

End of Year report

Purpose of report

For discussion and direction.

Summary

This report provides an overview of the issues and work the FSMC has delivered during the last year. It sets out key achievements in relation to the priorities set at the beginning of the year and proposes communicating this information to our member authorities, along with a request for priorities for 2013/14. Priorities for next year will be discussed by the Committee in September.

Recommendations

Members are invited to:

1. note the contents of the paper; and
2. agree this information is communicated more widely to Fire and Rescue Authorities along with inviting priorities for the 13/14 Committee cycle.

Action

Officers to take action as appropriate.

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End of Year Report

Background

1. The political and financial environment has shaped the interests and work of the Fire Services Management Committee over the last year. The spending round announcement in June 2013 confirms the financial position out to 2015/16 as one in which central government funding for Fire continues to decline.
2. The Fire sector continues to demonstrate its enormous value to national and local resilience, demonstrated through the contribution to the success of the Olympic games and in the leadership shown by the sector in the face of extreme weather events in the autumn of 2012.
3. The FSMC met 6 times throughout the year. The Fire Commission met 4 times. There have also been a number of task and finish groups involving the wider membership; the Chairman's dinners around the country to meet FRA Chairs and portfolio holders; and an increasing number of involvement in outside bodies.

Strategic issues

4. This year has been dominated by the financial challenge faced by the sector and the measures that need to be taken to address a decline in government funding and limits on council tax increases. The Facing the Future report by Sir Ken Knight published in March 2013 is a significant milestone in the journey that Fire and Rescue Authorities have been making. It sets out the good practice that is already underway and challenges the sector to do more.
5. FSMC has been at the forefront of calls for reform to be led by the sector and the publication of guidance on the new intervention protocol and Assurance Statements further clarify government and sector roles. FSMC has been influential in shaping the tone and content of the guidance. Partnership and collaboration across the whole sector remains buoyant and this can be seen in the sector led national operational guidance work, the controls projects, and in FSMC's continuing influence, through Board membership, on the direction of the Fire College.
6. The LGA appoints Members of the FSMC to a range of national bodies. Over the past year these have included the Pensions Committee, the Fire Strategic Resilience Board the National Resilience board, the Fire and Police and Crime Commissioners Working Group and others and Members have reported back to the Committee on developments, seeking a steer, where necessary.
7. Members drawn from the LGA hold 10 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.

2012/13 activity

8. In the last year FSMC and the Fire Commission have considered a wide range of issues including; an in-depth discussion of Health and Safety implications of the Atherstone on Stour fire, the Emergency Services Mobile Communications Programme; consultation responses on the Intervention protocol and Assurance Statements; the relationship between the fire sector and community budgets; a submission to the 2015/16 spending round; discussions on the National Framework, the peer challenge programme. There has also been a series of meetings with the Fire Minister and the Chief Fire and Rescue Adviser to progress issues.

Achievements

9. The Committee has made some significant gains throughout the year. These include:
 - 9.1. Securing a place on the Management Board of the Fire Service College, which gives the Committee a continuing platform for ensuring that the needs of the fire sector are met.
 - 9.2. Making the case for a considered view from government of future funding and securing a smaller reduction in revenue funding in the 2015/16 spending round, - 7.5%, compared to a 10% reduction for local government. It is the case however that some funding, around £35 million, has been recycled into a competitive fund (see finance section below).
 - 9.3. A prestigious Fire Conference in March in Brighton with over 260 paying delegates attending. 94 per cent of those who responded to our evaluation survey were very or fairly satisfied with the event overall.
 - 9.4. The successful launch of the Sprinklers toolkit at the annual conference, which for the first time places all the resources required for local campaigning in one place. Agreement has also been secured for a week of coordinated campaigning by Fire and Rescue Authorities in the New Year.
 - 9.5. A successful breakfast event at the LGA conference in July 2013 on the Knight Efficiency Review.
 - 9.6. The publication of the Fire Future Funding Report which provided an analysis of the funding gap FRAs are facing; and which highlighted the importance of prevention work.
 - 9.7. All English FRAs are engaged in the OpA and Fire Peer Challenges, plus the Firefighters Charity, Defence Fire Risk Management Organisation and Northern Ireland Fire and Rescue Service. A total of 21 peer challenges have been delivered to date and Cardiff University has been commissioned to conduct an

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evaluation of the programme. 13 officer and member Peer training sessions were delivered.

- 9.8. The development of a fire-specific Leadership Academy to take place at Warwick Business School in September.
- 9.9. During the last year the Employers' Side of the NJC for Fire and Rescue Services has undertaken an in-depth review of conditions of service. This work will continue to inform discussions on how the future fire workforce will function, as raised by the Knight Review.
- 9.10. The Employers' Secretariat has worked hard with the Unions on compensation arrangements for affected retained duty system employees as a result of the Part-time Workers Regulations employment tribunal cases. We are also seeking to redress the situation through legal advisers and HMRC.
- 9.11. The NJC reached agreement on a number of issues including car mileage rates, sick leave arrangements and a pay award of 1%.
- 9.12. The NJC's Technical Panel met twice to facilitate agreement on a proposed new shift system; in addition six FRAs have referred a total of 15 issues to the NJC's Joint Secretariat. We have also delivered a number of industrial relations training days for fire and rescue services at local level.

Knowledge, networks and communication

- 10. 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:

- 10.1. Launching a new Fire Bulletin which is now a regular quarterly publication from Cllr Kay Hammond, as Chairman of FSMC which goes some way to addressing the issue of learning, rather than just sharing good practice, as highlighted by the Knight Review.
- 10.2. A comprehensive update paper for both the Committee and the Commission at each Board.
- 10.3. Making good use of our professional advisers, on issues such as finance pensions.
- 10.4. Raising the profile of the fire sector within local government by hosting a fringe workshop at the LGA's Annual Conference on the Knight Efficiency review.
- 10.5. Regular features and news in brief in First magazine which goes out to 20,000 councillors.

Fire Finance

11. Government confirmed the grant cuts for directly funded fire authorities for 2013/14 as 7.5 % with a further 7.4% as an indicative figure for 2014/15. The figures between different authorities showed less variation in the last two years but across the whole four years of the spending review there is both significant variation in the cumulative impact of the cuts and on how much authorities rely on those grants.
12. The total reduction in grant funding is £209m (20%) in the four years of CSR 2010.
13. For county fire services the grant cuts have been front loaded unlike for stand- alone fire authorities where the cuts have been backloaded. But cuts for local government in general were still substantial. Therefore, where counties have not protected fire services the position has been tougher.
14. The 2012/13 limit for council tax increase before referendum was 2% but, as a result of LGA lobbying, some freedom was given to authorities in the quartile with the absolute lowest current council tax levels to increase by up to £5.
15. Of 30 precepting Fire Authorities:
 - 15.1. 15 froze council tax and took council tax freeze grant;
 - 15.2. 8 increased at 2%; and
 - 15.3. the remaining 7 (of 8 in the lower quartile) with the freedom to do so increased council tax by £5 which was an increase of between 8-10.4% for those authorities).
16. The national average increase was 2.9% and the national average Band D for fire is now £65.96.
17. The government is going to encourage councils to freeze council tax for the next two years and plans to set the council tax referendum threshold at 2 per cent for 2014-15 and 2015-16.

2015/16 Spending Round

18. The headline announcement seemed to indicate that Fire and Rescue services had been protected to some degree (at least compared to general local government including county FRS's) from the cuts in grant funding "The Government is relatively protecting fire and rescue authorities by applying a 7.5 per cent reduction to their budgets overall. "
19. However as the figures were analysed, it became clear that fire was actually receiving a 10% grant cut, the same as local government, but would have the opportunity to mitigate against these cuts by bidding into a newly created £30 million "resource fund" which is to

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encourage joint working between fire and rescue authorities and collaboration with other blue lights services.

20. Trying to interpret the overall outcomes is made more difficult by changes to the funding mechanism for local government and the increases in grant arising from schemes like the council tax benefit localisation.
21. The announcement for specific authorities will be made in the normal way in late November/December 2014.

Looking forward

22. We will be discussing a new workplan with the FSMC in September. As last year, the Chairman is proposing to write out to Member authorities, letting them know how we have taken forward their issues from this year, and asking for further suggestions for priorities for the year ahead. 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 issues are on-going which will require attention from the Committee next year.
23. Continuing to support FRAs to adjust to budget constraints through efficiencies and improving productivity remains an important priority between now and 2015/16.
24. Preparing for the next Comprehensive Spending Review which is expected in 2015 after the next general election will remain a significant area of work for FSMC to take into account when considering its future work programme. The Knight Review has set out a range of options for short term efficiencies and long-term reform and there is a key leadership role for FSMC in taking this agenda forward.
25. The scale of liability presented by retained firefighters' retrospective access to the Firefighters' Pension Scheme potentially threatens to impose significant costs on Fire Authorities. The issue of who bears this cost is still unresolved and FSMC will continue to press government for a favourable outcome for the sector.
26. FSMC will also want to continue to show leadership in the sprinklers campaign, where there has been some encouraging change in tone from Ministers.
27. National resilience will remain an important issue into the coming years. FSMC's presence on the Fire Strategic Resilience Board and the National Resilience Board ensure that it will retain influence over the agenda. The Strategic Resilience Board will continue to review priorities and asset renewal over the coming year. FSMC has called for a review of national resilience to parallel the Knight review, which has been largely silent on this issue.