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Partnership between Hampshire Fire and Rescue Authority and the Isle of Wight Fire and Rescue Authority

Report by the Chief Officer

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1 Summary

- 1.1 There has been further progress made on the business case for the potential strategic partnership between the Isle of Wight Fire and Rescue Authority (IWFRA) and Hampshire Fire and Rescue Authority (HFRA). This would be for the provision of some elements of the fire and rescue service whilst maintaining local political and financial control for both services.
- 1.2 This partnership approach has been seen as an innovative and ground breaking arrangement within the fire and rescue sector. The benefits to Hampshire Fire and Rescue Authority are in maximising the use of existing Hampshire Fire and Rescue Service (HFRS) resources and generating income which provides an overall benefit to the public purse. This proposed arrangement offers both financial efficiencies and operating benefits and is expected to develop further advantages as the partnership is implemented.
- 1.3 The business case recommends a partnership with HFRA. It provides a detailed analysis of the benefits and risks. This includes the operational and financial benefits to both services in entering such a partnership.
- 1.4 At a meeting of the Isle of Wight Council (IWC) on 21st January 2015, the proposal was agreed on behalf of the Isle of Wight Fire and Rescue Authority (IWFRA). HFRA has received a formal letter from IWFRA to request that a partnership is established.
- 1.5 This partnership approach has been seen as an innovative and ground breaking arrangement within the fire and rescue sector. Department for Communities and Local Government (DCLG) officials have been briefed by Chief Officers and are supportive of this locally led innovation

2 Recommendation(s)

- 2.1 That Hampshire Fire and Rescue Authority formally agrees to enter into a partnership with Isle of Wight Fire and Rescue Authority on the terms set out in the Partnership Agreement at Appendix B.

3 Introduction and background

- 3.1 IWFRS have been performing well in recent years. This is recognised within the Isle of Wight Fire & Rescue Service's 2014 Operational Assessment and Peer Review. However, the capacity and resilience within the service were raised as issues and further collaboration was recommended.
- 3.2 For IWFRS, as a standalone fire and rescue service, to find further significant reductions from within the existing budget allocation could involve a disproportionate reduction in front line staff and assets. The assessment is that the resulting reductions in resources would create potentially unacceptable levels of risk to the service and therefore the safety of Isle of Wight residents.
- 3.3 The Isle of Wight Council's medium term budget strategy and the Council's Corporate Plan recognised that a strategic partnership with a neighbouring authority for the strategic leadership of the IWFRS should be explored. The aim was to improve its resilience and also to see if savings could be achieved to contribute to the Council's overall financial challenge.
- 3.4 HFRA are also facing budget reductions and have various initiatives in place to manage the funding gap. An agreed principle for HFRA is to mitigate budget reductions by income generation wherever possible. This partnership with the IWFRS, driven by their financial position, provides opportunity to do so. HFRA is in a position to provide services to IWFRS, making more efficient use of existing resources and structures, thereby producing economies of scale and generating income.
- 3.5 HFRA gave their approval to develop the business case for a partnership on their meeting on 10 September 2014. The Business Case was agreed by the Strategic Programme Board on the 15 December 2014.

4 Development of the partnership

- 4.1 Reports have been regularly submitted to and considered by a joint Programme Board which includes the following members:
- Chairman and Chairman of Finance and General Purposes Committee of Hampshire Fire and Rescue Authority
 - Chief Officer of Hampshire Fire and Rescue Service
 - Leader of Isle of Wight Council
 - Executive Member for Isle of Wight Fire Authority
 - Isle of Wight Council Managing Director
 - Chief Fire Officer of Isle of Wight Fire and Rescue Service
- 4.2 A project board has also been established to progress the work required to develop the partnership. There has been significant work undertaken between officers of both services in scoping what was required. This has included identifying exactly which areas are in scope, how they will operate in practical terms as well as the reporting arrangements and governance. The formulation of a full cost recovery model and how this will be met, and how the partnership will

work in practice to support day to day service delivery has also been identified.

- 4.3 The programme board has overseen the development of a partnership agreement between HFRA and IWFRS. This would see HFRS managers taking operational responsibility for the delivery of fire and rescue services on the Isle of Wight utilising IWFRS staff and assets. In accordance with the Fire and Rescue Services Act 2004, arrangements can be put in place for another authority to discharge these functions by means of a Section 16 agreement.
- 4.4 Prior to development of the partnership agreement a full business case titled 'Delivering Differently in Partnership' (DDiP) has been developed and agreed – Appendix A.
- 4.5 If agreed, the core elements of the Partnership would be as detailed below:-
 - 4.5.1 That HFRA, through the HFRS Chief Officer and senior team, provide the strategic leadership and management of the IWFRS. This will entail some IWFRS staff reporting directly to HFRS senior managers.
 - 4.5.2 The HFRS Chief Officer will provide the Chief Fire Officer role for IWFRS as well as for HFRS. A proportion of the Chief Officer's managerial time will be spent on the strategic management of IWFRS. Other senior HFRS officers will provide the support for IWFRS as well as for HFRS. These functions would be at a cost to IWFRS.
 - 4.5.3 The current IWFRS Chief Fire Officer, Area Manager and Group Manager within IWFRS will be transferred to HFRS under the Cabinet Office Statement of Practice on staff transfers in the Public Sector (COSOP). This will be subject to consultation with the affected staff and in accordance with relevant policies and procedures. The functions provided by the transferring staff would be at a cost to IWFRS.
 - 4.5.4 HFRS will manage staff within IWFRS in accordance with the IWC constitution scheme of delegations and policy frameworks of both the IWC and the IWFRS, including liaising with IWC Human Resources and Legal Services.
 - 4.5.5 The HFRS Chief Officer will be accountable to the HFRA in respect of HFRS and to IWFRS in respect of the IWFRS. This will include all governance and reporting requirements for both bodies.
 - 4.5.6 The IWFRS would retain the overall political control and accountability for the delivery of outcomes for the IWFRS. The HFRA would retain the overall political control and accountability for the delivery of outcomes for the HFRS.

5 Supporting our corporate aims and objectives

- 5.1 The recommendations support HFRS's Service Plan 2013-18 "Working with Partners". We work with partner organisations to exploit development opportunities for the Service. We will build working relationships with partners to support our service by spreading costs, increasing resilience and improving service quality. They will help us to develop by making use of spare capacity and

introduce innovation by exposing the organisation to knowledge, skills, markets, and resources that may not otherwise be available. By extending the relationships to include potential commercial opportunities, we can strengthen the financial resilience of the Service and bring new perspectives to our service provision. By generating income HFRS will improve the return on our human and physical assets.

6 Risk analysis

- 6.1 The proposal for a partnership agreement (Appendix B) covers a significant area of service delivery. The arrangements that would need to be put in place are complex and would entail some significant adaptations in the arrangements for leadership and management of those services. The IWC would be responsible for the costs and budgetary risk of HFRA delivering the services to the Isle of Wight. This is detailed within the agreement.
- 6.2 The risk that the partnership is not effective in delivering the benefits required, i.e. that it does not meet financial expectations or is operationally inefficient. Reviews
- 6.3 have been built into the implementation plan so that any can be identified and mitigated.
- 6.4 Before implementation of this partnership senior HFRS officers will undertake an operational assessment of IWFRS.

The partnership agreement has allowed for a phased implementation commencing 1st April 2015.

7 Impact Assessment

- 7.1 The proposals in this report are considered compatible with the provisions of the equality and human rights legislation.
- 7.2 HFRA is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.3 Under the Equality Act 2010 there is a requirement to have due regard to equality duties when making decisions, reviewing services, undertaking projects, developing and reviewing policies.
- 7.4 An Impact Assessment has been completed by the Project Board and is attached at Appendix C. This does not identify any direct equality implications of entering into this partnership agreement. Any significant changes to services provided in the future will be the subject of further Impact Assessments.

8 Environmental and Sustainability impact assessment

- 8.1 As the partnership envisages that the IWFRS continues to operate from the existing buildings the only carbon implication is the potential for there to be a small increase in business mileage. This will be offset by the use of fuel efficient pool cars whenever possible using low carbon options – teleconference, video conferencing, use of digital media for example.

9 Legal considerations

- 9.1 HFRA has statutory responsibilities laid down in the Fire & Rescue Service Act 2004 and The Regulatory Reform (Fire Safety) Order 2005.
- 9.2 Section 16 of the Fire and Rescue Act 2004 provides for arrangements for the discharge of functions by others including provision as to the terms on which any function is to be discharged, including provision as to payment.

10 Resource Implications

10.1 Physical Resources

By utilising IWFRS officers that transfer to HFRS who are based on the Isle of Wight, will ensure the partnership has a regular physical and visible presence on the Island. This will include an Area and Group Manager who will discharge the day to day operational responsibility for the IWFRS. The Area Manager will assume the role of “Local Senior Officer”. Induction of transferred officers into the service will be the responsibility of HFRS. The partnership will manage the provision of operational equipment and uniform of officers on the island within the IWFRS budget. Firefighters and managers up to and including station manager will retain the IWFRS crest on their uniform and vehicles will retain the IWFRS livery. The current contract with Surrey Fire and Rescue Service for the delivery of the call handling for the IWFRS will remain – although this is due for renewal in March 2017 and will be reviewed at that time.

10.2 Information and Communications Technology Resources

In order to undertake the necessary activities for the IWC, HFRS will need appropriate access to relevant IWFRS ICT systems. There will be no transfer of ownership in relation to assets, ICT or otherwise.

11 Financial Implications

- 11.1 The partnership agreement includes a simple and reasonable basis for HFRS to recover their full costs, including a reasonable amount for overheads without seeking to make a profit. This reflects a partnership approach rather than one based on a straight forward contract for services.
- 11.2 The HFRS Chief Officer will have control of the IWFRAs budget and will be responsible for managing that budget in the same way as would any other head of service of IWC. Budget and resource plans will be developed in order to meet statutory duties and achieve the IWC objectives with the IWC setting the overall budget for IWFRAs as part of its normal budget process.
- 11.3 Reporting on the partnership and delivery of the agreed outcomes will also include the need to demonstrate cost effectiveness of the arrangements and value for money.
- 11.4 If agreed, the partnership agreement will set out how the financial arrangements will work and the basis on which the IWC will reimburse HFRA for undertaking the various activities in delivering fire and rescue services for the Isle of Wight.
- 11.5 The charges to IWFRAs will cover all relevant HFRS staff deployed in the leadership, management and delivery of IWFRS, any related overheads and the support functions used.

	Year 1	Year 2	Year 3	Cumulative
HFRS cost recovery/income	£175,242	£201,814	£499,293*	£876,349
IWFRS Net Savings	£301,124	£437,582	£456,189	£1,194,895

From Year 4 onwards HFRA recovered costs would remain at £499,293 per annum (subject to review of the agreement at the end of Year 5). It is proposed to submit a Transformation bid, subject to this facility continuing, which will fund the full implementation of the partnership agreement over the next five years.

*This assumes the potential transfer of the Fire Control contract to HFRS in 2017

12 Consultation

- 12.1 The partnership proposals have been developed in consultation with IWFRS staff, partner agencies and relevant stakeholders.
- 12.2 Trade unions support the approach of minimising impact on frontline service delivery and have raised relevant concerns which will be considered by the implementation board. The Fire Brigades Union, Retained Firefighters Union and Unison are all part of the Delivering Differently in Partnership Project Board.

13 Conclusion

- 13.1 If agreed, it is proposed that the partnership will come into force on 1 April 2015. To achieve this it will be necessary for both the IWFRS and HFRA to formally execute the Partnership Agreement. In light of the importance of the partnership and in order to demonstrate the political support from both Authorities, the relevant Executive Member from the Isle of Wight Council and the Chair of HFRA will both endorse the Partnership Agreement. This will not formally execute the document and the Agreement will be executed separately through the normal sealing process.
- 13.2 The strategic partnership will be ground breaking, a pioneering and innovative example of co-operation which will see the two services taking advantage of economies of scale, existing capacity, knowledge management and technology to achieve greater levels of efficiency and effectiveness across a range of operational service areas, whilst maintaining their own political governance and identity.
- 13.3 This partnership approach has been seen as an innovative and ground breaking arrangement within the fire and rescue sector. The benefits to Hampshire Fire and Rescue Authority are in maximising the use of existing Hampshire Fire and Rescue Service (HFRS) resources and generating income which provides an overall benefit to the public purse. This proposed arrangement offers both financial and operating benefits and is expected to develop further advantages as the partnership is implemented.

14 Background papers

- 14.1 The following documents disclose the facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of the report:

APPENDICES ATTACHED

Appendix A - Delivering Differently in Partnership Business Case
Appendix B - Partnership Agreement
Appendix C - Impact Assessment
Appendix D - Project Initiation Document

BACKGROUND PAPERS

Project Initiation Document
IWFRS Operational Assessment Peer Review 2013
<http://www.iwight.com/azservices/documents/2719-IWFRS-Peer-Review-Report-Feb-2014-FINAL.pdf>

Sir Ken Knight Fire Futures Review
<https://www.gov.uk/government/publications/facing-the-future>

Governments Response to Fire Futures Review

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6228/1881649.pdf

Note: The list excludes: (1) published works; and (2) documents that disclose exempt or confidential information defined in the Act.