

19 July 2010

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## **The future of national functions**

### **Summary**

This report updates members on developments since their last meeting, sets out some areas that will continue to need a national perspective and proposes the LG Group take on a co-ordinating and commissioning role for those functions. Cllr Bryant will update the Committee on the June workshop.

### **Recommendations**

Members are asked to:

- Receive an update
- Agree continued engagement in discussions with other stakeholders over the future of the limited number of functions that need a national perspective
- Agree *in principle* that there is a role for the LG Group in co-ordinating and commissioning the limited number of functions that need a national perspective

### **Action**

As determined by Members.

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## **The future of national functions**

### **Background**

1. In May the Committee received a report on the possible transfer of a range of national functions currently undertaken by CLG to the fire and rescue sector with a proposal that the LG Group take on some of the functions. Members wanted more information about how the LG Group might handle the range of national functions cited in the report, and said that the Government needed to examine whether all the current functions were necessary and that any transfer must be accompanied by appropriate levels of funding. Members agreed that a further report be brought to the next Committee meeting, that lead Members be consulted prior to the meeting and that the Fire Services Forum be allowed consideration of this issue.
2. The Committee had previously discussed the issue at its meeting on 18 January and were concerned that this might result in the creation of a new quango. However, members welcomed any initiative that belonged to the sector and offered FRAs more responsibility over local issues, and the opportunity to carry out work on behalf of the sector.

### **Current context**

3. There have been developments since the Committee last discussed this issue. The coalition Government is committed to devolution to the local level and the new Fire Minister, Bob Neill MP, has announced a strategic review of the fire sector, government's role in it and the future of the service. He has also indicated less government involvement in national standards, priority setting, targets and workforce issues.
4. Earlier this month the LG Group set out an open and comprehensive offer to the new coalition government which would see local government take full responsibility for delivering more with less. The Group offers specific proposals: to make efficiency savings and cut waste quickly, including a national productivity programme; radical decentralisation for a more effective and affordable state, including area based budgets; and comprehensive support to councils and FRAs to ensure success, including a new improvement framework alongside stringent local self-regulation. In his speech to the recent LGA Annual Conference the Secretary of State, the Rt Hon Eric Pickles MP, acknowledged the Group's offer and confirmed that he and his Cabinet colleagues were delighted to accept our offer 'to find a better way for us all to do business.'
5. Changes to the LG Group's governance arrangements were agreed at the General Assembly on 6 July. The LG Group is made up of the LGA and the 'Central Bodies' –IDeA, LGE, Local Authority Coordinators of Regulatory Services (LACORS), Local Partnerships and the Leadership Centre for Local

Government. This means that, from September 2010, the Safer Communities Board will be renamed the Safer and Stronger Communities Programme Board. The new Board will manage the overall delivery of a programme of work, including fire, across the Group's six organisations and would wish to see the FSMC actively involved in designing the fire work programme. The Chairman of the FSMC will have a seat on the new Board.

### **Latest position on national functions**

6. Following May's Committee meeting Cllr Bryant and officers attended a workshop arranged by CLG. The workshop, attended by a wide range of interested parties, agreed that a letter to the Minister would be sent on behalf of participants. The LGA did not sign the letter as the Chairman preferred not to commit to a position in advance of further FSMC discussion, however the letter did note our commitment to localism and continuing interest in the matter. The signatories to the letter have committed to produce a worked up model should the Minister agree to the approach. Clearly fire and rescue authorities, through the FSMC and Fire Forum, would need to engage in its development.
7. More specifically, the letter proposes that while responsibility and resources for technical, professional and operational matters should transfer to the sector, the most cost effective way of commissioning and managing the process would be on a co-ordinated basis. This would ensure the interoperability and consistency essential for safe operations and national resilience, while creating opportunities for economies of scale. This would also enable Ministerial assurance while providing effective governance and quality assurance mechanisms.
8. The letter also proposes that responsibilities, functions and finance for essential national activities would transfer from CLG to an existing national body or bodies. Activity would be commissioned through a co-ordinated approach designed, established and managed by the sector, and not the Department, through the national body. The governance arrangements would include representatives of the fire and rescue authorities and the Chief Fire Officers' Association, with the involvement of other interested parties such as the insurance and fire supply industries, trade unions, Fire Service College and Firebuy to be considered.

### **What would it look like if the LG Group took on responsibility for co-ordinating and commissioning national functions?**

9. We very much welcome the cessation of unnecessary activity by CLG, the devolution of power to the local level and the savings that will result. It would be for the sector to decide which, if any, national functions needed to continue. Members previously identified some key questions:
  - Which issues really need a national approach?
  - What is the business case in terms of cost and benefit to the sector?

- If bona fide national issues are identified, who is best placed to deliver them and how?

We believe that the areas that would benefit from a continued national perspective are limited and would include:

- interoperability (to enable services to work together in responding to wide area incidents beyond local boundaries)
- national resilience (consideration of new and emerging threats)
- nationally procured assets and contracts (such as New Dimensions, Firelink and Fire Control).

These are issues where failure to develop and get value for money would impact the operational response and public and firefighter safety *beyond the local level*.

10. The determination of which organisation (or organisations) is best placed to carry out any necessary activity should be on a case by case basis. Lead FRAs or groupings of FRAs would be particularly well placed to carry out key projects on behalf of the sector. However, to prevent issues falling through the gaps or duplication of effort there would need to be co-ordination of activity. A recent example illustrates this: we asked FRAs to supply any research, scrutiny or other documents relating to the Retained Duty System from the last three years. The replies showed that while some authorities were working together, some seemed to be operating in isolation. A more co-ordinated approach might save money and improve outcomes, particularly for smaller FRAs which have limited capacity.
11. As the co-ordinating body the LG Group would commission and support credible persons or organisations (or groups of organisations) to produce specific pieces of work on issues identified by the sector as needing a national perspective. Quality assurance arrangements, appropriate to the work, would be put in place. This partnership model envisages very much an enabling and supporting of FRAs, not an imposition of requirements to adopt particular national approaches. This is very much in line with the new way of doing self-regulation and improvement we will be working with the coalition government to deliver (see paragraph 4). The Group has carried out similar work before, for example in 2008 LACORS (in partnership with CFOA and the Chartered Institute of Environmental Health) commissioned and published national guidance on fire safety in residential accommodation for councils and FRAs.
12. Political accountability overall would be through the Safer and Stronger Communities Board, as delegated to the Fire Services Management Committee. The FSMC would direct and provide oversight of the fire programme across the Group and also provide a direct line to FRAs (through the Fire Forum which has all 46 English FRAs in membership). This will also allow members to exert strategic influence on issues of national importance, taking precedence over other vested interests.

13. We believe that the LG Group is in an excellent position to take on the supporting and co-ordinating role, ensuring quality and value for money for FRAs on issues that require a national perspective. These co-ordinating arrangements could be established quickly and at low cost through economies of scale and removal of duplication of effort and expenditure. A review would be held after 12 months to evaluate the outcomes and efficiencies delivered to inform the future work programme and evolution of the role.
14. Having the LG Group acting as the co-ordinating body has other benefits for the sector. We would use the information gained to inform our strategic policy position on matters relating to the service, raise the profile of FRAs internally and externally, promote good practice and enable development of shared solutions to emerging national challenges (for example around the Retained Duty System).
15. A successful outcome to the co-ordination and commissioning by the LG Group of those essential national functions would have two further benefits. It would support greater influence over those areas of work not currently proposed to be devolved to the sector (such as the fire fighters pension scheme) and would also provide evidence to support future transfers of activity from the centre to the local level in other service areas.

### **Next steps**

16. If members agree to pursue this proposal we will:
  - write to the Minister setting out our position and with a commitment to work with other stakeholders to develop firm proposals;
  - bring a paper to the Fire Forum in October.

### **Financial Implications**

17. None identified as any transfer of function must be accompanied by appropriate levels of funding.

### **Implications for Wales**

18. None identified as these functions are England only

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