

Minutes of the Meeting of the West Midlands Fire and Rescue Authority

**20 February 2017 at 11.00 am
at Fire Service Headquarters, Vauxhall Road, Birmingham**

Present: Councillor Edwards (Chair)
Councillor Idrees (Vice-Chair);
Councillors: Allcock, Aston, Singh Atwal, Barrie, Barlow, Booth,
Brackenridge, Craddock, Dad, Cartwright, Clinton,
Davis, Eustace, Hogarth, Idrees,
Mottram, Sealey, B Singh, P Singh, T Singh, Skinner,
Spence, Tranter, Walsh and Young.
Mr Ager

Apologies: Councillor Bennett, Spence

1/17 **Declarations of Interest**

The Chair and Cllr Brackenridge declared a personal and non-pecuniary interest in Minute No. 6 below (Monitoring of Finances).

2/17 **Chair's Announcements**

The Chair informed the Authority that the Chief Fire Officer's Association had developed a National Fire Chiefs Council (NFC). CFO Phil Loach had been successful in securing one of the positions of Vice Chair and DCFO Philip Hales had been appointed Chair of the Finance Committee. The Chair stated that the officers would be able to provide more influence nationally for the West Midlands and a concerted effort was being made by the Local Government Association and NFC in respect of the capital spending and DCFO Phil Hales would be leading this process.

The CFO thanked the Authority for the recognition and stated that he and the DCFO would be working tirelessly for the West Midlands Fire and Rescue Authority and the Fire Sector.

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The CFO confirmed that a contract had been signed and West Midlands Fire Service would be participating in a mainstream TV documentary. The programme will be looking at emergency response and the wider integrated approach and it may lead to another series.

A Long Service and Good Conduct Medal Presentation would be held on the 22 February 2017 at 1900 hours. Members of the Authority would be welcome to attend along with the families of the recipients.

March 2017 sees the return of the Firefighters' Charity car wash campaign. Information would be communicated about the various car washes and members of the Authority were encouraged to have their cars washed at a local station.

Following the success of the Charity Boxing Night at Dudley Town Hall in 2016, an invitation had been received from the New York Fire Department to a return match. It had been agreed that members of the Fire Service would travel to Rockaway Beach in New York on Saturday 8 July 2017. It was anticipated that the fund raising event would be streamed live and further information would be provided.

In answer to a Member's enquiry it was confirmed that the TV programme would not be on a main tv channel and would be available on a satellite channel UKTV or the Really Channel.

The CFO confirmed that the Service would not be charging a fee, but would be using the opportunity to accentuate the approach that WMFS takes to Integrated Risk Management and Prevention, Protection and Response.

3/17

Minutes

Resolved that the minutes of the meeting held on 21 November 2016, be confirmed as a correct record. It was noted that Councillor Brackenridge had attended albeit that he did not arrive at the start of the meeting.

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4/16 **Budget and Precept 2017/2018 and Budget Forecast 2018/19 to 2019/20**

The Authority considered a report on the Authority's Net Revenue Budget for 2017/18, the consequent additional 1.99% Band D Precept Level increase and the resultant amount payable by each constituent District Council, the Capital Programme for 2017/18 to 2019/20, the Treasury Management Strategy including the Minimum Revenue Provision Statement and Prudential Indicators.

As part of the settlement for 2016/17 an offer was made for a multi-year funding settlement. In order to take up the four year funding settlement to 2019/20, the Authority had approved a £10m Efficiency Plan on 19 September 2016 which was submitted to the Home Office.

On 15 December 2016, the Secretary of State for the Department of Communities and Local Government (DCLG) had announced the provisional settlement for 2017/18 at £54.703m resulting in a core funding reduction of £3.962m. The Government also proposed a referendum threshold of 2% for any Fire and Rescue Authority increasing its Council Tax.

The four year settlement offer announced in December 2016 (provisional for 2017/18 – 2019/20) would result in the following core funding reductions:

- 2016/17 £3.278m
- 2017/18 £3.962m
- 2018/19 £1.606m
- 2019/20 £0.569m

A total reduction over the four year period (2016/17 – 2019/20) of £9.415m (15% of the 2015/16 core funding), £0.229m less than was announced in February 2016.

Confirmation of the Authority's 2017/18 core funding figure of £54,703m was not expected to be confirmed until after Parliament returns from recess on 20 February 2017.

The Chancellor announced in the Spending Review in November 2015 the intention to localise 100% of business rates to local authorities by 2019/20.

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On 5 July 2016 the CLG issued the first consultation exercise in relation to the significant proposed changes to Local Government funding arrangements. One specific question sought views as to whether Fire funding should be removed from the business rates retention schemes and replaced with central grant funding through the Home Office. The outcome had not yet been determined.

A public consultation undertaken by West Midlands Fire Service took place between December 2016 and January 2017 providing the public with an opportunity to influence how the Service works. A review of the Community Safety Strategy (the Integrated Risk Management Plan) confirmed that there had been no significant change to the Authority's priorities and outcomes set out in The Plan 2017-2020.

All City/Metropolitan Councils had formally set their Council Tax base and had notified the Authority accordingly. The Council Tax at Band D for 2017/18 would be £57.14m an increase of 1.99% (£1.11) per annum.

The Council Tax amounts to £39,377,378 split between the constituent Local Authorities.

The final figures from external funding sources had now been notified and totalled £94.848 million. Included is an estimate that the Authority would generate income of £3.334 million.

The Authority noted that the available General Balances at 1 April 2017 would be estimated at £9.2m out of which it was proposed to utilise £600k to support the extended disturbance cost payments associated with the changes to the operational staffing model. The level of General balances is considered appropriate at this stage.

The Capital Programme has been monitored during the years and the projects set out in the capital programme were fully funded between 2017/18 and 2019/20 with no long term borrowing requirements.

The Chair stated that no specific announcements had been made by the CLG in relation to capital funding and as things currently stand there would be a funding shortfall to meet the capital programme in 2020/2021.

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West Midlands Fire Service's Treasury Management functions are provided by Sandwell MBC who have, in turn, appointed external advisors to support them. The Treasury Management Strategy for 2017/18 was set out in the report.

The budgetary planning is closely linked with delivery of the Plan and in order to take up the four-year funding settlement and the Authority at its meeting on 19 September 2016 considered and approved the Efficiency Plan for submission to the Home Office. It is anticipated that work will continue to focus on alternative staffing models, commissioning, internal restructures and general budget reductions.

The robustness of the budget preparation and adequacy of reserves had been assessed and determined using a variety of mechanisms. The current level of reserves is considered to be sufficient in all but the most unusual and serious combination of possible events and best endeavours have been made to ensure that the budget and reserves are adequate using the information available at this date.

The Chair confirmed that the very modest increase of 1.99%, meant that West Midlands Fire and Rescue Authority had the lowest precept figure in the country.

One of the questions included in the IRMP Consultation had asked Members of the Public whether they would be prepared to pay more for the Fire and Rescue Service and the majority had confirmed they would be prepared to pay £5 a year more. The increase of 1.99% represented a 2p per week increase in council tax. The West Midlands Fire Service were currently providing the best response times in the country at 4.42 minutes to life threatening incidents. This was being achieved in spite of Government cuts of approximately £28m between 2011/12 and 2015/16 and now a further additional cut of approximately £10m between 2016/17 and 2019/20 resulting in a total cut of circa £38 million or 50% of core funding.

The Service has dealt with these unprecedented financial reductions through effective and efficient working, leadership of the CFO and senior managers and the flexibility and cooperation of all staff together with their representative bodies. Fire Brigades Union (FBU), Unison and Fire Officers Association (FOA).

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In particular, the FBU had cooperated with managers in delivering an agreement around the use of voluntary additional shifts and the falls response services ensuring the continuation and enhancement of the service delivery model.

The Chair placed on record his thanks and the thanks of the Authority to the Chief Fire Officer and his team, managers, firefighters, support staff and Fire Control staff for the remarkable service they are delivering to keep the West Midland safer, stronger and healthier.

In response to a Member's enquiry, it was confirmed that there are three separate Firefighter pensions schemes and the Government could possibly review the schemes again in the future. The Schemes are not funded and each year the Authority receives a top up grant from the government. The pension schemes are on a relatively even keel and as far as this budget is concerned, estimates are reasonable and robust.

Resolved:

- (1) that the Authority's Net Revenue Budget for 2017/18 of £94.848m which includes a Council Tax requirement of £39.377m together with the associated precept levels and resulting Band D Precept Increase of 1.99%, as now submitted be approved;
- (2) that the Authority's capital programme for 2017/18 to 2019/2020, as submitted, be approved;
- (3) that the Authority's Treasury Management Strategy which includes the Minimum Revenue Provision Statement, and the Prudential Indicators, as now submitted, be approved;
- (4) that it be noted noted that the constituent District Councils have formally set their Council Tax bases for the year 2017/18 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992 as follows:-

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	Tax Base
Birmingham	243,955.00
Coventry	78,971.90
Dudley	89,561.62
Sandwell	71,217.34
Solihull	74,971.00
Walsall	69,074.69
Wolverhampton	61,397.45
	<hr/> <hr/> 689,149.00

- (5) that the following amounts be now calculated by the Authority for the year 2017/18 in accordance with Sections 40 to 48 of the Local Government Finance Act 1992
- (i) £112,761,000 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(2)(a) to (d) of the Act;
 - (ii) £73,383,622 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(3)(a) to (b) of the Act;
 - (iii) £39,377,378 being the amount by which the aggregate at (5)(i) above exceeds the aggregate at (5)(ii) above calculated by the Authority in accordance with Section 42A(4) of the Act as its council tax requirement for the year.
 - (iv) £57.14 being the amount at (5)(iii) above divided by the total amount at (4) above, calculated by the Authority in accordance with Section 42B(1) of the Act as the basic amount of its Council Tax for the year.

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(6) Valuation Bands

	£ (to 6 decimals)	£ (rounded to 2 decimals)
A	38.092757	38.09
B	44.441549	44.44
C	50.790342	50.79
D	57.139135	57.14
E	69.836721	69.84
F	82.534306	82.53
G	95.231892	95.23
H	114.278270	114.28

being the amounts given by multiplying the amount at (5)(iv) above by the number which in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Authority in accordance with Section 47(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

	£
(7) Resultant precepts:	
Birmingham City Council	13,939,378
Coventry City Council	4,512,386
Dudley MBC	5,117,474
Sandwell MBC	4,069,297
Solihull MBC	4,283,778
Walsall MBC	3,946,868
Wolverhampton City Council	<u>3,508,197</u>
Total	<u>39,377,378</u>

being the amounts given by multiplying the amount at (5)(iv) above by the appropriate tax base at 1.1 above in accordance with section 48(2) of the Act, as the amount of precept payable by each constituent District Council.

- (8) that the precept for each District Council as calculated at (5)(iv) above be issued in accordance with Section 40 of the Local Government Finance Act 1992.

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There was unanimous support for the Budget and Precept 2017/18 and the Chair thanked the opposition for their support.

5/16 **Monitoring of Finances**

The Authority noted the Monitoring of Finances report up to and including January 2017, which included revenue expenditure and the capital programme. The assumptions had been updated as part of the preparation process for the 2017/18 Budget.

The Authority's 2016/17 Council Tax requirement is £37.874m and the revenue budget is £97.413m. As part of the Authority's 2017/18 budget setting process the current year's budget has been revised and reflects an estimated transfer to earmarked balances of £1.462m. The actual spend to January 2017, including commitments, was £79.824m compared to a projected budget of £80.021m, an overall favourable variance of £0.197m.

Statistical data relating to the Firefighters' Pension Scheme was provided. At the end of January 59 people had retired and the figure was in line with the expected number of 67 people to retire by the end of the financial year and did not raise any concerns.

The main forecast variances within the capital programme related to:

- Coventry Fire Station, due to an extension to demolition timescales arising from asbestos issues and a delay in construction whilst planned works are reassessed.
- Vehicle Replacement Programme, as a result of a delay in the completion and delivery of Pump Rescue Ladders in the current financial year.

In the next financial year, spending and funding had been moved to accommodate these schemes and the Treasurer would continue to monitor the capital programmes

A Member felt that it was prudent to earmark reserves to meet the current unfunded capital position in 2020/21. The Treasurer confirmed that this was a legitimate consideration alongside other issues such as; further support to meet staffing arrangements, planned building maintenance, Emergency Services Mobile Communications

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Programme National Project, Digital strategy etc.

The issue of earmarked reserves will be considered by the Audit Committee during the 2016/17 Closedown of accounts process.

The Treasurer confirmed that the scheme to replace Coventry Fire Station had been delayed and was £2m under budget in the current year and this would affect the level of spend/funding in the next financial year. Asbestos had been found in part of the building and it was anticipated that the station would become fully operational by mid 2018 and not early 2018 as originally planned.

6/16 **Public Consultation (IRMP) Outcomes**

The Authority noted the outcomes of the Public Consultation (IRMP), as submitted, the results of which were taken into consideration in preparation of The Plan 2017- 2020.

The Consultation questions focused on:

- IRMP questions and responses
- Governance
- Finance

The Chair stated that WMFS survey had received a higher number of participants than any other public sector survey undertaken in recent times.

5,768 members of the public had responded and it had provided some very enlightening outcomes for the service and the Authority

7/17 **The Plan**

The Authority considered the revised Outcomes, which support the Vision statement and Priorities of the Plan for 2017-2020, which are derived from the Integrated Risk Management Plan (IRMP). The changes were designed to enable the Service to sufficiently respond and react to the increasingly changing environment of the public sector.

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As part of the review of the three-year rolling strategy _The Plan, the Service has reviewed its Vision Statement, Annual Priorities and Outcome which are enablers to achieving the vision of “Making West Midlands Safer Stronger and Healthier”. A review of the risk analysis indicated that there has not been any significant change to risk in the West Midlands and as such the priorities and outcomes remain appropriate to achieve the vision as well as the current Service Delivery Model. The Vision Statement remains the same.

As part of the review of the Plan, the Outcomes were refreshed and elaborated upon, as submitted, to ensure they are reflective of the direction of the Service over the rolling three years.

The following factors had been considered in the recommendation:

- risk analysis,
- the Budget 2017-18 position,
- the outcome of the IRMP consultation
- the external environment (political and financial)

Officers will consider the corporate performance indicators to enable the effective management and performance monitoring of the Plan and the proposed indicators will be presented to the Executive Committee on 27 March 2017.

The Plan 2017-2020 will go live on 1 April 2017 and would be available at www.wmfs.net.

The Plan continues to focus on Prevention priorities, Prevention priorities and Protection responses and Effective Delivery through Collaboration and Value for Money, People and ICT Outcomes.

The Service Delivery Infographic was revised and the figure of 1168 firefighters was changed to 1220. The change reflected the inclusion of the 52 Technical Rescue staff in the figure. This did not represent an increase in the establishment or a change to the Service Delivery Model.

The CFO stated the 1322 establishment had reduced to 1168 due to the current financial backdrop and voluntary additional shifts are used to make the shortfall up. The Technical Rescue staff were previously shown separately but were now incorporated.

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In answer to a Member's enquiry, the CFO confirmed that Technical Rescue Staff did not differ from firefighters, but they have enhanced supplementary skills. Part of their roles includes technical rescue, special service calls, rope rescue, water rescue and marauding terrorism. They have also delivered water awareness training to children as part of their bespoke community safety initiatives.

The costs of the technical rescue staff is partly funded nationally through New Dimensions Grant and partly locally. Their work is not confined to Technical Rescue as they also provide Urban Rescue, International Search and Rescue and provide the Command and Control capability at international incidents.

Resolved that the amendments to the Outcomes in The Plan 2017-2020 as now submitted be approved.

8/17 **Statement of Assurance 2015/16**

The Authority received the Statement of Assurance 2015/16 document, which it was now required to publish annually under the Fire and Rescue National Framework for England, to provide assurance on the previous year's financial, governance and operational matters and to show how future improvements reflect on the work to continuously improve the Service Delivery Model.

The Home Office had published a report confirming that all Fire and Rescue Services had complied with the Fire and Rescue National Framework in July 2016 and had published Statements of Assurance, however, they had undertaken rigorous examination of a random sample of Statements of Assurance.

The Home Secretary was satisfied that all Fire and Rescue Authorities were compliant but felt that there were some areas where practice could be strengthened. By:

- a formal declaration of assurance and sign off by the Chair of the Fire Authority and Chief Fire Officer
- a table of requirements of the National Framework with references to evidence (for ease of reference purposes)
- reference was made to the fitness principles that were an addendum to the National Framework in December

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The Statement of Assurance had been strengthened to meet the requirements. The Forward was still being agreed and members would be notified when the final document was available on line.

The document will be live together with electronic links to other corporate documents referenced therein and would be published before the 1 April 2017.

In future, a Plain English approach would be made towards the Statement of Assurance making it simpler to read.

Resolved that the Statement of Assurance document for 2015/16 be approved.

9/17 **2017/18 Property Asset Management Plan**

Approval was sought to the 2017/18 Property Asset Management Plan. In order to ensure the effective and efficient use of land and buildings, a Property Asset Management Plan is essential.

Over the previous twelve months' considerable work had been undertaken in assessing the appropriateness of the existing property assets and consideration had been taken where any future investment should be directed.

Major refurbishment of Aston Fire Station was one of the main issues together with the rebuild of Coventry Fire Station with a completion date of mid 2018.

Planned maintenance issues will be undertaken during the five year period and the current annual revenue budget provision for these items is £900,000 per year.

Estimated capital expenditure of £700,000 will be incurred on planned maintenance of buildings related assets in 2017/18.

The Treasurer stated that the maintenance requirements between 2017/18 to 2019/20 were fully funded at this stage, but the figures indicated a deficit in 2020/21 and 2021/22.

The Authority received the key Specific Actions for the forthcoming financial year.

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The Chair confirmed that it was necessary for the work to be undertaken to replace Aston Fire Station as it was the oldest station in the Brigade's building stock being built in 1924. With many more stations being built in the 1930s, 1940s, 1950s and 1960s and the planned replacement and maintenance programme will require capital funding in the future. Further lobbying will be required in the future to secure capital funding to finance this work.

The CFO stated that although the Academy building had been sold, the Service continued to provide training resources and were committed to staff being operationally excellent. Training had not been downgraded but had been distributed throughout the Brigade, enabling training to take place whilst firefighters were still available to respond to emergencies. This mechanism enabled the Service to continue with its work with a leaner workforce.

Resolved that the 2017/18 Property Asset Management Plan be approved.

10/17 **Pay Policy Statement 2017/18**

Approval was sought to the Pay Policy Statement for 2017/18 financial year setting out the Authority's policies relating to the remuneration of its Chief Officers.

The Deputy Chief Fire Officer confirmed that the Pay Policy Statement 2017/18 complied with Section 38 (1) of the Localism Act 2011 and would be available on the Internet.

The Pay Policy Statement and Appendices set out the pay of all employees, pension arrangements and confirms the Authority's commitment as a Living Wage employer.

The Chair referred to the position some Fire Authorities across the country have taken in allowing retired fire officers to be re-employed on new contracts. The government is hostile to this type of contract. This is something that the West Midlands FRA do not do and it does not provide bonuses, perks, free cars or performance related pay.

The Home Office have also ordered a special inspection of Avon Fire and Rescue Service to look at a range of alleged irregularities and behaviours.

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A copy of a document regarding Avon FRS would be circulated to Members of the Authority.

Resolved that the Pay Policy Statement for the financial year 2017/18 as now submitted be approved.

11/17 **Proposed Vehicle Replacement Programme 2017/18 to 2019/20**

Approval was sought to proceed with the proposed Vehicle Replacement Programme (VRP) for the financial years 2017/18 to 2019/20, based on the three year capital programme for 2017/18 to 2019/20 identified as part of the Authority's budget setting process.

The Treasurer confirmed that the VRP is constantly reviewed and extensions made to the life of assets where appropriate. In respect of operational appliances it was noted that five pump rescue ladders, would be replaced in each of the following three years. It was anticipated that no Brigade Response Vehicles would be required during this period.

Consideration will be given over the next 12 months to the type and range of vehicles required to effectively meet the expanding range of services delivered by WMFS when responding to slips, trips and falls; telecare etc. These costs will be built into the capital programme and future VRP reports if/where appropriate.

In response to a Members question, the Treasurer confirmed that the funding for Vehicles is reflected within the capital budget and the Authority do not pay VAT on vehicles. The Treasurer would confirm the age of the coach, it was thought to be 7 – 8 years old. Leasing is an option for officers when procuring vehicles, although the purchase of vehicles had proved better value for money to date due to the maintenance and related life expectancy of vehicles.

Resolved:

- (1) that the Vehicle Replacement Programme for the financial years 2017/18 to 2019/20, as now submitted, be approved;
- (2) that the funding for the Vehicle Replacement Programme for 2017/18 be approved;

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- (3) that the intention to procure a range of vehicles identified in the Vehicle Replacement Programme using the Crown Commercial Services Purchase Framework Agreement RM859, Open EU tenders and other approved Consortia routes that represent value for money to the Authority be noted.

12/17 **Arrangements for Appointment of External Auditors**

Approval was sought to the option to 'opt-in' to a Sector Led Body (SLB) appointed by the Secretary of State for the procurement of External Auditors.

Following the closure of the Audit Commission and the end of the transitional arrangements at the conclusion of the 2017/18 audits, changes were required to the arrangements for appointing External Auditors. The Authority considered the options:

- (1) supporting the Local Government Association (LGA) in setting up a national SLB by indicating intention to "opt in";
- (2) establishing a stand-alone Auditor Panel to make the appointment on behalf of the Authority;
- (3) commencing work on exploring the establishment of local joint procurement arrangements with neighbouring authorities.

The Authority members noted that all their respective Local Councils had considered the options in a similar manner, as had the Police and Crime Commissioner.

The advantages/benefits of each Option were considered as submitted. It was noted that an appointment is required by December 2017, but in practical terms, one of the options should be in place by Spring 2017 in order that the contract negotiation process can be carried out during 2017.

It was noted that in July 2016, the Secretary of State for Communities and Local Government specified Public Sector Audit Appointments Limited (PSAA) as an appointing person under regulation 3 of the Local Audit (Appointing Person) Regulations 2015. The PSAA is a not for profit organisation owned by the LGA.

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The Audit Committee considered the options at their meeting on the 14 November 2016 and elected to recommend to the Authority supporting the LGA in setting up a national SLB by indicating the intention to opt-in.

The Treasurer confirmed that the detail of the contract was not currently available, although it was anticipated robust contract management would protect local authorities and there would be scope to end the contract if the chosen company were failing.

It was confirmed that Dudley MBC had chosen to “opt-in” and one member of the Audit Committee stated that they had recommended the “opt-in” option on the basis that the process would be competitive and many of the regional auditing companies have bases in the West Midlands area.

In answer to a enquiry about the future cost, the Treasurer stated that the cost was unknown at this point. However, the most appropriate value for money solution and lowest cost option would be sought.

The current arrangements would need to be replicated in the future and current price may not be held, but this was a national contract and a significant number of Authorities would be involved. The PSAA had played a part in the current arrangements and have demonstrated that value for money can be achieved and they are well placed to achieve a good outcome that will stand the test of time in the future

The Treasurer confirmed that once confirmed a further report would be presented to the Authority on the final costs.

Resolved that the Authority approve the option to ‘opt-in’ to a Sector Led Body (SLB) appointed by the Secretary of State for the Procurement of External Auditors.

13/17 **Outcomes of the Future Government Working Group**

The Authority noted the outcomes and conclusions of the Future Governance Working Group. The approach and considerations of the Working Group, as submitted, were also considered at the Policy Planning Forum held on 6 February 2017.

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The Policing and Crime Act 2017 (the Act) places a clear expectation on the blue light emergency services (Police, Ambulance and Fire) to collaborate further where efficiency and effectiveness can be achieved. The Act also enables the governance of a Fire Service to transfer from a Fire Authority to a Police and Crime Commissioner, or an elected Mayor where there is local agreement.

The Authority recognised the need for further reform and in June 2016 approved the commissioning of a Future Governance Working Group signalling their intent to review the governance arrangements of the West Midlands Fire Service.

The purpose of the Working Group was to consider how the future governance of the Service can support the delivery of services to local communities, with increased scrutiny, transparency and accountability of decisions; in a value for money way.

The Working Group consisted of a number of key stakeholders from across the public sector and held six meetings between July 2016 and January 2017 with the aim of providing an evidence based options appraisal for the future governance of WMFS, providing the best approach to governance, that supported the delivery of services across the West Midlands.

The Chair of the Working Group provided regular updates to the Executive Committee during the period of July 2016 and January 2017.

The Report of the Findings of the Future Governance Working Group found that:

On 11 September 2015 the Government released a consultation entitled “Enabling Closer Working between the Emergency Services”. This was followed by a move of government department for the Fire and Rescue Service on 5 January 2016 from the Department of Communities and Local Government to the Home Office. The outcomes of the Consultation introduced the Policing and Crime Bill which received Royal Assent in January 2017 and proposes a duty to collaborate.

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In view of the national Policy developments, the Authority recognised that staying the same was not an option and suggested four future possible routes for potential future governance structures:

1. A Reformed Fire Authority
2. A Police and Crime Commissioner
3. A Mayoral WMCA as part of the WMCA and/or
4. A combination of regional Fire Service

The Authority considered that they were overseeing a highly performing fire service and commissioned a Future Governance Working Group and invited a range of participants to sit on the Working Group. The Group enjoyed open debate and an excellent attendance by members of the Group.

The Report of the Working Group considered how better collaboration and value for money through the governance arrangements of the Fire Service could be provided.

The outcomes of the Working Group were to provide an options based appraisal for the Authority to be able to make an evidence based decision on the best case for governance of the Service. Following the Working Groups discussions and careful consideration of the options, their conclusions indicated that there was no stand out option. Two of the possible governance changes would involve a potential increased cost risk and it was felt that these should be avoided.

The Working Group determined that “the Authority should consider its own governance should change, to enhance opportunities for further reform and collaboration.”

There was potential for considerable change and some Police and Crime Commissioners had already put forward Business Cases to govern Fire and Rescue Services. There were emerging models of Mayoral governance in Manchester and London. The Mayoral Elections are scheduled to take place on 4 May 2017. The outcome of the Mayoral Election would provide clarity and the options could be further considered

The Authority continues to fully engage with other organisations and there was enthusiasm for collaboration in the group. Although the Ambulance Service have a different funding model from the police,

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there is an appetite for collaboration and the Working Group felt this should be pursued.

Fire/Fire collaboration could provide potential benefits, but there were many complexities around council tax and boundary issues.

The PCC Model is relatively new, but there was already some recognition that this does bring some benefits from commissioning perspective. There were significant cost benefits but some risk involved too.

Richard Bacon, The Chair of the Working Group, was enormously impressed with Fire Service and its focus on the vulnerable and felt a lot more could be done with the Ambulance Service, and encouraged the Authority to pursue this collaboration as there is an appetite and willingness to engage.

Richard Bacon thanked the Clerk and her team who managed the work of the Working Group and thanked each member of the Working Group and confirmed that he would write to everyone involved to thank them personally.

Richard Bacon thanked the Chief Fire Officer and Chair of the Authority for the opportunity to act as Independent Chair of the Working Group.

Cllr Brackenridge as a member of the Future Governance Working Group felt privileged to be involved with the Group and stated that Richard Bacon had been an outstanding Chair. He felt the Group had considered the risks and benefits of each option and had done well, considering all the different sectors. On behalf of the Authority he thanked Richard and other partners of the Working Group and felt this was the best example of collaborative working.

The Chair echoed the comments made by Councillor Brackenridge and wished to place on record the thanks of the Authority to those members of staff involved and the representatives from the Ambulance Service, Health Service, Chamber of Commerce, Home Office. The Group had taken an evidence based objective look for this Service and collaboration in public sector. The Chair thanked Richard for excellent job in Chairing the Working Group.

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The Authority considered the conclusions of the Working Group and future governance of the Service as part of the Route Map to the West Midlands Combined Authority Mayoral WMCA Governance Report.

14/17 **Route Map to the West Midlands Combined Authority Mayoral WMCA Governance Report**

Approval was sought to the strategy concerning the reform of West Midlands Fire and Rescue Authority (the Authority) namely the route and approach required for the Mayoral WMCA of the West Midlands Combined Authority (WMCA) assume governance of the West Midlands Fire and Rescue Service (the Service) from the Authority.

The outcomes, purpose, approach and timelines of the route map were set out in the report.

Consultation with the elected WMCA and elected Mayoral WMCA will enable a reformed Authority to provide a more streamlined and flexible arrangement to a Mayoral WMCA.

Governance through a PCC or a Mayoral WMCA as part of a Combined Authority are the main options being proposed by Government through the Policing and Crime Act. However, the Home Office and former Minister of State for Policing and the Fire Service Mike Penning, confirmed there would not be a single governance approach for all Fire and Rescue Services.

This is in accordance with the Home Office expectations regarding accountability and improved scrutiny in governance arrangements, as well as measuring the outcome of the current and future service delivery to the communities of the West Midlands and beyond.

The Authority had committed itself to exploring an evidence based approach to understanding how each of the future governance options can support the delivery of services.

The Authority was clear in its intention to seek alignment to a Mayoral WMCA governance model. An Options Appraisal and the recent Consultation, the current and future strategic directions of the Service, the WMCA and the overall direction set by the government reinforces the overall direction the Authority seek for the future governance of the Service through the mayoral WMCA as part of the WMCA. All provide

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an evidence base for the recommendations.

The Mayoral governance model is untested, however, there are emerging models in London and Manchester. This option could provide the pathway for the Service to combined with other regional fire services and scale up the collaborative delivery of services. Public safety can be enhanced through better collaboration delivering better integrated services in a value for money way. The Fire Service are leading on Public Sector Reform and Multiple Complex Needs as key elements of the WMC Devolution deal.

A critical element to a change in governance to a Mayoral WMCA will be the interim arrangements. The Working Group in its conclusions determined that *“the Authority should consider how its own governance should change, to enhance opportunities for further reform and collaboration”*.

The proposals include the reform of the Fire Authority, enabling a streamlined and flexible arrangement to a Mayoral WMCA and possible future Combination options. Proportionality would be maintained.

A Mayoral WMCA provides a progressive governance option, however, the Chair and CFO maintain regular discussion with the PCC and other partners enabling two-way communication and a continued approach to collaboration with partners such as West Midlands Police.

Both the route a Mayoral WMCA and a reformed Fire Authority were amongst the popular and highly desirable options for local citizens in the IRMP consultation exercise, along with combined Fire Services.

The main piece of legislation and draft legislation enabling the Mayoral WMCA to enact a change in governance are:

- The Local Democracy, Economic Development and Construction Act 2009
- The Cities and Local Government Devolution Act 2016, and
- The Policing and Crime Act 2017

Providing three possible routes of governance.

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The proposed changes in governance for the Service will mean a new model will be enabled. There are two Mayoral governance models emerging:

- The London Mayoral and the London Fire Commissioner (LFC) and
- Greater Manchester Combined Authority (GMCA) and Mayoral

Each model represents different approaches to the discharge of statutory responsibilities and liabilities. The most pertinent being:

- Functions relating to statutory plans (the IRMP)
- The budget and
- The setting of the council tax precept

The following pieces of legislation will need to be transferred on abolition of the Authority:

- Local Government Act 1985
- Local Government and Housing Act 1989
- Local Government Act 1972

There are a several core service activities delivered by the fire service through prescriptive legislation and these will need to be transferred to the Mayoral WMCA for discharge. These are:

- Fire and Rescue National Framework for England (2012)
- The Fire and Rescue Services (Emergencies) (England) Order 2007
- Regulatory Reform (Fire Safety Order) 2005
- Civil Contingencies Act 2004

The Home Office have clearly stated its intention for Fire Service reform. In supporting these expectations, the introduction of the Policing and Crime legislation and developing approaches to devolution has set the vehicle for change.

On 4 May 2017, elections will be taking place for a West Midlands Mayor and it is anticipated that following the election of the Mayoral WMCA the earliest opportunity for Mayoral WMCA to assume governance of the Service via the second Devolution deal would be

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around May 2018.

There will be a three year elected period for the Mayoral WMCA from May 2017 to 2020 at which point Mayoral elections will take place. The PCC also has a mandate until 2020. It is reasonable to assume that beyond 2020 the Mayoral WMCA will incorporate both functions of the PCC and the Service. This would then reflect both the Manchester and London routes for governance.

An early change in governance would ensure that outcomes for local communities can be delivered in the most efficient and effective way.

The key milestones required to be navigated to reach the changes in governance are:

- (i) The Authority's approval – 20 February 2017
- (ii) WMCA Board approval – 3 March 2017
- (iii) Further Devolution – March 2017
- (iv) Governance Review, Scheme of Consultation – July to September 2017
- (v) The Service would then become incorporated into the WMCA and this would warrant a review of its Observer membership status.

The Reformed Fire Authority would be enabled irrespective of a timeline to a Mayoral WMCA. Key milestones would need to be navigated:

- (i) The Authority's approval for a Reformed Fire Authority
- (ii) Consultation
- (iii) Secretary of State makes Order
- (iv) The Service will become incorporated early into the WMCA and in line with the Mayoral timelines.

The government expects Services to collaborate with blue light partners and the Authority would continue to explore opportunities with the Ambulance Service, the Police and combination with other fire services.

The CFO stated that Governance is the responsibility of for Elected Members and he provides professional advice based on the requirements of the Fire Service Act and effective delivery of services.

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The West Midlands Fire Service area is the largest and the risks are the most complex outside of London. The security risks and indices of deprivation align with London and Manchester.

The Chair confirmed that both he and the CFO had met with the Police and Crime Commission to confirm the Authority's intentions on governance. They had sought clarity on the PCCs views on future governance as the PCC still had the option to produce a business case for governance of the Fire Service. This would require full consultation. However, in the past the PCC had said that his interests were in the delivery of services to the people of the West Midlands. . Future conversations with the PCC would be held at the Combined Authority.

The Chair confirmed that the Local Government Association's view was supportive of the new duty to collaborate between blue light services. There was a view that PCCs should not be allowed to assume governance of fire and rescue services without local consent of communities and of the FRA and local Councils impacted by the change. Any plan for a 'hostile take-over' should be the subject of robust and independent review.

There are clear differences between the humanitarian services provided by fire and rescue services and the enforcement role of the police.

The supportive view that communities display towards firefighters underpins the wide range of prevention activities they undertake. Their neutrality gives the service access and this 'brand' is critical. The LGA is supportive of the proposal that budgets of FRAs and Police Services would be held separately, but where a single employer model develops, there is a view that this would lead to a natural progression to bring both budgets together and this may lead to diminution in budgets for fire service prevention and intervention activities.

It was confirmed that the Fire Brigades Union were not supportive of a PCC governance model as they did not feel that this was in the best long term interests of the future of the fire and rescue sector or of their members.

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It was confirmed that the change of governance in devolved areas like the West Midlands would be complex. The imminent decision of the Combined Authority and its view on fire service governance will provide more clarity.

Further consultation, discussions with the Combined Authority and Mayor's office, Reform of the Fire Authority, maintaining the role of the Section 41 Members and Authority proportionality all required a large amount of work, but following the outcome of the Combined Authority decision there would be a confirmed direction of travel.

Resolved that:

- (i) the strategy proposed, as submitted, concerning the reform of West Midlands Fire and Rescue Authority (the Authority), namely the route required for the Mayoral WMCA of the West Midlands Combined Authority (WMCA) to assume governance of West Midlands Fire and Rescue Service (the Service) from the Authority be approved.
- (ii) The outcomes, purpose, approach and timeline, as submitted, be approved.

15/17 Councillor Ann Young confirmed that Walsall Metropolitan Borough Council had agreed to provide an award of £5,000 for the two volunteers to continue to run the Young Firefighters' Association in Walsall and to set up another group for children in the 8 – 11 age group.

The Chair thanked Councillor Young personally and Walsall MBC on behalf of the Authority.

16/18 **Result of Recent Fire Safety Prosecutions**

The Chief Fire Officer reported on the following successful prosecutions which had been brought under the Regulatory Reform (Fire Safety) Order 2005:

- 551 Foleshill Road, Coventry following concerns raised by Coventry City Environmental Health Team over the poor fire safety measures within. The offences included poor

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maintenance of fire doors, no working fire alarm, no fire risk assessment and no maintenance of the fire extinguishers. Mushtaq's Limited were fined £60,000 and ordered to make a contribution of £5,000 towards costs. Mr Bashir Ahmed was sentenced to 30 week's imprisonment suspended for two years and 200 hours unpaid work and order to make a contribution of £2,000 towards costs.

- Mr Raja pleaded guilty jointly with Mr Jan and was sentenced to 6 month's imprisonment suspended for two years and 240 hours unpaid work. He was ordered to make a contribution of £1,000 towards costs.
- Mr Jan was sentenced to 9 month's immediate custody for breaching the prohibition notice which had been served on the premises; 6 months concurrent for fire separate issues and 4 months concurrent for maintenance issues and ordered to make a contribution of £750 towards costs.

The total costs incurred were £18,920, the costs within that sum for officers time were £7,026.25. The total awarded by the court was £8,750.

17/17 **Notes of the Policy Planning Forum 10 October 2016**

The notes of the Policy Planning Forum held on 10 October 2016 were received.

18/17 **Notes of the Policy Planning Forum 7 November 2016**

The notes of the Policy Planning Forum held on 7 November 2016 were received.

19/17 **Minutes of the Audit Committee held on 14 November 2016**

The Minutes of the Audit Committee held on the 14 November 2016 were received.

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20/17 **Minutes of the Scrutiny Committee held on 14 November 2016**

The Minutes of the Scrutiny Committee held on the 14 November 2016 were received.

21/17 **Notes of the Policy Planning Forum 12 December 2016**

The notes of the Policy Planning Forum held on 12 December 2016 were received.

22/17 **Minutes of the Executive Committee held on 12 December 2016**

The Minutes of the Executive Committee held on 12 December 2016 were received.

23/17 **Minutes of the Audit Committee held on 16 January 2017**

The Minutes of the Audit Committee held on the 16 January 2017 were received.

24/17 **Exclusion of the Public and Press**

Resolved that the public and press be excluded from the rest of the meeting to avoid the possible disclosure of exempt information under Schedule 12A to the Local Government Act 1972 as amended by the Local Government (Access to Information) (Variation) Order 2006 relating to the financial or business affairs of any particular person (including the authority holding that information) and information relating to any action taken, or to be taken in connection with the prevention, investigation or prosecution or crime).

25/17 **Planned Procurement Exercises for 2017/18**

The Authority received a report for approval of the tender exercise for the provision of various works, good and services to West Midlands Fire and Rescue Authority during 2017/18 for:

- Occupational Health Physician Services
- Cycle to Work Scheme

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- Appliance Bay Door Maintenance
- Energy
- Boiler Replacements
- Window and Door Replacements
- Pump Rescue Ladders

Resolved that the tender exercises for the provision of various works, goods and services to West Midlands Fire and Rescue Authority during 2017/18 be approved.

(The meeting ended at 1304 hours)

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