

SURREY POLICE AND CRIME PANEL

GOVERNANCE OF FIRE AND RESCUE IN SURREY

12 September 2017

INTRODUCTION

This paper provides an update on the PCC's project to consider the future governance of the Fire and Rescue service in Surrey. At present, Surrey County Council discharges the role of Fire & Rescue Authority for the county. The Policing and Crime Act 2017 allows this function to move to Police & Crime Commissioners.

BACKGROUND

In March 2017, the Policing and Crime Act 2017 was enacted which enables Police and Crime Commissioners (PCCs) to take on governance of their local fire and rescue service if a local business case is made.

Building on the Government's manifesto commitment to "*enable fire and police services to work more closely together and develop the role of our elected and accountable Police and Crime Commissioners*", the Policing and Crime Act 2017 ("the act") introduces a raft of measures to enable the emergency services to meet this ambition. In terms of the options available to PCCs in respect of the future governance of fire, the legislation describes four different models:

1. **No change to governance, but new requirements on blue-light services to collaborate.** Even where a PCC makes no change to current governance arrangements, there is now a new statutory duty on the police, fire and rescue and emergency ambulance services to keep opportunities to collaborate under review and a requirement to collaborate with one another where it is in the interests of either their efficiency or effectiveness.
2. **Representation Model:** this enables PCCs to be represented on their local fire and rescue authority(s) (FRA) (or their committees) with full speaking and voting rights on fire issues, subject to the consent of the FRA.
3. **Governance model:** PCCs can take responsibility for the governance of their local fire and rescue service, where a local case is made setting out how the transfer is in the interests of economy, efficiency and effectiveness, or public safety. This is deemed to provide more direct accountability to the public and could be a vehicle for accelerating local collaboration.

Under this model, the existing FRA would be abolished and its functions transferred to the PCC along with all fire and rescue personnel, property, rights and liabilities. The PCC would become the employer of all fire and rescue staff, but in practice would be expected to put in place a Chief Fire Officer (or equivalent) with operational responsibility for the service. The Chief Constable would retain his existing duties around the Police. The distinction between policing and fire-fighting must be maintained with the law preventing full-time police officers from being fire-fighters.

4. **Single Employer Model:** This option additionally provides for PCCs to delegate their fire and rescue functions and employment of fire and rescue staff to a single chief officer for both policing and fire to maximise the benefits of collaboration between the two services. Again, this will require a PCC to prepare a local case setting out how operating the single employer model will be in the interests of economy, efficiency and effectiveness or public safety.

Under both the governance and single employer models, there will be two separate precepts (one for policing, one for fire & rescue) and the PCC would be required to establish and hold a fire fund, mirroring existing arrangements for the police fund. There would be two separate budgets in order to provide clarity and transparency of funding.

The Government is not mandating local areas to take up any of these options. The provisions in the Act are locally enabling; recognising that local leaders are best placed to identify what would work best in their areas. It is the responsibility of the PCC to propose any business case for change.

Government fully expects local areas to have carefully considered all opportunities for driving further collaboration between the police and fire and rescue service. Should a PCC wish to pursue governance of fire and rescue under either the governance or the single employer model, they will need to prepare a business case, consult locally on their proposals and submit their case to the Secretary of State. Where the Secretary of State is satisfied that the proposal is in the interests of economy, efficiency and effectiveness, or public safety, an order will be laid before Parliament giving effect to the chosen model of governance.

For a PCC to take on governance of Fire and Rescue services, the geographical policing and Fire and Rescue areas need to be coterminous, as is the case in Surrey. Where boundaries aren't coterminous the PCC needs to consider boundary changes as part of their business case.

SURREY FIRE AND RESCUE GOVERNANCE PROJECT

Following Royal Assent of the Act, Surrey's PCC, David Munro, announced that he would undertake a project to consider the best option for Surrey. This project uses processes and practices as set out in the national guidance published by APACE (the Association of Police and Crime Chief Executives).

There are three potential phases to the project, dependent on the option chosen by the PCC after Stage 1:

Stage 1 – options analysis against the four options outlined above

Stage 2 - if the PCCs preferred option is to propose a change in governance, development of a full business case, followed by consultation and submission to the Home Office

Stage 3 – if a change of governance is proposed and accepted by the Home Office, implementation of a change in governance of Surrey Fire and Rescue Service from Surrey County Council to the PCC

Currently the project is in stage 1 – development of an Options Appraisal. The appraisal will consider the merits of each of the options available to the PCC.

The key progress and steps in stage 1 to date are as follows:

- Development of a stakeholder steering group to advise the PCC – this has been set up and has all key partners represented Surrey County Council, (elected member and lead Strategic Director), Chief Fire Officer, Surrey Police and Police/Fire Union reps. The Home Office and Association of Police and Crime Commissioners (APCC) have also attended meetings. This group has met twice and will meet again in September to consider the findings from the options analysis
- Development of a Technical Working Group to advise on data required and provide key data contacts. This has all key partners represented, has met twice and will meet again in September
- Appointment of consultants to carry out the options analysis. KPMG have been appointed and started work on 31 July 2017
- Data requests and gathering of data to support the options analysis – this is taking place between July and September 2017
- Interviews between KPMG and key stakeholders – taking place between July and September 2017
- Development of an options analysis – due in late September 2017
- Presentation of the options analysis to the Stakeholder Steering Group – September/October 2017
- PCC makes decision on the preferred option for Surrey – October 2017

This is a significant and complex project which will place demands on Surrey Police, Surrey County Council and Surrey Fire & Rescue in the shorter term. Any transfer of governance to the PCC would necessitate the transfer of staff, novation of contracts, transfer of assets and liabilities. The PCC would need to determine the cost of running the fire service to enable him in future to set a separate precept for its funding. As Surrey's FRA is embedded within SCC, this will require isolating and apportioning those costs and assets that are related to the fire service, as distinct from broader SCC functions.

Looking to the longer term, should the PCC decide to progress with either a governance model or single employer model, benefits may include improved

accountability, the ability to drive reform, better collaboration between police and fire and the ability to use resource more efficiently.

SURREY COUNTY COUNCIL INVOLVEMENT

The PCC has been working closely with Surrey County Council (SCC) as the current Fire & Rescue Authority for Surrey. Key people in SCC are being interviewed by KPMG. SCC are represented on both the Stakeholder Steering Group and Technical Working Group and Fire and Rescue Service data requests are being facilitated through SCC.

If the PCC decides to propose a change in governance, SCC will need to provide their support to the business case. If they do not support the business case, it can still be presented to the Home Office but would need go to independent review as this would represent disagreement between the PCC and SCC as to the best option.

Given the requirement for support (or to provide information on an objection), SCC will be asked to take the business case through their committee processes, if required.

NEXT STEPS

If the PCC does not recommend a change in governance (i.e. either the no change/ more collaboration model or the representation model) no business case is required. The PCC hopes to be able to brief the relevant SCC Committee to explain the rationale for this recommendation (plans for this are in hand) and the Panel will also be briefed on this decision.

If the PCC recommends a change in governance, the following process is proposed:

- Early engagement with SCC committees and members – October 2017
- Development of a business case – October to December 2017
- Consultation plan developed – October to December 2017
- Surrey County Council consideration of the business case and decision to support/oppose – January / February 2018
- Consultation on the business case carried out – January/February 2018
- Submission of the business case to the Home Office – March 2018
- Home Office consideration – 6 or 10 weeks depending on whether independent review is required
- Home Office decision – April/May 2018
- Move to implementation phase – May/June 2018
- Shadow PCC Fire and Rescue Authority – from January 2019 in order to be able to set the precept and budget for 2019/2020
- PCC becomes Fire and Rescue Authority – 1 April 2019

If a single employer model is chosen, this will increase the complexity for implementation and further staff consultation will be required.

The business case will need to include the proposed financial transfer of revenue budget and assets. It will also need to include the proposed level of precept that the PCC will raise for Fire and Rescue services.

Consultation will include all key stakeholders including:

[Surrey Police and Crime Panel](#)

- Surrey public/residents
- Surrey Fire and Rescue Staff
- Surrey County Council staff affected by the change
- Surrey Police staff
- Unions for Surrey Fire and Rescue, County Council and Police
- Police and Crime Panel
- Surrey County Council members
- Surrey MPS
- Other interested parties

PROJECT FINANCE

The options analysis work and consultancy fee are being financed from the OPCC project budget. A decision paper for this is published on the PCC's website. National funding for early work carried out by other PCCs has helped bring costs down for this exercise.

If the project moves to the development of a full business case and then implementation stage, project costs will be taken from police and fire and rescue reserves on an 'invest to save' basis. The business case would be expected to set out planned savings over time which would provide a return on any costs of implementation.

IMPLICATIONS FOR THE POLICE AND CRIME PANEL

If the PCC decides not to propose a change in governance, the panel's main role will be to scrutinise/support that decision.

If the PCC decides to propose a change in governance the panel's role will be:

1. To scrutinise firstly the decision and then the progress of the project and implementation plan between October 2017 and March 2019
2. To form a shadow PFCP (Police, Fire and Crime Panel) in January 2019 to approve the precept for Fire and Rescue (as well as policing) for 2019/2020
3. From 1 April 2019, to become the PFCP and scrutinise the PFCC (Police, Fire and Crime Commissioner) on his role as the Fire Authority for Surrey as well as his current responsibilities with regard to policing and crime.

In terms of the panel's terms of reference, responsibilities, membership and training, the Local Government Association (LGA) is looking into new requirements. The Essex PCC is taking on Fire and Rescue Governance in Essex from 1 October 2017 so it is expected that details will be confirmed by October. The Panel's support officer will arrange briefing and training for the panel

RECOMMENDATION

That the Panel notes this report.

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