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Fire Services Management Committee end of year report

Purpose

For noting and discussion.

Summary

This report offers an overview of the context and main issues affecting the Board in the 2011-12 Board. It also provides Members with a summary of the Committee's achievements over the last year. Priorities for 2012-13 will be discussed by the Committee in September.

Feedback at and outside the meeting would be welcomed.

Recommendation

Members are invited to note the contents of the paper.

Action

Members and officers to feedback. Actions as directed by Members.

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**Fire Services Management Committee work programme
progress report**

Background

1. The political and financial environment has shaped the interests and work of the Fire Services Management Committee over the last year. Financial pressures are acute in the sector and this will continue to impact on fire authorities for the remainder of this spending review and into the next.
2. The civil disorder of August 2011 and the future of the Fire Service College provided early opportunities to prove the capability and willingness of FRAs to collectively take responsibility from Central Government for the improvement of the Fire Service and meet the responsibilities of the localism agenda. The Committee demonstrated the sector's maturity in several areas, driving the agenda on the sale of the College, piloting a new operational assessment in three FRAs (Surrey, Leicestershire and West Yorkshire) and championing the response of firefighters in the wake of the August 2011 riots.
3. At the same time, achieving challenging spending reductions continue to be a primary concern for FRAs. The implications of the Local Government Resource review have been an ongoing priority for the Committee.
4. The FSMC met 6 times throughout the year, including a meeting in February 2012 at the Fire Service College in Moreton-in-Marsh. The Fire Commission met 4 times.

Strategic issues

5. In this year, the new relationship between central government and the fire sector, which is codified in the new National Framework, has matured to the extent that there is a much greater clarity of roles and responsibilities and a strong partnership response to dealing with challenges. We have seen this in our continuing work on the future of the Fire College, the development of Future Control and the processes associated with fire pensions' reform. In all these areas FSMC has been influential in achieving better solutions for the sector.
6. In addition to the work priority areas, the FSMC/Fire Commission has examined a range of issues of interest to the sector as a whole, including emerging threats, health and safety, business continuity, 7/7, localisation of business rates, fire safety in rented accommodation, pensions and the problem of false alarms. The Committee set up a working group to

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examine ways to raise public awareness on the case for fitting sprinklers in premises used by or housing the most vulnerable groups.

7. The LGA appoints Members of the FSMC to a range of national bodies. Over the past year these have included the Pensions Committee, the National Resilience board, the Sprinklers' Campaign Working Group and others and Members have reported back to the Committee on developments, seeking a steer, where necessary.
8. Members drawn from the LGA hold 9 of the 14 seats on the Employers' Sides of both the National Joint Council for Local Authority Fire and Rescue Services and the National Joint Council for Brigade Managers of Local Authority Fire and Rescue Services.

Achievements

9. The Committee has made some significant gains throughout the year. These include:
 - 9.1. Successfully lobbying to safeguard the future of the Fire Service College.
 - 9.2. £74 million funding secured from Government for Fire Control Centre projects.
 - 9.3. A new service-led model for the production of national operational guidance for the UK Fire and Rescue Service developed with CFOA, CFRA and the LFEPA.
 - 9.4. Achieving a more gradual increase in employee contributions to the Fire Pension schemes, which will substantially reduce the risk of a mass exodus from the scheme.
 - 9.5. Supporting the negotiation of the new fire pensions scheme which will come into effect in 2015; this includes getting agreement by government to undertake a review the normal pension age for firefighters.
 - 9.6. A prestigious Fire Conference in March in Bournemouth with 227 paying delegates attending. 86 percent of those who responded to our evaluation survey were very or fairly satisfied with the event overall.

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- 9.7. The development of a toolkit and other resources to support a sector wide campaign to raise awareness of the importance to life and the economy of the installation of sprinklers.
- 9.8. A successful LGA Conference event in June this year on the future funding and service delivery for the fire sector.
- 9.9. Press releases on: the Fire Service response to the August riots, outsourcing of key Fire Brigade services and smoke alarms.

Wider Group activity

National Joint Council

10. The independent Chair of the National Joint Council (NJC) issues an annual report to fire authorities each October and that will present a comprehensive overview of the NJC's work. Some of the key areas of work included:
 - 10.1. Detailed development of future employer priorities in respect of reform of terms and conditions of employment for consideration by members. This included working with the Advisory Forum and a wider group of HR professionals in line with National Employer direction.
 - 10.2. Discussion with the trade unions on a number of matters, including pay negotiations, settlement on additional public holidays on terms less favourable than 'normal' public holidays, implementation of the Part-Time Workers Regulations settlement agreements to ensure withdrawal of some 12,000+ Employment Tribunal cases, a claim in relation to sickness absence and annual leave (impact of case law).
 - 10.3. Securing support from DCLG to put in place similar flexibilities in respect of FRA uniformed employees as currently exist for non-uniformed and control staff in connection with redundancy arrangements. It is understood a consultation paper is in the process of being drafted by DCLG to progress the necessary legislative change.
 - 10.4. Managing the industrial relations perspective on pension reform discussions. To date there has been no recourse to industrial action by the fire service unions.
 - 10.5. Joint delivery of Industrial Relations training, building upon the Joint National Protocol

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- 10.6. Joint delivery of conciliation, assisting local parties to identify a mutually acceptable resolution to local issues. Over the last year this has benefitted 9 fire and rescue services on 25 issues.
- 10.7. The Technical Advisory Panel (Independent Chair and Joint Secretaries) met twice in the last year to facilitate agreement between the local parties in 2 FRAs on the matter of the introduction of new shift systems.
- 10.8. The Resolution Advisory Panel (Independent Chair and Joint Secretaries) met once in the last year to resolve a matter of dispute at local level.

Strategic Resilience Board

11. The new Strategic Resilience Board met for the first time on 31 May 2012. FSMC successfully lobbied for two places on the board. Cllr Jeremy Hilton and Cllr Mark Healey have taken up these places and Cllr Hilton has been appointed Joint Vice-Chairman of the Board. At its first meeting the Board received an overview of the current risks and mitigation. The Board will undertake a review of current capacity over the coming months to inform future discussions resilience gaps. The Board is due to meet again in early October and the FSMC members have successfully secured MIRG as an agenda item.

National Resilience Board

12. FSMC is also a member of the National Resilience Board and Cllr Jeremy Hilton takes up this position. The Board oversees the governance of the national resilience assets. In May 2012 the National Resilience Annual Assurance report confirmed that “the National Resilience capability for the Fire and Rescue Services (FRSs) is fulfilling the planning assumptions of the Cabinet Office Civil Contingencies Secretariat (CCS), and that there is no loss or degradation to the National Resilience capability”.

Knowledge, networks and communication

13. We have continued to develop communication between the LGA and the sector to increase the reputation of the Fire Service as part of the Local Government family. Specific actions we have taken include:
 - 13.1. A comprehensive update paper for both the Committee and the Commission at each Board.

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- 13.2. Making good use of our professional advisers, on issues such as operational assurance, and finance.
- 13.3. Raising the profile of the fire sector within local government by hosting a fringe workshop at the LGA's Annual Conference.
- 13.4. Regular features and news in brief in First magazine which goes out to 20,000 councillors.
- 13.5. There will also be a quarterly Fire bulletin to LGA members.

Fire Finance

14. This has been a significant year for finance reform since the government confirmed that fire authorities would be included in the re-localised business rate scheme and this will have potentially long-term implications for fire authorities.
15. Fire authorities will also be affected by the move to localise Council Tax Benefit and the accompanying move to reduce the government funding of the benefit by 10 percent. Major precepting authorities, including fire authorities will share the impact of any increases or reductions in demand for council tax benefits and costs based on the local schemes offered.
16. These changes together with the preparation for the next CSR will be important considerations for fire authorities in the coming year.

Looking forward

17. We will be discussing a new workplan with the FSMC in September. Members' views of priorities are welcomed in advance, so that these can be fully taken into account. At the same time, it is clear that several ongoing issues will remain central to the work of the Committee.
18. Continuing to support FRAs to adjust to budget constraints through efficiencies and improving productivity remains an important priority in the final years of this Spending Review, given that Government reductions have been back-loaded.
19. The scale of liability presented by retained firefighters' retrospective access to the Firefighters' Pension Scheme potentially threatens to impose significant costs on Fire Authorities who have employed retained staff. This risk has been re-emphasised by the Government position outlined in recent discussions between Committee representatives and the Fire Minister. The LGA will need to mitigate the potential impact of retained pension's costs on FRAs in future consultation with Ministers.

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20. Wider reforms to the pension system continue to hold potential for impacting on industrial relations at local and national level. Discussions between all public sector unions and the Government are on-going. Whilst a number of public sector unions took strike action in November, fire service unions were not involved. Thus far, communications between employers and unions have been productive; however the possibility of fire service industrial action remains constant.
21. Preparing for the next Comprehensive Spending Review expected in 2014 will also be a significant area of work for FSMC to take into account when considering its future work programme.
22. FSMC will also want to continue to oversee the roll out of sprinklers campaign and to monitor its impact.
23. National resilience will remain an important issue into the coming years. FSMC is now well placed to be influential in relevant resourcing decisions and will want to pursue important issues such as the continuing concerns around the decommissioning of MIRG.

Resource implications

24. There are not immediate resources implications arising from this report.

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Appendix A

Fire Finance: supplementary information

1. In the following paragraphs we highlight some of the financial details and the implications for the future programme for FSMC.

Grants

2. Government confirmed the grant cuts for directly funded fire authorities 2012/13 at the expected 0.7 percent national average. The overall grant cut for years 2011/12 and 2012/13 has been 6.4 percent but the distribution between fire authorities is very varied (ranging from grant increases to over 13 percent cuts).
3. For county fire services the grant cuts have been front loaded unlike for stand alone fire authorities where the cuts have been backloaded. Therefore where counties have not protected fire services the position has been tougher.
4. For directly funded fire authorities the cash grant cuts for future years were expected to be:

4.1.	2013/14	8.5 percent
4.2.	2014/15	5 percent
5. But the Chancellor's recent announcements on pay restraint and his subsequent assumptions in the settlement may well push these figures higher. The national cash cut in grant funding for fire will probably approach £200 million across the four year period. All services will need to grapple with major cuts.

Council tax

6. Of 30 precepting Fire Authorities 9 increased council tax whilst the remainder accepted the one year grant and froze at 2011/12 levels. The national average grant increase was 0.85 percent and the national average Band D for fire is now £64.12.