



## COUNCIL – 22ND JANUARY 2019

**SUBJECT: CAERPHILLY COUNTY BOROUGH COUNCIL RESPONSE TO THE REFORM OF FIRE AND RESCUE AUTHORITIES WHITE PAPER**

**REPORT BY: INTERIM CHIEF EXECUTIVE**

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### **1. PURPOSE OF REPORT**

- 1.1 To seek Council approval for the proposed Caerphilly County Borough Council response to the consultation on the Welsh Government White Paper: 'Reform of Fire and Rescue Authorities in Wales'.

### **2. SUMMARY**

- 2.1 This report sets out a proposed Caerphilly County Borough Council response to the consultation on the Welsh Government White Paper, full title: "Reform of Fire and Rescue Authorities in Wales - Consultation on reform of the Fire and Rescue Authorities in Wales' governance and funding arrangements".
- 2.2 The White Paper seeks the views of the local authority on matters covering accountability and scrutiny, innovation and change, resourcing, membership, performance management, and sustaining front line services.

### **3. LINKS TO STRATEGY**

- 3.1 The White Paper sets out the former Cabinet Secretary for Local Government and Public Services vision for reform to the governance and funding arrangements of Fire and Rescue Authorities. Welsh Government have referenced the Well-being of Future Generations (Wales) Act 2015 within the paper in respect of developing one set of performance reporting, aligned to the service's Well-being Objectives and statutory requirements.

### **4. THE REPORT**

- 4.1 Welsh Government published the White Paper: 'Reform of Fire and Rescue Authorities in Wales' on the 13<sup>th</sup> of November 2018. The paper seeks view on proposals to amend the structure, performance and funding arrangement for Fire and Rescue Authorities.
- 4.2 The White Paper (hyperlinked at Background Papers) sets out Welsh Governments case for change to modernise Fire and Rescue Authorities based upon the following views:
- Fire and Rescue Authorities (FRAs) are not accountable to any other tier of government, or to the electorate, for their plans or delivery of them.
  - There is no external control, or adequate scrutiny, of FRA budgets.

- The current arrangements will not adequately support FRA's in the future to effectively plan and fund their services in the context of the changing environment in which they will be delivering their services. This includes a widening of their role to include support for other public services, the impact for FRAs on the change in demographics (for instance the risks and challenges of an ageing population living independently) and continued austerity.

The consultation explores a range of options to:

- Change the current membership of FRAs so that members are accountable to their electorate and/or to the Welsh Government
- Improve scrutiny of FRAs' decision making including the setting of their budgets
- Introduce a new funding mechanism for FRAs which could sustain the widening of their role to support other public services

- 4.3 There are a number of points that have been made in the response appended that relate to the themes above. The paper proposes reform to financial and democratic accountability and performance management that the response appended is in support of. However other proposals are not supported. In summary, responses to themes are set out below.
- 4.4 The proposals to **reform the structure and membership** of FRAs by reducing the nominated Councillor representation from three members, with political balance, to a single Cabinet Member is strongly rejected for the reasons set out in the response i.e. the insufficient capacity of a single Cabinet Member, the skills and abilities of backbench elected members should not be devalued, and the increased cost of increasing the size of Cabinet by one member, as proposed in the White Paper. The White Paper also suggests that Welsh Government should elect non-executive members to FRAs to provide challenge, this would equate to 25% of the membership. The proposed response appended rejects this view due to the fact that Welsh Government does not have the link back to local democracy to elect members to FRA's, that technical expertise should come from the officers of the service itself and that FRA's are already able to co-opt external support if required.
- 4.5 The response supports the success of the South Wales Fire and Rescue Service in reducing the number of fires attended, reductions in the number of fatalities, reductions in dwelling fires etc. against the backdrop of increasing threats such as more vehicles on our roads, and issues such as greater urban development. It recognises the **evolving role of the service** in educating communities and businesses in fire safety. In particular it supports the continuing evolution of the service to support the rest of the public sector, notably supporting vulnerable people to live safely at home and support for the NHS and Wales Ambulance Trust in acting as first responders. However the response suggests that Welsh Government should work to remove factors that are delaying this continued evolution of the role of fire officers. Particularly the ability to administer basic life support when first at scene.
- 4.6 The White Paper suggests that **innovation and change** have happened within Fire and Rescue Services in Wales but that innovation has not been properly scrutinised and that there is no accountability back to electorates. It suggests that Fire and Rescue Services should be accountable to Welsh Government, as the Welsh NHS is. The response appended disagrees that there is no **accountability back to local democracy** and that Caerphilly elected members who sit on the FRA are there in a capacity that represents the whole of the authority. However a suggestion is made that the business and performance of the Fire and Rescue Service should be more visible to the local authority. This is supported, the proposed response suggests that there should be reporting to Scrutiny and/or Council on objective setting, planning, performance and accountability. The response supports the view that the size and boundaries of fire services is correct and does not support the transfer of the service to Police and Crime Commissioners.

- 4.7 In respect of the **future funding** of the service the White Paper suggests that there is no accountability for budget setting and that the FRA has sole control over budgets set. The proposed response partially agrees with this and suggests that the annual budget is either agreed with the local authority or that a precept system is introduced such that the annual precept is directly understood by local residents and that the local authority administers the system in the same way as the policing precept. The precept option is favoured by the fire service and by the local authority in the proposed response.
- 4.8 The **performance reporting** of the service currently follows the same framework as the local authority under the Local Government (Wales) Measure 2009. The White Paper suggests that this is a system designed for local authorities and is not proportionate for fire and rescue services. It suggests that the National Framework for Fire and Rescue Services, the statutory duties placed on them and the requirement to set Well-being Objectives should form the framework against which the performance and effectiveness of service are judged. The proposed response appended to this report agrees with this and further supports that it should be the role of the FRA to deliver the service, not the Chief Fire Officer, in the same way that it is Council that is responsible for delivering local authority services.

## **5. WELL-BEING OF FUTURE GENERATIONS**

- 5.1 The White Paper references the Well-being of Future Generations (Wales) Act 2015 and specifically relates the setting of Well-being Objectives by the fire service, in response to the needs of local communities, as an important factor in determining any new performance accountability arrangements.
- 5.2 The South Wales Fire and Rescue Authority sit as members of the Caerphilly Public Services Board.

## **6. EQUALITIES IMPLICATIONS**

- 6.1 The White Paper was not accompanied by the Equalities Impact Assessment undertaken by Welsh Government. No comments are therefore made on issues affecting protected characteristics.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 There are financial implications in respect of the options for future funding for Fire and Rescue Services within the consultation. The views of the authority are set out in the responses to Questions 13 and 14 within Appendix 1.

## **8. PERSONNEL IMPLICATIONS**

- 8.1 There are no personnel implications in this report.

## **9. CONSULTATIONS**

- 9.1 This report has been sent to the Consultees listed below and all comments received are reflected in this report.

## **10. RECOMMENDATIONS**

- 10.1 That Council endorse the proposed response to the consultation on the Welsh Government White Paper: "Reform of Fire and Rescue Authorities in Wales - Consultation on reform of the Fire and Rescue Authorities in Wales' governance and funding arrangements".

## 11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To enable officers to submit a response to the Welsh Government's consultation by the 5<sup>th</sup> February 2019.

## 12. STATUTORY POWER

- 12.1 Fire and Rescue Authority Members are appointed by the county borough council, proportionate to the number of registered local authority electors, in accordance with The South Wales Fire Services (Combination Scheme) Order 1995.

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Consultees: Christina Harry, Interim Chief Executive  
Cllr David Poole, Leader  
Cllr Colin Mann  
Cllr Kevin Etheridge  
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Stephen Harris, Interim Head of Business Improvement Services  
Robert Tranter, Head of Legal Services/ Monitoring Officer  
Nicole Scammel, Head of Corporate Finance and Section 151 Officer  
Anwen Cullinane, Senior Policy Officer (Equalities and Welsh Language)

### Background Papers:

White Paper- Reform of Fire and Rescue Authorities in Wales

<https://beta.gov.wales/sites/default/files/consultations/2018-11/181112-reform-of-fire-and-rescue-authorities-in-wales.pdf>

### Appendices:

Appendix 1 Proposed Caerphilly County Borough Council Consultation Response

**Question 1:** Do you agree the objectives for reform are appropriate and important?

We agree that some aspects of the governance and accountability of Fire and Rescue Services in Wales require a degree of reform in respect of financial accountability and the modernisation of performance and accountability requirements. However, we do not agree that the structure of Fire and Rescue Authorities, in terms of their political membership and leadership, should be altered for the reasons set out later in this response.

There are issues facing the service that could have been examined more fully, particularly the inability of fire and rescue services in Wales to secure greater diversification related to current discussions at the National Joint Council. The increasing role in supporting the nation's counter-terrorism response could also have been expressly considered.

**Question 2:** Are there other objectives that the reform programme should pursue?

We are fully supportive of the changing role of the South Wales Fire and Rescue Service and its preventative agenda. The reduction in fires is a direct consequence of the dedication and expertise of fire service staff in advising business and communities on fire prevention. Likewise we consider the evolving role of fire officers in securing the health and wellbeing of communities by supporting other statutory public services, to be a natural extension of this remit. In particular, the role to support other emergency services by acting as first responders and the invaluable role that fire officers are able to perform in the community by supporting our most vulnerable residents to remain safe and well in their homes. These new and evolving roles have been proven through research to have significant cost benefits. This changing role should be supported and nurtured since it is only through working as one public service that we can hope to achieve the best outcomes for our communities in the wider context of increasingly challenging financial times.

Now is the time to change the support mechanisms needed to enable our fire services to continue to develop this important aspect of their evolving role.

We would like to see more openness and transparency between the Fire and Rescue Authority and the Local Authority. For example, the link between local delivery and democratic accountability could be strengthened. Fire Authority members are nominated by the Council however the service does not currently report back in any formal way. We would like to see fire service reporting progress against their strategic objectives, finance and performance as an item that is examined by Council and/or Scrutiny on a periodic basis.

**Question 3:** Do you agree that FRAs should remain as separate and distinct entities, with the same boundaries as now?

Yes we agree that it would be a backward step to align fire services to local authorities. The increasingly technical aspects of the service require critical mass to allow the necessary expertise to safeguard our communities. Technological advances can be best employed by larger organisations. Fragmenting or disaggregating the service would risk losing the advantages gained since 1996. A single service in Wales would be too detached from local communities and local democracy.

We agree that the boundaries should remain as they are although we do consider that it can be difficult for fire services to operate over several health board and police force boundaries. For example, servicing 9 Public Services Boards in the South Wales Fire and Rescue Service area must be a challenge. Despite this we have always found engagement at a strategic and operational officer level to be extremely good.

We would caution against any reorganisation on a different footprint without a very clear line of sight between costs vs benefits. The 'footprint' in the Gwent region covers five local authorities and we do not believe that this would offer the scale and resilience needed for a modern fire and rescue service. The current coverage over ten local authorities seems both appropriate and sustainable.

**Question 4:** Do you agree that transferring control of fire and rescue services to Police and Crime Commissioners or local authorities would not be appropriate?

We agree with this statement and believed that this line of accountability had already been discounted. Police and Crime Commissioners are non-devolved, therefore it would introduce another level of structure in Wales to transfer control in this direction. Police and Crime Commissioners have a difficult job in undertaking the commissioning of effective policing services when crime patterns are changing and finances are increasingly challenging. Police and Crime Commissioners should not be distracted from their remit. Likewise Fire and Rescue Services should be left to determine their own strategic direction. While they are both emergency services, that already work very closely together, we cannot see any benefit in introducing one governance structure.

Please see our response above in respect of local authority control. Disaggregating the service to local authority level would fragment the capacity in staffing, technical capability and risk modelling expertise.

**Question 5:** Do you agree that there are legitimate but limited national interests in the Service that need to be reflected in its governance arrangements?

Yes we agree that there are limited national interests that could be reflected in reform. The status of the National Framework could be strengthened but we are not aware that any services in Wales are currently failing to follow it.

We believe the Fire and Rescue Services should be able to determine their own strategic direction based upon the risk factors in their communities in terms of demographics, geography and the types of building/facilities/installations that are within their area. They should be able to determine their own plans and budgets, subject to the considerations we explain in further detail below, and they should be able to set their performance and outcome measures in collaboration with the other services in Wales. We believe that the current support and intervention protocol allows Welsh Government the assurance it needs and that our services are operating effectively. Wales does not have the HMICFRS as in England, but the combination of the independent Chief Fire and Rescue Advisor, WAO oversight, the National Framework, self-assessment and Improvement/Well-being Objective setting should be sufficient to ensure the best service possible.

**Question 6:** Do you agree that local authorities should continue to nominate FRA members?

Yes, we strongly agree with this proposal. Further we do not think that the current system requires reform. This authority nominates three members, with political balance, all of whom have developed knowledge and expertise in their role. As one of the larger local authorities covered by the South Wales Fire and Rescue Service we believe that reducing this number would prejudice our local residents who would be affected inequitably should the option of one member per local authority area be pursued. We entirely disagree with the assertion in the White Paper that 'backbenchers' do not have the required expertise and capacity to carry out their role effectively. Members sit on several Fire Authority committees and have provided a dedicated scrutiny role in carrying out this function on behalf of the local authority. Local authority elected members come from a wide range of backgrounds with a wide range of skills. Members are selected based upon what they may bring to the Fire Authority and how they could enhance the process. We do not subscribe to the view that being a 'backbencher' indicates that someone is less valuable than a Cabinet Member. Indeed skills may be present in elected members that are not required for a Cabinet role but are valuable to Fire Authorities.

We believe that the local authority should continue to nominate three members as it does now. We believe that the level of commitment required to support the business of the Fire and Rescue Authority requires this number of elected members as we fail to see how a single member would have the capacity to undertake the role. Many of our members are also employed and because of this they would not have the ability to take on the role single handed. The benefit of drawing on their expertise in other roles, which may be directly related to their employment, is of benefit to both the local authority and the fire authority. This proposal devalues the essential role that our elected members play in ensuring the democratic accountability of the communities they serve and negates the fact that they are representing the whole authority when they sit on the Fire Authority and not their own constituencies. Views on issues that affect locality service such as station closure are gathered, or should be gathered, through effective public consultation. Our Elected Members do not sit on the Fire and Rescue Authority to represent their own communities. We are very clear that we do not want the current arrangement, i.e. the nomination of the three Elected Members to alter. If concerns exist over the level of consistency provided through the role of Elected Members we suggest that a development programme is introduced across Wales via the Welsh Government. However we would like to point out that Elected Members already receive extensive training on effective scrutiny. We fail to see why Fire Authority members should be required to prove a level of qualification, or experience, that is not a requirement of any other democratically elected role. It is our assumption that Welsh Government places a similar value on its Assembly Members, whether they sit in Cabinet or not.

**Question 7:** Do you agree that local authorities should nominate one FRA member each, drawn from their cabinets?

We do not think that it requires a Cabinet Member to conduct this role. Cabinet Members have significant portfolios within the Local Authority. Asking a Cabinet Member to also effectively discharge the local authority responsibility to the Fire Authority alongside their responsibility to local authority services is too big an 'ask' for both organisations. Given the importance of the fire authority role a Cabinet Member is likely to be highly distracted from local authority business and hence this brings into question what possible value could elevating the role to a Cabinet Member have other than to answer the White Paper's assertion that backbenchers are incapable? This is an invalid argument in the view of this

local authority and we believe Elected Members who do not sit in Cabinet can be equally as capable with skills in different areas.

It is possible that level of seniority could be increased, if this is the concern, by requiring that the Chair of an appropriate Scrutiny Committee is one of the nominated members. However, we maintain our view that the best person for the job should be the overriding decisive factor.

We believe that Welsh Government should also have some regard to political bias. A single member from each local authority in the South Wales Fire and Rescue Service area would result in a Fire Authority heavily dominated by one political party. A balance of political views is required to effect proper scrutiny. We maintain that the number of Fire Authority members should reflect the populations of the authorities the service covers. An unfair and inequitable structure, as proposed, would result in unequal and unproportioned voting ability.

**Question 8:** Do you believe any changes are needed to the law on the size and remuneration of council cabinets, to allow their members also to serve on FRAs?

No, we don't not believe that the size of local authority Cabinets should increase to fulfil this role. Neither do we believe that remuneration of Cabinet Members should be increased. There is a cost to our local taxpayers in increasing the size of the Cabinet. This authority has already taken the decision to reduce the size of its Cabinet through the current administration to reduce the financial costs of democracy to local council tax payers. We believe that we have the correct balance for the senior executive and the role they undertake for the local authority. Increasing the number of Cabinet Members would increase the overall costs of Cabinet. Remuneration through special responsibility allowance is more appropriate for Elected Members who take on this role alongside their constituency and local authority scrutiny functions. This system is far more cost effective.

**Question 9:** Do you agree that FRAs should also have non-executive members?

No, we do not agree. If funding continues to be generated through local authorities, as we explain below, then it is not appropriate that Welsh Government have a role in selecting non-executive members. The link back to local democracy must be maintained.

We are not sure what capacity a non-executive member could add. Given the proposed 25% this would equate to 2.5 members if the one Elected Member per local authority option were progressed. The role of the Fire and Rescue Authority is to hold the Fire and Rescue Service to account not manage or run the service. The necessary expertise be that financial, legal or technical should come from the officers of the service itself not the Fire Authority Members. Fire and Rescue Authorities are able to co-opt in expertise if they feel this is necessary.

Appointing non-executive persons to Fire and Rescue Authorities would increase the cost of scrutiny further.

**Question 10:** Who should appoint non-executive members of FRAs?

Please see above. This is not an appropriate role for Welsh Government who are removed from the direct relationship with local communities. We do not believe that individuals nominated by Welsh Government will have the expertise required to operate public services.



**Question 11:** Do you agree that, in the longer term, responsibility for the service should vest in a statutory Chief Fire Officer, with FRAs fulfilling a scrutiny and oversight role? If so, would that require any change to membership arrangements?

We believe that the Fire and Rescue Authority should hold the responsibility for delivering the service in a similar way that the local authority is responsible for delivering services. And that the responsibility of the Fire Authority Members should be to hold the service to account. This should not entail any changes to membership arrangements as we still believe that nominated Elected Members are in the best position to scrutinise the planning and performance of the service.

Vesting statutory responsibilities in a Chief Fire Officer risks separating the responsibility for delivering the service from accountability e.g. that person would be expected to deliver, but budgets would be set by the Fire and Rescue Authority. We cannot think of any arrangement of this type in the public sector.

**Question 12:** Do you have any other proposals for how to reform FRA governance which meet the criteria in Chapters 1 and 2?

No.

**Question 13:** Do you agree that FRAs and local authorities should agree the level of FRA funding each year, with a reserve arbitration power for the Welsh Ministers?

Yes, we believe this could be a sensible step forward. As explained above we would like to see the planning and performance of the Fire Service more readily discussed and available at local authority Council and Scrutiny. Should the option for funding by precept not progress we would also like an enhanced ability to agree the levy through assurance that the service is delivering on behalf of our residents, businesses and communities. The democratic link could be strengthened.

**Question 14:** Do you agree that, in the longer term, FRAs should have powers to set a council tax precept, with the balance of their funding from Welsh Government grants?

We would have some significant concerns if the service were to become wholly or partly reliable on funding direct from Welsh Government. The thrust of the White Paper seems to devalue the service and suggest that it is long overdue for modernisation. We do not subscribe to this view and regard the service as a high performing risk based organisation that has secured impressive safety levels in our communities against increasing threats. Local accountability is better served by a model that continues to involve local communities in assurance that a good level of service is provided for local tax payers.

A precept would seem a sensible move forward. This would ensure that there was direct communication with our local residents who would receive information annually on how the service was performing against the investment in it, in exactly the same way that the policing precept is administered by the local authority now.

**Question 15:** Do you have any other proposals for how to reform FRA funding which meet the criteria in Chapters 1 and 2?

The changing role of the service should be considered in respect of the funding mechanisms. If the role of fire officers is to continue to evolve, particularly through providing support to overstretched health services, then there must be a mechanism to fund this enhanced role. The Scottish Fire Service has been able to add capacity to community health provision by increasing the salaries paid to fire officers. This is not possible in Wales due to the limits on increases. This is hampering the ability for Fire and Rescue Services to develop this capacity. It is our opinion that Welsh Government should look more closely at this blockage if it wishes to assist services in minimising the burden on the Welsh NHS and Ambulance Trust, possibly through reallocating health funding directly to Fire and Rescue Services.

**Question 16:** Do you agree that the performance management system for FRAs should be grounded in the National Framework for Fire and Rescue Services?

Yes, we agree that the Local Government Measure is not an appropriate way to measure the performance of Fire and Rescue Services. It is our view that the National Framework, the statutory responsibilities placed on fire and rescue services, combined with the requirement to develop Well-being Objectives, which take account of their local situations, is a better option. We do believe that a data set that allows benchmarking with the other services in Wales and similar services in England should be maintained. However, it is impossible to measure prevention in numbers, other outcome measures must be developed to monitor this important evolution of the service.

Welsh Ministers should continue to report on the National Framework on a two yearly cycle.

**Question 17:** Do you agree with the need for such a system to give FRAs flexibility on planning and reporting cycles, and on the sources of information about performance that they use?

Yes, we agree with this. It is important to record outcomes for local communities and not what can be measured. Fire Services themselves are best placed to determine their measures and reporting, including frequency of reporting, in collaboration with each other and through the National Framework, subject to the scrutiny of the Fire and Rescue Authority.

**Question 18:** Do you agree that the Welsh Ministers should retain their duty to report to the Assembly about delivery of the Framework, and their powers of intervention?

Yes, we believe that this will still be required.

**Question 19:** We would like to know your views on the effects that the policy proposals would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English.

What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

No comment.

**Question 20:** Please also explain how you believe the policy proposals could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

No comment.

**Question 21:** We have asked a number of specific questions about FRA governance, finance and performance management. If you have any related issues which we have not specifically addressed, please use this space to report them:

Please enter here:

No comment.