

Cabinet – 13 November 2017

West Midlands Fire and Rescue Authority Governance Review

Portfolio: Councillor Sean Coughlan

Related portfolios: All

Service: All

Wards: All

Key decision: Yes

Forward plan: Yes

1. Summary

- 1.1 The West Midlands Fire and Rescue Authority (Fire Authority) has made recommendations to change its Governance, and proposed that it should be incorporated into the Mayoral West Midlands Combined Authority (Combined Authority) to enable continued Service performance and improvement. The Fire Authority is the statutory body responsible for the delivery of the West Midlands Fire Service (Fire Service).
- 1.2 In order for this to come about one the Constituent Authorities and the Combined Authority need to agree a Governance Review and Scheme which sets out these proposals. All seven Councils are being asked to do this, along with the Combined Authority. At the date of writing this report, Sandwell, Wolverhampton and Dudley Cabinets have already given approval.
- 1.3 The purpose of this report is to seek approval of the attached Governance review (Appendix A) and Scheme (Appendix B) relating to proposed changes to the West Fire Authority governance model, by merging it into the Combined Authority.
- 1.4 The Fire Authority recommendation follows an independent review undertaken on behalf of the Fire Authority as a result of the Government drive to reform the governance and accountability of Fire Authorities nationally, and the delivery of the Home Office reform agenda for the Fire Services. In February and April this year, the Fire Authority approved the outcomes of the independent review and a route map for the Fire Authority to become part of the Combined Authority. This is in line with national developments with similar proposals for Manchester and London.

2. Recommendations

- 2.1 That Cabinet, as a Constituent Member of the Mayoral West Midlands Combined Authority agrees the Governance Review (Appendix A) and Scheme (Appendix B) and recommends to Council the approval of the Governance Review and Scheme.

- 2.2 Agree to move forward to public consultation for the Scheme and proposed governance model and support that consultation in Walsall.
- 2.3 Approve to delegate authority as required to the Chief Executive in consultation with the Leader to make minor amendments to the Governance review and Scheme on completion of the Local Authority approval process and prior to public consultation.

3. Report detail

- 3.1 There are nationally 30 Metropolitan and 24 Combined Fire Authorities that stand alone from the Council that serve their areas. The remainder are County Council lead fire services. Nationally Fire Authorities have been the subject of reducing budgets. The Fire Authority has been the subject of reduced funding in the region of a circa 50% (£38m) reduction in central government grant (core) over the course of the CSR, covering the period 2011/12 to 2019/20. At the same time there has been a government policy for reform of the Fire Authorities to improve governance, accountability and efficiency of Fire Services, the attached Governance review sets out the detail, but it can be summarised as (paragraphs 2.8-2.11):

- 2.8 *In addition to the significant financial challenges for the fire and rescue services there has also been significant policy challenges through reviews such as those conducted by Sir Ken Knight, (Facing the Future 2013), and Adrian Thomas (Independent review of conditions of service for fire and rescue staff in England February 2015). These reviews continue to set the backdrop for the reform of the fire and rescue sector and is reflected in the Home Office's policy development. However, they have been less challenging because the Service has and remains an agile public service committed to efficient and effective service delivery.*
- 2.9 *On the 11th September 2015 the Government released a consultation entitled 'Enabling Closer Working between the Emergency Services' which progressed the fire reform programme. This was soon followed by a move of government department for the fire and rescue service on the 5th January 2016, from the Department for Communities and Local Government to the Home Office. The fire reform programme has also encapsulated the reform of the professional voice of the England and Wales fire and rescue services, the Chief Fire Officers' Association (CFOA), with the Home Office contributing to its priorities. CFOA has undergone structural change mirroring the National Police Chiefs Council (NPCC), in addition to a name change resulting in the National Fire Chiefs Council (NFCC).*
- 2.10 *On the 24th May 2016 the then Home Secretary, the Rt Hon. Theresa May, issued a statement which outlined a clear desire from central Government to affect change and generate impetus for further reform wider than the delivery of services - reform of Fire and Rescue Authorities. The Government and the Home Office remain committed to implementing governance structures which provide increased scrutiny, transparency and accountability of decision making, building on the reform of Police Authorities.*

- 2.11 *The outcomes to the above consultation introduced the Policing and Crime Bill, which received Royal Assent in January 2017 (Policing and Crime Act 2017, PACA 2017). It introduced a new duty of collaboration on each of the emergency services. This Act also introduced new powers for elected Mayors to take on the governance of Fire and Rescue Services. It also delivered the same powers to the PCCs, where local agreement can be achieved.*
- 3.2 Further, Brandon Lewis, then Minister for Policing and the Fire Service, set out the vision for the fire sector on the 7th February 2017 with key objectives of accountability, transparency, efficiency and collaboration as well as work force reform.
- 3.3 In recognising these challenges the Fire Authority commissioned an independent review by a Future Governance Working Group to make evidence based recommendations on the best option for governance of the Service in the future to enable continued Fire Service performance and the best approach to achieving this. The group was independently chaired by professional services firm Price Waterhouse Coopers and consisted of a number of key stakeholders from across both the public and private sector:
- WMCA
 - Office of the West Midlands Police and Crime Commissioner
 - NHS England
 - Home Office
 - West Midlands Ambulance Service – Board of Governors
 - West Midlands Fire and Rescue Authority
 - Greater Birmingham Chamber of Commerce
 - Coventry and Rugby Clinical Commissioning Group
- 3.3 The Groups outcomes and conclusions are detailed in the attached Governance Review. The outcomes of the group were then built upon through a public consultation undertaken during December 2016 to January 2017, seeking public and partner opinion regarding the future strategy to deliver risk-based services across the West Midlands. An initial transition phase to what is known as a Reformed Fire Authority with eventual transfer to the Combined Authority model was identified as the ‘desirable’ options for the future governance of the Fire Service.
- 3.4 Accepting the findings of both the Group and the public consultation, considering these against the strategy of the Fire Service, the priorities of the Combined Authority and the expectations of government, the route to future Combined Authority governance was agreed by Fire Authority on the 20 February 2017. The Combined Authority supported the Fire Authority's broad proposal for the transfer of its functions to the Combined Authority on 3rd March 2017. Alongside this, work is underway to implement a Reformed Fire Authority as an interim measure to enable transition of Fire Authority functions to Mayoral Combined Authority.

- 3.5 On the 8 September 2017 the Combined Authority board noted the timeline for the mayoral governance route and approved the development of a governance review and scheme, for a Combined Authority governance of the Fire Service pursuant to Local Democracy, Economic Development and Construction Act 2009. The Scheme is detailed in Appendix B. The timeline referred to here is provided in this report in paragraph 3.10.
- 3.6 The benefits of the Combined Authority governance model provide opportunities for the joint transformation of public services to West Midlands communities, providing enhanced value for money in the delivery of public safety. These opportunities have been detailed in the Governance Review (Section 3) but can be summarised under the following headings:
- A workforce to support joined up services and reduce vulnerability, a more joined up service delivery model across the West Midlands with greater access to resources as well as data and business management advice.
 - Opportunity for continued improvement and transformation, and efficiencies through a single structure as well as the expertise and staffing resources across multiple professional and technical areas that the WMCA employs.
 - Effective decision making, being a model which enables accountability and leadership to be aligned effectively will enable transparent and effective decision making and reduce bureaucracy. The Combined Authority will provide a stable and statutory body for the Service and the Mayor will provide an accountable figure for the Service and decisions made to local communities.
- 3.7 The Governance Review provides a review of existing governance arrangements and functions; this includes the proposed new model under the Combined Authority. In particular, the details of the proposed new structure are set out in the Review at section 5 (page 40 sets out the overall structure including details of the roles, accountabilities, and powers in the proposed governance model). To support the Mayor and also the Combined Authority Overview and Scrutiny Function, it is proposed that there is a Fire Advisory Committee comprising of 15 elected representatives from the seven Constituent Authorities to advise and support both the Mayor and the Combined Authority on matters relating the Fire Service. Each Constituent Authority will appoint 2 elected representatives, apart from Birmingham which will appoint 4 and Solihull 1.
- 3.8 A second stage of statutory consultation must be undertaken after approval of the Governance Review and Scheme, please see the consultation section below.
- 3.9 The Government will use these documents and the results of the statutory consultation to approve the model and create an order to amend existing legislation, in order to confer the necessary powers on the Combined Authority to carry out the functions currently exercised by the Fire Authority.
- 3.10 Timeline (indicative) for this journey:

Details	Date
WMCA approve the Governance Review and for a Scheme to be developed.	8 September 2017
Development of governance review and scheme, which will consider the business case for the change in governance.	September 2017

Constituent Authority approval of content of governance review and scheme.	October - November 2017
WMCA approval of content of Governance Review and Scheme.	8 December 2017
Consultation of proposals set out in the scheme on behalf of the Secretary of State (6 weeks minimum)	January – February 2018
Analyse consultation responses locally	March 2018
Governance Review, Scheme and analysis of consultation reviewed by Secretary of State (4-12 weeks)	April 2018
Government development of Order detailing changes required in legislation to abolish Fire Authority and amend legislation to enable future Mayoral WMCA governance	May – June 2018
Constituent Authority/ CA approval of detail of Order (Should the Secretary of State chose to consult at this stage)	July - September 2018
Order amended where needed locally enters Parliamentary Process	September - October July 2018
Secretary of State approves Order	November 2018
Fire Authority functions transfer to the Combined Authority	November/ December 2018

4. Council priorities

- 4.1 The Councils Corporate Plan 2017-2020 seeks to serve the people and communities of Walsall, by representing and working with them to protect and improve the quality of life for all.

The priorities that will support this purpose are:-

- Make a positive difference to the lives of Walsall people
- Children are safe from harm
- Safe, resilient and prospering communities

5. Risk management

- 5.1 Whilst the WMCA will become the Fire Authority for the West Midlands, with the Mayor being statutory accountable for the exercise of those functions. The Fire and Rescue Service remains operationally under the management of the professional role of a Chief Fire Officer.

6. Financial implications

- 6.1 The cost of this governance route has and will continue to be met from within existing approved budgets which have largely been delivered through the Fire Service. Support has also been provided by the WMCA and local authority Legal Services.
- 6.2 The financial implications for local authorities would be those arising from any resources allocated to supporting the public consultation.

7. Legal implications

- 7.1 Together the Governance Review and Scheme amount to an application by the seven West Midlands Constituent Councils to the relevant secretary of State for an Order dissolving the West Midlands Fire Authority, and transferring its legal powers to WMCA, with the Mayor being statutorily accountable for the the Fire Service.
- 7.2 As the seven Councils will be endorsing the proposal by agreeing the Governance Review and Scheme there is no legal requirement for the Secretary of State to consult further with the Constituent Council on the technical drafting of the Order that will transfer responsibility from the Fire Authority to the Combined Authority. Although it is included in the indicative timeline should the Home office choose to do so. The Secretary of State is legally required to have regard to the contents of the Scheme in making the Order.

8. Procurement Implications/Social Value

- 8.1 No direct procurement impact for the Council. As regards the Fire Service, as part of the WMCA, it will be able to benefit from the wider procurement experience and expertise as well achieving greater economy of scale.

9. Property implications

- 9.1 There are currently no property implications for the Council.

10. Health and wellbeing implications

- 10.1 There are currently no health and wellbeing implications. The proposal would however contribute to the continued effective delivery of fire services and improvements for the benefit of the communities it serves.

11. Staffing implications

- 11.1 There are currently no human resources implications for the Council. Although the Fire Service will as part of the Combined Authority will have to access the staffing resources providing a workforce to support joined up services and reduce vulnerability.

12. Equality implications

- 12.1 As the proposals are around governance and not operational delivery of services there are no direct equalities implication at this stage, however participants from all the equality strands will be invited to comment during the Secretary of State statutory consultation process to inform the Secretary of State's decision.
- 12.2 It is a requirement of the Secretary of State's consultation process that the consultation responses 'reflect the identities and interests of local communities' in the West Midlands.

13. Consultation

- 13.1 The route to future Combined Authority governance was agreed by Fire Authority on the 20 February 2017 and full details of consultation and evidence gathering undertaken prior to making that decision are listed within the Governance Review.
- 13.2 After approval of the Governance Review and Scheme there is a second phase of consultation, this is the statutory consultation that the Secretary of State has to undertake upon the contents of the Governance Review and Scheme before issuing a draft Order before Parliament. The Secretary of State does not have to undertake this Consultation, if it has already been undertaken by the proposing Authorities and the Secretary of State is satisfied with it. It is proposed that the consultation taken by the Fire Authority and Combined Authority on behalf of the Secretary of State supported locally by the Council.

Background papers

Fire Authority report: 'Route Map to Mayoral Governance' (20 February 2017)
Fire Authority Report - Future Governance Working Group (20 February 2017)
Future Governance Working Group Report (February 2017)
West Midlands Combined Authority (WMCA) report (3 March 2017)
Fire Authority report – 'Route map to Mayoral West Midlands, Combined Authority Governance - a Reformed Fire Authority (RFA) and decision (10 April 2017)
WMCA Board Report - 8 September - Mayoral WMCA Governance of the Fire Service



Paul Sheehan
Chief Executive



Councillor Sean Coughlan
Leader of the Council

31 October 2017