Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: Thursday, 24 August 2017

Committee:
Communities Overview Committee

Date: **Monday, 4 September 2017**
Time: **2.00 pm**
Venue: **Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND**

You are requested to attend the above meeting.
The Agenda is attached

Claire Porter
Head of Legal and Democratic Services (Monitoring Officer)

Members of Communities Overview Committee

Andy Boddington	Roger Hughes
Ted Clarke	Vivienne Parry
Rob Gittins	Keith Roberts
Nick Hignett	Leslie Winwood
Cecilia Motley	Tina Woodward

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AGENDA

1   Election of Chairman

2   Apologies for absence and substitutions

3   Appointment of Vice-Chairman

4   Disclosable Pecuniary Interests

Members are reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

5   Minutes of the Environment and Services Scrutiny Committee meeting held on 17 July 2017 (Pages 1 - 2)

To confirm the Minutes of the Environment and Services Scrutiny Committee meeting held on 17 July 2017, attached marked: 5

6   Public Question Time

To receive any public questions or petitions from the public, notice of which has been given in accordance with Procedure Rule 14. The deadline for this meeting is 5.00 pm on Wednesday 30 August 2017.

7   Member Question Time

To receive any questions of which members of the Council have given notice. Deadline for notification for this meeting is 5.00 pm on Wednesday 30 August 2017

8   **Consultation on Fire and Rescue Governance** (Pages 3 - 62)

The Committee to consider the Consultation on Fire and Rescue Governance and make recommendations to the Leader for the response from Shropshire Council.

The following will be invited to address the Committee and will then respond to questions:

John Campion, Police and Crime Commissioner (invited to make a 15 minute presentation)

Councillor Eric Carter, Chair of Shropshire and Wrekin Fire and Rescue Authority (invited to make a 15 minute presentation)

David Beechey, Chair of Shropshire Association of Local Councils (invited to make a 5 minute presentation)

The following documents are attached:
West Mercia Fire and Rescue Consultation document (page 3)
Analysis of West Mercia PCC Initial Business Case, commissioned by Shropshire and Wrekin Fire Authority (page 47)

9   **Environmental Maintenance Grant - Proposed Task and Finish Group and Terms of Reference** (Pages 63 - 66)

To agree:

The creation of a Task and Finish Group on the Environmental Maintenance Grant Programme
Terms of Reference of the Group
How many members should be on the Group

Proposed terms of reference are attached marked: 9

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Environment and Services Scrutiny Committee	Item
17 July 2017	Public
2.00 pm	

MINUTES OF THE ENVIRONMENT AND SERVICES SCRUTINY COMMITTEE MEETING HELD ON 17 JULY 2017
2.00 - 3.35 PM

Responsible Officer: Amanda.Holyoak@shropshire.gov.uk

Present
Councillor Cecilia Motley (Chair)
Councillors Tina Woodward (Vice-Chair), Andy Boddington, Ted Clarke, Rob Gittins, Nick Hignett, Keith Roberts and Leslie Winwood

4   Apologies for absence and substitutions

Apologies were received on behalf of Roger Hughes and Viv Parry.

5   Disclosable Pecuniary Interests

Members were reminded that they must not participate in the discussion or voting on any matter in which they had a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

6   Minutes of the meetings held on 6 March 2017 and 18 May 2017

The minutes of the meetings held on 6 March 2017 and on 18 May 2017 were both confirmed as a correct record.

7   Public Question Time

There were no public questions.

8   Member Question Time

There were no questions from members.

9   Introduction to Scrutiny

The Statutory Scrutiny Officer gave a presentation on the role and principles of Overview and Scrutiny at Shropshire Council (a copy is attached to the signed minutes).

He explained how Overview and Scrutiny was designed to enable the voice of local people to be heard, to inform and influence decisions of the Council, and to drive improvement through evidence based recommendations. He also emphasised that scrutiny should be member led, non-political and was not designed to address individual complaints.

He highlighted the Centre For Public Scrutiny website www.cfps.org.uk as a useful point of reference for all Overview and Scrutiny Committee members. He also recommended that all Members attend both Scrutiny Training Sessions on 18 and 19 July with John Cade, from the Institute of Local Government Studies, University of Birmingham.

10   Overview of the Key Functional Areas in Place and Enterprise and Public Health and the Key Development Areas

George Candler, Director of Place and Enterprise and Rod Thomson, Director of Public Health, introduced themselves to the Committee.

Both Directors gave a presentation outlining the key functional areas within their Directorates, and details of income and expenditure. They explained that the new Communities Overview Committee would come into being following the Full Council meeting on 20 July 2017, and that this would replace the Environment Services Scrutiny Committee. A copy of their presentation is attached to the signed minutes.

They went on to outline key development areas within the next two years particularly drawing attention to the different stages of development of the following: a Cultural Strategy; Indoor Leisure Strategy; Libraries Strategy; Heritage and Museums Strategy; Countryside Access Strategy and Rights of Way Improvement Plan; working with Town and Parish Councils - Environmental Maintenance Grants, Local Joint Committees; support available to Voluntary and Community Sector; Resilient Communities and Healthy Lives, addressing social isolation; and the Shropshire Community Safety Partnership,

The Chairman thanked the Directors for the presentation, the content of which would help the Committee during discussions around its future work programme.

Chairman …………………………………………..

Date …………………………………………………

John Campion
Police and Crime Commissioner
West Mercia

West Mercia Fire and Rescue Governance

Consultation Pack

I believe that by changing governance arrangements for our local fire services we can deliver more effective, efficient services to our communities.

By assuming the role of our two Fire Authorities we can significantly improve local police and fire services, whilst saving the taxpayer £4m a year.

I am consulting our communities and partners on these proposals and want to hear from as many people as possible before the closing date on the 11th of September. This pack is designed to give you all the information you need to understand the plans, the reasons behind them and to take part in the consultation. It contains:

- The commitments I would hold myself to as Commissioner for local fire services
- The business case setting out recommendations and evidence for change
- A Q&A document, covering questions that may arise as part of this consultation
- A copy of the consultation document

These documents are also available on my website, www.westmercia-pcc.gov.uk. Alternative formats of the consultation are available via my office on request.

For me, these proposals are about delivering the best long term results for our communities and our emergency services. Our Fire Authorities have laid some good foundations, but it's clear to me that our communities are not getting the most effective, efficient services they could. That can only be achieved by making this change.

By ensuring our police and fire services are collaborating and integrated as much as possible we can deliver better emergency responses, improve prevention measures, and increase information sharing between the services. It allows us to deliver necessary efficiencies in a way that protects the frontline, fully respecting and retaining the professional skills and knowledge within each service and geographic area, which I think is a key priority for our communities.

Thank you for taking part in the consultation.

John Campion, West Mercia Police and Crime Commissioner

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West Mercia Fire and Rescue Governance

June 2017

Foreword

I stood to become West Mercia's Police and Crime Commissioner because I believed I could improve the service our communities get from their police force. It is for the same reason that I believe we need to pursue the opportunity to move to a joint Commissioner for Police and Fire; in the best future interests of our emergency services and communities.

Our police and fire and rescue services both provide a vital safety net to our communities, who need to know those services are there when they need them; whether that's preventing emergencies, or handling them when they do occur. Both services help protect the most vulnerable people amongst us every day. Whilst their front line skills, training and equipment may differ, both services rely on hard-working officers who put themselves in harm's way to keep us safe.

These officers in both services also need the right structures, cultures and support services behind them in order to do their work to the best of their abilities. There are clear areas of common interest, but while we have seen a degree of service collaboration up to now, these areas of overlap are almost entirely unexplored when it comes to service integration.

As Commissioner for both policing and fire I would be uniquely positioned to build on the existing good work of our Fire and Rescue Authorities, going beyond our current limitations to make that integration happen in the best interests of our communities.

Integration and collaboration does not mean 'takeover'. I fully respect the unique skills and professionalism involved in the frontline services in each organisation and want to not only retain them, but develop the skills and capabilities in each service as much as possible, for the good of individual staff, the wider organisations and communities as well. Integration cannot and would not come at the expense of quality of service delivered, which I want to continue to improve.

> **I stood to become West Mercia's Police and Crime Commissioner because I believed I could improve the service our communities get from their police force.**

Each organisation has good foundations from which to build, but faces further challenges ahead in how it works. The need to maximise potential around effectiveness and efficiency in our emergency services has never been greater, but it can be achieved.

Beyond my tenure as PCC, this change in governance would bring benefits long into the future. For policing, the transition from Police Authorities to PCCs has meant more public accountability and engagement, more transparency, improved partnership working, things getting done faster, clearer holding to account processes and a strong community voice into our emergency service.

These benefits can all be realised around our fire and rescue services too, if we move forward from our good foundations, and embrace a new way of delivering the very best for our communities.

From improved HMIC reports to new technology - I am delivering on my promises as Police and Crime Commissioner. In this document I am putting forward the additional pledges I would expect the public to hold me to as a joint Commissioner for fire and rescue services, as part of a single clear, consistent and integrated plan.

❝

Now is the opportunity to take collaboration to the next level and deliver for our communities.

❞

John Campion
West Mercia Police and Crime Commissioner

A safer West Mercia

Communities expect their fire and rescue services to be there when they need them, with the right skills and equipment to respond quickly to unpredictable circumstances. For me this is a fundamental requirement which cannot be compromised. I will keep our communities safe by ensuring this is always the case and build on that foundation, by improving collaboration and focusing on preventing emergency incidents from happening in the first place.

Visit to the new shared police and fire Operations Communications Centre, currently under construction at Hindlip

As Commissioner for fire and rescue services I would:

- Protect, and where possible improve the level of service our communities receive

- Ensure the right response to incidents is available at the right time, including incidents where multiple agencies are required.

- Ensure the best possible use of public money

- Reduce emergency demand, with a focus on education and prevention

- Back our officers with the resources they need to do their jobs effectively and efficiently

- Ensure our services work more closely with partners to improve community resilience

- Hold Chief Officers to account to ensure an effective, efficient service for our communities

4

A reformed West Mercia

Our fire and rescue services are hard-working, professional organisations that deliver a good service to our communities. However, their full potential for effectiveness and efficiency is harder to achieve within current governance and operational models. Limited collaboration with each other and the police force has gone on up to now, but this must be strengthened, deepened and accelerated if all our services are to deliver the best results they are capable of.

I want to build on the good foundations set by our Fire and Rescue Authorities to deliver modern, innovative fire and rescue services that lead the way nationally; whether that is in terms of emergency responses, back-office support functions or value to the taxpayer. However well these areas are performing now, it is only through proper and meaningful integration with each other that we can fully unlock the potential benefits.

As Commissioner for fire and rescue services I would:

- Maximise the potential benefits of integration between our police and fire and rescue services to improve the effectiveness, efficiency and resilience of services

- Ensure services are financially sustainable over the short, medium and long term

- Establish a formal alliance between Shropshire and Hereford & Worcester Fire and Rescue Services, to retain local identities and services whilst realising the potential benefits of scale and service resilience

- Improve relevant sharing of data between police and fire and rescue services. This would improve everything from emergency responses through to future planning

- Ensure a collaborative approach to training between our police and fire and rescue services, integrating training wherever appropriate

- Integrate resources between police and fire and rescue services to provide better services in rural areas

- Ensure our front line officers are supported by a world class back-office function

- Ensure a geographic spread of skills and resources

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A reassured West Mercia

It is vital that our communities not only are safe, but feel safe as well. This element of reassurance is as important in fire and rescue considerations, as it is for policing and crime.

Our emergency services have a crucial role to play in our communities, beyond responding when there's an emergency. They play a central role as a part of the communities they serve every day. I want to ensure that is the case where our fire and rescue services are concerned.

I want to build on their current education programmes to really involve and empower communities to play their pivotal roles in preventing emergencies in the first place; whether that is around road safety, water safety or simple fire precautions. Giving people the opportunities to learn, think and take positive action around these kind of issues can be hugely beneficial to our fire and rescue services, and can certainly help our communities rest a little easier at night.

I also want to provide reassurance as Commissioner, ensuring our communities can have faith in me, as well as the Chief Officers I would hold to account on their behalf. I would ensure proper transparency, giving communities and partners the opportunity to scrutinise my work.

I would build a visible presence, working with local authorities and other partners to engage with our communities and provide a strong voice on their behalf, making sure their priorities are understood and needs are being met.

As Commissioner for fire and rescue services I would:

- Maintain and build on effective education programmes to prevent emergencies and provide reassurance

- Provide a strong voice for our communities, to ensure their priorities are understood and acted upon

- Empower communities to take more action to stay safe and prevent emergencies

- Have a visible, accessible presence for both our communities and our fire services, ensuring public accountability and community reassurance

- Work with partners to ensure the best possible results

- Be open and transparent with my work and decisions, to allow proper scrutiny and ensure public confidence

- Invite our councils to nominate local fire representatives to work with me, to support and enhance my work as Commissioner

**John Campion
Police and Crime Commissioner
West Mercia**

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This document is available in other formats,
please contact 01905 331656 for further assistance.

Sustaining Resilience, Exploiting Information, Enhancing Service

Initial Business Case considering the governance of

Shropshire Fire and Rescue Service

and

Hereford and Worcester Fire and Rescue Service

by the

West Mercia Police and Crime Commissioner

BC BECKFORD
CONSULTING

Contents

Researchers and Authors:

Dr. John Beckford, Keith Elford, Professor Peter Kawalek

1:   Executive Summary

1.1:   Beckford Consulting was commissioned by the Police and Crime Commissioner for West Mercia (PCCWM) to consider the initial business case for the governance, by PCCWM of Hereford and Worcester Fire and Rescue Service (HWFRS) and Shropshire Fire and Rescue Service (SFRS).

1.2:   Consultation was undertaken with the PCC, Chairs of the two Fire Authorities and the Chief Officers of HWFRS, SFRS and West Mercia Police (WMP), their deputies and other nominated key officers and officials and consideration given to the substantial documentation provided by all three organisations. Workshops including the political and officer leadership of the affected organisations were held to provide the opportunity for collective engagement and debate about the ways forward.

1.3:   The review work took into account the three principal options available to the organisations:

- Maintain the status quo;
- Joint governance;
- Single employer.

1.4:   We consider that there is a business case for a change to joint governance of the three organisations. The business case can be summarised as follows.

1.4.1: Enhanced collaboration between police and fire services in West Mercia would create an opportunity to enhance Public Safety and Community Resilience across the three counties, within current resources, at a time when funding is more likely to be further squeezed than increased. The effect will be to strengthen the long-term resilience of police and fire services in a rural region where maintaining local services is challenging. It will create potential efficiency gains of £4m per year plus.

To achieve these outcomes, collaboration should include:

- Joint leadership and strategic planning, ensuring that collaborative activity is systematic, committed, and intentional;
- Shared enabling services, supporting and removing barriers to collaboration; allowing efficiency gains; tailored to the needs of the three services, distributed and integrated;
- Enhanced, front-line operational collaboration.

1.4.2: Features of operational collaboration would be likely to include (for example):

- A shared control room;
- Routine sharing of stations and other assets;
- Routine sharing of resources in the management of a variety of situations including RTCs and missing persons incidents,
- Intelligence sharing;
- An expansion of the PCSO/RDS scheme.

1.4.3: In our judgement, joint governance offers the best route to achieving these outcomes because, in contrast to maintaining the status quo, it simplifies decision-making. A single governance and decision-making forum creates a focus for ambition and drive, and makes it easier to create clarity of strategic direction. The appointment of a PFCC offers clear accountability to the public for the desired outcomes and makes it easier to remove barriers and bureaucracy:

- Whilst the current governance arrangements provide good ambition and solid foundations, maintaining the governance status quo (and its associated trajectory) would not deliver the available efficiency and economic gains and with continuing pressure on public finances it will become ever harder for the individual organisations to sustain resilient services;
- Attempting to bring the organisations together through a single entity, single employer model would offer only marginally greater benefits while introducing significant complexity, tension and organizational disruption with the potential to threaten public safety or community resilience and confidence in the services;

In contrast to the single employer model, joint governance achieves the required level of focus and purpose without the costly, complex, time-consuming, controversial and potentially distracting process that model would inevitably involve.

1.4.4: The joint governance model provides:

- Gains in Efficiency arising from joint governance will enable the three organisations to deliver and sustain their services at a lower Economic cost than is currently the case;
- Effectiveness and Resilience in ensuring Public Safety by all three organisations can be most readily enhanced across these three rural counties through shared governance and maximizing joint working and collaboration;
- Maintenance and promotion of established brand identities within the context of a FRS alliance;
- Greater synergies delivered through simpler, aligned decision making;
- Gains in Efficiency of processes and structures across the three organisations can be realized through a substantial increase in both the volume and nature of collaborative working, particularly in the areas of Prevention, Public Safety and Community Resilience. This can be further supported by consolidation of back office and enabling services provision. In each case a strong focus on enhancing value for money and rapid delivery of benefits will be important;
- Greater and accelerated collaboration;
- Geographically distributed, integrated and tailored shared services;

- New technology will offer potential for extending collaboration and many of the initiatives already in course of delivery will create potential for Police and Fire to function more flexibly and cohesively;
- Initial financial implications are potential savings in a full year of £4m. Implementation costs will be driven by the delivery strategy adopted by the PCC and the Chief Officers;
- Actions and decisions of the PFCC would be subject to public scrutiny by the local authorities' combined Police and Crime Panel.

It is important to note that any savings could be from across all three organisations. They would contribute to current savings requirements.

1.5:   It is important to state that there is no criticism offered of the performance of the existing governance or organisations in their current form. We have not become aware of deficiencies in any dimension of their performance which would cause us to consider that there is a failure or risk of failure to overcome. The argument presented is rather that there is an opportunity for more to be achieved on the same resource base by working together under joint governance and a co-developed plan than by working separately.

1.6:   An initial view of an implementation plan proposes that the organisations accelerate their rate of collaboration in the period leading up to a change in governance (subject to parliamentary approval) which would occur in April 2018. During this period critical projects currently in course (some of them joint) will be completed and working properly.

Thereafter, as governance changes take effect and deliver modest immediate savings, the PCCWM can work with WMP, HWFRS and SFRS to prepare a full implementation plan for delivery over the subsequent years which will need co-development with a transformation plan already in development by WMPCC, each influencing the content of the other.

2:   Acknowledgements

We formally acknowledge the helpfulness and willingness of the political leaders of all three services, their Chief Officers, Deputies and other Officers and officials in preparing this work. Help and information were provided without hesitation or query enabling us to work rapidly and efficiently. Our thinking has been challenged and tested by these individuals and they contributed substantially to an open, transparent process.

We thank the staff of the PCCWM for their support and assistance throughout the process.

All parties have been friendly, open, supportive, prompt and efficient.

3:   Preferred Option (Brief)

3.1:   We consider that there is a business case to be made for the joint governance of West Mercia Police, Hereford and Worcester Fire and Rescue Service and Shropshire Fire and Rescue Service.

3.2:   To deliver the option will require:

- Change of the PCC to PFCC for West Mercia;
- PCC becomes the Fire Authorities for HWFRS and SFRS;
- Maintenance of the Fire and Rescue Services as separate entities each under their own Chief Officer;
- Extension of the staffing and functions of the PCCWM to incorporate the statutory, reporting and administrative obligations and functions of the existing Fire Authorities;
- Adoption of an alliance command and leadership structure;
- Development of a shared/integrated Policing, Crime, Fire and Rescue Plan;
- Development of joint Police and Fire services for prevention and public safety activity;
- Exploitation of investment in information and related systems and technologies;
- Acceleration of collaborative working;
- Finalisation and realisation of the indicative costs and benefits identified herein.

3.3:   We consider that this option has the potential to increase public safety through collaboration and efficient resource utilisation. It will thereby enhance community resilience while limiting the risk of organisational cultural barriers and resistance. We believe that joint governance can increase effectiveness by removing potential barriers to much higher levels of collaboration and reducing risk of resistance from some quarters. It offers the greatest potential for significant efficiency gains while the cost of implementation is expected to be low compared to the single employer model.

4:   Research and Engagement Process

4.1:   It was clear from the outset that if any change were to arise from the exploration of this business case then shared development of that change and engagement and collaboration by all parties throughout the process would best support its implementation.

We therefore undertook two processes in parallel:

- Collection and collation of organisational data concerned with structures, establishments, budgets, financial plans, information systems, core contracts and both ongoing and planned projects and changes;
- Semi-structured interviews with the PCC, the Chairs of the Fire Authorities, Chief Constable and Chief Fire Officers, their Deputies and Assistants and nominated officials. These particularly included understanding the process and impact of ongoing projects and the process and impact of existing collaboration activity (so that in neither case would financial benefits be double counted).

4.2:   The purpose of these interviews was to provide maximum opportunity for the individuals concerned to express their views, ideas and concerns about the question under consideration. It served to allow them to be fully involved in the discussion about possible options, the rationale for those options and to raise any issues of particular concern.

4.3:   Once completed, the outcome of this process was brought together with our interpretation of the strategic intentions of the three organisations, the organisational structures and financial data. The whole was then assessed by us against the three principal options.

4.4:   Our initial findings were informally explored with the PCC and subsequently presented to a meeting of the leaders (political, officers and officials) of all three organisations. Essentially well received the leaders expressed concern that the business case should rest more heavily on the issue of sustainability, organisational resilience and the potential to improve the community outcomes of the three services and less on the potential for financial savings. It was considered that such savings could be achieved while there was debate about both timing and quantity.

4.5:   A further round of discussions and interviews was undertaken as was a second 'all organisations' meeting to discuss the draft business case prior to its formal submission to the PCCWM.

5:   Options Considered

5.1:   Options

Consistent with the research proposal and with APACE[1] guidance provided we considered three options:

- Sustain Current Trajectory;
- Single Employer Model;
- Joint Governance.

5.1.1: These were all judged against the assessment requirements in relation to Effectiveness, Public Safety and Community Resilience, Efficiency and Economy and our considerations included political and cultural factors as well as the ease of implementation. We also considered the 'Treasury 5 case' analysis in reaching our recommendation.

5.1.2: It is important to reiterate that there is no criticism offered of the performance of the existing governance or organisations in their current form. We have not become aware of deficiencies in any dimension of their performance which would cause us to consider that there is a failure or risk of failure to overcome. The argument presented is rather that there is an opportunity for more to be achieved on the same resource base by working together under joint governance and a co-developed plan than by working separately.

5.2:   Sustain Current Trajectory

5.2.1: Sustaining the current trajectory means proposing no change in the governance arrangements of the respective services. The three organisations would continue to pursue existing collaborative projects and to develop further such projects and activities in a manner consistent with their individual plans and strategies.

5.2.2: This is not a 'do nothing' strategy as while the three organisations would persist with their existing separate governance and command structures, there is collaborative and joint working in place or being established which will change the way they are. There is strong aspiration in respect of collaboration but we did not, from the information presented, identify specific, measurable financial or other benefits to be achieved nor expected delivery dates with the exception of the shared OCC at Hindlip. It is possible that these are reflected in project plans and budgets for individual areas.

5.2.3: Sustaining the current trajectory would not prevent enhancements to Public Safety and Community Resilience it would not necessarily enhance service outcomes beyond current plans and expectations. From an Effectiveness perspective it would neither enhance nor enable further and deeper collaboration and it would equally not stimulate either process Efficiency improvement or Economic gains.

5.2.4: The option would offer a number of apparent short term advantages. It would cause no disruption and incur no implementation costs nor would it be anticipated to have any employee relations impact. Plans currently on course to deliver savings would not be disrupted. Politically it would no doubt be viewed differently by different observers. The brands of the three organisations are well known and respected in their communities and these would be sustained under this option. Because the organisations do not need to integrate to collaborate, this option would avoid the, potentially disruptive, need to align differing organisational cultures, behaviours and disciplinary and employment structures. The approach would not inhibit interchangeability or sharing of appropriate resources but neither would it encourage or facilitate it.

5.2.5: A number of disadvantages would also arise. First of these is that the directness of accountability to the public would not be enhanced as it would be with a Police and Fire Crime Commissioner. Current collaboration, which is acknowledged by the organisations to be slow and limited in progress, would not be stimulated and it is thought unlikely that existing or envisaged services would be enhanced. There are a number of areas where potential collaboration opportunities are not currently being realised. These include each benefitting from the insight and expertise of the other in relation to service delivery around:

- Search;
- Rescue;
- Missing persons;
- Road traffic incidents;
- Prevention activity;
- Supporting the most vulnerable;
- Youth engagement;
- Community resilience.

5.2.6: Shared enabling and support services may realise significant performance and delivery cost gains. It is important that in working together the statutory responsibilities of each and particular expertise are brought together through a fully joined up understanding.

5.2.7: The success of the Fire and Rescue Services over many years in reducing incidents through the public safety and prevention campaigns means that the cost of sustaining the services and maintaining their effectiveness becomes harder to justify the scale of the organisation. There is a threat to their effectiveness, sustainability and resilience if opportunities for efficiency and economic gains are not actively pursued. Similarly, doing nothing would inhibit the realisation of potential from the collective investment in information and communications technologies. It will be essential to ensure first that the systems provided to Police and Fire are fit for the specialist purposes for which they are needed and second that they deliver increased value for money.

5.2.8: Although not a critical factor, it is worthy of note at this point that West Mercia Police already has an alliance with Warwickshire Police and it may be that

advantage can be gained through that for all parties. The existing alliance with Warwickshire Police will hamper neither this project nor the creation of shared services that would in the future support West Mercia Police and Fire Services. However, it is important to remember that the geographical and political boundaries around these services are not common with those of the fire and rescue services.

5.2.9: We cannot recommend this option.

5.3: Single Employer Model

5.3.1: Under the single employer model (SEM) the WMPCC would take over the governance of the Fire Authorities and, subsequently, West Mercia Police, HWFRS and SFRS would be merged into a single organisation. This would have a unified command structure with Police and Fire being divisions within that single organisation. A single Chief Officer, drawn from either a Police or Fire background would be appointed to lead the organisation.

5.3.2: The SEM would offer potential benefit to Public Safety and Effectiveness by enabling further collaboration and possibly better resource utilisation which could help to ensure the sustainability of police and fire services. It would remove institutional and legal barriers to maximising collaborative working and offer greatest potential for process efficiency and economic gains.

5.3.3: However, it is possible that staff and their representative bodies from all three organisations could be resistant to such a change and, as such, would be likely to delay and limit the realisation of, the benefits of such a change and might impart risk to public safety and service effectiveness. Effectiveness could be further inhibited through the need to overcome existing cultures and behaviours and build a single culture in a new organisation. The effort required to overcome such resistance to change might easily outweigh the advantages sought. We would anticipate that the overall economic cost of implementing this approach, both direct and visible and indirect and invisible would be greater than for the other two options.

5.3.4: The SEM would offer some potential advantages. The clear command and control structure would be simple and easy to understand (for employees and public alike), would be constitutionally very simple and would offer clear political and leadership accountability. The approach would potentially offer the greatest and fastest headline economic gains and maximisation of benefits. Seen by some as an 'inevitable destination' through flexibility in use of resources it would contribute to the resilience and sustainability of the services.

5.3.5: The disadvantages of the SEM approach seem to us to outweigh the advantages. The newly combined organisation would need to invest first of all in establishing a shared identity for both public and employees. It would require investment of substantial resources in establishing equality of work and pay, pensions and other employment benefits, and thereby impart risk to current

financial and business models. It would need to support this with full alignment of the financial models, equalisation of the precepts and balancing of liabilities. There would be a number of difficulties in the implementation process including cultural, behavioural and employee relations concerns, and potentially some lost work. These issues would certainly lead to negative impact on effectiveness in the short to medium term and inhibit the development of a new, single, shared identity for the organisation.

5.3.6: Compounding these aspects there are a number of other issues with which the SEM would have to contend including enforced ICT integration at pace. Failure of the business critical systems underpinning service delivery would risk unacceptable outcomes for public safety. Such failure potential becomes increased when systems are merged, renewed, updated or refreshed.

5.3.7: The WMP are currently delivering a number of significant projects (with Warwickshire Police) and have a transformation programme emerging. In parallel the HWFRS Control Room is co-locating in 2018 to share physical space with the WMP Control Room. This will be a useful test for both organisations.

5.3.8: There would be concern about the loss of the two FRS brands which are both respected and valued, and in particular that concern would be about the loss of local identity in the merged organisations. Similarly WMP have a well-established brand and a clear public understanding of their role. For all organisations this understanding might be threatened by full merger. This would at least appear to contradict the attempt to increase direct local accountability.

5.3.9: We cannot recommend this option.

5.4:   Joint Governance

5.4.1: Joint governance would mean, as a minimum, that the PCCWM becomes the PFCCWM and the role of the existing Fire Authorities would cease. The PFCCWM would provide political leadership to all three services as well as fulfilling the role of employer for Fire and Rescue Services across Herefordshire, Worcestershire, Shropshire and Telford and Wrekin. The existing alliance with Warwickshire Police need not be affected by this change. There can be little doubt that establishing a new mechanism of governance across the three services will present challenges of organisation and compliance, though these will be less demanding than would be the case for a single employer approach.

5.4.2: Under this political leadership, all existing duties, responsibilities and obligations of the existing Fire Authorities would be absorbed into the PCCWM. The identities of the existing three delivery organisations would be sustained but would be brought together in an 'alliance' command structure with a Chief Constable and two Chief Fire Officers. Given the existing police alliance with

Warwickshire it may be that some further elaboration of the structures and more extensive collaboration would be achieved

5.4.3: We would suggest that operational efficiency would be enhanced by bringing delivery of all three West Mercia services together through the Control Room at Hindlip whilst resilience would be maintained by ensuring that there are adequate control facilities in each part of the WMPCC area as well as those in Warwickshire

5.4.4: While the PFCC would be responsible for developing an appropriate Police and Crime Plan and a Fire and Rescue Plan, we would suggest that the overall activities can be thought of in four major blocks: Policing; Fire and Rescue; Public Safety and Prevention; and Enabling Services. Community Resilience is integral to each of these four blocks. The first three of these would accelerate and increase joint working and collaboration, particularly around the Public Safety and Prevention thread through which much benefit might be derived. Enabling Services covers all those back office and support services essential to the operation of the other three. Joint working should produce gains in both effectiveness and efficiency with some economic benefit but perhaps that will be absorbed in sustaining resilience. Enabling services on the other hand should produce efficiency, effectiveness and economic gains through better use of shared systems, common approaches and joint procurement where that is appropriate.

5.4.5: We believe that this approach offers the potential to deliver gains in Public Safety and Effectiveness comparable with those of the SEM whilst reducing the risks of resistance and disruption that might arise from that approach. Joint command removes many of the organisational barriers to increasing collaboration while, again, minimising the risk of resistance. It offers as much potential for gains in effectiveness, efficiency and economy while having a lower cost of implementation and a lower risk profile than the single employer model.

5.4.6: The advantages of this option include supporting the sustainability and resilience of all services across West Mercia through fuller, faster collaboration and joint working together with additional interchangeability and sharing of some resources. These should translate to further and faster development of better services to the public. There will be fewer barriers to progress than with the SEM and the common command structure will enable a 'best fit' principle to be applied to the major strands of activity, allowing the deployment of the most appropriate or the nearest resource depending on the particular circumstances. While it might be argued that similar benefits are possible under either the existing arrangements or joint governance, the history and experience of such arrangements both within West Mercia and more broadly, shows that these are unlikely to be realised.

5.4.7: Sustaining the three separate organisations will cause a little extra work at PFCCWM level but that will be compensated for by maintaining the local connection with the level of spending and precept and thus the local accountability of services. Whilst the two FRAs have provided solid foundations

from which to build, expanding the work of the PCC to include Fire and Rescue will improve public visibility, accessibility and accountability of Fire and Rescue governance.

5.4.8: This option will also enable the greatest benefit to be derived from the adoption of ICT developments especially around prediction, planning and flexible working with the organisations able to blend specialist knowledge, systems and equipment where necessary with generic knowledge, systems and equipment where that is most appropriate.

5.4.9: The disadvantage will initially be the absence of a 'single command' at Chief Officer level and it may be that the economic gains are slightly less than they might otherwise be. Whilst over time a single Chief Fire Officer and command team for an alliance of two fire and rescue services may be desirable, additional strategic capability will be needed through the early period. We believe that the principal driver in this large, very rural area needs to be on sustaining the resilience and effectiveness of the services. The alliance working will need to develop a clear financial model so that costs and benefits are shared appropriately. The cost of doing that should be outweighed by the benefits.

5.4.10: The development of a shared enabling services function must be handled carefully. It must be recognised from the outset that the Chief Officers, working with the PFCC must take responsibility for creating an enabling services function that meets all of their needs. Explicitly that means it needs to be the most effective in providing support not simply the cheapest.

5.4.11: We recommend this option.

6:   Joint Governance: 5 Case Analysis

6.1:   Background

6.1.1: West Mercia Police is governed by the Police and Crime Commissioner for West Mercia supported by a Deputy and a Chief Executive, Treasurer and other governance functions. West Mercia Police is led by a Chief Constable and Deputy and delivers its services through an alliance with Warwickshire Police which has a matching senior command structure. The senior alliance officers are Assistant Chief Constables, the officials are Directors. It should be noted that provision of fire and rescue services in Warwickshire is not a consideration of this business case. The alliance is included because of its implications for the change under consideration.
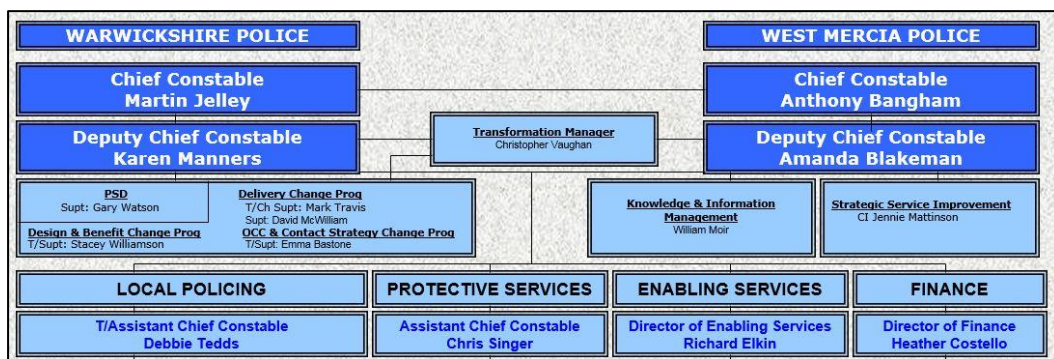

Figure 1

6.1.2: The police alliance extends to both Local and Protective Services policing which may have practical implications for collaboration between Police and Fire & Rescue Services in Herefordshire, Worcestershire in particular (having a shared boundary with Warwickshire Police) though less so for Shropshire.

The existence of the Police Alliance creates no substantive issue that we have identified

6.1.3: Of direct relevance to the change under consideration are three elements of the alliance structure. Warwickshire Police and West Mercia Police share a single Director of Finance and common Finance function and a single Director of Enabling Services (Procurement, Training, HR, ICT) and common support functions. This means that some of the benefits of shared services may have already been realised. In the event of a change in governance there will be a need to adapt those shared services to accommodate new approaches, behaviours and processes that might arise. There is also an alliance role of 'Transformation Manager' with responsibility for design and delivery of future policing. The existence of established integrated support functions may make the absorption of additional processing more straightforward (though it is recognised that there may be significant variation in some aspects). Similarly, it may be that the style of delivery and performance standards may need to be

reviewed. Along with WMP and Warwickshire Police, HWFRS outsources most of their property management functions to a contractor, PPL, in which it also plays a role in ownership and governance. WMP also outsources payroll operations.

6.1.4: The alliance has a number of significant projects in course and care will need to be taken not to disrupt them from, on time, to standard, delivery in this process of potential governance change. These projects include major ICT upgrades and a new control room in particular (shared with HWFRS).

6.1.5: West Mercia Police has an establishment of 2086 police officers, 2381 police staff and 403 specials. In the year to January 2017 WMP attended 142824 incidents of all types of which 81772 (57%) were related to Public Safety and Transport matters rather than reported crime. WMP Budget (2016/17) was £207.5m net with a savings target across the alliance for 2017/18 of £5m and a further £11m in 2018/19.

6.1.6: Hereford and Worcester Fire and Rescue Service is governed by Hereford and Worcester Fire Authority. The Authority is made up of 25 Councillors (6 from Herefordshire, 19 from Worcestershire) who conduct the political governance functions and are supported by 2 support staff plus legal services, monitoring and treasury. The Fire and Rescue Service retains its own finance, HR and other support functions. HWFRS is headed by a Chief Fire Officer supported by a Deputy CFO responsible for Service Support, Assistant CFO responsible for Service Delivery and a Director of Finance who is also Treasurer to the Fire Authority. There is an independent head of Legal Services who acts as Clerk and Monitoring Officer. With WMP it outsources most aspects of its property management to a contractor, Place Partnership Ltd (PPL), in which it also plays a role in ownership and governance.
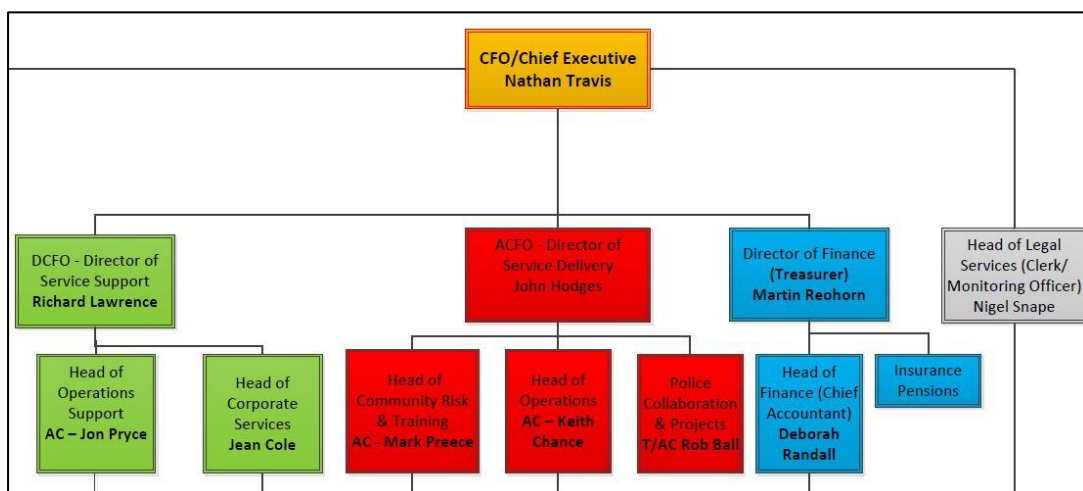

Figure 2

6.1.7: Around 80%[2] of the established, 757 person, HWFRS workforce are firefighters and of these 387 are retained firefighters, reflecting the rural nature of the location. HWFRS has 27 Fire Stations of which 8 have whole time crews available serving a population of around 750000. In 2015/16 HWFRS attended 6459 incidents (in relation to 9346 emergency calls) reflecting a 'continuing downward trend'[3] Of calls attended, 1920 were in relation to Fire, 3050 were false alarms for various reasons, 1489 were for special services including 648 road traffic collisions. HWFRS aims for a response time to life threatening incidents of 10 minutes.

6.1.8: HWFRS is undertaking a number of change and transformation projects. In addition to the development of the joint control room with WMP it is, like all emergency service organisations, working on the Emergency Services Network and Public Services Network projects, it has also transferred operation of its payroll to Warwickshire County Council. It has also commenced working on collaborative projects with Warwickshire Fire and Rescue Service and on a 'blue light hub' in Wyre District. A project to renew Evesham Fire Station is now completed and work continues on a similar project in Hereford.

6.1.9: HWFRS has a budget of around £32m (2016/17) and is aware that it needs to generate further savings of £1.6m by 2019/20

6.1.10: Shropshire Fire and Rescue Service is governed by Shropshire and Wrekin Fire Authority. The Authority is made up of 17 Councillors who conduct the political governance functions and are supported by a treasurer and part time support staff with most functions outsourced to the Local Authority. The Fire and Rescue Service retains its own finance, ICT, HR and other support functions. SRS is headed by a Chief Fire Officer supported by a Deputy CFO responsible for Service Delivery and Training, Assistant CFO responsible for Corporate Service (HR, ICT, Planning and Performance), Head of Finance and Head of Resources.
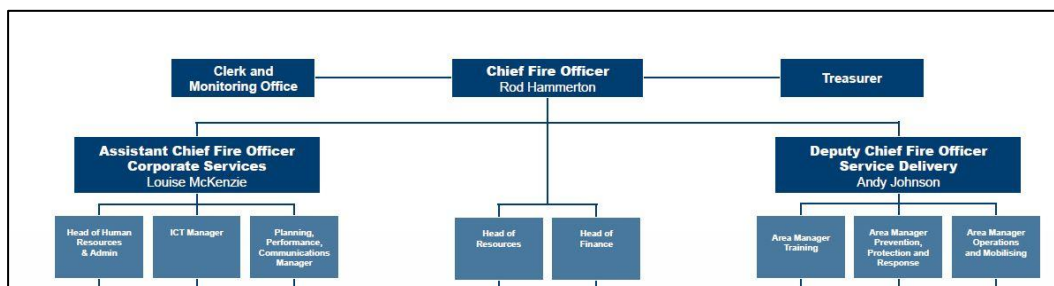

Figure 3

6.1.11: SFRS has an establishment of 640 of whom 79%[4] are firefighters (177 whole time and 332 retained. This proportion again reflects the very rural nature and widely distributed population of Shropshire. SFRS has 23 Fire Stations of which 3 are permanently staffed and serving a population of 473000 in England's

largest county. While SFRS[5] has a clear focus on prevention it attended 3956 incidents in 2015/16. Of these, 1234 were in relation to Fire, 1688 were false alarms for various reasons, 1034 were for various special services including 267 road traffic collisions. SFRS aims for a response time to life threatening incidents of 15 minutes.

6.1.12: SFRS has delivered service efficiency gains and reviewed its Telford site to improve its utility for SFRS and local resilience. A number of other operational improvements have been delivered in relation to people and systems in particular.

6.1.13: SFRS had a budget of £21.7m in the 2016/17 year and knows that continuing work will be required to deliver and maintain resilient services against future financial constraints.

6.2:   Strategic

There are three major strategic opportunities that can be addressed through the proposed joint governance arrangement.

6.2.1: The first is that the organisations can accelerate collaborative working in the delivery of front-line services, in particular of the Public Safety and Prevention activities and tie these down to both process outcomes and financial objectives. The counties of Herefordshire, Worcestershire and Shropshire are large with significant rural areas and low population density. Travel across the area can be slow with limited motorways and dual carriageways and effective provision of services will always demand locally based capability. As pressure continues on the cost of service provision in the future collaborative working between services will be the most cost-effective way to sustain service resilience and effectiveness.

6.2.2: As all three organisations continue to deliver the same levels of service on lower budgets there will come a point where the existing business and service delivery models have been refined and reduced to their limits. At that point the services will need to consider reductions in service and/or variation in service response times. Joint working and collaboration will encourage the redesign of services and challenge the organisations to develop transformative ways of working to deliver the same services on a lower cost base and obviate the need for service reductions.

6.2.3: As well as front line services enabling services can similarly be transformed. Currently, WMP has its enabling services largely shared with Warwickshire Police with property management outsourced to PPL. SFRS buys in a variety of services from the local authority in Shropshire while retaining some of its own capability. HWFRS buys in some services from Warwickshire County Council and PPL while again retaining some internal capability. The proposed change to joint governance of the three organisations generates the opportunity for a rapid and rigorous reappraisal and redesign of the provision of all enabling

services embracing organisation, structures, processes, information and behaviours. These should be redesigned around the needs of the three organisations taking account not just of short term efficiency and economic gains but, particularly, the most effective ways in which such services can and should be delivered to three highly distributed organisations operating multiple shift systems throughout the week. Procurement and scale efficiencies can result. There is an opportunity to offer services which are locally distributed while retaining the benefits of centralised provision of the information, systems and technologies which underpin their delivery. Police Officers and Fire Fighters are on duty 24 hours per day, 7 days per week, enabling services can be provided in a manner that supports this demand with additional flexibility and efficiency.

6.2.4: It will be important to remember in undertaking such work that it will undoubtedly be possible to deliver economies through greater working at scale, consistency and homogenisation of certain aspects of, for example, training and equipment. It will be equally important to recognise and support those areas where specialist technical expertise or dedicated and specialised equipment is essential to the provision of an effective service. It will be one of the tasks of the Chief Officers to ensure that these are recognised and sustained.

6.2.5: The third major strategic opportunity rests in the potential to exploit investment in an information-enabled future. Substantial investment is already being made by WMP, Warwickshire Police and HWFRS in the new Hindlip control room together with a range of supporting investments in new infrastructure, hardware and software. While SFRS[6] has and is making investment in ICT, the opportunity exists for it to join with the joint control room facility and for all services to align around the most appropriate software and technologies. This will be consistent with the development of the Emergency Services Network (ESN) and Public Services Network (PSN) infrastructures. New Information and Communication Technology (ICT) allows for new ways of working both in operations and in supporting and enabling services. Examples, in which both the statutory responsibilities and management of delivery will also need to be aligned, include:

- prediction of service demand;
- utilisation of 'big data';
- more flexible despatch and control;
- utilization of drones and other robotics;
- deployment of staff on areas of new demand such as dementia care, missing persons preventative services and support for the most vulnerable.

6.2.6: The public value benefits of both efficiency and effectiveness will increasingly require that ICT is understood to provide a common public safety platform. Shared costs can be reduced and collaboration can be further enhanced. Public value, over time, will inevitably require, indeed rely on, the effective sharing of

data across organisational boundaries and that need on its own is sufficient to necessitate new governance arrangements.

6.2.7: Joint governance and the data sharing enabled by changing ICT provision will also enable the identification of points of acute public need and the use of shared resources to respond to them. This will ensure the delivery of benefits of collaboration particularly in rural areas where delivery resources are sparse.

6.2.8: All that said, the focus of ongoing investment in ICT needs to be focused very clearly on the 'I' rather than on the C and T. The systems exist to deliver information to those who need it to support the decisions they are charged with taking and for which they will be accountable, there is an obligation to ensure that they are fully informed. The starting point for consideration in this area is to ask 'what do we need to know to make the decisions we need to make?' The role of the C&T is to provide that information. Information-focused processes need to be designed which deliver that information, are enabled by the technology and support devolved decision making to largely, distant officers operating with high autonomy.

6.2.9: All that which has been said above is consistent with the existing direction of travel both of the organisations under consideration but also across the public sector as a whole. At present collaboration is inhibited, in particular, by the multiple governance bodies (albeit unintentionally) and by the organisational barriers those arrangements render necessary. The proposed changes will support and enable significant acceleration in the substance and rate of transformation in the direction currently considered by Chief Officers and the design and delivery of a more coherent, integrated public service over a shortened timescale.

6.3:   Economic

There are three principal areas in which public value can be directly improved through the proposed change.

6.3.1: The first and most readily available is through **reduced governance costs**. The combined direct governance costs of the SFRS and HWFRS Fire Authorities amount to around £577k in the 2016/17 financial year. It is estimated that these costs can be reduced by not less than £250k per annum from April 2018 through elimination of the existing member costs, around £136k and redesign or integration of the processes and structures of supporting services with those already borne by the PCCWM where a further benefit of at least £110k is anticipated. There will be some transitional costs to bear for the whole programme which will depend on the implementation strategy adopted.

6.3.2: It is proposed that the PCCWM would invite a small number of representatives from across the counties to offer and assist in sustaining local understanding after the change.

6.3.3: The second, and potentially most significant area of economic gain is in the **provision of enabling services** to the constituent organisations. We consider that through consolidation of activity, process redesign and the elimination of non-value adding activity a gain in the order of 25% of current combined costs is achievable. The benefits case for the change will need to take account of any committed cost reductions deliverable before the proposed governance change in April 2018 to avoid double counting benefits.

6.3.4: Across the four organisations affected here (including Warwickshire Police through the alliance), some 628 employees, 11% of the combined total, are employed in these areas which cover Chief Officers and their Deputies, Transformation, Alliance Working, Business Support and Estates, HR, Training, Transport, ICT, Strategic and Operational Planning, Legal, and Internal Audit. 482 of these are employed in existing West Mercia and Warwickshire Police Alliance related roles. There may be an impact on some of these roles from the proposed change in governance which will need to be recognised in alliance arrangements. Adopting lean and other quality management approaches, through consolidation of structures, integration, transformational process redesign and more effective use of information, this can be reduced by around 25% to about 474 (8.5% of the combined total) over three years. The estimated reduction in annual cost is estimated at a potential £4m across the three organisations on completion. There is no impact on front line staffing from this element.

6.3.5: The cost of designing and implementation should be largely absorbable within the current cost base of the organisation (by redeploying existing staff) although it is likely that some facilitative external consultancy support will be appropriate. The PFCC will need to determine the pace of delivery of the change through natural wastage, non-replacement of leavers and, if necessary, redundancy and that will to a large extent determine the cost of reducing the headcount. The style and pace of transition plans will have a significant impact on any transition costs arising.

6.3.6: The third area in which economic gain can be made is in enhanced **collaboration and optimisation** at front line especially around Public Safety, Preventative activities and Community Resilience. We have not attempted to quantify the potential at this stage. Existing collaboration plans (beyond the shared control room at Hindlip) embrace a range of matters such as PCSOs cross-trained as firefighters (23 across the two FRSs), joint fire investigations, incident planning and training, some procurement, PPL (property management), sharing of buildings and co-location. The financial benefits of these are reported to be captured in local budgets. Future plans include joint Harm Hubs and Community Risk Teams, co-locations of commanders, shared training facilities, relocation of HWFRS to WMP HQ and some aspects of driver training, vehicle repair.

6.3.7: We believe that there is much scope to extend collaboration, particularly in relation to Public Safety (where FRSs have been particularly successful) and

Preventative activities and Community Resilience. Through that we would expect to see potential realised for elimination of duplication of action, for increased efficiency in the use of all forms of resources and gains in achievements of desired outcomes. To achieve this will require retention of substantial management and leadership capability at senior levels in all organisations. That leadership will need to identify and quantify barriers to collaboration and work out means by which they can be overcome

6.4:   Commercial

The commercial case for this approach is closely tied in to three other cases, the strategic, economic and financial but two additional elements stand out from those.

6.4.1: The first element is that the strong brand identities of the constituent organisations will be retained. This will help to ensure that public recognition and appreciation is sustained, will maintain the local, distributed control that serves so well in these rural counties while delivering the shared support and enabling systems that deliver business efficiency in processes and financial management.

6.4.2: The second element is that direct political accountability is achieved while the local input is sustained through the adoption of advisory support to the PCC to ensure understanding of those things which matter to individuals and local communities.

6.5:   Financial

6.5.1: The financial case needs to acknowledge the good work that has already been done and is in course of delivery by all three constituent organisations. While major projects are in course of delivery, WMP is working on its future transformation plan. HWFRS has identified the need to save a further £1.6m pa by 2019/20 and SFRS knows that similar proportionate savings must be achieved. All are rightly concerned to protect and preserve their front line services in Policing, Fire, Prevention and Public Safety. One of the means through which that might be achieved is by bringing together the governance as proposed herein and exploiting that for the business efficiencies and savings that might be generated.

6.5.2: This will not be an easy, trivial or comfortable task. Much work has already been undertaken and process efficiencies and economic savings delivered. The next stage will require courage and insight to draw on the latent capability of information systems to reduce costs through smarter working, eliminate non-value adding activity, reduce process cycle times, improve response times, reduce duplication and delay and promote greater autonomy in the administrative functions. Part of this may be achieved through extensions to 'self-service' capabilities in enabling services, part through more radical approaches.

6.5.3: Work so far has largely delivered improvement to existing systems, processes, procedures. Taking the next steps will require considering whether some processes are needed at all, whether greater decision discretion can be allowed to individuals within the organisational system, whether some systems, processes, activities and ways of working have run their course and can simply be stopped. This will require courageous, strong leadership at all levels.

6.5.4: We believe that the benefits profile (based on the outline implementation plan in section 6.6) is as follows:

	2017/18	2018/19	2019/20	2020/2021
Governance	£0	£0.25k +	£0.25k +	£0.25k +
Organisational	£0	£0.5m	£2.0m	£4.0m
Cumulative	£0	£0.75m	£3.5m	£7.75m

The benefits stated and costs recognised are focused only on revenue matters. There are some capital programmes in course of delivery or in planning which are included in collaborative working, or are outside the scope of this work. Once a determination on the governance question has been made it is recommended that the WMPCC revisits the capital programme and identifies additional areas of potential gain.

6.6:   Management

6.6.1: Delivery of the proposed plan will depend upon the hard work, determination and ambition of the Political leadership and Chief Officers of the three organisations. All have already demonstrated significant capability in this regard and it would be short-sighted when setting out on this task to reduce that capability at all. The task of delivering the change will be demanding and will rely on the engagement of the established leaders with their loyal workforces. Pursuit of this proposal will provide unity of energy and direction which will simplify the roles of the Chief Officers in meeting the expectations and demands of political leadership.

6.6.2: Although it may seem a luxury, our plan considers that each force should retain its own Chief Officer who will lead the change in the organisation and engage positively with the leaders of the other two. The proposed initial structure is set out in figure 4.
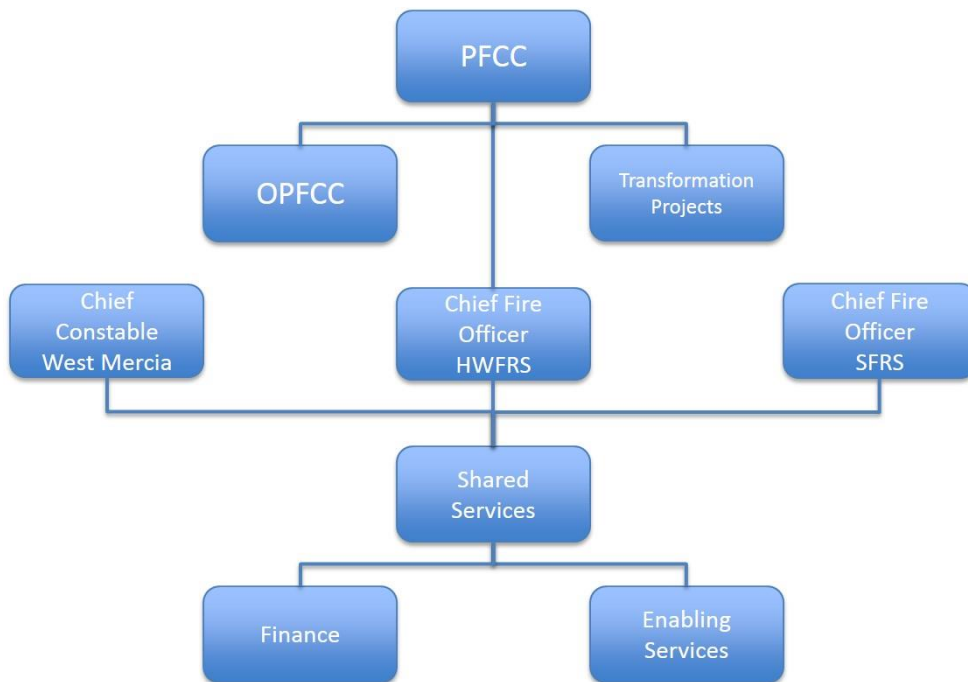
Figure 4

6.6.3: There will be key challenges for these leaders to deliver in the current year, particularly the shared control room at Hindlip and retaining leadership capacity will assist in not destabilising those challenges. For the future, the leaders will need to understand that transformation of their services is not an add-on to the daily duty, it is the daily duty. What they will be charged with delivering will be a different future and doing so will require them to exercise fully their skills in leadership, not managership or commandship. While there is no doubt that something would be achieved by giving instructions we believe that much more will be achieved by fully engaging every employee within the three services in the design and delivery of the change. They will need to build a share transformation team, to work out how that co-exists with the existing alliance activity and the collaboration and then work together to deliver a new way of working across process, people, information and technology.

6.7:   Implementation

6.7.1: In the year to April 2018 the focus will remain on accelerating compliance with the statutory obligation to collaboration between the services and the development of alliances which do not rely on assumptions about any possible change in governance for their achievement.

6.7.2: In the period before April 2018 the three services can focus on the acceleration of existing collaborative activities and coupling them to achievement of performance and financial targets. None of that is affected by governance discussions.

6.7.3: WMP and HWFRS will be completing delivery of the major projects currently in course and, again, the governance conversation must not be allowed to distract the attention of the relevant people.

6.7.4 In the period before April 2018 the three services could focus on acceleration of Police and Fire Collaboration. If the proposed governance change is confirmed then from April 2018 what would be the PFCC would replace the two FRAs, establish the advisory panel and bring into being formal strategic command of the three services. The PFCC with the Chief Officers could then consider the most appropriate means of providing joint command and control across West Mercia and develop integrated plans for transformation, for integrated enabling services and commence delivering those plans.

6.7.5: Thereafter, from April 2019, the PFCC would be expected to review the senior command and leadership teams, to begin to release any redundant posts and deliver the transformation plan.

7:   Collaboration

7.1:   Sustainable success in the proposed joint governance model will be realised through maximising effective collaboration across the three organisations to ensure a resilient, cost effective approach to public safety and prevention. This will also support the development and delivery of an integrated prevention agenda.

There is collaboration already in course between the three services which extends to:

- Prevention and protection;
- Cross-trained PCSOs, FRS Search and Rescue Dogs;
- Joint fire investigations and incident planning;
- Joint command and control (SFRS/HWFRS);
- Joint operational and management training;
- PPL (premises management);
- Some elements of procurement;
- Some sharing of buildings.

7.2:   Planned extensions to these existing collaborations include shared Harm Hub/Community Risk Teams, physical co-location of command teams, some shared training facilities and courses, some aspects of operational logistics around vehicle maintenance and driver training and the Public Services Network.

7.3:   Documentation reviewed in relation to these aspects showed strong aspiration but was less clear on potential public service benefits, economic benefits and realisation dates. Some of these are believed to be in budgets and project plans, however this mainly highlights the potential for a sharper focus on this area and for the delivery of quantified benefits on all matters.

7.4:   Meetings with Officers for all services and in the collective discussions provided the opportunity for consideration of additional areas for collaboration, the barriers that might exist and how they might be overcome. It was considered that a move to joint governance would enable joint strategic planning and enhance operational collaboration. Developing a shared enabling services model was also considered possible allowing efficiency gains while removing barriers. It was recognised that this would need to respect both the geography of the West Mercia area and be tailored to meet the needs of the services.

7.5:   A number of operational areas were also identified as having potential. These included reconsidering how to more frequently deploy RDS resources in appropriate circumstances. This might include working together more closely on youth engagement, mental health issues, and meeting the needs of vulnerable people, all of which could be supported by an ethos in the control room of 'doing the right thing' to meet the need, especially in rural settings.

7.6:   To achieve these ambitions will require connected thinking and action with a mutual understanding of the mechanisms for identifying and allocating all types

of resources. Of particular importance will be the sharing of information which will be particularly enabled through control room protocols.

References:

1: APACE Police and Fire Guidance Notes 13/2/2017

2 and 3: HWFRS Annual Report 2015/16

4 and 5: SFRS Annual Report 2015/16

West Mercia Fire and Rescue Governance

Consultation Q&A

Will this mean I get a better or worse service when I need help from the police or fire crews?
In itself, a change in governance does not directly impact frontline services. It does not affect frontline firefighters or police officers and most things would stay exactly the same at first. One aim of bringing governance together is to make it easier for our police and fire services work together more to improve the service you get.

Will frontline officers be lost as a result of this?
No. If anything, this proposed change of governance would actually help protect frontline officers. Our police and fire services need to find efficiencies at the moment. Working together more would help them find those efficiencies in support functions, rather than on the frontline.

Will specialist equipment be lost from our police or fire services?
No. That would not be acceptable and is certainly not part of these proposals. Police and fire services would work more closely though on joint procurement and sharing best practice to improve resilience.

Would this mean a reduced presence or visibility from our police or fire services in local communities?
No. The PCC is already working to improve community visibility for police and would not compromise that for either service. In the future it could be that, for example, our police and fire services share more buildings, but they would still retain their community presence.

Would these changes mean a loss in local identity for our fire services?
No. Both fire services would still exist as individual organisations, as would West Mercia Police. The same local police and fire teams would be responding to incidents as we have now. Their names and branding etc. would not be affected and they would still serve the same communities they do now.

Will this mean that funding from one area, which currently goes to one service, could be used to prop up other services in different areas?
No – this could not happen. Each service would retain its own budget, income, expenditure and reserves. These would all be ring-fenced to each specific service and geographic area.

Would the fire services be merged together? Would they be merged with the police?
No, the services would work more closely together, but they would not be merged. This would help maximise the benefits of collaboration, without losing the identities, brands and public confidence of the organisations.

Would I still pay separate council tax contributions for police and fire services? Will they still have separate budgets?

Yes, because the organisations are not merging and still have their own ring-fenced finances. You would still pay an amount towards policing and a separate amount towards your fire service. From a public perspective, nothing significant would change in terms of how services are paid for via council tax or financed more broadly speaking.

What are the benefits here in terms of finances or efficiencies?

A change in governance would enable a saving of around £4m to the taxpayer. This would be from the efficiencies that can be achieved by our two fire services and our police force working more closely together and sharing more support functions.

Do our police and fire services need to save money? Would this change help with that or not?

Both our fire services and our police force have been well governed up to now, but they haven't worked together as well as they can. All three organisations do need to find further efficiency savings in the coming years. In percentage terms, our two local fire services are facing the largest savings targets of any nationwide. West Mercia Police is implementing savings of £9.5m this year, with a further £21.9m projected by the end of 2020/21.

These proposed changes in governance will not single-handedly solve these challenges. However, they would save an estimated total of £4m per year and help ensure that each organisation is squeezing as much efficiency from its back-office function as possible, and therefore offering some increased protection to frontline services.

Does the PCC have the experience to run fire services?

Much like the Chief Constable runs the Police force, there would still be a vastly experienced and professional Chief Fire Officer who would run their fire service as well.

These proposals are about governance – providing a strong voice for communities, holding those chief officers to account, ensuring the public get an effective, efficient service and making sure services respond to community needs. This is a role the PCC already fulfils for policing and crime and would be expanding to cover the fire services as well in the best interests of public safety.

What if there are major objections to these proposals, will they go ahead regardless?

If there are objections from top tier councils or there is not a local appetite for these changes they don't have to go ahead. The proposals would be independently reviewed and the final decision would rest with government.

Who is driving these proposals? The government or the Police and Crime Commissioner?

The Police and Crime Commissioner is the person driving this forward. The PCC commissioned the piece of work to look into the possibilities here and has ultimately decided

there is a proposal which is worth exploring further in the best interests of public safety and services.

Is this just the Police and Crime Commissioner 'building an empire'?
This is purely and simply about what is best for our emergency services and our communities in the short, medium and long term. The recommendations for these changes have come from independent experts who have conducted an in-depth review of the current arrangements and what is possible going forward. If there was no prospect of improving effectiveness and efficiency then the PCC would not be pursuing these proposals.

How would this impact rural communities?
By getting the police and fire services to work together better we should be able to provide a better and more resilient service in our more remote areas.

What will happen to the Chief Officers who are currently in charge of the police and fire services?
These arrangements will not be affected by these proposals. Our police and fire services will continue to be run by experienced, professional officers who are experts in their fields.

If these changes make our emergency services more efficient, would that leave them vulnerable to the government reducing their budgets?
The PCC has lobbied the government for fairer funding for policing since his election and would continue that campaign if he was in charge of governing fire services as well. By being able to demonstrate to government that local police and fire services are as efficient as possible already, it would strengthen the case for fairer funding, with a particular focus on providing services in rural communities.

Is it less democratic to have a single person in charge of governance of our local fire services?
There are currently 40 local councillors who sit on the two fire authorities, who would be replaced by a single directly elected person if these proposals go ahead. Whilst these councillors are all elected, they are only elected to represent their wards. They are not elected to the fire authorities. Fire authority members are nominated by councils without consulting the public.

If these changes go ahead, in 2020 our communities would have the chance to directly elect a local Police, Fire and Crime Commissioner. Every voter would have an equal say. This proposal will increase the democratic accountability of our fire and rescue services.

Could we get better collaboration and integration between our police and fire services without this change in governance?
In theory it is possible, but the reality is that it has not happened. Collaboration between our police and fire services does go on, but it is limited and does not go far enough to maximise the possible benefits to our communities. A change in governance to have a single body

overseeing all three organisations would help provide the catalyst to get this progress moving forward.

What are the alternatives to these proposals? Why aren't they possible?
There are a couple of alternatives.
1. Maintain the status quo of having a PCC and two fire authorities. This option would not realise any of the potential effectiveness and efficiency benefits of single governance.
2. Create a 'single employer', and have our police and fire services as part of one big organisation. This is not proposed as an option as it could blur the lines between policing and fire and could risk compromising the specific professional skills of each service.

Would our local councils still have a role to play in fire governance?
Yes, the Commissioner is proposing a system whereby each top-tier local authority would be asked to nominate fire representatives. These Councillors would help inform and support the PCC in his work.

How would this affect the police alliance between West Mercia Police and Warwickshire Police?
This would not have a direct impact on the policing alliance.

Are the ambulance services involved in this at all?
No, they aren't. They have indicated that they do not wish to be at this stage.

Communities have different relationships to their fire services than they do with their police. How would these changes impact on that?
This is acknowledged and these changes would not necessarily impact on that directly. The police will still be the police, fire services will still be fire services. This change in governance would not directly affect those community relationships, although with the Commissioner's responsibilities around community engagement, responding to community concerns and providing a strong voice for the public, if anything this change would hopefully improve relationships for both services and develop safer communities through effective, efficient collaborative working.

Who would hold the Commissioner to account if he were to take over governance of the fire services?
The electorate would still hold the Commissioner to account as at present. Currently the Commissioner is scrutinised by West Mercia's Police and Crime Panel. If these proposals go ahead, their role would also be expanded to become the Police, Fire and Crime Panel.

Will the PCC get paid any more for this?
The PCC's salary is fixed by Parliament. In time it could be that they review his pay, however this has not been discussed by any party at this point. This is not the driver for the proposed changes in governance, this is purely about the effectiveness and efficiency of our police and fire services.

Who has made these recommendations? Can we trust that they know what they are talking about?

The PCC engaged independent business consultants to assess this issue. They included Doctors and Professors who are experts in their fields. The lead consultant has 30 years of experience working with businesses across the public, private and third sectors, reviewing their processes, organisational structures and operations in order to maximise their effectiveness and efficiency. The consultants gathered and analysed evidence, including from talking with senior police and fire officers, the local Fire Authorities and partner organisations, before presenting their conclusions.

WEST MERCIA FIRE AND RESCUE GOVERNANCE

CONSULTATION

The Police and Crime Commissioner is proposing to take on governance of local fire services in Herefordshire, Shropshire, Telford & Wrekin and Worcestershire.

This would result in:

- Estimated £4 million annual savings through improved efficiencies.
- Closer collaboration between police and fire services.
- Improved resilience for ensuring public services.
- No changes to frontline officers or services
- A system of a directly elected Police, Fire and Crime Commissioner.

Q1 Do you support these proposals?

Yes ☐

No ☐

Q2. What are the main reasons for your answer to question 1? (Please tick all that apply).

Financial considerations ☐

Service resilience ☐

Levels of collaboration ☐

Replacing the existing Fire and Rescue ☐
Authorities

Other (Please Specify):

About You

Q3. In what capacity are you responding?

As an individual member of the community ☐ (**Please go to question 6**)

On behalf of a business ☐ **Please go to question 7**)

As an employee or volunteer of the police or fire service ☐ (**Please go to question 4**)

As a local councillor or on behalf of a local council ☐ (**Please go to question 5**)

Q4. Do you work for any of the following? (This can include in a voluntary capacity)

Hereford and Worcester Fire and Rescue Service ☐

Shropshire Fire and Rescue Service ☐

West Mercia Police ☐

Q5. Are you any of the following?

Town or Parish Councillor	☐	Unitary Councillor	☐
District / Borough / City Councillor	☐	County Councillor	☐

Providing an official response on behalf of the following Council [   ]

Q6. Please confirm your age

Under 18	☐	40 - 64	☐
18 – 25	☐	65 and over	☐
26 – 39	☐	Prefer not to say	☐

Q7 Please confirm which local policing area you live in (or are located in if you are responding on behalf of a business, organisation or a council)

Herefordshire ☐

Shropshire ☐

North Worcestershire: Bromsgrove, Redditch, Wyre Forest ☐

South Worcestershire: Malvern Hills, Worcester City, Wychavon ☐

Telford and Wrekin ☐

Other (Please specify) [   ]

THANK YOU FOR TAKING THE TIME TO TAKE PART IN THIS CONSULTATION.

Please post your completed questionnaire to:

John Campion, West Mercia Police and Crime Commissioner, Hindlip Hall, Worcester WR3 8SP

The closing date for the consultation is **Monday 11th September 2017**

Results will be published in due course on: www.westmerica-pcc.gov.uk

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ameo:

alendi
Consulting Ltd.

Analysis of West Mercia PCC
Initial Business Case

Version – Final Draft 1.1
26th July 2017

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1. Introduction

In line with the Policing and Crime Act 2017 the West Mercia Police and Crime Commissioner (WMPCC) commissioned research to develop a business case for merging the governance, strategic and operational management of Hereford and Worcester (HWFRS) and Shropshire Fire and Rescue Services (SFRS) into his jurisdiction. This initial business case (IBC) was recently completed and submitted for public consultation on 12th June 2017 to run for twelve weeks with a closing date of 11th September 2017.

Shropshire and Wrekin Fire and Rescue Authority (SWFRA) and Hereford and Worcester Fire and Rescue Authority (HWFRA) made initial press statements in response to the launch of the public consultation, in which they recognised the need for greater collaboration but were keen to highlight the effective collaborative ventures that were already in place and those that were planned. Both FRAs also pointed out that they were already well governed, well managed, and delivered an excellent service to their communities within budgetary constraints. The FRAs also questioned the IBC on its assertion that £4m of savings could be made without losing jobs or reducing the quality that both FRAs rely on to deliver their service to the public and staff.

The Chairs of the FRAs have been in discussion with the Leaders of their respective Constituent Authorities (CAs) to determine how the CAs need to be supported in order to develop a considered response to the PCC's consultation. NB: the statutory consultees are the CAs, the public, the staff and their representative bodies (RBs).

The decision of the CAs was that this role would be delegated to the scrutiny function of each council and to support this the Leaders of the four CAs requested the two FRAs prepare a report. To that end the two FRAs agreed to jointly commission an independent analysis of the PCC's IBC in order to scrutinise its feasibility and practical deliverability. Furthermore, it was felt important that the analysis should also appraise the IBC against alternative options; such as a revised FRA structure that would allow for PCC representation, create efficiencies within the governance arrangements and exploit the sharing of resources.

As well as a detailed review of the IBC produced by Beckford Consulting, the supporting material from the two FRS's was examined and a series of one to one interviews were conducted with the Chairs of the two FRA's, their respective Chief Fire Officers and heads of finance. In order to better understand the PCC's intended approach the authors also met with the West Mercia Police and Crime Chief Executive as the Police and Crime Commissioner was not available.

As such this report provides a financial and organisational analysis of the IBC, verification of details therein and an exploration of a number of potential options in response to the consultation for consideration by the two FRA's and their constituent authorities.

2. Overview and Assessment of Governance Options

The IBC approaches the governance options somewhat differently from the guidance provided by the Association of Policing and Crime Chief Executives (APACE) in that it does not consider the Representation model and focuses only on the Governance and Single Employer options. We presume this is because the PCC currently sits on both FRA's as a participating but non-voting member and this could be described as a variant of the representation model.

The lack of examination of the representation model may be a missed opportunity as a number of authorities are exploring the representation approach and developing innovative solutions to build strong working alliances without organisational disruption. We would suggest this might be an avenue for further exploration and provide more detail later in the report.

The IBC concludes that the current trajectory of collaboration and potential savings achieved under this arrangement would be accelerated by the adoption of a governance model. It cites that the removal of barriers around strategic decision-making as the main reason for this improvement. We offer evidence below that suggests that delays in collaborative activities may not be the result of existing governance structures but rather other organisational factors.

It is worth noting that the IBC limits suggestions that significant improvements in operational service delivery would be achieved through a change of governance. This we believe is wise. Both police and fire are category 1 responders under the Civil Contingencies Act 2004 and have statutory obligations to cooperate in identifying, planning and responding to emergencies. Both FRSs are active participants in the Local Resilience Forum and work well with police and other category 1 responders. As such collaboration is both legally required and actively pursued within West Mercia. Additionally the Joint Emergency Services Interoperability Programme (JESIP) has ensured closer collaboration between services through nationally prescribed training and protocols for incident management. The use of "Resilience Direct" a shared database of operational information for first responders in West Mercia demonstrates the progress made in developing a stronger collaborative ethos. Hence it is unlikely that any change in governance arrangements would affect the current level of operational coordination and delivery at incidents.

In recommending the governance model as the preferred option the IBC posits that it represents many of the advantages of a joint employer model without the challenges of resistance from the representative bodies or the complexity and risk of organisational integration. In theory this looks attractive but the reality may be more challenging.

Much is made of the advantages of keeping three separate organisations managed by a "command alliance" (Later referred to as "joint command" in 5.4.5). What this actually means in terms of day-to-day leadership is not clear. There is no explanation as to whether the Chief Officers would act collectively across the three entities or whether there would be defined areas of jurisdiction. No mention is made of the process of corporate decision-making and whether this would incorporate veto arrangements. Whilst these are detailed points they are fundamental in understanding how the approach would operate.

With a shared back office, a concerted effort to introduce lean systems and combined governance the sense that individual organisations with separate brands could be maintained indefinitely seems unlikely. What is being proposed is a fairly complex organisational form in which responsibilities and decision-making would need to be carefully defined if it is to work efficiently and transparently.

Paragraphs 5.4.9 and 6.7.5 suggest that further transformation from the proposed model is likely to occur in the near term. Indeed it is makes clear that a review of the senior command teams would be expected after April 2019 "to begin to release any redundant posts and deliver the transformation plan".

Hence what might appear as an initial model seeking to maintain three distinct organisations with separate leadership teams moves to something quite different with the individual Police and Fire and Rescue Service identities becoming increasingly less distinct. How well this is appreciated in the consultation process is unclear.

A key leg of the IBC argument is the purported improvement in accountability provided by PCC governance. It is worth noting that this relies on the belief that accountability is principally about the visibility of the decision making by a directly elected politician. However democratic accountability also encompasses issues of independent scrutiny and public accessibility. Currently both FRA's are comprised of elected members appointed to the Authority rather than directly elected as the PCC. However the scrutiny arrangements operated by PCC's is more limited than the infrastructure in place for each FRA, both of which have dedicated scrutiny bodies. In contrast to Police and Crime Panels, whose purview and authority is

narrow, FRA's scrutiny/performance committees are charged with greater discretion and influence.

It is also worth noting that FRA's are comprised of local representatives who offer the public a route by which to raise issues and concerns. In contrast, the WMPCC would be expected to deal with not only fire issues across two large counties but also the challenges of governing West Mercia Police whilst remaining open to local public concerns. The suggestion that this would cause "…a little extra work…" for the PCC seems highly optimistic.

That said the issue of community accessibility is clearly recognised in the IBC as it raises the concept of an advisory panel to the PCC. It is not clear how these unelected advisors would be appointed nor the formal authority they would hold. Neither is it clear whether these would be paid positions which would have financial implications and raise questions around independence. Whatever the case the argument that PCC's bring greater accountability through this model is open to challenge.

3. Five Case Analysis

The IBC adopts the Treasury's "five case" model in line with APACE guidance. For ease of cross-reference we have adopted the same structure (including a sixth section around implementation).

i. Strategic
This section lists three key strategic opportunities that are presented by the adoption of the governance model.

Acceleration of collaborative working in front line services
It is clear from the outset of the IBC that there is a somewhat narrow view of the work of FRS. The emergency response role and the focus on "community safety" are interpreted to align closely with the police role. At a high level, this may seem to be the case but more careful organisational examination reveals police and fire roles are considerably different. It is not without some significance that in no other Western country are police and fire jointly managed in this way. Much more prevalent is the combination of fire and emergency medical services. Police, quite rightly, focus on crime and law enforcement and so the overlap with fire service operations is limited. And whilst the Police including West Mercia have crime prevention as a significant function it remains a subsidiary activity. The fire service on the other hand is legally required not just to respond but prevent incidents as part of its integrated risk management plan (IRMP) and its natural partners in reducing vulnerabilities to fire are those that share similar risk drivers. These tend

to be local government, health and social care agencies rather than just police. An example of this is the current chairmanship the HWFRS CFO holds as part of the "Connecting Families" initiative. This multiagency approach seeks to work with complex families to address their social, health and welfare issues in a coordinated way. This does involve police but is also heavily influenced by the education, health and welfare priorities of the families.

Therefore, by moving under the governance of the PCC there may be a risk that "community safety" becomes more defined in terms of crime than fire related vulnerability. This may not be deliberate but given that fire, is less politically contentious, the focus is likely to be on the more vexed issues of crime related risk. Clearly this is conjecture but it is telling that nowhere in the IBC is it recognised that health and care agencies are key partners to HWFRS and SFRS which is an unfortunate omission.

The success of both fire and rescue services is typified by the declining rates of fires (in both services all fires have reduced by more than 40% in the last decade) much of which has been achieved by working with those that share the drivers of community risk. Understandably the public and political attention given to law and order may mean that a PCC focussed on three organisations rather than one will prioritise attention and resources to prevention in areas of crime and policing. It is worthy of note that within both FRS's preventative activity is one of three strategic areas of work. In West Mercia police structure "Protecting Vulnerable People" is one of seven units within the protective services division, which is itself one of 5 divisions. Hence the relative organisational visibility of preventative activity is quite different. Therefore, it is recognised that in any ongoing collaboration there would be merit in the WMP exploiting the fire services expertise in reducing demand.

Our examination of both FRS's on-going projects shows an extensive range of collaborative initiatives. The breadth and volume of these projects is impressive not just with police but also with other key public bodies. Work with local authorities and social care agencies in relation to the Safe and Well programme is making an increasing contribution to the wider health and wellbeing agenda. This is particularly noticeably in SFRS where the unitary authorities represent the key partners for the service's preventative work. In Hereford and Worcester, the sharing of assets with West Mercia police is occurring at Bromsgrove, Hindlip, Hereford, with plans for co-locations at Wyre Forest, Peterchurch, Tenbury, Bromyard, and Worcester. These premises are being used by a variety of frontline and specialist staff all of which builds operational synergies between the organisations. A similar situation is found in Shropshire where the sites of Newport, Whitchurch, Bridgnorth and Telford have or plan to have shared occupation. The suggestion that this work would be accelerated and deepened by a transition to the PCC maybe

underestimating the work already in train and overestimating the capacity of all partners to take on more projects. Notably all this work has been achieved through the current separate but cooperative governing bodies. Indeed, both FRS's and the Police have a strategic commitment to actively pursue partnerships to achieve their mission.

In our research we found evidence to suggest that the pace of progress is less influenced by the commitment of the parties but by the sheer volume of projects currently being undertaken within West Mercia Police. The strategic alliance with Warwickshire police has a number of very significant projects including a major overhaul of information systems which consume considerable resources and attention. Add to this the projects to share the Police HQ at Hindlip with HWFRS, the establishment of a shared operational command centre and various site sharing opportunities means the police's ability to meet the fire partners' ambition is already stretched.

For the two fire services, what may represent a more fruitful and immediate approach to saving costs and driving performance is to increase fire-fire collaboration; something which has not progressed to the same degree as the fire services have been focusing on seeking and achieving substantial efficiencies internally. Here we consider there are opportunities to bring together training resources, fleet management, ICT support, mobilising control capacity and specialist resource deployment across the two FRS's. Experience shows that intra industry collaboration is often a more straightforward and speedy means of gaining efficiencies, capacity and resilience than tackling the added complexities of the divergent needs and protocols found across sectors. Here the recent establishment by both FRSs of dedicated posts to identify and exploit joint opportunities is an important step to progressing shared projects across the two FRS's.

Enabling Services

Under the current governance arrangements, the different organisations have progressed a range of shared service initiatives. These have been with a variety of public partners depending on the financial and operational benefits that are available. By way of example SFRS receive some enabling services from Shropshire Unitary Authority – this organisation arguably has greater scale economies than WMP. It will therefore be important to do a clear like for like comparison between existing service costs and future service charges from any new shared arrangement.

We are not aware of any specific shared opportunities that the current governance has blocked. Moreover, as noted above, we are aware that consideration of

sharing some operational assets has been protracted due to decision making by PCCWM.

Reference is made to procurement economies, but there is no reference to where these are anticipated to be made. The majority of the external spend for a FRS is typically in operational assets and a number of national frameworks already exist which increase buying power of such equipment. Recent developments within the fire sector has seen all FRSs commit to national procurement frameworks for Training, Clothing, Vehicles, ICT, Professional Service and Equipment. The intention being that services benefit from national economies of scale rather than creating local procurement arrangements. As such whilst there are likely to be some common procurement categories between fire and police, the higher value categories will see greater synergies with other fire partners.

ICT exploitation

Considerable reference is made in the IBC to the crucial role of ICT provision and how sharing information holds the key to increasing effectiveness and generating financial efficiencies. What is not specified is exactly how these would materialise across the three organisations only that they would emerge. We have no doubt there is an important contribution to be made by collaborative ICT investment and assimilation but as to the extent of the savings and operational improvements no judgement can be made because of the scant information. As to the suggestion in 6.2.6 that the seamless sharing of data across organisation boundaries" ...on its own is sufficient to necessitate new governance arrangements" seems overstated given the lack of detailed benefits analysis.

Whilst the benefit of data sharing between police and fire is well made and is already established with HWFRS, this should not be seen in isolation. As explained above key partners for fire are health and social care agencies and often it is their data which is most valuable in fire risk analysis. Noticeably for both Hereford and Worcester and Shropshire FRS NHS data forms an important component of their risk intelligence.

ii. Economic

The economic case for transferring governance to the PCCWM is a central theme of the IBC. Given £250m of public money is involved we would have expected some significantly more robust analysis to be presented to inform appropriate decision making. The financial information offered to justify the benefits is very high-level and doesn't readily reconcile with existing budgets. As such we have not been able to recreate headline numbers to accurately validate them – where we have tried they appear overstated. For example, the governance costs appear to be overstated by over £300k (the two FRA budgets total £272k vs "combined

direct governance costs…amount to around £577k) – we could assume that Chief Officers have been included in this figure but they are operational and also included elsewhere risking double counting (see below). The headline figures are further complicated by referencing additional organisations in some areas and overstating the current costs.

As with all public services there is a cost of democracy and it is noted that the cost of the two FRAs is less than 20% of the cost of the PCCWM and his office – the current year budget for which is over £1.4m (excluding grants). We would anticipate that there are opportunities to streamline these structures, but given the different service remits we would anticipate that greater benefits would be available from FRA to FRA collaborations.

Beyond governance the IBC suggests significant savings through consolidation of enabling services – a figure of £4m is quoted. The figures suggest that creating the combined entity would see the removal of all enabling service headcount of the FRSs (in excess of 100 posts) and further reductions in the shared police team. This appears extremely challenging and impossible to achieve in short to medium term without incurring substantial transition costs
Little evidence is again provided and on face value these figures appear optimistic. Whilst caveated in relation to committed cost reductions no allowance appears to have been made for this. It would be helpful to have a clear summary of the savings/benefits and where they will be derived. From the information provided in the IBC and FRS budget information we would be concerned that the term "enabling" has been misinterpreted. It would appear that "enabling services" include Chief Officers, frontline command support, training officers, control staff and other senior staff who provide operational cover. As an example, in Shropshire half of the enabling services staff are operational staff (63 posts) – so including these in the 25% reduction would result in a reduction in front line staffing.
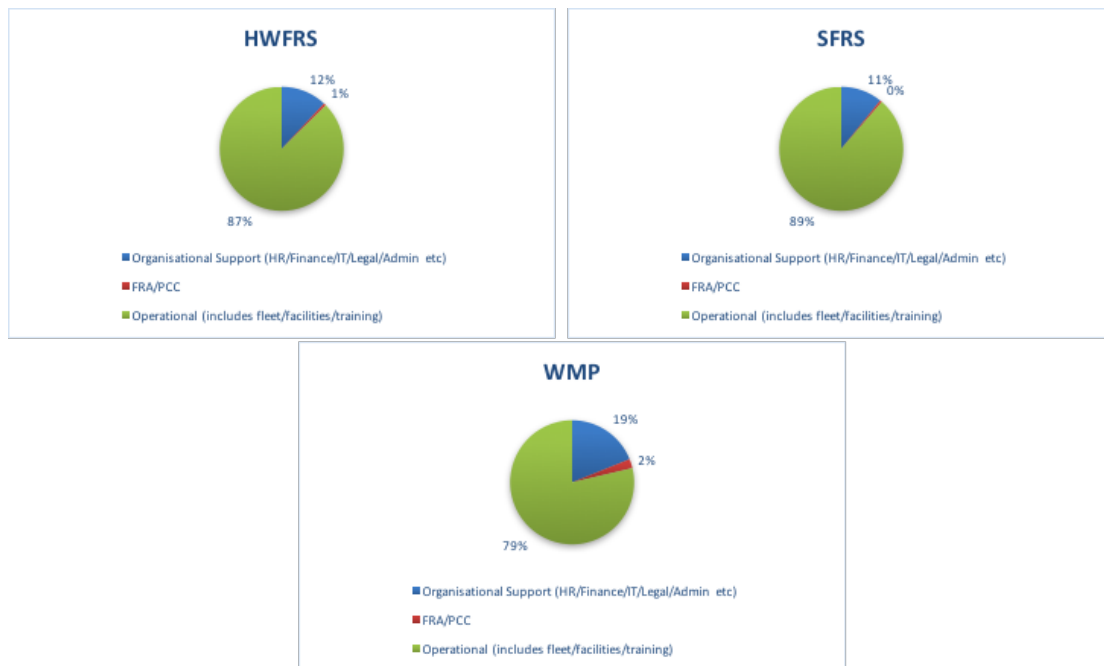
Figure 1 – Budget split by governance, organisational support and operational service delivery (including operational support)

Whilst the assertion that changing governance will deliver efficiency in enabling services is not evidenced, we do believe efficiency in this area can be delivered. When considering the enabling resources in the two FRSs there would appear to be some opportunities to deliver efficiency through fire-to-fire collaboration. We are aware that the two FRSs are already exploring such options in HR and ICT and we would encourage this to be extended across all support functions. The synergies will be much greater in a fire-to-fire scenario and could be delivered at lower cost.

The transition costs of the change are not clearly articulated and it is difficult to establish what they are given the lack of clarity over the model. Whilst the IBC recommends a change in governance, the main financial benefits suggested derive from headcount reductions in enabling services (including Chief Officers in 2019). Given the limited information presented on the end-state and timescales we would expect to see transition costs relating to: Redundancy, pension strain and/or relocation costs; these are likely to run to a seven-figure sum given staff numbers involved. We also anticipate, given the emphasis on the introduction of new systems to reduce costs that a considerable training burden would be created. Our experience elsewhere is that reskilling to use new/multiple software can be time consuming and expensive, no costings have been shown for this.

The reality of fire and emergency incidents means that FRS's, unlike many public services, are risk driven rather than demand led. This means that even in areas of infrequent incidents a level of cover is required to manage any risk that may arise. Delays lead to a greater severity of risk be that a growing fire or escalating Hazmat incident. Hence HWFRS and SFRS both set response target times and deploy their

resources to maximise a rapid response even in relatively low risk areas. The IBC 5.2.7 argues the success of fire and rescue services in reducing calls means maintaining cover is harder to justify. This assumes a demand led approach rather than the reality of FRS operations. Moreover, the success of the two services is a result of using the capacity within their current resources to sustain prevention activities and so drive down risk. Were these resources to be removed or reduced significantly then experience shows that frequency of incidents begins to climb.

iii. Commercial

The IBC does not make any clear commercial case and relies strongly on efficiency opportunities – although they appear to be police efficiency rather than fire. Given both FRSs are continually striving for efficiency we would suggest Fire-to-Fire collaboration looks likely to be able to deliver greater returns. Based on the limited financial analysis we have been able to review it would appear that the commercial case is for percentage budget reductions as opposed to a change in governance.

We are unclear how the change can be argued to sustain local input when the current model of governance has 42 elected member representatives from across the region holding the Chief Fire Officers to account. The adoption of advisory support to the PCC is not explained either in financial or democratic terms.

iv. Finance

The existing transformation plans that SFRS and HWFRS have in place are noted. Both organisations have a track record of delivering savings and have plans through to 2020. As a detailed implementation plan has not been provided within the IBC it has not been possible for these to be overlaid to understand the additionality and/or lost opportunities.

One area that is omitted from the IBC is consideration of tax receipts and precepting. Although in the proposed single governance model the two FRSs are to remain separate services it is assumed that their investment priorities will be aligned and this is likely to require a normalisation of revenue. Given that priorities have not be set it is not possible for us to comment on how this will fall, however normalisation could potentially increase the council tax precept for residents of Herefordshire and Worcestershire by 10%.
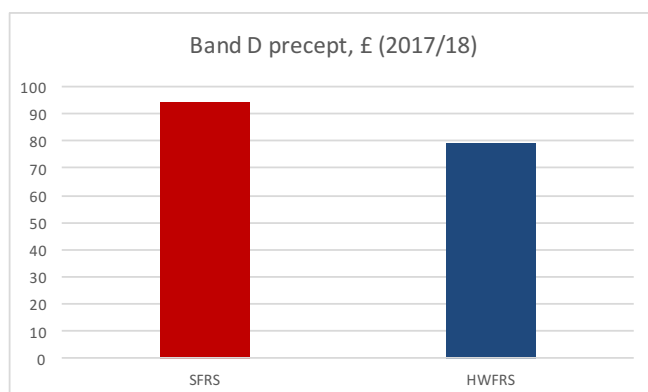

Figure 2 - Comparison of Band D fire precept for 2017/18

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v. Management

The IBC rightly points out that to deliver the joint governance model of a WMPCC amounts to a major transformation project. The suggestion that to reduce strategic capacity early in the project would be unwise given the volume of work involved and the need for clear and visible leadership we believe is undeniable. The suggestion that the three chiefs need to demonstrate "a unity of energy and direction" is also well made. Given the issue of the capacity and attention being consumed by the WM/Warwickshire strategic alliance there is a danger that an additional transformational project may outstrip the project resources available. Whilst this may be mitigated by additional project and programme support the clear risk lies in the limited additional strategic capacity to achieve the programme whilst continuing to deliver vital public services.

From what we can see it appears that the case is heavily underpinned by transformation of existing structures within PCCWM and WMP releasing capacity to support the FRSs. If significant scope for transformation exists currently then why these opportunities have not already progressed is unclear As an example enabling services at WMP appear to cost 19p in the pound, whereas for the two FRSs this figure is around 11p. The cost of corporate services at WMP appear significantly higher than both the FRSs even when normalised to account for different organisational scale (see below chart normalised by headcount which is typically a key cost driver for enabling services). If we just focus on the costs of governance the IBC makes several references to reducing cost by suggesting that redesign of the PCCWM support structures can deliver £110k at the same time as increasing their functions. We would be interested to understand what has prevented the PCCWM progressing these efficiencies before now.
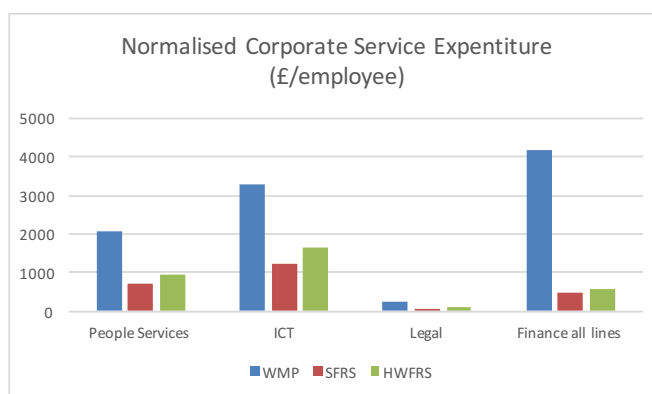

Figure 3 – Comparison of main components of corporate service expenditure for WMP, SFRS and HWFRS

vi. Implementation

In the governance section of the IBC it is suggested that one of the drawbacks of pursuing the single employer model is the likelihood of resistance from representative bodies. Recent formal resolutions from the Fire Brigades Union make it clear that the union will resist any change in the governance of Fire and Rescue Services. Therefore, the suggestion of avoiding employee relations issues through

a governance rather than a joint employer model seems unlikely. Additionally, the stated future ambition to review Chief Officers in 2019 leaves the door very clearly open to a merger of the forces and further potential industrial relations issues. This would have significant repercussions for any transition timetable.

We would expect a more robust assessment of the options as part of any subsequent stage. It is our understanding that a Full Business Case will be completed in four (4) weeks after the consultation closes in order to submit it to the Home Office in October. This seems an impossible timescale to complete the required engagement with professionals to develop the options and undertake a comprehensive assessment of the risks.

4. Opportunities and Options Going Forward

As the IBC makes clear the proposals for change infer no criticism of the current governance arrangements or performance of the organisations. Indeed the report catalogues a whole range of collaborative initiatives established between the two FRSs and West Mercia Police. The contention that this collaboration would be accelerated and deepened by the new governance arrangements is questioned in our analysis. We consider that the transition costs and the impact on local accountability would be more significant than stated. Moreover the savings anticipated through a reduction in governance costs and back office rationalisation risk being overstated and are likely to be diminished by the increased costs of the OPCC and the considerable resource required to effect transition.

As such the four CAs and the FRAs should consider requesting a copy of the financial analysis that underpins the £4.25m saving that the IBC identifies. This will ensure that they are able to make an objective assessment of the benefits and disbenefits of change for those they represent.

Notwithstanding this the aims of the IBC to rationalise enabling services and achieve better use of front line assets through collaboration have real merit. There is no doubt that these represent an important means of ensuring future financial stability and service improvement. However we suggest that in moving forward the police should be one of a number of significant partners for the two fire and rescue services.

There is increasing evidence that FRS's and their constituent authorities are developing new models of collaboration and partnership to meet financial and service challenges. Strategic alliances not unlike that established between West Mercia and Warwickshire police have begun to emerge in the fire sector. These

exploit the synergies between FRS's and capitalise on their shared mission and delivery models. Furthermore, a single fire voice in a region would be more credible and influential amongst other public-sector partners. We consider this is a model to be explored across Shropshire, Telford and Wrekin, Herefordshire and Worcestershire Authorities.

Reducing the size of each FRA (currently across the two authorities there are 42 elected members) and creating a combined alliance board to drive greater collaboration between the two services is likely to realise financial benefits quickly and rationalise governance costs. There are gains in terms of economies of scale whilst ensuring continued local accountability, visibility and scrutiny. Creating a shared integrated risk management plan across West Mercia develops a more strategic view of risk in the area and creates greater resilience because of a larger resource base to meet local demand. Such an arrangement also creates a fire entity coterminous with West Mercia Police and more aligned with other regional bodies such as the ambulance trust and Environment Agency.

As we document there are also a variety of areas where the two services could gain efficiencies by working more closely. The recent appointment by both services of collaboration officers needs to be capitalised upon and potentially taken further by considering a number of shared posts.

We would suggest that appropriate representation from the PCCWM and WMP are invited to join any alliance board established by the two FRAs. This will help to maintain the momentum of the current collaborative work across the two fire and rescue services and WM police. As the IBC makes clear any transformational change requires determined political and professional leadership. Whilst this option is more straightforward than the Joint Governance model proposed it still requires sustained commitment from elected members and heads of service. Substantial change will reap rewards but only through hard work and political will. We consider that an initial three-year plan needs to be formulated and agreed by the board with the aim of achieving clear collaboration targets by 2020.

5. Conclusions

As both the IBC and APACE guidance makes clear a transfer in governance of a Fire and Rescue Service is a significant and far reaching decision. The nature of emergency service work also means that maintaining the delivery of service during any transition and sustaining it thereafter is a matter of huge importance. In light of this the use of an initial business case, which by its very nature is limited in detail, in a public consultation is surprising. Our examination of the report has highlighted the need for greater clarity particularly around the financial

assumptions being made. Given the financial and economic case is a significant leg of the argument for change we consider the accounting assumptions as a minimum need to be disclosed. It is our understanding that a Full Business Case will be completed in four (4) weeks after the consultation closes which seems an unrealistic timeframe to consider the outcomes of the consultation and re-engage where necessary in order produce a robust and accurate appraisal of the options, benefits and importantly risks.

As we make clear we have been unable to reconcile the declared savings with the options proposed without significant headcount reductions. Moreover any transition of this scale has transition costs none of which have been stated in this business case. As such it has not been possible to ascertain the net savings or analyse the viability of the investment needed for change. Without proper analysis we consider there is an unquantified risk in such a change. In making alternative proposals we have examined the opportunities for financial savings whilst capitalising on the limited risk associated with closer fire-fire collaboration. Experience shows that where political and professional resources are focussed on a common goal considerable progress can be made in exploiting opportunities without compromising democratic accountability.

Glossary

APACE - Association of Policing and Crime Chief Executives

CA – Constituent Authority

FRA - Fire and Rescue Authority

FRS - Fire and Rescue Service

HWFRS - Hereford and Worcester Fire and Rescue Service

IBC – Initial Business Case

PCCWM – West Mercia Police and Crime Commissioner

RB – Representative bodies

SFRS – Shropshire Fire and Rescue Service

WMP – West Mercia Police

Appendix 1

**TERMS OF REFERENCE
ENVIRONMENTAL MAINTENANCE GRANT PROGRAMME
TASK AND FINISH GROUP**
September 2017

1. What is the broad Topic area?	
	Shropshire Council's Environmental Maintenance Grant Programme
2. What is the specific Topic area?	
	What Shropshire Council's future approach to the EMG programme should be, e.g. the programme is stopped, the programme continues as is, or the programme is redesigned and continues. To inform this work the design and the delivery of the current programme – e.g. budget, application process, monitoring and evaluation and the overall outcomes achieved should be understood. Specifically, evidence that the programme - - provides value for money for the council, i.e.it fulfils the benefits of the Highways service - adds value to the council's core environmental maintenance work, i.e. investing in the programme results in overall savings - generates social value within communities - makes a difference to the residents of Shropshire - The finance for the revenue grants is derived directly from Highways revenue budgets, if the grant where to cease this would allow for further investment in highways maintenance. - To consider the issues of declining revenue budgets and removal or reduction of grants to external organisations, and the principle of the environmental grants continuing - whether this is a sustainable position? Understand how the programme would align with the support for localities within the new Highways contract.
3. What are the ambitions for the review?	
	To look at and review the EMG programme and use the evidence gathered to make a recommendation on whether it should continue or not. If the recommendation is to continue, make further recommendations on the future design and delivery of the programme. If the recommendation is to cease, to design the withdrawal of the grants without undue impact to local councils and the services provided.
4. How well do we perform at the moment?	
• What do we know already?	Shropshire Council has delivered an Environmental Maintenance Grant programme for the last 7 years. The programme is seen as delivering a number of benefits to the council and the wider community. • Local provision of services at a reduced cost • Flexibility and responsiveness of service delivery at a local level

• What will we look at?	• Removal of contractual and administrative process from Shropshire Council • Recycling of the Shropshire pound The current grant budget is £110,000 per annum, and demand always exceeds the available budget. The funding is taken from the Highways revenue budget. 96 local councils made an application to the 2017/18 programme. The total value of the applications was £200,843, a 32.13% increase on 2016/17. The final 2017/18 budget allocation was £152,000 (£42,000 over the original budget of £110,000). As the programme was oversubscribed by £48,843, 75.68% of the original application values was funded. The way in which the programme is currently delivered by Shropshire Council, e.g. application, monitoring and evaluation processes. The ways in which the grant funding is used by the local councils, e.g. decision making on what to use the grant for, who delivers the work and how, internal checks and balances to ensure the grant has been spent correctly within the financial year. What additional value is being generated through the programme, e.g. value for money as work is being done at a lower cost or more work is being done for the same cost, or social value through volunteering or the works enabling community activity to take place. The 'supporting localities' offer within the new Highways contract and how this aligns with the EMG programme.
• What evidence do we need?	Details of the applications made to the programme and the grants made in response to these. Details of how the activity described within the applications is being delivered by local council along with any additional value. Insight from local councils. The design of programmes delivered by other local authorities.
5. Who will we consult with?	
• Co-optees • Expert/specialists? (Internal or External) • Member(s) of the public • Service user(s) • Other	Town and Parish Councils – clerks and members Shropshire Council Members SALC Shropshire Council officers, e.g. the area highways managers, social value lead Any community groups associated with the delivery of activity funded by EMGs
• Site visits or visits • Visits to other organisations • Survey • Focus Groups/Workshops • Mystery shopper • Witness evidence • Desktop research • Exhibitions • Other	Visit to a parish to see the activity supported by EMGs and how it relates to the wider environmental maintenance works Evaluation of the activity funded by recent grants Focus group of a selection of local councils that are using EMGs Research into how other councils deliver similar programmes
7. What other help do we need? e.g. training / development / resources	
	N/A or otherwise to be confirmed

8. How long should the review take?	
	A suggested timetable is provided below:

4 September 2017	Confirm scope and terms of reference for Task & Finish Group	Communities Scrutiny Group
October/ November 2017	Develop recommendations for the future of the EMG programme	Task & Finish Group x 3 + meetings or 1 day intensive T & F group workshop
27th November 2017	Confirm recommendations of Task & Finish Group	Communities Scrutiny Committee
December 2017	Confirm recommendations	Cabinet
February/March 2018	Implement recommendations	Town and parish councils SALC Shropshire Council members

9. What will the key outcomes be?	
	• A shared understanding of the current delivery and impact of the EMG programme • A shared understanding of how the EMGs fit into the wider delivery of environmental maintenance services • Confirmation of the additional financial and social value the EMGs create • A recommendation on whether the council should continue to deliver a EMG programme, and what the design and value of a continuing programme should be

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