

AOB Item

Fire Service College

Purpose of report

For decision.

Summary

As DCLG move towards a full sale of the College to the private sector, attention has turned to the most suitable ownership arrangements to ensure that fire authorities' requirements are met in the future. Members will be concerned that the proposed process risks significant delay.

Recommendations

To agree that:

1. FSMC rejects complex ownership structures; and
2. Government seeks to structure simple and straightforward sale agreements to achieve required guarantees.

Action

Officers to take forward.

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Fire Service College

Background

1. Members are aware of the Government's intention to sell the Fire Service College to a private sector partner in order to provide much needed investment in the College, and the continuation of and improvement to the training currently offered.
2. The LGA remains a key influencer in arrangements and we have been asked to consider the best way for FRAs to be represented in new arrangements.

The issue

3. In order to safeguard the position of ensuring the College continues to deliver fire training, Government propose placing a number of requirements or guarantees on the sale to ensure that:
 - 3.1 There is a commitment from the purchaser to continue to offer fire training;
 - 3.2 the FRS are involved in setting the overall direction of fire service training policy and delivery; and
 - 3.3 the site cannot be sold without FRS approval.
4. However, in order to ensure that the interests of the College and the FRS are aligned, DCLG have considered a number of different mechanisms/structures for doing this. In order to submit an options appraisal to Ministers, DCLG officials have asked for the views of the FSMC on these proposals. These options include a Trust arrangement, a Limited Liability Partnership and a company limited by guarantee. All have advantages and disadvantages which DCLG have assessed according to criteria around flexibility, ease of administration, tax treatment and whether these are within scope of existing legislation.
5. It is clear from looking at the detail, that each FRA will need to seek legal advice on the detail of these options and whilst the LGA would be happy to seek a legal opinion to support this work it is unlikely that all FRAs across the country will be in agreement about which option provides the best arrangement.
6. This new strand of activity and debate risks creating unnecessary and time-consuming division within the sector. Although DCLG are committed to moving ahead swiftly with a sale, the full analysis of these three options will need specialist and ongoing legal advice which will be costly, divisive, consume

23 January 2012

AOB Item

Members' and officers' time for a prolonged period and could lead to legal challenge.

Conclusion and next steps

7. Given the absolute and urgent requirement to secure some serious financial investment in the College, and the need for the FRS to have some security about future training provision, Members will wish to consider recommending a small number of simple and straightforward guarantees within the sale agreement to provide the safeguards that Government and fire authorities require.