



AGENDA ITEM: 7

NORTH WALES FIRE AND RESCUE AUTHORITY

20 June 2016

DRAFT IMPROVEMENT AND WELLBEING OBJECTIVES 2017-18

Report by Dawn Docx, Deputy Chief Fire Officer

Purpose of Report

1. To inform Members of the work of the Improvement Planning Working Group and to present the recommendations of the Executive Panel, of the 9 May 2016, with regard to the Authority's draft Improvement Objectives for 2017/18 and beyond.

Background

2. North Wales Fire and Rescue Authority (NWFRA) is required under the Local Government Measure 2009 to carry out improvement planning, and will need to have published its improvement objectives for 2017/18 by 31 March 2017.
3. Improvement objectives must be consistent with at least one of seven defined elements of improvement. NWFRA must set improvement objectives every year, but this does not mean that the objectives have to change every year or be deliverable within one year.
4. NWFRA is also subject to the Well-being of Future Generations Act 2015, which requires it to carry out sustainable development, and set and publish its first well-being objectives by 31 March 2017.

5. The Authority's well-being objectives must be designed to maximise its contribution to achieving each of seven defined well-being goals:
 - a prosperous Wales
 - a resilient Wales
 - a healthier Wales
 - a more equal Wales
 - a Wales of cohesive communities
 - a Wales of vibrant culture and thriving Welsh language
 - a globally responsible Wales.
6. Issued statutory guidance promotes integrating sustainable development into other aspects of corporate planning so that public bodies do not treat the requirement to set well-being objectives as separate from the requirement to set other objectives for the organisation.
7. NWFRA's Improvement Planning Working Group (IPWG) has met on four occasions this year (22 February, 14 March, 11 April, 25 April) to develop improvement and well-being objectives for 2017/18.

Information

8. During the IPWG meetings members received presentations and information on NWFRA's medium term financial outlook, and considered a range of possible options for continuing to provide affordable fire and rescue services. A summary of the issues considered at the IPWG meetings is attached at appendix A.
9. Members considered the savings and service improvements that NWFRA has already achieved, and the agreed projects and strategies that have yet to be implemented; but also recognised that with a funding gap of £2.26million by 2019/20 and diminishing financial reserves steps will need to be taken to help ensure the sustainability of services.

10. In considering the anticipated financial pressures and a range of costed options to meet those pressures, members remained mindful of the impact that reducing budgets could have on core services, public safety, staffing levels and maintaining good industrial relations.
11. Although sympathetic to the financial pressures facing the majority of public services, members reflected on the unavoidable cost pressures which NWFRA will have to face over the next three years due to pay and price inflation and changing government policy around pensions.
12. Members therefore recognised that NWFRA's existing improvement objective around a medium term financial plan in which freezing the budget is a central principle would not be sustainable.
13. Consequently, members recognised that this financial strategy would need to be replaced by one that combines three aspects: using its financial reserves; increasing contributions from the constituent authorities in the region of £1.36million; and making service reductions which could amount to £0.9million. This new three-year strategy would see the Authority through to 2019/20, and would include maintaining a frozen budget in the last two of those three years.
14. In terms of service reductions, Members recognised that any such reduction in service delivery would inevitably take time to implement and therefore would need to be planned to come into effect by 2019/20.
15. As for NWFRA's other three existing improvement objectives, Members saw no reason to change these, and propose that these should continue into the next financial year.
16. The four improvement and well-being objectives for 2017/18 were considered and supported by the Executive Panel on 9 May 2016; they are as follows:
 - (i) To help to keep people and communities safe by preventing deaths and injuries from accidental fires in living accommodation.

- (ii) (NEW) The Authority will adopt a three-year financial strategy that combines the use of reserves, an increase in financial contributions and service reductions.
- (iii) The Authority will re-balance its resources to match risk. It will implement a new model of resourcing which ensures the availability of at least 20 strategically located fire crews in North Wales at times of relatively lower risk, and at least 38 at times of relatively higher risk.
- (iv) The Authority will explore opportunities to diversify the role of the firefighter and offer additional services to the public of North Wales.

17. As in previous years a period of consultation on these draft objectives would provide an opportunity for the public and other key stakeholders to submit their views for consideration by the Authority prior to their formal adoption by March 2017.

Recommendation

18. That Members approve the four draft objectives listed above for public consultation prior to formal adoption by March 2017.

A summary of the issues considered by the Improvement Plan Working Group' at its meetings on 22 February, 14 March, 11 April and 25 April

- 1 Members considered in great detail the question of what, if any, service reductions would support achievement of the savings target. They recognised that any service reductions beyond those already implemented will involve some risk to both the public and the Authority. They could not ignore, however, the serious financial issues that the Authority will face in the next five years and felt that they had to set risk against the available resources.
- 2 The strategy decided on at the IPWG, and subsequently endorsed by the Executive Panel, results in a shortfall of £900k to be found through service reductions. Inevitably, those reductions will have to come from reducing posts, salaries making up 70% of the Authority's revenue budget.
- 3 Members were reminded of the advice of the Chief Fire Officer that reductions in the number of operational officer posts through two restructures in 2011/12 and 2015/16 (generating a saving of £700k) have reduced the number of officers to the minimum level required to safely implement the incident command system. No further savings, therefore, can be found from that source without posing safety risks to personnel when engaged in operational incidents.
- 4 Members were reluctant to reduce further the provision in the budget for safety and prevention work, a figure reduced by £185k since 2011/12. This figure does not take into account the significant reduction in the community safety grant by Welsh Government in 2015/16. The Service's safety work has contributed significantly to a reduction in operational activity, most notably property fires, of the order of 50% in the last decade. In the same period, fire deaths in dwellings have reduced markedly.
- 5 Since 2011/12, the budget for support staff has been reduced by £360k despite the effect on capacity posed by increased regulation and legislation such as the Equality Act 2010 and the Pensions Act 2014.
- 6 An option to transfer the Service's control function to the recently established joint control facility in South Wales was considered. Salary costs are currently just over £1million although that saving would be set against the cost of an alternative provision which may not, in the final analysis, be any cheaper. Members felt that the limited savings which might accrue, the impact on both service provision and partnership working, together with the implications for existing control staff, made this option undesirable.
- 7 Reluctantly, therefore, Members concluded that the only area of the budget where savings of the required magnitude could be found was in the operational stations/appliances and the personnel employed there.

- 8 Members were thus faced with the essential decision to reduce the budget by removing appliances, stations or a combination of both in order to save £900k. This figure is the equivalent of either 8 to 10 retained duty stations or one shift-crewed appliance on a wholetime shift station. Members also considered the removal of some or all of the retained duty support appliances from each of the eight wholetime stations.
- 9 After receiving information on operational activity, working methods and the impact of each of the above courses of action, Members concluded that they did not wish to pursue a strategy which would remove fire cover completely from any community. In addition, Members recognised that many rural fire stations are a base for other important community activities, and a location used by other emergency services, which would be adversely affected were the station to close. This option would also result in compulsory redundancies which Members were anxious to avoid. As a result, the option to remove 8-10 RDS stations was discounted.
- 10 An option to remove wholetime appliances from day crewed stations, or those shift crewed stations with one wholetime appliance, was not pursued because the effect would be the removal of any wholetime cover in North Wales' main centres of population at times of identified greatest risk.
- 11 Similar arguments apply to an option to change the crewing system at Rhyl and Deeside from 24 hour shift to day crewing save that, in this option, the change of cover would not affect the times of highest risk but would affect the cover outside of those times. The Chief Fire Officer also advised Members that the day crewing system hampers flexibility in workforce deployment, discourages personnel from seeking promotion and presents other problems for members of staff. His view was that Members should give these issues serious consideration before increasing the number of stations operating this crewing system. Members decided not to proceed with this option at this time.
- 12 The removal of RDS support from each of the wholetime stations was not progressed as Members felt that these appliances provide vital additional support to the stations where they are based, in particular where the station is day crewed and on retained duty status. Additionally, the maximum savings that could be generated through this option would be just over £700k meaning that it would have to be combined with other savings initiatives. These factors, together with the redundancy position outlined above, made the option, in Members' view, not feasible at this time.
- 13 Members were presented with an analysis of operational activity in respect of all wholetime appliances in North Wales. A steady and significant decline in the number of incidents was evident at all locations. Mindful that Wrexham is the only fire station in North Wales with two wholetime appliances (with a retained appliance support) officers were asked to provide an assessment of the impact on the Service's response were one wholetime appliance removed.

- 14 Members were also mindful that the Service's new policy on attendance to automatic fire alarm calls, introduced on 1 April 2015, would likely impact the number of call outs and reduce that number significantly. Members were advised that the number of posts that would be dis-established following the removal of a wholetime appliance would be 24 and that, given the anticipated turnover in the next 2-3 years, this reduction could be achieved without the need for redundancies. Removal of a wholetime appliance would leave the station with the same complement as both Rhyl and Deeside. Officers advised that, in order to proceed with this option, arrangements regarding the retained duty system staff at Wrexham itself, Johnstown and Chirk would need to be strengthened. Members were also mindful of the impact of changes to the Wrexham area scheduled to take place in the coming years, such as the opening of a new prison and an increase in the level of housing.

- 15 Members gave careful consideration to this option and, noting the issues raised, required the Service to consult on the removal of one wholetime appliance from Wrexham in 2019/20 as part of the annual consultation process in the Autumn.