

## **FIRE Magazine**

### **Home Secretary announces further reform of Fire and Rescue Services.**

**Pete Murphy & Katarzyna Lakoma**

In July 2020, the government announced a two-part internal review of PCCs and PFCCs. The first part was to report to the Secretary of State by October 2020 with the second part to commence after the forthcoming May 2021 local elections. As reported in October in this magazine, the first part was to focus on strengthening the ‘Commissioner’ model and in particular its accountability, resilience, legitimacy, and scrutiny mechanisms ahead of the May elections. The second part was to expand and strengthen the role of PCCs/PFCCs (and the mayoral variation) focussing on “longer-term reforms and the potential for wider efficiencies” with a view to implementation ahead of the 2024 elections (Murphy & Lakoma 2020).

Our previous article therefore focussed on what could feasibly be done to strengthen accountability, resilience, legitimacy, and scrutiny of the model in the short-term. By that time the government had received recommendations from Phase 1 of the Grenfell Tower Inquiry; Sir Tom Winsor’s first State of Fire and Rescue Report; the final report of the Redmond Review of Local Audit, as well as the (unpublished) lessons learned from the first cohort of PFCCs. None of the first three at least were short of both challenges and recommendations for reform of Fire and Rescue Services.

#### ***Home Secretary’s March statement***

Priti Patel finally issued her delayed statement on 16<sup>th</sup> March 2021 setting out her findings from the first part of the review, which collated views and evidence from stakeholders across policing, fire and local government as well as voluntary and community organisations. By this time, the government had already confirmed that local elections, including PCC elections, scheduled for May 2021 (and those postponed from May 2020) would be held in May. As electoral purdah was about to begin, this meant the statement was entirely focussed on what the government would do in the second part of the review after the May elections.

Although most of the statement was about the police service, this article focusses on what the statement proposes in terms of fire and rescue services and what may have changed since the original announcement of the review in July 2020 less than a year ago.

#### ***A Fire Reform White Paper***

Since October, the government, in addition to the reports and recommendations mentioned above, has received Sir Thomas Winsor’s second State of Fire and Rescue Report and Bob Kerslake’s Report into the Manchester Arena Attack, and has itself published its response to the Redmond Review. Priti Patel announced that further reform of fire and rescue services is required and that this will focus on three areas “people; professionalism; and governance” noting that “taken together improvements in these areas will help deliver higher standards and greater consistency across fire and rescue services”.

The Home Office will therefore be launching a consultative White Paper on fire reform later this year. Although it will set out the reform agenda in further detail focussing on people, professionalism and governance, the only further information in the Home Secretary’s statement related to governance.

#### ***Governance Proposals***

The White Paper's proposals will include consultations on whether to mandate the transfer of fire and rescue functions to PFCCs across England *where boundaries are coterminous*, unless there is potential to transfer responsibility directly to an elected Mayor. Four FRS (Essex, Northamptonshire, North Yorkshire, and Staffordshire) are already governed by a PFCC. In July and August, the strong messages emanating from the Home Office was that all remaining Fire Authorities (other than potential mayoral authorities) would be transferred to PFCCs.

Practical limitations seemed to have reigned in the more zealous ambitions of the ministerial team. Instead, the government will now be consulting on "coterminosity (sic) challenges" including those within the South West. In the South West, other than Gloucestershire, none of the other four police areas are coterminous with the four Fire and Rescue (See Figure 1 below).

Insert Figure 1 about here

In addition, there are other areas such as Thames Valley and Sussex in the South; West Mercia in the Midlands and Tyne and Wear in the North where boundaries are not coterminous between the two blue light services. In all parts of the country, there are increasing differences between emergency services and local authority boundaries and the current proposals do not include changes in Wales, where there are four police forces and three fire and rescue services.

The other two specific issues that the statement mentions and that we suspect will be widely welcomed across all Fire and Rescue services, whatever their current form of governance, relate to operational independence for Chief Fire Officers and clarifying the legal entities within the PFCC model.

The government is proposing to legislate to create both operational independence for Chief Fire Officers and at the same time to clearly separate and delineate strategic and operational planning for fire and rescues and separate budgets in the PFCC model. The call to make CFOs operationally independent, which has always been an essential feature of the Chief Constables role, has gained increasing cross sectoral support since the idea of transferring for fire services to the PCC model of governance was mooted in the Conservative manifesto in 2015. It has since gained widespread support across the sector and has been a recommendation in both State of Fire Reports. There are clear operational, organisational, and cultural differences between FRSs and police forces, which ultimately require different approaches in terms of management and leadership

The need for clarity on the boundaries between strategic and operational planning goes back even further to the Coalition Governments strategic review of fire and rescue services in 2010. This was announced immediately after the general election and eventually enshrined in the 2012 National Framework. The fourth framework, unlike its predecessors, was specifically addressed to fire and rescue authorities rather than to the whole sector or to fire services, as it attempted to introduce a commissioner/provider split.

Finally, the Secretary of State is proposing to clarify some of the legal entities that have become confused and opaque as they have transferred from the local authority model to the PFCC mode. This also anticipates some changes and differences in legal entities as between PCCs/PFCCs and local authorities that the Redmond Review has also highlighted.

### **Commentary**

The NFCC commenting on the statement and the proposed white paper have acknowledged the need for broad sector reform, supported by good governance with appropriate financial support to ensure the fire sector is fit for the future. The NFCC, though its former Chair Roy Wilsher, were represented on the advisory group that supported the first part of the review. With so many competing

recommendations and narratives urging a multitude of changes, as well as the more fundamental societal changes occasioned by the pandemic and the response to climate change, it looks like significant structural and operational reforms for FRS are unavoidable.

The Home Secretary gave no further details but said that the future fire reforms will focus on people and professionalism as well as governance. Sir Tom Winsor's call for 'fundamental reform' of the national terms and conditions negotiating machinery in the first State of Fire Report has not been ameliorated by his experience with the pandemic in general, and the Tripartite Agreement in particular.

In his second annual report published in March, Winsor reiterates the need to review the arrangements for determining pay and conditions but also finds his six national recommendations which involve 'major structural aspects' have been delayed by the pandemic and for some "work is still in its infancy, or hasn't begun". At least his (and others) call for the operational independence of CFOs and the demarcation of those responsible for governance and operational decision making have now been included in the Home Secretary's statement.

The question of short and long-term resources and the policies of austerity are predictably, but regrettably, absent from the Statement.

Winsor ducked this issue and marked as 'completed' the national priority from his first annual report of ensuring "the sector has sufficient capacity and capability *to bring about change*", not whether FRSs have the resources to do the job. Brexit and the COVID-19 pandemic allowed the government to kick these issues into the long grass, but they cannot remain there. The media may have announced the end of austerity, but no one has yet come up with an acceptable plan for the reform of Local Government Finance.

The emerging concepts of financial sustainability and financial resilience recommended by Redmond and embraced by the NAO (in its new Code of Audit Practice), have been accepted by government for inclusion in the post-Redmond Local Audit regime. Throughout the conduct of his review Redmond makes clear that his considerations and recommendations for principle authorities also relate to FRAs and PFCCs rather than the parallel arrangements for smaller public bodies, such as town and parish councils.

FRAs/PFCCs are defined as Category 1 authorities under the Local Audit and Accountability Act 2014 and therefore must prepare a full set of IFRS compliant accounts and undergo a full audit. In Annex 4B Redmond provides an illustrative simplified financial statement specifically for FRAs. This financial statement compares the budget at the start of the year with what was actually spent and explains the changes. It also includes information about longer-term financial sustainability and the resources available to provide services into the future which supports an assessment as to whether or not the authority has a sustainable financial position and is able to operate on an on-going basis.

There is one other disappointing omission.

### ***Data and Intelligence***

When the review was announced in July 2020, it suggested that it would focus on longer-term reforms and the potential for wider efficiencies to be made within the system. To do this, the sector, the government, and individual FRS must have substantially improved data and intelligence as part of its evidence base. Improved accountability, resilience, legitimacy, and scrutiny all rely on it.

While piecemeal improvements have been made, and both the NFCC programme and HMICFRS inspections are clearly part of these improvements, all three of the reports investigating the FRS contribution during the pandemic from the NFCC (Levin *et al.* 2020) the Inspectorate (HMICFRS 2021) and the C19 National Foresight Group (Hill *et al.* 2021) highlight the continuing inadequacy of the data and intelligence upon which national and local decision making within the sector continues to be based – even within a pandemic.

## References

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