

Fire Spending Review Proposal

COLLABORATIVE LGA AND NFCC SUBMISSION FOR SR2021

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Introduction

This document represents the fire sector request for funding to inform the Spending Review 2020-21. It has been developed in collaboration with colleagues in the National Fire Chiefs Council (NFCC) and Local Government Association (LGA) and will focus on three key elements:

1. The base case for Fire and Rescue funding and productivity opportunities
2. Significant cost pressures
3. Improvement activity arising from the Grenfell Tower and other Recommendations

These elements are well aligned with the ministerial priorities of People, Professionalism and Governance.

Her Majesty's Inspectorate of Constabulary, Fire and Rescue Services (HMICFRS) State of Fire Report identified that Fire and Rescue Services (FRS) funding position and pressures vary widely, with some services struggling to meet operational requirements. Given that the process for establishing a new Fire Funding Formula has been paused and is not covered in this proposal, changing referendum limits to allow Council Tax precept flexibility of £5 for all FRS is the only viable option for addressing local funding issues.

1. The base case for Fire and Rescue funding – Securing an inflationary increase to FRS funding to maintain firefighter numbers

A decade of austerity measures has had significant impact on fire and rescue services under all governance models. As some fire and rescue services (FRS) in embedded governance models such as county councils and are part of a wider budget where data can be inconsistent and not readily available, figures quoted here are for the 29 standalone Fire and Rescue Authorities (FRAs). In 2009/10 core spending power was estimated at £1,523m, falling to £1,373m in 2020/21ⁱ, equating to a cut of 28.55%ⁱⁱ in real terms.

FRS capabilities are built around our people. Staff costs make up a large proportion of fire and rescue service budgets and therefore it is inevitable that staff numbers have declined whilst services have had to make cuts, with full time equivalent firefighter numbers declining from 41,201ⁱⁱⁱ in 2010/11 to 32,233 in 2018/19, a fall of 21.77%. Despite this, Her Majesty's Inspectorate of Constabulary, Fire and Rescue Services (HMICFRS) found in their 2018/19 State of Fire report that the sector is generally effective in responding to fires and other emergencies^{iv}. This shows the sector's ability to deliver savings whilst maintaining response services. The picture is not the same for Fire Protection (fire safety audit of buildings), a vital part of integrated service delivery and risk reduction.

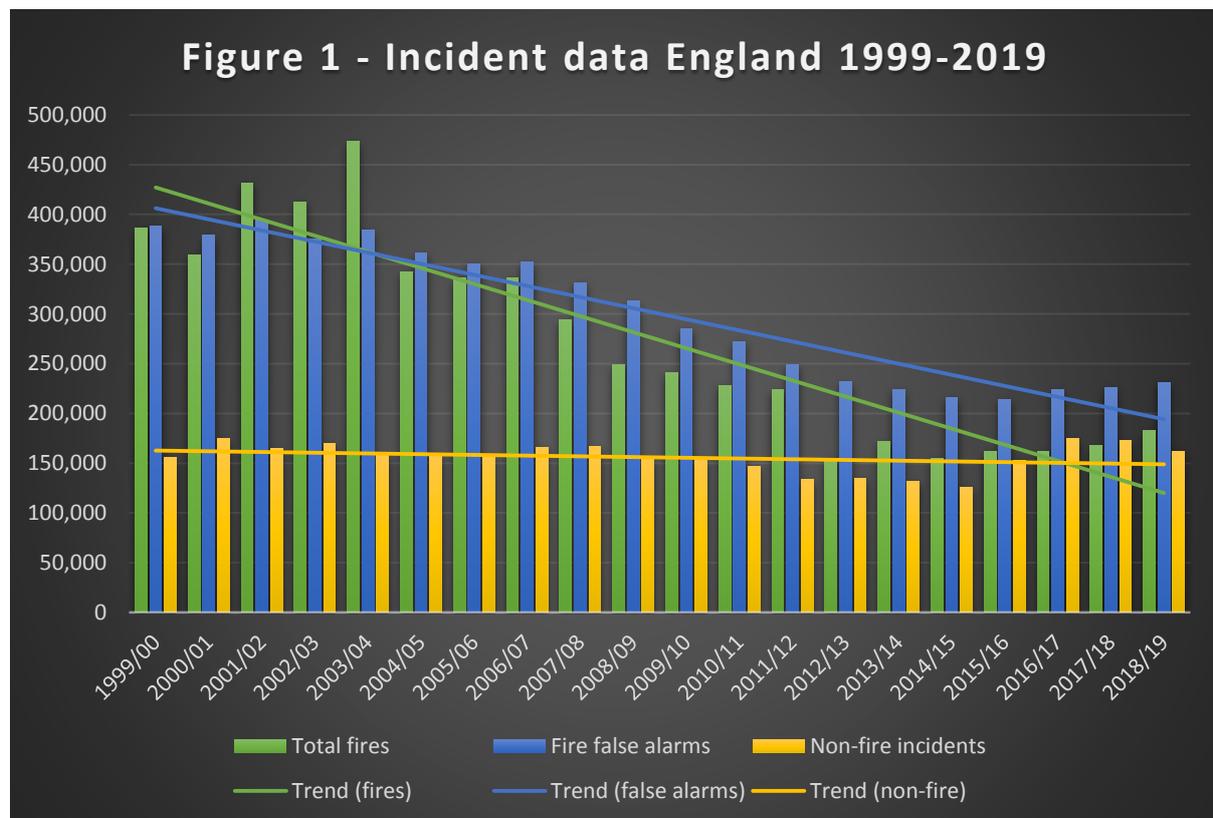
The Inspectorate, and the sector, have identified a number of areas for improvement (which will be covered later in this report) but it is clear that improvement activities cannot be delivered if staff numbers are reduced further due to a) needing a base of resource to respond to risk and b) needing the capacity to deliver improvement activity.

1.1. Resourcing to Risk

Unlike some public services which are demand led, we need to have enough resources available to provide an emergency response even in times of exceptional demand. This includes the ability to deal with large scale emergencies and/or a range of smaller incidents but all occurring simultaneously and/or incidents that are of extended duration.

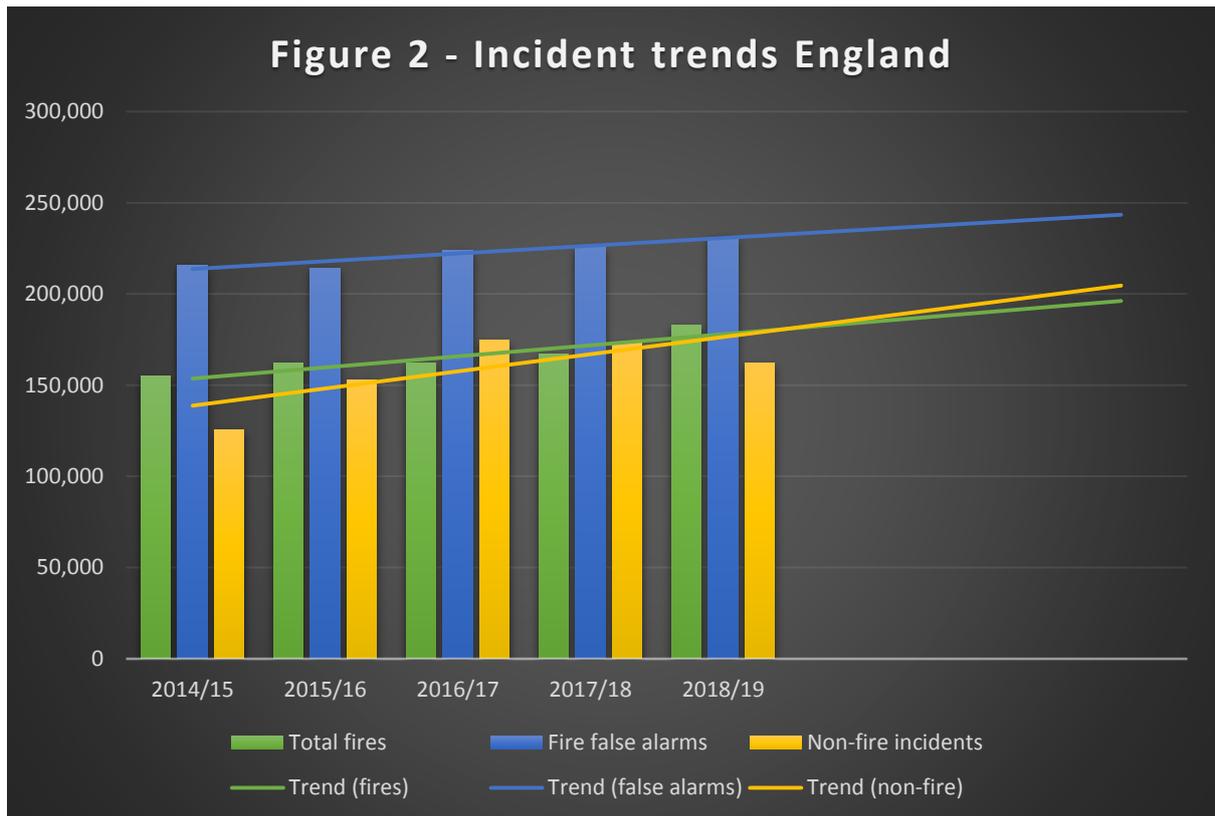
This resilience is vital to ensuring safe systems of work for our people, enables cross-border working (such as that seen in recent wildfires and flooding incidents such as the Whaley Bridge dam collapse) and has enabled significant support for other agencies during the COVID-19 pandemic. FRS are needing to plan, train and respond to an increasing number of weather related incidents such as flooding and wildfire and these risks are likely to increase due to climate change. The LGA and NFCC would welcome a review of Fire and Rescue Statutory duties to include response to flooding. Whilst many FRS have some capability to respond to these incidents, support for a consistent approach based on risk is needed and would require a capital investment similar to that made by the Welsh Government.

Whilst over the long-term incident numbers are down, there is evidence that this trend is reversing, demonstrating the need for continued resourcing for both service response and preventative activities.^v



Cutting firefighter numbers further at this time would prohibit FRS ability to meet the inherent risk and have a negative impact on the sectors aspiration to create a more diverse workforce by having fewer vacancies which can be filled by people from under-represented groups.

The benefits of a diverse workforce are well documented; engendering trust by representing the communities we serve, creating positive culture, removing barriers to potential high quality recruits and bringing diversity of thought to planning and decision making. Developing a workforce for the future is a key area of reform for FRS and high up the LGA^{vi} and NFCC agenda^{vii}. We need to do more to support staff and improve culture, progress towards which will be inhibited if there are further cuts to funding.



Initial analysis of response times when compared to firefighter numbers has shown significant correlation between a reduction in English firefighter full time equivalent (FTE) and slower response times, since 2009^{viii}. This data suggests that a further reduction in FTE firefighters of approximately 6,000 England-wide corresponds to an increase in average response times of 30 seconds^{ix}. Whilst this correlation does not directly indicate the cause of slower response times which may be impacted by factors such as traffic, funding pressures have resulted in greater use of On Call (part-time) staff which inevitably slows response. There are inherent risks with the On Call model of resourcing as FRS are struggling to maintain reliable response due to the appeal of the role, commitment required, financial reward and changes to lifestyles and primary working arrangements reducing availability of On Call staff. There are significant differences with how the system works across England, with some FRAs concerned about the future of the on-call system, and some experiencing a good availability of staff. Therefore, more work is necessary to see how we can ensure that the system can be sustainable for everyone into the longer term. Government support for a review of the system would be welcomed. However, it is clear that any alternative to the current system would have cost implications and require funding to deliver.

1.2. Resilience in times of crisis.

Throughout the COVID-19 pandemic FRS have demonstrated their ability to flex their resources, with minimal additional financial support, to support other agencies in time of crisis. This is in addition to the ongoing support that FRS give other blue light services; with medical co-responding and gaining entry activity common. Few other agencies have the geographical spread of local resources that FRS do, with good levels of public trust^x which enables support to vulnerable people in our communities. To the end of June 2020 FRS had delivered considerable additional activity as shown in figure 3.

The NFCC has evidenced how it can support individual FRS and national government by co-ordinating efforts. It has issued communication and guidance to assist fire and rescue services to see their way through this national health emergency, whilst working with partners in other agencies; including nationally with the National Police Chiefs Council and Ambulance Chief Executives, which complemented the local work of FRS through the local resilience forum or similar.

The NFCC, National Employers and Fire Brigades Union have evidenced how they can support individual FRS and national government through the unprecedented tripartite agreements which have been generated to enable such activity.

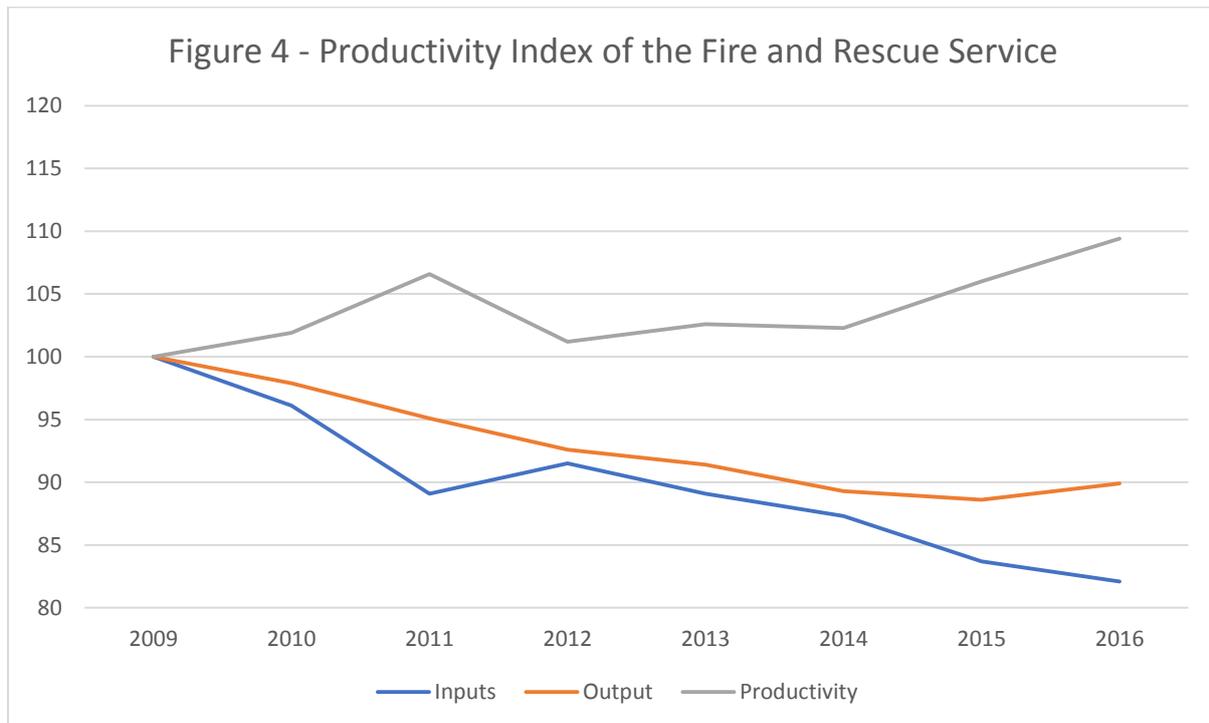
Figure 3 – TRI-PARTITE AGREEMENT COVID-19 Additional Activity delivery March – June 2020



1.3. Productivity: Capacity to deliver increased fire prevention and protection activity

We understand that all public services are under pressure to deliver more effectively and efficiently in light of the economic climate and public scrutiny. There are however opportunities to improve FRS by making incremental improvements within existing resources.

HMICFRS found that many services are under-resourcing prevention and protection and need to make sure their workforces are more productive. Office of National Statistics data^{xi} shows that productivity of FRS has improved since 2009, perhaps inevitably as a result of reduced staffing numbers.



FRS already use their station based staff to deliver targeted fire prevention and protection in their local areas. There is an opportunity to better utilise the fire station based workforce to conduct more home and business fire safety checks in the community. This would have a positive impact on productivity and morale whilst providing an opportunity for FRS to invest in the development and training of staff. One outcome of having fewer fires to attend has been the need to increase training so firefighters are safe as possible when they do attend emergency incidents. Fire station based personnel carrying out more routine fire protection work will improve their knowledge of the built environment and free up higher trained inspecting officers and fire engineers to deal with more complex buildings to support the new building safety regime.

We know that the number of home fire safety checks carried out by fire and rescue services has reduced by a quarter since 2011^{xii} and that fire safety audits have reduced by 42% over the same period^{xiii}. We believe that FRS have the capacity to deliver a significant productivity increase within existing resources over the three year spending review. Directing 3% of wholtime capacity to these interventions would give FRS the opportunity to deliver up to 523,000 additional hours of activity nationally^{xiv} which would equate to an additional 18,000 basic fire safety audits^{xv} (with more complex activity being undertaken by specialist protection teams, who will be freed up by the increase in capacity to undertake lower level audits) and 65,000 home safety checks per year^{xvi}.

There may be further opportunities to improve workforce productivity by diversifying the work undertaken by staff, in line with 'Fit for the Future'.

1.4. Productivity: impact and outcomes

It is estimated that, in addition to making communities safer and reducing harm from dwelling fires, 65,000 home safety checks will deliver an economic benefit of £127m^{xvii}. It is not so easy to identify the direct impact of regulatory fire safety audits and inspections on fires given the very different nature of the sectors that those buildings represent (that range from large hospital complexes to small takeaway food outlets). It is evident that more regulatory fire safety audits will increase the rate at which issues with the built environment, identified through the Government's Building Safety Programme, are able to be addressed. Over the 10 years between 2009/10 and 2018/19 there have been 3,631 fewer accidental fires across England in non-domestic buildings. At 2019 prices, this represents an estimated economic saving to society of £370 million, this reduction is supported by the inspection and enforcement work undertaken by FRS.

The Outcomes of this additional work are expected to be:

- Reduction in number of fires in domestic premises
- Reduction in deaths from these fires
- Reduction in injuries
 - By targeting specific vulnerable groups e.g. elderly and disabled people
 - Providing community safety checks, like smoke alarm etc.
- Reduction in damage to properties from fires as there are fewer domestic fires and less damage as fires that do happen cause less damage
- Advise wider cross Government policies such as security, crime prevention and health and well-being
- Audits resulting in
 - Eventually, a greater proportion of satisfactory fire safety audits
 - publicity - using media to increase the deterrent effect

1.5. Efficiencies: Delivering collaborative procurement

The NFCC established its national procurement programme in 2015, with individual FRS taking a lead on each category of major expenditure. The programme resources were boosted by transformation grant funding awarded by the Home Office in 2016-17, with the programme expected to deliver savings from collaborative procurement of £27m by 2024-25 and the National Procurement Strategy for Fire published in 2018. As transformation funding was exhausted during 2019-20, the programme is now resourced by the sector and the national savings register has evidenced savings of £13m.

The Fire Commercial Transformation Programme operates under 3 key principles:

- Standardised requirements: developing agreed standard specifications that are operationally driven rather than procurement-led.
- Aggregated volumes: FRS that bring larger volumes to market typically get better deals. Where possible, i.e. non-fire specific goods and services, consider the wider purchasing power of other public sector organisations.
- Collaboratively managed contracts and suppliers: joined-up strategic engagement, supplier performance and contract management

The programme is therefore on track to deliver the remaining £14m of savings over the spending review period, which will be utilised by FRS to offset internal cost pressures. Further investment will generate even bigger savings.

1.6. Efficiencies: Delivering technological improvement

HMICFRS found that the use of technology in FRS varies considerably, and that whilst there are pockets of innovation the sector as a whole can use technology better. This view is supported by a recent study by Leeds University^{xviii} which found that the condition of FRS ICT infrastructure differs greatly across England with a number of services facing significant ICT challenges. The NFCC have responded to this by launching its Digital and Data Programme^{xix} to support services.

It is apparent that in order to deliver transformative technology which will support business operations, promote productivity, operational decision making and service improvement to the public, significant investment will need to be in FRS technological capability. FRS have already identified improvements needed and have incorporated digital transformation into their change programmes, often funded by reserves^{xx} This investment will not be possible if baseline funding is cut and therefore reserves will be required to support revenue budgets rather than make sustainable changes.

2. Significant Cost pressures – funding for national issues which are putting long-term pressure on FRS budgets

There are a number of issues impacting on the financial sustainability of FRS (amongst other public services) which could have a detrimental impact on the ability of FRS to maintain their services to the public.

2.1. Pay

Firefighters have been subject to pay freezes and below-inflationary increases during austerity and the sector is under significant pressure from unions to deliver a large pay rise in 2020. The National Employers' position, following consultation with Chairs and CFOs, is that any pay rise beyond 2% in 2020/21 would be unaffordable for the sector without additional government funding. Any agreements will be subject to the NJC negotiation process. It is estimated that a 2% increase would cost the sector at least £25m^{xxi} per year, representing more than 1% of total funding for FRS. Beyond 2020/21 it is expected that the pressure for pay awards above 2% will increase.

Looking forward, it is clear that the sector would need an increase in central FRS funding if it is going to reform firefighters' roles in line with ongoing and emerging objectives. Any further reforms would need to be supported and sustained by Government funding, previous costing estimates for this have been in the region of 15% of firefighter pay.

2.2. Pensions

Pension cost pressures and administration issues are a significant risk to FRS budgets. Local administration carries inherent risks, particularly around discrepancies in treatment of pension administration changes and whilst there have been several joint procurement exercises between FRS, there is further opportunity to seek collaborative solutions to pension administration.

2.2.1. GAD revaluation

The 2016 GAD revaluation resulted in a headline rate increase of 12.4% of employer pension costs, which in 2019-20 equated to £125m. The Home Office have agreed to fund £115m of this pressure in 2019-20 and 2020-21 but this will need to be added to base budgets rather than offered as a grant to ensure financial sustainability and FRS ability to plan their resources. As pay costs increase, so do employers' pension costs and therefore this would also need to be reflected in funding.

2.2.2. McCloud/Sargeant

There are two issues arising from the potential remedy for discriminatory conditions of tapering in to the 2015 firefighters pension scheme (FFPS):

1. Pension administration costs; amendments to software capability will be chargeable as a special project by third party administrators and it is estimated that will cost the sector in the region of £1.2m^{xxii}, given the proposed implementation date of 1 April 2022, work will need to commence early in 2021.
2. Increased employer contributions which are likely to impact on FRS budgets in the next valuation, with rates being implemented from 2023-24 and therefore within the three year spending review period. At the moment the sector has no information on what the costs of remedy to Firefighter and Local Government Pensions schemes will be, but given central estimates of £2.5bn per year for all schemes^{xxiii} it is clear that this cost pressure cannot be borne by FRS as there will be a significant impact on delivery of services to the public.

2.2.3. O'Brien/Matthews

There are three issues arising from the potential remedy for discriminatory conditions against part-time workers prior to 2000:

1. Pension administration costs; amendments to software capability will be chargeable as a special project by third party administrators and it is estimated that will cost the sector in the region of £1.2m^{xxiv} the timing of which is subject to timescales of remedy
2. Pension administration costs; experience of the 2006 modified pension exercise was that this was a considerable burden for those FRS with high numbers of on call staff. It is likely that there will be further take up as any additional employees pension contributions can be deducted from pension due, so at no detriment to the pensioner. It is estimated that this burden will fall to FRS payroll, HR and finance teams at a further cost of approximately £1.4m^{xxv} to English services
3. Increased employer contributions which are likely to impact on FRS budgets in the next valuation, with rates being implemented from 2023-24 and therefore within a potential three year spending review period. At the moment the sector has no information on what the costs of remedy will be (and this is also likely to be tied up in the wider scheme valuation).

2.3. Impact of COVID-19 on Collection funds

The COVID pandemic has had a significant impact on FRS, with business continuity processes being in place since March 2020. Whilst the impacts of the pandemic and subsequent lockdown are yet to be fully understood, the resulting recession will impact on households' and business' ability to pay their Council Tax and Business Rates. The impact will be felt across the sector, with FRS picking up a proportion of the collection fund deficit from 2021-22, there may be a higher degree of impact on embedded FRS which have conflicting priorities such as adult social care and children's services.

It is currently difficult to collate data from billing authorities but national forecasts for income losses in 2020-21 are^{xxvi}

- 4.54% of Business Rates = **£31.1m** for standalone FRAs
- 2.88% of Council Tax = **£24.5m** for standalone FRAs

For context, these losses of £55.6m are equivalent to 1,300^{xxvii} firefighters or around 6% of the wholtime workforce^{xxviii} in just one year. Whilst the MHCLG announcement in July allowing local authorities three years to settle collection fund deficits is welcome, we request funding equivalent to, or protection from collection fund losses to prevent cuts to front line services being made as a result of the pandemic. Given there will be local variation in collection rates, precept flexibility for fire would also support the ability of FRS to set balanced budgets over the medium term.

2.4. National Resilience

New Dimensions assets are now coming to the end of their life and require replacement at an estimated cost of £100m. We are clear that financial responsibility for New Dimensions national resilience capability sits with the Home Office and should not become a burden on FRS. The sector positions is that future funding should not be subsumed into the Revenue Support Grant where transparency around the amount and allocation will be lost.

2.5. Emergency Services Network

The Emergency Services Network should improve digital capability in FRS. The delay in roll out of ESN is well documented and we are clear that additional costs arising from central issues with the programme should not become a burden on FRS. Recent research has found that the length of the

ESN programme is creating inertia and restricting innovation by suppliers as well as the potential financial impact. Clarity is needed on the impact at local FRS level to support planning and risk awareness.

3. Sector Improvement – delivering enhanced building safety and ensuring FRS are Fit for the Future

3.1. Focus on Protection

The HMICFRS State of Fire report found that “Many services don't do enough to make sure premises comply with fire safety regulations “, “There is an inconsistent approach to the number of inspections services carry out” and “The lack of fire safety enforcement is a concern”. Protection teams have been disproportionately affected by funding cuts within FRS over the last decade, partly due to the rise of prevention since 2000 and more recently as FRS commit to protect frontline operational firefighters in response to public consultation. Consequently, the number of Protection staff have reduced by as much as 32% in the last eight years^{xxix}, resulting in a loss of specialist skills and experience throughout FRS. This shows that there has been an underinvestment in fire safety under the existing regime.

There is a clear need to invest more in protection activity as the sector responds to systematic deficiencies highlighted by the Grenfell Tower Investigation (GTI), with particular focus on high risk, high rise buildings. Dame Judith Hackitt’s recommendations in the Independent Review of Building Regulations and Fire Safety – Building a Safer Future and resulting legislative changes have increased the duties and responsibilities for Protection teams.

The fire sector is progressing work to build understanding, capacity and capability to meet the requirements of the Building Safety Programme and recent findings for more complex buildings. Whilst there is an opportunity to boost the number of inspections delivered using existing staff as outlined in section 1.5, targeted investment is needed to ensure that services are able to deliver against the new fire safety regime in a safe and sustainable way.

3.1.1. 2020-21 Grant Funding

In the 2020-21 financial year, £20m has been granted to the sector for enhanced protection activity with a further £10m available for implementation of the Grenfell Tower Inquiry Phase 1 report, of which £1.6m is being retained by the Home Office to deliver Control Room ICT infrastructure enhancements.

£21.4m in total has been granted directly to FRS support specific pieces of work, to deliver:

- Building Risk Review Exercise via MHCLG grant - £6m
- The Protection Uplift Programme - £10m
- Recommendations from GTI phase 1 report including purchase of smoke hoods - £5.4m

£7m has been granted to the NFCC (via CFOA Charity) in addition to established £1.5m funds for leadership and standards

- £4m for the Fire Protection Hub and Building Safety Team, including support to FRS for the work above, via MHCLG grant, the benefits of which were outlined in the Protection Board: Programme Business Case finalised on 6 March 2020 and delivery to date of:
 - Framework for Managing Risks for High-rise Residential Buildings with ACM Cladding
 - High-rise Residential Buildings Interventions Feasibility and Impact Assessment
 - Costs for Safety Interventions in High Rise Residential Buildings
 - Risk Assessment Process for High Rise Residential Buildings for the Protection Board Building Risk Review Process

- £3m uplift for Improvement Capability of the sector, to include recruitment of specialist expertise, NFCC capacity and enhance Programme Management Office programme plans, which is covered in more detail on pages 11-13 of this report

3.1.2. Investment needed over the spending review period

Whilst this one-off funding is welcome and will deliver significant improvement to the sector’s protection capacity as well as specific pieces of work (such as assurance on high risk, high rise buildings), it is the first investment in fire protection via FRS for many years and represents only 1.3% of core spending power^{xxx}. Sustained investment will support continued delivery against priorities already identified through legislative review, which align with ministerial priorities:

- Building upon 2020-21 Grant funded activity to consolidate FRS protection teams’ competence and capacity to respond to new legislative environment – maintaining the £10m Protection Uplift Programme to support sustainable recruitment in to specialist roles.
- It is assumed that the *High Rise High Risk Review* exercise was a one-off pending introduction of new legislation. If this work is to continue, ongoing funding of £6m is required
- The current Protection Board Programme is planned to run until December 2021; Augmenting the £0.7m NFCC funded Building Safety Team via a £3m per year grant (£0.75m in year 1) to the Fire Protection Hub will maintain capability in key specialist areas to support new legislative requirements – this represents a £1m saving against the initial investment as individual FRS build their capacity and capability in Fire Safety

Figure 5 – Building Safety Team – planned annual investment

Data & analytics	Fire safety	Central Policy	Comms & education
current staff	current staff	current staff	current staff
new analysts	new legal advisers	new policy/admin staff	new comms/ed staff
IT and software	contracted services	hub leadership	learning
expenses	flexible resource, FRS	miscellaneous	engagement
£0.52m	£0.67m	£0.89m	£0.92m

The board aims to strengthen protection activities across FRSs in England and is charged with delivery of the ministerial commitment to increase the pace of inspection activity across high rise/high risk buildings to inspect or assure these properties no later than December 2021. The board has been developing a programme of work to meet this new expectation and increase the capacity of services ahead of the new Building Safety Regime, helping to identify and help resolve fire safety issues before other major incidents occur. The work of the board will be essential in supporting the new Building Safety Regime going forward, central support capacity will continue to be needed alongside:

- New burdens are being placed upon FRS through the introduction of new legislative requirements. The Fire Safety Bill familiarisation costs are expected to be £0.7m in year 1, with ongoing costs of fire safety inspections increasing by £0.7m^{xxxi}
- The draft Building Safety Bill has identified in its central case £30.3 - £44.7m of ongoing costs^{xxxii} for FRS to support the safety of 1.7m homes
- The impact assessment for the uplift to the Fire Safety Order and changes to building control consultations with FRS are still unknown but will not be insignificant

3.2. Fit for the Future – enhancing professional expertise

HMICFRS has identified an urgent need for the sector to enhance its capability to deal with existing and emerging issues: the assessment of risk, data needed to inform decision making, developing a diverse and inclusive workforce which is appropriately trained to prevent and respond to incidents and incorporates learning. These issues are well highlighted by the Grenfell Tower Inquiry, Lord Greenhalgh’s ministerial priorities, the LGA Fire Service Management Committee and previous reviews of Fire (such as Thomas/ Knight). The NFCC, LGA and National Employers (England) have therefore developed a “Fit for the Future” plan which identifies sector improvement objectives.

The NFCC Central Programme Office (CPO) coordinates the multiple improvement programmes of work on behalf of the NFCC. This overarching coordination helps the NFCC avoid duplication; prioritise work more effectively; and develop solutions and tools more efficiently which support fire and rescue services where a national approach would be beneficial. The NFCC CPO also provides support to the Fire Standards Board and coordinates the development of the full suite of Fire Standards. The guidance that underpins each Fire Standard will be developed by the subject matter expertise drawn from the NFCC network of services and other relevant stakeholders. All NFCC products and Fire Standards will be subject to Quality Assurance to ensure those products have been produced efficiently and effectively involving all stakeholders and are fit for use. Use of those products, especially when they underpin fire Standards, will help bring about national consistency and drive transformation across services^{xxxiii}.

Development of guidance and standards works well but it has been identified that the FRS needs a central resource to aid implementation and support consistency. The NFCC working with the LGA is well placed to provide this implementation support, subject to funding.

3.2.1. 2020-21 Grant Funding

In the 2020-21 financial year, a £3m grant has been provided as an uplift for Improvement Capability of the sector, to include recruitment of specialist expertise, NFCC capacity and enhance Programme Management Office programme plans. This funding is in addition to the £1.5m funding available for the Fire Standards Board. The deliverables against this funding have been identified in the Home Office Grant Conditions^{xxxiv} and performance against plans will be monitored on a quarterly basis.

3.2.2. Investment needed over the spending review period

Whilst this one-off funding is welcome and will deliver significant improvement to the sector’s capability and capacity as well as specific pieces of work (such as fire standards), sustained investment will support continued delivery against priorities already identified through legislative review.

- The Fire Standards Board will continue to require funding and support by the CPO as this is ongoing work
- The current programme of deliverables is due to complete by Q1 of 2021-22; Augmenting the £1.1m NFCC funded CPO via a £2.5m per year grant (£1.5m in year 1) to enable further activity– this represents a £0.5m saving against the initial investment as individual FRS build their capacity and capability in these key areas
- This will also need to fund a team of implementation officers - embedded within the LGA and NFCC - to support roll out of the established programmes in to FRS If supported by further funding, the CPO has identified specific deliverables^{xxxv} which cannot be supported by the current programme, which will be aligned to the key areas of
 - Leadership
 - Digital & Data

- Community Risk
- Culture & Ethics

3.3. Leadership development

Governance is a central pillar of the fire sector and elected members have a key role to play setting the policy direction of their services and challenging them to make improvements where necessary. The LGA as the representative body for 44 out of 45 English authorities provides a voice for the sector and supports member development through a sector improvement offer. The LGA offer is open to elected members from all fire authority types and helps to develop leadership and governance skills, and to promote an understanding of key issues like building safety and diversity and inclusion. This is done through a series of activities including training, such as the Leadership Essentials programme for fire and rescue authority members, Oversight of performance training events and the Diversity and Inclusion Champions Network. It is vital that the LGA is able to continue to support members in this way and to ensure members have access to resources that can help them govern their authorities well.

The HMICFRS' inspections identified the governance as an area of tension and the NFCC and LGA are working together to address this by defining a shared set of principles which underpin good decision-making in all the fire and rescue services. To support the work of fire and rescue authorities and senior officers, the LGA has commissioned a series of video resources which will include these principles and maintaining effective member/officer relations. However, sustained activity to embed these principles will be required to create the desired impact.

3.3.1. Investment needed over the spending review period

Previously this work has been funded through other departmental grants, however, responsibility for the member development offer should sit within the Home Office fire budget.

- This work will continue to require funding and support by the LGA to ensure that we can provide ongoing development for members. A grant of £120,000 over the spending review period would allow the LGA to continue to provide the member development offer and to work with the NFCC to develop and support the development of a programme of activity around principles of good governance and decision-making and to develop training events for members and officers to embed those principles.

CPO Activity Plan beyond grant funding

Activity/Project	Deliverables
Developing effective communications and data sharing (including improving site specific information to operational crews) at operational incidents	Review of the nature and structure of communication between incident ground and control rooms considering technical solutions, message discipline and existing changes in technology.
Developing effective communications and data sharing (including improving site specific information to operational crews) at operational incidents	Conduct feasibility study and survey into existing technical solution and impact upon command and control structure.
Reviewing National Operational Guidance (NOG)	NFCC guidance on risk inspection visits and ensure all actions relating to plans and 7(2)(d)s are incorporated.
Review of National Operational Learning system and arrangements	Recommendations for expansion of National Operational Learning (NOL) to accommodate organisational learning inputs
Supervisory Leader Development Programme	A development programme to nurture leadership at the first level of management with an FRS organisation.
Direct Entry Pathways	A Direct Entry Pathway to include a training programme for entrants on operational duties above firefighter level.
Organisational Learning project	To be scoped
Culture (diagnostic tools)	To be scoped - review of the diagnostic tools available to fire service organisations that support cultural improvement
Health & Wellbeing	To be scoped - would include research projects to provide the evidence-base to support delivery of standards and improved practice in the physical and mental health and wellbeing.
Training courses procurement framework	To be scoped - A procurement framework that aligns National Operational Guidance against training courses bringing consistency and best value.
Immersive technologies	To be scoped - A review and research project into the immersive technologies available (such as virtual reality) and how they might translate to address some of the challenges around maintaining the competency of the workforce.

Fire Protection national guidance	Develop Fire Protection national guidance to support changes made following recommendations by MHCLG Building Safety Programme Resident's Voice Work stream. Development will follow the NFCC Quality Assured approach, hosted on a digital platform using the same integrated approach and accessibility as NOG.
Enforcement toolkit	To maintain a toolkit that can be used by services to improve the consistency and effectiveness of enforcement.
Online public services	Equitable online access to the public for all non-response services.
Data skills	All fire and rescue service staff have a level of data literacy appropriate to their role.
Application development guidance	Standards for local development of software and applications to enable sharing and scalability across services.
Evaluation	Areas of best practice within the UK fire and rescue service will be identified and scaled to be made available to all, improving consistency and maximising existing investment.
Evaluation	Consistent and comparable methodologies to evaluate the performance of local activities.
National Organisational Learning	Evolution of National Operational Learning into National Organisational Learning platform
Digital information service	A national Digital Information Service provides clear direction and consistency in relation to the use and implementation of data analytics within the UK fire and rescue services.

4. Summary

Integrated Review; The FRS has demonstrated through national incidents such as flooding and the C19 pandemic its ability to step up and meet demands placed on the country. Within this the FRS has demonstrated its expertise in command and control and logistics. With further development there is no doubt that the FRS can be the primary rescue organization for the UK, with control of the inner cordon at major incidents and a more significant role in command, logistics and resourcing of national emergencies.

A decade of austerity measures and the localism agenda has had a significant impact on the way that fire and rescue services operate and their financial sustainability. Because FRS are resourced to risk rather than demand, focus must be placed on delivering greater consistency and productivity whilst maintaining essential cover across England. There are clearly opportunities for increased collaboration and more efficient ways of working. However any resulting savings are tiny when compared to the amount of investment needed to deliver against the new legislative requirements alongside legacy improvements and reform.

The sector is responding to these challenges using a coordinated approach to deliver sustainable change to fire and rescue services and ultimately improved outcomes for the public.

Annex 1 – Fire Sector funding proposal^{xxxvi}

Funding Requirement	Recipient	Sector proposal for Spending Review (£m)				Notes
		2020-21	2021-22	2022-23	2023-24	
Baseline FRS Funding	FRS (SFA)	1.70%	2.12%	2.12%	2.07%	Inflationary uplift
Flooding Capability	FRS (Capital)	-	30.0	-	-	Purchase of response assets to meet new duties
Precept Flexibility	FRS	2.00%	£5 flexibility			
Pay	FRS	2.00%	5.00%	5.00%	5.00%	Estimate - subject to negotiations over reformed role
GAD revaluation	FRS (SFA)	115	117.4	119.9	122.4	Inflationary uplift as a minimum - should track pay
McCloud Sargeant	FRS	n/a	1.2	-	-	Admin cost
Resulting revaluation and compensation	FRS	n/a	compensation	compensation	revaluation	In base funding
O'Brien/Matthews	FRS	n/a	1.3	1.3	1.3	Admin - Assumes implementation 2022-23
Resulting revaluation	FRS	n/a	-	-	revaluation	In base funding
Collection Fund Deficits 2020/21	FRS	n/a	18.5	18.5	18.5	Third of calculated figures in section 2.3, to be updated by Home Office
Collection Fund Deficits 2021/22	FRS	n/a	-	?	?	To be assessed by Home Office
Collection Fund Deficits 2022/23	FRS	n/a	-	-	?	To be assessed by Home Office
National Resilience	FRS	10.01	10.2	10.4	10.6	support required to project and FRS grant funding
Protection Capacity	FRS	16	10	10	10	Assumes high risk high rise one off exercise
Building Safety Programme	NFCC	4	3	3	3	
Fire Safety Bill	FRS	-	1.4	0.7	0.7	
Building Safety Bill	FRS	-	30.3	30.3	30.3	Assumes implementation 2021-22
Fire Safety Order	FRS	-	?			
Leadership Capability uplift	LGA	-	0.12	-	-	
Leadership Capability uplift	NFCC	3	2.5	2.5	2.5	
Fire Standards Board	NFCC	1.5	1.5	1.5	1.5	

Annex 2 – NFCC, LGA and National Employers (England) Fit for the Future Improvement Objectives

1. Fire and rescue services have evidence based, high quality and consistent risk management plans that encompass all aspects of service deployment and delivery, addressing issues of local risk and ensuring they are resilient to national risks and threats including terrorism.
2. Fire and rescue services refocus their investment in the selection, training, development and support of employees to maintain, support and improve their skills and knowledge throughout their careers.
3. Fire and rescue services have access to a comprehensive national infrastructure and repository of standards, guidance and tools that are embedded in their own local service delivery.
4. Fire and rescue services support new and innovative ways to prevent fires and other emergencies. Firefighters work with people who are at risk in local communities to make them safer in all aspects of their lives, not only from fire.
5. Fire protection activity carried out by fire and rescue services is redefined and expanded by using new professional standards, competence requirements and training for firefighters and specialist protection staff assisted by a significant reallocation of resources through increases in productivity.
6. The benefits of all fire and rescue service activity are measured and evaluated so that decision making about resource allocation can be improved.
7. Prospective employees are attracted to fire and rescue services as an employer of choice where inclusive recruitment practices and the available diverse roles and responsibilities help the service manage risk in the local community.
8. An inclusive culture is at the heart of every fire and rescue service. They are a welcoming and supportive place to work for the widest variety of people from all backgrounds.
9. Political leaders, governments and fire and rescue service officers use a single leadership framework that sets out clearly a suite of service values, expectations and behaviours which all can promote and support. It is the basis on which fire and rescue services and all their employees operate.
10. Working with others in all aspects of fire and rescue service activity is core business, based on solid evidence and data that determines the most efficient and effective use of resources to ensure firefighter and public safety.
11. The National Employers (England), LGA and the NFCC jointly own and maintain an organisational learning system that will promote continuous improvement at a strategic level.

Annex 3 - Notes

ⁱ Core Spending Power supporting detail - <https://www.gov.uk/government/publications/core-spending-power-provisional-local-government-finance-settlement-2020-to-2021>

ⁱⁱ Indexation of Core Spending Power against CPI April 2009 to April 2020

<https://www.ons.gov.uk/economy/inflationandpriceindices/datasets/consumerpriceinflation>

ⁱⁱⁱ https://lginform.local.gov.uk/reports/lgastandard?mod-metric=964&mod-period=11&mod-area=E92000001&mod-group=AllRegions_England&mod-type=namedComparisonGroup

^{iv} <https://www.justiceinspectores.gov.uk/hmicfrs/wp-content/uploads/state-of-fire-and-rescue-2019-2.pdf>

^v Fire 0102 updated 14 May 2020 <https://www.gov.uk/government/statistical-data-sets/fire-statistics-data-tables#incidents-attended>

^{vi} <https://www.local.gov.uk/inclusive-service-twenty-first-century-fire-and-rescue-service>

^{vii}

https://www.nationalfirechiefs.org.uk/write/MediaUploads/NFCC%20Guidance%20publications/NFCC%20Position%20papers%202020/People/NFCC_Equality_and_Diversity_position_statement.pdf



FRA Response
Times and Staffing.p

^{viii} Somerset Technical Team report “FRA Response Times and Staffing”, July 2020

^{ix} Somerset Technical Team report “FRA Response Times and Staffing”, July 2020

^x <https://www.justiceinspectores.gov.uk/hmicfrs/wp-content/uploads/public-perceptions-of-fire-and-rescue-services-in-england-2019-report.pdf>

^{xi} ONS presentation “Fire & Rescue Productivity measure”

^{xii} <https://www.justiceinspectores.gov.uk/hmicfrs/wp-content/uploads/state-of-fire-and-rescue-2019-2.pdf>

^{xiii} FIRE1202 comparison of 2010/11 to 2018/19 total audits <https://www.gov.uk/government/statistical-data-sets/fire-statistics-data-tables#fire-prevention-and-protection>

^{xiv} Based on 3% of 22,801 FF (assumed 50% station based) at 70% active time = 522,872 hours per year / crew of 4 https://lginform.local.gov.uk/reports/lgastandard?mod-metric=964&mod-period=1&mod-area=E92000001&mod-group=AllRegions_England&mod-type=namedComparisonGroup

^{xv} Home Office statistics (FIRE1204) are considered for 2018/19 it can be seen that there were 33,265 satisfactory audits which took FRS in England 120,701 hours to complete therefore 3.63 hours per audit

^{xvi} Estimate of 45 minutes per visit from NFCC, made an hour inc. travel time



Illustration of

^{xvii} 65000 more HFSC.dc

^{xviii} https://business.leeds.ac.uk/downloads/download/187/aimtech_-_delivering_and_implementing_ict_in_the_fire_and_rescue_services_across_england_-_key_findings_and_recommendations

^{xix} <https://www.nationalfirechiefs.org.uk/digital-and-data>

^{xx} NFCC Reserves Surveys 2018 and 2019 identified 18% of reserves for change programmes and a further 2% for specific digital enhancements

^{xxi} CIPFA Fire and Rescue Services Statistics 2019 – 2% of operational pay bill inflated by 2% for 2020

^{xxii} 50% of grossed up admin cost per <http://www.fpsboard.org/images/PDF/Surveys/Aonreportfinal.pdf>

^{xxiii} https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/900766/Public_Service_Pensions_Consultation.pdf, page 31 para 2.58

^{xxiv} 50% of grossed up admin cost per <http://www.fpsboard.org/images/PDF/Surveys/Aonreportfinal.pdf>

^{xxv} 2 x grossed up admin costs per <http://www.fpsboard.org/images/PDF/Surveys/Aonreportfinal.pdf>

^{xxvi} <https://www.gov.uk/government/publications/local-authority-covid-19-financial-impact-monitoring-information>

^{xxvii} Using pay including on costs of £41,100 = 1,352 FF

^{xxviii} % of 22,108 FF per https://lginform.local.gov.uk/reports/lgastandard?mod-metric=964&mod-period=1&mod-area=E92000001&mod-group=AllRegions_England&mod-type=namedComparisonGroup

^{xxix} HMICFRS State of Fire 2019 “In the 27 services that provided comparable data, the number of appropriately trained staff who were allocated to protection work had reduced from 655 in 2011 to 450 in 2019. Another problem the sector faces is the number of qualified protection staff who move to more lucrative posts in the private sector. With inspecting officer qualifications taking at least 18 months to complete, services don’t have a quick fix to fill staffing shortfalls.” (p87, para 3.)

^{xxx} £30m / £2.367bn from Fire Core Spending Power spreadsheet

^{xxxi} <https://publications.parliament.uk/pa/bills/cbill/58-01/0121/20200316FireSafetyBill2020IA.pdf>

^{xxxii} “Further Costs to the FRS” Page 48 of https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/901866/20200708_Fire_Safety_Order_2005_Uplift_Consultation_IA.pdf



^{xxxiii} NFCC Plan on a Page 2020-21.docx



^{xxxiv} CFOA GRANT CONDITIONS- FINAL

^{xxxv} CPO Deliverables list for Grant Conditions, July 2020 filtered by “Red” funding status and no timeline allocated

^{xxxvi} <https://www.gov.uk/government/statistics/gdp-deflators-at-market-prices-and-money-gdp-june-2020-quarterly-national-accounts>