

7. UPDATE ON THE JOINT SERVICE REVIEW WITH WARWICKSHIRE FIRE AND RESCUE SERVICE.

Purpose of report

To update Members on the Joint Service Review with Warwickshire Fire and Rescue Service.

1. Background

- 1.1 In early 2007, Hereford & Worcester and Warwickshire Fire & Rescue Services identified and agreed a number of common challenges and commenced a project to explore options for greater collaborative working or a full combination.
- 1.2 A joint review commenced in the form of an Options Appraisal that considered three potential scenarios for our respective Authorities:
 - Status Quo
 - Expand existing collaboration
 - Full Combination
- 1.3 In line with accepted best practice, the options appraisal considered each of the three scenarios in respect of its strategic, operational and financial impact.
- 1.4 The initial options appraisal was conducted at a strategic level and its outcome was reported to each Authority in September 2008. Following those meetings, it was jointly agreed to undertake more detailed work to develop a single outline business case, which would provide adequate information for each of the Authorities to make an informed judgement on the benefits and disadvantages of each of the options.

2. Current Position

- 2.1 A number of work streams were established last September to examine in detail the costs and benefits of the three potential options.
- 2.2 Of particular significance, the critical elements of the financial analysis undertaken so far have involved;
 - an assessment of the costs and benefits of the options
 - consideration of the impact of any option on the level of Council tax, and
 - the overall resulting budgetary position
- 2.3 Within each work stream, various working assumptions have been made in relation to operational and organisational challenges, to enable costs and benefits to be analysed over a five year period.
- 2.4 Work on the business case remains incomplete, but the detailed financial analysis work undertaken to date is inconclusive, with no option being clearly more favourable at this stage. The working assumptions necessary to finalise financial modelling are complicated at this time by the continuing uncertainty around any possible consequences arising from the ongoing investigation of the Atherstone-on-Stour tragedy in Warwickshire. This uncertainty represents a significant factor in the growing recognition that there is no wisdom in seeking a definitive view on the

combination option until we are able to clarify our working assumptions and cost models.

- 2.5. There is still no certainty on the timescale envisaged for completion of the investigation into the Atherstone-on-Stour incident, or on its possible financial and other implications for Warwickshire Fire & Rescue Service and the County Council, although it is anticipated that the position will become clearer over the next six to nine months. Until then, there are too many imponderables to bring the business case to a conclusion, and to identify a set of final recommendations for members to consider.
- 2.6. It is recommended, therefore, that the business case examining the three potential options for the future of Warwickshire Fire and Rescue Service and Hereford and Worcester Fire and Rescue Authority be put on hold for the time being.

3. Recommendation

- 3.1. The business case process examining the three potential options for the future of Warwickshire and Hereford and Worcester Fire and Rescue Authorities be put on hold for the time being.
- 3.2. This position be kept under periodic review to identify opportunities to finalise the review at some point in the future.

4. Background papers

None