Office is doing to increase diversity of the wholetime workforce through its national awareness campaign, 'Join the team: become a firefighter'. These campaigns target those from under-represented groups who may not have previously been interested in the role.

It is one thing recruiting a more diverse workforce; it is quite another to make sure individuals thrive within a service. Unless services tackle fundamental cultural problems, they will struggle to be diverse employers.

## Leadership and capability

### Most services need to be better at performance management

Fire and rescue services should operate effective performance management processes to support and develop individuals. They also need to identify and support those with the talent and capacity to become future leaders. Most fire and rescue services need to improve in this area. Only three services are graded as good.

All fire and rescue services we inspected have a performance management process, but participation in this process varies within and across the services. Staff told us they think the process is a means for those who wish to get promoted but they consider it of limited value otherwise.

We welcome the NFCC's upcoming leadership framework. It recognises the need to tailor development to the individual, rather than using a one-size-fits-all approach.

## **Promotions and selections are often deemed unfair by staff**

Staff in more than half the fire and rescue services inspected told us they see the promotion and selection processes as unfair or not clear and open enough. Staff often feel the process and selection criteria are poorly communicated. Fire and rescue services need to do better at explaining their promotion processes to staff.

## **Identifying and developing talent**

### **Too few services have a process for identifying future leaders**

Only two services we inspected have a process for identifying and developing staff with high potential to become senior leaders.

In some fire and rescue services, we found staff who are reluctant to engage with the idea of investing in a small number of individuals who show the potential to become service leaders in the future. Some staff fear being stigmatised for joining the scheme, and some are reluctant to 'put their head above the parapet'.

We are pleased that service leaders, through the NFCC, are addressing this problem. Service leaders have access to national talent schemes such as the executive leadership programme, which is open to all services.

We are encouraged that a small number of services have looked outside the fire and rescue sector to bring in talented people at senior management level. Such leaders will bring diversity of thought and experience. This is an important opportunity for services that must provide a modern public service in financially constrained times.

## Future inspections

We have inspected 14 services in the first tranche of fire and rescue service inspections. We will publish a similar national summary when we publish the next tranche of inspection findings. We will publish our first 'State of Fire' report in December 2019 along with the final 15 fire and rescue service reports. We expect to make recommendations about the changes needed across the service in these future reports.

### Data needs to improve

We are concerned about the absence of consistent, comparable and good quality data available within each fire and rescue service and across services in England. The lack of data makes it hard for services to be sure they are providing the right support to the public.

This problem, combined with the absence of existing national standards, has resulted in local variations in almost every aspect of what each fire and rescue service does. The public can't always be sure they will receive the same quality of support from fire and rescue services or understand the justification for variations between areas. This situation needs to improve.

# How we inspect

---

This is the first time HMICFRS has inspected fire and rescue services across England. The previous Fire Service Inspectorate existed until 2005. Fire and rescue services were then inspected by the Audit Commission. Services were last inspected in 2008/09. The Local Government Association has offered services the opportunity to receive a peer review since 2011.

Our focus is on the service they provide to the public, and the way they use the resources available. We have inspected 14 services in the first tranche of inspections. Each inspection assesses how effective and efficient the service is, how it protects the public against fires and other emergencies and how it responds to the same. We also assess how well each service looks after the people who work there.

---

In carrying out our inspections of all 45 fire and rescue services in England, we answer three main questions:

1. How effective is the fire and rescue service at keeping people safe and secure from fire and other risks?
2. How efficient is the fire and rescue service at keeping people safe and secure from fire and other risks?
3. How well does the fire and rescue service look after its people?

This report sets out our findings from inspecting 14 fire and rescue services.

We have gathered evidence from our inspection activity. We also interviewed people who work for other public-sector organisations that work with fire and rescue services. And we conducted a survey of public perceptions<sup>8</sup> that includes evidence from just under 18,000 respondents nationally.<sup>9</sup>

---

<sup>8</sup> The survey can be found here: [www.bmgresearch.co.uk/hmicfrs-public-perceptions-of-fire-and-rescue-services-in-england-2018-report/](http://www.bmgresearch.co.uk/hmicfrs-public-perceptions-of-fire-and-rescue-services-in-england-2018-report/)

<sup>9</sup> Due to the small size of the population of the Isles of Scilly (fewer than 2,000 people), a specific analysis of the Isles of Scilly FRS was not possible.

## What inspection judgments mean

Our categories of graded judgment are:

- outstanding;
- good;
- requires improvement; and
- inadequate.

Good is our expected graded judgment for all fire and rescue services. It is based on policy, practice or performance that meet pre-defined grading criteria, which are informed by any relevant national guidance or standards.

If the service exceeds what we expect for good, we will judge it as outstanding.

If we find shortcomings in the service, we will judge it as requires improvement.

If we find serious critical failings of policy, practice or performance of the fire and rescue service, we will judge it as inadequate.

# National context

## The role and priorities of fire and rescue authorities

The Fire and Rescue Services Act 2004 provides the legal framework in which fire and rescue services in England operate. The 2004 Act outlines the role of fire and rescue authorities and requires them to provide the following primary functions:

- fire safety: promoting fire safety in its area including publishing information and giving advice;
- firefighting: extinguishing fires in their area, as well as protecting life and property in the event of a fire;
- road traffic accidents: rescuing and protecting people from serious harm in the event of a road traffic accident; and
- responding to any other emergencies, including requests from the Secretary of State.

The Act also requires the government to produce a national framework – the Fire and Rescue National Framework for England – which outlines the government’s strategic priorities for fire and rescue authorities. Fire and rescue authorities must have regard to the framework in carrying out their functions. The framework was last revised in May 2018 and lists the following priorities:

- make appropriate provision for fire prevention and protection activities and response to fire and rescue related incidents;
- identify and assess the full range of foreseeable fire and rescue related risks their areas face;
- collaborate with emergency services and other local and national partners to increase the efficiency and effectiveness of the service they provide;
- be accountable to communities for the service they provide; and
- develop and maintain a workforce that is professional, resilient, skilled, flexible and diverse.

## Governance

The Home Office is the responsible government department for the work of fire and rescue authorities in England. Fire is a devolved matter and so the Scottish and Welsh governments are responsible for fire within their jurisdictions. Fire policy moved through a machinery of government change to the Home Office from the then Department of Communities and Local Government in January 2016. This led to the introduction of the fire reform programme by the then Home Secretary, the Rt Hon Theresa May MP.

To provide its primary functions, each fire and rescue authority employs firefighters and support staff. In doing so forming a fire and rescue service. Fire and rescue authorities are responsible for: setting the service's strategic and policy direction; setting the service's budget; and ensuring that the service's outcomes are being achieved in a way that is effective, efficient and in line with legal requirements.

Each fire and rescue authority will appoint an individual – commonly known as a chief fire officer – to manage the fire and rescue service. This role includes managing the personnel, services and equipment secured by the fire and rescue authority to provide its primary functions. Fire and rescue authorities are required to hold this person to account for the exercise of their functions and the functions of persons under their direction and control.

Fire and rescue authorities operate with a range of different, locally determined governance arrangements. A fire and rescue authority might be a single person (for example, the London Fire Commissioner; a police, fire and crime commissioner such as in Essex and Staffordshire; or a mayor such as in Greater Manchester). Or a fire and rescue authority might be part of a local county or unitary council. Just over half of fire and rescue authorities are combined: namely an authority which covers more than one local authority area.<sup>10</sup> Combined authorities are made up of locally elected councillors appointed from the constituent councils in that area.

## Funding

Overall, fire and rescue authorities received approximately £2.3 billion for the provision of their functions for 2018/19. It is for each fire and rescue authority to determine how to allocate its resources across all its prevention, protection and operational functions to meet its risks identified through its integrated risk management plan (IRMP).

Funding for fire and rescue authorities in 2018/19 comes from three sources:

- revenue support grant (£0.21 billion);
- locally retained business rates (£0.67 billion); and
- estimated council tax precept (£1.35 billion).<sup>11</sup>

The Home Office also provides additional grants for functions such as maintaining national resilience assets (£27m). The amount each fire and rescue authority receives from each of the three funding streams varies.

Financial reserves held by the 28 standalone fire and rescue authorities increased by 80 percent to £545.1 million between 31 March 2011 and 31 March 2018. This is equivalent to 42 percent of their main spending power in March 2018.<sup>12</sup>

---

<sup>10</sup> Combined fire and rescue authorities are also known as standalone fire and rescue authorities. This reflects that they are not part of a partner organisation such as a county council.

<sup>11</sup> This is a Home Office estimate of the amount of council tax available to FRAs in England. This is calculated by using MHCLG notional figures for FRA-only council tax funding for 2015–16 and uprating them by the precept referendum limits and tax base growth. The budgets of the 17 county council, unitary or mayoral authorities are determined by their parent authority. So the level of funding and share of council tax cannot be guaranteed.

<sup>12</sup> *Fire and Rescue Authority financial reserves: March 2018*, Home Office, November 2018. Available from: [www.gov.uk/government/publications/fire-and-rescue-authority-financial-reserves-march-2018](http://www.gov.uk/government/publications/fire-and-rescue-authority-financial-reserves-march-2018)

## Workforce

The number of firefighters and total staff has declined steadily since 2010, to 32,340 full-time equivalent (FTE) firefighters and 40,451 total FTE members of staff as at 31 March 2018. The number of FTE firefighters is 24 percent lower than at its peak as at 31 March 2004.

## The changing role of fire and rescue

In the 12 months to 31 March 2018, fire and rescue services attended 564,827 incidents, of which:

- 30 percent were fires;
- 40 percent were unwanted fire signals (fire false alarms); and
- 30 percent were non-fire incidents including road traffic collisions, flooding and animal rescue.

The number of incidents fire and rescue services attend has reduced and changed in profile over the years. For example, there were 29 percent fewer incidents attended in the 12 months to 31 March 2018 compared with 10 years ago, including a 43 percent drop in fire incidents.

Generally, fewer people are being harmed by fire. Fire-related deaths reached the lowest levels recorded in the years ending 31 March 2015 and 2017 at 263. But in the year ending 31 March 2018, the number rose to 334, which includes 71 from the Grenfell Tower fire.<sup>13</sup> In the last ten years there has also been a fall in the number of injuries that need hospital treatment following a fire. In the 12 months to 31 March 2018 there were around 3,306 injuries requiring hospital treatment – a 42 percent decrease compared with ten years ago.

The decrease in the number of fires could be attributed to many factors. In part it is a testament to the fire prevention and protection work of fire and rescue services.

The decrease in the number of incidents attended has seen fire and rescue services use their discretionary capacity to provide a diverse range of public safety activity in response to local need. It is the responsibility of each fire and rescue authority to determine how the service's resources should be used. The only guidance from government is that such activity should not be at the expense of providing the services' primary functions.

---

<sup>13</sup> More up to date data has since been published covering the 12 months to 30 June 2018 and shows there were 247 fire-related fatalities. This compared with 344 in the year ending 30 June 2017 (a decrease of 28 percent). The year ending 30 June 2017 figure includes 71 fire-related fatalities from the Grenfell Tower fire.



## Fire reform

In 2016, the Home Office outlined a wide-ranging programme of reform which it is providing with the fire and rescue sector. The Home Office's aim is to support the continuous improvement of fire and rescue services, enabling them to be more accountable, effective and professional. The programme of reform included:

- creating an independent inspectorate (HMICFRS) to inspect on the effectiveness and efficiency of fire and rescue services;
- transforming local governance of fire and rescue by enabling mayors and police and crime commissioners – three to date (Essex, North Yorkshire and Staffordshire) – to take on responsibility for their fire and rescue service where a local case is made;
- developing a comprehensive set of professional standards to guide and encourage sector improvement;
- supporting services to transform commercially with more efficient procurement and collaboration;
- increasing the transparency of services with the publication of greater performance data and the creation of a new national fire website; and
- supporting the reform of the fire and rescue workforce by enhancing professionalism; management and leadership; training and development; equality and diversity; culture; and options for flexible working.

Separately, in April 2017 chief fire officers created the National Fire Chiefs Council (NFCC).

The NFCC brings together the operational leadership of the UK's fire and rescue services to provide co-ordinated professional, operational and technical leadership of the sector, advising and supporting central and local government, and other stakeholders. The NFCC is working with the government to provide the government's fire reform programme in relation to workforce reform and commercial transformation.

## Grenfell Tower fire

The response to the Grenfell Tower fire in June 2017 demonstrated the skill and determination of firefighters despite the devastating and tragic loss of 71 lives. Following the fire, the government established the Grenfell Tower Inquiry, chaired by Sir Martin Moore-Bick. It is examining the circumstances leading up to, and surrounding, the fire. The inquiry will establish the facts and will make recommendations as to the action needed to prevent a similar tragedy happening again.

In addition, the government also commissioned Dame Judith Hackitt to consider the current system of building regulations and fire safety. Dame Judith reported in May 2018.<sup>14</sup> She made recommendations which should transform the protection work done by fire and rescue services. We will ensure our inspection programme considers the lessons learned from the Grenfell tragedy and the long-term outputs from Dame Judith's report and the ongoing Grenfell Tower public inquiry.

---

<sup>14</sup> *Independent Review of Building Regulations and Fire Safety: Final report*, Dame Judith Hackitt DBE FREng, May 2018. Available from: [www.gov.uk/government/publications/independent-review-of-building-regulations-and-fire-safety-final-report](http://www.gov.uk/government/publications/independent-review-of-building-regulations-and-fire-safety-final-report)

# Effectiveness



# How effective are the services at keeping people safe and secure?

---

The table below sets out our overall effectiveness pillar judgments for each fire and rescue service.

---

**Table 1: Effectiveness pillar judgment for each fire and rescue service**

<b>Grade</b>	<b>Number of services</b>
Outstanding	0
Good	10
Requires improvement	4
Inadequate	0

## **Understanding risk**

Fire and rescue services need to understand the risks of fires and other emergencies to the public they serve. They need to involve the community in understanding this risk. Services should explain how they will mitigate the risks to the public. Fire and rescue services need to work with other public-sector organisations to share and use risk information. They then need to make this risk information available to operational crews and the wider workforce. This ensures staff are safer. And it helps services target activities at the areas of greatest risk.

Of the 14 fire and rescue services we inspected, we graded 12 as good at understanding the risk of fire and other emergencies. We graded two as requiring improvement in this area.

## **Having an effective risk management plan**

All fire and rescue authorities must produce and publish an integrated risk management plan (IRMP). The IRMP should explain the current and future risks to local communities. It should set out how the service plans to manage those risks. The IRMP may tell the public the number of fire engines the service will make available at any time. It may state the time the service will take to respond to calls for service from the public.

An effective fire and rescue service talks to the community to build an up-to-date understanding of the community's risks. Such a service will work with other emergency services and health and social care providers to feed into the IRMP. This should help it to identify risk clearly, prioritise activities and target resources at the greatest risks.

### **Reducing risk outside statutory duties**

Some IRMPs extend beyond fire and rescue because their chief fire officers have extended responsibilities. An example of this is Cornwall FRS. The chief fire officer is also the director of Resilient Cornwall for Cornwall Council. This means Cornwall FRS is responsible for areas of risk outside its statutory duties. Its extra responsibilities include working to reduce crime and disorder, domestic abuse and sexual violence. It also works to prevent modern slavery and extremist activity.

### **Getting the public involved in planning**

Good fire and rescue services use a range of activities to engage with the public. They might use interactive websites and social media or attend face-to-face meetings such as community roadshows and focus groups.

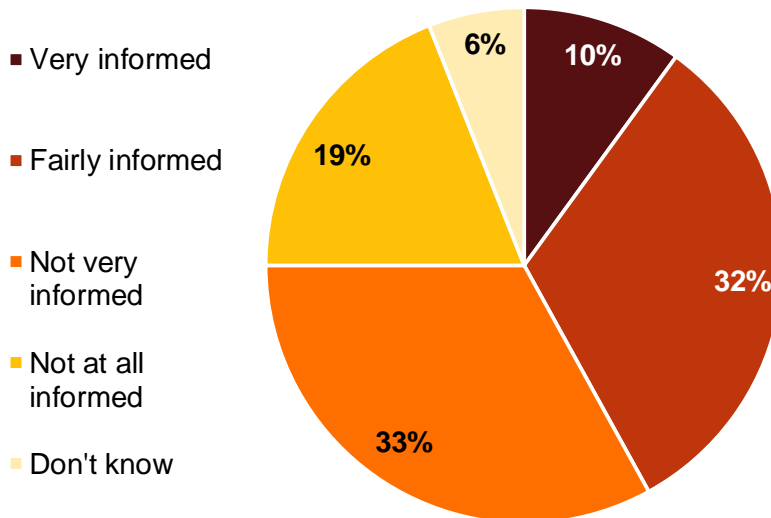
Several services have used information from the community to produce fire station plans. These identify risks and help to focus prevention activity at a neighbourhood level. For example, Cambridgeshire FRS uses focus groups to get to know the people it serves and the risks they face. The service maintains regular contact with community organisations, such as women's groups and faith groups and with community cohesion groups. It makes effective use of social media and its easy-to-use interactive website. The service has appointed a community engagement officer and a positive action officer. This has improved how the service works with people and communities it has found harder to reach in the past.

Another example of a service working well with the public is Cheshire FRS. This service finds out what the community needs by holding face-to-face meetings with community groups. In 2018/19, it held ten roadshows in major centres of population. The service asks black, Asian and minority ethnic (BAME), disability and community groups to contribute to consultations. It also works with fire and rescue authority members to extend its reach into local communities.

Most services we inspected recognise that they can do more to engage with their communities. Several have appointed dedicated officers to do this important work. Services that do engage with the public should use the information they gather to inform the way they work. It should also inform the services they provide.

Respondents to the public perception survey were split about whether or not they feel informed about what their local service is doing. Of the 17,976 respondents, 42 percent feel informed whereas 52 percent do not.

**Figure 1: Public perceptions survey: Overall, how well informed do you feel about what the fire and rescue service in your local area is doing?**

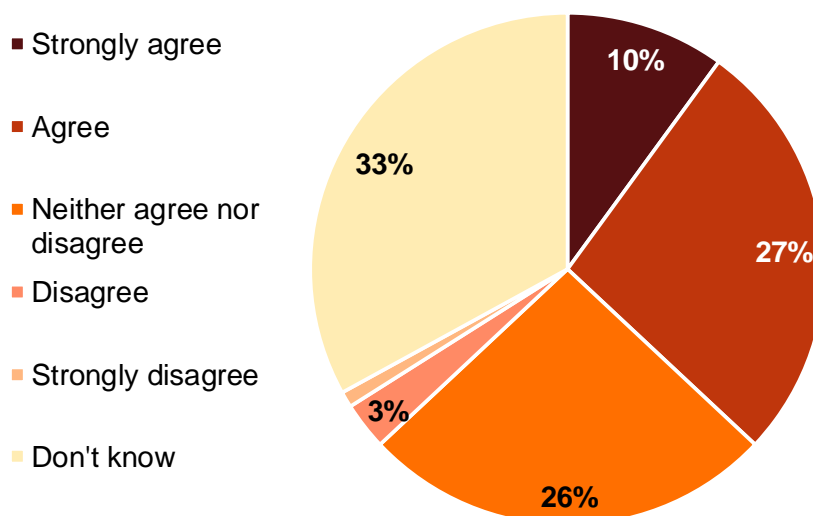


**Source: Public perceptions data**

**For further information about this data, please see annex A**

Only a small minority of respondents had been asked about their views on fire and rescue services (6 percent) in the 12 months leading up to the survey. Over a third of respondents feel that their service listens to the views of the public when setting priorities, with a further third saying that they don't know and around a quarter having neutral views. Only 3 percent feel that their local service does not listen to the views of the public when setting priorities. The relatively large proportion of neutral and don't know responses reflects the lack of knowledge about fire and rescue services more generally.

**Figure 2: Public perceptions survey: To what extent do you agree or disagree that the fire and rescue service in your local area listens to the views of the public when setting priorities?**



**Source: Public perceptions data**

**For further information about this data, please see annex A**

Those who have been asked about views on their service in the previous 12 months are more likely to agree that it listens to the views of the public when setting priorities (82 percent of respondents, compared with 37 percent overall). They are also more likely to say that they feel very informed (45 percent) or fairly informed (43 percent) about their service.

### **Working with other public-sector organisations**

Fire and rescue services need to work with other public-sector organisations and share their information to properly understand risks to the public. Using this information helps to keep the most vulnerable people in the community safe, both now and in the future. Many services work well with partner organisations such as social care, local authorities and other emergency services. They have access to a wide range of information. However, not all services understand the risks and demographics of their local communities in detail. So they cannot plan their activities to help those who need it most.

There is no template or standard format for IRMPs. This means the 45 IRMPs covering English fire and rescue services differ considerably. We saw varied levels of detail and differences in the information the plans provide to the public in the 14 services we inspected. There is also considerable variance in the way services assess risk. And there is variance in how services translate that assessment into a commitment to what they will provide to the public. We welcome the work of the NFCC to develop guidance for services to help improve consistency of IRMPs.

### **Data needs to be fresh**

We found some fire and rescue services would benefit from updating the data they use to assess risk more frequently. In Bedfordshire the service plans to refresh its data in 2019. The current plan uses data that goes back to 2010. Hertfordshire FRS published its last IRMP in 2014. It is based on risk information gathered between 2009 and 2013. So that service is planning activity based on information that is in some instances nearly ten years old.

Some services use modelling tools to get a better understanding of complex data about risk. Risk modelling tools are computer programmes that allow fire and rescue services to make educated and informed choices about what might happen in various scenarios. This helps services to understand and predict their risks. In turn, this helps them allocate resources in a way that is proportionate to risk.

### **Maintaining risk information**

We examined how well fire and rescue services gather information to help protect people and property during fires and other emergencies.

An example of risk information is building plans that show the layout of a building and where hazards like chemicals or cylinders are stored in a factory. This information allows incident commanders to prioritise actions such as directing water jets to protect certain parts of a building or committing firefighters to search specific areas to rescue people more quickly in smoke.

Another example is maps that allow crews to find hydrants more quickly. Out-of-date risk information could slow down rescue operations and put firefighters and the public at unnecessary risk of harm. Good fire and rescue services have a robust process run by trained staff, who collect and refresh risk information. Staff regularly familiarise themselves with risk sites by visiting them and performing training exercises there.

### **Risk information available to all**

Most fire and rescue services collect risk information systematically and accurately and communicate it to their staff well. Most services have invested in mobile computers, called mobile data terminals (MDTs). Services install these in fire engines to give staff access to important risk information when attending fires and other emergencies. Most firefighters could use MDTs to access and interpret risk information.

But, we found that 12 out of the 14 fire and rescue services had out-of-date risk information for high-risk buildings on their MDTs. These services need to review their processes to ensure firefighters can access information. Some services rely on manual or paper-based systems to update risk information. So they do not update MDTs as quickly as they could. This means crews cannot access some risk information for months after the service becomes aware of it.

We found a risk information disparity between services with a large proportion of wholetime staff and those with a large proportion of on-call staff. Some fire and rescue services with a large proportion of on-call staff did not have robust systems in place to provide current risk information to operational crews promptly.

We found that several services did not record risk information for temporary events, such as festivals and concerts, effectively. And some services did not upload this information to MDTs.

### **Preventing fires and other emergencies**

To reduce the number and severity of fires in the home, fire and rescue services must promote fire safety. This includes fire prevention activity. Good services target their fire safety and prevention resources at individuals or households at greatest risk from fire in the home. Good services also target those most likely to engage in arson or deliberate firesetting.

We graded nine services as good at preventing fires and other risks. Five services require improvement in the way they prevent fires and other risks.



## Prevention strategy

All the fire and rescue services we inspected describe prevention as a priority in their IRMPs and allocate resources to prevention activity. All services have a prevention strategy that describes how they will do this work and what their priorities are. Much of prevention activity involves visiting people to do home fire safety checks. Firefighters and prevention specialists do these basic assessments of fire risks in the home. During these visits service staff provide fire safety advice, based on any potential fire risks identified during the check. Such risks include overloaded electrical sockets and unsafe cooking practices. Staff advise the householder about escaping should there be a fire. Firefighters may also advise about smoke alarms or fit them.

## Quality not quantity in home visits

The number of home fire safety checks recorded nationally has decreased since 2011. The total number of checks completed by fire and rescue services has decreased from 775,019 checks in the 12 months to 31 March 2011 to 576,040 checks in the 12 months to 31 March 2018. The number of home fire safety checks carried out by fire and rescue services in England had reduced by 2 percent in the 12 months to 31 March 2018, when compared with the same period in the previous year.

Despite a decrease in the total number of home fire safety checks, the proportion of visits to the elderly and people with disabilities has increased. In the 12 months to 31 March 2011, only 36 percent of checks were conducted on the elderly, with 11 percent targeting people with disabilities. However, in the 12 months to 31 March 2018, these proportions have increased to 54 percent and 25 percent respectively. Some of the services we inspected explain that this is a deliberate move. They are focusing on increasing the quality of services provided to the public, rather than the quantity, and targeting activity at those most at risk.

Very few services evaluate prevention activity properly. So they have a limited understanding of the benefits it can provide to the public. It is also difficult for them to see how to get value for money from this activity.

Increasingly fire and rescue services are expanding home fire safety checks to include wellbeing. These expanded assessments are known as 'wellness checks' or 'safe and well checks'. This may be the reason for the decrease in overall numbers of home fire safety checks in recent years. Wellness checks are a more rounded approach to prevention and public safety. Those carrying out wellness checks go beyond identifying fire risks. They look for other potential risks to health and wellbeing. The table below shows which activities the services we inspected undertake.

**Figure 3: Activities included in a prevention visit as at 31 March 2018**

	Avon	Bedfordshire	Cambridgeshire	Cheshire	Cornwall	Hampshire	Hereford and Worcester	Hertfordshire	Isle of Wight	Isles of Scilly	Lancashire	Lincolnshire	Surrey	Warwickshire
Identify potential fire risks	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Take action to reduce fire risks	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Ensure working smoke alarms are fitted	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Advice on social welfare	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Health screening/detection	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗
Ill-health prevention	✗	✓	✓	✓	✓	✓	✓	✓	✗	✗	✓	✓	✗	✓
Advice on slips, trips and falls	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓

**Source: HMICFRS data collection**

**For further information about this data, please see annex A**

Many fire and rescue services told us they are carrying out these enhanced wellness checks. But in several services we found a disparity between this aim and what is actually provided to the public. In some services, firefighters told us they were still doing just traditional home fire safety checks, not the expanded safe and well checks. They told us they were not confident asking personal questions of those they visited (for example about lifestyle or diet). Prevention specialists (most often non-operational staff) generally told us they felt confident to ask people the broader wellbeing questions. They were better able to identify potential vulnerabilities beyond traditional fire risk vulnerabilities (such as smoking, mobility issues and hoarding).

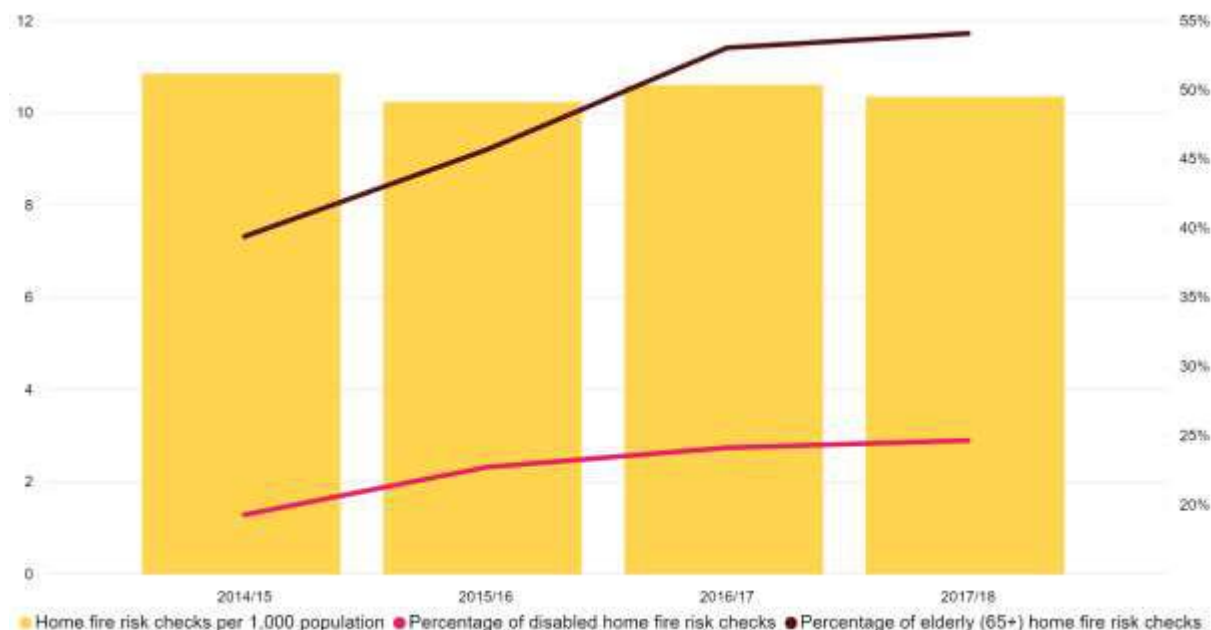
### Target prevention

In financially constrained times, fire and rescue services should target prevention activity at those most at risk of fire and other emergencies. This means using data and information they collect, including from other public-sector organisations, to understand which people are at risk. These at-risk people may particularly benefit from prevention support.

Some services take referrals from public or voluntary-sector organisations to carry out safe and well checks. Other services have partner organisations, such as charities or social services, carry out home fire safety checks on their behalf. In the 12 months to 31 March 2018, nine out of the 14 services we inspected used partner organisations to carry out some home fire safety checks. This ranged from 15 checks in Lincolnshire to 2,320 in Hertfordshire. These partner organisations normally make referrals on the basis of a risk assessment. The risk assessment informs a decision that the person or household is vulnerable and needs support. In the 12 months to 31 March 2018, 24,284 home fire safety checks were conducted by partners, compared with 50,105 in the 12 months to 31 March 2011.

Most fire and rescue services have a way of assessing the need for a home fire safety check before sending staff to visit. In the 12 months to 31 March 2018, the percentage of checks completed with higher-risk groups nationally, such as those over 65, increased to 54 percent and people with disabilities to 25 percent.

**Figure 4: Number of home fire risk checks per 1,000 population in the 12 months to 31 March 2018 and the percentage targeted at the elderly (65+) and those registered as disabled**



**Source: Home Office data**

**For further information about this data, please see annex A**

Some fire and rescue services provide home fire safety checks to any member of the public who asks, regardless of their circumstances. In these financially constrained times services may not have the capacity to manage this approach. Services ought to risk assess and prioritise the people they support. Staff in such services told us they are frustrated that their time is not better spent on helping those most in need. Risk assessments would give them evidence that they are targeting resources to risk. They would also allow them to provide a better intervention to people who most need it.

### **Promoting community safety**

Fire and rescue services work closely with other organisations to gain a shared understanding of risk and to provide effective prevention services to the community. Services also help to keep the public safe through broader prevention activities such as water safety awareness campaigns. These are particularly effective where local initiatives resonate with the public. For example, if they highlight a dangerous local body of water or respond to a recent news story. The NFCC and Home Office run an annual programme of prevention campaigns. It provides material that services can adapt to their local area. We saw better evaluation of national prevention campaigns. This evidence helps services to understand the benefits to the public of their work.

## **Working with health professionals to care for the public**

We found many examples of fire and rescue services working with health professionals. The services do a range of activities aimed at improving the lives of local people. Many fire engines and fire stations have defibrillators and first aid equipment. Firefighters use these to deal with medical incidents when attending fire and other emergencies. Some services have arrangements with local ambulance trusts for fire crews to respond to medical emergencies alongside ambulance crews. Fire and rescue services recover costs for this from ambulance trusts. This was part of a national trial to consider how a firefighter's role might be expanded. The trials were suspended in September 2017, and many services stopped this work. But others continue to provide the service.

Services we inspected also participate in other health work. For example, Isle of Wight FRS has joined up with Hampshire FRS in a programme funded by the health service known as 'better me'. This involves firefighters working with disadvantaged children to improve their fitness, cooking, diet and hydration. In Hampshire the local clinical commissioning groups contracted the service to design a programme called 'safety through education and exercise for resilience' (STEER). It promotes wellbeing in communities on behalf of the NHS, focusing on mobility, social intervention and safety in the home among the elderly. In Cheshire an agreement is in place with police and the ambulance service for firefighters to provide help at incidents that require a forced entry to enable a medical response to be administered. In Warwickshire staff carry out 'heartshield', a programme to teach children cardio-pulmonary resuscitation techniques and other aspects of healthy living. The service provides this jointly with public health professionals from the county council.

Fire and rescue staff may be able to identify individuals' wider vulnerabilities and exposure to risks beyond fire. We recognise services can make an important contribution to supporting the public and alleviating pressures on other local response resources. But this should not get in the way of the primary fire and rescue work they need to do by law.

### **Services should evaluate health activity**

All fire and rescue services should assess what they are aiming to achieve through wider health activities. They should assess what interventions are most helpful and decide how best to measure and evaluate end results.

Cheshire FRS works with the NHS Innovation Agency, screening people to provide early warning of any risk of stroke. The service has some evidence of the benefits of this activity, in that it directed 76 people to their GPs. But it has not yet examined whether the gains are worth the effort and resources it has put in.

We found that other organisations which work with fire and rescue services were positive about how services undertake prevention initiatives. Hereford and Worcester FRS's partners described how the service takes the lead with initiatives, and works to support vulnerable people. A good example of joint working is their 'connecting families' programme. It aims to turn around the lives of disadvantaged families through early intervention. Partner organisations provide data about vulnerable families so they can get the targeted interventions they need.

The service and its partner organisations have not yet formally evaluated the programme, although there are plans to do so.

### **Identifying people with vulnerabilities and making safeguarding referrals**

Fire and rescue services should make appropriate arrangements to safeguard and promote the welfare of children and vulnerable adults. Government and the NFCC make it clear that it is a shared responsibility. This is because it depends on effective joint working between organisations and professionals that have different roles and expertise.

### **Spotting other kinds of vulnerability**

Some of the fire and rescue service staff in any fire and rescue service will have contact with children and vulnerable adults. Or they may have access to information about them. They have a responsibility to safeguard and promote the welfare of children and vulnerable adults.

Most staff we spoke to felt confident identifying factors that would make someone vulnerable to a fire in the home. But far fewer could identify other kinds of vulnerability. Many staff we spoke to didn't feel it was their job to do so.

We found inconsistencies in the extent to which staff can identify people with vulnerabilities and make safeguarding referrals. Some fire and rescue services have trained staff to give them a good understanding of safeguarding responsibilities. These services also have clear safeguarding referral procedures. Most services provide e-learning safeguarding training to operational crews. A small number of services would benefit from providing further training to staff in this area. Where staff have not received training, they told us they lacked confidence in questioning members of the public to identify vulnerabilities.

### **Reducing arson and firesetting behaviours**

There has been a national increase in deliberate fires over the previous few years. In the 12 months to 31 March 2018, fire and rescue services across England attended around 80,800 deliberate fires. This is an 18 percent increase when compared with the 12 months to 31 March 2015. Many services work to prevent arson and deter people who show an interest in starting fires (also known as firesetters). Good services are working with police forces to tackle arson.

### **Good approaches to tackling arson**

Cambridgeshire FRS has a good approach to tackling arson and firesetting behaviour. It has worked with a forensic psychologist to develop an arson intervention programme called 'Project ICARUS'. This programme was the first of its kind in the country. Fire service staff provide the programme to prisoners and probationers, under the supervision of the forensic psychologist. A second programme, called 'firesetters', is for children and young people. It targets those who play with fire or have been in the criminal justice system because of fire-related crime.

Lancashire FRS works closely with Lancashire Constabulary. They exchange fire-trends data and incidents of suspected arson. And they provide early statements from fire investigation officers to support police inquiries and prosecutions. The service also provides arson education information to new police recruits and serving detectives on training courses.

## **Road safety**

Fire and rescue authorities have a statutory duty to respond to and rescue people from road traffic collisions. In the 12 months to 31 March 2018, fire and rescue services attended around 29,900 road traffic collisions. This accounts for 5 percent of all incidents attended. Fire and rescue services do not have a statutory duty to do road safety prevention activity. However, almost all services do it anyway. They recognise their role in reducing the risk of people being killed or seriously injured on the roads. Most services work well with colleagues through safer roads partnerships to make their activity consistent and effective.

## **Driving campaigns**

We found evidence of a range of activities and campaigns aimed at road users, especially young drivers and motorcyclists. Many fire and rescue services use national campaigns such as ‘safe drive stay alive’ to educate young drivers. Services also use campaigns such as Biker Down and BikeSafe. These educate motorcyclists on safe riding and what to do if they come across accidents.

## **Protecting the public through the regulation of fire safety**

Responsibility for fire safety in buildings sits with a ‘responsible person’. This might be the building owner or managing agent.<sup>15</sup> The National Framework states that all fire and rescue services must promote fire safety, which includes fire prevention. This means they should audit whether the responsible person has properly assessed fire risks in the building they are responsible for. And they should, where necessary, force landlords and business owners to comply with fire safety legislation. It is up to each service to determine its own risk criteria about what is a high-risk premise. It should use this criterion to decide how many audits it does each year.

Each service must have a locally determined, risk-based inspection programme (RBIP). They must also have management strategies for enforcing fire safety regulations. Services work with businesses to help them comply with the law by issuing advice and if necessary, informal action plans. If the business does not follow the advice, the service can use formal enforcement powers to ensure compliance.

Of the 14 fire and rescue services we inspected, we graded only five as good at protecting the public through fire safety regulation. Eight services require improvement and we judged one as inadequate. These are the lowest grades of all the questions

---

<sup>15</sup> Section 3 of the Regulatory Reform (Fire Safety) Order 2005 defines a “responsible person” as (a) in relation to a workplace, the employer, if the workplace is to any extent under his control; (b) in relation to any premises not falling within paragraph (a) — (i) the person who has control of the premises (as occupier or otherwise) in connection with the carrying on by him of a trade, business or other undertaking (for profit or not); or (ii) the owner, where the person in control of the premises does not have control in connection with the carrying on by that person of a trade, business or other undertaking.

within the effectiveness pillar. We are concerned that in too many services, protection is not a priority. They do not devote enough resources to the risk reduction activities set out in their IRMPs.

### **Lack of resource and capacity hampers inspections**

In the fire and rescue services we graded as inadequate or requiring improvement we saw some common features that reduce their effectiveness. Many do not have enough qualified inspectors to carry out their inspection programmes. All too often the service does not have a clear understanding of its highest risks. And some of these services don't have capacity to carry out whatever remedial activity is needed. Many of the protection teams we spoke to describe themselves as understaffed and under-resourced.

All too often, fire and rescue services are not matching resources to the risks identified in their RBIP. This because of a combination of poor succession planning, and difficulties in retaining trained inspectors. Trained inspectors are offered higher rates of pay in the private sector. We also saw that some services we inspected prioritise maintaining response teams over protection departments. Fire and rescue services need to be sure that they are using all available resources across the range of risks identified.

### **Risk-based approach**

Fire and rescue services should know the premises in their area. They should decide their own criteria for defining risk at these premises. Services then need to compile a list of premises that are at risk according to their definition. There was a large range in the number of high-risk premises in the services inspected in this tranche. Services should then tell the public how they will manage this risk through an RBIP. Services should describe this programme in the IRMP.

### **Supervised inspections**

Good fire and rescue services have a clear inspection process that all inspection officers follow. Supervisors should check the work of inspection officers. This helps ensure inspections of risky premises are of a consistently high quality. High performing services also regularly review their risk information about the cause of fires. They use this information to improve their inspections of other premises and the advice they give to building owners. For example, Cheshire FRS analysed incident data and found that most non-domestic fires are preventable electrical fires. The service trained its frontline staff to advise businesses on preventing electrical fire.

### **Services respond promptly to planning applications**

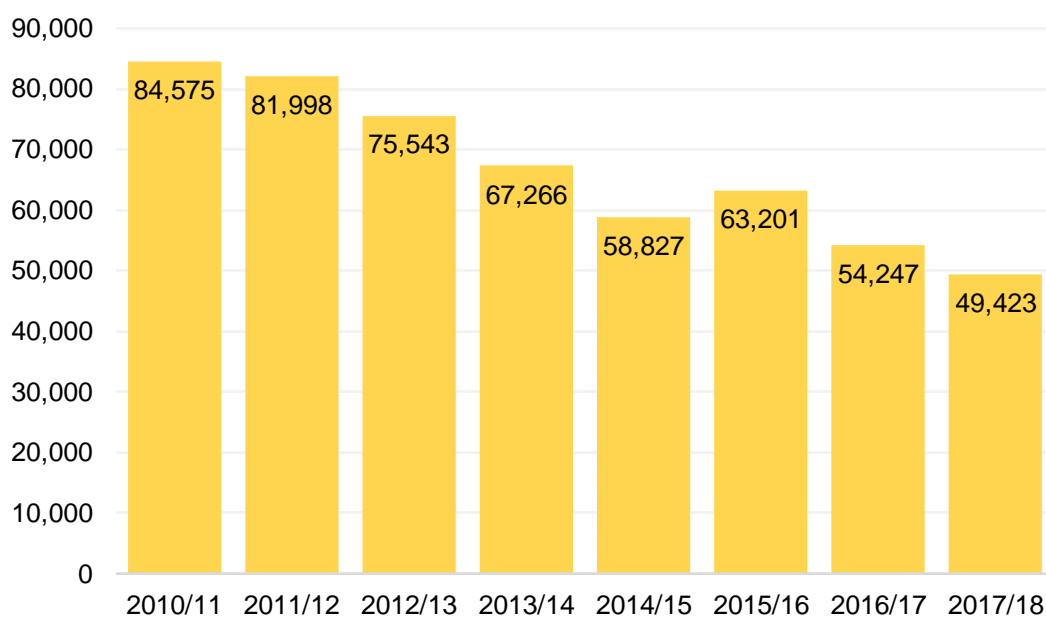
Local authorities must consult fire and rescue services on planning applications for new buildings and renovations to business premises and developments. Services should assess fire risks related to planning applications. They should respond to the local authority in writing and within agreed timescales (usually within 15 working days). All but one service was meeting their legislative requirements to reply to building consultations.

We are concerned that in too many fire and rescue services, protection teams focus on reactive work, such as dealing with complaints, concerns and post-fire audits. As a result, these services are not giving enough resources to their RBIPs. Many protection staff told us they are frustrated because they cannot do this important work. They are worried about the potential consequences to the public.

## Enforcement

Fire and rescue services have a range of informal and formal notices to get building owners to comply with fire safety requirements. To assess risks, services carry out fire safety audits of buildings. They look for problems such as blocked fire exits or faulty fire doors. If they judge it unsatisfactory they notify the building owners and explain the improvement required. In the 12 months to 31 March 2018, services across England conducted 49,423 fire safety audits. This has decreased by 42 percent when compared with the 12 months to 31 March 2011, where 84,575 fire safety audits were carried out. The number of these audits has decreased by 9 percent when compared with the 12 months to 31 March 2017 (when 54,247 audits were conducted).

**Figure 5: Number of safety audits conducted on known premises for the 12 months to 31 March 2011 to the 12 months to 31 March 2018**



**Source: Home Office data**

**For further information about this data, please see annex A**



## **Business engagement before enforcement**

In the 12 months to 31 March 2018, of the 49,423 fire safety audits carried out, 68 percent were deemed to be satisfactory. Levels of satisfactory audits have stayed relatively stable since the 12 months to 31 March 2015, following an increase from a low of 56 percent in 2010/11.

Where an audit was deemed to be unsatisfactory, the most common action taken was to issue an informal notification (87 percent of the 16,980 notices and prosecutions given in the 12 months to 31 March 2018). The proportion of informal notifications has remained relatively stable since 2010/11.

Many of the fire and rescue services we inspected told us they have moved from a focus on enforcement to increasing engagement with businesses. This means they encourage and support businesses to help them comply with safety requirements. We found several FRSs working in partnership with trading standards and local housing officers. They conduct multi-agency enforcement action to keep the public safe. An example is focused inspections on houses of multiple occupation. For example, where a number of families live in a single dwelling and share common areas, such as the kitchen or stairwell. This increased focus on engagement should not come at the cost of fire and rescue services carrying out fire safety audits where required.

Where required, fire and rescue services will issue formal notices. They have the power to prosecute building owners if they fail to comply with fire safety regulations. They might issue improvement notices or temporarily close the premises down until the problem is remedied. Prosecution is the last and most extreme of the enforcement powers available to fire and rescue services. Prosecutions can tie up resources and they are expensive and can be time consuming for services. The number of prosecutions nationally is relatively small. In the 12 months to 31 March 2018, fire and rescue services across England brought 82 prosecutions. We were encouraged to see that services often held meetings to agree which cases to prosecute before commissioning legal representation.

## **Make more use of prosecution powers**

Some fire and rescue services are not using the full range of powers available to them. Nationally, 24 services have not brought a prosecution in the 12 months to 31 March 2018. Services that are not making full use of their powers should have a sound understanding of why this is the case. Without that understanding, it is possible they are not using all the tactics available to improve standards of fire safety.

Services that have not brought a prosecution for some time may find it difficult to maintain the skills and competence required.

## **Consistent advice for businesses**

Fire and rescue services can participate in primary authority schemes. This is a government initiative to help businesses get consistent advice from regulatory bodies, including fire safety. For example, a national chain of stores can get fire safety advice from a single service to use across all their stores.

The scheme is part of the government's aim to reduce burdens on business by enforcing regulations efficiently.

## **Support and education for businesses**

We saw clear advice to businesses on fire and rescue service websites. We also found good examples of services providing support and education to businesses through seminars and visits. For example, Hereford and Worcester FRS hosts business forums with other enforcing authorities. These forums aim to support businesses and educate them about keeping their premises safe.

## **Unwanted fire signals**

Some large and complex premises, such as hospitals, care homes and factories, have fire alarm systems that automatically call the fire service. This can happen even when there isn't a fire, sometimes because of a faulty system. Responding to these unwanted fire signals (otherwise known as false alarms) is costly and uses fire and rescue service resources.

Effective fire and rescue services have adopted the NFCC's best practice guidance. They work with businesses and building owners to reduce the burden of unwanted fire signals. Good services have clear unwanted fire signals policies that:

- include a statement of responsibility;
- identify a lead person for reducing unwanted fire signals; and
- engage with building managers and users to reduce unwanted fire signals.

Good fire and rescue services also have a call-challenge policy. This means that when the control room gets an automatic fire alarm, operators call the building owners. They ask the owners to confirm that there is a fire and whether they need a fire and rescue response. This can help to reduce the burden on services. We found examples of services using data about unwanted fire signals to target activity to reduce this demand.

We found that Lancashire FRS may be attending more false alarm calls than it needs to. It shares the North West Fire Control centre with other services but does not use the call-challenging protocols they use.

## **Evaluate to better protect**

Fire and rescue services would benefit from evaluating the effectiveness of their protection activities, such as their essential RBIP and primary authority scheme work. This evaluation would assist them in putting essential activity first and using their resources to protect those at greatest risk.

## Responding to fires and other emergencies

Fire and rescue services need to respond to the public when they call for service. Effective services have the right combination of trained staff and equipment available to help the public when they need them. We found 11 out of 14 services inspected to be good at responding to fire and other emergencies.

Incidents attended by fire and rescue services have decreased over the last 14 years. Incidents have decreased from over 1 million in the 12 months to 31 March 2004, to around 564,800 in the same time period in 2018. Fires attended have decreased in the same period from around 473,600 to around 167,100. In the 12 months to 31 March 2018, only 30 percent of incidents attended by fire and rescue services were fire incidents.

An important part of how fire and rescue services respond to the public is the way the control room operates. Call handlers answer 999 calls and speak to the public during perhaps the most difficult time of their life. Call handlers need to get information about the location of the incident and, if appropriate, provide survival advice.

### Effective call handling

We visited control rooms as part of our inspections. We found control operators to be handling calls effectively. They were dispatching resources and passing risk-critical information to fire crews.

Control rooms across England work under a range of operating models. Some control rooms are specific to one fire and rescue service, and others are shared by several fire and rescue services. We found that shared control rooms improve mobilisation across borders.

For example, we saw effective practice in North West Fire Control, which handles emergency calls for Lancashire FRS, Cumbria FRS, Greater Manchester FRS and Cheshire FRS. North West Fire Control responds to calls about life-critical emergencies near a service border with the quickest available fire engine. It will send the quickest engine even if it crosses the service border to attend the incident.

In the fire and rescue services we inspected we found that callers generally receive a good service when they first make contact with the service. Control room operators handle calls effectively and give the caller fire survival guidance.

### Control rooms communicating well

Control room operators are essential to providing an effective response to fires and other emergencies. In many fire and rescue services staff can vary the response to incidents. They might increase or decrease the numbers of fire engines as information comes in.

Control operators in some services also perform other roles. They might take careline calls or post incident information to social media. It is important for services to communicate effectively with the public. They need to keep the public updated about hazards and areas to avoid. We found most services make good use of social media, like Facebook and Twitter, to warn and inform the public.

## Ready to respond

Fire and rescue services are funded to meet potential risks to the community, rather than meet demand from emergency calls. This means that emergency response staff may not always be actually responding to emergencies. But they still need to be available in case an emergency arises. To manage this problem, services need to understand their levels of risk. They need to know the minimum safe levels of fire engines and staff required to meet predictable emergency scenarios. Services need to plan how to best use available resources when demand is low. Available resources are those that are not currently responding but need to be available to respond. They can draw on these available resources for other important work such as prevention and protection activity, training and learning.

## Managing assets and resources

Apart from the Isles of Scilly, all fire and rescue services we inspected in this tranche have a mix of wholetime and on-call staffed fire stations. The operational workforce is made up of permanent employees (wholetime) and on-call or retained staff. On-call staff may have other primary employment but commit to respond to emergencies when required.

Fire and rescue services need to consider:

- how many firefighters they need to respond to emergencies to meet their locally-agreed attendance times;
- how many incident commanders and specialist vehicles and officers they need per incident; and
- what level of training these people need.

Fire and rescue services should be able to explain why they need these people and resources.

National operational guidance (NOG) and the Joint Emergency Services Interoperability Principles (JESIP)<sup>16</sup> set out how fire and rescue services should respond effectively and what resources they need to do so. We found variation in the resources deployed to incidents. And we found variation in the extent to which services follow NOG. The number of firefighters riding on each engine varied between services. Some services have a minimum of five firefighters per engine and others a minimum of four. Several services are trialling smaller fire engines that can be crewed with three or fewer firefighters. We also saw variation in the number and level of incident commanders deployed to support incidents.

Many fire and rescue services follow the national model by deploying an incident commander with the first engine. After that they send tactical support officers to monitor supervisory managers. One service deploys more senior incident commanders and firefighters to incidents in addition to those who attend with the first engine. This could lead to unnecessary handovers and confusion about who is commanding the incident.

---

<sup>16</sup> *Joint Doctrine: The Interoperability Framework, Edition 2*, JESIP, July 2016. Available at: [https://jesip.org.uk/uploads/media/pdf/Joint%20Doctrine/JESIP\\_Joint\\_Doctrine\\_Document.pdf](https://jesip.org.uk/uploads/media/pdf/Joint%20Doctrine/JESIP_Joint_Doctrine_Document.pdf)

Good fire and rescue services have a clear understanding of risk and move resources dynamically to provide cover where it is needed most. Services are increasingly reviewing their shift systems and varying the numbers of staff on duty at certain times. A good example of this is in Warwickshire FRS. The service reviewed risks and incidents and realised it was not meeting response time targets for motorway incidents near Gaydon. So the service re-allocated its resources to set up a 12-hour peak demand fire station near Gaydon.

Fire and rescue services need to know which fire engines are available and where they are if they are to provide an effective response. We are encouraged to see that some services use a range of fire engines and crewing models to meet their risk. For example, since 2016, Hampshire FRS has changed how it responds to emergencies. It uses the type of incident to determine the number of firefighters to send and the type of vehicle they travel in. Hampshire FRS's fleet has a range of different size fire engines that can be crewed by different numbers of staff.

Fire and rescue services with a significant proportion of on-call staff face different problems in maintaining availability of fire engines. We do not underestimate the demands and complexities of maintaining availability of on-call staff. On-call staff make a significant commitment to the fire and rescue service. They provide a vital contribution to the safety of their community on top of their primary employment.

Fire and rescue services identify the number of fire engines and capabilities they need at any one time to meet their predicted risk and demand identified in their IRMP. The number of fire engines needed varies between services. This reflects the differing risks facing the public and how those risks change during different times of the day and week. For the services we inspected, most had good availability of fire engines crewed by wholtime firefighters. However, over half of the services we inspected are trying to manage lower availability of fire engines crewed by on-call firefighters. This is a concern, especially where services are reliant on these engines to be ready to respond if the public needs them.

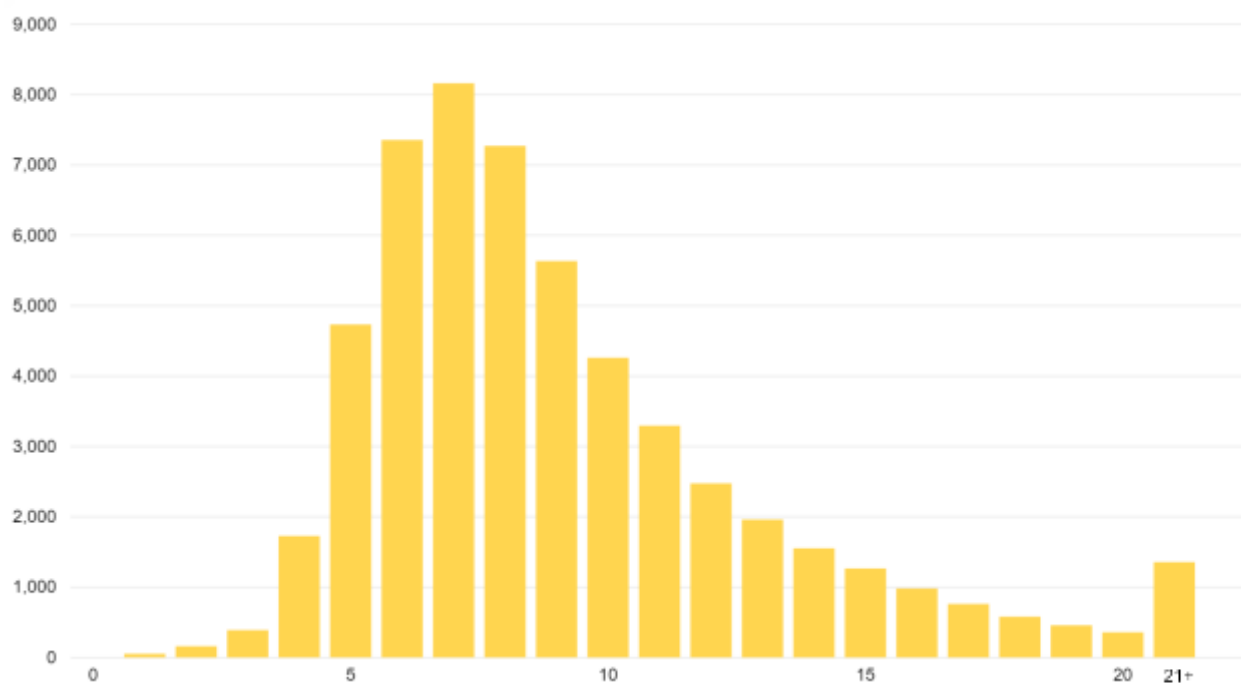
Attracting on-call firefighters is a problem for fire and rescue services nationally. Services are trying to manage the effects of this problem in many different ways. For example, some services move resources around their service to fill gaps as they appear, some services have introduced smaller fire engines with fewer firefighters to attend certain types of incident and some services have implemented different crewing models to ensure availability during the busiest times.

Good fire and rescue services have well-managed systems that help ensure fire control and firefighters are always aware of available fire engines. We found evidence that every service was working to increase availability of fire engines crewed by on-call firefighters. However, some services do not have robust procedures to understand availability of on-call staff. This means that mobilising can be, at times, ineffective and inefficient. In some places this has led to a two-tier service. For example, people living in towns and cities might get a quicker response than people living in more rural locations.

## Response

A prompt response to an emergency gives those affected a better chance of surviving an incident. If crews arrive quickly, they can limit the spread of fire and reduce damage. Each fire and rescue service sets its own response standards, and these vary from service to service according to geography, demography and risk.

**Figure 6: Number of primary fire incidents by 1-minute response time bands for the 12 months to 31 March 2017**



**Source: Home Office data**

**For further information about this data, please see annex A**

### **Services need to hit their promised response time targets**

Several fire and rescue services are not meeting the response time targets that they committed to in their IRMP. National data on response times is collected in a consistent way by the Home Office. It measures time of the call to the time the first fire engine arrives at the scene. But the way each service measures its own response times can vary.

It is reasonable for response times to vary depending on the risk, geography and demography of an area. But it is not acceptable for services to commit to a response time and then consistently fail to meet it. If the response time is not possible with the resources available, the service needs to be honest with the public. The service needs to tell the public what it can do to keep them safe through prevention, protection and response.

## **Working together on larger incidents**

Fire and rescue services agree to support each other at emergency incidents close to their borders and during large or protracted incidents. This is a good use of resources and important for maintaining public safety. We found good examples of services working together in mobilisation. This makes it easier for services to deploy whatever fire engine can get to the incident quickest.

## **National operational guidance**

The national operational guidance (NOG) was developed by the NFCC, government and Local Government Association. This guidance describes the hazards crews might encounter at incidents. It also describes the measures crews should use to control or eliminate them.

## **Good progress on guidance, but more work needed**

All the fire and rescue services we inspected had either adopted or were in the process of adopting NOG. Progress in adoption varies from service to service. We found good examples of services working with other FRSs in regional groups to pool resources in implementing the guidance. If all services use the national guidance it will improve consistency. And services will find it easier to work with their neighbours as they will be using the same procedures and terms.

During our inspections we spoke to firefighters and managers about their understanding of NOG. Good fire and rescue services have explained the benefits of NOG and have trained their staff to follow it. Some services have not yet adopted NOG. They are operating a two-tier system using their own protocols as well as NOG. This causes confusion and frustration for firefighters, who are unsure about which approach to follow.

## **Command**

Incident commanders make sure crews are safe as they work and that they do whatever they must to protect the public. It is important that they show clear, objective thinking in fast-moving, traumatic and pressured situations. This is particularly the case where there has been an injury or fatality, as the service could have to defend its actions in court. Generally, we found that incident commanders are trained and ready to lead teams during incidents.

Firefighters told us they are well equipped with a good standard of vehicles, equipment and protective clothing. Fire and rescue service staff spend a lot of time training in the safety critical skills needed to operate equipment and respond to emergencies. In all the services we inspected, firefighters are confident in their use and understanding of essential equipment like breathing apparatus.

Supervisors can describe how to command incidents, and many had documents to support their understanding.

## **Record critical decisions to learn from them**

Incident commanders are meant to record the critical decisions they make during an incident. This is an area for improvement across most of the fire and rescue services we inspected. We found evidence in several services that incident commanders are not routinely recording their decisions. So it is difficult for the service to learn from experience and improve the service they provide to the public.

## **Operational discretion**

Operational discretion is part of the national guidance agreed by the NFCC and the Health and Safety Executive:

“Operational discretion relates to rare or exceptional circumstances where strictly following an operational procedure would be a barrier to resolving an incident, or where there is no procedure that adequately deals with the incident.”

Using operational discretion might mean the commander has to use tactics and equipment in a novel way. For example, ladders may be used as improvised stretchers or to bridge a gap if waiting for purpose-made equipment would unduly delay a rescue. We were encouraged to find that commanders at all levels generally understood how to make critical decisions and apply their discretion when appropriate. But the use of discretion was not as well logged or evaluated as it could be. Good recording and evaluation would help fire and rescue services learn from how commanders use operational discretion.

## **Evaluating operational performance**

Fire and rescue services should evaluate how well they respond to incidents. This evaluation tells them how to improve and what value they provide to the community. It allows them to check that they are using new procedures and techniques effectively.

## **Debrief after small incidents as well as large ones**

All the fire and rescue services we inspected had developed a process to debrief staff after incidents. Most services have an operational assurance team to gather learning and help the organisation improve. We found that these services are good at debriefing large and complex incidents because the central team manages this. We found that learning from smaller incidents is not captured well enough. So services are missing opportunities to develop staff and improve the way they help the public.

## **Sharing learning across the nation**

Every fire and rescue service has access to a national platform that they can use to share learning with each other.<sup>17</sup> We found most services understand the value of this. They can submit their learning and they make good use of available case studies. Staff we spoke to are positive about the learning they had taken from this platform.

---

<sup>17</sup> See: [www.ukfrs.com/national-operational-learning-0](http://www.ukfrs.com/national-operational-learning-0)



## Responding to national risks

Fire and rescue services must respond during times of extraordinary need such as flooding and major incidents. They need arrangements to supplement their resources. They can do this by calling for help from neighbouring services and from specialist national resources. We examined how ready they are to do this and how well they work with other organisations to this end. All the 13 services we inspected in this area are good at responding to national risks. We didn't inspect Isles of Scilly Fire and Rescue Service because it doesn't have a national response requirement.

### Preparedness

Good fire and rescue services have trained staff who know who to contact in a time of exceptional need. And they know what to ask of those they contact. One example, in the services we inspected, is the use of national inter-agency liaison officers (NIOs) as subject matter advisers when responding to incidents like a marauding terrorist attack. The role of the NIO, or alternatively an officer with the relevant security clearance, provides services with a secure means of communication enabling classified information to be transferred between police, fire and ambulance.

### Prepared for emergencies at high-risk sites

All the fire and rescue services we inspected have good systems and plans for dealing with incidents at high-risk sites. High-risk sites might include power stations and chemical factories. Most services can access risk information for neighbouring service areas, but the quality of this information varies. At its best, firefighters can access risk information on MDTs, as they would for their own service's information. In other services, firefighters rely on fire control operators relaying information.

### Drawing on other resources

We spoke to fire control staff and middle and senior managers who knew how to call on neighbouring fire and rescue services and national resources. They described the national co-ordination advisory framework arrangements effectively.

We found that services have effective training programmes to maintain competence and availability of specialist national resources such as:

- detection identification and monitoring for chemical incidents;
- high volume pumps for flooding response;
- enhanced logistic support; and
- urban search and rescue for building collapse.

### Better access to cross-border risk information

Staff on both wholetime and on-call stations we inspected could retrieve risk information and data from the MDTs in fire engines. But staff often told us they lacked confidence about accessing risk information for an incident over the border (see 'Managing assets and resources'). We are satisfied that most operational staff understand how to interpret risk information.

## **Working with other agencies**

We found that incident commanders at all levels have a good understanding of the Joint Emergency Services Interoperability Principles (JESIP). These principles help to ensure all the blue light services work together effectively.

## **Services are valued members of the resilience community**

All fire and rescue services are active members of their local resilience forums (LRFs). LRFs are groups of emergency responders and representatives from local authorities who meet to agree plans and preparedness for community risks such as wide area flooding, pandemics or major incidents like an explosion. Members of the LRFs are positive about the level of participation and support provided by fire and rescue services. Many services take lead roles by chairing groups and organising exercises.

## **Improve cross-border exercising**

The fire and rescue services we inspected take part in multi-agency exercises at high-risk sites and for major incidents such as flooding. At LRF exercises fire crews test multi-agency response plans and senior managers can refine their command skills. But some services need to improve their exercising at a local or cross-border level. Running training exercises with other fire crews and other emergency responders can help to test operational procedures and working practices, and help disseminate learning.

## **A broader range of emergencies**

We found evidence that fire and rescue services are increasingly responding to a broad range of emergencies beyond fires and road traffic collisions. All the services we inspected are prepared to deal with flooding and terrorist incidents. While the amount of equipment, expertise and training within services varies, every service understands how to call on extra resources.

# Efficiency



# How efficient are the services at keeping people safe and secure?

The table below sets out our overall efficiency pillar judgments for each fire and rescue service.

**Table 2: Efficiency pillar judgment for each fire and rescue service**

Grade	Number of services
Outstanding	0
Good	8
Requires improvement	5
Inadequate	1

Fire and rescue authorities receive funding from the Ministry of Housing, Communities and Local Government (MHCLG) via the local government settlement. Funding from the local government settlement is split into revenue support grants and business rates and is collectively known as the settlement funding level. Fire and rescue authorities are also funded by council tax precept. Like other public-sector bodies, fire and rescue services have been subject to budget reductions over the last eight years. It is not possible to determine the change in funding for all 45 fire and rescue authorities in England. Seventeen authorities are part of a wider organisation (e.g. a county council or mayoral authority) and are responsible for providing a range of local government services. The wider organisation (of which the fire and rescue service is a part) is responsible for allocating funding and do so based on local priorities.

Fire and rescue services must have the capacity to respond to events even if those events haven't happened in recent years.

The National Framework states that: "Fire and rescue authorities must manage their budgets and spend money properly and appropriately and ensure the efficient and effective use of their resources, pursuing all feasible opportunities to keep costs down while discharging their core duties effectively. Fire and rescue authorities should regularly review the numbers and deployment of firefighters and other staff to ensure that their fire and rescue service has a workforce that is commensurate with the risks that they face."

An efficient fire and rescue service should:

- allocate its budget and resources according to the activity in its IRMP;
- have clear reasons for the way it has allocated resources to prevention, protection and response;
- work to reduce non-operational costs – for example, through benchmarking, contract renegotiation, and joint procurement;
- have introduced flexible workforce patterns that provide a cost-effective service that keeps people safe;
- actively explore opportunities for collaborations that line up with the priorities in its IRMP and improve its service or efficiency;
- understand potential future financial difficulties – this understanding should be based on robust, realistic and prudent assumptions, and use scenario planning, modelling and benchmarking to plan for future spending reductions;
- have a plan for its financial reserves – to show how it uses them in a sensible and sustainable way to improve the long-term efficiency of the service, rather than merely fill budget gaps; and
- invest in technology and exploit changes in technology to improve its efficiency and effectiveness.

### Access to better financial data

To manage budgets, use resources efficiently and effectively and to pursue opportunities to reduce costs, fire and rescue services need accurate and reliable data.

We found that in some services we inspected there was a lack of credible and comparable data about expenditure. This was particularly the case for services that are part of a county council, which use the council's support functions such as finance, human resources and IT. We saw services that didn't know how the council calculated and allocated charges for their support services. This makes it difficult for the service to find out whether it gets value for money.

Fire and rescue service leaders need to understand their true costs to run an efficient service. All services need to understand their spending better and to explain it better. We have established that the current Chartered Institute of Public Finance and Accountancy (CIPFA) data on fire and rescue service finances is not good enough. It cannot be used to understand and compare fire and rescue service finances. This has made it difficult for us to accurately assess the actual service cost. We are working with CIPFA and the sector to get better data in 2019. This work includes revised guidance. The new guidelines call for consistent responses and more validation checks by CIPFA. We hope to see better financial data by September 2019.

## Using resources to manage risk

### Understanding risk to the public

Fire and rescue services need to understand foreseeable risks to the public. They need to understand what resources they need to reasonably mitigate such risks. Nearly all of the services inspected showed an understanding of risk. They explain this in an IRMP. Resourcing to risk means that services may need to have a response resource that they know they will not regularly use. This is so they are resilient and have enough resources to face a major incident or emergency.

We judged over half (eight) of the fire and rescue services we inspected to be good in this area. They showed us how they use a range of historical, current and predictive data to decide how to use resources. We saw services using risk information to shift resources to areas of highest risk and they explained to us why they did this. We also saw evidence that services are exploring new ways to allocate resources. For example managing risk and improving efficiency through new crewing arrangements or shift patterns.

### Matching resources to risk

Cambridgeshire FRS uses a variety of working patterns to match resources to risk. It uses a mix of wholetime, day-crewed, on-call and volunteer firefighters to match its resources more efficiently to demand. It worked out that it would be more efficient to move from a five-watch system back to a four-watch system. It also introduced two roaming pumps to increase the availability of fire engines, and improve productivity. This means the service has the right resources to respond to major incidents and to do prevention and protection work.

Additionally, Lancashire FRS uses a broad range of duty systems aligned to the risk rating of surrounding areas. So the service meets attendance times while avoiding overprovision. It reviews its duty systems on a three-year cycle, using previous reviews to improve efficiency.

### Better modelling makes it easier to allocate firefighters and equipment

Some fire and rescue services we inspected are not meeting the levels of availability outlined in their IRMP. These services can still respond when the public needs them, but their resource-to-risk modelling could, perhaps, be better. For example, one service could not explain why it believes it needs 40 fire engines available at all times. And it could not say why its target attendance times were the right ones. Fire and rescue services need to tell the public what they will provide and then meet that commitment.

We were also concerned to find fire and rescue services that are not clear how many firefighters and staff they need. We saw decisions to allocate resources that were based on historical risk information. We saw workforce plans based on maintaining the same number of firefighters each year. And some services base workforce plans on employing as many firefighters as they can afford. They continue to do this even if risk has changed, or if resources would be better allocated in another way. This is

sometimes even the case when the service's prevention and protection activities do not meet statutory responsibilities.

### **The public wants response to incidents**

All the fire and rescue services we inspected prioritise their ability to respond to major incidents. The public supports this. The public perceptions survey we commissioned shows 70 percent of respondents see extinguishing fires and protecting life and property as in the top three most important activities that fire and rescue services should prioritise. Next most important priorities, according to respondents, are responding to other life-threatening emergencies and road traffic collisions and other transport incidents.

### **Prevention and protection: under-resourced in some services**

The Fire and Rescue Services Act 2004 requires services to undertake fire prevention and protection activities.

We expect fire and rescue services to explain how they allocate their resources to prevention, protection and response. Almost half of the services we inspected require improvement (with one service graded as inadequate) in this area. This was in part because of an unequal distribution of resources to the risks the service manages. We found examples where a service's distribution of resource to risk is disproportionate or not well understood and explained.

In the effectiveness pillar, protection activities were graded, in general, lower than other areas. This is in part because some services do not allocate enough resources to this important work. We saw protection teams that do not have enough resources to complete the high-risk inspections committed to in the RBIPs.

Graded judgments on prevention were mostly good across the 14 fire and rescue services inspected. But we did find services that had not prioritised resources for prevention activity. We found prevention specialists with a backlog of work and we found examples of reactive prevention work that does not target the most vulnerable people. We did see some services, such as Surrey FRS, exploring ways to increase capacity. For example, by using volunteers for prevention activities. But many services do not have plans to tackle the resource problems in this area. The public perceptions survey we commissioned shows that only 16 percent of respondents have had contact with their local service in the past 12 months. Most commonly (5 percent of respondents), people saw them at a community event or open day. Services often host or attend these to promote prevention messages.

### **Services work well with others**

The Policing and Crime Act 2017 placed a statutory duty on fire and rescue authorities, police forces, and ambulance trusts. They need to:

- review collaboration opportunities;
- tell other emergency services about collaborations that could improve their mutual efficiency and effectiveness; and
- give effect to collaborations that the parties involved agree are effective and efficient and do not harm public safety.

Nearly all the fire and rescue services we inspected have a positive attitude towards collaboration. They are keen on opportunities to make savings and improve services to the public. We saw a wide range of collaborative activities including sharing estates and control rooms. These collaborations can save services money and give opportunities for them to train together. They also create closer links and improve understanding between the organisations involved.

We also saw fire and rescue services working closely with other emergency services. In particular, Cheshire FRS collaborates with Cheshire Constabulary in back-office functions. The single back-office should reduce frontline support costs, improve services and benefit the environment. By January 2017, the service had saved just over £670,000. Additionally, Cambridgeshire FRS combined its fire control with Suffolk FRS. The two services are each saving about £400,000 a year.

Other fire and rescue services collaborate with the county council. Cornwall FRS in particular took funding support from the council and local police and crime commissioner to introduce tri-service safety officers. These officers support the police, ambulance, fire and rescue service and council anti-social behaviour team. An independent review found these officers to be of “significant value to all services and residents”. They help with on-call response cover and safety and prevention services in the community. The service also hopes that they will improve workforce diversity.

### **Collaborations need reviewing**

Most of the fire and rescue services we inspected are ambitious in the collaboration efficiencies they aim for. But nearly half of services have no formal review process for collaboration. So they fail to evaluate the benefits of often costly projects. Where they have done so, the results often fall short of the anticipated savings. Services need to evaluate the collaborations to identify what worked. Evaluation will also help them better understand the feasibility of future projects and predict results.

### **Continuity plans in place**

Fire and rescue services need robust business continuity arrangements otherwise they risk service failure during an unexpected incident. We were pleased to find them in nearly all the services we inspected. Some services, such as Lincolnshire FRS, have a wide range of business continuity plans covering critical functions such as:

- response capability;
- looking after staff;
- weather alerts; and
- cyber-attacks.

Lincolnshire FRS tests these plans regularly for viability. In this example, each department has its own bespoke plan. The service reviews these annually and tests them through multi-agency exercises.



A few fire and rescue services need to widen their business continuity plans to cover areas such as cyber-attacks. They should also ensure that they are regularly testing and updating their plans. In one service we could not find any evidence of business continuity arrangements testing. Another service regularly tested equipment in its secondary control room, but had never fully tested it by taking calls and mobilising crews.

## Planning a sustainable model for now and the future

Fire and rescue services should make the most of their available resources. Services should:

- closely manage budgets;
- spend money properly and appropriately; and
- pursue all feasible opportunities to keep costs down while doing their primary duties effectively.

They should base future budgets on robust, realistic and prudent assumptions. They should use scenario planning, modelling and benchmarking to plan future spending reductions. Nine of the services we inspected are good at doing this.

Like other public-sector bodies, central government has required fire and rescue services to make savings. HM Treasury told departments to plan for a round of funding reductions in next year's spending review. Fire and rescue services do not yet know what level of savings they will need to make. This, alongside council tax freezes, has created an air of uncertainty about future budgets.

### Saving through efficiency

We found that nearly all fire and rescue services have a track record of achieving savings. In the 12 months to 31 March 2018 the England rate (excluding Isles of Scilly FRS) for firefighter cost per head of population was £22.38, which had decreased slightly from £22.76 for the same period in 2017. We were encouraged to see some services creating longer-term efficiencies by:

- revising their senior management structures;
- altering shift systems; and
- investing in, and taking advantage of, technological advances to improve efficiency and productivity.

But we also saw services plugging budget gaps by not filling vacancies or by using reserves and underspends from previous years. This may not prove to be sustainable. We also found a range between services in the rate of firefighter cost per head of population, with one service costing £16.42 in the 12 months to 31 March 2018 and another costing £31.75 during the same period.

## Wise use of financial reserves

Fire and rescue authorities (other than county council fire and rescue authorities) can keep part of their funding in financial reserves. These reserves are:

- to manage financial risk;
- to fund major future costs such as change programmes aimed at improving services to the public;
- to cover unforeseen pressures; or
- earmarked for a specific purpose such as investment in new technology.

Most fire and rescue services have reserves. Fire and rescue services that are part of county council governance structures do not hold their own reserves but can access council reserves. Services must use reserves in an appropriate and sustainable way.

Financial reserves held by the 28 standalone fire and rescue authorities increased by 80 percent to £545.1 million between 31 March 2011 and 31 March 2018.<sup>18</sup> On average reserves make up 42 percent of fire and rescue services' main spending power in March 2018.

## Some services are not using reserves to fund efficiency

We are concerned that some fire and rescue services are not using reserves sensibly and sustainably to fund changes to improve long-term efficiency. We found a general over-reliance on reserves in some services to fill budget gaps or maintain inefficient practices. Services should not delay initiatives that will improve efficiency just because they can use their reserves to shore up inefficient practices. Nor should services use reserves to sustain essential activity.

We were encouraged to find Lancashire FRS investing its reserves in frontline services. It purchased water rescue equipment and a new style of high-reach water tower, the first of its kind. Additionally, Cheshire FRS is using reserves to develop new training facilities, fund ICT developments and to support collaboration projects.

## Budget plans vary in sophistication

While fire and rescue services are planning for the future, the scope and scale of these plans varies significantly across the services we inspected. Most services understand the financial climate. But the financial planning in some services is limited in scope and based on unsophisticated scenario planning and modelling. Although nearly all services operate within their existing budgets, there is very little evidence of real financial and resource planning past 2020.

---

<sup>18</sup> *Fire and Rescue Authority financial reserves: March 2018*, Home Office, November 2018. Available from: [www.gov.uk/government/publications/fire-and-rescue-authority-financial-reserves-march-2018](http://www.gov.uk/government/publications/fire-and-rescue-authority-financial-reserves-march-2018)

Most fire and rescue services we inspected would benefit from a better understanding of the financial difficulties they may face in three or four years' time. They could increase the sophistication of their scenario planning, modelling and benchmarking. We would expect services to consider what they need to do now to solve, or if possible, avoid problems in the future. Services should use information about their known risks, workforce, assets and capacity to prepare for problems. Services need to understand risks and demand at a level that is sophisticated enough. This will help them work out the minimum level of resource they need to give the public an efficient and safe service.

### **Using data to predict future risk**

Fire and rescue services' investment plans should use reserves to improve efficiency in the future.

We were encouraged to see some services progressing in this. Lancashire FRS in particular uses historical and predictive data to understand community risk. It can set out both the financial risks it managed in the past and the problems it faces in the future. The service measured the progress of the IRMP with key performance indicators, one being value for money. It showed it was flexible enough to meet future financial difficulties, including those outside its control. For example, government grants, nationally set pay awards and varying levels of council tax.

### **Using technology to streamline processes**

All the fire and rescue services we inspected have the operational equipment they feel they need to keep the public safe. But the use of technology varies considerably. An efficient service makes the best use of opportunities and responds to risks presented by changes in technology. We would expect to find technology streamlining processes and procedures. Examples include:

- online systems which remove the need for paper forms and remove duplication by updating multiple systems with the same piece of information;
- MDTs, tablets, laptops and Wi-Fi to support flexible working; and
- access to real time data to help staff to manage and resolve emerging incidents.

### **Technology use in fire and rescue services**

We found examples of innovative technology use. For example, Lancashire FRS uses drones to view incidents in remote locations as they happen, and uses debrief apps. But we were concerned to find some fire and rescue services using broken or unreliable IT systems. This hinders productivity. It also hinders firefighters in getting risk information on the way to an incident. This makes their job more difficult and less safe. We also found services that rely on paper-based or fax systems to share operational information such as availability of crews or learning from incidents.

## Outside income boosts sustainability

About half of the fire and rescue services that we inspected are actively exploiting external funding and income generation opportunities. Examples include:

- providing vehicle maintenance to a neighbouring service;
- leasing estate to other emergency services;
- providing training to the public, county council and private businesses; and
- charging for the monitoring of CCTV.

One service generates in excess of £1 million annually by allowing other public-sector services to locate staff in its premises. These are good examples of ways services can improve financial sustainability.

## Income generation may clash with primary duties

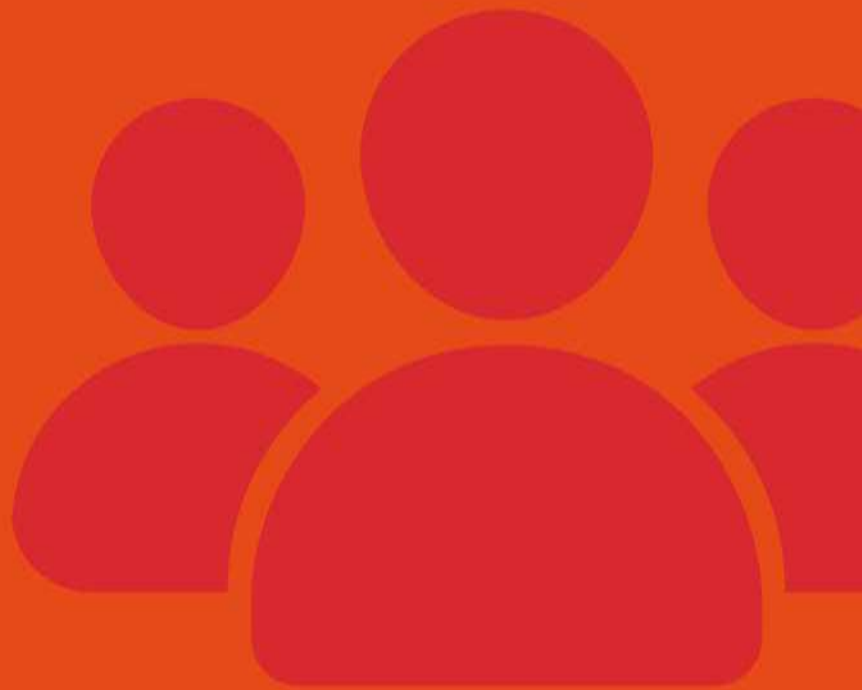
But we were concerned that in some fire and rescue services these activities are prioritised over primary duties. We found examples of services with short-staffed prevention and protection teams assigning staff to provide training on a cost-recovery basis.

While it is positive that services are trying to increase their income, they need to avoid or manage conflicts of interest. We are considering further work to find out if there are unmanaged conflicts of interest in fire and rescue services. Grant Thornton has published guidance<sup>19</sup> on trading arms, following consultation with NFCC and the fire industry association (FIA). Services can use this to self-assess their activities.

---

<sup>19</sup> *Creating and operating a successful trading fire company*, Grant Thornton, October 2018. Available at: [www.grantthornton.co.uk/globalassets/1.-member-firms/united-kingdom/pdf/creating-and-operating-a-successful-fire-trading-company.pdf](http://www.grantthornton.co.uk/globalassets/1.-member-firms/united-kingdom/pdf/creating-and-operating-a-successful-fire-trading-company.pdf)

# People



# How well do the services look after their people?

---

The table below sets out our overall people pillar judgments for each fire and rescue service.

---

**Table 3: People pillar judgment for each fire and rescue service**

<b>Grade</b>	<b>Number of services</b>
Outstanding	0
Good	3
Requires improvement	10
Inadequate	1

## Values and culture

Fire and rescue services should be positive places to work. Staff should be well equipped physically and mentally to protect the communities they serve. Staff at all levels should demonstrate the service's values and behaviours. These values should be available to the public.

Fire and rescue services should have a positive culture that promotes health, safety and wellbeing to all staff.

Firefighters need to support the public during dangerous and difficult times. They witness horrific incidents including fatal road traffic collisions, house fires, significant flooding and terrorist attacks. Each service needs to give appropriate support to those who have witnessed traumatic events. This means having support services that staff can access. Staff must have confidence in these support services at all times.

Most operational activity is done by small teams of firefighters, who work closely together on watches. These watches, for both wholetime and on-call staff, work together intensively and for prolonged periods of time. Many people spend their whole careers working for the same service, often as part of the same team.

## **Most services need to do more to promote good values**

Most (nine) of the fire and rescue services we inspected require improvement in the way they promote values and culture. The values and culture of services we inspected vary hugely, with one service graded as outstanding and one as inadequate.

We saw a small number of services where we found a positive culture at every level of the organisation. In Lancashire Fire and Rescue Service, which we graded outstanding, we saw senior leaders modelling a clearly explained set of service values. There is a strong and positive culture at all levels of the organisation. Staff believe in this culture and live by it.

In other fire and rescue services we saw that leaders know the values and behaviours they want, but have not yet communicated them. So staff did not understand them. We witnessed staff behaving poorly towards each other. For example, we observed staff using insensitive and inappropriate language. And we were told about autocratic and domineering behaviour by middle and senior managers.

### **‘Watch-culture’ is a barrier to professional help**

An important element of a fire and rescue service’s culture is how they look after their people. Positively, most services we inspected have suitable staff wellbeing provision in place, including after traumatic incidents. It is important that staff can access whatever wellbeing service they feel they need, in a timely fashion.

In some services staff told us that the watch-culture is a barrier for staff seeking professional help. Aspects of this watch-culture, such as teamwork and cohesion, can be a strength in operational situations. But watch-culture can also leave some staff afraid of seeming weak to colleagues or being different. This leaves them without the confidence to seek help. And watch-culture can result in people seeking help only from their peers, even if professional help would be more appropriate.

### **A lack of trust in the grievance process**

Grievances are concerns, problems or complaints that employees raise with their service. Managers should try to resolve concerns before they become major problems. Staff who are confident that managers will deal with grievances fairly and promptly are more likely to trust the organisation. The use of fair procedures shows employees that they are respected and valued. This, in turn, can help to improve motivation and performance.

Disappointingly, staff in half of the services we inspected lack trust in the resolution process. In most cases staff perceive the process as unfair. They told us about timescales that are not met, and managers who are not trained to resolve concerns effectively. We also found that fire and rescue services do not effectively record, track or monitor informal grievances. This means services are not making sure they apply the principles of procedural justice. All too often, services are not taking opportunities to learn and improve as a result of grievances.

Results of our survey of staff from Tranche 1 showed just over a quarter of the 1,002 people who responded felt they had been bullied or harassed in the last 12 months. And 20 percent felt they had suffered discrimination, but only 8 percent had reported it formally. Fire and rescue services have some way to go towards creating an inclusive and positive working culture in which staff feel valued and supported, and behave appropriately with each other.

### **A supportive health and safety culture**

Most of the fire and rescue services we inspected have appropriate health and safety policies. And most have what staff feel to be a supportive health and safety culture.

Most of the services that we inspected have a system in place to monitor the hours worked by staff. Such systems help to ensure that staff get enough rest and are safe to work. But when it comes to managing these services in practice, the picture is mixed. A small number of services do not effectively monitor or control overtime or secondary employment away from the service. This is a concern to us. These services cannot assure compliance with the working time directive. And they cannot guarantee their staff have enough rest to ensure their wellbeing and safety.

### **Training and skills**

Fire and rescue services are like any employer in that they need a workforce plan. Workforce plans record the skills and capabilities needed now and in the future to manage risks to the public. Services need to track and monitor the skills and capabilities in their workforces. And they need a culture of learning and improving that encourages staff development. Finally, they need a performance management system that supports the individual and monitors their competence and performance.

#### **The right mix of risk-critical skills**

We found that most (ten) fire and rescue services we inspected are good at ensuring their staff are sufficiently trained and skilled. The remaining four require improvement.

A few services don't have an adequate system in place to ensure all operational staff are competent in risk-critical skills.

Fire and rescue services need to provide suitable operational training. And they must record training accurately. This is so the service can assure itself that all operational staff are competent. Services need:

- a mechanism for monitoring the expiry dates of staff competencies;
- effective plans for maintaining competencies; and
- to provide training in advance of competencies going out of date.

#### **Workforce planning to prevent skills gaps**

While most fire and rescue services have recruited whole-time firefighters in recent years, a small number of services have carried out little or no recruitment. But the difficulties of attracting and retaining on-call staff are always with services, so on-call recruitment has continued as usual.



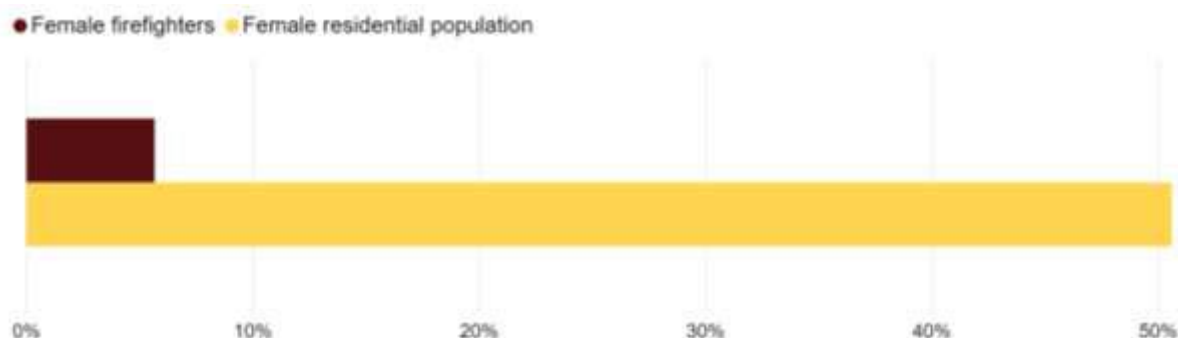
Fire and rescue services need to improve their workforce planning. Fewer than half of the services we inspected showed effective workforce planning processes. Effective processes fully account for retirement and planned leavers. They also include succession planning for the skills and knowledge gaps created. This situation is worrying given the age profile of the sector. A high number of firefighters are expected to retire over the next few years. Services need to be planning for these departures now. They need appropriate training provision and succession planning to fill these gaps without damaging service delivery. Effective workforce planning also helps services to plan for a sustainable financial future.

We found that in Cambridgeshire, the service has introduced a 'balancing board' to understand its future skill requirements. This board takes its workforce's predicted leaving dates and balances them against the demand predicted in its risk management plan. The service reviews and mitigates the risk of losing staff who are critical to service delivery. The balancing board underpins the service's succession planning strategy. It is an example of effective workforce planning.

### Fairness and diversity

Fire and rescue services should be inclusive and meet the needs of their workforce. No fire and rescue service is currently representative of its community in terms of gender and BAME diversity. Some 5.7 percent (1,980) of firefighters were women in England as at 31 March 2018. This compares with 5.2 percent in the previous year (1,832 in 2017). Since 2010, the main reason the proportion of women firefighters has increased has been a decrease in the number of male firefighters.

**Figure 7: Percentage of female firefighters as at 31 March 2018**

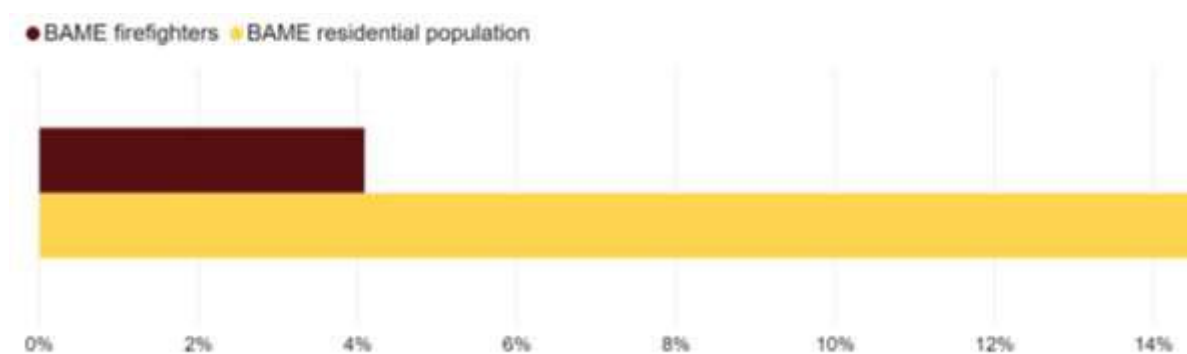


**Source: Home Office data**

**For further information about this data, please see annex A**

Some 4.1 percent (1,293) of firefighters were from an ethnic minority group in England as at 31 March 2018. This compares with 3.9 percent in the previous year (1,255 as at 31 March 2017). The number of white firefighters has been decreasing faster than the number of firefighters from an ethnic minority group. And there has been a very small increase in the number of firefighters from an ethnic minority group when compared with the same time period in 2017.

**Figure 8: Percentage of BAME firefighters as at 31 March 2018**



**Source: Home Office data**

**For further information about this data, please see annex A**

While the diversity of the firefighter workforce is limited, the diversity of non-operational staff is better.

Disappointingly some services do not yet collect data on sexual orientation, religion or disability.

While we graded four services good at ensuring fairness and diversity, nine require improvement and one was graded inadequate. When we form our judgments, we consider:

- how effectively services exploit opportunities to increase diversity;
- how they promote diversity at all levels within the organisation; and
- how they engage with under-represented groups, both within the workforce and the community.

### **Diversity benefits fire and rescue services**

Fire and rescue services need to understand the different needs and priorities of the communities they serve. To do this, services need diverse workforces. Other benefits of diverse workforces include greater innovation and better performance. It also leads to diversity of behaviour, where employees with different personalities and backgrounds work in different ways. This can improve decision making and service to the public. Services also need diverse workforces to develop talented future leaders and transform services into modern public-sector organisations.

### **Communicate diversity**

Around a half of respondents to our public perception survey do not know how diverse their local service is in relation to ethnicity, gender, sexual orientation and disability. This lack of awareness is reflected in the limited diversity of applicants seeking to join fire and rescue services.

We are concerned that staff – including managers – in half the services we inspected do not understand the benefits of and need for workforce diversity. In a small number of services, this lack of understanding manifested in staff behaviours and attitudes inconsistent with an inclusive or open workplace. This must be addressed.

## **Act on diversity**

We were also very concerned to see two services have no designated shower facilities for female firefighters on some of its stations. Firefighters who cannot shower risk carrying home fire contaminants on their skin.

It is encouraging to see most of the fire and rescue services we inspected are engaging in recruitment activity that targets under-represented groups. The sector is promoting itself through activities such as 'have a go' days and myth-busting presentations.

It is one thing recruiting a more diverse workforce; it is quite another to make sure individuals feel properly included and can thrive within a service. Unless fire and rescue services tackle fundamental cultural problems, they will always struggle to be a diverse employer. We recognise the work of the Home Office, the NFCC and some services in breaking down barriers. For example, the 'join the team: become a firefighter' programme is designed to support services in attracting a more diverse range of applicants.

## **The value of feedback**

Seeking and acting on staff feedback is an important way for leaders to engage their workforce and discover ways to improve.

There is mixed use of methods such as staff surveys and focus groups to seek feedback and encourage improvements. Most fire and rescue services have recently undertaken a staff survey. But fewer than half showed effective use of the results as a basis for change and improvement. Some services are utilising other staff feedback procedures, such as engagement groups and social media platforms. But many of these procedures are relatively new and there is limited evidence of resulting change. We recognise the strength of staff engagement through representative bodies in services.

## **More staff support networks would support diversity**

Fewer than half the fire and rescue services we inspected have set up staff support networks. That includes those for staff from under-represented groups. Staff networks can provide support and help staff share their experiences with each other. Networks can also gather and record ideas to improve workforce diversity and help identify barriers to equal opportunities. If services wish to attract and retain people with a broad range of skills, abilities and experience, they need to engage better with all parts of their workforces.

In Hampshire FRS we were encouraged by the work of the diversity and inclusion team. The team has established staff support groups, such as Fire Inspire (for female staff), Fire Out (for LGBT staff) and Fire Able (for BAME and disabled staff).

## Leadership and capability

Fire and rescue services should operate effective performance management processes to support and develop individuals. They also need to identify and support those with the talent and capacity to become future leaders. Most (11) fire and rescue services require improvement in this area and three are good.

### **Increasing staff trust in the appraisal system**

Every fire and rescue service inspected has some kind of performance management process in place. But staff in most services do not consider their appraisal system effective at managing their performance. Staff in some services told us that appraisal systems are only a means for those seeking opportunities for promotion or development. All too often, the value of the performance management regime for staff not seeking promotion is limited. Managing performance of every staff member is important to help them fulfil their potential and work effectively.

In a small number of services, we found that appraisals are carried out for staff in large groups, rather than as individuals. We recognise the value in discussing team performance. But relying solely on this method does not allow managers to openly discuss individual performance and career aspirations. And it does not allow managers to help individuals be more effective in their current role. Nor does it allow staff to express concerns or welfare needs.

The NFCC has an upcoming leadership framework. It recognises the need to tailor development to the individual, rather than using a one size fits all approach.

### **Staff need to trust the promotion process**

Staff in more than half the fire and rescue services inspected told us the promotion and selection processes are unfair or not clear and open. In particular, staff feel the process and selection criteria used by services is poorly communicated. We believe services need to do better at explaining promotion processes to staff. This would improve staff awareness and give them more confidence in the process. Explaining in advance assures staff that the right people have been selected, in the right way, at the right time.

A small number of services have staff carrying out temporary promotion responsibilities for excessive amounts of time, in some cases many years. These temporary roles are not secure and we believe this is to the detriment of staff who hold them. It could also be a further example poor workforce and succession planning.

## Do more to spot talent

It is important for a fire and rescue service to develop its future leaders. Talent management is the attraction, identification, development, and retention of those individuals who are of particular value to an organisation. This might be because of their high potential for the future or because they are fulfilling critical roles. The benefits of an organisation-wide approach to this are that it:

- builds a high performing workplace;
- encourages a learning organisation; and
- expands diversity of thought and experience at senior levels.

Only two services inspected have a process for identifying and developing staff with high potential to become senior leaders but who fall outside 'traditional' development pathways. In some services we witnessed a reluctance from staff to engage with this concept. Some staff fear being stigmatised for doing so. And some are reluctant to 'put their head above the parapet'.

We are pleased that service leaders, through the NFCC and the new Fire Standards Board, are addressing this problem. Service leaders have access to national talent schemes such as the executive leadership programme, which is open to all services. It is available to staff who hold a senior leadership position, or who are likely to in the near future. On completion, these staff receive a postgraduate certificate in strategic leadership. They will be much better equipped to guide and encourage positive change within their services.

We also look forward to the introduction of the NFCC National Leadership Framework. This will define the leadership qualities needed at each level of management. And it will set out process to support people in developing their careers.

We are encouraged that a small number of fire and rescue services have looked outside the fire and rescue sector to bring in talented individuals at senior management level. Such leaders will bring diversity of thought and experience. This is an important opportunity for services that must provide a modern public service in financially constrained times.

## Definitions and interpretations

In this report, the following words, phrases and expressions in the left-hand column have the meanings assigned to them in the right-hand column. Sometimes, the definition will be followed by a fuller explanation of the matter in question, with references to sources and other material which may be of assistance to the reader.

7(2)d risk	responsibility of fire and rescue services to gather risk information in their area; provided for under Section 7(2)d of the Fire and Rescue Services Act 2004
Article 31 prohibition notice	notice issued by an enforcing authority (e.g. the fire and rescue service) under <a href="#">Article 31</a> of the Regulatory Reform (Fire Safety) Order 2005, prohibiting or restricting use of a building to ensure people's safety; most stringent measure available to an enforcing authority
benchmarking	comparing costs and services with other organisations
BikeSafe	programme for motorcycle safety nationally; led by the police; aims to reduce number of bikers being hurt on the roads; in some areas, the local fire and rescue service runs this in conjunction with the police
Biker Down	<a href="#">programme</a> telling motorcyclists what to do if they are first at the scene of an accident involving a motorcyclist; national in scope
COMAH site	site covered by the <a href="#">Control of Major Accident Hazards (COMAH) Regulations 2015</a> ; these Regulations apply to establishments storing or otherwise handling large quantities of hazardous industrial chemicals; designed to ensure establishments take all necessary measures to prevent and limit consequences of major accidents
critical incident	incident that endangers people or property, such as a building fire or road traffic collision
day crewing plus	shift system used by firefighters; usually firefighters are based at a fire station during the day and live in close proximity at night where they can be called if required
dry riser	pipe that can be externally connected to a pressurised water source to distribute water to multiple levels of a building

Exeter data	database of all patients over 65 registered with an NHS GP in England and Wales
Experian data	<b>See</b> Mosaic data
fall back	situation requiring a fire control to change its procedures due to a loss of equipment or the need to change location
fire and rescue authority (FRA)	governing body responsible for the local fire and rescue service; FRAs nationally operate a range of different locally-determined governance arrangements
Fire and Rescue National Framework for England	framework prepared by the Home Secretary as required by the Fire and Rescue Services Act 2004; sets out guidance and priorities which fire and rescue authorities have a duty to have regards to
fire control	department in a fire and rescue service which provides a constant service to answer emergency calls, mobilise fire appliances and support the operational response of the service
fire safety enforcement action	action taken by every fire and rescue service to enforce compliance with the Regulatory Reform (Fire Safety) Order 2005; this order requires individuals to carry out risk assessments to identify, manage and reduce the risk of fire in the property they are responsible for
fire service emergency cover (FSEC) toolkit	software provided by the government to UK fire and rescue services; geographical information-based risk assessment toolkit that helps services align local risks and resources to reduce costs
fire transformation fund	initiative run by Government that allocates extra investment to reform fire and rescue services
framework agreement	procurement process between a public sector organisation and a company or companies, to provide goods or services; associated with achieving value for money
hazardous area response team (HART)	personnel recruited and trained to provide the ambulance response to major incidents involving or potentially involving hazardous materials
heritage site	site, building or area of unspoilt natural environment, considered to be important to a country or area's heritage; the <a href="#">Heritage at Risk</a> register lists at-risk heritage sites
home fire safety checks	visits to a residential premise to provide advice on how to stay safe from fire; checks may vary between fire and rescue services; also known as home fire risk checks
hot debrief	review of lessons learned completed immediately after an incident, when all main people are still present and can remember details

independent statutory inspection	inspection undertaken in the exercise of the Home Secretary's powers under section 10 of the Local Government Act 1999
index of multiple deprivation	qualitative study, by the UK government, of deprived areas in English local councils
integrated risk management plan (IRMP)	plan which each fire and rescue service must produce; each plan must outline all foreseeable fire and rescue-related risks, how the service will allocate resources across prevention, protection and response, required service delivery outcomes, including resource allocation for mitigating risks, and its management strategy and risk-based programme for enforcing the provisions of the Regulatory Reform (Fire Safety) Order 2005
Investing for the Future	savings and investment plan of Avon Fire and Rescue Service
Joint Emergency Services Interoperability Principles (JESIP)	programme to improve the way police forces, fire and rescue services and ambulance trusts work together when responding to major multi-agency incidents
joint organisation learning (JOL)	learning identified through multi-agency response to an incident
level 4 diploma in fire safety (fire inspectors)	qualification for experienced fire safety officers working in complex environments and situations
level 5 diploma in engineering design (technician)	qualification for individuals who work or intend to work in a position assessing or designing fire engineered buildings
local resilience forum (LRF)	partnership made up of representatives from local public services; responsible for planning and preparing for localised incidents and catastrophic emergencies
M/ETHANE	common model for passing incident information between services and their control rooms; stands for: Major incident declared; Exact location; Type of incident; Hazards present or suspected; Access-routes that are safe to use; Number, type, severity of casualties; Emergency services present and those required
mobile data terminal	device used in a fire engine; communicates with the service's control room and, depending on type, can display mapping and risk information
mobilisation	despatch of a fire engine to an emergency call
Mosaic data	system, available commercially, that classifies UK households by demographics, lifestyles, preferences and behaviours
multi-agency safeguarding hub (MASH)	entity bringing together main local safeguarding agencies; aims to better identify risks to children (and in



	some areas, vulnerable adults) and improve decision-making, interventions, and outcomes
mutual assistance	method of co-operation between organisations; such as a fire and rescue service providing another service with resources
national co-ordination and advisory framework (NCAF)	framework that guides local and national decision-makers' co-ordination of fire and rescue service responses to major incidents
national co-ordination centre	centre that oversees deployment of fire assets in response to a major incident
National Fire Chiefs Council	body bringing together operational leadership of the UK's fire and rescue services
national inter-agency liaison officer (NILO)	senior manager from the fire and rescue service or police, with specific training to command and liaise between agencies involved at an incident
national operational guidance	<a href="#">guidance for firefighters, covering good practice for operational policies, procedures and training</a>
national operational learning (NOL)	learning shared through national operational guidance
national resilience assets	skills and equipment used to respond to major incidents, emergencies and disruptive events
near miss	incident where firefighters feel their personal safety could have been compromised, but no harm actually occurred
on-call	<b>See</b> retained
operational discretion	decision made by incident commanders, having assessed the risks, to depart from organisational policy or standard operating procedure; used in rare circumstances where strictly following procedure would impede resolution of an incident, or where there is no adequate procedure for the incident
primary authority scheme	partnership in which fire and rescue services advise businesses on complying with environmental health, trading standards or fire safety regulations through a single point of contact
primary fire	more serious fire that harms people or damages properties
priority-based budgeting	approach to budgeting that allocates the service's resources in line with already established priorities; contrast with traditional budget planning, which looks only at changes from the previous year's budget
Regulators' Code	<a href="#">framework for how regulators should engage with those they regulate</a> ; clear, flexible and based on principles
reserves	money earmarked for planned expenditure during the current medium-term financial plan, for specific projects beyond the current planning period, or held as a general

	contingency to meet other expenditure needs (for example, insurance)
retained	on-call firefighters not employed full time by a fire and rescue service; paid when called to emergencies or when they otherwise undertake fire service duties
safe and well visits	more comprehensive home fire safety checks
safeguarding	providing protection and support to ensure the safety of vulnerable people and prevent further harm
safety flashes	periodic messages from the fire and rescue service to its firefighters; giving risk or safety information
trauma risk management (TRiM)	peer-run psychological support system; designed to allow organisations to proactively support staff after traumatic events
urban search and rescue (USAR)	rescue operations to find and free people from collapsed buildings, confined spaces or large-scale transport incidents, and get them to safety
vulnerable people	people less able to help themselves in case of an emergency; for example people with mobility problems, people with mental health difficulties, and children; definitions of 'vulnerable people' vary across fire and rescue services
watch	team attached to a station
wholetime firefighter	firefighter employed on a full-time basis
wholetime fire station	fire station crewed all the time
zero-based budgeting	budgeting which starts at zero, forcing managers to critically assess every activity and look for alternative ways to achieve the desired result; contrast with traditional budgeting, which looks only at changes from the previous year's budget

# Annex A – About the data

Data in this report is from a range of sources, including:

- Home Office;
- Office for National Statistics (ONS);
- Chartered Institute of Public Finance and Accountancy (CIPFA);
- our inspection fieldwork; and
- data we collected directly from all 45 fire and rescue services in England.

Where we use published Home Office data, we use the period to 31 March. We selected this period to be consistent across data sets. Some data sets are published annually, others quarterly. [The most recent data tables are available online.](#)

We use different data periods to represent trends more accurately.

Where we collected data directly from fire and rescue services (FRSs), we took reasonable steps to agree the design of the data collection with services and with other interested parties such as the Home Office. We gave services several opportunities to validate the data they gave us, to ensure the accuracy of the evidence presented. For instance:

- We checked and queried data that services submitted if notably different from other services or internally inconsistent.
- We asked all services to check the final data used in the report and correct any errors identified. Data that services submitted to the Home Office in relation to prevention, protection and workforce figures was published in November 2018. This data was updated after reports had been checked by services, so we haven't validated it further.

## Methodology

### Population

For all uses of population as a denominator in our calculations, unless otherwise noted, we use [ONS mid-2017 population estimates](#). This is the most recent data available at the time of inspection.

## Figures in the report

### Public perceptions survey

We commissioned BMG Research to survey attitudes towards FRSs in June and July 2018. This consisted of 17,976 interviews across 44 local fire and rescue service areas. This survey did not include the Isles of Scilly, due to its small population. Most interviews were conducted online, with online research panels.

However, a minority of the interviews (757) were conducted via face-to-face interviews with trained interviewers in respondents' homes. A small number of respondents were also interviewed online via postal invitations to the survey. These face-to-face interviews were specifically targeted at groups traditionally under-represented on online panels, and so ensured that survey respondents were as representative as possible of the total adult population of England. The sampling method used isn't a statistical random sample. The sample size was small, varying between 400 and 446 individuals in each service area. So any results provided are only an indication of satisfaction rather than an absolute.

[Survey findings are available on BMG's website.](#)

### Figure 6: Number of primary fire incidents by 1-minute response time bands for the 12 months to 31 March 2017

We took this data from the Home Office fire statistics, '[Number of incidents by 1-minute response bands, England](#)'.

Please consider the following points when interpreting results from this data.

- Before 1 April 2009 fire incident statistics were based on the FDR1 paper form. This approach means the statistics for before this date can be less robust, especially for non-fire incidents which were based on a sample of returns. Since this date the statistics are based on an online collection tool, the Incident Recording System (IRS).
- The IRS collects fire data on all incidents that FRSs attend. Some records take longer than others for FRSs to upload to the IRS, so incident totals are constantly being amended (by relatively small numbers).

### Figure 4: Number of home fire risk checks per 1,000 population in the 12 months to 31 March 2018 and the percentage targeted at the elderly (65+) and those registered as disabled

We took this data from the Home Office fire statistics, '[Home fire risk checks carried out by fire and rescue authorities and partners, by fire and rescue authority](#)' for the period from 1 April 2017 to 31 March 2018.

Each FRS's figure is based on the number of checks it carried out and does not include checks carried out by partners.

Please consider the following points when interpreting results from this data.

- Dorset FRS and Wiltshire FRS merged to form Dorset and Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.
- Figures for 'Fire Risk Checks carried out by Elderly (65+)', 'Fire Risk Checks carried out by Disabled' and 'Number of Fire Risk Checks carried out by Partners' don't include imputed figures because a lot of fire and rescue authorities can't supply these figures.

FRSs may also refer to home fire risk checks as home fire safety checks.

**Figure 5: Number of safety audits conducted on known premises for the 12 months to 31 March 2011 to the 12 months to 31 March 2018**

The number of safety audits refers to the number of audits fire and rescue services carried out in known premises. According to the Home Office definition, "premises known to fire and rescue authorities are the fire and rescue authority's knowledge, as far as possible, of all relevant premises; for the enforcing authority to establish a risk profile for premises in its area. These refer to all premises except single private dwellings".

We took this from the Home Office fire statistics, '[Fire safety audits carried out by fire and rescue services, by fire and rescue authority](#)' for the period from 1 April 2017 to 31 March 2018.

Please consider the following points when interpreting results from this data.

- Royal Berkshire FRS didn't provide figures for premises known between 2014/15 and 2017/18.
- Dorset FRS and Wiltshire FRS merged to form Dorset and Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.
- Several fire and rescue authorities report 'Premises known to fire and rescue authorities' as estimates based on historical data.

### **Figure 3: Activities included in a prevention visit as at 31 March 2018**

We collected this data directly from the 14 FRSs we inspected in Tranche 1 inspections. These FRSs are:

- Avon Fire and Rescue Service;
- Bedfordshire Fire and Rescue Service;
- Cambridgeshire Fire and Rescue Service;
- Cheshire Fire and Rescue Service;
- Cornwall Fire and Rescue Service;
- Hampshire Fire and Rescue Service;
- Hertfordshire Fire and Rescue Service;
- Hereford & Worcester Fire and Rescue Service;
- Isles of Scilly Fire and Rescue Service;
- Isle of Wight Fire and Rescue Service;
- Lancashire Fire and Rescue Service;
- Lincolnshire Fire and Rescue Service;
- Surrey Fire and Rescue Service; and
- Warwickshire Fire and Rescue Service.

### **Figures 7 and 8: Percentage of female firefighters and percentage of BAME firefighters**

We took this data from the Home Office fire statistics, '[Staff headcount by gender, fire and rescue authority and role](#)' and '[Staff headcount by ethnicity, fire and rescue authority and role](#)' as at 31 March 2018.

Please consider the following points when interpreting results from this data.

- We calculate BAME residential population data from ONS 2011 census data.
- We calculate female residential population data from ONS mid-2017 population estimates.
- Dorset FRS and Wiltshire FRS merged to form Dorset and Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.

## Annex B – Tranche 1 judgments

Table 4: Effectiveness inspection judgments for each fire and rescue service

Service	Effectiveness	Understanding the risk of fire and other emergencies	Preventing fires and other risks	Protecting the public through fire regulation	Responding to fires and other emergencies	Responding to national risks
Avon	Requires improvement	Good	Requires improvement	Inadequate	Requires improvement	Good
Bedfordshire	Good	Good	Requires improvement	Requires improvement	Good	Good
Cambridgeshire	Good	Good	Good	Good	Good	Good
Cheshire	Good	Good	Good	Good	Good	Good
Cornwall	Requires improvement	Requires improvement	Good	Requires improvement	Inadequate	Good
Hampshire	Good	Good	Good	Requires improvement	Good	Good
Hereford & Worcester	Good	Good	Requires improvement	Good	Good	Good
Hertfordshire	Requires improvement	Requires improvement	Requires improvement	Good	Good	Good
Isles of Scilly	Good	Good	Good	Requires improvement	Good	Not inspected

<b>Service</b>	<b>Effectiveness</b>	<b>Understanding the risk of fire and other emergencies</b>	<b>Preventing fires and other risks</b>	<b>Protecting the public through fire regulation</b>	<b>Responding to fires and other emergencies</b>	<b>Responding to national risks</b>
<b>Isle of Wight</b>	<b>Good</b>	Good	Good	Requires improvement	Good	Good
<b>Lancashire</b>	<b>Good</b>	Good	Good	Good	Good	Good
<b>Lincolnshire</b>	<b>Good</b>	Good	Good	Requires improvement	Good	Good
<b>Surrey</b>	<b>Requires improvement</b>	Good	Requires improvement	Requires improvement	Requires improvement	Good
<b>Warwickshire</b>	<b>Good</b>	Good	Good	Requires improvement	Good	Good



**Table 5: Efficiency inspection judgments for each fire and rescue service**

<b>Service</b>	<b>Efficiency</b>	<b>Making best use of resources</b>	<b>Making the fire and rescue service affordable now and in the future</b>
Avon	Requires improvement	Requires improvement	Good
Bedfordshire	Requires improvement	Requires improvement	Requires improvement
Cambridgeshire	Good	Good	Good
Cheshire	Good	Good	Good
Cornwall	Requires improvement	Requires improvement	Good
Hampshire	Good	Good	Good
Hereford & Worcester	Requires improvement	Requires improvement	Good
Hertfordshire	Requires improvement	Requires improvement	Requires improvement
Isles of Scilly	Good	Good	Requires improvement
Isle of Wight	Good	Good	Good
Lancashire	Good	Good	Good
Lincolnshire	Good	Good	Good
Surrey	Inadequate	Inadequate	Requires improvement
Warwickshire	Good	Good	Good

Table 6: People inspection judgment for each fire and rescue service

Service	People	Promoting the right values and culture	Getting the right people with the right skills	Ensuring fairness and promoting diversity	Managing performance and developing leaders
Avon	Inadequate	Inadequate	Good	Inadequate	Requires improvement
Bedfordshire	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement
Cambridgeshire	Good	Good	Good	Good	Good
Cheshire	Requires improvement	Requires improvement	Good	Requires improvement	Good
Cornwall	Good	Good	Good	Good	Requires improvement
Hampshire	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement
Hereford & Worcester	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement
Hertfordshire	Requires improvement	Requires improvement	Requires improvement	Requires improvement	Requires improvement
Isles of Scilly	Requires improvement	Requires improvement	Requires improvement	Requires improvement	Requires improvement
Isle of Wight	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement
Lancashire	Good	Outstanding	Good	Good	Good
Lincolnshire	Requires improvement	Requires improvement	Requires improvement	Good	Requires improvement
Surrey	Requires improvement	Requires improvement	Requires improvement	Requires improvement	Requires improvement
Warwickshire	Requires improvement	Good	Good	Requires improvement	Requires improvement

DECEMBER 2018 | ©HMICFRS 2018 | ISBN: 978-1-78655-761-2

[www.justiceinspectorates.gov.uk/hmicfrs](http://www.justiceinspectorates.gov.uk/hmicfrs)

This page is left intentionally blank