

<b>Notes of the Policy Planning Forum</b>
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**4 February 2019 at 10.30 am  
at Fire Service Headquarters, Vauxhall Road, Birmingham**

- Present: Members of the Authority  
Councillor Edwards (Chair)  
Councillor Iqbal (Vice Chair)  
Councillors Barlow, Barrie, Brackenridge, Craddock,  
Dehar, Hogarth, Jenkins, Miks, Spence, Tranter and  
Young  
Professor Simon Brake and Sarah Middleton  
Mr Ager
- Officers: West Midlands Fire Service  
Chief Fire Officer (P Loach)  
Deputy Chief Fire Officer (P Hales)  
Assistant Chief Fire Officer (G Taylor)  
A Afsar, S Barry, H Begum, B Brook, S Burton, J  
Connor, J Danbury, W Doolan, N Griffiths, M Hamilton-  
Russell, N Spencer, S Taylor, S Timmington, S Vincent
- Clerk and Monitoring Officer**  
K Gowreesunker (Clerk)  
S Sahota (Monitoring Officer)  
M Griffiths (Treasurer)
- Apologies: Councillors Aston and Walsh  
The Police and Crime Commissioner
- Observers: A Street, Mayor of the West Midlands Combined  
Authority  
H Kippin, West Midlands Combined Authority

**1/19 Chair and CFO Announcements**

Cllr John Edwards, Chair of WMFRA, welcomed all attendees to the Policy Planning Forum.

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Andy Street, Mayor of the West Midlands Combined Authority (WMCA), and Henry Kippin, Director of Public Service Reform, WMCA, were welcomed to the meeting.

Members were informed that the official opening of the relocated Fire Control would be taking place following the Fire Authority meeting scheduled on 18 February.

Members were invited to a Local Government Association event entitled 'Diversity and Inclusion in the Fire and Rescue Service – Masterclass' which would be hosted at WMFS Headquarters on 20 February.

### **2/19 Governance Update**

Cllr John Edwards, Chair of the Authority, provided a Governance update.

An independently chaired working party, the Future Governance Working Group, had collated and analysed the evidence regarding the options for change. The group identified the potential move of the Service into the Mayoral WMCA as the most appropriate change.

A huge amount of work had been carried out by both the Service and WMCA to develop and progress the proposed change in governance. The work had been supported by the Home Office. The seven Local Authorities (LA) had maintained a keen interest and were fully signed up to the proposals.

During the development of the change in governance, a number of 'red line' areas had been identified:

- The establishment of a Mayoral Fire Committee (15 members plus co-optees), representing the LAs and ensuring links were maintained. Amended so that the Mayoral Fire Committee would be comprised of a maximum of 15 members, rather than a minimum.
- The ring-fencing of the Service's budget and reserves (not in the Order but included within the Constitution of the WMCA with agreement from the seven LA leaders).

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- Chief Fire Officer (CFO) accountabilities, ensuring that the CFO was empowered to lead the Service. The simplest method to ensure this would be to have the CFO recognised as Head of Paid Service, however legislation only provided for one Head of Paid Service within a public sector organisation (the WMCA Chief Executive Officer). However, accountabilities were agreed with the Home Office and were recognised within the Order.

As part of the parliamentary process for laying the Order, three sets of legal checks were carried out. The third and final set of checks undertaken by the Joint Committee on Statutory Instruments (JCSI) had led to amendments being made to the Order regarding the CFO accountabilities, diluting the safeguards within the Order and therefore the CFO accountabilities. The amendments were deemed not to be acceptable. Cllr Edwards and the CFO agreed to use the emergency powers of the Fire Authority to notify the seven LA leaders of the amendments who supported the opinion of the Service. As a result, the Home Office were notified that the amendments and therefore the Order were not accepted locally. Next steps would involve examining ways forward including the potential for a local agreement in a similar fashion to the ring-fencing of the Service's budget / reserves.

Andy Street, Mayor of the WMCA, noted that this meeting of the Policy Planning Forum had been in his diary before the recent developments regarding the Order, as he was keen to hear about the Service's strategy and the budget. He had been following the transfer very closely and it had seemed to be going very well. The irony was that everyone wanted the same outcome. However, the assurances that the CFO quite rightly required were not provided within the Order.

The likelihood of the JCSI changing its view was unlikely. Therefore, there was a need to find local and robust arrangements, assuring the CFO and the Service, and providing assurance to the seven LA leaders. Assurances were to be included within the Constitution of the WMCA and to include double locks so that if changes were proposed in the future, unanimous agreement would be required. An urgent report would be submitted to the WMCA Board on 8 February to provide an update to the seven LA leaders. If there was unison across the various third parties, progress would

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then include the submission of a report to the Fire Authority at its meeting on 18 February, and a final report submitted to the WMCA Board on 22 March.

The following points were raised by Members and responses provided:

- A Member noted that an awful lot of work regarding the transfer had been carried out to date by officers and asked if the proposals were definitely the way forward.
- Andy Street replied, that yes it was the way forward and there was a determination that this was not lost due to an administrative bump in the journey.
- A Member noted that it was a shame that the JCSI had taken the view that they had. The Authority had made a lot of comprises including the reformation of the Authority which had seen its membership reduce to 15 (plus the Police and Crime Commissioner and co-optees). It was important that the CFO had the powers required to undertake his role and operational independence was ensured.
- Cllr Edwards noted that there was a contradiction between pieces of legislation (the Local Democracy Act) which the JCSI had identified as the reason for the amendments to the Order (in part to avoid potential issues in the future / the setting of a precedent). It was possible to raise this with the Fire Minister but there were doubts as to how successful such discussions would be. Therefore, it was more important to concentrate on a local agreement.
- Andy Street noted that it was important that any local agreement was also agreed by the Home Office (to ensure their support for the proposals).
- A Member noted that the proposals put forward demonstrated the key factors. Operational independence was important. It looked like the model put forward by the Future Governance Working Group could be achieved.

### **3/19 Developing the Strategy 2019 - 2022**

Phil Loach, Chief Fire Officer, introduced a presentation on developing the Strategy for the period 2019 to 2022.

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The presentation covered what the Service had been working to, developing the options to meet the Service's financial deficiency.

The Service had previously developed a strategy to deliver alternative services, however it had been unable to achieve the outcomes of the strategy, and therefore it had been unable to deliver income generation.

The Service was now in the eighth year of the comprehensive spending review / austerity and in that time it had sought to make the Service as lean as possible, apart from those areas that the Service had sought to protect such as frontline services.

The Service had explored opportunities whilst maintaining the risk based approach to prevention, protection and response. The fleet was distributed to meet the risk based five minutes attendance standard, which evidence showed increased the chances of survival at incidents.

It was also noted that the Service was in the middle of its inspection by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services, who were providing support to the compelling evidence base presented by the Service.

An integrated approach to prevention and protection and all factors had been taken into account whilst dealing with the £3M reduction in budget, as well as continuing the response approach and ensuring that the Service remained a positive and effective partner with other organisations.

With regard to the £3M deficit, recognising that the Grenfell Tower incident had shone a light on the enforcement of the Regulatory Reform Order, investment in protection services meant the deficit equated to £3.6M.

Additionally, further investment would be required, recognising that risk management was not purely about service delivery, ensuring that the Service was meeting and adhering to its requirements regarding health and safety, competencies, etc. This required reinvesting in some of the support areas, equating to a further investment of approximately £600K. This meant the deficit would equate to £4.2M.

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The Service was balancing the budget via fleet availability. However, the Service tended to underspend against budgets, and would therefore use any underspend and make savings in other areas first, where possible.

An illustration of the changes was displayed as part of the presentation; changes to the fleet would be undertaken on a dynamic basis as required. There would be no impact upon category one incidents but there could be a minor impact upon the attendance of a second appliance (the Officer in Charge would still be able to determine the tactical mode to be assumed upon arrival, ensuring safe, effective and assertive firefighting). There would be an impact upon category three and four incidents, however the Service currently continues to outperform against its targets within these incident types. The changes to the fleet would have an impact upon the number of Safe and Well checks delivered.

Tools were available to officers to show the distribution of the fleet and the effect on the service delivery model and response times. Some appliances would be pre-stated unavailable weeks before the event but changes would also be made dynamically to meet requirements at any specific time, for example based on sickness absences.

Members were advised that although staff moved stations at the moment, disagreement and disapproval from staff being made to change station could be expected. Additionally, it was expected that all Members would experience an impact upon fleet availability within the areas they represented at some point over the next year.

In addressing the 2019/20 £3m deficit within the Authority's Financial Efficiency Plan, at the Fire Authority meeting on 19 November 2018, the CFO presented to Members an assessment of five options:

- Staff/resource availability
- Resource configuration
- Shift arrangements (risk based crewing)
- On-call firefighters
- Management Review

The report that would be submitted to the Fire Authority at the February meeting would recommend that Members delegate

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responsibility to the CFO to dynamically manage the fleet to meet the budget.

The following points were raised by Members and the following points were raised in answer to Members' questions:

- A Member noted that the proposals represented the best of some bad options, and supported the proposals over any of the other options.
- It was confirmed that the proposals had been discussed with the representative bodies. The representative bodies had not identified any alternative proposals. The representative bodies had confirmed their requirement that the first Pump Rescue Ladder (PRL) appliance be staffed with a crew of five. This was the desire of the Service although it was noted that there could be occasions where a PRL could be staffed with a crew of four for a short period of time such as whilst waiting for a replacement crew member in the event of a sickness absence being reported.
- In answer to a Members question if there would be any reduction in the number of firefighters: the optimal number of firefighters had been calculated to be 1322. The Service was currently operating with 1168 firefighters, which was managed via fleet availability.
- A Member suggested that a reduction in the number of Safe and Well visits delivered could lead to an increase in pressures on the Service. In answer to the Members question, it was noted that the number of incidents was no longer declining and had plateaued with a marginal increase observed in the number of accidental dwelling fires. Additionally, the WMCA were planning on building additional housing stock across the county including affordable housing, the type of properties in which the Service experienced the majority of fires. In an attempt to address this, the Service was developing a radical prevention model, based on the trust of firefighters. Although the Service was prioritising this area, ultimately the budget deficit remained.
- The Service had protected the front line whilst dealing with the budget reductions, however the Service had now reached a tipping point where it was having to look at reductions in the front line response. The Service had soaked up so many reductions so far, but there were no

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more places to look, and there were further financial challenges to come in what could be a difficult period.

- A Member noted that the reduction of approximately 4500 Safe and Well visits was significant. The work of the Service in delivering Safe and Well visits had proved to be invaluable, not just in terms of fires and fire safety, but also social care and safeguarding. It would be useful to see what the radical prevention model would look like and what the reduction in capacity means.
- In reference to the proposed commitment of the WMCA to build 200K new homes, a Member asked if any conditions were to be set for builders to fit sprinklers in the properties.
  - It was confirmed that the Service would be included within discussion regarding the planning stage of such developments.
  - The Mayor advised that it was not a requirement for a Local Authority but it would be wise to include such a stipulation. The WMCA were currently in the process of drawing up a planning framework to enable a shared set of aspirations.
  - A Member suggested that there were short term opportunities that could be achieved by looking at design, mitigating some of these risks.
  - A Member advised that concerns had previously been raised by Officers that they did not necessarily have the time to consider all applications.
  - It was noted that protection would look at applications, and protection was being re-invested in to provide additional capacity.

### **4/19 The Budget 2019/2020**

Mike Griffiths, Strategic Enabler Finance and Resources, delivered a presentation on the Budget 2019/2020:

The Service had endured core funding reductions of £38M over the previous eight years. The current Comprehensive Spending Review (CSR) period had resulted in a £10M core funding reduction which had now been confirmed.

A number of emerging issues and pressures remain as concerns:



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- Pay awards; assumptions had been based on a 1% increase at the start of the current CSR period which had been uplifted to 2%. Negotiations at a national level, particularly regarding firefighters' pay, had not been concluded yet and it was unknown if any eventual pay rise in excess of 2% would be funded centrally or locally. It was noted that every 1% percent increase as a result of a pay award equated to an approximate full year cost of £650K for the Service.
- Pensions; the Treasury had reviewed all unfunded pension schemes and a significant shortfall in arrangements for the Firefighters' Pension Scheme had been discovered. The impact on the fire sector was approximately £107M, with an impact upon the Service of approximately £5.3M. The Government had agreed funding of approximately 90% of the shortfall and the cost to the Service had been offset by a specific grant of £4.9M. It was noted that there was a potential ongoing additional annual cost of circa £5M beyond 2020 if continuing Government support was not confirmed.
- Pensions: the Court of Appeal judgement on the ~~new~~ 2015 Firefighters' Pension Scheme found the transitional protection arrangements unlawfully discriminatory on grounds of age. The Government have submitted an application for permission to appeal to the Supreme Court. The potential estimated annual cost to the Service could equate to £1.5M.

The budget report would be submitted to the Fire Authority at its February meeting.

It was noted that the Service was now in the last year of the current CSR. At the time of the meeting there were no indicators for the public sector as to the next CSR period and due to no clarity regarding future budget allocations, the assumption was that further reductions in core funding could be expected.

The council tax precept and referendum principle for 2019/20 had been confirmed at 3%.

In terms of general balances, £1.5M was anticipated to be ~~had~~ ~~been~~ used within 2018/19 to provide a balanced budget. The further use of general balances during 2019/20 and 2020/21 had been built into the Medium Term Plan. A budget shortfall of £1.7M

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was currently predicted for 2021/22 but due to all the uncertainties, as highlighted above, the assumed budget shortfall in 2021/22 would need to be reviewed and monitored throughout the next year.

The Service continued to set the lowest council tax precept in England and Wales. The proposed increase in council tax equated to an additional £1.77 per year for a Band D property (based on the highest percentage increase allowed without triggering the referendum principle).

It was noted that projected capital spend over the next three year period would predominantly be funded by earmarked reserves. There was no specific capital funding for the fire sector. The lack of capital allocations was being referred by the sector to Government to address.

In answer to Members' questions, the following points were raised:

- In the event of any unanticipated requirements, an estimated £5M of general balances would be available for use. There was no official absolute guideline for the amount of general balances to be held although there was a broad consensus that general balances should equate to approximately 5% of an organisation's annual budget. It was felt that the general balance of approximately £5M was a reasonable amount and would continue to be monitored.

### **5/19 The Plan, Priorities and Outcomes 2019-2022**

Phil Loach, Chief Fire Officer, delivered a presentation on The Plan, Priorities and Outcomes for 2019 to 2022:

The Plan was publically available and was published on the Service's website.

The Integrated Risk Management Plan (IRMP), budget and a range of internal and external factors, including emerging issues and political landscape, were reviewed as part of the development and production of The Plan.

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The priorities for response, prevention and protection, and the outcomes for value for money, digital and innovation, and people were outlined.

Response; fleet and staff were distributed to provide assertive and effective response to emergencies, maintaining the risk based five minute attendance standard. Prevention and protection activities carried out by staff created capacity within the workforce, enabling staff to do more, supporting vulnerable people and helping to maintain and increase affluence. The extra capacity did not come at an additional cost as it was an integral part of the service delivery model. Alternative approaches to delivering such additional services could increase costs. The current approach meant the organisation was lean.

Prevention; included the work involved in Safe and Well visits and the work of the Service with the commercial elements of our communities, keeping businesses in business (enforcing the Regulatory Reform Order (RRO) was important but it was also important to support businesses and to allow them to grow). Road safety was another important element of the prevention work undertaken by the Service.

Protection; the Service was at the forefront of technology to deliver its responsibilities under the RRO, developing and using systems such as the Risk Identification and Data Gathering Engine (RIDGE). However, despite using innovative approaches, more capacity was required within protection, in part due to the Grenfell Tower incident, and an increased fire safety awareness of crews was generating more referrals for the protection teams to address.

Value for Money; the Service was working closely with other organisations, and collaborating with partners, an essential part of being able to deliver its services effectively and efficiently.

Digital and innovation; there was need to start thinking that digital was now the norm. Service delivery was to be underpinned by technology, and where it was delivered was to be underpinned by technological analysis.

People; increasing diversity, inclusion, cohesion and equality, the Service had taken the most innovative approach to enabling a more diverse workforce. It was an approach that had been

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approved by the Fire Authority and one in which the Service had applied the Equality Act.

It was noted that the Service had a forward looking strategy, one that continued to be progressive despite limitations and pressures being imposed.

In answer to Members' questions, the following points were raised:

- The Service was at the forefront of road safety education and worked closely with partner agencies including the Police.

The meeting closed at 12:11 hours.

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