

SURREY COUNTY COUNCIL

CABINET

DATE: 23 OCTOBER 2012

REPORT OF: MRS KAY HAMMOND, CABINET MEMBER FOR COMMUNITY SAFETY

LEAD OFFICER: CHIEF FIRE OFFICER, RUSSELL PEARSON

SUBJECT: SURREY FIRE AND RESCUE SERVICE SPECIALIST RESCUE AND CONTINGENCY CAPABILITY

**SUMMARY OF ISSUE:**

The Fire Authority is required by law to provide a fire and rescue service and to put in place business continuity arrangements to ensure that this can continue to be provided in a range of circumstances. Surrey Fire and Rescue Service Business Continuity plans were presented to Cabinet in November 2011. Since that time the Service has been working to ensure that, as far as reasonably possible, there would be no gap in business continuity in the event of industrial action and that it could continue to undertake its mission to save life, relieve suffering and protect property.

This work has led to the development of a proposal to not only address the long standing capability gap in the event of industrial action but also to deliver additional support in terms of specialist services and equipment. The Cabinet, as the Fire Authority for Surrey, is therefore asked to consider entering into an innovative contract for the provision of specialist emergency response capability and the associated emergency response contingency crews. This will be funded as a one year pilot through internal reserves.

RECOMMENDATIONS:

It is recommended that:

1. The Cabinet sitting as the Fire Authority approves the commencement of negotiations with the identified service provider in order to agree pilot contractual arrangements that limit, as far as reasonably practicable, the liability of the Council.
2. The Cabinet approves the allocation of funding from the Vehicle and Equipment Replacement Fund in 2012/13 and the addition of the total annual cost to the overall Surrey Fire and Rescue Service budget for 2013/14 as detailed within the Part 2 annex.
3. A report is brought back to Cabinet within 6 months of the commencement of the pilot contract, assessing the costs and benefits of the arrangements, taking account of developing partnership opportunities and emerging national practice in this area.

REASON FOR RECOMMENDATIONS:

To enable the Surrey Fire Authority to meet the requirements laid out in legislation to enable SFRS to undertake its mission to save life, relieve suffering and protect property and the environment and have in place suitable business continuity arrangements to achieve these outcomes so far as is reasonably practicable in the event of industrial action by one or more of the relevant representative bodies, or another business continuity event.

DETAILS:

Background

1. In November 2011 Surrey Fire and Rescue Service (SFRS) articulated its Business Continuity plans for Fire Authority approval to the Cabinet. At that time (in private, under Part 2 of the agenda) SFRS explained a gap in business continuity which leaves the Fire Authority exposed to risk by failing to provide a fire and rescue service in the event of strike action by the FBU. This gap not only exposes the residents of Surrey to risk but also left the Authority exposed in terms of 2 pieces of Primary Legislation.
2. The National Framework for Fire and Rescue Services, published in July 2012 reinforced this requirement stating;

“Fire and rescue authorities must have effective business continuity arrangements in place in accordance with their duties under the Civil Contingencies Act 2004 and to meet the full range of service delivery risks. Business continuity plans should not be developed on the basis of Armed Forces assistance being available.”
3. Surrey Fire and Rescue Service have undertaken an extensive project to achieve this requirement and is accredited with BS25999 in respect of its business continuity plan - the highest standard of objectively assessed achievement available for every foreseeable event other than contingency cover for industrial action.
4. In order to fully meet the legislative requirements upon the Fire Authority, the Service has been developing a suitable solution to meet the long standing capability gap in the event of industrial action. The solution proposed is innovative and unique, delivering a number of additional benefits.
5. It is timely to address the existing risk in order to protect Surrey, the heart-land of the UK economy. This is in the context of growing industrial relations unrest, environmental/climate change, and economic uncertainty. This contract will also offer the fire and rescue service nationally a new model of provision inclusive of commissioning for services that are not reasonable or affordable for us to provide but are nonetheless necessary to address local risks.
6. SFRS has identified a long standing capability gap with the provision of a workforce in the event of industrial action. SFRS has been attempting to produce a workable solution for some time with the full support of the Fire Authority. The latest iteration of these plans was outlined in the November 2011 Cabinet report.

7. A notional budget had been allocated to this contract but was withdrawn due to the years of inability to find a suitable provider. Following formal approval of SFRS contingency plans, the Cabinet in November 2011 directed SFRS to continue to work toward a solution for this area of risk.
8. The difficulty in achieving a sustainable business model that meets the necessary standards is reflected in the costs of previously explored schemes. This needs to be considered within the context of previous examples of commercial contracts, for example, London 2012 security operations, where the levels of experience and competence of staff hired on a short term basis have not always been of the standard required.
9. Within the fire and rescue sector the model for provision has been based upon companies utilising a blend of existing firefighting staff and others, such as security guards, being trained to undertake fire and rescue activity. This approach provides a capability that is limited in its ability to undertake the full range of firefighting and rescue activity, with a 'defensive' approach often being taken.
10. There are two cost models associated with this approach;
 - a. High retaining fee, enabling staff competence to be maintained through regular training.
 - b. Low retaining fee and high usage costs, due to training only being provided when the capability is required.
11. One of the significant factors in either model in terms of value for money is that these are purely 'insurance' policies. No service or benefit is received from the contract unless the capability is required. At this point the contracted staff would be introduced into the county with no previous knowledge or experience of the county or its fire and rescue service.
12. Market testing has also revealed that there is an expectation from suppliers that contracts to provide this capability would be of a long duration, in the order of ten years or more.

Proposal

13. The previous report to Cabinet in November 2011 outlined the intended model for the provision of emergency response cover during a period of industrial action.
14. There is a reasonable expectation that a proportion of SFRS operational staff will not undertake industrial action due to being non-union members or through personal choice.
15. It is not possible, however, to predict the numbers of staff who may be available, as this will be influenced by the issues that have prompted the action. It is also not possible to use the experience from previous industrial action (2002/03) as a predictor due to the unique circumstances at that time.
16. The November 2011 Cabinet paper described the rationale behind the planning assumption;

“Surrey Fire and Rescue Service estimate that there are a number of firefighters and officers that are not members of the Fire Brigades Union and will therefore be considered as available to work during a period of industrial action. It should be emphasised however that this estimate cannot be classified as reliable as a number of factors could reduce the availability and effectiveness of this group e.g. sickness, joining the Fire Brigades’ Union, mismatched skill sets, pre-planned and agreed leave etc.”

17. Basing the contingency crewing model on existing SFRS staff who are not members of the relevant trade union or who choose not to strike is therefore not a viable option.
18. SFRS have identified a company that has a proven track record of providing discrete services to Surrey and central government’s national security arm as specialist advisors and service providers. This potential business partner has indicated that they have the capacity to deliver elements of the required provision during industrial action, notably;
 - One fire engine crew (consisting of five firefighters), available on a continuous basis.
 - Two emergency response crews for the rescue of persons trapped in road traffic collisions, available on a continuous basis.

The configuration for these crews is flexible and will be based upon a risk analysis.

It is important to note that **the Surrey response standard is in abeyance during industrial action.**

19. This does not wholly fulfil the identified requirement but provides a core of ‘guaranteed’ resources. The business partner has indicated the ability to recruit additional skilled resources as required. This has a two-fold benefit of providing additional resilience to the ‘core’ provision and also providing the opportunity to surge to have more fire engines available.
20. This ‘surge’ capacity not only provides additional resilience for Surrey but also presents an opportunity to provide contingency for neighbouring Fire Authorities on a commissioning basis.
21. In order to have an effective and sustainable business model, providing trained personnel within the 28 day notice ‘stand up’ period, the business partner has indicated that they would have to maintain a number of staff on whole-time contracts to enable the development and maintenance of competence.
22. This model is already operating within the business partner’s organisation in order to meet the requirements of a number of commercial contracts within the nuclear energy field requiring a reactive response within specified timescales.
23. Ongoing discussions have highlighted the potential benefits that could be provided to Surrey Fire and Rescue Service by utilising the whole-time resources being maintained by the business partner during normal operating conditions **in addition** to providing the contingency crewing described.

24. The personnel thus employed will have a wide range of accredited skills in capabilities relating to operations which would complement the SFRS core offer;
- in, on, under or near water/unstable ground
 - from height
 - from confined spaces.

These capabilities are already being provided by the contractor in situations requiring a time critical response and within a dynamic environment.

25. The capability would be provided in the following format:
- 0800-1700 Monday to Friday:
Immediate response capability
 - 1700-0800 Monday to Friday plus Saturday/Sunday
1 hour response capability
26. This resource would be available as part of the annual retaining fee and would not incur additional charges on use.
27. Also included in the base cost of the contract is access to a range of specialist equipment, including scene lighting, heavy cutting equipment and a light helicopter.

Current capability

28. The provision of capabilities for these operations has always been challenging for Surrey Fire and Rescue Service, notably due to the disproportionate amount of time required for the achievement and maintenance of competence leading to safe operations.
29. Current provision for water rescue is provided by boats based at Walton and Sunbury fire stations. These boats are primarily to provide transport for firefighters and equipment when undertaking firefighting operations on the River Thames, notably on the inhabited islands.
30. A subsidiary benefit from this capability has been the development of firefighter skills to incorporate water rescue. This provides safety support for crews working near water and also has undertaken numerous search and rescue operations, including body recovery.
31. The water rescue capability does not include sub-surface search and rescue, a facility that has been required on a number of occasions within the county, notably for incidents on the River Thames. Currently this capability is provided by a police dive team from another county. This is a capability that could be provided by the private sector business partner.
32. Surrey Fire and Rescue Service have limited capabilities for rescue from height or from confined spaces. As with water rescue these are highly specialised capabilities, requiring an extensive investment in equipment and training. The current provision for incidents requiring this capability will be accessed from neighbouring Fire and Rescue Services, either through their own capability or that provided as part of the National resilience programme.

This is subject to the availability of the capability at the time requested and also subject to journey times from their base into Surrey.

33. During periods of industrial action it is highly unlikely that any specialist rescue provision would be available from within Surrey Fire and Rescue's own resources. Subject to the scale and nature of any such action there is also no guarantee that the resources from other Fire Authorities would be available either.
34. The technical skills and capabilities that could be provided by this partner would also be made available to emergency service partners as well as other Cat 1 responders under the Civil Contingencies Act. Discussions with partners have identified a range of predictable scenarios where this would prove beneficial to the residents of Surrey.
35. The ability to provide these services to the Local Resilience Forum (LRF) on a commissioning basis would strengthen the LRF and enhance its capabilities when responding to a range of emergencies.
36. SFRS foresee a range of services that could be offered to partners, including boroughs/districts and prisons, fulfilling a number of capability gaps. These opportunities will be explored during the pilot period.

Private Sector Business Partner

37. Based in Dorking, Specialist Group International Ltd employ mainly ex-military personnel who bring with them the required skills, discipline and attitude for delivering the wide range of specialist services required.
38. The company provides arrange of operational services to Police forces, Fire and Rescue Services and other government agencies and has extensive references from a wide range of agencies and organisations, including the Ministry of Defence, Police forces from across the country and several Fire and Rescue Services.
39. The company are highly regarded in the field of specialist search and provide the only commercial team approved to carry out police diving operations in England. Specialist Group International Ltd are also specialists in confined space, rope rescue and maritime search.
40. In addition to the benefits of allocating commercial business to a local employer, the strategy of employing ex-military personnel should represent a large pool of potential candidates as a result of the 20,000 personnel due to be made redundant nationally.
41. Peter Faulding, the Chief Executive of the company, has had a long association with Surrey Fire and Rescue Service, having delivered specialist training to the Special Rescue Unit crews in the 1990s. This relationship extended to support to operational incidents, including cave rescues.
42. Peter Faulding was also responsible for training the UK Fire Service Search and Rescue teams in the 1990s for responding to overseas disasters and also the London Fire Brigade for confined space and collapsed structures.

43. Surrey Police have utilised the company for a range of services and maintain an ad-hoc arrangement, as do many Police forces. Whilst this has provided the capabilities at times it is subject to the commercial activity of the supplier.

Benefits of the proposed actions

44. The proposals would enable the Surrey Fire Authority to meet the requirements laid out in legislation to enable SFRS to undertake its mission to save life, relieve suffering and protect property and the environment and have in place suitable business continuity arrangement to achieve these outcomes so far as is reasonably practicable in the event of industrial action by one or more of the relevant representative bodies, or another business continuity event.
45. Noting the requirement for Fire Authorities to have contingency arrangements in place since 2004 and the realities of planning for the unexpected in the context of the budget pressures and consequent workforce streamlining of recent years, make it appropriate to refresh our thinking about contingency arrangements given current and future threats facing Surrey. An innovative, cost effective and sustainable solution is required.
46. As described in the previous Cabinet paper, there has been a significant effort at local, regional and national level to develop an effective contingency solution that also represents value for money. To date these efforts have not been successful, reflecting the current market and the costs involved.
47. In addition to the requirement to provide a contingency crewing solution, the continual assessment of Surrey's risk profile has identified a need for additional support in terms of specialist services and equipment independent of the need for emergency cover for industrial action. Providing these enhancements would have a significant cost attached, both in terms of capital investment, for equipment and training and also the ongoing revenue costs for staff.
48. An opportunity has now arisen to **combine requirements in one contract**. This has a number of associated benefits, most notably providing a model for the provision of contingency crewing that is based upon staff who are already delivering specialist rescue for Surrey Fire and Rescue Service. There are significant benefits from this in terms of local knowledge, interoperability with SFRS crews and quality assurance.
49. The overall cost of proposed arrangements cannot be covered through SFRS's budget in the short term. That suggests that further exploration should be undertaken of the options for setting up arrangements in collaboration with other Fire Authorities that would assess the potential for both future income from other Fire Authorities and facilitation of future cost reductions as a result of introducing these arrangements.
50. Implementing this contract on a pilot basis would allow the Service to assess the potential development of the capability, its performance and also the opportunities to explore income generation opportunities.

CONSULTATION:

51. The SFRS Business Continuity Plan has been fully consulted on and has been in place for some time. The intention to continue to provide a workforce during degradation in staff numbers is part of this plan and so is also widely known.
52. Further staff consultation will be required, particularly during the implementation phase of the specialist response capability.
53. The Fire Brigades' Union have been formally consulted and have noted the proposed approach. No further comments have been received.

RISK MANAGEMENT AND IMPLICATIONS:

54. This paper details the approach to mitigating a significant risk facing the Surrey Fire Authority. The Service are aware of only one other commercial contingency arrangement in operation – that of the London Fire Brigade's arrangements with AssetCo – this from 46 Fire and Rescue Services nationally.
55. The direct award of a contract to a single provider has been reviewed by legal and procurement officers and scrutinised by the Procurement Review Group. All parties are content that there is robust evidence to support the award of contract to the proposed supplier, having undertaken further market testing. The provision of highly skilled specialist staff and equipment and the 1 year contract duration are the significant differentiating factors between the preferred supplier and other potential bidders.
56. A further market test will be undertaken before the contract is renewed to determine whether a market in this area has developed further.
57. There are associated risks with the implementation of this solution:
 - a. Industrial relations:

The development and implementation of a contingency crewing solution may impact upon industrial relations, being viewed in a negative manner by representative bodies.

Mitigation: Continued communication and consultation, reference to the statutory requirement for the provision of this capability.
 - b. Implementation of specialist emergency response:

The use of specialist staff from other agencies/organisations is not common practice and will require considered implementation to ensure the benefits are yielded.

Mitigation: Suitable communication and training
 - c. Provision of core services by private sector partner:

The market testing and experience from another Fire and Rescue Service has evidenced that the provision of a private sector contingency crewing solution can be expensive and difficult to sustain.

Mitigation: Appropriate due diligence processes.
Adoption of combined model of normal service and contingency crewing provision.

Financial and Value for Money Implications

58. The provision of contingency crewing and specialist emergency response capability is based upon the costings detailed in the Part 2 annex.

Section 151 Officer Commentary

59. This pilot can be funded from the existing Vehicle Replacement Reserve.
60. The primary reason for setting this arrangement up is to minimise risk and ensure legal compliance. Nevertheless, there are potential financial benefits from:
- i) prospects of future income streams,
 - ii) benefits to the Service's day to day operations, which might also facilitate the ability to make future changes linked to savings.
61. These potential benefits cannot be quantified at present, but suggest that this may prove to be an advantageous investment in the long term.

Legal Implications – Monitoring Officer

62. The Civil Contingencies Act 2004: places a duty on Fire and Rescue Authorities (FRA), to put in place business continuity management arrangements to ensure that they can continue to exercise their functions in the event of an emergency so far as reasonably practicable.
63. Fire & Rescue Services Act 2004: places a duty on Fire and Rescue Authorities (FRA) to promote fire safety; fighting fires and protecting people and property from fires; rescuing people from road traffic collisions; dealing with other specific emergencies, such as flooding or terrorist attack - under all circumstances.
64. The Fire and Rescue National Framework for England 2012 reiterates that all Fire and Rescue Services must make business continuity plans that are not developed on the basis of Armed Forces assistance being available.
65. By entering into a suitable agreement, the Council will be complying with its obligations and requirements as set out in paragraphs 62– 64 governing Fire and Rescue Authorities to ensure business continuity in the case of an emergency.

Equalities and Diversity

66. An Equality Impact Assessment has been undertaken and reveals no disproportionate effects to individuals or groups. The EIA will be published prior to the Cabinet meeting and copies will be circulated to Cabinet Members.
67. The proposals may, however, have a generalised effect:
68. Service users: This proposal aims to provide a continuation of emergency response during periods of staff shortages (such as industrial action). The proposals aim to reduce the impact that such shortages would have on the safety and welfare of all residents and visitors to Surrey.

69. Council staff: The continued provision of an emergency response will reduce the potential impact on non Fire and Rescue Council staff who may be placed in difficult positions should emergencies arise with no trained emergency response available. This would possibly lead to a number of situations where the imperative to act or the negative reaction of members of the public in need of assistance may be impactful.
70. External organisations: The proposal aims to reduce the impact on other emergency services that may see an increase in demand and an expectation from the public to undertake life saving action in risk critical situations. This may place un-trained personnel in dangerous situations.
71. The contingency crewing proposal would provide an emergency response during periods of degradation but this is likely to be a significantly reduced capability compared to business as usual. Whilst this reduction would be felt equally by all those living, working or travelling in Surrey, those who are already at a higher risk from the effects of fires and other incidents may see this risk increase due to the potentially extended response times that the reduced capability would provide. These groups include the elderly and those with disabilities.

WHAT HAPPENS NEXT:

72. If agreed, the contract will be delivered through the appropriate procurement process. This will commence as soon as possible from the date of agreement.
73. Implementation of the specialist rescue capability will require significant training and information input for SFRS staff and relevant partner agencies. This will be required to be completed to the agreed standard prior to commencement of the capability provision.
74. The contract is established for a 1 year period on a pilot basis. During this time the contract performance will be evaluated to ensure that the stated outcomes have been achieved, including value for money.

Contact Officer:

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Consulted:

Leader of the Council
Deputy Leader of the Council
Director for Adult Social Care
Fire Brigade's Union

Annexes:

Annex 1 - Contractor Details (Exempt information – circulated in Part 2)

Sources/background papers:

- Fire and Rescue Services Act 2004
- Civil Contingencies Act 2004
- Fire and Rescue National Framework for England, July 2012