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Fire Service College – working group report

Purpose of report

For discussion / decision.

Summary

Following discussion at their meeting in February 2011, the Local Government Group's Fire Commission set up a cross-party working group to examine the strategic issues facing the Fire Service College, explore options for its future governance, structure and financial operation and to report back with recommendations to the Fire Services Management Committee.

This paper summarises the key findings of the group's work and presents recommendations for discussion. Subject to that discussion, recommendations will be made to the Fire Services Management Committee in July.

Recommendation

The Commission is asked to note the working group's report and provide its views on the recommendations set out below.

Action

LG Group officers to progress actions as appropriate.

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LGA Fire Commission – Fire Service College Working Group

FOREWORD

At the meeting of the Local Government Group's Fire Commission in February 2011, concern was expressed by members about the financial problems facing the Fire Service College, which appeared to be affecting its ability to function efficiently. The Commission learned that take-up of training courses at the College by Fire Authorities was at an all-time low and its future survival was being called into question. At the meeting, I was asked to chair a cross-party working group to examine the strategic issues facing the Fire Service College and explore options for its future governance, structure and financial operation.

Since February, the working group has undertaken considerable detailed research and has consulted with many of the major stakeholders (the College Senior Management Team, The Chief Fire Officers' Association and a number of Chief Fire Officers and Fire Authority Chairs). It has also opened discussions with some of the main players in the private sector in order to gauge interest in any potential future public/private partnership arrangements. There is of course, much work to be done in developing and taking forward the group's recommendations, but we hope that this will form a constructive basis for further discussions with the Department for Communities and Local Government.

This report's conclusions and recommendations reflect the unanimous agreement of this cross-party working group and I should like to place on record my sincere appreciation to all the members and advisers of the working group for their hard work and enthusiasm and also their positive, thoughtful and constructive contribution.

David Cartwright QFSM

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LGA Fire Commission – Fire Service College Working Group

FINAL REPORT

Context and background to the working group

1. The future of the Fire Service College is a central feature in any discussion of the training and development of the UK's Fire and Rescue Services. It was identified as a key component of the sector's National Function work on activities that require a collective approach from the Fire and Rescue Sector with important connections to other functions such as research, operational guidance and workforce development. The College also figured highly in the Fire Futures review of the Fire and Rescue sector initiated last year by the Fire Minister, Bob Neill MP, and has long been an issue of concern to the sector. Following a discussion at their meeting in February 2011, the Local Government Group's Fire Commission set up a cross-party working group to examine the strategic issues facing the College, explore options for its future governance, structure and financial operation and to report back with recommendations to the Fire Services Management Committee.
2. The working group heard evidence from a range of stakeholders including from the President of the Chief Fire Officers Association, the Fire Service College team and the private sector. An open day for elected members and officers was also held at the college in May. The work being undertaken by the group was highlighted in the Fire Minister's response to the Fire Futures review in which he welcomed the "commitment and leadership" demonstrated by the sector in examining and securing the future for the College. The Minister also made it clear that in his view, the College could only achieve its full potential "if there is greater involvement from other sectors (whether private, public or voluntary) in its ownership, operation and governance."
3. This paper summarises the key findings of the group's work and presents recommendations for discussion at the Fire Commission meeting on 17 June. Subject to that discussion, recommendations will be made to the Fire Services Management Committee in July.

Is there a case for the continuation of the Fire Service College?

4. The working group received a clear steer from members of the Fire Commission that the sector strongly supports the concept of a national training college for the Fire and Rescue Service, whilst at the same time recognising that the College is under-utilised, beset by debt and financial issues, in serious need of capital investment and continues to fall short of the targets agreed with the Department for Communities and Local Government to make progress towards a sustainable business model.

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5. The group felt its first step should be to understand whether there is case for the continued existence of the College by establishing whether it can meet the needs and challenges facing the sector and add value that cannot be provided by alternative means of training delivery. The group concluded that the College has a vital role to play in ensuring consistency of standards of training across the sector to enhance national resilience, multi-agency working and interoperability. FRSs should have confidence that accredited courses offered by the college will fulfil their responsibilities to ensure that staff are operationally competent.

Vision for the future of the College

6. The group's vision for the College in future is therefore that it should:
 - 6.1. be a central component of a multi-agency national training resource that ensures interoperability and consistency of operational standards across the UK FRS and other emergency services;
 - 6.2. offer training packages, aimed predominantly at operational command and practical skills that:
 - 6.3. deliver service-wide standards of operational competence; are based on actual and current risk; and can be tailored to meet the needs of individual FRSs;
 - 6.4. be a properly funded, national asset with state-of-the-art facilities that can offer training at a commercially competitive prices; and
 - 6.5. be able to deliver training at a range of sites across the country making it cheaper and more convenient for FRSs.

Issues and challenges facing the College

7. The working group identified a range of issues and problems that need to be overcome if this vision for the college is to be realised. The key challenges identified by the group are as follows:
 - 7.1. Financial sustainability – notwithstanding recent improvement in the College's performance, its total costs (including debt, tax and depreciation) continue to exceed training revenue. The College is constrained by long term debt resulting from historic loans, dividends to Government and sizeable costs from depreciating assets.
 - 7.2. Capital investment in infrastructure and facilities – the College is in need of significant capital investment in its infrastructure and facilities if it is to compete as a state-of-the-art training provider.

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- 7.3. Operational freedom – the College is currently constrained by restrictive civil service employment policies and bureaucracy which hamper its freedom to manoeuvre in a competitive market.
- 7.4. Competition – the College currently provides for an estimated 45 per cent of the market for operational training to UK FRSs, and is facing competition from training providers in the UK and overseas who, due to the College's high overheads, can offer training at significantly lower costs. FRAs prefer locally delivered models where costs (particularly relating to accommodation) are kept to a minimum.
- 7.5. Clarity about the sector's requirements for training – national operational standards are identified in the Integrated Personal Development System (IPDS) and interpreted locally. There are currently no coordinated and service-wide defined training standards agreed by the sector and this has led to concerns, for example from the Health and Safety Executive, about fragmentation of training in the sector.¹ Members also thought the college should have a key role in delivering training aimed at ensuring senior staff were adequately qualified for leadership roles in the sector.

Criteria for a future model for the College

8. Applying the issues listed above to an examination of options for the future operation of the College, the group identified four criteria which a successful model would need to meet:
- 8.1. Sector-owned standards of training – the fire sector (led by CFOA) should identify service-wide standards of training, based upon the standards of operational competence set down in the IPDS. These standards would develop to take account of risks and policy developments as they emerge. The College should then deliver training to those standards, monitoring and auditing the level of achievement can then be undertaken.
- 8.2. Capital investment in infrastructure and facilities – the model would facilitate / attract sufficient capital investment to upgrade and maintain the College infrastructure and facilities to a level that allows it to compete as a state-of-the-art provider.
- 8.3. Operating on a commercially sustainable financial basis – the College must be commercially viable without tax-payer subsidy, generating sufficient revenue to invest in the development of a national resource.

¹ Health and Safety Executive, Management of Health and Safety in the GB Fire and Rescue Service, 2009/10

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8.4. Offering competitively priced and fit for purpose training to FRSs – this would assist the reduction of the costs of training.

Models considered

9. The group has considered five possible models for the future operation of the College. They were:

9.1. Continuation of the current model – the College would continue to operate as it does currently, and rely upon a mixture of central and local Government funding.

9.2. Closure of the College – the College’s land and assets could be sold to the private sector, either for continued use as a fire training facilities, or for redevelopment. All fire sector training would have to be provided locally.

9.3. Government-owned – sector delivered model – the College’s assets would be retained by Government, and rented by a lead body from the sector which would oversee training provision according to FRS needs.

9.4. FRS Mutual – the College would become a business owned jointly by FRSs through a mutual company. The company could be extended beyond FRS membership to include other agencies or Government departments.

9.5. Fire Sector commissioning through a contractual partnership with the private sector – the sector would be responsible for providing governance, policy direction and setting standards. The private sector partner would be responsible for the operation of the College and the delivery of training.

10. The group’s analysis of these options against the success criteria they defined is summarised in table 1.

Table 1 – Analysis of options for future operation of the College

Criteria	Current model	Closure	Govt-owned sector – delivered	FRS Mutual	Contractual partnership
Deliver training to sector owned standards of operational competence	?	x	✓	✓	✓

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Generate / attract capital investment	x	N/A	x	?	✓
Commercially sustainable financial model	x	N/A	?	?	✓
Reducing the cost of training	x	x	x	?	✓

11. After serious consideration, the working group has discounted Options 1, 3 and 4 as they were not found to be viable. It is possible for the sector to define and set service-wide training standards, which could be delivered under these models, but none of them would attract the significant investment in facilities and infrastructure that would be required to put and keep the College on a financially sustainable footing. Furthermore, each of these three options would require a firm commitment from FRSs to take up sufficient training courses each year, to enable the College to survive. In the current financial climate, this was not considered a practical solution.

Conclusion

12. The clear conclusion from the group's analysis is that the investment needs of the College can only be met through Option 5 – a partnership arrangement with the private sector. Without such involvement, the group concluded that the only alternative would be Option 2 – closure of the College. Given that the fire sector and indeed the Minister has voiced support for the College and given that the working group, has identified a case for the continuation of the College as a national asset, with a key role to play in national resilience, the group focused upon developing Option 5 as its preferred option.

RECOMMENDATION – Fire sector commissioning through a contractual partnership with the private sector

13. In looking at the options for partnership with the private sector, the group focused on:

13.1. future governance arrangements which ensure a strong leadership role for the sector;

13.2. a structure which would support sector-owned standards of training;

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13.3. a partnership which would be an attractive business proposition to the private sector.

14. The group concluded:

Governance

15. The working group identified a lack of sector strength and direction in the current governance arrangements. The existing College Stakeholders Board does not appear to have the power to set strategic direction, nor does it have the ability and funds to make necessary changes to management arrangements and investment needs. It is also clear, through the College's market share of fire authority training and the low take-up of training courses, that the College does not offer the service required by individual fire authorities.

16. Governance should be provided by a strengthened College Board made up of key partners including the LGA, CFOA and CLG and the private sector partner(s). This Board would have responsibility (as a limited company, or potentially as a social enterprise) for setting policy direction, letting the contract and ensuring the terms are met. It would also have a monitoring and auditing role to provide assurance on standards achieved.

Training specification

17. The College Board, via a CFOA-led working group would set the specifications for the training outcomes to be delivered by the College to meet the requirements of the IPDS. The College would concentrate upon those areas of training and development that cannot be readily sourced from elsewhere and make full use of its unique and valuable operational training facilities. This will enhance the College's national and international brand and reputation and will maximize the use of these facilities to provide cost effective training for fire authorities.

18. In order to ensure that training can be adapted to take account of emerging policy or risks, the College would collect and collate organisational and operational data from FRSs to provide a dynamic assessment of risks and training needs to be used to update specifications for training outputs.

19. FRSs already produce much of this data and information; however at present there is no mechanism for collating it and interpreting it at a collective level to inform training needs. The group envisaged that a small team would be located at the College and would carry out this function, and manage the contract with the private sector providers, ensuring the College Board acts as an intelligent client.

20. Funding of this function would be written into the contract, or through a profit share arrangement.

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21. Data and information collated at the college provides additional benefit to the sector and to Government by:

- 21.1. informing operational guidance so that it is developed according to risk;
- 21.2. providing assurance of sector performance and identifying risks or potential failure; and
- 21.3. providing a structure of service-wide accreditation in operational skills and command training.

Private sector training provider

22. The College Board would commission, through a competitively-let contract, a private sector or social enterprise partner to deliver the specified training outcomes which would be subject to review and adaptation throughout the lifetime of the contract. Accreditation of the training is an important issue and one which private sector partners would be asked to address in their proposals.

23. The successful contractor (or contractors) would acquire the college site and brand for an agreed term and would have complete operational freedom over the way the College is run and be responsible for the College's performance, including the risk of underperformance. They would be able to invest in the upgrade and development of the College facilities and reap the benefits from that investment over the lifetime of the contract. They would be free to develop other markets as long as they delivered the outcomes for FRSs as specified by the College Board. Some form of profit share agreement with the College Board could form part of the overall contract.

24. The private sector training provider would be able to acquire and/or utilise other training sites across the UK to provide diversified training packages at other locations convenient and attractive to its customer base.

Private sector interest in involvement in the College

25. The working group held a series of discussions with representatives from the private sector to explore the level of interest in participating in a partnership with the College and to discuss their preferred approaches. These discussions revealed "huge" interest amongst the companies consulted, each of whom could see the value in the future business of the College. However, each had a different view of how their expertise could create a strong brand for the College as a national asset.

26. The discussions with the private sector were most positive and have reaffirmed the group's recommendations on its preferred option and helped it define some key areas it would be looking at in any successful partnership:

- 26.1. input of private sector financial investment and professional expertise;

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- 26.2. management restructuring and the development of a market-facing strategy for the College;
- 26.3. develop competitive cost base;
- 26.4. provide an overall reduction in the overhead cost per fire authority student;
- 26.5. provide a strategy for future development that moves towards a broader concept as the core of a National Blue Light College or multi-agency UK Civil Contingencies Academy.

Issues for further consideration

27. There are a number of issues which will need to be considered in further detail and discussed with CLG in progressing the group's recommendations.

27.1. Ownership of land – as current owners of the asset, CLG will need to consider whether it is prepared to sell, transfer or lease the asset to a third party, or a company owned by the College Board, or to retain ownership and let the contract jointly with the Board.

27.2. Historic debt – the issue of historic debts and liabilities borne by the College would need to be resolved prior to the commencement of any partnership negotiations.

27.3. Amalgamation with other agency training facilities – with increasing emphasis on the importance of interoperability and consistency across emergency services, a logical outcome would be amalgamation of the College with other agency training facilities. This should be a longer term aim for the College Board that takes into account differing timescales and sectoral pressures. Incremental development of the College's remit across Government sectors whilst concurrently capitalising upon opportunities provided by existing and emerging markets overseas will ensure training, inter-agency interoperability and inter-agency performance assurance is continually improved.

Next steps

28. The Commission is asked to note the working group's report and provide its views on the recommendation set out above. If the proposal is endorsed, the Commission is asked to recommend to the Fire Services Management Committee that it is adopted as a sector position.

29. The Fire Minister has said that he will explore with the sector and other organisations their views about and interest in taking a greater stake in the ownership and/or running of the Fire Service College. The LGA wishes to be fully involved in that process and will use the position agreed by the FSMC and the Commission as basis for that discussion.