

NORTHAMPTONSHIRE COUNTY COUNCIL

# Northamptonshire Fire and Rescue Service

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## Service Review

Version 1.0

Cabinet 9<sup>th</sup> November 2016

The review forms part of Northamptonshire Fire and Rescue Service Integrated Risk Management Process (IRMP), supporting the ways in which the Service (NFRS) can optimise delivery and achieve efficiencies without reducing the quality of front-line services to the public

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## INTRODUCTION

Northamptonshire County Council is facing unprecedented financial and demographic pressures, resulting in council wide funding reductions and growing future pressures as a result of a growing community and changing demographic.

Since the introduction of the 2004 Fire Services Act, Fire and Rescue Services nationally have transformed the way they have delivered their services to the public. The result of this transformation has seen the Service moving from a largely response based organisation to a response and prevention organisation, contributing to a 42% reductions in fires, with deaths from fires continuing to fall to record low numbers. This has made the Fire and Rescue Service the leading public sector organisation at managing demand in the country. Within the county, NFRS have mirrored these achievements.

In 2015 the Government announced that policy for the Fire and Rescue Service would move from DCLG to the Home Office. In January 2016 this move began with full completion in April 2016, including the movement of the Chief Fire and Rescue Advisors Unit (CFRAU) into the new Government department.

In June 2016 the Home Secretary announced her plans for reform of the Fire and Rescue Service along the same lines as the previous Police reform agenda. The Fire Service reform agenda covers three broad areas, these being;

- Efficiency and Collaboration
- Workforce reform
- Accountability and Transparency

In addition to Fire Service reform, Northamptonshire County Council is also undertaking its own transformation agenda in the shape of the Next Generation Council. This is to ensure that NCC is able to better meet the demands of a growing county for the future. In order to ensure that NFRS are fully engaged in this process the Director for Place announced a review of the Fire and Rescue Service.

### **Northamptonshire Fire and Rescue Service Review - Scope**

As part of NCC Next Generation working, this review was undertaken of Northamptonshire Fire and Rescue Service (NFRS) to ensure it is organised and operating as effectively and efficiently as possible and is able to deliver the savings as identified within the Council's Medium Term Financial Plan (MTFP) of £2.3M between 2016/17 and 2019/20.

The review forms part of Northamptonshire Fire and Rescue Service Integrated Risk Management Process (IRMP), supporting the ways in which the service can optimise delivery and achieve efficiencies without reducing the quality of front-line services to the public.

The scope of the review covered:

1. Base-lining and benchmarking:
2. Operations
3. Asset Utilisation
4. Staffing
5. Management/ Governance
6. Commissioning /Procurement practices
7. Income generation

### **Out of Scope**

The following areas were deemed out of scope of the review:

- Nationally set service standards including Fire Fighter terms and conditions of service.
- Future options for governance arrangements (as set out in the Police and Crime Reform Bill)
- Legislation and national guidance
- Standard Operating Procedures

### **Methodology**

The review comprises of the following stages:

1. Capturing existing activity, benchmarking and outlining potential opportunities from the review, that are evidence and risk based.
2. Key options for further exploration and resource implication identified.
3. Options fully developed and assessed, and recommendations drafted.
4. Final Report outlining recommendations on how NFRS business operating model could be improved, and when and how any such changes could be implemented will be embedded within the Integrated Risk Management Plan (IRMP) 2017-2020 Full Review.
5. The IRMP will be subject to wider stakeholder consultation in line with the revised Services consultation strategy.

This report provides the findings of stages 1-4 that should be reflected in developing the IRMP 2017-2020 for the Fire Authority to consider, in setting the strategic direction for the Service over the next three years.

### **Governance**

Delivery of this Service Review was carried out by a nominated team (Service Review Team) to ensure an open, transparent and inclusive approach to the review. This team included those specialised within the specific area under review.

Each Senior Officer within NFRS assumed senior responsible officer (SRO) for specific work streams relevant to their role and experience. Regular meetings were

held with the Service Review Project Board that also included NFRS Assurance, programme management and IRMP planning functions.

The Service Review team reported to the **Strategic Board** comprising;

- Portfolio Holder, Councillor André Gonzalez de Savage
- Chief Executive of NCC, Paul Blantern
- Director of EDT, Tony Ciaburro
- Chief Fire Officer, Darren Dovey

### **Communications and Engagement**

Within the Terms of Reference of the review, engagement with all stakeholders was mandated to ensure an open and transparent review process, with particular reference to the representative groups within the service.

A joint trade union group was established, meeting on a bi-monthly basis to provide all representative bodies with the opportunity to engage with the process, ensuring an overview of progress to ensure an inclusive approach to the review. This has also been an agenda item on the Employee Consultative Forum (ECF) to ensure active engagement and transparency.

Service wide communications, including specific managerial presentations at supervisory/ middle and senior managerial meetings were conducted. These were further supported through normal communications channels, i.e. Weekly Bulletin.

### **Scrutiny and Assurance**

Formal Scrutiny arrangements were established from the outset through the Environment Development and Transport Scrutiny Committee who established a working group and work plan to provide the appropriate level of scrutiny and challenge to the review. This working group was led by Councillor Coombe, working closely with the Chief Fire Officer throughout the process.

Highlight reports have been provided by Director Tony Ciaburro to Cabinet to ensure members have been full informed of progress.

## ANALYSIS AND FINDINGS

Detailed analysis of each of the work streams has been provided and scrutinised by the Environment and Development Working Group following the agreed working plan. The following detail provides a highlight of each area.

### **Base-lining and benchmarking:**

NFRS compares well with other services both nationally and within our family group of 'like' authorities, in that we have a low cost per head of population of £33.80 (Source: CIPFA estimated expenditure 2015/16) while also comparing favourably in a range of other efficiency measures. These include stations and appliances serving a larger than average population and larger than average area, with a lower than average personnel headcount and FTE count. NFRS also have a lower total expenditure, meaning that operational efficiency is high.

Despite this favourable position, over the last 5 years, in support of the county council's MTFP, the service has been undergoing a transformation that has achieved efficiencies that have allowed us to reduce our revenue budget by £3.1M. Included within this has been a 30% reduction in NCC local staff, a 30% reduction in officers and a 30% reduction in principal officers. Through careful service and organisational re-engineering, this has been achieved without any significant impact on community outcomes.

Employee expenditure per member of staff shows Northamptonshire to be amongst the four least expensive within the family group, which in the words of CIPFA "*suggests that it is providing its service at a lower cost than most of the group*".

### **Operations**

Under the Fire and Rescue Service's Act 2004, The Civil Contingencies Act 2004 and the Fire and Rescue Services (Emergencies) Order 2007 and the Fire and Rescue Services National Framework, Northamptonshire Fire and Rescue Service (NFRS) is required to provide an operational response to the full range of emergencies that it could reasonably be expected to attend.

As an employer NFRS are also required to be compliant with all relevant employment legislation, including Health and Safety law. The key piece of legislation in this regard, applicable to both employers and employees, is the Health and Safety at Work Act 1974 (HASAWA). In addition to the HASAWA there is a raft of additional Health and Safety regulations, guidelines and codes of practice that are pertinent to the work of the Fire and Rescue Service. These seek to ensure that Fire and Rescue Service operations and activities are carried out in such a way as to maintain the safety of both employees and the wider public.

### **Standards of Operational Response (SOR)**

Following wider stakeholder consultation in 2008, The Fire Authority approved Northamptonshire Fire and Rescue Service's Standards of Operational Response (SOR), setting the initial response to life risk incidents to 8 minutes on 75% of occasions (from time of call) and a supporting response within of 12 mins (Fire) and 15 minutes (RTC). These standards were based upon research data within and beyond the fire sector.

When the SOR was approved, it was understood that performance against them would need to be achieved over time and to do so in both rural and urban areas would require investment and a collaborative approach to service re-engineering. Despite improvements in many areas, NFRS are currently still not achieving these standards. This was highlighted by the Independent Operational Performance Assessment in 2013 which stated that it gave the impression that the service was failing even though community outcomes have improved.

In a comparison of response times for primary fires, Northamptonshire is slightly above the family group average of 10.2 minutes at 10.3 minutes. This is also above the Fire Authority's standard of response to a life risk incident of 8 minutes on 75% of occasions.

The operational response strategy is the means by which operational response is shaped to best meet the standards of response in mitigating community risk whilst remaining within the financial operating envelope. The current response strategy is predicated on maintaining the current geographical distribution of resources across the County, in line with community risk and political will, but is focused upon a more flexible response capability, employing a wider range of vehicle types, innovative technology and more efficient duty systems.

The changing profile of rural communities has both nationally and locally, impacted on the availability of retained duty system crewed appliances. Alongside the general reduction in the number of fires occurring due to the success of fire prevention and education work, this has raised challenges for maintaining motivation and competence of Retained Duty System (RDS) staff. These factors have contributed to the need for a more flexible response model in rural communities, more accurately matching risk and response and growth in the provision of co-responding to life threatening medical emergencies.

There are strong dependencies between the SOR and the current response strategy that inform the resourcing requirements to achieve them. Therefore there is a need to;

- Review the current SOR in order to make them more community outcome focused.
- That any new standard should take account of all of the work the Service does in order to make our communities safer.

- Once a new set of standards are agreed that the service review its response strategy in line with the new standards.

Any review would need to;

- Maintain the Service's ability to respond to incidents safely, efficiently and effectively in line with our duties under the Fire Services Act, Civil Contingencies Act 2004 and Fire (Emergencies Order) 2007 and Health and Safety legislation.
- Maintain strategic and operational resilience i.e. has the ability to deal with a large scale incident(s) and still maintain a business as usual function.
- Maintain the ability to give mutual aid in line with our current section 13/16 arrangements. (Fire and Rescue Services Act 2004)
- Maintain the ability to support national resilience and national deployments for example, as performed during the floods which affected Cumbria and Yorkshire.

### **Asset Utilisation**

The use of assets is inextricably linked to the Standards of Operational response in ensuring the infrastructure provides the most efficient and effective response based on community outcomes.

### **Estates**

Comparison of Northamptonshire Fire Rescue Authority against the other 12 fire authorities of similar size and scale (family group 2), shows that Northamptonshire with 22 fire stations has less than the group average of 24. The population per fire station ground coverage (32K) closely compares to the group average of 33K. The area covered by fire station of 10,745 hectares is similarly close to the group average of 10,733.

NFRS delivers its statutory functions and other services from 26 sites across the county, 22 of which are fire stations, these are either owned or leased by Northamptonshire County Council (NCC). Through the Service local collaboration, Wootton Hall Park is now referred to as Northamptonshire Police and Fire Rescue Headquarters.

The net book value of the properties occupied by NFRS is given as circa £20 million with an annual apportionment of SERCOP revenue costs in the order of £1.1 million. (*Source NCC/LGS Finance*). All NFRS buildings now offer guest Wi-Fi and support mobile working for staff.

Over the many years since these buildings were brought into use, the nature and pattern of community risk and the nature and range of services provided by fire and rescue has changed significantly. The old national standards of response were predicated on protecting commercial and industrial infrastructure, whereas in fact national and local statistics have long since evidenced that whilst socio-economic

impacts of an industrial incident are important, injuries and deaths occur primarily in residential fires and of course increasingly in road traffic collisions.

The requirement to locate fire stations across the County is driven by integrated risk management planning and the fire authorities adopted standards of operational response.

A number of key points have been identified to inform future strategy and actions, these are summarised as:-

- The current geographical spread of fire stations provides for countywide emergency response cover does not preclude considering opportunities for moving or combining locations where there is a business case to do so.
- Any geographical change to the estate must take account of the community risk profile and the impact on operational standards of response.
- The relocation of the existing fire station in Kettering has failed to gain funding support within the capital programme over several successive years but remains a priority consideration for FRS estate.
- The fleet and equipment assets implemented to support new methods of service delivery require additional investment in a number of the existing premises or relocation.
- Fire and rescue occupied buildings in some areas are already providing wider community benefits through shared use. Further opportunities should be explored but funding models and agreements need to be developed to provide sustainable solutions.

### ***Other Sites (Non-Fire Station)***

Three county council owned buildings provide accommodation for office-based staff, vehicle workshops, stores and suppliers, and ICT data centres. These are based in Moulton Way (MLC) and (Walker House) Moulton Park in Northampton and at the shared premise with the fire station at Headlands in Kettering.

Firefighting and rescue operations have become far more technical in the last five years, both in terms of tactical considerations and in the nature and range of equipment used. In response to this, the Service has developed its training facilities. Two prime examples of this are the fire behaviour and Cobra training complex, developed on the leased site at Chelveston, and the Command Development Centre (CDC) at Daventry, recognised as one of the best facilities of its kind in the country, offering state of the art simulation and immersive scenario facilities for operational to strategic command (BT innovation award winner and is designated as a European centre of excellence). These facilities highlight potential for commercial development as part of the Services income generation strategy.

### ***Maximising the use of estates through collaboration***

Collaboration programmes in Northamptonshire now see a joint HQ for Police/ Fire and Office of the Police and Crime Commissioner. Three shared Police/Fire Station

(Mereway/ Rushden and Thrapston) all supported by innovation/ transformation funding. All stations have now opened up for wider access by Safer Community Teams and are equipped with guest Wi-Fi to support NCC Next Generation working principles.

Following the move of fire policy from the Department for Communities and Local Government (DCLG) to the Home Office, and the announcement of the reform agenda for the Fire and Rescue Service, this will inevitably drive further discussions on the sharing of estates. However efficiencies and operational benefits could be achieved through implementing a strategy for a shared response base in each of the major County towns in addition to those opportunities in the rural communities.

Both NFRS and NCC are members of the strategy board informing and overseeing the development of the OPCC estates strategy, which involves the consideration of the NFRS and wider NCC Estates. This work interfaces with the interoperability programme and the considerations around the future governance options for the fire and rescue service, currently subject to an options appraisal.

In addition, NFRS are already operating medical emergency response services from 17 sites across the county in the form of co-responding, the Emergency First Response pilots operating from 4 locations with the co-location of an ambulance at Rushden Fire Station. There are opportunities to explore the concept of tri-service hubs where a common desire and viable business case exists. To help develop these opportunities a senior EMAS manager is collocating with police and fire senior officers.

The other essential element of a response capability is fire control. Based in a new facility adjacent to Daventry fire station, collaborative work funded by central government grant, is in progress with Warwickshire FRS, enhancing resilience of this critical function for both fire authorities whilst improving efficiency and value for money.

### **Fleet**

Through the Response Strategy, the NFRS fleet is shaped by the community risk profile, the number and spread of fire stations and to some extent, the duty systems in operation.

The fleet, engineering and stores functions currently operate within an annual revenue budget circa £1.674m. The Nett Book Value of fleet and equipment assets currently stands at circa £9m. In 2005/6, an independent review of the fleet and engineering function was commissioned, concluding at that time, the in-house provision offered best value for money. Following this, some capital investment was made, (using central government capital grant funding) in extending the vehicle workshops to accommodate the new generation of vehicles.

In benchmarking comparisons with the other 12 fire authorities within NFRS defined peer group (family group 2), the following is apparent:

- NFRS has the lowest number of pumping appliances per station
- NFRS has the second lowest number of operational appliances per station
- NFRS has the third highest ratio of population per operational appliance
- NFRS has the third highest ratio of geographical area covered per operational appliance
- The average age of pumping appliances is broadly in line with the group average
- NFRS has the fifth lowest number of non-operational appliances per station

Over the last 15 years, significant investment by the authority and through central government capital grant funding in this area has enabled the Fleet profile to be raised from a very low base to an overall good standard with many of the frontline appliances able to employ cutting-edge firefighting technology.

The use of capital grant funding has also enabled the service to return to an "owned" fleet of frontline firefighting appliances, ending very costly and financially inefficient long-term leasing agreements which were the legacy of historical funding decisions.

Recently the planned working life of frontline appliances has been extended to 15 years for pumping appliances and 18 years for specific specialist appliances, but clearly there remains a medium to long-term challenge for the fire authority to provide for a suitable appliance and equipment replacement program. (This pressure has been exacerbated by central government having ceased the annual capital distribution grant to fire authorities).

The implementation of the revised target operating model will see the number of officers reduce by circa 30%. This will result in a corresponding reduction in the number of response cars required to support emergency response.

The Interoperability work with Northants Police has led to the consideration of co-location of the fleet functions, joint branding of the respective teams (now referred to as "*the blue light fleet and supplies (FAST) team*"); arrangements to support co-location or dual site working of selected staff, scoping and technical specification work for the alignment of fleet ICT systems, streamlined management of the two service's stores functions, alignment of stores procedures and joint countywide delivery, reciprocal support for fleet maintenance (fire-large vehicles, police-small vehicles).

### **Staffing**

Over the last 5 years the service has seen a reduction in its base budget by circa £3.1M. During this time, in order to manage a balanced budget the service has remodelled certain elements of the service and reduced the number of employees.

This has resulted in around a 30% reduction in NCC Local support staff, a 30% reduction in officers and a 30% reduction in principle officers. Comparatively during this time, changes equating to circa 8% reductions have been made to whole-time duty system station establishments, which account for the majority of full time uniformed staff and hence salary cost. However more work needs to be done, as it has in a limited number of other services, in relation to developing more flexible staffing models to support potential new ways of working brought about by a fire cover review.

Specific opportunities have been identified around the use of more flexible staffing models, providing greater resilience and efficiency gains. This has so far provided the opportunity to re-shape the whole time workforce and reduce the establishment from 279 personnel to 254 making savings of up to £1.25M, which include the £815K savings from the current financial year (2016/17) plus £400K from previous years. The officer duty system has been reviewed to take into account;

- Financial Pressures
- Retirement Profiles. (20% can retire within 18months)
- Succession Planning
- Changes to the national Incident Command System

The new officer structure represents a reduction of 12 posts.

The officer command structure relies on the ability to re-call officers (on a voluntary basis) at short notice for large incidents, spate conditions, high demand and the requirement for specialist officers or to cover unforeseen absence.

However it should be noted that as officers have a “day job” in addition to their operational role, that organisational capacity at officer level has been reduced in addition to lost capacity due to previous “green book” support staff reductions, placing increased pressure on the Service at a time of significant change.

### **Management/ Governance**

In 2013 Sir Ken Knight’s report into the future of the fire service (Facing the Future) contained the findings from the review of efficiencies and operations in fire and rescue authorities in England. The report presented a number of options for the future, which included nationalisation, facilitation of the movement of the Fire and Rescue Authority (FRA) to Police and Crime Commissioners (PCC’s), the merging of fire authorities across wider geographical areas and changes to standalone Combined Fire Authorities to allow closer embedding with other local authorities (for example County Councils). Each of the options presented advantages and disadvantages.

Fire Service reform agenda includes a high level duty for the blue light services to collaborate.

NFRS already have a well-developed blue light collaboration agenda which includes working with the Northamptonshire Police, East Midlands Ambulance Service (EMAS) and other Fire Services.

In addition, a regional tri-service strategic collaboration group has been established with all Fire and Police services and EMAS being represented. This group will work to identify regional collaboration opportunities across the three services.

### **Fire/ Fire Collaboration**

NFRS already collaborate with all surrounding Fire Services through what are known as section 13/16 agreements. These agreements, made under the 2004 Fire Services Act, are part of our core business and allow us to put arrangements in place with neighbouring services for the provision of operational fire cover around the border of the county, especially in areas where neighbouring services resources are closer than our own.

In addition NFRS are nearing the completion of the joint control project with Warwickshire FRS. This project has utilised central government capital grant (£1.8M to each service) to produce a single fire control system spanning the two current control sites of Daventry and Leamington Spa. This will provide both services with the latest mobilising technology and increased resilience while providing the opportunity for both services to realise efficiencies through staffing and negating the requirement for an in-house “fall-back” arrangement.

Initial discussions have also taken place with Warwickshire around further collaboration opportunities that may fall out of the joint control arrangement, including discussions about the possibility of a single control room option that may offer additional efficiencies.

Discussions are also taking place within the East Midlands region for Fire Service collaboration opportunities. Thus far we have identified the possibility of a regional driving school for fire appliance driving which has the potential for increasing capacity and reduce cost and duplication. Further opportunities will be explored through the regional tri-service collaboration group.

Discussions are also at an early stage with Oxfordshire and Buckinghamshire FRS's around possible collaboration opportunities including the potential to jointly procure our collective occupational health provision when the current contracts expire in 2017.

### **Police/ Fire Collaboration**

In July 2014, Cabinet endorsed the partnership agreement that outlines the principles of joint working between Northamptonshire Fire and Police as well as covering issues of confidentiality, indemnity and financial arrangements.

Since that endorsement a well-developed programme of collaboration has been embedded across both services which has been recognised nationally and has delivered a range of outcomes/projects, these include:

- A Joint Community Prevention and Protection Team
- A Joint Operations Team
- Collaboration and integration within Fleet and Stores provision
- A shared internal postal service
- Monthly joint senior management team meetings
- Rural Intervention Vehicle Pilot
- Joint training opportunities including joint management training and officer driver training.
- Joint access to estate

As part of this work NFRS and Northamptonshire Police have also been successful in winning transformation funding from central government that has been invested into developing the local collaborative programme, this includes;

***2014-15 DCLG Transformation Challenge Award (Jan 2014) - £500k***

Used for setting up the Interoperability Programme (including support/delivery resource), match funded with Northants Police for combined station estates work (Rushden/Mereway) as well as project scoping, ICT and infrastructure costs for Police/Fire co-location projects.

***2015-16 DCLG Transformation Capital Grant Fund – just under £3.2m***

This is being used for procurement of a combined Police/Fire Joint Command Unit (to replace current NFRS vehicle which will shortly be decommissioned) thus negating the need for an internal capital bid and for the procurement of a number of smaller appliances. This is also being used to fund the procurement and development of the Fire/Police Rural Intervention concept, following successful pilots in the County over the last year. Also for other local community initiatives and work with Police Specials and volunteers.

The next steps for Police/Fire collaboration will be in the following areas:

- The development of a property strategy that recognises the requirements of both services, with the aim of sharing both access and occupation wherever possible.
- Further exploration of options for the location of a joint fleet workshops and stores provision.
- The development of local plans for the delivery of community services.

### **Fire/ Ambulance Collaboration**

This collaborative approach has now continued to develop with the East Midlands Ambulance Service (EMAS), with 14 Retained Fire Stations now providing Co-Responding to medical incidents. In the last financial year NFRS attended over 2300 medical emergencies accounting for approximately 23% of all NFRS incident calls.

This is now being supported by a regional trial with EMAS, at four stations within the county, the aim of which is to develop a cost recovery model to support the ongoing work in this area. To date this has generated approximately £30K in income for NFRS and the future plan is to align all medical co-responding within this model in order that NFRS can continue to deliver this vital and popular community service while recovering cost from EMAS.

Other areas being explored with EMAS include putting together regional arrangements for the Fire Service to respond to requests from EMAS for gaining entry to properties to assist casualties, and also piloting a falls response service, jointly with them, potentially funded through the County's Clinical Commissioning Groups (CCG's).

### **Commissioning /Procurement practices**

On the 24th August 2016 the Minister of State for Policing and Fire Service (Rt Hon Brandon Lewis MP) published details of 25 items commonly purchased by Fire and Rescue Services in England. There is a wide variation between the prices paid for the items, the Chief Fire Officer Association state *'for some FRSs savings in the region of 20% to 90% are achievable if they are able to move to the cost and specification associated with the lowest cost examples of certain items'*.

With the challenge around standardisation and aggregation of our commercial activity set by the then Home Secretary in her reform speech and the wide variation of prices paid across the sector for 25 common items purchased by Fire and Rescue Services as published by the Minister on the 24th August, it will be essential that the Sector understand how much we spend with whom on what. As a result a sector lead data gathering exercise is now being initiated to help identify and facilitate opportunities for savings and efficiencies from collaboration through: improved use of spend data; developing a category management approach; developing forward plans and collaborative work programmes; and aggregating and consolidating fragmented spend.

NFRS have a history of seeking collaborative partnership arrangements during procurement project, this has included; Personnel Protective Equipment (PPE) in 2003 – Joint with Cambridgeshire FRS, Aerial Mast Site Management 2010 joint with East Midlands Fire & Rescue Service's (FRS's), Bulk Fuel Bunker Site at Corby Fire Station 2014 – joint with Northants Police. Each of these reduced officer time, legal costs and procurement costs through shared process; in the Bulk Fuel Bunker solution this also included shared ownership and financing of the solution. The

Service is currently progressing a joint Occupational Health contract with Bucks and Oxfordshire, to not only ensure best value but also enhance resilience and quality of service. Where possible all procurement is through frameworks to ensure value for money and quality of service.

### **Commissioning**

Further opportunities have been identified that build on preventative campaigns and support the wider changing demographic profile and challenges for health and social care through the expansion of home fire safety checks (HFSC's) to include safe and well visits. Comparative studies in other areas of the country have identified wider community as well as organisational benefits through these initiatives.

### **Income generation**

Historically, NFRS has undertaken a limited number of activities that have created financial income on a cost-recovery basis, in line with the Local Authorities (Goods and Services) Act 1970. These activities have included the recovery of costs for:

- Operational 'special services' (an Authority may recover its costs for special service work that does not involve the protection of life or the environment);
- Fire safety work, including fire extinguisher training, fire warden and industrial fire team training; and
- Operational training, including specialist tactical firefighting training using the Cobra cold-cutting lance.

As part of the NFRS review, research is being undertaken to identify further opportunities for income generation with a view to increasing income to help support the County Council in benefitting the community. This includes the use of commercial trading powers as detailed in the Local Government Act 2003. This supports the action in the 2013-17 NFRS Community Protection Plan relating to the introduction of a commercial arm.

This not only looks at exploiting our current assets for training purposes with other emergency services (Chelveston/ CDC) but includes diversifying our customer base to the private sector. An initial trial has been conducted covering team leadership days which has proven effective, that identifies other markets the Service can maximise benefit from by its unique selling point.

The intention is to commence trading as soon as possible to generate income for NCC. To achieve this, the Service will:

- Identify and propose the most appropriate arrangements and mechanism for NFRS to trade its products and services (following advice from NCC legal services and finance, and building on the work already undertaken by the First for Wellbeing CIC);
- Produce a prioritised list of activities on which to carry out market research and feasibility studies, identifying resources required to undertake the

research and, where necessary, present a costed business case requesting the identified resources;

- Conduct market research on prioritised list of activities and present a business case for approval to trade in each activity, identifying any investment required to start trading.

## CONCLUSION & NEXT STEPS

The Service Review has identified that NFRS compares well with other Services both nationally and within the family group, in that it has a lower cost per head of population of £33.80 (Source: CIPFA estimated expenditure 2015/16) while also comparing favourably in a range of other efficiency measures. These include stations and appliances serving a larger than average population and larger than average area, with a lower than average personnel headcount and FTE count. NFRS also have a lower total expenditure, meaning that operational efficiency is high.

Despite this favourable position, over the last 5 years, in response to reductions in local government settlements driven by the Government's austerity programme, NFRS have produced efficiencies that have resulted in a £3.1M reduction in revenue budget. Included within this has been a 30% reduction in NCC local staff, a 30% reduction in officers and principal officers without any significant loss of service.

This review has identified further improvement opportunities, including:-

- **A fire/emergency cover review** – This is required to capture the strategic cover model required to meet the changing pattern of community risk taking account of the resourcing challenges (financial and human).

The review has recognised the significant organisational re-engineering that has already taken place but the scale of the financial challenge will require further transformation of service delivery models and supporting duty systems. This work will also consider the Government commissioned 'Thomas Review' due for publication shortly but widely expected to contain a number of workforce related recommendations.

- **Development of new standards of response** – The outlined aspirational nature of the current standards and the level of connectivity with community outcome data. A new set of standards will better reflect the demography and topography of the county and will better describe what can be provided to the community from its fire and rescue service within the current operating environment.
- **Development of more flexible staffing models** – While work has already been done in order to re-engineer the workforce. This has focused more on back office and officer roles with some limited changes to the number of front line posts. Therefore further work will need to be undertaken in order to ensure that staffing models and patterns of working are as efficient as they can be. A limited number of other services have already undertaken work in this area and could therefore be used as a benchmark to our own current systems.

- **Asset utilisation (Fleet and Estates)** – The review identified a number of issues that will be taken forward. One of the key issues is the sustainability of the fleet replacement programme following the ending in 2014 of capital distribution grant funding, which has cushioned the local impact on budgets for a number of years. The current hive of activity around estates through the collaboration and interoperability programmes will continue and strategic considerations will focus on how the services can collectively utilise assets to provide a rationalised, fit for purpose emergency services estate in the county.
- **Developing a Safe and Well concept** – With increasing pressures on adult and social care, by building on the Service’s achievements in reducing demand through proactive preventative work, the Service is well positioned to further support the increasing demands on the local authority (through a growing and ageing population), by broadening its Home Fire Safety campaigns to include safe and well visits.

### **Integrated Risk Management Plan 2017-2020**

NFRS are now in the last year of its current three year strategic plan known as the Integrated Risk Management Plan (IRMP). Therefore a new IRMP will be required from April 2017 onwards.

NFRS will bring together all of the elements of the Service Review and requirements to meet the Governments fire reform agenda within the next IRMP, that will run from 2017/18 to 2019/20 and will therefore coincide with the last three years of the four year Council plan and budget cycle; bringing NFRS in line with it for the first time.

The aim will be to have a draft IRMP ready for November 2016. This will allow time for both public consultation and for it to pass through the Council’s democratic process in time for implementation from April 2017.

The areas identified for further work will be taken forward into the new Integrated Risk Management Plan (IRMP 2017-2020) setting the strategic direction for the Service. This plan will be subject to public consultation in line with NFRS revised consultation strategy.

End.