**Inspection and Fire Peer Challenge**

**Purpose**

For discussion and direction.

**Summary**

The Home Office has set out its proposals for re-introducing an inspectorate for Fire and Rescue Authorities. This paper summarises them and proposes an LGA response.

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| **Recommendation**The Committee are asked to approve the course of action set out in paragraph 21 and to identify a cross party group of FSMC members to engage in the ongoing development of the Operational Assessment and Fire Peer Challenge.**Action**Officers to take forward the Committee’s comments, recommendations and decisions. |

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**Inspection and Fire Peer Challenge**

**Background**

1. During the committee stages of the Policing and Crime Bill, the Shadow Fire Minister, Lyn Brown MP, tabled amendments to establish a national fire and rescue inspection regime. The Fire Minister responded by stating that the government was reviewing the issue of inspection and that proposals might be brought back later in the Bill’s passage through Parliament.
2. The Home Secretary’s speech on fire reform on 24 May identified accountability as one of the three areas the reform agenda would concentrate on, and set out how the transparency of the fire and rescue service would be strengthened. At the heart of the proposals announced by the Home Secretary is a plan to reintroduce an inspection regime to help Fire and Rescue Authorities (FRAs) and Police and Crime Commissioners (PCCs) hold the service to account.
3. To support greater transparency the Home Secretary also announced the Home Office will be publishing performance information on the fire and rescue service, which will then be made available for the public so they can compare individual services. The information to be published will cover for example information on value for money and diversity.
4. In her speech the Home Secretary noted the role of Fire Peer Challenges in driving self-improvement but criticised the Peer Challenge process on the basis that chief fire officers could handpick their own reviewer, set their own terms of reference and decide whether or not to publish the results, which in the view of the Home Office means it is unable to provide assurances to the public.
5. When the Home Office’s inspection proposals were discussed at Fire Commission the Interim Director of Fire and Resilience, Dan Greaves, said the future relationship between Fire Peer Challenge as a self-improvement tool and inspection was an important one, and it was possible for the Peer Challenge to co-exist alongside inspection.

**The future fire inspection regime**

1. Although the Home Secretary’s speech contained little detail about what an inspection regime would look like, and we understand the Home Office is still working on options, the amendments tabled by the government at Report Stage of the Policing and Crime Bill provide some clues. Her Majesty’s Inspectorate of Constabulary (HMIC) appears to provide the inspiration for the new fire inspectorate. The current HMIC inspection regime sees HMIC produce annual assessments of force performance through the Police Efficiency Effectiveness and Legitimacy (PEEL) inspections, as well as thematic reports on topics such as the police response to domestic abuse.
2. The Home Office’s amendments would allow the Home Secretary to appoint a chief inspector, other inspectors and assistant inspectors to inspect, and report on the efficiency and effectiveness of, fire and rescue authorities in England. These reports would be published.
3. The chief inspector would also have to publish an Inspection Framework, a proposed programme of inspections and an annual report. The Home Secretary would also be able to commission inspections of particular authorities or types of authority or of particular aspects of their work.
4. Inspectors would not however be able to report on the preparation of fire and rescue plans and statements, the FRAs function as a precepting authority, or the appointment of a chief finance officer. Where the powers of the FRA have been delegated to a chief constable by a PCC, the inspection would not cover the FRA’s role in holding the chief constable to account as the functions, actions and decisions of the PCC will be scrutinised by the police and crime panel. This provision mirrors that in the legislation around PCCs, where they are not subject to inspection by HMIC.
5. The proposals currently leave a number of unanswered questions. Most importantly the cost of the inspectorate and how this will be funded is not yet determined. It is also unclear how the inspectors will be recruited and what background they might be from. There is no clarity either over how the provisions set out in the amendments around inspection will work in relation to county or unitary fire and rescue authorities, and the scope of the inspectors to look at other functions of the councils where they may impact on the efficiency and effectiveness of the fire service.

**Issues**

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| **LGA view**1. The LGA’s and the Chief Fire Officers Association’s (CFOA) Operational Assessment (OpA) and Fire Peer Challenge process was developed as a sector-owned mechanism to support continuous improvement in fire and rescue services. It was developed by the sector for the sector and was never designed with the intention of providing assurance to parliament or government departments that fire and rescue authorities were meeting their statutory duties, and it was certainly not conceived as an inspection regime.
2. The requirements in the National Framework to publish statements, analysis and information provides the Home Office in the LGA’s view with a means of assessing the efficiency and effectiveness of the fire service.
3. Fire and rescue authorities must publish an annual statement of assurance on financial, governance and operational matters; publish an Integrated Risk Management Plan setting out key risks in their area and how prevention, protection and response activities will be used to mitigate these risks; and obtain an external audit of their accounts including an opinion on the value for money and financial planning undertaken by the authority. Intervention powers are already available to the government through the Chief Fire and Rescue Adviser, who is already appointed as an inspector under the 2004 Act.
4. The OpA and Fire Peer Challenge programme is successful, with all English Fire Authorities having undertaken one since its inception in 2011. In 2013 the LGA and CFOA commissioned Cardiff Business School to undertake an independent evaluation of the programme. The evaluation demonstrated the process is highly valued by the sector. It was reported that the Operational Assessment and Fire Peer Challenge:
	1. provides a structured and consistent basis to drive continuous improvement;
	2. provides councillors and chief officers with information that allows them to challenge their operational service delivery to ensure it is efficient, effective and robust;
	3. is an effective way of ensuring the sector as a whole improves;
	4. is a transparent mechanism for providing challenge to Fire and Rescue Services; and
	5. acts as a robust mechanism for providing challenge to the sector.
5. The programme has also brought wider benefits. Peers emphasize the value of the process for their own personal learning and development. Many have described the peer experience as ‘a great development opportunity' and one that helps to them reflect on their own services' practice.
6. The evaluation identified 8 recommendations to further improve the approach:
	1. Assess whether different types of peer challenges might be appropriate;
	2. Introduce more flexibility within the process so that there is variation in time spent on site;
	3. Update the OpA Toolkit to further focus on transformational change, efficiency, innovation, collaborative working and finance;
	4. Widen the composition of the team to include peers from outside the sector;
	5. Ensure that the reports are robust and comprehensive;
	6. Formalise the current arrangements so that services may receive additional follow up peer support;
	7. Ensure that where performance data exist, this is used to compare how fire authorities are performing; and
	8. Improve the dissemination and signposting to good practice across the sector.
7. An LGA and CFOA working group was established to address these recommendations. In 2015 a revised version of the OpA and Fire Peer Challenge Toolkit was launched and demand from the sector continues to be positive.
8. Fire Peer Challenge is delivered at no direct cost to the receiving FRA and continues to be part of the LGA’s overall offer to all local authorities around corporate peer challenge.
9. The introduction of an inspection regime for fire and rescue authorities raises significant questions about the future of the Fire Peer Challenge and OpA process. The introduction of an inspection regime with the resources fire and rescue services will need to respond to it, could mean there is diminishing demand in the future for the Fire Peer Challenge, especially if the fire inspection framework covers much of the same ground as the Fire Peer Challenge. Working closely with the Home Office as the inspection regime is developed would enable the design of the Fire Peer Challenge to be tailored to retain its relevance and use to fire and rescue services, and the Interim Director of Fire and Resilience has indicated he wishes to discuss with members how fire inspection and Fire Peer Challenge could coexist alongside each other.
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**Next steps**

1. The LGA has consistently argued that inspection is not the best means of driving improvement and performance, and that sector-led improvement is a better means of driving lasting improvements in services. One option that the LGA could pursue would be to seek to amend the Policing and Crime Bill to remove the provisions on fire inspection. However the government has clearly stated its intention in recreating an inspectorate, and in the debate at Report Stage on the inspection provisions the Opposition supported establishing a fire inspectorate. It would therefore be difficult for the LGA to secure support in the House of Lords for amendments that present an alternative to inspection.

1. It is therefore proposed that the LGA:
	1. Engages with the Home Office to shape and influence the design and creation of the fire inspectorate to ensure that Fire Peer Challenge can coexist alongside the new inspection regime, and that any inspection regime is appropriate and proportionate to the needs of the fire and rescue service.
	2. Pushes for the list of functions excluded from inspection in the Policing and Crime Bill to be amended to ensure that the non-fire functions in county and unitary fire authorities are not subject to inspection.
	3. Continues its commitment to the principle of sector-led improvement in the fire and rescue service through OpA and Fire Peer Challenge, which provide an important tool for improvement. LGA officers will consider with CFOA how the tool can be improved and strengthened to maintain its relevance.

1. Members are asked to approve the course of action set out in paragraph 21 and to identify a cross party group of FSMC members to engage in the ongoing development of the OpA and Fire Peer Challenge.

**Financial Implications**

1. None.