Norfolk Fire & Rescue Service – Keep in safe hands

Norfolk County Council’s initial response to the PCC's business case
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Introduction

This is our initial outline business case that highlights the reasons why the fire service should continue to be run by Norfolk County Council.

Why we think Norfolk County Council should continue to run Norfolk Fire and Rescue Service

- Norfolk has an efficient, effective and economically viable Fire and Rescue Service.

- We have a strong and productive track record of working together with Norfolk Police (including a shared HQ, joint fire stations, co-located teams and sharing resources – and plans to do more.)

- Efficiencies are always possible and this is part of our approach to everything we do.

- As part of the County Council, Fire and Rescue budgets have been protected from the full impact of budget pressures. Front-line services continue to be modernised and compare well with others.

- We operate from 42 fire stations. Our risk assessments, and the public, tell us these are much needed and valued. We will continue to protect these.

- We have made - and will continue to make - significant investment in the service to ensure it has the modern equipment and facilities it needs to operate effectively. We are purchasing 20 new fire engines, 800 new protective uniforms and more specialist equipment. We have joint procurement arrangements with other fire and rescue services.

- The service is held to account at a community level by 84 representatives on the County Council, elected by Norfolk people, in meetings held in public.

- The Fire and Rescue service already has control of its budget and operations. The budget provided to the Fire and Rescue service is used only for Fire and Rescue.
About your Norfolk Fire & Rescue Service

Norfolk Fire & Rescue Service is Norfolk’s community safety service. Community safety and fire prevention is at the heart of what they do.

NFRS carry out a wide range of prevention activities including:

- Free home fire-safety checks
- Fit smoke alarms, free of charge
- Run a ‘Crucial Crew’ programme to educate children how to stay fire-safe
- Run a youth development service to help young people understand how the Fire and Rescue Service operates
- Run a Prince’s Trust Team programme which offers a free personal development course for people aged 18-25
- In 2017, NFRS carried out more than 6,000 youth safety activities with communities

On average, we deal with around **20 emergency response incidents each day**:

- 24% are road traffic collisions
- 20% false alarms from automated fire systems
- 17% are fires

Norfolk Fire & Rescue service operates 42 stations which cover the 2,074 square miles of Norfolk, protecting nearly 900,000 residents, many visitors and numerous businesses throughout the county. It has the fourth lowest budget for a fire service, per head, in England.

Though already **one of the lowest cost fire services in the country**, the service continues to improve. There have been recent increases in:

- Emergency response standards including availability of retained fire fighters
- The number of Fire Safety Risk Checks carried out
- The number of Road Safety Casualty Reduction Events delivered

And a reduction in:

- The number of accidental deaths from fires
What Norfolk County Council thinks

1. Better collaboration

- Everyone will agree that the whole public service family should be as efficient as possible, and using savings to reinvest into services is something we all support.

- Collaboration brings efficiencies and improves services. There is no evidence that a change in structure/governance will make collaboration opportunities better or faster. Our experience is that willing co-operation and a commitment to deliver agreed priorities delivers the best results.

- We have a strong and productive track record of working together with Norfolk Police. We have a shared HQ in Wymondham, three joint Police and Fire Stations, a new way of working on accessing locked properties (which means the Police no longer need to do that), co-located teams and sharing of some specialist resources. We have also for some time been working together on operational priorities such as prevention, protection and community safety.

- We have a lean structure and have been able to deliver savings over the past few years by putting more efficient and effective arrangements in place. We have one of the lowest ratios of support to front-line staff compared to other authorities; only 9.85% of NFRS’s workforce are support staff, compared to an average of 17.17% across England. We rank 6th out of 45 FRSs in terms of percentage of support staff.

- Norfolk County Council is committed to the One Public Estate programme – sharing our buildings and assets with the whole public sector.

2. Financial benefits and savings

- The size of the County Council’s overall budget - £1.376 bn - and the way that we work, means that we are able to spread the load to minimise the impact of any budget pressures for high priority services like NFRS. This has enabled us to maintain the same public response standards and protect the fire stations, fire engines and front-line staff, reflecting what Norfolk people have told us that they want.

- The service has delivered savings over recent years through more efficient and effective working.
3. A priority service

- Norfolk residents and businesses have been clear about how important the Norfolk Fire and Rescue Service is to them. As a result, this continues to be a priority service for the County Council.

- We have continued our commitment to the service by protecting budgets for front-line services. Our risk assessment tells us that there continues to be a need for the 42 fire stations across Norfolk, and we have no plans to change that.

- The County Council has continued to invest in the service to ensure it has the modern facilities and equipment it needs to operate effectively. In recent years, as well as buying new equipment, we have built a new live fire training facility at Scottow and a new Fire Station at Downham Market.

- For the next few years, we have fully funded plans to deliver 20 fire engines, a replacement aerial ladder platform, almost 800 new protective uniforms, replacement training towers and critical equipment like hydraulic cutting gear, ladders and breathing apparatus.

- The Fire Service collaborates widely. As well as working closely with Norfolk Police, the service works alongside colleagues in the Ambulance Service, Coastguard, other Fire and Rescue Services and many other County Council Services.

4. Public accountability

- We know there must be strong public accountability for public services.

- Your Norfolk Fire and Rescue Service is part of the County Council. It is held to account by the Norfolk residents and businesses, along with all of the other services that the County Council provides in communities.

- The service is held to account at a community level by the 84 elected representatives on the County Council, of all political parties, voted for by Norfolk communities to represent them.
5. Making decisions

- There is no delay in the Council’s decision making process. We can make decisions as quickly as is needed.

- We have a strong track record of responding quickly to support Norfolk communities. This includes:
  - Responding to emergency incidents
  - Supporting communities through incidents like the recent ‘Beast from the East’ and tidal surges
  - Clearing up and getting things moving again after emergencies, including clearing fallen trees, helping after flooding etc.
  - Gritting roads during winter

- At the same time, we want to make good decisions and give Norfolk people the opportunity to have their say about what we are doing. We do this through the tried and tested democratic process, in a similar way to the rest of the country.

6. The distinct identity of Norfolk Fire and Rescue Service

- We recognise the need to protect and enhance the identity and traditions of the service.

- The service already enjoys autonomy and operational empowerment, whilst also benefiting from being part of a larger organisation.

- The Chief Fire Officer already has formal delegated authority for Fire and Rescue service operations and budgets.

- Re-establishing the service to be a separate organisation under the proposed new model feels like a backwards step.
7. Control of the Norfolk Fire and Rescue Service budgets

- The size of the County Council’s overall budget, and the way that we work, means that we are able to spread the load to minimise the impact of any budget pressures for high priority services like NFRS. Although the service has delivered savings over recent years, these have been as a result of more efficient and effective working. We have not reduced our standards or response, and we have not closed any fire stations or reduced the number of front-line staff, in fact we are continuing to actively recruit front-line staff.

- The Fire and Rescue service has not had to make savings to cross subsidise other County Council services.

- NFRS already has full control over its budget. The Chief Fire Officer is provided with an annual budget and has authority to spend this on his service as he sees fit. The budget can only be spent on Fire and Rescue Services, and so it is already effectively ring-fenced (just within the County Council).
General comments

We look forward to receiving more detail for the business case produced for the PCC and which could better explain some of the assumptions within it. As currently presented, we think there are some areas where further information about what is actually being proposed would be useful to ensure that there are no misunderstandings.

We also think there are some other areas where we find it difficult to align some of the statements in the business case. These are set out below.

The future of fire stations and fire engines is unclear

- Page 65 of the business case states there is “…no intention to close existing fire stations beyond what has already been proposed in regard to the new purpose built Hubs under the Norfolk Police 2020 plan.”

- However, information on Page 66 appears to show two fire stations closing (Hethersett and West Walton) and one new joint station. This means a net reduction of one fire station.

- In addition, the information at Page 66 also appears to show a new model of delivery that would mean a reduction of 9 fire engines, broadly representing a 20% reduction in capability (assuming a new Fire Engine would be placed at the new Broadland Gate station).

The quoted £10m savings would benefit from a better explanation

- The £10m figure includes savings that are already planned and will be delivered irrespective of whether there is a change in governance as well as savings that could be delivered in any of the options – including no change. And this needs to be balanced against the cost of the change, which we estimate will be at least £1m.

Future staffing levels are unclear but reductions seem most likely

- Page 73 states “Under this proposal no compulsory redundancies are proposed”. However, it also acknowledges that they could be needed in future and “would require a separate review and business case”.

Collaboration

- It could be easier to understand where collaboration is about real joint working and operational changes; more information is needed.

- There are a number of general, unquantified statements about new approaches to operations that would benefit from more detail. These include “agile deployment” and “revised tactical approach”.

- We think claimed operational efficiencies, e.g. introducing more 4x4 vehicles and unbadged pool vehicles need more evidence. These do not seem to have been proposed through an assessment of risk.
Our review of financial assumptions

We have reviewed the financial assumptions set out in the business case produced for the PCC for changing the governance of the Norfolk Fire and Rescue service. Below are the key points from our initial review.

1. **Value of financial benefits identified**: The business case sets out that £10m worth of efficiencies can be generated from a change in governance. The County Council’s initial assessment of the financial case is that the £10m claimed benefit is realistically closer to £3.893m, being the additional gain from the proposed change in governance. The quoted £10m saving figure appears to include savings that will be generated from activities that the Fire and Rescue Service has already committed to and planned for.

Taking this approach means that the benefits of any change in governance are being significantly overstated. Even the reduced figure assumes that all of the benefits can be delivered, and are achievable in the timescales proposed in the business case. It is notable that none of the benefits have been included in the proposed Medium Term Financial Plan. The County Council considers that many of the savings would be achievable through greater collaboration without the need for governance changes which would be costly and disruptive for the Fire and Rescue service.

2. **Robustness of the Medium Term Financial Plan**: The County Council is concerned that a standalone Fire and Rescue service would not be able to secure its financial position for the medium term. This is because the business case assumes that there will be no further reductions in Government funding after 2019-20.

However, the Government has not confirmed funding allocations from 2020-21, has not yet achieved its financial targets, and has not indicated that austerity has ended. Even relatively modest reductions in Government funding would result in a budget gap that would need to be addressed by the Fire and Rescue service.

3. **Certainty of funding and initial budget assumptions**: The business case does not reflect published Government funding figures for the Fire and Rescue service, which form part of the Local Government funding settlement. This further understates the level of exposure to Government funding reductions which would be faced by a standalone Fire and Rescue service.

4. **Impact on the wider public purse and cost of change**: The business case does not take account of the resource impact that a transfer would have on the County Council and Fire Service. A change in governance would divert scarce resources, which could be better used to focus on improving the existing strong record of partnership working. The business case does not recognise any costs for the County Council or Fire and Rescue Service that would be incurred in delivering a change in governance, and also fails to recognise the loss of economies of scale which would result for both organisations from a transfer out of the County Council.
5. **Deliverability of proposed financial benefits:** The business case sets out a sensitivity analysis for the identified financial benefits. Experience suggests that the cost of transfers such as this tend to incur higher costs and deliver lower benefits than anticipated.

6. **Risks to the Fire and Rescue service outside the County Council:** The Fire and Rescue service has not had to make savings to subsidise other County Council services. In fact, the picture is quite the opposite. The budget allocated to the Fire and Rescue service by the County Council over the period 2016-17 to 2019-20 demonstrates that the Fire and Rescue service budget has been protected from the impact of reductions in Government funding.

To maintain an equivalent level of budget, a standalone Fire Service would have had to raise council tax by 16% in the same period, which would have been above Government permitted limits without a local referendum.