

Considering the future governance of West Midlands Fire Service Outcomes Report of the Future Governance Working Group

Independent Chairman: Richard Bacon
(PricewaterhouseCoopers)

CONTENTS

Introduction from the Independent Chairman	3
Executive Summary	5
Chapter 1 – The Possibility for Change	10
Chapter 2 – Collaboration	14
Chapter 3 – An Options Appraisal	22
Chapter 4 – Conclusions	29
Appendix A	
Future Governance Working Group, Terms of Reference	30
Appendix B	
Legislative and Governance Considerations	39
Appendix C	
Future Governance Working Group – Governance Options Appraisal	59

INTRODUCTION FROM THE INDEPENDENT CHAIRMAN

The Fire Service in the West Midlands has changed over the last decade to an extent rarely appreciated. Blue light calls have nearly halved as the management of fire risk has become increasingly sophisticated. Having to put out a fire is seen as a failure in risk management, and the range of prevention measures, far beyond installing free smoke alarms, is helping to improve the quality of life of many vulnerable people.

Sir Ken Knight's 2013 review of the effectiveness and operations in Fire and Rescue Authorities in England, *'Facing the Future'*, highlighted that merging fire and rescue services with one or more of the other blue light services and/or sharing governance structures could result in considerable gains, particular where spending is higher than average.

Theresa May in one of her last speeches as Home Secretary explained how she wanted to encourage collaboration between blue light services to maximise value for taxpayers. The Policing and Crime Bill (the Bill), now the Policing and Crime Act 2017 (the Act) following Royal Assent on 31 January 2017, enables Police and a Crime Commissioners (PCCs) to make a case for local Fire and Rescue Services to come under their control. At the time of writing, several business cases are being prepared by PCCs elsewhere in the country to take responsibility for their local Fire and Rescue Service.

The West Midlands has a Combined Authority of the seven Metropolitan Borough Councils, several Local Enterprise Partnerships, the Transport Authority, and many non-constituent members. A Mayor for the West Midlands is to be elected in May, with new convening and tax-raising powers.

The West Midlands Fire and Rescue Authority (WMFRA), responsible for West Midlands Fire and Rescue Service (the Service), established a working group in July 2016 to develop an options appraisal, to consider its future governance options, with membership from across the public sector and one private sector representative.

What has been most striking about our work is how public services in the West Midlands are already focused together on those in our communities who are vulnerable, to fire, ill-health and crime. Equally striking is how members of the working group were committed to discussing further collaboration and how it might be brought about. If this enthusiasm can be sustained and harnessed, meaningful further change can be realised.

As was stressed repeatedly in our deliberations, the Act enables, rather than enforces, new governance structures, to support better collaboration. Collaboration for better outcomes comes first, with a governance structure to support it rather than as an end in its own right. We focussed on how new and existing and collaboration could be initiated and nurtured.

A firefighter's time in the West Midlands is managed so that when not responding to calls or fire-related duties, fire risk is addressed, whether in providing advice to business, or visiting some of the vulnerable people who are offered comprehensive

Safe and Well checks every year. From April 2016 to December 2016 approximately 19,122 Safe and Well checks were undertaken across the West Midlands. There is some capacity here, and new uses are found for this time, such as responding to trips and falls in Wolverhampton.

Although there is evidence of cooperation and collaboration across the board, there seems more can be done in partnership with health and social care, working with Local Government and the NHS, than with others. For this reason, the Fire Authority expressed a preference for the Service to become part of the Combined Authority in due course.

As in any options appraisal, the advantages (collaboration outcomes, lower cost) must outweigh the disadvantages (risk associated with change, and its cost). Our appraisal did not identify a “stand out” option, but a number of important themes which the Authority needs to consider further.

Our role as a working group was not to prepare a business case, but to consider the options and make recommendations to the Fire Authority. A range of information was presented to us about existing collaboration and how it might be extended. Considering the governance options comparatively is challenging, because of their very differing structures, relative maturity, and the lack of existing academic consideration of them. The report carefully explains how we reached our conclusions and points to the necessary further work which will be required to make decisions.

I have been very impressed with the dedication and genuine passion that the Service has for its role in working with vulnerable people in the West Midlands. I am also very grateful to the representatives of the working group who demonstrated their commitment to better public services, and gave their time and expertise in debating the way forward. The group had no authority, therefore this report does not represent the views of any one individual or organisation.

Better collaboration can of course bring lower costs in the back office, but more fundamentally targeting vulnerability in the population can bring real long term improvement in lives, and again lower cost overall. This is surely where the West Midlands public sector, including the Fire Service, needs to redouble its efforts.

EXECUTIVE SUMMARY

In its consultation response to the Bill, WMFRA signalled that, in the event of future governance changes, its preference would be towards a mayoral arrangement, having taken the view that it provided the best vehicle for the delivery of its strategic objectives and ultimately services to local communities. WMFRA recognised the need to appraise all relevant options in an equitable way, as a potential starting point for local agreement on the way forward, and established a Future Governance Working Group (working group), including relevant stakeholders, independently chaired, to begin this appraisal.

The Act seeks to enable better collaboration between organisations, where this improves efficiency and effectiveness. Governance is one way in which this can be achieved, but it was important for the working group to understand the way in which such a change would enable further collaboration. Using an evidence base, the approach of the working group has been to consider current and future opportunities for collaboration, which provides a base of understanding around how services can be delivered better for the future. The working group then sought to understand how the governance options might enable these.

The agreed governance options were:

- A Reformed Fire Authority (RFA)
- West Midlands Combined Authority and elected Mayor (WMCA and Mayor)
- Police and Crime Commissioner **3 models**:
 1. Shared Governance and Employers Model
 2. Shared Governance and Single Employer Model
 3. A Representative Model:
- Combination of Fire and Rescue Authorities (within the West Midlands region)

The defined **purpose** of the working group was:

To consider how the future governance of WMFS can support the delivery of services to local communities, with increased scrutiny, transparency and accountability of decisions; in a value for money way.

The agreed **outcome** of the working group was:

An evidence based options appraisal for the future governance of WMFS, providing the best approach to governance, which supports the delivery of services across the West Midlands.

The working group has drawn together a number of key stakeholders from across both the public and private sector. Stakeholder organisations were:

- Office of the Police and Crime Commissioner
- NHS England
- Ambulance Service – Board of Governors
- Home Office
- WMFRA

- Birmingham Chambers of Commerce
- Home Office
- WMCA
- Solihull Local Authority
- Coventry and Rugby CCG

The Terms of Reference of the working group are set out in Appendix A and set out guiding principles, timeline and approach, key areas for challenge and roles and responsibilities of the working group.

Over the past six months the working group has considered a wealth of information which has enabled it to understand:

- The strategic direction of the Service
- The context and direction of public service priorities across the West Midlands
- The intent of the Policing and Crime legislation in developing collaboration across the blue light emergency services, as well as changes in the way Fire and Rescue Services are governed in the future.
- What collaboration currently looks like for the Service locally and blue light emergency services nationally
- What the possibilities are for collaboration across West Midlands public services for the future, and
- how each of the agreed governance options could enable delivery of more collaborative services to the communities of the West Midlands

Chapter 1 of this report provides the legislative context applicable to the work of the working group, as well as identifying established and emerging changes both locally and nationally, which are relevant to understand how public services are changing and adapting across the UK.

An overview of the underpinning legislation and regulatory frameworks such as the Fire and Rescue Services Act 2004 and the Fire and Rescue National Framework for England 2012, set out the roles and responsibilities of the Fire and Rescue Service in England. The provision of prevention, protection and response, supported through the National Framework guides the implementation of these services and specifically requires all Fire and Rescue Services across England to produce an Integrated Risk Management Plan (IRMP). It was clear throughout the working group that whatever change takes place through collaboration and/or governance, these regulatory frameworks will remain.

The political context of government is setting an expectation of change in governance for Fire and Rescue Services, where this takes place, towards single accountability. This is a move that has already been made with the Police in 2011 changing its governing body nationally, from a Police Authority to a PCC.

The first step in this change for Fire and Rescue Services is enabled through the Act, which as highlighted earlier makes provisions for Fire and Rescue Services to be governed by a PCC or Mayor, where there is local agreement. Although a mayoral route is currently possible through the Cities and Devolution Act 2016.

Changes in the governance and operation of Fire and Rescue Services can be seen across the UK and Scotland, with the most relevant examples for the West Midlands being in Manchester and London. The functions of the Greater Manchester Fire and Rescue Authority will transfer to the Greater Manchester Combined Authority, once a Mayor is elected in May 2017. The Greater Manchester Mayor will also assume responsibility for the Police Service. In London the London Emergency Planning Fire Authority will be abolished and the Mayor will take responsibility for the fire and rescue service. London will also see the establishment of a London Fire Commissioner as a corporation sole, who will be responsible for the day-to-day management of the London fire service. The Mayor for London is currently responsible for policing performance across London.

In the West Midlands the Service is expecting the second Devolution deal (Devo 2) to be a possible vehicle for a similar transition in governance, as can be seen in Manchester and London.

Chapter 2 seeks to bring the 'duty to collaborate' alive as the working group looked at the extent of collaboration currently taking place both locally and nationally. The future delivery of more collaborative services and how this could be initiated and nurtured was a focus for discussion, to understand how meaningful future change could provide better community outcome.

Locally the Service collaborates with a number of key partners and has sought to deliver through this better, targeted value for money services to local communities across the West Midlands. As important was the consideration of the potential for future collaboration across not only with blue light emergency services, but also wider across health and social care services working with local government and NHS across the West Midlands.

There are many great examples of collaboration both locally and nationally which demonstrate that the public sector can be radical in the provision of its services, deliver services which provide value for money community outcomes, as well as real collaboration.

Chapter 3 sets out the evaluation method, the considerations in carrying out the evaluation and the results.

After agreeing the four main governance options as set out in the Executive Summary, the working group chose to consider the following options:

- Do Nothing
- A reformed Fire Authority, to enable further collaboration
- A combination of WMFS with another regional Fire Service (Fire/Fire)
- The service coming with under the PCC for the West Midlands, as enabled by the Bill
- The service coming under the Mayor for the West Midlands and the Combined Authority
- Two-stage options combining these options

The evaluation method was to use the criteria determined by the group to evaluate the options, using a simple scoring mechanism, as a way of provoking debate about the relative merits of the options.

The scoring resulted in the following ranking of the options:

	Score	Rank	Class
Fire/Fire	18	1	Fire options
RFA	17	2	
CA	16	3=	CA options
RFA to CA	16	3=	
Do nothing	15	5	Do nothing
PCC	14	6=	PCC options
RFA to PCC	14	6=	
CA to Fire/Fire	13	8	Multi-stage options
RFA to PCC to CA	10	9=	
PCC to CA	10	9=	

The group considered the scores at the top of the table to be sufficiently close that it could not be said to show a “stand out” option. However, there is sufficient difference in scores in the table overall for it to provide enough comparison for conclusions to be drawn. In particular, the multi-stage options at the bottom of the ranking have much lower scores.

The working group found that there was enthusiasm and commitment from other organisations for collaboration. The Service has made great progress over recent years, and the group felt that the Authority would benefit from considering its constitution and how it might enable further collaboration.

A Fire/Fire combination would realise significant benefits at potentially lower risk than other options. This would require local consensus and a formal business case, approved by the Home Office. The associated council tax equalisation consequences, and any boundary issues would need to be considered.

The PCC model is relatively new but is having an impact on Police effectiveness. Although there would be some risk associated with the Fire/Police combination, there could be significant cost benefits. A number of business cases are being prepared for such combinations. The West Midlands PCC is able to make a case with local agreement for consideration by the Home Office.

The Mayoral and WMCA model is even newer, and the first Mayor is yet to be appointed, so there is as yet lack of clarity about its programme which presents further risk here. Additional benefits of this option could include further collaboration with constituent and non-constituent members. The Service has already made

progress here. Although health is not within the WMCA boundary, the WMCA already has a Mental Health Commission, and the Mayor will have convening powers which could enable further collaboration with the NHS. The Mayor will also have tax-raising powers. A scheme for Fire to be governed by a Mayor could be made by ministers.

Time and politics are key factors – it is not clear currently how the options might continue to be relevant, particularly because:

- The Mayor's programme is not set
- Additional Devolution deals might present an opportunity to advance the WMCA options
- The PCC can at any time make a business case

In its conclusions the working group recommended that the Authority should prepare for all options, particularly those which it will find less able to influence.

There is no "stand out" option, a two-stage process should be avoided, but there is considerable potential change in the next year or so:

- PCC business cases
- The development of the Combined Authority model in Manchester and Mayoral model in London
- The programme of the Mayor and the WMCA
- Additional Devolution deals

The Authority needed to ensure it engaged with stakeholders to ensure it can fully consider its position and the options available to it.

The Service's focus on understanding and addressing the causes to vulnerability has enabled it to make significant progress in engaging with the WMCA to support the delivery of joined up services for the future. This can be seen clearly in the progress officers have made in engaging and leading on two key work streams for the WMCA: Multiple Complex Needs and Public Sector Reform.

With the inclusion of the Service in Devo 2, the WMFRA's intention is that the future governance of the Service should exist through a Mayor to realise the benefits that can be delivered across the public sector and outcomes for local communities.

Chapter 4 provides the conclusions of the group, which are designed to enable WMFRA with the necessary direction to inform their decisions around the future governance of the Service.

CHAPTER 1 – The Possibility for Change

This section seeks to highlight and summarise the legislative and governance factors that need to be addressed when considering a change in governance, with a focus on the potential for change within the West Midlands. Appendix B provides a detailed overview of the legislation that would need to be considered in any governance changes as well as an overview of those governance frameworks.

Legislation

Continuity in the role of Fire and Rescue services, the humanitarian services set out in legislation (see Appendix B) of prevention, protection and response, must be sustained if governance changes.

The Fire and Rescue Services Act 2004 and the Fire and Rescue Service (Emergencies)(England) Order 2007 provide fire and rescue authorities with mandatory functions in relation to fire and road traffic accidents and in connection with key types of emergencies (specifically chemical, biological, radiological or nuclear emergencies and urban search and rescue emergencies). In addition, as Category 1 responders under the Civil Contingencies Act 2004, fire and rescue authorities are subject to the full set of civil protection duties, including assessing the risk of emergencies occurring (ranging from widespread flooding to terrorist attacks) and using this to inform contingency planning, and ensuring that emergency plans and business continuity management arrangements are in place.

The Fire and Rescue National Framework for England requires each fire and rescue authority in England to produce an Integrated Risk Management Plan. This sets out the analysis of risk in the local community to which prevention, protection and response services are provided, and an evidence-based approach for each Fire and Rescue Service to allocate resources against and determine performance standards.

From a governance perspective the government's direction for achieving models of single accountability itself, sets a precedent for the possibility of change and therefore the potential to amend the primary and secondary legislation which guides governance, to enable better economy, efficiency, effectiveness and/or public safety.

The Act, which received Royal Assent on 31 January 2017, creates an avenue for change in the future governance of Fire and Rescue Services in England through PCC and/or a Mayor (enabled through the Cities and Devolution Act 2016), following the principles of single accountability. Importantly this legislation also creates a statutory expectation, the 'Duty to Collaborate', for better collaboration between the emergency services. As such the potential for collaboration should be considered as an integral part to any change in governance to ensure synergies in this.

The potential to reform any Fire Authority is provided through the Local Government Act 1985, which requires the Secretary of State to vary the number of councillors on a Fire Authority. Currently this Act stipulates membership of 27 councillors for WMFRA.

The Combination of Fire Authorities is provided for through the Fire and Rescue Services Act 2004, along the ability to create a combination order to enable such a change to take place.

In essence the current legislative framework and changes in the Act and Cities and Devolution Act are making way for a change to the way in which Fire and Rescue Services can be governed in the future across the UK. It could be assumed that the preference for change would be through a PCC and/or a Mayor. Whichever direction is taken it is anticipated that this will begin to move away from the traditional Authority based approach. Whilst any change has to be agreed locally, there will be a process for independent review, where local agreement cannot be reached.

Where a PCC does not assume governance of Fire, it is possible that a Fire and Rescue Service could fall under a Combined Authority, and where devolution exists, Mayoral governance.

It is also possible that in some areas where a PCC does not assume governance and devolution does not exist, a Fire Authority will remain the governing body for that Fire and Rescue Service.

Combination of two or more Fire and Rescue Authorities is also a viable option from a legislative perspective and indeed there are examples of this approach to change and reform across both the UK and Scotland.

As each Fire and Rescue Service area will have its own opportunities and risks associated with such a change and it is likely that over the next 3-5 years a 'mix' of governance models will exist across the UK.

However, the requirement for a Fire and Rescue Service to produce an Integrated Risk Management Plan and deliver its legislative duties of prevention, protection and response will not change with any change in governance.

Governance and Emerging Change

Having considered the possibilities that legislation currently and/or in the future will provide for governance of the Fire and Rescue Service, the Group agreed the following options for the future governance of the Service:

- A Reformed Fire Authority (RFA)
- West Midlands Combined Authority and elected Mayor (WMCA and Mayor)
- Police and Crime Commissioner **3 models**:
 1. Shared Governance and Employers Model
 2. Shared Governance and Single Employer Model
 3. A Representative Model:
- Combination of Fire and Rescue Authorities (within the West Midlands region) (Fire/Fire)

The case studies in Appendix B present a 'mixed bag' of governance models and changes across the UK and Scotland. The Dorset and Wiltshire combination and

Scotland national merger case studies demonstrate the scope for change exists across political and/or regional boundaries, provided for by current legislation.

The changes which will take place in Greater Manchester and London, will see the Mayor assuming responsibility and governance for Greater Manchester Fire and Rescue Service, through the Combined Authority and the London Mayor assuming governance for London Fire Brigade as part of the Act. These case studies provide for the West Midlands, a 'test bed' to watch, which is being enabled through new and emerging legislative changes and which represent a different approach to single accountability of Fire and Rescue Services through a Mayor.

Each of the case studies demonstrate the need and desire for more collaborative and/or efficient and effective ways of providing services to local communities, through a governance structure which will best enable this.

West Midlands Position

WMFRA through the focused work of officers has sought to collaborate with emergency services, Local Authorities, NHS organisations and the WMCA to meet its priorities, as well as enhance the delivery of services to its communities and reduce public spend. This has enabled the Service to position itself effectively within the West Midlands public service arena, providing for much opportunity in the delivery of services.

The West Midlands established a Combined Authority in July 2016 and is in the process of determining its second devolution deal. To enable the continued devolution of funds and decision making across the West Midlands, a Mayor will be elected in May 2017.

The Authority is an 'observer' on the WMCA and has become a key stakeholder in the delivery of priorities for the West Midlands, this is detailed more in Chapter 2.

The PCC also has 'observer' status on the WMCA and regular dialogue is maintained between the PCC's Office and the Authority and Officers, to enable closer working and opportunities for collaboration to be explored.

These developments across the West Midlands, coupled with the introduction of new legislation through the Act and the possibilities of devolution created through the Cities and Devolution Act, now provides a number of possibilities for the future governance of the the Service. The work of the working group has been critical in determining which of the governance options will provide the best opportunity for better collaborative working, to deliver better outcomes for the communities of the West Midlands.

In summary, following the Machinery of Government change in January 2016 which saw Fire and Rescue Service policy for England transferred from DCLG to the Home Office, public service reform was a clear expectation set out for the sector on 24th May 2016, by the then Secretary of State, Theresa May. Single accountability for public services is a direction set by the government, so that communities have a clear and visible figure to hold accountable locally for the delivery of services. In

more urban areas and in the West Midlands, the Cities and Devolution Act 2016 is enabling Devolution to develop, with close guidance from the government, providing local communities with more say in how they spend money on public services. The Act provides options around the future governance of Fire and Rescue Services in England. The 'duty to collaborate' will create a legal duty for all blue light emergency services to collaborate more effectively and as such provide a basis for governance and public service reform.

Existing and new emerging legislation is providing the possibility for change in a way that could transform Fire and Rescue Services for the future.

CHAPTER 2 - Collaboration

This chapter summarises examples of collaboration considered by the working group. Before considering the future governance options in any detail, an understanding of the potential around collaboration opportunities across blue light emergency services and wider was critical. The new 'duty to collaborate', will require blue light emergency services to consider collaboration where efficiency and effectiveness can be improved.

Before considering collaboration, it is important to set out the context against which the Service delivers its services to local communities across the West Midlands.

WMFRA Strategy

The Service plays an important role in helping people and communities live safer, healthier and stronger lives. Its integrated Service Delivery Model (SDM) provides the level of resources required to deliver its priorities of prevention, protection and response, which centre around responding to high risk incidents within 5 minutes, therefore seeking to minimise damage to life and property. This requires an upstream approach to the role of a fire fighter, in delivering all three of these priorities at a local community level. Essentially this business model is built on 'paid for' services, with firefighting providing the ability to deliver preventative and protection services linked to core response services, whilst on call (on duty).

This model is built on evidence which demonstrates its importance in meeting the requirements of the West Midlands IMRP and to the survivability of members of the community who find themselves at risk of fire, ill health or crime. This strategy sits at the core of all the work the Service undertakes whether provided internally, or in collaboration with others.

To understand collaboration more the working group considered the following questions:

What collaboration is currently taking place?

What opportunities for collaboration exist?

What do we need to consider for the future?

What collaboration is currently taking place?

The working group considered a sample of case studies, '*WMFRA Collaborative Working*', which aimed to provide a more in depth understanding of the diverse collaborations the Service commits to. Critical to the delivery of collaborative services is the ability to reduce vulnerability in local communities, by addressing the causes and where possible the causes of the causes, to enable sustainable improvements in individual lives, independent living and economic growth through strategic regulation.

Each of these collaborative relationships are delivered through the Service's

integrated SDM, providing the most efficient and effective delivery of not only strategic priorities, but also the wider priorities of public services across the West Midlands.

An example taken from the case studies is the provision of developing 'health commissioned' work. This currently exists in Telecare (falls response) services provided to local communities across three of the seven local authority areas within the West Midlands, as well as a Hospital Discharges trial currently provided in Coventry. Both of these services aim to work with vulnerable people to not only support the delivery of home safety preventative services through the Safe and Well check, ensuring that patients are back home safe and well, but to reduce their vulnerability, sustain independent living and also reduce the pressure on the NHS by reducing re admissions into hospital.

An established and developing area of collaboration can be seen in the ongoing relationship that the Service maintains with WMCA. The Chief Fire Officer (CFO) and other officers have engaged, as key stakeholders and service delivery providers to 7 Local Authority Constituent Members, with the WMCA from its shadow stages through to inception. Initially this was through the Public Sector Leadership Board and more recently by establishing the Authority as an 'Observer' through the WMCA Board and Programme Board.

This engagement has enabled the Service to take the lead within WMCA in delivering the 'Multiple Complex Needs' work programme, one of the factors of poor mental health. This is a programme which reaches across the whole of the West Midlands, with the reduction of vulnerability sitting at its core. A **real** example of public services delivering together to meet joint priorities and joint community needs. This provides a clear signal that the Service has the vision and ability to lead and support wider agendas.

The Service is leading the way in Public Sector Reform and the CFO has recently taken up the Chief Executive portfolio for the Public Service Reform across the WMCA. A key priority for this programme will be the ability to deliver better outcomes with reduced resources: focussing on, maximising value from the public pound and empowering citizens and staff. This programme underpins collaboration with other public services to reduce costs with a key focus on: Multiple Complex Needs, Criminal Justice, Employment and Skills and Mental Health. An important ambition of the PSR programme is to eliminate the gap between the costs of local public services and the tax generated by the local economy. This gap currently stands at around £4 billion per year.

Another key collaboration for the Service which has now in place for three years is the joint Staffordshire and West Midlands Fire Control. Both Services joined Fire Control functions in 2014 with the objective of improving the performance of prevention, protection and response services, whilst also achieving financial savings in the light of budget cuts. This collaboration has achieved approximately £1.5 million in joint savings per year since its implementation and is forecast to have realised approximately £11.6 million in joint savings by 2022.

Whilst engagement and collaboration with the WMCA is progressive, the Chair to the Fire Authority and CFO maintain regular discussion with the PCC and other partners. Engagement with the PCC and subsequently with the Chief Constable, has enabled an officer led review of how the Services estate could support the future delivery of community based services for West Midlands Police. The potential for further development and implementation of such an approach, would demonstrate a real step change in the way in which local services can be delivered better together.

To enable a contrast with collaboration across the West Midlands, the group looked at examples of 'blue light' collaboration taking place across the UK. This also enabled a possible look forward for collaboration in the West Midlands by seeing what was possible. *'The Emergency Services Collaboration Working Group National Overview 2014 and 2016'* documents provided a central source of information. From this analysis it was clear that currently there is significant established collaboration in:

First Response and Corresponding services between the Fire and Rescue Service and Ambulance Service, resulting in faster response times, enhanced operability and greater efficiencies in the cost and delivery of services being provided.

Shared Estates and Assets and Joint Facilities between Police Services and Fire and Rescue Services. Generating savings through the removal of duplication of property and sharing utilities, as well as the possible sale of estate. A community focus for shared estates has the potential to make local services more accessible to the public.

Joint Control Rooms providing great opportunities for increased collaboration and closer working, enabling faster and more effective response times to incidents

Demand Management between Emergency Services as well as Local Authorities and NHS partners. Rationalising services and improving the capability of those services to deal with incidents, therefore reducing harm, mobilising faster and enhancing interoperability.

This national picture provided the working group with an appreciation of the range of collaborations, which could take place across both blue light emergency services as well as the wider public service and importantly, how collaboration could be explored further across the West Midlands

What future opportunities for collaboration exist?

To support the understanding of how the future delivery of services could be provided in a more collaborative way, the working group sought to understand the potential for the future delivery of collaborative services to communities across the West Midlands

The working group considered five agreed areas for exploration for future collaboration:

Data Sharing as an agreed means of exchanging or accessing data with key public service partners to meet only the priorities of the Service, but also those of the wider

public sector across the West Midlands. Key outcomes would be removing duplication, working across silos, communities receiving a joined-up public service and enhancing public service provision through linking of data that the citizen may be unaware of.

Emergency Planning - Emergency Planning Teams exist in all 7 Local Authority areas across the West Midlands, as well as other public services such as the Police. The integration of 7 to 10 emergency planning functions into a single team has the potential to enable a more efficient and effective planning and delivery of services across the West Midlands, enhanced sharing and learning and the removal of duplication and more collaborative working. Such a change has the possibility to realise savings of at least £1.5 million.

Co-responding enables certain Ambulance Service calls to be diverted to the Fire and Rescue Service, who can deliver emergency and trauma care in line with their training. The Service is extremely well placed to supplement and improve the availability of emergency medical care in life-threatening situations and has resources placed strategically throughout the West Midlands. Whilst both the Service and the Ambulance Service are engaged on joint activities and have discussed corresponding, this does not currently form part of the overall delivery of services. provision of a rapid emergency medical response, within 5 minutes, from well trained and well equipped firefighters would contribute significantly to the response times of Red 1 incidents and in making the West Midlands a safer, stronger, healthier community.

LA healthcare - Providing patient transport to support discharge from hospital where this may be delayed due to an assessment of their home environment to ensure patients can go back home safe and well. This is a further development of the existing hospital discharges pilot and Telecare falls response collaborations that the Service currently operate. Formal health outcomes are focused around reducing emergency readmissions, older people (65 and over) remain independent living in their own home, health related quality of life for older people.

Combination of Fire and Rescue Services – the merger of two or more Fire and Rescue Services within the West Midlands region will enable the delivery of significant savings in operating budgets without compromising, but rather enhancing, service delivery to communities. Collaborations, mergers and the sharing of services is already taking place across the UK between Fire and Rescue Services. Case Studies 1 and 5 in appendix B, provide two examples of the combination of Fire and Rescue Services within the UK and Scotland. A merger also took place between Devon and Somerset Fire and Rescue Service in 2006/06 making them the largest non-metropolitan Fire and Rescue Service in England. Whilst the focus of this combination at the time was not to deliver financial savings, in 2012 £4.2 million had been achieved in cashable savings, which was projected at that time to have reached £8.25 million by 2014/15.

H3 provides an example of collaboration within Hampshire amongst emergency services, including the Fire and Rescue Service and Local Authorities in the provision of support services. H3 has made savings of £4 million a year since its implementation

The five summarised case studies above represent a sample of collaboration opportunities which are either in their infancy in being developed within the West Midlands, or are opportunities which the Service is considering as part of the delivery of its future strategy.

As cited earlier in this report the 'duty to collaborate' places a legislative requirement on all three emergency services to collaborate effectively, where it would drive efficiency and effectiveness and positively impact on public safety. It is clear that much collaboration is already taking place across the emergency services. Examples across the country will vary and what seems possible in one region may not have yet occurred in another. Much of this can be explained by differing local public service demands and community needs. In some areas barriers such as vast cultural and organisational differences, historical issues and geographical coverage may exist, which prevent collaboration being realised to its fullest potential.

What can be seen from these case studies is the breadth of collaboration which is possible across the West Midlands. The case studies themselves identify the broader benefits that can be realised across a range of public services, not just blue light emergency services. All of these collaboration opportunities have a focus on addressing and reducing vulnerability in communities and also reducing the pressures that continued vulnerability can place on public services. The Services approach to an integrated SDM provides much scope for supporting the delivery of wider public service priorities.

Community Outcomes

The consideration of collaboration as a main theme to the work of the working group enabled the agreement of a wider set of community outcomes, which would support an evidence based appraisal of each of the governance options.

These outcomes, which the group agreed as being critical to the delivery of collaborative services not only from the Services perspective but also wider public services across the West Midlands, provided a sound base to work from when considering achievability. The outcomes agreed were:

Public Safety:

This outcome considered the legislative duties of the Service, the possibility of the widest provision of services to the communities of the West Midlands, as well as the funding structures within which these could be delivered.

As highlighted in Chapter 1 the Service is legislatively required to provide prevention, protection and response services through the Fire and Rescue Services Act and the National Framework. But the Services strategy also enables this to reach wider and deliver services which cross organisational boundaries, seeking to meet wider public service priorities.

Legislative duties and the need for an IRMP are unlikely to diminish, but the way in which the Service will be funded to provide its services as part of each of the four governance options does need to be considered. Any change from the current

approach to funding through WMFRA poses some risk, as two of the four options, PCC and WMCA and Mayor, provide an approach to funding which are as yet untested for fire and rescue services. However, a Mayor will have council tax raising powers which also provides opportunities for the delivery of services.

Collaboration

How will the governance structure enable better collaboration?

This outcome considered the extent to which each of the governance options can support current and future collaboration across emergency services and other public services (organisations), in a way which is aligned to the Services priorities and wider strategic priorities, as well as the expectations of the 'duty to collaborate'.

The assertion here is that the closer together the governance of organisations, the more likely they are to collaborate effectively. This is an uncomplicated assertion and there will probably be excellent examples of it being the case, and some exceptions.

When considering the extent of collaboration, the following 'levels of collaboration', can provided a broad guide. Level 1 is the least collaborative, with level 3 demonstrating full collaborative working.

1. Organisations are in dialogue with each other and/or work together – partnerships
2. Representatives from organisations are part of the governance structure
3. Organisations operate together – part of the same organisation

The potential for these levels of collaboration to achieve efficiencies was also be broadly considered as part of this outcome.

Scrutiny and Transparency

How will scrutiny of decision making and transparency in governance and decision making be maintained and possibly enhanced through each of the four governance options?

The 'principles of good governance' describe the ability to make informed, transparent decisions and managing risk as being critical to governance. This is about being rigorous and transparent about how decisions are taken. Scrutinising at an early stage through having and using good quality information, advice and support and making sure that an effective risk management system is in operation.

In considering this outcome and the requirements of scrutiny and transparency across the public sector (particularly for local authorities), the structures in place to enable the scrutiny of decision making and approaches to making key information transparent to the public were included. All local authorities are required to meet statutory expectations regarding the scrutiny of decision making and the

transparency code. It therefore unlikely that any one of the four governance options is going to reduce scrutiny or transparency to the public, therefore this outcome was left unscored.

Accountability

How accountable is the governing model and the 'persons' to stakeholders and importantly to local communities?

Within the four governance options being considered by the working group there exists two approaches to accountability:

- Single accountability through a PCC or Mayor
- Section 41 accountability through 'lead' members for local authorities, through a RFA or Fire/Fire

Current government direction is setting a model of single accountability - holding one person to account for decisions taken. The principle around this approach is that one accountable person is visible and easily identifiable to local communities across a whole region and therefore more accessible.

The model of 'lead' members enables this accountability amongst a number of persons responsible for decisions taken along with a 'Chair'. Here accountability is spread more evenly across a region, with accountable persons being easily identified and accessed by citizens in their local community.

The working group concluded that there was little substantive evidence to prove that one approach produced better accountability than the other and therefore this outcome was also left unscored.

Savings

What is the potential for cashable savings to be realised through a change in governance?

Each of the governance options will provide for some element of cashable savings to be achieved, through a reduction in money spent on maintaining the governance structure and/or through the merging of front and/or back office services.

Costs

What costs would a change in governance incur as part of the change?

A key consideration for this outcome was the costs incurred and the value this provides from a community perspective. In principle a single route to a long term change in governance will incur less costs to enable the change (for example from a Fire Authority to a PCC) than a route which involves more than one change, i.e. routes from a Fire Authority to PCC to WMCA and Mayor. The exception to this

would be the RFA as this change in governance as a short, medium or long term route is unlikely to incur additional costs.

Risks

How will a change in governance impact on the delivery of services and what would the perceived impact be on engagement with staff, community and trust?

The working group considered this outcome not only in terms of the distraction from a staff engagement and community perception perspective, but also linked to Public Safety as possible changes in priorities of WMFS may present risks to the delivery of services, which will in turn impact on community and trust.

CHAPTER 3 – An Options Appraisal

This section describes how the working group identified, appraised and concluded on the options.

Identifying the options

This task was made fairly straightforward because it was easy to identify:

- The status quo and how it might develop
- Options enabled through the Policing and Crime Bill, now the Policing and Crime Act 2017
- The Combined Authority and Mayor option enabled by the Cities and Devolution Act 2016 and the Act .
- Fire/fire combination, on the basis that examples of this already exist.

In addition, the group chose to evaluate:

- Do nothing to assess future options against the status quo

The working group decided to evaluate the following options:

- Do Nothing
- A reformed Fire Authority, to enable further collaboration
- A combination of WMFS with another Fire Service (Fire/Fire)
- The service coming with under the Police and Crime Commissioner for the West Midlands, as enabled by the Policing and Crime Bill
- The service coming under the Mayor for the West Midlands and the Combined Authority
- Two-stage options combining these options

Evaluation method

The scope, time and resource available to the working group precluded any new detailed research on collaboration outcomes or governance effectiveness. The evidence base for its conclusions is drawn from examples available in the West Midlands and elsewhere in the UK (some referenced in this report), concluding with a high-level evaluation of the options, based on the criteria set out in Chapter 2. The detailed scoring of the evaluation is given in Appendix C.

In carrying out the evaluation, the working group considered each of the Community Outcomes set out in Chapter 2, comparing and ranking each option, assigning a score based on the achievability of the relevant outcome. The main advantages of using this approach are:

- It provides a simple structure which facilitates discussion about each option
- It directly facilitates discussion about the relative merits of the options

- It allows an overall ranking to be produced, representing the conclusions of the working group

It has a number of inherent drawbacks:

- The scale of scoring against each option is limited. For example, the method would not necessarily produce a very much higher score if financial benefits were orders of magnitude more significant.
- With a limited number of potential scores for each criterion, the precision of the scoring is limited. However, it is probably the case that the depth of the analysis during the considerations of the working group would not justify a more sophisticated approach.

Given these limitations, the output from the numerical evaluation has to be taken as a guide, the main value coming from discussion it provoked.

Considering the criteria

Public Safety

The working group confirmed that the underpinning legislative and regulatory framework would be unaffected by a change in governance. Public Safety could be effected if the strategic objectives of the Fire Service were compromised, as these are focused on public safety. The extent of any compromise could only be assessed and managed through any change in governance.

The working group considered that there was essentially no additional risk to public safety in the Do Nothing, Reformed Fire Authority or Fire/Fire options.

The working group made it clear that it had no evidence to suggest that a PCC or a Mayor would ever knowingly consider compromising public safety. But in any organisation with newly competing strategic priorities, there was a risk that the strategic objectives of the Service could be compromised.

The novelty of the programme and governance of the WMCA, and the impact of a multi-stage option, was recognised in a lower score for these options.

Collaboration

The working group recognised that there was scope for better collaboration across the public sector. There is existing and increasing collaboration with the Police. The working group considered that there are greater opportunities for collaboration with Local Authorities and the Health Service, because of the Service's focus on vulnerability.

A structure which enables the broadest collaboration particularly including Local Authorities and Health attracted the highest evaluation score. The WMCA comes closest to this. The group recognised the scope for further collaboration through a PCC combination, with a Reformed Fire Authority enabling some further collaboration.

Scrutiny and Transparency/Accountability

These criteria rely on the existing legal and regulatory structures and how they operate in practice. Essentially the three models for the working group to consider were:

- The arrangement put in place in 1985 for Fire in the context of Local Government
- The PCC governance arrangements
- The WMCA governance arrangements

There was extensive discussion on the pros and cons of these, particularly focusing on the single point accountability of the PCC and a Mayor, and the S41 arrangements under which representative local councillors represent the Fire Service through their Local Authority's accountability. The group also recognised that Government currently sees single point accountability as a policy priority.

Because the PCC and WMCA governance arrangements are so new, there is little or no comparative research, although the PCC arrangements are increasingly reviewed and favourably commented on.

In the end, the group concluded that there was insufficient compelling evidence to allow it to score these criteria.

However, it noted that the WMFRA recognises that more can be done to use the S41 arrangements more effectively. This could form a feature of a Reformed Fire Authority if this option were selected.

Savings

It was clear to the working group that multi-million pound savings are available through combination. Back office and estate savings in particular can be realised in any combination option. Additional factors are:

- Combination with another Fire and Rescue Service will generate additional operational economies
- The scale of savings increases with the scale of the combination, with the WMCA option providing the greatest opportunity for savings

It was assumed that essentially little or no savings would be realised in the Do Nothing and Reformed Fire Authority options.

Costs

The working group concluded that the costs ranged from essentially zero in the Fire options to very significant if more than one transition took place. Any of the single-stage changes would involve significant cost, recognising that a Fire/Fire combination would involve a scale of integration which might not be required in a Police/Fire or CA model.

Risks

The working group considered the risk to continuity and the possibility of disruption as a result of change. Broadly, a two stage process resulted in a higher risk, the Fire options providing little risk, and the other options equally affected.

Results

Appendix D provides the detailed scoring from the exercise. The numerical evaluation resulted in the following ranking of the options, which have been grouped into classes for convenience:

	Score	Rank	Class
Fire/Fire	18	1	Fire options
RFA	17	2	
CA	16	3=	CA options
RFA to CA	16	3=	
Do nothing	15	5	Do nothing
PCC	14	6=	PCC options
RFA to PCC	14	6=	
CA to Fire/Fire	13	8	Multi-stage options
RFA to PCC to CA	10	9=	
PCC to CA	10	9=	

The group considered the scores at the top of the table to be sufficiently close that it could not be said to show a “stand out” option. However, there is sufficient difference in scores in the table overall for it to provide enough comparison for conclusions to be drawn. In particular, the multi-stage options and the bottom of the ranking have much lower scores.

Fire options

Fire/Fire

There is already evidence that significant savings can be made from this kind of combination. The combination of Dorset/Wiltshire in 2016 is predicting £6m savings pa by 2017/18, and there is a draft local business analysis which shows that much larger sums can be saved with a more sizeable combination across the West Midlands. Having said that, a Fire/Fire combination would need to be agreed locally before the Home Office could consider it.

It is perhaps not surprising this option scores well, given that there is likely to be less risk of disruption to public safety when two organisations with the same remit

combine. It is also worth noting that there is already significant collaboration between the West Midlands and Staffordshire in the shared fire control room. There would potentially be boundary and council tax equalisation issues to surmount here.

Reformed Fire Authority

This option recognises that further collaboration could be enabled if the Authority itself reflected the extent of existing and desired collaboration in the service, readily acknowledging that the service itself has made good progress in collaborating with other public services. The working group reflected that, without any authority, the group had meaningful conversations about future collaboration options, drawing on the experience of representatives from across the public sector.

Again perhaps the scoring is not too surprising, given that there is essentially no risk in continuing to have a Fire Authority but with more collaboration. The working group took this as a signal that, if nothing else, WMFRA should look at its constitution and at options for membership and co-option which might engender further collaboration. If nothing else, this could be an interim option with benefits accruing immediately. The shape of the Authority could be moulded as a precursor to a future governance option.

Combined Authority options

WMCA and Mayor

The benefits of this model include the ability to work directly with all 7 of the Metropolitan Borough Councils, as well potentially as the Police, and the non-constituents in enhancing public safety and demand management. There are already good examples of this, for example in the Telecare service, and the working group discussed the potential for a regional emergency planning function. The cost base of the WMCA is as large as it could be, providing opportunities to spread cost and outcomes as widely as possible.

Although health organisations are not within the WMCA boundary, health is already deliberately a central issue for the WMCA through its Mental Health Commission. As public sector reform is pursued, effective working across the local authority/health boundary will be required, as is hoped for in the STP process. The Mayor will also have convening powers which will at least require health to be at the table. There is certainly further collaboration opportunity for the Service with Health, with several good examples from elsewhere.

The funding and governance models of the WMCA will no doubt develop with the organisation over time, but there is uncertainty as to how funding might work within the WMCA. However, the Mayor may choose to exercise tax raising.

Savings were reflective of those that could be achieved through a PCC, however have the potential to reach wider as the WMCA will have a larger cost base and the possibility for integration of services is wider.

Police and Crime Commissioner options

The delivery of outcomes through this governance model are fairly even across the board, in that reasonable achievability of all outcomes can be achieved.

The working group saw the most significant benefits in operational collaboration addressing vulnerability and back office collaboration. While the role of the PCC is still relatively new, the recent report of the Home Affairs Committee points to how PCCs have already had a beneficial effect on public accountability and clarity of leadership, a marker of achievability. The Office of the Police and Crime Commissioner in the West Midlands has recently been awarded a Transparency Quality Mark by CoPaCC, the independent body that monitors police governance.

The PCC model would enable better collaboration with the Police – there are already good examples of this and more could be achieved. The working group noted that wider collaboration could be achieved as easily under a PCC as by a reformed Fire Authority, but that the WMCA model offers the potential for broader collaboration with Local Government in particular, both in improving community outcomes, and in reducing cost.

Multi-stage options

The group concluded that the multi-stage options will cost more and be riskier, simply because in principle two changes cost more and are riskier than one. The group recommend that WMFRA should be clear about the costs and benefits of its chosen governance end state and should avoid two-stage change if that is possible. Time and politics may be a factor here – the decision for the Fire Authority will be significantly different if the Mayor makes control of Fire a priority, and/or it is included in a Devolution Deal. If this is not the case, the Authority will need to consider its other options for securing the benefits of greater collaboration.

The full scorings for each option can be seen in the table below:

Outcomes Options	Public Safety (4)	Better Collaboration (3.5)	Scrutiny & transparency (1 & 2)	Accountability (3.5)	Savings (3.5)	Costs (3.5)	Risks (3.5)	Total	Ranking
1. Do Nothing	5	0			0	5	5	15	5
2. RFA	5	2			0	5	5	17	2
3. RFA to WMCA	2	5			3	3	3	16	3
4. RFA to PCC	3	3			2	3	3	14	6
5. RFA to PCC then WMCA	2	5			3	0	0	10	9
6. CA	2	5			3	3	3	16	3
7. CA to Fire/Fire	2	3			5	0	3	13	8
8. Fire/Fire	5	3			5	2	3	18	1
9. PCC	3	3			2	3	3	14	6
10. PCC then CA	2	5			3	0	0	10	9

Summary from options

The Working Group found that there was enthusiasm and commitment from other organisations for collaboration. The Service has made great progress over recent years, and the group felt that the Authority would benefit from considering its constitution and how it might enable further collaboration.

A Fire/Fire combination would realise significant benefits at lower risk than other options. This would require local consensus and a formal business case, approved by the Home Office. The associated Council tax consequences, and any boundary issues would need to be considered.

The PCC model is relatively new but is having an impact on Police effectiveness. Although there would be some risk associated with the Fire/Police combination, there could be significant cost benefits. A number of business cases are being prepared nationally for such combinations. The WM PCC is able to make a case with local agreement for consideration by the Home Office.

The Mayoral and WMCA model is even newer, and the first Mayor is yet to be appointed, so there is as yet lack of clarity about its programme. There is further risk here. Additional benefits of this option could include better opportunity for further collaboration with constituent and non-constituent members. The Service has already made progress here. Although health is not within the WMCA boundary, the WMCA already has a Mental Health Commission, and the Mayor will have convening powers which could enable further collaboration with the NHS. The Mayor will also have tax-raising powers. A scheme for Fire to be governed by a Mayor could be made by ministers.

Time and politics are key factors – it is not clear currently how the options might continue to be relevant, particularly because:

- The Mayor's programme is not set
- Additional Devolution deals might present an opportunity to advance the CA options
- The PCC can at any time make a business case

The Working Group recommended that WMFRA should be prepared for all options, particularly those which it will find less able to influence.

There is no “stand out” option, a two-stage process should be avoided, but there is considerable potential change in the next year or so:

- PCC business cases
- The development of the CA model in Manchester and London
- The programme of the Mayor and the CA
- Additional Devolution deals

The Authority needs to ensure it engages with stakeholders so that it could fully consider its position and the options available to it.

CHAPTER 4 - Conclusions

1. There is no “stand out” option, but the analysis suggests that a two-stage process increases costs, risk and reduces benefits and as such should be avoided. There is considerable potential change in the next year or so:

- PCC business cases
- The development of the Combined Authority model in Manchester and London
- The programme of the Mayor and the WMCA
- Additional Devolution deals

The WMFRA needs to ensure it continues to engage with stakeholders to ensure it can fully consider its position and the options available to it.

2. The Working Group found that there was enthusiasm and commitment from other organisations for collaboration. The Service has made great progress over recent years, and the working group felt that the Authority would benefit from considering its constitution and structure and how it might change enable further collaboration.

3. The Mayoral and WMCA model is just emerging and the first Mayor is yet to be appointed, so there is as yet lack of clarity about its programme. However, change with a new Mayor will happen and this will create opportunity in improving public services. The WMFRA need to ensure that they remain engaged in this to ensure the best opportunity for delivery of outcomes for future.

4. If a mayoral option is not available in the medium term for police or fire, then the options would need re appraised to ensure the benefits of collaboration across the emergency services and wider public services are realised.

5. The Act does not enable governance changes with the Ambulance Service which may prevent full collaboration to be realised as well as the benefits from this.

6. Ambulance sits outside of governance analysis however the opportunities for collaboration are significant

7 A Fire/Fire combination would realise significant benefits at lower risk than other options. This would require local consensus and a formal business case, approved by the Home Office. The associated Council tax consequences, and any boundary issues would need to be considered.

8 The PCC model is relatively new but is having an impact on Police effectiveness. Although there would be some risk associated with the Fire/Police combination, there could be significant cost benefits.

APPENDIX A

West Midlands Fire and Rescue Authority

Future Governance Working Group

Terms of Reference

Background

There is a growing pace of change that is taking place across the West Midlands public sector, with the developing West Midlands Combined Authority and a developed recognition of the need to join up the delivery services to create maximum impact for local communities. This, along with Home Office expectations around increased and closer collaboration and public service reform, has signalled a clear opportunity for West Midlands Fire and Rescue Authority to review its current governance arrangements. The West Midlands Fire and Rescue Authority (WMFRA) report: Future Governance of West Midlands Fire Service (WMFS) sets the background to the commissioning of this working group.

This review will seek to understand how in the future these priority areas can be delivered against, whilst maintaining and enhancing the delivery of (statutory) prevention, protection and response services to our communities in a risk based way, aligned to our Integrated Risk Management Plan.

Purpose

To consider how the future governance of WMFS can support the delivery of services to local communities, with increased scrutiny, transparency and accountability of decisions; in a value for money way.

Outcome

An evidence based options appraisal for the future governance of WMFS, providing the best approach to governance, which supports the delivery of services across the West Midlands.

Key Areas for Challenge

The focus of the working group in achieving its objectives will centre on the delivery of current and future services to the community. Alongside this the priorities of the Home Office (efficiency, effectiveness, economy and public safety) will form key areas of challenge. The following questions have been drafted to guide the progress of the working group. These will be finalised, following feedback, at the outset of the second meeting of the working group.

1. What benefits can be delivered through increased collaboration and a wider focus on the delivery of public services across the West Midlands?
2. How can these benefits deliver enhanced services and outcomes to the communities of the West Midlands?
3. How can these deliver against the Home Office expectations of reform: efficiency, effectiveness, economy and public safety?
4. How can each of the possible governance options for WMFS support the delivery of these benefits?

Governance

To enable a joint understanding of what governance means the six 'Principles of Good Governance' will provide overarching guidance to the working group, when considering the above challenge areas and what the outcomes of the working group should be measured against. For example in accordance with principle 2, good governance means performing effectively in clearly defined functions and roles – does the options appraisal and preferred governance route enable clarity in roles. Then in accordance with Principles 4, does this enable good, transparent and effective decision making?

The six principles are set out below:

- 1. Good governance means focusing on the organisation's purpose and on outcomes for citizens and service users**

This focuses on being clear about the organisation's purpose and its intended outcomes for communities and service users. Ensuring that this is received in a high quality and value for money way.

- 2. Good governance means performing effectively in clearly defined functions and roles**

This section focuses on being clear about the functions of the governing body, the Chief Executive the responsibilities of non-executives and the executive, and making sure that those responsibilities are carried out in a way which provides clarity for others in who is responsible for what.

- 3. Good governance means promoting values for the whole organisation and demonstrating the values of good governance through behaviour**

This focuses on putting organisational values into practice across decisions and actions taken. Individual governors behaving in ways that uphold and exemplify effective Governance.

4. Good governance means taking informed, transparent decisions and managing risk

A critical part to the government agenda, this section focuses on being rigorous and transparent about how decisions are taken, Scrutinising at an early stage through having and using good quality information, advice and support. Making sure that an effective risk management system is in operation.

5. Good governance means developing the capacity and capability of the governing body to be effective

Critical to the future of the Authority this section focuses on making sure that appointed and elected governors have the skills, knowledge and experience they need to perform well. Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group. Striking a balance, in the membership of the governing body, between continuity and renewal.

6. Good governance means engaging stakeholders and making accountability real

This section focuses on understanding formal and informal accountability relationships with the public, staff and institutional stakeholders. Taking an active and planned approach to dialogue with and accountability to the public.

Working Group Timeline

The working group will operate from July 2016 to February 2017.

It is envisaged that members of the working group will attend all core workshops. The Independent Chair and Clerk to the Authority will represent the working group at Sounding Board meetings.

26 July 16 (1 session)	Aug 16	19 Sept/ 4 Oct 16 (2 sessions)	14 & 20 Nov (Dec) 16 (2 sessions)	Jan/ Feb 17
Group dynamics TCN Outcomes Expectations	Reading Reflection Planning	Insights into what is and could be – Service Design and Community outcomes	Governance and how this will support the outcomes for the community for the future	Outcomes & recommendations to Policy Planning Forum
		10 th October Sounding Board	12 th December Sounding Board	20 th February Authority approval

Membership and Stakeholders

Authority Members	External Members
<p>Councillor John Edwards (Labour Chair to Authority)</p> <p>Councillor Mohammed Idrees (Labour Vice Chair)</p> <p>Councillor Lynda Clinton (Labour)</p> <p>Councillor Greg Brackenridge (Labour)</p> <p>Councillor Davis/Barrie (Conservative lead)</p>	<p>Brian Nash (Home Office Crime, Policing and Fire Group)</p> <p>Judy Foster (Assistant Police and Crime Commissioner)</p> <p>(Jonathan Jardine advising and substitute if required)</p> <p>Keith Ireland (Wolverhampton MD, Governance lead to West Midlands Combined Authority)</p> <p>Nick Page – Solihull LA CEO</p> <p>Simon Brake - C&RGPA Chief Executive & Director of Primary Care</p> <p>Barbara Watt -</p> <p>Paul Faulkner (CEO Birmingham Chamber of Commerce)</p> <p>Tony Yeaman – Ambulance Board Deputy Chair/Non Executive Director</p>
<ul style="list-style-type: none"> • Chief Fire Officer, Phil Loach – WMFS Advisor • Richard Bacon (Partner, Price Waterhouse Coopers PWC) - Independent Chair • Karen Gowreesunker, Clerk to Authority – Support • WMFS Officers – support to working group • Satinder Sahota – Deputy Monitoring Officer and legal advisor 	

The following key stakeholders (though not exhaustive of all stakeholders) will be engaged in the review as appropriate:

- 7 Local Authority Chief Executive Officers and Local Authority Leaders
- Representative Body Union Officials – Association of Principal Fire Officers (APFO), Fire Brigades Union (FBU), Fire Officers Association (FOA), Unison and Unite
- Partner organisations
- WMFS Officers/staff
- Chief Fire Officers Association (CFOA), Local Government Association (LGA) and Department of Communities and Local Government (DCLG)
- Chief Fire Officers from regional fire services

- Grant Thornton (external auditors)

Sounding Board members:

All section 41 members

Roles and Responsibilities

Working Group Members:

- To actively and constructively participate and commit to the working group and sounding board meetings.
- To work with the Independent Chair and other working group members, to achieve the objectives and outcome of the working group
- To optimise the relationship between the working group and stakeholders
- To enable effective consideration and progression of the 'key areas for challenge'

Independent Chair:

- To support, guide and challenge the working group in the achievement of its outcomes and objectives
- To promote a culture of openness and constructive debate
- Facilitate effective contribution from all members of the working group, ensuring evidence is considered in an accurate and timely way
- Sets the agenda and work programme of the working group with support from the Clerk.

Working Group CFO Advisor:

To provide professional strategic advice and guidance to the working group regarding organisational and operational structure, performance and decision making of West Midlands Fire Service.

Legal Advisor:

To provide the Independent Chair and Clerk with professional advice regarding possible legal impacts and risks of options discussed and recommendations proposed.

Working Group Conventions

To enable members of the working group and ultimately the communities of the West Midlands to get the most from the working group, we would ask you to enable and promote the following conventions.

Be open – and open-minded (objectivity)

Be prepared to hear views that you may not normally wish to hear - and be willing to learn something from them. Be conscious of your biases as you may hear views expressed from other participants with whom you deeply disagree. The working group will need to know what other people are thinking, if they are to work effectively across boundaries.

Also be prepared to share your views and be accountable for the decisions and actions you take.

Selflessness

Members of the working group should take make recommendations solely, in terms of the priorities and outcomes that WMFS aims to achieve as set out in the 3 year rolling Plan and the wider priorities of the public services across the West Midlands.

Avoid both giving and taking offence

It is important that everyone feels able to say what they really think. When other people's views are articulated bluntly or clumsily, you are asked to suspend instant judgment and enter into constructive discussion on them. Remaining self-aware and communicating in a respectful way, listening to any feedback as to why your ideas or language might cause offence.

Be a leader

Make sure that your contributions are to the point - and be prepared to ask the difficult questions. Speak as yourself.

Be engaged – and positive

Show commitment. Make arrangements so that you can attend each event in full, keep to the timings given, prepare yourself well and ensure that you are not interrupted. Be fair and respectful in your dealings with other members of the working group and contributors. Use shared knowledge and experience for positive ends.

Communications - Social Media

Ensuring that all actions in communicating progress and outcomes are aligned to the agreed approach of the working group. Communications of progress of the working group will be agreed and provided through the Independent Chair and Clerk to the Authority.

Confidentiality

For the learning, understanding and review process to be effective, contributors and participants of the working group must feel that they can talk openly and gain insights from each other. The working group have agreed to maintain confidentiality of specific areas discussed and communicate as outlined in the above convention.

APPENDIX B – Legislative and Governance Considerations

Current legislation which guides the role of the Fire and Rescue Service:

FRSs in England work under the following primary legislation:

- Fire and Rescue Services Act 2004
- The Regulatory Reform (Fire Safety) Order 2005
- The Civil Contingencies Act 2004

Fire and Rescue Services Act 2004

The Act (which replaced the Fire Services Act 1947) sets out the role and functions of a Fire Service placing prevention at the heart of what Fire and Rescue Services do. Within that is a duty to promote fire safety – and other powers to help create safer communities, particularly for the most vulnerable in society. The Act also formally recognises that the role of the service has broadened beyond the traditional firefighting role in recent decades and now includes rescues from road traffic accidents as well as responding to other serious incidents such as major flooding and the threat of terrorism.

The Act also recognises the role of the Authority from a governance perspective. This Act provides the gateway for the Secretary of State to combine FRA's. A Combined FRA constituted under a scheme must be constituted as a body corporate. A scheme under section 2 of the Act may make provision for:

- The composition of the combined authority
- The proceedings of the combined authority
- The financing of the combined authority
- The discharge of functions of the combined authority
- The acquisition of land by the combined authority
- The transfer of staff, property and rights from the combined authority

Fire and Rescue National Framework for England

As a requirement of the Fire and Rescue Services Act, the Government published the Fire and Rescue National Framework. The Framework sets out the government's priorities and objectives for Fire and Rescue Authorities and all Fire and Rescue Authorities must have regard to it in carrying out their duties. The Framework places responsibility on Fire and Rescue Services to prepare an Integrated Risk Management Plan. The plan must include targets and objectives for reducing risks, balancing prevention and intervention, and determining response standards and resource allocation. In West Midlands this is called [The Community Safety Strategy](#).

Regulatory Reform (Fire Safety Order) 2005

The Regulatory Reform (Fire Safety Order) 2005 places emphasis on business continuity and containing and preventing the spread of small fires.

It provides a minimum fire safety standard in all non domestic premises. It designates a person (e.g. employer, manager or owner) as a responsible person who is then required to carry out certain fire safety duties, which include ensuring that general fire precautions are satisfactory and that fire risk assessments are conducted.

Fire Authorities are the primary enforcing agencies for all fire legislation in non-domestic use. Resources and inspections are targeted at those premises that present the highest risk. Where breaches of the Regulatory Reform Order occur the Fire Authority can provide practical advice or, where the risk is serious, formal notices (including notices preventing use). West Midlands Fire and Rescue Authority (the Authority) has delegated the power to prosecute to the Chief Fire Officer.

The Fire and Rescue Services (Emergencies) (England) Order 2007

As a requirement of the Fire Rescue Services Act 2004, s.58 specifies other emergencies for which fire and rescue authorities must make provision. These are set out in The Fire and Rescue Services Order 2007. This Order specifies functions in connection with emergencies involving chemical, biological, or radio-active contaminants, structural collapse or a train, tram or aircraft ("transport emergencies"), but does not apply in relation to transport emergencies unless the incident is likely to require a Fire and Rescue Authority to use resources beyond the scope of its normal day to day operations.

In addition, where a Fire and Rescue Authority has specialist resources, including specialist trained personnel, to enable it to deal with emergencies of a kind described in this Order, and such an emergency occurs or is likely to occur in the area of another Authority; this Order requires the Authority with the specialist resources, if asked to do so, to use those resources in that other Authority's area so far as is reasonable for the purpose of dealing with the emergency.

Civil Contingencies Act 2004

The Civil Contingencies Act 2004 delivers a framework for civil protection. It focuses on local arrangements for civil protection, establishing a statutory framework of roles and responsibilities for local responders; and on emergency powers, establishing a framework for the use of special legislative measures that might be necessary to deal with the effects of the most serious emergencies. The Act also divides local responders into two categories. The Fire and Rescue Service is a Category 1 responder. This means that it is at the core of emergency response working with other blue light and public service agencies.

West Midlands Fire and Rescue Authority's current governance arrangements and legislative requirements

In order to understand the potential for change in the Authority's governance arrangements it is important to understand the legislative landscape which defines both how the Authority is governed and how the work is delivered on behalf of the Authority through the work of West Midlands Fire Service.

Legislation that drives Governance

Clearly there is a lot of legislation that all public bodies are required to be compliant with. The pieces of legislation detailed below are deemed to be most pertinent to informing the governance arrangements and the core activities of the fire and rescue service nationally.

Local Government Act 1985

The Authority as we know it was legally created by the LGA 1985, which as part of its provisions created joint fire authorities. As part of the Act, it was determined that the Authority would be made up of Members appointed from the constituent councils covered by the (Fire) Authority. The number of Members the Authority has (27) and how many are provided by each constituent local authority, is referred to in s.29 and is set out in Schedule 10 of the Act and reflecting proportionality across the West Midlands. Since its inception the Authority has always been compliant with this aspect of the Act.

The Act makes provision for the variation of Members. Section 29 allows for the Secretary of State to change Members by Order subsection 3 states *'In making any alternation in the number of members to be appointed to a joint authority by any of its constituent councils the Secretary of State shall have regard to the number of local government electors in the areas of those councils respectively'*.

Similarly, the Act provides an avenue for the Secretary of State to combine *'any area of a fire authority'*. This power is also set out in the Fire and Rescue Act 2004, as highlighted above.

Section 34 of the Act requires the annual appointment of the Chair and Vice Chair and this should be the first business of the AGM. Similarly, a Clerk is required to be appointed.

Each Authority is required in the Act to ensure that one of its officers has responsibility for ensuring the appropriate administration of financial affairs- the Chief Financial Officer (Section 151 of LGA 1972).

Local Government and Housing Act 1989.

This Act requires the designation of one of WMFS's officers as Head of Paid Service (the Chief Fire Officer) and outlines the specific responsibilities of this role. The requirement is set out in this Act to appoint a Monitoring Officer.

These two pieces of legislation primarily inform our approach to Member numbers and proportionality as well as the appointment of Statutory Officers.

It is useful to note that these pieces of legislation will guide the governance of all Local Authorities.

[The legislative and political considerations in relation to governance arrangements within a regional FRS](#)

As highlighted earlier under the Fire and Rescue Services Act 2004, Part 1 section 2 the Secretary of State has the ability to combine Fire and Rescue Authorities. This can be the combining of two or more Fire Authorities. The Secretary of State can only do this in the interest of:

- Economy, efficiency and effectiveness, or
- Public Safety

To do this the Secretary of State should have consulted with:

- The existing Authorities in question
- Any local authority all or part of whose area forms part of the combined area
- Any other persons considered appropriate

Any change in scheme may include provision for the transfer of staff, property, rights and liabilities from the Combined Fire and Rescue Authority to any other Fire and Rescue Authority. Prior to any action is taken the Secretary of State must hold an inquiry before making any changes unless:

- The existing Authorities agree to making the changes
- The Secretary of State considers that, in the interests of public safety, the scheme should be made, varied or revoked without delay

Under section 250 of the Local Government Act 1985, this inquiry will involve relevant parties being summoned to provide evidence including any relevant documentation. The cost of this inquiry can be charged to the relevant Authority.

A Combined Fire and Rescue Authority constituted under a scheme must be constituted as a body corporate. A scheme under section 2 of the Fire and Rescue Services Act 2004 may make provision for:

- The composition of the combined authority
- The proceedings of the combined authority
- The financing of the combined authority
- The discharge of functions of the combined authority
- The acquisition of land by the combined authority
- The transfer of staff, property and rights from the combined authority

The combining of Fire and Rescue Authorities is therefore legally achievable and the following actions would need to be taken. The newly formed combined authority would become a body corporate.

In considering the potential for a regional approach to governance, the type of fire and rescue service would need to be taken into account. More specifically in relation to the West Midland region (which consists of Staffordshire, Shropshire, West Midlands, Hereford and Worcester and Warwickshire), four out of these five Fire and Rescue Service's in the region have the same governance structures in place (Combined and Metropolitan). The only exception being Warwickshire Fire and Rescue Service which is incorporated into the County Council (a County Fire and Rescue Service).

Other considerations as part of a regional approach should include the NHS and Ambulance Service delivery areas. Currently the service delivery areas for the NHS and the Ambulance Service in the West Midlands differ from Fire Service delivery areas. Should regionalisation across the five Fire Authorities occur then delivery areas would become the coterminous. The local police forces would still have differing delivery areas unless they too were included in this regionalisation process.

Another key consideration would need to be Council Tax equalisation. In the West Midlands Region there is a £39.55 gap between the highest band D charges of £92.42 in Shropshire and the lowest band D charge of £52.87 in the West Midlands (2015/16).

[The legislative and political considerations in relation to governance arrangements under a Police and Crime Commissioner](#)

It should be recognised that 36 pieces of primary and/or secondary legislation were either amended or introduced to reflect the introduction of the Police and Crime Commissioner (PCC) role. This highlights the desire and ability of the Home Office and Government to enable the introduction of PCCs. Below outlines some of the more relevant sections in relation to governance.

The Police Reform and Social Responsibility Act 2011

This piece of legislation sets out (chapter 1 part 1) the requirement for each police area (outside of London) to have an elected Police and Crime Commissioner.

This Police and Crime Commissioner must:

- Secure the maintenance of the police force area
- Ensure that the police force is efficient and effective
- Hold the Chief Constable to account

In accordance with Schedule 1 a Police and Crime Commissioner is to be paid a salary as determined by the Secretary of State and this can be different for each policing area. They will also be paid authorised allowances.

A PCC must appoint:

- a person to be the head of the commissioner's staff (referred to in this Part as the commissioner's Chief Executive); and
- a person to be responsible for the proper administration of the commissioner's financial affairs (referred to in this Part as the commissioner's Chief Finance Officer).
- A monitoring officer

A PCC may also appoint such other staff as the commissioner thinks appropriate to enable the Commissioner to exercise the functions of Commissioner.

The Policing Protocol Order 2011

The 2011 Act establishes PCC's within each force area in England and Wales with the exception of the City of London. The 2011 Act gives these PCC's responsibility for the totality of policing within their force area. It further requires them to hold the force Chief Constable to account for the operational delivery of policing including in relation to the Strategic Policing Requirement published by the Home Secretary.

From an operational perspective this legislation states in section 18 that 'the PCC must not fetter the operational independence of the police force and the Chief Constable who leads it.'

Section 30 states the operational independence of the police is a fundamental principle of British policing. It is expected by the Home Secretary that the professional discretion of the police service and oath of office give surety to the public, that this shall not be compromised. Section 35 goes on to say that the PCC and Chief Constable must work together to safeguard the principle of operational independence, while ensuring that the PCC is not fettered in fulfilling their statutory role. The concept of operational independence is not defined in statute, and as HMIC has stated, by its nature, is fluid and context-driven.

The Local Policing Bodies (Consequential Amendments) Regulations 2011

The Act abolished Police Authorities in England and Wales, outside of London, and replaced them with Police and Crime Commissioners. It also replaced the Metropolitan Police Authority with the Mayor's Office for Policing and Crime. The Act made no change to the role of the Common Council of the City of London as the Police Authority for the City of London police area. The Act amended the Interpretation Act 1978 with the effect that the words "local policing body" are defined as a Police and Crime Commissioner, the Mayor's Office for Policing and Crime and the Common Council in its capacity as a police authority.

The Elected Local Policing Bodies (Specified Information) Order 2011

The PCC is elected by the public and will be held to account by the public during their term of office. The Order requires minimum information about the PCC to be published, which the public can use when holding PCCs to account. A consistent set of published basic information will also allow the public to compare across police force areas. PCCs are encouraged to publish more than the minimum; transparency is at the heart of the government's agenda, and to make certain that the public are in a

position to hold them to account, PCC's may, as specified in the Order (s11, (5)) make available *any additional information* they wish to, "regarding the exercise of the body's functions, and the exercise of the functions of the relevant Chief Officer of Police".

The Policing and Crime Act 2017

As an outcome of the Government consultation 'Enabling closer working between the Emergency Services' the *Policing and Crime Bill* proposed placing a new duty upon all three emergency services to collaborate with each other.

This Bill supported the implementation of the Government's manifesto commitment to "*enable fire and police services to work more closely together and develop the role of our elected and accountable Police and Crime Commissioners*".

The Bill received Royal Assent on 31 January 2017 and the new Act:

- a) Introduces a duty to collaborate on all three emergency services, to improve efficiency or effectiveness.
- b) Enables PCCs to take on the governance functions and duties of Fire and Rescue Authorities, where a local case is made in the interests of economy, efficiency, effectiveness, or public safety
- c) Enables PCC representation on a Fire Authority – where the PCC does not take on the functions and duties of the Fire Authority upon request the PCC can attend a Committee or sub-committee of a Fire Authority with full voting rights.

However, the Fire Authority does have the power to refuse such a request but in doing so must 'publish' those reasons.

- d) Establishes a London Fire Commissioner as a corporation sole and abolishes the London Fire and Emergency Planning Authority (LFEPA), giving the Mayor of London direct responsibility for the fire and rescue service in London, to whom the Fire Commissioner must report to.

Where a PCC is interested in taking on governance of the fire and rescue service they would be required to adopt the following process:

1. Work with the Fire and Rescue Authority to prepare and publish a business case.
 2. Where the Police and Crime Commissioner and all the relevant Constituent Authorities for the area are in agreement that the Fire and Rescue Service should transfer to the Police and Crime Commissioner, then this would be subject to the outcome of the public consultation.
 3. The Police and Crime Commissioner would require that the Government introduces secondary legislation to give effect to the transfer.
-
1. Where all parties are not agreed that the governance of the FRS should transfer to a Police and Crime Commissioner, it would, upon the submission of a business case by the Police and Crime Commissioner, be for the Secretary of State to consider the local business case and decide whether the governance change would be in the interests of economy, efficiency and effectiveness or public safety.

2. To inform that view, the Home Secretary would take into account the outcome of the local consultation and is required to seek an independent assessment of the local business case before any decision to proceed.

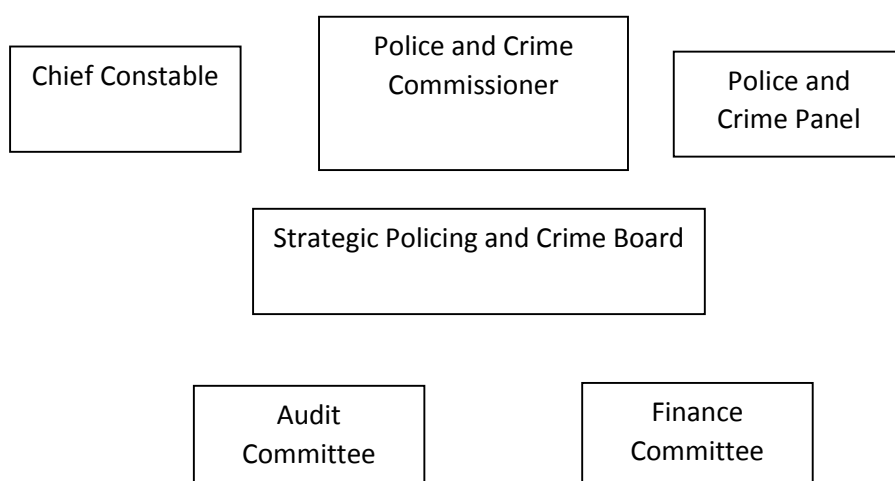
Implementation in each area would be via secondary legislation which would be subject to Parliamentary scrutiny.

There is a requirement that:

- Fire and Rescue Authorities provide Police and Crime Commissioner with all necessary information to help prepare the business case.
- The Police and Crime Commissioner would consult locally on the business case and seek views on whether the transfer should take place. The business case would need to consider any equality issues as a result of the proposals in accordance with the Equality Act 2010.

Police and Crime Commissioner governance structures

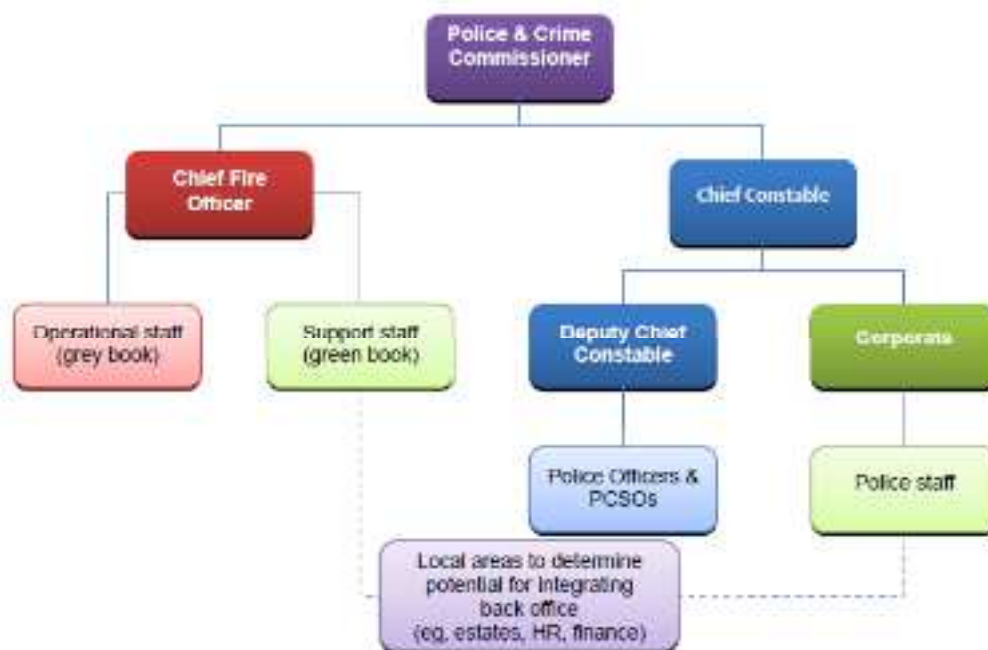
The current governance structure of a Police and Crime Commissioner is set out in the diagram below. The Police and Crime Commissioner is directly elected by the community and is therefore primarily accountable for policing services across the areas they serve.



Management Structures

In incorporating fire, the consultation gives an indication of the two potential approaches to managing the police and fire services under Police and Crime Commissioner governance:

Option 1: Separate Chief Officers (Governance only)



A Police and Crime Commissioner would provide the governance for the Police Service and Fire Service who would remain separate services with separate management structures. The Police and Crime Commissioner would become the employer of FRS staff from the FRA, whilst the Chief Constable would continue to employ Police staff.

Option 2: Single Chief Officer (Single Employer Model)



The Police and Crime Commissioner would provide the governance for the Police Service and Fire Service. A Chief Officer would become the single employer for both services with a shared management structure.

Elections:

In May 2016 the Police and Crime Commissioner elections took place for the second time. These elections currently take place every 4 years meaning that a further election, should the Police and Crime Commissioner role continue to exist, would be scheduled for May 2020.

During the passage of the Policing and Crime Bill through Parliament amendments included: :

- That the Metro Mayor of a Combined Authority may exercise functions which are conferred on a Fire and Rescue Authority
- That where the Police and Crime Commissioner successfully submits proposals to become the Fire and Rescue Authority and exercise functions which are conferred on a an Authority, the Police and Crime Commissioner may by virtue of an order by the Secretary of State delegate these responsibilities to the Chief Constable, who may in turn delegate those further.

A Mayor is empowered to take on the functions of a Police and Crime Commissioner where there is a Mayor in the same area as the PCC. s107D of the *Local Democracy, Economic Development and Construction Act 2009* as inserted by the s4(1) and Schedule 2 of the *Devolution Act 2016*

[The legislative and political considerations in relation to governance arrangements within the West Midlands Combined Authority and/or under a Mayor](#)

The *Local Democracy, Economic Development and Construction Act 2009* places a duty on local authorities to promote understanding of the functions and democratic arrangements of the authority among local people. It establishes the framework for the establishment and functioning of the local authority leaders' boards that have been set up in the eight English Regions outside London.

It allows for the creation of appointed combined authorities covering multiple local authority areas, the first of which is the Greater Manchester Combined Authority.

The Cities and Local Government Devolution Act 2016 is an Act of the Parliament of the United Kingdom designed to introduce directly-elected mayors to combined local authorities in England and to devolve housing, transport, planning and policing powers to them.

In October 2015, the seven West Midlands 'Constituent' Councils (those authorities with full voting rights on West Midlands Combined Authority) approved a Scheme document which provided the legal basis for the establishment of a Combined Authority for the West Midlands and contains the membership, powers, functions and voting arrangements.

Following the publication of the Scheme document a proposed devolution deal was signed by the Leaders of the seven constituent councils and the three Local Enterprise Partnership Chairs in November 2015. The devolution deal was approved by each Constituent Council.

The proposed agreement with government will see it make an annual contribution worth £40 million for 30 years to support an overall investment package worth £8 billion, alongside the creation of up to half a million jobs.

The proposed deal will give the emerging West Midlands Combined Authority, working across the geography of the three LEPs, the funding and the powers to further grow the regional economy and focus on the issues that really matter to the people and businesses of the region; transport, jobs, skills and homes.

A key part of this agreement was that the WMCA should have a directly elected Mayor, whom the government believed would be an accountable individual who has ultimate responsibilities for decision making on major projects.

The Mayor will act as Chair to the WMCA and would be a constituent member of the WMCA. Subject to parliamentary timings, the first election for Mayor is expected be held in May 2017.

The Mayor will chair a Cabinet made up of the 7 'Constituent' Local Authority Leaders, who will each lead on a particular WMCA priority. Each of the Leaders are democratically elected through the council election process.

The Cabinet will examine the Mayor's draft annual budget, plans and strategies and will have power to veto them. There will also be overview and scrutiny arrangements in place.

Whilst there is direct entry for the Fire and Rescue Service into the WMCA, scope for potential may be facilitated through further devolution deals as highlighted in paragraph 52 of the WMCA Devolution Agreement:

"This deal represents a first step in a progressive process of devolution of funding, powers and responsibilities to the West Midlands Combined Authority (subject to its establishment). As well as the areas set out in this deal, the West Midlands Combined Authority Shadow Board and government will consider further opportunities for devolution and will continue to discuss these. These will include but not be limited to:

Proposals for an appropriate relationship between the functions of a Mayor and future role of the Police and Crime Commissioners (PCCs), including in relation to fire services, to be developed, subject to local consent and a business case developed jointly by the PCC and council leaders, and in consultation with the Fire and Rescue Authorities.

WMFRA has been granted observer status to the WMCA, which means the Chair of the WMFRA is able to attend and engage in board meetings. However, the arrangements do not presently afford voting rights. The board has also granted the Chief Fire Officer of WMFS entry onto the programme boards where service delivery will be formulated.

WMCA Programme Structure:



Governance Changes across the Fire and Rescue Sector:

The following case studies demonstrate the differing approaches taken or being taken to govern Fire and Rescue Services across the UK and Scotland. Most changes have focused on reform which provides a more efficient and effective approach to providing governance, securing value for money and public safety.

Case Study 1: Scottish Fire and Rescue Service – A National Service

The Scottish Fire and Rescue Service (SFRS) was established by the Police and Fire Reform Act (Scotland) 2012 (the Act) and came into being on 1st April 2013. The Scottish Government appointed a Chair and 11 other members to serve as members of SFRS, collectively referred to as the Board. The Act allows for the appointment of up to a total of 15 members.

The main purpose of the Scottish Fire and Rescue Service is to work in partnership with communities, the public and private sectors and other agencies on fire safety,

prevention, protection and emergency response to improve the safety and wellbeing of people throughout Scotland.

The Board provides strategic direction, support and guidance to the SFRS ensuring that it operates effectively and that the Scottish Government's priorities are implemented. Board members are personally and corporately accountable for the Board's actions and decisions. They also scrutinise plans and proposals and hold the Chief Officer and Senior Leadership Team (SLT) to account.

The Board is able to establish its own committee structure and delegate responsibilities to such committees as it considers fit. In addition to giving leadership and strategic direction, a very important role for the Board is the scrutiny of risk, financial management and performance.

The committees are as follows:

- Audit and Risk Assurance Committee
- Engagement Committee
- Performance Committee
- Service Transformation Committee
- Staff Governance Committee

Case Study 2: Manchester Fire and Rescue Service to be governed by the Greater Manchester Mayor

Greater Manchester is the area covered by ten neighbouring local councils. Around 2.7m live in Greater Manchester's 500 square miles. It has an economy bigger than Wales. The ten councils have worked together voluntarily for many years on issues that affect everyone in the region, like transport, regeneration, and attracting investment.

In 2011 the relationship was made official with the formation of the Greater Manchester Combined Authority (GMCA). The GMCA has formal powers and responsibilities set out in law. They have their own budget and employ staff to run the organisation and to work full-time on our objectives.

The GMCA gives more local control over issues that affect people who live in the area. It means the region speaks with one voice and can make a strong case for resources and investment. It helps the entire north of England achieve its full potential.

The GMCA is run jointly by the leaders of the 10 councils and its 'interim' GM Mayor. In 2017 it will have a fully elected Mayor with more powers and responsibilities.

A variety of boards, panels and committees look specifically at areas like transport, health and wellbeing, planning and housing.

Meetings of the GMCA:

- AGMA Executive Board
- Joint GMCA/AGMA Executive Board
- Other Papers in Relation to Policy Developments Discussed by Leaders
- GMCA and AGMA Joint Scrutiny Committee
- GMCA and AGMA Joint Audit Committee
- AGMA Statutory Functions Committee
- Greater Manchester Health and Wellbeing Interim Board
- Greater Manchester Joint Health Scrutiny Committee
- Low Carbon Hub Board
- Transport for Greater Manchester Committee
- Transport for Greater Manchester Sub-committees
- Planning and Housing Commission
- Greater Manchester Local Enterprise Partnership
- Police and Crime Panel
- GM Health and Social Care Strategic Partnership Board

They have teamed up with various public, private and voluntary partner organisations to help.

The Local Enterprise Partnership (LEP) is one of those major partners. It's a private sector-led voluntary board of business people and council representatives with a range of powers and responsibilities.

The other major partners with a place on its leadership team are:

- Greater Manchester Police (Greater Manchester Police website)
- Greater Manchester Police Commissioner (Greater Manchester Police and Crime Commissioner website)
- Greater Manchester Fire Service (Greater Manchester Fire and Rescue Service website)
- the NHS (NHS Choices website)

On the appointment of a Mayor in 2017 Greater Manchester Fire and Rescue Authority will be abolished and the responsibility for Greater Manchester Fire and Rescue Service will come under the elected Mayor who will also run Greater Manchester Police. A Fire Committee of 15 consisting of 10 councillors, 1 from each of the 10 Local Authorities and 5 further members at the Mayors choice will support the Mayor in holding the Fire Service to account, through delegated responsibilities.

Case Study 3: Cleveland Fire and Rescue Authority – A Reformed Authority

Cleveland FRS has recently reduced the Membership of its Authority. Essentially they have based their evidence for change around building their understanding of Member/ to Elector Ratio and Member to Population Ratio.

In submitting its proposal for change to the Authority, staying the same was not presented as an option. A number of options ranging from a 12-16 Member solutions were presented to Authority. The option that would have enabled the Authority to closely align to the Average Member to Elector/Population ratios for combined fire authorities, would have been 12 Members based upon the evidence provided. Cleveland settled on a not below 16 Members approach, which whilst representing a significant increase in Member to Elector/Population ratio of 1: 27,380 and 1:35, 984 respectively from its original Member Elector ratio (1:19,047) and Member to population ratio of 1:24,336, this still places them lower quartile within their family group. Significantly the '16 Member solution' was the highest number of Members detailed within the proposals submitted by Officers for consideration.

Similar information regarding Metropolitan FRS (Mets) was supplied by Cleveland. Mets operate at significantly different levels in terms of Members being required to represent greater numbers of electors/population. Should the figures detailed below be reliable.

Elected Member/Population and Elected Member/Elector Ratios for Metropolitan Fire Authorities in England and London					
Metropolitan Fire Authority	Population	No of Members	Member Population Ratio	No of Electors	Member Elector Ratio
Greater Manchester	2,714,944	30	1:90,498	2,103,545	1:70,118
Merseyside	1,386,589	18	1:77,033	1,107,517	1:61,529
South Yorkshire	1,358,153	12	1:113,179	1,072,962	1:89,414
Tyne & Wear	1,113,577	16	1:69,599	893,551	1:55.847
West Midlands	2,738,100	27	1:103,092	2,119,756	1:78,509
West Yorkshire	2,252,192	22	1:102,372	1,742,801	1:79,218

London	8,416,535	17	1:495,090	6,529,750	1:102,518
Cleveland	559,745	23	1:24,336	438,089	1:19,047
Average Met (exc London and CFA)	1,654,758	21	1:79,428	1,506,689	1:72,321

Case Study 4: Hampshire Fire and Rescue Authority – A Reformed Authority

Hampshire FRA commissioned a cross party Member led Working Group in December 2015 to review its governance arrangements and framework.

The aim of the work was to ensure that the Authority was in the best position to continue to lead Hampshire FRS in delivering the best possible services possible its residents whilst remaining resilient and responsive to change and challenges in the future.

The report of the Working Group was considered at the Authority's June 2016 meeting. A number of actions relating to engagement with the Police and Crime Commissioner, strategic integration with South Central Ambulance Service and improvements to the effectiveness of the Authority were agreed.

In considering the efficiency of the Authority, the Working Group evaluated the current size of the overall Authority, as well as the current size and number of each of the Committees. There was a consensus that, for a number of reasons, at 25 Members the Authority in its current configuration was too large.

In reviewing the efficiency of the Authority, the Working Group considered factors such as the size and dynamics of the current Committee structure and also the costs associated with the Authority. The Working Group evaluated two alternative governance models, based on the provisions within the Hampshire Fire Services (Combination Scheme) Order 1996 ("the Combination Order") relating to the appointment of Members:

1. The first governance model being a reduction in size to 19 Members (including the Police and Crime Commissioner), broadly retaining the existing structure and approach of the existing arrangements with enhanced efficiency;
2. The second governance model being a reduction to 11 Members (including the Police and Crime Commissioner), to establish the Authority in the style of a corporate Board with all Members involved in the majority of decision making.

These two governance size models were selected on the basis of their conformity with the principle of relating the number of Members appointed from each Council with the electorate size in that area.

The Working Group also considered the implications of the Policing and Crime Bill, in particular the duty to seek collaboration opportunities and considered the adoption of a strategy to include the Police and Crime Commissioner as a Member of the Authority from the beginning of the 2017/18 municipal year.

Following agreement by the Fire Authority it was resolved that option 2 above would be implemented in the new Authority year.

Case Study 5: Dorset, Wiltshire and Swindon Fire Combination

There are a number of examples of Fire Authorities combining. In December 2013 elected members of the Dorset, Wiltshire & Swindon Fire Authorities agreed to work towards developing a business case to merge the Services and Fire Authorities. This was subsequently approved by the two Fire Authorities. In March 2015 the Government released its response to the consultation, with the Secretary of State approving the merger bid. The combined Dorset and Wiltshire Fire and Rescue Service officially came into being in the form of a Joint Committee/Shadow Board from 1 April 2015 and started its one-year journey to replace the two existing Authorities on 1 April 2016. Until a structure is implemented which can jointly govern the Combined Authorities, both Authorities continued to run independently. The new Combined Fire and Rescue Authority will comprise 30 members in total in accordance with the table set out below. This represents an approximate 7% increase in membership, with a full governance review scheduled to take place by April 2018. As another example Devon and Somerset Fire and Rescue Service was founded on 1 April 2007, following the merger of Devon Fire and Rescue Service with Somerset Fire and Rescue Service.

It is anticipated that this merger will realise savings of around than £6 million in the coming financial year 2017/18. With an annual budget of £55 million the service is the fourth largest combined Fire and Rescue Service in England.

In addition to these savings a recent article in the Dorset Echo has quoted Rebecca Knox Chairman to Dorset and Wiltshire Fire and Rescue Authority: "What we are seeing even before our first year is complete is high level s of joint working and some excellent partnership projects that ae benefitting the communities that we serve."

Case Study 6: London Fire and Rescue Service – A Mayoral arrangement

London's legislative and political considerations in relation to governance arrangements under a Mayor and PCC. Commissioner

Under Chapter 2 part 3 London, the metropolitan police district will have a body with the name "The Mayor's Office for Policing and Crime". The person who is Mayor of London for the time being is to be the occupant for the time being of the Mayor's Office for Policing and Crime.

This legislation also states that where a person is the occupant of the Mayor's Office for Policing and Crime by virtue of a particular term of office as Mayor of London (the "relevant mayoral term"), the person's term as the occupant of the Mayor's Office for Policing and Crime so long as:

- begins at the same time as the relevant mayoral term, and
- ends at the same time as the relevant mayoral term.

The Mayor's Office for Policing and Crime has the functions relating to community safety and crime prevention conferred and the other functions conferred by this Act and other enactments. In London, for example, the person who is Mayor of London for the time being is to be the occupant of the Mayor's Office for Policing and Crime.

The Mayor's Office for Policing and Crime must:

- Secure the maintenance of the police force area
- Secure that the police force is efficient and effective
- Hold the to account Commissioner of Police to account

London Fire Commissioner

Under the Policing and Crime Act 2017 the London Fire and Emergency Planning Authority (LFEPA) will be abolished, with the London Fire Brigade (LFB) being brought under the direct responsibility of the Mayor of London who will set its budgets and strategic direction.

The London Fire Commissioner (LFC) will become a '**corporation sole**', with the abolished functions of the LFEPA being transferred to the LFC. The LFC **will have the functions of the FRA for Greater London** under the Fire and Rescue Services Act 2004 and will be responsible for ensuring that LFB is efficient and effective.

This includes personnel, services and equipment secured by the London Fire Commissioner for the purpose of carrying out the commissioner's functions under:

Section 6 of the FRS Act (Fire Safety)

Section 7 of the FRS Act (Firefighting)

Section 8 of the FRS Act (RTCs)

A new **Fire and Emergency Committee** will be formed by the London Assembly who will be responsible for scrutinising the LFC, LFB and the Deputy Mayor for Fire (if appointed).

The Mayor may appoint a Deputy Mayor for Fire and arrange for them to exercise any function of the Mayor relating to Fire & Rescue. For this the Greater London Act will be amended to allow the Mayor to appoint 11 as opposed to the current 10 members of staff to support him/her in running their office. The Mayor of London, either directly or through the deputy, will hold the LFC to account and be able to give guidance and direction to them. In exercising any powers, the Mayor must have regard to the Fire & Rescue National Framework and Fire Safety Enforcement (Regulatory Reform (Fire Safety) Order 2005). Where the direction of the Mayor could be seen as inconsistent when set against the F&R National Framework or Fire

Safety Enforcement, then the Secretary of State may direct the Mayor to reconsider such direction.

The F&E committee will have the power veto the appointment of a person for either the LFC or Deputy Mayor for Fire role by the Mayor.

These arrangements mirror the 2012 changes to Police governance when the Metropolitan Police Authority was replaced with the Mayor's Office for Policing and Crime (MOPAC) and a new Assembly Police and Crime Committee established to hold Met and MOPAC to account. The Mayor takes on the role of Police & Crime Commissioner in London.

Sadiq Khan, Mayor of London commented: *"I welcome the Mayor taking over direct responsibility for the city's fire services."*

The current position in the West Midlands:

Need to cover:

- **WMCA and further devolution to come – although cannot really include possibility of us in next Devo deal**
- **P&C bill enabling PCC to take on us if this is desired**
- **Talk about other possible governance options and likelihood**
- **Talk about timeline for Mayor and then Mayor and PCC combining**
- **What options these scenarios then present!**

The current governance model for West Midlands Fire Service as highlighted above is through a Fire Authority. This is typical of most Fire and Rescue Services across the UK and provides for effective scrutiny, accountability and transparency in the delivery of services to local communities. This governance model has enabled the effective delivery of services to local communities reaching wider than the traditional fire service norm. This has included effective collaboration with a number of agencies to deliver community wide priorities.

As the provision of public services changes across the country the West Midlands sees itself as one of the early adopters of devolution to support the transfer of powers, funding and responsibilities from central government to local authorities and ultimately local communities. As a combined authority should enable better collaboration across joint priorities, this change in local decision making will continue to shape the provision of local services to local communities for future years.

The Combined Authority and the pending Policing and Crime legislation opens up both short and long terms opportunities for the future governance of West Midlands Fire Service, through a Mayor and/or a Police and Crime Commissioner.

As metropolitan region the West Midlands has recently seen the formalisation of the West Midland Combined Authority and this will progress further to support further devolution to the region with the election of a Mayor in May 2017.

So within the West Midlands many opportunities exist which will impact on the future governance of West Midlands Fire Service.

The Combined Authority has agreed a number of devolution priorities, which includes the need for public service reform. This aims to improve public services to help people into the labour market and reduce the public finance gap through a number of work streams such as Multiple Complex Needs Individuals, Mental Health and Reformed Youth Justice.

The Combined Authority have also prioritised economic development. It plans to use its extensive economic market area covered by the three Local Enterprise Partnerships (LEPs) to jointly create an economy which is the strongest outside London and contributes fully to the Government's vision of a wider "Midlands Engine for Growth".

Through collaborating together as a region the seven councils can accelerate the region's economic growth, by encouraging both inward and outward investment; creating more jobs for local people and providing the high-level and necessary skills and training needed to fulfil these roles.

APPENDIX C

Future Governance Working Group – Governance Options Appraisal

Governance Options - Assessing the Achievability of Community Outcomes

Introduction

This briefing document is intended to support the assessment of achievability of the community outcomes agreed by the Future Governance Working Group (FGWG) against each of the four governance options by members of the FGWG during its final meeting on the 13th January 2017.

Section 1

The FGWG in its second meeting agreed the following options for the future governance of WMFS:

- A Reformed Fire Authority (RFA)
- West Midlands Combined Authority and elected Mayor (WMCA and Mayor)
 - A number of similar options exist under this model
- Police and Crime Commissioner **3 models:**
 1. Shared Governance and Employers Model
 2. Shared Governance and Single Employer Model
 3. A Representative Model:
(PCC 1, 2, 3)
- Combination of Fire and Rescue Services (within the West Midlands region)
(Fire/Fire)

The last two meetings of the working group have enabled each of these governance options to be presented and discussed, against a backdrop of current and potential future collaboration across the emergency services, local authorities and NHS. This has provided a level understanding of the legal, organisational, governance and importantly collaborative delivery of service implications of each of the options.

In its consultation response to the Policing and Crime Bill, West Midlands Fire and Rescue Authority (WMFRA) signalled that in the event of future governance changes, it would prefer to be taken under a Mayoral arrangement, having taken the view that it provided the best vehicle for the delivery of its strategic objectives. WMFRA also recognised the need to appraise all relevant options in an equitable way, as a potential starting point for local agreement on the way forward, and established the FGWG, including relevant stakeholders, to start this appraisal.

The Bill seeks to enable better collaboration between organisations, where this improves value for money. The approach of the FGWG has been to consider opportunities for further collaboration, and then how the governance options might enable these.

In support of assessing and appraising each of the options further, the group agreed a set of outcomes and weightings for each of these. These are set out below:

VFM (E,E,E) 4
Public Safety 4
Better Collaboration 3.5
Increased Scrutiny 1
Increased Transparency 2
Increased Accountability 3.5
Costs and Savings 3.5
Risks 3.5

4.0 = Outcome imperative
3.5 = Very important
2 = Desirable by-product, Important
1 = Least desirable outcome

An achievability criteria has also been set as a guide for assessing each of the governance options against each of the outcomes. This is set out below:

The achievability score will range from 0 to 5 for all criteria:

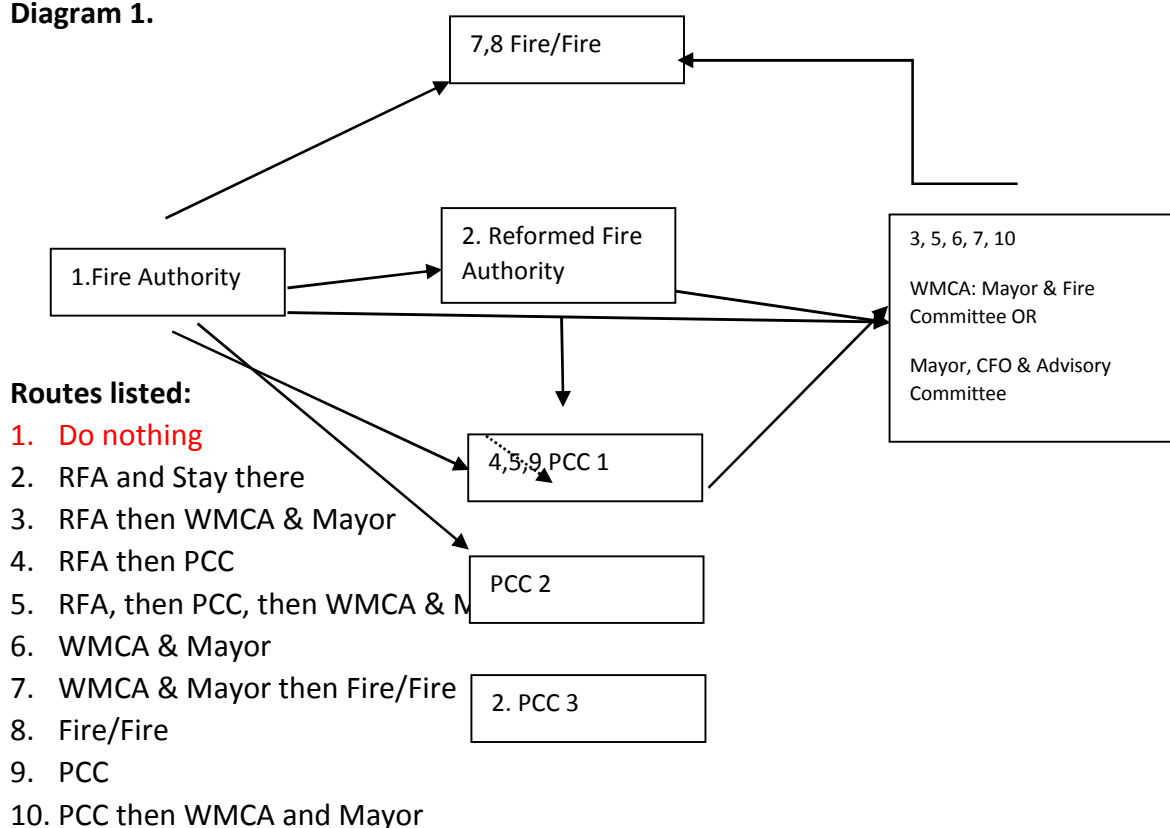
High	5	(100 - 75% confident it will achieve most of this particular criterion)
Medium	3	(74 – 35% confident it will achieve some of this particular criterion)
Low	2	(34% or lower achievability will be limited by this particular criterion)
D	0	(Don't know, further work required)

Section 2

The next meeting of the FGWG will enable all members to assess each of the governance options to provide an options appraisal; as well as reach conclusions regarding the way forward for the future governance of WMFS.

To support the progress of the next and final meeting on the 13th January, all the possible 'routes' to achieve the future governance of WMFS as part of WMCA and Mayor (2020) are set out diagrammatically and listed below. These routes are based on the four options outlined above, but the diagram clearly sets out the possibilities each option provides.

Diagram 1.



Section 3

In considering the options and possible 'routes' (set out in diagram 1) as a group, we agreed to consider the outcomes against which we will assess achievability in a more informed way.

In this section some principles for consideration of each outcome area are proposed to support our individual assessment of each of the governance options.

Public Safety

How will the governance option maintain and enhance public safety?

Taking each of the four options public safety will consider the widest provision of services to the communities of the West Midlands. As we have learnt WMFS are legislatively required to provide prevention, protection and response services, but critically WMFS's strategy also enables this to reach wider and deliver services which cross organisational boundaries, seeking to meet wider public service priorities.

Legislative duties are unlikely to diminish, but the way in which WMFS will be funded to provide these services as part of each of the four governance options does need to be considered in this section. Will future funding structures provide opportunity and/or risk in the provision of services as part of WMFS strategy?

A RFA governance model would, all other things being equal, continue (as far as we can project) the current funding structure of a majority central government grant (approx. 60%) and a smaller proportion of precept and council tax (approx. 40%), directly to fund the WMFS strategic plan. Although funding cuts are likely to continue this option imposes no additional financial risk on the Service and enables WMFS to continue allocating funding to service priorities to meet its strategic direction and vision.

A PCC governance model (1 and 2) will provide for a similar funding structure. However if future governance for WMFS through the single employer model, there is a possibility that funding for WMFS will be absorbed into overall Police funding structures. Essentially, WMFS could lose its ability to control the raising of dedicated revenue for the Fire Service. This could present risk to how funding is allocated to service priorities and to the maintenance of the WMFS Service Delivery Model, including the provision of integrated prevention, protection and response services to the communities.

A PCC 3 governance model would present the same structure and risks as a RFA.

WMCA and Mayor governance model may provide funding structures that will operate on a business rates structure. The way in which this will work locally is uncertain as the approach for business rates is currently being consulted upon and will not be implemented until 2020. The West Midlands was announced as a ‘trial’ region for business rates on the 15th December, which will enable early engagement and the generation of learning. It is also possible that as part of a Mayoral structure the funding structure for WMFS will continue as is.

Either approach will present similar risks to the PCC option above, in how funding could be allocated to service priorities and the maintenance of the Service Delivery Model.

It should be recognised that both the WMCA & Mayor and PCC options are yet untried and both will present opportunities as well as risks locally. Opportunities should exist in influencing strategy and the delivery of services through the better collaborative provision of services to the public, therefore delivering better public safety in a value for money way. The risks to this lie in, as identified above, how funding is aligned to wider priorities as the PCC and WMCA and Mayor as governing bodies will be responsible for other public services.

A Fire/Fire Combination governance structure will provide the same funding structure as the current Fire Authority and a RFA. However issues will exist around council tax equalisation these are detailed in the ‘costs’ outcome.

Collaboration

How will the governance structure enable better collaboration?

This outcome needs to consider the extent to which each of the governance options can support current and future collaboration across emergency services and other public services (organisations), in way which is aligned to WMFS's and wider strategic priorities, as well as the expectations of the 'duty to collaborate'.

The assertion here is that the closer together the governance of organisations, the more likely they are to collaborate effectively. This is an uncomplicated assertion and there will probably be excellent examples of it being the case, and some exceptions.

When considering the extent of collaboration the following 'levels of collaboration', can provide a broad guide. Level 1 is the least collaborative, with level 3 demonstrating full collaborative working.

4. Organisations are in dialogue with each other and/or work together – partnerships
5. Representatives from organisations are part of the governance structure
6. Organisations operate together – part of the same organisation

The potential for these levels of collaboration to achieve efficiencies can also be broadly considered as part of this outcome.

Throughout the first few meetings of the working group we sought to understand how WMFS currently collaborates across the emergency and wider public services, as well as identifying what collaboration could exist for the future. There are areas of great collaboration existing such as Telecare Falls Response, Multiple Complex Needs and Fire Control to name a few and the potential for further collaboration (at all levels) such as those we reviewed for co-responding, data sharing, emergency planning and patient transport.

Scrutiny and Transparency

How will scrutiny of decision making and transparency in governance and decision making be maintained and possibly enhanced through each of the four governance options?

The 'principles of good governance' describe the ability to make informed, transparent decisions and managing risk as being critical to governance. This is about being rigorous and transparent about how decisions are taken. Scrutinising at an early stage through having and using good quality information, advice and support and making sure that an effective risk management system is in operation.

In considering this outcome and the requirements of scrutiny and transparency across the public sector (particularly for local authorities), it is useful to consider the structures in place to enable the scrutiny of decisions making and approaches to making key information transparent to the public. All local authorities are required to meet statutory expectations regarding the scrutiny of decision making and the transparency code. It therefore unlikely

that any one of the four governance options is going to reduce scrutiny or transparency to the public.

It should be noted that the West Midlands PCC has recently been presented with an OPCC Transparency Quality Mark by CoPaCC (the independent body that monitors police governance) for reaching a high standard in having accessible information for the public.

Accountability

How accountable is the governing model and the 'persons' to stakeholders and importantly to local communities?

Within the four governance options being considered by the FGWG there exists two approaches to accountability:

- Single accountability through a PCC or Mayor
- Section 41 accountability through 'lead' members for local authorities, through a RFA or Fire/Fire

Current government policy is a model of single accountability - holding one person to account for decisions taken. The principle around this approach is that one accountable person is visible and easily identifiable to local communities across a whole region and therefore more accessible.

The model of 'lead' members enables this accountability amongst a number of persons responsible for decisions taken along with a 'Chair'. Here accountability is spread more evenly across a region, with accountable persons being easily identified and accessed by citizens in their local community.

It should be noted that a review of the PCC model was undertaken in 2014 by the National Audit Office, Police Accountability: Landscape review 2014, just over a year following its implementation. At the time this review identified a number of gaps in the Home Office's policing oversight framework, which could limit the public's ability to hold elected police and crime commissioners to account. However, at the time whilst PCCs had been in place for only a year, the new framework has the potential to be an improvement on the system it has replaced.

The timing of this review should be recognised as well as the development of the PCC model since.

There is no one substantial piece of evidence which demonstrates that one approach is more effective than the other. Within the Working Group there was a diversity of view, but a recognition that:

- more could be done to support S41 members in their roles with individual local authorities
- the Combined Authority model is entirely untested
- the PCC model is still relatively new and as yet untested for Fire and Rescue Authorities

Savings

What is the potential for cashable savings to be realised through a change in governance?

Each of the governance options will provide for some element of cashable savings to be achieved through a reduction in money spent on maintaining the governance structure and/or through the merging of front and/or back office services.

A RFA – from a simplistic approach a reduction in fire authority members of 50% could realise savings of approximately £125,000. There is the possibility to make further savings through an enhanced approach to collaboration in the delivery of services supported by this governance option. However maintaining this governance option will not in itself lead to further cashable savings.

PCC 1 and 2 would realise savings of £250,000 as a Fire Authority would no longer exist. **PCC 1** could deliver further savings through efficiencies in merging Office of the PCC and WMFS back office functions such as Communications, Finance, Human Resources, etc. Further savings could also be generated through further merger of Police and WMFS systems and functions.

PCC 2 could deliver further savings as a result of this governance change, in addition to PCC 1, through efficiencies in management as well as potential mergers between back office functions wider than just Communications, Finance, Human Resources, etc, across the wider police force.

PCC 3 would not deliver any additional efficiencies as there would be no change in governance from a Fire Authority.

WMCA and Mayor – alike the PCC option (1&2) governance through a Mayor could deliver savings in governance structures of around £250,000; however there is also the potential to deliver wider back office and service delivery (prevention and protection) savings across public services. As an example Hampshire Fire, Police and Local Authorities have entered into a shared approach to the delivery of some of their back office services, resulting in savings of circa £4,000,000 per annum.

Fire/Fire – the combination of the five Fire and Rescue Authorities which serve the communities of the West Midlands region, has the potential to deliver savings in the region of £ 15,677,483 whilst maintaining and/or improving the delivery of fire and rescue services to its communities. Such a change would involve combining fire authorities, merging back

office functions, corporate and managerial structures, as well as potentially re shaping front line services.

Costs

What costs would a change in governance incur as part of the change?

A key consideration for this outcome would be the costs incurred and the value this provides from a community perspective. In principle a single route to a long term change in governance (see diagram 1 and listings) will incur less costs to enable the change, than a route which involves more than one change, i.e. routes 5, 7 & 10. The exception to this would be the RFA as this change in governance as a short, medium or long term route is unlikely to incur additional costs.

RFA – a RFA is unlikely to incur any costs

PCC 1 and 2 – would incur costs around the transfer of staff from one employer to another.

PCC 3 alike the RFA governance model is unlikely to incur any costs

WMCA and Mayor – would incur costs around the transfer of staff from one employer to another.

Fire/Fire – would incur costs around the transfer of staff from one employer to another, but is likely to be lessened due to the fact that the terms and conditions of ‘grey book’ (operational) staff are the same. The need to harmonise or equalise council tax across the areas the combined Fire Authorities cover could be a significant cost and would impact on household spend. In the West Midlands Region there is approximately a £39.55 gap between the highest band D charges of £92.42 in Shropshire and the lowest band D charge of £52.87 in the West Midlands (2015/16 figures).

Risks

How will a change in governance impact on the delivery of services and what would the perceived impact be on engagement with staff, community and trust?

It is reasonable to consider this outcome not only in terms of the distraction from a staff engagement and community perception perspective, but also linked to Public Safety as possible changes in priorities of WMFS may present risks to the delivery of services, which will in turn impact on community and trust.

A RFA provides little if no risk/impact on engagement with staff, community and trust. This governance option can provide a more robust and streamlined approach to governance, but it will not mean any change to the way in which staff are employed, services delivered, or brand and image in the community.

PCC 1 and 2 will provide for risks internally as staff move from one employer to another, which has the potential to cause a distraction which may impact on the delivery of services.

WMFRA currently collaborates effectively with the Police Service in a number of areas to enable the effective delivery of services but the two services are distinctly different and there is a perceived risk to the brand and image of WMFS if the two services begin to merge as one.

PCC 3 as with a RFA

WMCA and Mayor will provide for risk internally from a staff engagement perspective as highlighted above with the PCC 1 & 2 option. WMFRA also collaborates effectively with both Local Authorities and the WMCA. The levels of engagement and collaboration with the WMCA has increased over the last 6 months as WMFS have taken a key role in leading the Multiple Complex Needs work stream and the Chief Fire Officer recently taking on the role of CEO for Public Service Reform. These developments are directly aligned to the delivery of WMFRA strategy and service priorities as involvement in WMCA continues the level of risk internally as well as externally in engaging with communities and maintaining trust, may cause a lower level of impact and distraction.