



# **HEREFORD & WORCESTER Fire Authority**

**Full Authority**

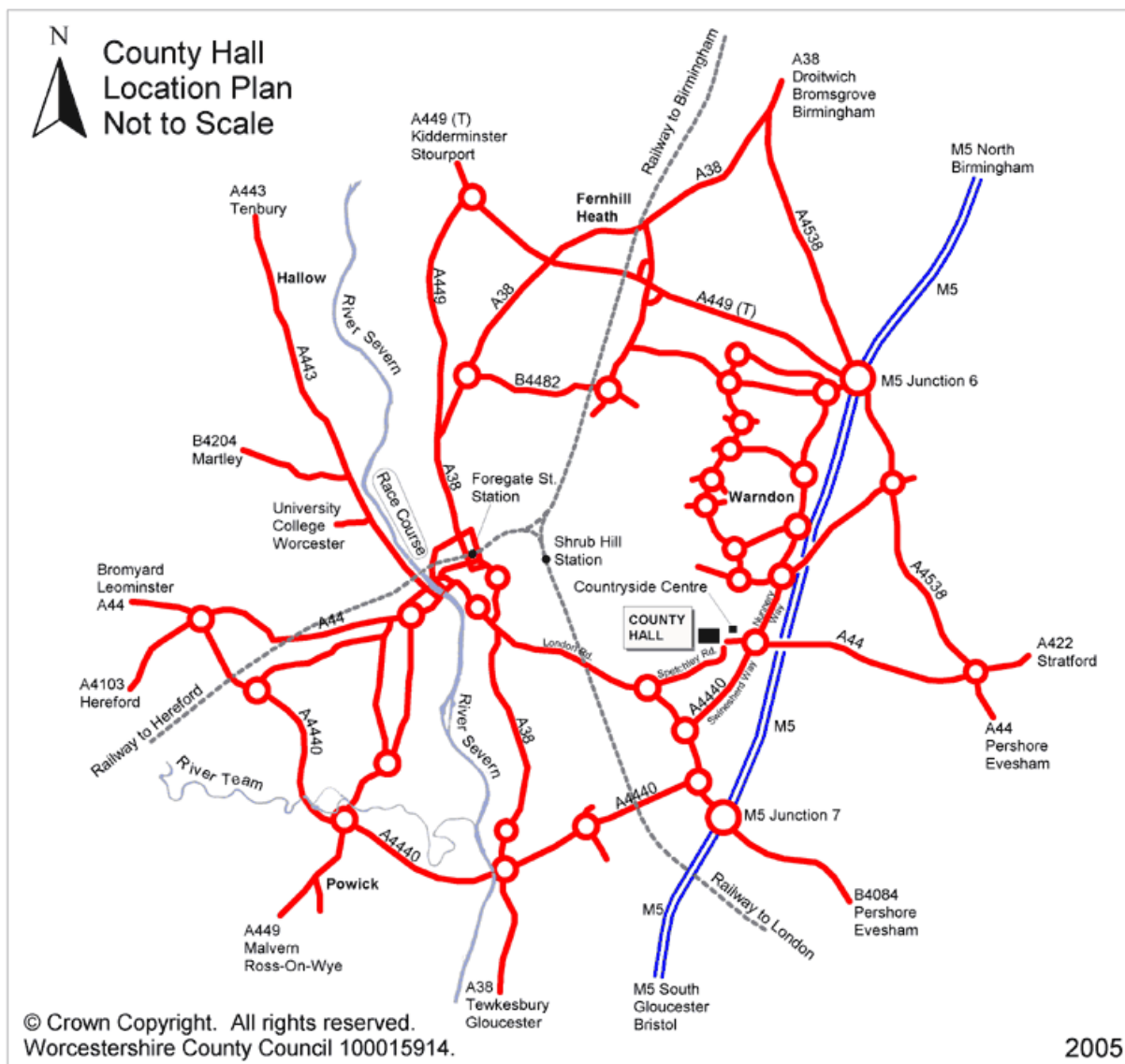
## **AGENDA**

**Monday, 11 February 2019**

**10:30**

**Council Chamber**

**County Hall, Spetchley Road, Worcester, WR5 2NP**



## From the M5

From J6 of M5 follow A4538 to Evesham, (follow the brown and white tourist signs) turn right at 1st roundabout onto B4636 (to Worcester) then left at the next roundabout (Nunnery Way - A4440) and then right at the next roundabout onto Wildwood Drive.

Take the London Road away from the centre signposted M5 motorway and Evesham.

Travel along Spetchley Road for approximately 1/3 of a mile. At the mini roundabout turn left into the County Hall Campus.

## **Fire Alarm**

- The fire alarm is tested every Tuesday at 13:45. Should the alarm sound at any other time you will need to leave the building via the nearest safe exit.)
- You will need to follow Officers to Assembly Point E (Northside) which is located outside the building.

## **Toilets**

- There are male and female toilets with baby change facilities in reception and a disabled toilet within the Register Office at the entrance adjacent to reception.

## **Parking**

- If you have parked in the visitor car park please collect a token from Reception upon leaving.
- Once the token has been inserted please wait for the traffic light to change to green before driving off. The barrier will lower only when the light is green.

## **Smoking Policy**

- Smoking is not permitted anywhere within the building. There is a smoking shelter located by the cascades which are situated between the upper and lower lakes.

## **OPTIONAL INFORMATION**

### **Cafe**

- There is a cafe located on the ground floor, a short distance from Reception which you are welcome to use. It sells a range of hot and cold foodstuffs as well as having a coffee bar.
- The Lakeview Cafe is open for business 08:00 to 15:00 Monday to Friday. The area is available for informal meetings unless specifically booked for an event although we ask that you only do so outside the busy lunchtime period when diners are given priority use.

### **Shop**

- There is a shop adjacent to the cafe and stocks a range of sandwiches, snacks, sweets and newspapers.
- The shop's opening hours are 08:00 to 14:00 Monday to Friday
- There is a snack/cold drink vending machine immediately outside the shop for use during and outside of the shop's hours of business. There is also a KLIX hot drinks machine.

### **Grounds/Site traffic**

- Please note that County Hall and its grounds are public therefore there may be any number of people walking around the site including those walking their dogs or travelling to the nearby schools.
- Due to this we have a site wide 10 mph speed limit

### **Public Transport**

- There are two bus stops within the grounds of County Hall, one adjacent to each of the site entrances. Both have timetables and as a guide there are generally four buses per hour into the city centre.

**ACCESS TO INFORMATION – YOUR RIGHTS.** The press and public have the right to attend Local Authority meetings and to see certain documents. You have:

- the right to attend all Authority and Committee meetings unless the business to be transacted would disclose “confidential information” or “exempt information”;
- the right to film, record or report electronically on any meeting to which the public are admitted provided you do not do so in a manner that is disruptive to the meeting. **If you are present at a meeting of the Authority you will be deemed to have consented to being filmed or recorded by anyone exercising their rights under this paragraph;**
- the right to inspect agenda and public reports at least five days before the date of the meeting (available on our website: <http://www.hwfire.org.uk>);
- the right to inspect minutes of the Authority and Committees for up to six years following the meeting (available on our website: <http://www.hwfire.org.uk>); and
- the right to inspect background papers on which reports are based for a period of up to four years from the date of the meeting.

A reasonable number of copies of agenda and reports relating to items to be considered in public will be available at meetings of the Authority and Committees. If you have any queries regarding this agenda or any of the decisions taken or wish to exercise any of these rights of access to information please contact Committee & Members’ Services on 01905 368209 or by email at [committeeservices@hwfire.org.uk](mailto:committeeservices@hwfire.org.uk).

**WELCOME AND GUIDE TO TODAY’S MEETING.** These notes are written to assist you to follow the meeting. Decisions at the meeting will be taken by the **Councillors** who are democratically elected representatives and they will be advised by **Officers** who are paid professionals. The Fire and Rescue Authority comprises 25 Councillors and appoints committees to undertake various functions on behalf of the Authority. There are 19 Worcestershire County Councillors on the Authority and 6 Herefordshire Council Councillors.

**Agenda Papers** - Attached is the Agenda which is a summary of the issues to be discussed and the related reports by Officers.

**Chairman** - The Chairman, who is responsible for the proper conduct of the meeting, sits at the head of the table.

**Officers** - Accompanying the Chairman is the Chief Fire Officer and other Officers of the Fire and Rescue Authority who will advise on legal and procedural matters and record the proceedings. These include the Clerk and the Treasurer to the Authority.

**The Business** - The Chairman will conduct the business of the meeting. The items listed on the agenda will be discussed.

**Decisions** - At the end of the discussion on each item the Chairman will put any amendments or motions to the meeting and then ask the Councillors to vote. The Officers do not have a vote.



# Hereford & Worcester Fire Authority

## Full Authority

Monday, 11 February 2019,10:30

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### Agenda

#### Councillors

Mr R J Phillips (Chairman), Mr P A Tuthill (Vice Chairman), Mr R C Adams, Ms P Agar, Mr A Amos, Mr T D Baker-Price, Ms T Bowes, Mr B Clayton, Mrs E Eyre BEM, Mr A Fry, Mr D Greenow, Ms K S Guthrie, Mr I D Hardiman, Mr Al Hardman, Mr M Hart, Dr C A Hotham, Mr R I Matthews, Mr P Middlebrough, Mrs F M Oborski MBE, Dr K Pollock, Mrs J Potter, Professor J W Raine, Mr C B Taylor, Mr R M Udall, Mr S D Williams

No.	Item	Pages
1	<b>Apologies for Absence</b>  To receive any apologies for absence.	
2	<b>Declarations of Interest (if any)</b>  This item allows the Chairman to invite any Councillor to declare an interest in any of the items on this Agenda.	
3	<b>Chairman's Announcements</b>  To update Members on recent activities.	

#### **4 Public Participation**

To allow a Member of the public to present a petition, ask a question or make a statement relating to any topic concerning the duties and powers of the Authority.

Members of the public wishing to take part should notify the Head of Legal Services in writing or by email indicating both the nature and content of their proposed participation to be received no later than 2 clear working days before the meeting (in this case 6 February 2019). Further details about public participation are available on the website. Enquiries can also be made through the telephone numbers/email listed below.

#### **5 Confirmation of Minutes**

**9 - 14**

To confirm the minutes of the meeting held on 19 December 2018.

#### **6 Budget and Precept 2019/20 and Medium Term Financial Plan**

**15 - 45**

1. To determine the Revenue and Capital Budgets and the Council Tax Requirement for 2019/20.
2. To approve the Prudential Indicators and Minimum Revenue Provision (MRP) Statement for 2019/20.
3. To approve the level of Fees & Charges for chargeable services for 2019/20
4. To identify potential future resources, their consequential impact on future year budgets and the future Council Tax Requirement. (the Medium Term Financial Plan)
5. To approve Capital, Investment and Reserves Strategies

<b>7</b>	<b>Cessation of Day Crewing Plus Duty System and Adjustment of Day Crewing Duty System in Response to Recent Legal Rulings</b>	<b>46 - 57</b>
	<p>To seek agreement from the Fire Authority to start the process of implementing revised emergency cover arrangements at Hereford, Worcester and Bromsgrove Stations, as soon as is practicable, due to the inability to reach a collective agreement with the Fire Brigades Union (FBU) on the existing Day Crewing Plus (DCP) duty system. This is a similar situation to other Fire Authorities that have introduced comparable duty systems.</p> <p>In addition, because of a recent EU ruling linked to the Working Time Regulations (WTR), there is now a requirement to adjust the Service's approach to its Day Crewing (DC) Duty System.</p> <p>The implementation of both should take into account recent relevant legal rulings and subsequent legal advice, updated CRMP analysis, original public &amp; staff consultation on 2014 CRMP and requirements for further public &amp; staff consultation based on specific circumstances of the affected communities.</p>	
<b>8</b>	<b>HMICFRS – Inspection update</b>	<b>58 - 132</b>
	To update Members on the HMICFRS inspection and the preparation of an improvement plan.	
<b>9</b>	<b>Pay Policy Statement</b>	<b>133 - 142</b>
	To bring to the attention of the Authority the requirement for the Service to publish its annual Pay Policy Statement for year 2019/2020.	
<b>10</b>	<b>Members Allowances Scheme 2019/20</b>	<b>143 - 147</b>
	To consider whether to make any alterations to the Members' Allowances Scheme for 2019/20 in light of the change in the Consumer Price Index to November 2018.	
<b>11</b>	<b>Disposal of Kidderminster, Bewdley and Stourport Fire Stations</b>	<b>148 - 150</b>
	To seek authority to dispose of the existing Bewdley, Kidderminster and Stourport fire stations once the new Wyre Forest Emergency Services Hub is completed.	

<b>12</b>	<b>Fire Authority and Committee Dates 2019/20</b>	<b>151 -</b>
	To inform Authority Members of the meeting dates for 2019/20.	<b>153</b>
<b>13</b>	<b>Minutes of the Audit and Standards Committee</b>	<b>154 -</b>
	To receive the minutes of the meeting held on 22 January 2019.	<b>157</b>





Hereford & Worcester Fire Authority

Full Authority

Wednesday, 19 December 2018, 10:30

## Minutes

**Members Present:** Mr A Amos, Mr T D Baker-Price, Mr B Clayton, Mrs E Eyre BEM, Mr D Greenow, Mr Al Hardman, Mr M Hart, Dr C A Hotham, Mr R I Matthews, Mr P Middlebrough, Mrs F M Oborski MBE, Mr R J Phillips, Dr K Pollock, Mrs J Potter, Professor J W Raine, Mr C B Taylor, Mr P A Tuthill, Mr S D Williams

### 191 Apologies for Absence

Apologies were received from Cllr R Adams, Cllr P Agar, Cllr T Bowes, Cllr K Guthrie and Cllr I Hardiman.

### 192 Declarations of Interest (if any)

Cllr R Phillips declared that he was a member of the Firefighters' Scheme Advisory Pensions Board and an employer member of the Fire NJC.

### 193 Chairman's Announcements

The Chairman informed the Authority of the following:

- Attended the Worcestershire and Herefordshire Awards Ceremonies.
- Attended meetings recently with the Chief Fire Officer and staff.
- Attended the Service Exercise and the Dying to Drive.
- Work had commenced on the Wyre Forest Hub.
- Attended the Fire Conference in November.

Members were also reminded that the next meeting of the Authority was Monday 11 February 2019 at County Hall, Worcester.

### 194 Public Participation

There was no public participation.

**195 Confirmation of Minutes**

**RESOLVED** that the minutes of the meeting of the Fire Authority held on 30 May 2018 be confirmed as a correct record and signed by the Chairman.

**196 Medium Term Financial Plan (MTFP) Interim Update**

The Treasurer informed Members that the Authority had recently been notified of proposed changes to the employer contribution rates for Firefighter Pension Schemes which would have a significant impact on future budgets.

The Treasurer explained in detail what the proposed changes could mean to the Authority and that it was important that all Members were fully aware of the situation. He reiterated that the estimated annual cost to the Authority was £1.55m, but this could not be confirmed until individual scheme rates were announced.

The Treasurer also confirmed that information on the grant, business rate and tax-base had just been received. The provisional grant settlement was as expected and the increase in Council tax base was slightly better than predicted.

Members requested that Officers work with other Fire Services to lobby the government to fund the additional pension costs in full.

**RESOLVED** that the Authority notes the impact of the proposed increase in Firefighter Pension Scheme employer contributions.

**197 Community Risk Management Plan Midpoint Review 2018**

Members were presented with the Community Risk Management Plan (CRMP) Midpoint Review 2018 for consideration and approval.

Members were advised that the CRMP continues to provide the overall framework for managing risk, that the Midpoint Review highlights key events and changes over the last three years and outlines the process for preparing the next CRMP.

Members requested that Agenda Item 9 be combined with Agenda Item 8 to approve the proposal to extend the lifespan of the Community Risk Management Plan 2014-20 by one year.

A Member queried if amendments would be required to the CRMP following the outcome of the HMICFRS inspection. The Chief Fire Officer assured him that an Improvement Plan would cover any issues raised.

*[Cllr Greenow left the meeting at 11:02].*

Following concern by a Member, the Chief Fire Officer also assured Members that following the Grenfell Tower fire, Officers had visited high rise buildings in Worcester and Kidderminster and provided residents with fire prevention advice, Home Fire Safety Checks and ensured that common access areas were fully maintained.

*[Cllr Eyre entered the meeting at 11:05].*

**RESOLVED that:**

- (1) the CRMP Midpoint Review 2018 be approved for publication on the Service website; and**
- (2) the lifespan of the Community Risk Management Plan 2014-20 be extended by one year.**

## **198 Update on Implementation of Crewing Changes**

In 2014, the Authority's agreed Community Risk Management Plan (CRMP) confirmed the standard crewing on full-time appliances would be four but additional funding of £800,000 was released from reserves to provide crews of five on as many occasions as possible for a period of up to two years.

In February 2017, the Authority subsequently requested Officers to produce a plan to provide for crews of five on appliances across the Service on as many occasions as possible, at no additional cost to the Service and with no change to service provision.

Following detailed consultation, a new set of proposals was presented to the Representative Bodies (RBs) in August 2017, which dealt with the major issues that had been identified by them over the previous four months. Following further significant negotiations with the FBU, a 'Terms of Agreement' document was agreed in November 2017 and which was subsequently recommended to their members for approval by FBU officials. However, in February, the local FBU Brigade Committee voted to reject the proposed changes to contracts.

In response to that decision, the Fire Authority mandated Officers, if required, to use the dismissal/re-engagement process if suitable progress could not be made. However, in view of the broader national context, it had not been considered appropriate to pursue that course.

The Chairman commented that due to the local FBU membership not accepting a local agreement that would re-establish crews of 5, the Authority should formally accept standard crewing now as being 4, in line with its original CRMP 2014 decision.

During discussions the Chief Fire Officer assured Members that the current budget allowed for crews of 4. He also reminded Members that a number of Fire Services already rode crews of 4 and therefore this would not be a reduced service.

With regard to the Day Crewing Plus (DCP) system, Members were informed of recent Court decisions which meant that DCP was not compliant with the Working Time Regulations 1998 unless a local collective agreement could be negotiated with the Representative Bodies. Officers had started discussions with the FBU and FOA but at this stage the FBU had been unwilling to negotiate an agreement.

It was agreed that a further report be presented to the Authority at the February meeting.

**RESOLVED that:**

**(1) Standard crewing on full-time appliances will remain at four, in line with the Fire Authority's original 2014 Community Risk Management Plan (CRMP) decision. This is due to the current inability to reach a local agreement with affected staff groups to implement the appropriate contractual changes which would have achieved crews of five, despite an agreement being negotiated with respective trade union representatives back in January 2018 (referred to in previous Authority papers as the 'Terms of Agreement' document).**

**(2) Officers enter into immediate discussions with the relevant representative bodies, with the view to reaching a local agreement in respect to the Day Crewing Plus (DCP) system.**

**(3) In respect to the DCP system, a further report be brought to the next meeting of the Fire Authority, if no local agreement has been**

reached by that time, with a view to:

- i. implementing a suitable duty system for the second full-time fire appliances at Hereford and Worcester stations. The duty system would need to be economically viable in respect to the Service's Medium Term Financial Plan (MTFP), as well as meeting the existing CRMP analysis from 2014 (which itself was subject to full public and staff consultation at the time); and
- ii. undertaking an immediate CRMP analysis in respect to Bromsgrove Station to determine a duty system that is the most suitable and economically viable to replace the current DCP system, whilst also taking into account the Service's MTFP.

**(4) The Chairman and the Chief Fire Officer seek an urgent meeting with the Fire Minister in order to explain the impact upon services as a result of the difficulties in reaching agreements with the FBU.**

#### **199 Strategic Alliance Board Programme**

Members were updated on the progress in delivering the Strategic Fire Alliance between Hereford & Worcester and Shropshire Fire and Rescue Services.

Members were asked to give approval for Officers to proceed with preparing option appraisals for the key priority projects.

**RESOLVED that Members note progress to date and grant approval for Officers to prepare option appraisals.**

#### **200 Appointment of Assistant Chief Fire Officer**

A report was presented to seek approval to make a permanent appointment to the post of Assistant Chief Fire Officer (ACFO) in place of the current temporary arrangements. This would be achieved by appointing a second substantive ACFO whilst the existing ACFO continues in the role of temporary DCFO.

*[Cllr Middlebrough left the meeting at 11:50 and returned at 11:54].*

**RESOLVED that a second substantive post of Assistant Chief Fire Officer be appointed at the earliest opportunity.**

**201 Minutes of the Audit and Standards Committee**

The Chairman of the Committee presented the minutes of the Audit and Standards Committee meeting held on 25 July 2018.

**RESOLVED that the minutes of the Audit and Standards Committee meeting held on 25 July 2018 be received and noted.**

**202 Minutes of the Policy and Resources Committee**

The Chairman of the Committee presented the minutes of the Policy and Resources Committee meetings held on 12 September and 29 November.

**RESOLVED that the minutes of the Policy and Resources Committee meetings held on 12 September and 29 November be received and noted.**

The Meeting ended at: 11:58

Signed:.....

Date:.....

Chairman

## Report of the Treasurer and the Chief Fire Officer

### Budget and Precept 2019/20 and Medium Term Financial Plan

#### Purpose of report

1. To determine the Revenue and Capital Budgets and the Council Tax Requirement for 2019/20.
2. To approve the Prudential Indicators and Minimum Revenue Provision (MRP) Statement for 2019/20.
3. To approve the level of Fees & Charges for chargeable services for 2019/20
4. To identify potential future resources, their consequential impact on future year budgets and the future Council Tax Requirement. (the Medium Term Financial Plan)
5. To approve Capital, Investment and Reserves Strategies

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#### Recommendations

##### *It is recommended that:*

- i) the Capital Budget and Programme (Appendix 1) be approved;*
- ii) the Revenue Budget (Appendix 4) be approved;*
- iii) the Medium Term Financial Plan (Appendix 5) be approved;*
- iv) the Authority calculates that in relation to the year 2019/20 and set out in Appendix 6:*
  - a) the aggregate expenditure it will incur will be £34,958,200.00;*
  - b) the aggregate income it will receive will be £10,598,123.00;*
  - c) the net amount transferred from financial reserves will be £724,700.00;*
  - d) the net collection fund surplus is £141,257.00;*
  - e) the net amount of its Council Tax Requirement will be £23,494,120.00;*
  - f) the basic amount of Council Tax will be £84.34 (Band D);*
  - g) the precept demands on the individual Billing Authorities are:*

• Bromsgrove	£3,096,473.87
• Herefordshire	£5,804,784.08
• Malvern Hills	£2,610,927.93
• Redditch	£2,200,935.39
• Worcester	£2,690,275.80
• Wychavon	£4,244,165.20
• Wyre Forest	£2,846,557.73
- v) the Capital Strategy (paragraphs 48-61) be approved;*

- vi) the Investment Strategy (paragraphs 85-90) be approved;***
- vii) the Reserves Strategy (paragraphs 67-73 and Appendix 7) be approved;***
- viii) the fees and charges for 2019/20 (Appendix 8) be approved; and***
- ix) the Statement of Prudential Indicators and Minimum Revenue Provision Policy (Appendix 9) be approved.***

## **Introduction and Background**

6. In May 2018 the Authority agreed a revised Medium Term Financial Plan (MTFP), which identified an underlying budget gap of £0.414m in 2023/24, with budget gaps in the intervening years being met from the budget reduction reserve as planned.
7. The budget gaps were based on a set of assumptions, which in some case have been confirmed and for others are now more uncertain. The uncertainty has more impact on the MTFP beyond 2019/20.
8. At the time of drafting this report, Business Rate yield data had not been received. It should be noted that the late notification of Business Rate data from two Billing Authorities in 2018/19 did have a material impact on the MTFP which was revised in May 2018. In order to minimise the impact of any variation this year it is proposed that, if necessary, a revised precept calculation will be tabled at the Authority meeting on 11<sup>th</sup> February 2019 with an adjustment to the use of the budget reduction reserve in 2019/20, with a revised MTFP to be brought to the next meeting of the Authority, in June.
9. Final information is now available on resources:
  - a. Council Tax-bases – from Billing Authorities;
  - b. Band D Council Tax levels – approved MTFP;
  - c. Council Tax increase referendum threshold – from government;
  - d. Collection Fund surpluses - from Billing Authorities;
  - e. Estimated Retained Business Rates yield - from Billing Authorities (see *paragraph 8 above*); and
  - f. Grant – *at the time of publication of this report the grant settlement had not been formally confirmed. It would be exceptional if the final position is changed, however, if it is, then an update will be provided at the Authority meeting.*
10. The Policy and Resources Committee did not meet in January 2019 as would be usual, but the Authority had been briefed on the major budget issue, the increased cost of Firefighter pensions, at the December meeting. In addition the Chair of the Policy and Resources Committee was briefed on the Budget and MTFP by the Treasurer.
11. The existing approved approach of the Fire Authority has been continued i.e.:
  - a. the 2019/20 Band D precept increase is set at £2.44 (2.98%);



- b. future years' planning should assume an annual precept increase of 1.96% thereafter;
- c. provision be made for future pay awards at 2%; and
- d. the Reserves Strategy is reconfirmed including their appropriate use to smooth the budget gap in transition to planned efficiency savings.

## **Review of Available Resources**

- 12. Resources can be split between formula grant, other grants, Council Tax precept and Retained Business Rates.

## **Formula Grant**

- 13. Members will recall that as part of the 2016/17 Settlement the government gave indicative grant figures for the whole of the CSR period to 2019/20. In order to have these future allocations confirmed (and not subject to further reduction) an Authority was required to submit and publish an Efficiency Plan.
- 14. Technically this four year settlement has to be agreed by parliament each year, but in the first 3 years of the four year settlement grant has been paid as forecast. The provisional figure for 2019/20 is as expected.
- 15. During 2018/19 Government has been consulting on 75% Rates Retention from 2020/21. This has been at a technical level and has not provided any certainty on future funding levels. Indeed the picture has become less clear.
- 16. Whilst government now appear to have accepted that Fire will continue to be part of the rates retention scheme, the relative levels of Business Rate yield and RSG in some Fire Authorities mean that there would inevitably have to be some form of resource redistribution, of which no details have emerged.
- 17. Although the expected Comprehensive Spending Review has not yet commenced, but is expected before 2020/21, the government is considering public sector funding levels:
  - a. the relative needs within local government e.g. Fire against Police/Social Care etc.
  - b. the distribution of the fire share between individual authorities.
- 18. It is anticipated that indicative grant information for 2020/21 will not be available until early November 2019. In the absence of any more certainty the planning assumptions in the May 2018 MTFP update are continued.

## **Other Grants**

- 19. The Authority receives grant in respect of national New Dimensions functions and the Firelink radio scheme. Although grant for the former has not yet been formally confirmed the MTFP therefore assumes the continuation of 2018/19 levels.

20. In respect of the former, Members will be aware that in the absence of confirmation to the contrary it was assumed that this grant would cease at the date the Authority moved to the Firelink replacement (ESMCP/PSN).
21. Members will also be aware that this national project was significantly behind schedule, and now even more so and the Home Office has recently given firm indications that grant will be payable for a longer period. This has now been re-instated into the base.
22. Additionally, and confirmed for 2019/20 only, the Authority will receive £1.344m in grant to support the increased costs of the Firefighters pension scheme. The impact of this is dealt with in paragraphs 42-47 below.

### **Precept Assumptions**

23. The level of income from precept is determined by the Band D tax and the total council tax-base.
24. The 2019/20 tax-base has risen by 1.06%; this is marginally above the 0.89% forecast but well below the average of 1.72% over the last four years.
25. More significantly the Billing Authorities are planning for future council tax-base increases to average 1.25% compared to the 0.96% in the previous MTFP forecasts. This has the impact of increasing the 2023/24 yield projection by around £0.352m. There is also a one off £0.141m surplus on the Collection Funds.
26. Since 2004/05 the annual net Collection Fund out-turn has ranged from a net deficit of £0.002m to a net surplus of £0.286m, and there have been significant annual variations, both surplus and deficit, from individual Authorities. It would be imprudent to fund core expenditure from this source and the Collection Fund is therefore assumed to be neutral in future years.
27. Although the Authority is free to increase the precept by any level it feels is appropriate, any increase above the threshold set by government requires the Authority to hold a referendum on the increase. The Authority has previously concluded that a referendum is not preferable given the percentage increase necessary merely to fund the cost of the referendum, without delivering additional resources to fund services.
28. Government has, however, announced that (subject to formal confirmation) the limit standalone Fire Authorities, for 2019/20 will be 2.99%, and the Authority has approved a planning assumption of a 2.98%.
29. This figure will not require the Authority to conduct a referendum on the level of increase in 2019/20.
30. The Medium Term Financial Plan continues to assume further annual increases of 1.96% from 2020/21, in line with the future indicated referendum limits.

31. It is recognised that if the resource projections were not as severe as the cautious forecasts, then there may be scope for reducing these assumptions.

### **Retained Business Rates**

32. Each year the Billing Authorities provide an estimate (the NNDR1) of the amount of Business Rate they believe is collectable. This also includes estimates of any Section 31 grant payable by government to compensate for some nationally determined rate reliefs.
33. Together with the Section 31 grant payable directly by the Ministry of Housing and Local Government (MHLG) – this is an estimate of the total resources available.
34. The potential position regarding 75% Business Rate Retention has been outlined earlier and the planning assumption is that from 2020/21 the Fire Authority retains 1.5% of the locally collected Business Rates (*based on the principal that it keeps 1% under the current 50% retention regime*).
35. At the time of publication NNDR1 information had not been received from any of the Billing Authorities, so the position is based on a best estimate. If materially different then these figure will be updated at the Authority meeting.
36. For planning purposes it is assumed that the core yield (and grants) will rise at least as much as the government's inflation target (i.e. 2% per year), but that Collection Fund should be assumed to be neutral.

### **Expenditure Requirement**

37. The expenditure requirement has continued to be refined and the key assumptions around pay, inflation and interest rates are outlined in the table below.

	2018/19	2019/20	2020/21	2021/22
Pay Awards	2.0%	2.0%	2.0%	2.0%
General Inflation	2.5%	2.5%	2.5%	2.5%
Long Term Borrowing Rates	3.0%	3.0%	3.0%	3.0%

38. There are only two material changes to the expenditure requirement assumed in the previous MTFP.
39. To facilitate work to support the Authority's aim to create a Fire Alliance with Shropshire & Wrekin Fire Authority, a one-off sum of £0.200m is set aside. This matches a sum to be provided by Shropshire and is largely funded from the one-off Council Tax Collection fund surplus (£0.141m) and unallocated budgets (£0.025m)
40. The second issue relates to the cost of Employer contributions to the firefighter pension scheme and is dealt with below.

41. In accordance with previous practice, and to provide a continuous record of year on year budget changes, Appendix 3 tracks the changes from the approved 2018/19 budget to that proposed for 2019/20. Appendix 4 allocates this proposed budget to the relevant approved budget heads.

### **Firefighter Pension Scheme Contributions**

42. In the Chancellors Budget of Autumn 2016 it was announced that the discount rate used to calculate the employer's contribution rate for Public Sector Pension schemes would be reduced from 3.0% to 2.8% with effect from 2019/20. Based on the limited information then available it was estimated that this would cost an additional £0.315m and this was incorporated in the MTFP.
43. As Members will be aware the recent revaluation of the Firefighters pensions' scheme involved a further reduction in the rate to 2.4%. Along with other changes this will result in an additional cost of £1.095m bringing the total to £1.410m. It should be noted that this remains an estimate as individual scheme rates will not be available until April, but the quantum is unlikely to change.
44. In respect of 2019/20 only the government will pay a grant of £1.344m towards these costs. Thus the impact in 2019/20 is marginally positive.
45. The only commitment for the future is that costs will be considered as part of the CSR review. With the other major changes to funding due at the same time it is not certain whether this will result in any additional grant being paid.
46. The Treasury has indicated that under no circumstances would it fund the 2016 announced reduction, because this was expected and should have been included in Authority's plans. An indicative, estimated figure of future grant if payable might be around £0.900m. This has not been indicated by government in any way.
47. As explained further below, the Authority will need to consider a financial planning scenario which assumes these costs are not funded.

### **Capital Strategy**

48. As part of its wider treasury management objectives, the Authority must have regard to the Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
49. Its latest revision states that an Authority must produce a capital strategy, which shows how the Authority sets out its priorities for capital investment, including links to existing plans and strategy documents. It also considers the way in which capital expenditure may be financed.
50. The main elements of the capital strategy are to support a capital programme that:
- a. Ensures that Authority assets are used to support the delivery of the Community Risk Management Plan (CRMP) and associated priorities;
  - b. Is affordable, financially prudent and sustainable;

- c. Ensures the most cost effective use of existing assets and new capital investment; and
  - d. Supports the other key strategies of the Authority.
- 51. The Capital Programme forms part of the Medium Term Financial Plan (MTFP) which is an integrated part of the Authority's strategic direction and will be considered alongside the CRMP.
- 52. The **CRMP** establishes the means by which the Authority identifies and intends to meet the risks within the community. The plan will determine, within the financial resources available:
  - a. the number, type and location of operational properties and fire appliances
  - b. the services and capability to be provided from them, including the necessary supporting infrastructure
- 53. The **MTFP** is designed to demonstrate that the Authority has considered the funding streams available into future years and has plans in place to deliver the priorities identified by its IRMP, within the available resources.
- 54. The **Asset Management Plan** considers the existing property base in relation to location, condition and suitability, and proposes relevant action to optimise need and provision. In this it is supported by the Strategic Property Liaison Group.
- 55. The **Fleet Strategy** performs the same function in relation to the operational and non-operational vehicle fleets.
- 56. The **ICT Strategy** provides a comprehensive picture of how the Service will use ICT to support the service it provides.
- 57. Consideration, approval and monitoring of the capital programme takes place as part of the Authority's strategic planning timetable.
  - a. Property, fleet and ICT requirements are incorporated into the capital programme based on the priorities identified in the respective strategies.
  - b. The Vehicle Strategy is approved by the Policy and Resources Committee on a two-yearly cycle. The Asset Strategy, due to its longer term nature is approved on as and when required.
  - c. The Authority has allocated an annual sum for minor capital schemes, which is delegated to the Service's Senior Management Board (SMB) to allocate. The majority of this allocation is on ICT schemes (as included in the ICT Strategy) or Minor Building works, arising from the condition survey supporting the Asset Strategy. Other potential schemes are supported by an appropriate business case.
  - d. Prudential indicators, including Capital Financing Requirement, are calculated, based on the proposed programme, to demonstrate that the programme is affordable, sustainable and prudent. These are detailed in Appendix 9 (Prudential Code Indicators).

- e. The capital strategy and capital programme, are approved by the Fire Authority in February as part of the budget and precept setting process.
  - f. Particularly in respect of property schemes, but in all practical cases, the Authority will adopt a collaborative approach with suitable partners wherever appropriate.
  - g. The Authority will not incur expenditure on additional property solely to generate investment income. However, if an existing property becomes vacant and rental delivers a more advantageous return the Authority, appropriate expenditure may be incurred
58. Spend on individual schemes within the capital programme is monitored by officers on a continuous basis and reviewed by SMB on a quarterly basis. Information is provided to the Policy and Resources Committee as part of the quarterly budget monitoring reports.
59. Overall funding for capital schemes will be identified prior to the capital programme being put forward for consideration and approval. It should be clear to those charged with governance that the programme is affordable, sustainable and prudent, prior to approval. Funding arrangements may, however, change to meet changing circumstances as projects progress.
60. The Authority has a number of funding sources that can be used to finance capital expenditure:
- a. **Reserves** are set aside from revenue resources and earmarked for particular expenditure which qualifies as capital spend; e.g. Cutting Gear, Breathing apparatus etc. This use of reserves is consistent with the Reserves Strategy.
  - b. **Capital Receipts** of £10,000 or more may only be used to fund new capital expenditure or the repayment of existing debt.
  - c. **Leasing** can also be used to acquire capital assets, and should be considered alongside other sources of funding.
  - d. **Revenue funding** can also be used to fund capital expenditure. (But capital funds cannot normally be used to fund revenue). This source of financing is used to deal with underspending within the capital financing budget that arises from slippage in the capital programme. It will be used in a cost effective way to maintain future financial sustainability.
  - e. Capital projects that cannot be funded from any other source can be funded from external **borrowing**. The Authority is able to borrow money from the Public Works Loan Board (PWLB) to fund its capital programmes, and will need to fund a repayment provision and interest costs from its revenue budget.
  - i. The Authority must ensure that its borrowing is affordable, sustainable and prudent, and this is demonstrated through its approval of Prudential Indicators.

- ii. 'Internal borrowing' occurs when the Authority will use its cash balances to fund capital schemes rather than taking out long term loans with PWLB. This is managed as part of the Treasury Management process.
61. As well as funding the asset in a capital scheme, the Authority must also consider and take account of the ongoing implications of the scheme on the revenue budget.
- a. If the scheme is to be funded from prudential borrowing, there will be an interest charge and a provision towards loan repayment.
  - b. The asset may have running costs (such as a maintenance charge or support agreement) or generate efficiencies, which are also incorporated in the revenue budget

### **Capital Programme**

62. The Capital Programme, using prudent financing assumptions and based on the agreed Asset Management Plan and Fleet Strategy, and with the usual annual provision of £0.600m for minor buildings and IT schemes etc. is included as Appendix 1. The revenue consequences of the schemes, including financing costs, are included in the revenue budget projections in Appendices 3, 4, and 6, and the Statement of Prudential Indicators and Minimum Revenue Provision Policy at Appendix 9.
63. Although budget provision has been given for specific schemes within the proposed Major Buildings block, as individual contracts are still subject to tender etc., individual allocations are not shown in order that the information does not compromise the Authority's negotiating position.
64. The Programme now includes provision for expenditure on a replacement Fire Station at Broadway.
65. The original capital budget was set in 2015/16 with vehicle cost estimates reflecting current prices. Although the revenue financing budget makes provision for inflationary increases these had not previously been included in the capital programme itself. The inclusion of these adjustments in the Capital Programme has no impact on the revenue budget.

### **Fees and Charges**

66. The Authority sets a scale of fees for chargeable services and these are now reviewed annually. It has been determined that the fee payable should be a rounded sum so it may not be necessary to apply an increase each year. The proposed charges for 2019/20 are set out in Appendix 7.

### **Reserves Strategy**

67. The Authority holds reserves for a number of reasons and these can be summarised as:

- a. Deferred Expenditure Reserves: monies set aside to fund long life equipment (e.g. Cutting gear, breathing apparatus, fire control etc.) which negates the need for capital financing costs in the medium term
  - b. Budget Reduction Reserve: monies to be used to smooth the transition of significant efficiency measures
  - c. Other Earmarked Reserves: held to cover the costs of known events where timing is uncertain
  - d. General Reserve: unallocated and held to meet the “unknown unknowns”
- 68. Deferred Expenditure reserves will be spent as necessary to meet the costs of the agreed items as they are procured.
- 69. In approving the strategy in relation to reserves in February 2017 the Authority has confirmed that the Budget Reduction Reserve is used to close the budget gaps in the MTFP period, until major efficiencies come fully on-line.
- 70. Although there is no guidance as to the exact level of balances that an Authority should hold, the Home Office has now asked authorities to explain any general balances above 5% of budget. At the end of 2019/20 General balances are expected to stand at 1.538m or 4.5% of 2019/20 Net Budget.
- 71. The Authority has to be mindful of the opportunity to quickly replenish balances if they are called upon and this becomes much harder in a financial regime where central government controls grant, business rate levels and council tax levels.
- 72. Whilst this level of balances is desirable, there is an opportunity cost of holding balances. They could be used to finance one off expenditure or temporarily reduce the Council Tax precept, which itself will have an impact on the long term financial position. The risk of using up balances is, however, that any unforeseen expenditure could not be met.
- 73. The planned use of ear-marked balances in the MTFP period is set out in a summary of the Reserves Strategy at Appendix 7, and is compared to the previous cash-flow assumptions.

## **2019/20 Budget and Precept and Future Years**

- 74. The Authority is required to set a budget and precept for 2019/20, but has to give consideration to the impact on future affordability through a MTFP.
- 75. The uncertainty about future planning has already been set out, in respect of 2020/21 and beyond, and the continuation of the previous resource assumptions in the absence of the confirmation of anything different.
- 76. The positive news is that before the late and unexpected increase in pension contributions the core budget gap had reduced to an insignificant level by 2023/24, as was anticipated. The core gap, before use of reserve smoothing would be:



	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m
May 2018 MTFP	1.197	1.619	0.930	0.744	0.414
Feb 2019 before pensions	0.854	1.120	0.540	0.274	0.027

77. This position would have resulted in £1.435m of the budget reduction reserve being available for other one off purposes
78. Unfortunately the budget and MTFP now have to include the impact of the additional pensions cost. This is fully detailed in Appendix 6 but can be summarised below:

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m
Expenditure Forecast	34.853	35.103	35.260	35.967	36.553
less Property Reserve	(0.120)	(0.185)	(0.160)	(0.147)	
less Resources	(34.128)	(32.703)	(33.465)	(34.451)	(35.431)
<b>Core Gap</b>	<b>0.605</b>	<b>2.215</b>	<b>1.635</b>	<b>1.369</b>	<b>1.122</b>
Use of General Reserve	(0.300)				
Budget Reduction Reserve	(0.305)	(2.215)	(1.430)		
<b>Remaining Gap</b>	<b>(0.000)</b>	<b>(0.000)</b>	<b>0.205</b>	<b>1.369</b>	<b>1.122</b>

79. The short-term position can be resolved by faster use of resources, but the Authority will have to consider what further efficiencies can be implemented to fully deliver around £1.2m annual savings by 2022/23.
80. The uncertainty of the Pensions funding position can best be illustrated by the table below which makes an assumption about government funding of some of the additional cost:

	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m
Core Gap	0.605	2.215	1.635	1.369	1.122
Possible Pension Funding		(0.900)	(0.900)	(0.900)	(0.900)
<b>Adjusted Gap</b>	<b>0.613</b>	<b>1.315</b>	<b>0.735</b>	<b>0.469</b>	<b>0.222</b>

81. If this were the case, the resultant gap could be funded throughout the period (with £0.904m of the reserve available for other one-off uses) with a residual gap of £0.222m.
82. It is unlikely that there will be any useful indications of future funding, (including the governments approach to pension costs) before November 2019. Officers will continue to work on identifying new savings, over and above those already in hand, to close the remaining budget gaps from 2022/23 as set out in paragraph 78 above
83. Based on the above recommended strategies the formal precept calculation for 2019/20 is set out in Appendix 6. The Band D precept will rise by £2.44 (or less than 5 pence per week) to £84.34.

## **Budget Risks**

84. Setting a net budget at £34.853m still presents risks, for example:
- Pay Award – an annual provision of 2% has been made - a variance of +/- 1% adds or saves £0.225m.
  - General Inflation – each additional 1% costs/saves £0.100m.
  - Future Council Tax Policy is also unknown; although a 1.96% increase is assumed in the MTFP a reduction by 1.0% would cumulatively reduce resources by around £0.225m per year.

## **Investment Strategy**

85. In accordance with the Authority's Treasury Management Strategy, surplus funds are invested by Worcestershire County Council alongside their own funds.
86. Since October 2008 the Authority has adopted a policy of avoiding new long term borrowing, where working capital balances permit. The Authority will only extend long term borrowing when cash-flow requirements dictate that it is necessary, and only to finance long term assets.
87. The Authority will not borrow to invest and will only invest funds arising from cash-flows.
88. The Authority will not invest in property or other assets with the intention of generating income, other than as outlined at paragraph 57g above.
89. Investment of funds will be via the existing Treasury Management arrangement with Worcestershire County Council, and will be restricted to the agreed financial loans to approved counter-parties.
90. Given the continuing uncertainty in financial markets, the Treasurer advises that investment should continue to be focussed on security. Primary consideration will be given to Security, Liquidity and Yield (SLY) in that order. As a consequence surplus funds continue to generate low returns which are factored into the budget.

## **Prudential Code Indicators**

91. Since 1 April 2004, the Local Authority capital finance system has been one of self-regulation based on a Prudential Code drawn up by the Chartered Institute of Public Finance and Accountancy (CIPFA).
92. The key objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of Local Authorities are affordable, prudent and sustainable or, in exceptional cases, to demonstrate that there is a danger of not ensuring this, so that the Local Authority concerned can take timely remedial action.

93. A further key objective is to ensure that treasury management decisions are taken in accordance with good professional practice and in a manner that supports prudence, affordability and sustainability. The Prudential Code also has the objective of being consistent with and supporting, local strategic planning, local asset management planning and proper option appraisal.
94. To demonstrate that Authorities have fulfilled these objectives, the Prudential Code sets out indicators that must be used and the factors that must be taken into account. The Code does not include suggested indicative limits or ratios. These are for a Local Authority to set itself, subject only to any controls under Section 4 of the Local Government Act 2003 (Government Reserve Powers).
95. The prudential indicators required by the Code are designed to support and record local decision making. They are not designed to be comparative performance indicators and use of them in this way would likely to be misleading and counter-productive. In particular, Local Authorities had widely differing debt positions at the start of the prudential system and the differences are likely to increase over time as a result of the exercise of local choices. The system is specifically designed to support such local decision making in a manner that is publicly accountable.
96. Recent revisions to the code have reduced the number of mandatory indicators, but the Treasurer believes that they continue to provide useful information to the Authority so they continue to be included.
97. In setting or revising the prudential indicators, the Authority is required to have regard to the following matters:
- affordability, e.g. implications for Council Tax;
  - prudence and sustainability, e.g. implications for external borrowing;
  - value for money, e.g. options appraisal;
  - stewardship of assets, e.g. asset management planning;
  - service objectives, e.g. strategic planning for the Authority; and
  - practicality, e.g. achievability of the forward plan.
98. The Treasurer has prepared the prudential indicators having considered the matters above, and they are set out in detail in Appendix 9.

### **Minimum Revenue Provision (MRP)**

99. Minimum Revenue Provision is the amount set aside in the revenue budget to meet the future repayment of borrowing incurred to pay for capital investment.
100. The Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2008 require that an Authority sets its own prudent level of MRP, by adopting a policy in advance of the year to which it relates.
101. For ease of reference the policy, which is unchanged from previous years, is set out in Appendix 9.

## **Budget Calculations: Personal Assurance Statement by the Treasurer**

102. Section 25 of the Local Government Act 2003 requires the Treasurer to report to the Authority when it is setting the budget and precept (Council Tax). The Authority is required to take this report into account when making its budget and precept (Council Tax) decision. The report of the Treasurer must deal with the robustness of the estimates included in the budget and the adequacy of the reserves for which the budget provides.
103. The Treasurer states that to the best of his knowledge and belief these budget calculations are robust and have full regard to:
- the Fire Authority budget policy;
  - the need to protect the Fire Authority's financial standing and to manage risk;
  - the current year's financial performance;
  - the financial policies of the Government;
  - the Fire Authority's Medium Term Financial Plan and Planning framework;
  - capital programme obligations;
  - Treasury Management best practice;
  - the strengths of the Fire Authority's financial control procedures including audit consideration;
  - the extent of the Authority's balances and reserves; and
  - the prevailing economic climate and future prospects.

## **Equality and Diversity Impact**

104. The immediate impact on recruitment activities means that progress against equality and diversity targets for the recruitment of whole-time female and Black Minority Ethnic (BME) firefighters will not be achievable. However, retained recruitment will continue to be based on need and in this area the Service will continue to do all it can to address our diversity targets.
105. It is no longer a requirement to report such targets at government level, but employment levels continue to be monitored to ensure that although limited positive progress can be made in this period, any recruitment that does take place happens in an environment of good equalities practice.

## Corporate Considerations

<b>Resource Implications</b> (identify any financial, legal, property or human resources issues)	Yes – whole report
<b>Strategic Policy Links</b> (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	Yes – Resourcing for the Future
<b>Risk Management / Health &amp; Safety</b> (identify any risks, the proposed control measures and risk evaluation scores).	No
<b>Consultation</b> (identify any public or other consultation that has been carried out on this matter)	Yes – consultation with Business Rate-Payers as required by legislation
<b>Equalities</b> (has an Equalities Impact Assessment been completed? If not, why not?)	No

## Supporting Information

Appendix 1	Capital Programme
Appendix 2	Personnel Budget
Appendix 3	Revenue Budget Changes 2018/19 to 2019/20
Appendix 4	Revenue Budget Allocation 2019/20
Appendix 5	Medium Term Financial Forecasts 2019/20 to 2023/24
Appendix 6	Council Tax Requirement Calculation 2019/20
Appendix 7	Reserves Strategy Summary
Appendix 8	Fees & Charges 2019/20
Appendix 9	Statement of Prudential Code Indicators and Minimum Revenue Provision Policy.

## Background Papers

- Fire Authority, 19 December 2018: MTFP Interim Update
- Policy and Resources Committee, 28 November 2018: MTFP Interim Update
- Fire Authority, 30 May 2018: Financial Matters (MTFP Update)
- Fire Authority, 14 February 2018: Budget & Precept 2018/19 and MTFP

## Contact Officer

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## Hereford & Worcester Fire Authority: Feb 2019

### Capital Programme

		d	e	f	g	h	i	j	l	m	n
		Approved	Completed	Additional	Allocation	Capital	Re-	Additional	Proposed	Actual	Budget
		Budget	Schemes	Cost: May		Inflation	phasing	Year	Budget	Spend to	Remaining
		Feb 2018		18		##			Feb 2019	2017/18	
		£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
<b>Major Buildings Programme</b>											
1	Evesham FS	4.135		0.135					4.270	4.213	0.057
2	Hereford FS - Preliminaries (Plan A)	0.095							0.095	0.074	0.021
3	Hereford FS - Preliminaries (Plan C)				0.250				0.250		0.250
4	Wyre Forest Hub	7.273							7.273	0.894	6.379
5	HQ Relocation - ICT/OCC				0.567				0.567	0.272	0.295
6	HQ Relocation - Main Scheme				1.336				1.336		1.336
7	Day Crew Plus Works	0.550			(0.550)				0.000		0.000
8	Other Building Schemes #	13.026			(2.153)			1.000	11.873	0.003	11.870
9		25.079	0.000	0.135	(0.550)	0.000	0.000	1.000	25.664	5.456	20.208
<b>Vehicle Programme</b>											
10	Replacement Pumps	17/18	1.610			0.098			1.708	0.550	1.158
11	Replacement Pumps	18/19	1.150			0.107			1.257		1.257
12	Replacement Pumps	19/20	0.000				2.070		2.070		2.070
13	Replacement Pumps	20/21	1.840			0.293	(2.133)		0.000		0.000
14	Replacement Pumps	21/22	0.000						0.000		0.000
15	Replacement Pumps	22/23	0.000					0.848	0.848		0.848
16	Replacement Response Vehicles	17/18	0.167			0.018			0.185		0.185
17	Replacement Response Vehicles	18/19	0.631			0.069			0.700		0.700
18	Replacement Response Vehicles	19/20	0.322			0.035			0.357		0.357
19	Replacement Response Vehicles	20/21	0.000						0.000		0.000
20	Replacement Response Vehicles	21/22	0.225				(0.225)		0.000		0.000
21	Replacement Response Vehicles	22/23	0.000					1.165	1.165		1.165
22	Replacement White Fleet	17/18	0.330						0.330	0.021	0.309
23	Replacement White Fleet	18/19	0.088			0.003	(0.015)		0.076		0.076
24	Replacement White Fleet	19/20	0.059			0.004	0.084		0.147		0.147
25	Replacement White Fleet	20/21	0.010			0.001	0.002		0.013		0.013
26	Replacement White Fleet	21/22	0.049			0.006	0.052		0.107		0.107
27	Replacement White Fleet	22/23	0.000					0.304	0.304		0.304
28	Command Unit Replacement	15/16	0.350						0.350		0.350
29	USAR Dog Van	15/16	0.029	(0.029)					0.000		0.000
30	USAR ISV	5/16	0.081	(0.081)					0.000		0.000
31	Replacement Water Carrier	17/18	0.190				(0.190)		0.000		0.000
32	Replacement RAVs	17/18	0.230				(0.230)		0.000		0.000
33	Replacement Water Carrier	18/19	0.190				(0.190)		0.000		0.000
34	Boats	18/19	0.050						0.050		0.050
35	Replacement Water Carriers	19/20	0.000			0.032	0.380		0.412		0.412
36	Replacement RAVs	19/20	0.000			0.038	0.230		0.268		0.268
37	Replacement 4x4 (LR)	19/20	0.050						0.050		0.050
38	Replacement WRV	19/20	0.065				(0.065)		0.000		0.000
39	Replacement TRV (USAR)	19/20	0.000				0.065		0.065		0.065
40	Replacement WRV (3)	20/21	0.195						0.195		0.195
41	Replacement RRV	20/21	0.065						0.065		0.065
42	Replacement Aerial Appliances	21/22	1.500			0.239			1.739		1.739
43	Replacement TRV (USAR)	22/23	0.000				(0.065)	0.065	0.000		0.000
44	Replacement 4x4 (LR)	22/23	0.000					0.050	0.050		0.050
45	Replacement 4x4 (Argocat)	22/23	0.000					0.040	0.040		0.040
46		9.476	(0.110)	0.000	0.000	0.943	(0.230)	2.472	12.551	0.571	11.980
<b>Fire Control</b>											
47	C&C Replacement	10/11	2.287						2.287	2.026	0.261
48		2.287	0.000	0.000	0.000	0.000	0.000	0.000	2.287	2.026	0.261
<b>Major Equipment</b>											
49	MDT Replacement (from Reserve)	18/19		0.340					0.340		0.340
50	Cutting Gear (from Reserve)	18/19		0.564					0.564		0.564
51		0.000	0.000	0.904	0.000	0.000	0.000	0.000	0.904	0.000	0.904
<b>Minor Schemes (SMB allocation)</b>											
52	Allocated	3.045	(0.702)		1.073				3.416	1.142	2.274
53	Un-allocated	18/19	0.523		(0.523)				0.000		0.000
54	Un-allocated	19/20	0.600						0.600		0.600
55	Un-allocated	20/21	0.600						0.600		0.600
56	Un-allocated	21/22	0.600						0.600		0.600
57	Un-allocated	22/23						0.600	0.600		0.600
58		5.368	(0.702)	0.000	0.550	0.000	0.000	0.600	5.816	1.142	4.674
59		42.210	(0.812)	1.039	(0.000)	0.943	(0.230)	4.072	47.222	9.195	38.027

# Individual scheme sums approved by Fire Authority, but not currently disclosed as contracts subject to tender etc. includes Hereford, Redditch and Broadway fire stations and North Herefordshire training facility.

## Whilst the revenue capital financing budget has taken account of inflation in capital costs the actual capital budget has not previously been shown at expected out-turn prices and this anomaly is now corrected. It has no material impact on the Revenue Budget  
In relation to response vehicles this relates to the expected VAT benefit from the change in tax rules about response vehicles which were retrospectively rescinded

## Hereford & Worcester Fire Authority: Feb 2019 Personnel Budget

	Whole-time Firefighters FTE	On-Call Retained Firefighters H/C	Control Room Staff FTE	Non- Uniformed Support FTE	TOTAL
Included in Budget 2018/19	232.0	383.0	18.5	104.4	737.9
In-sourcing of Fire Control ICT support				3.0	3.0
Included in Budget 2019/20	232.0	383.0	18.5	107.4	740.9

## Hereford & Worcester Fire Authority: Feb 2019

### Revenue Budget Allocation

	<i>c</i> Core Budget £m	<i>d</i> Funding £m	<i>e</i> Core Gap £m	<i>f</i> Property Reserve £m	<i>Gap</i> Net Gap £m	<i>h</i> Bud.Red Reserve £m	<i>i</i> Total Expd £m
1 2018/19 Approved Feb 2018	<b>32.236</b>	(31.938)	<b>0.298</b>	(0.260)	<b>0.038</b>	(0.038)	<b>0.000</b>
2 Permanent Reallocation	<b>0.292</b>	(0.319)	<b>(0.027)</b>		<b>(0.027)</b>	0.027	<b>(0.000)</b>
4 LCTM	<b>(0.119)</b>	0.119	<b>0.000</b>		<b>0.000</b>		<b>0.000</b>
	<b>32.409</b>	(32.138)	<b>0.271</b>	(0.260)	<b>0.011</b>	(0.011)	<b>0.000</b>
<u>Pay Awards &amp; Inflation</u>							
6 Pay Awards	<b>0.406</b>		<b>0.406</b>		<b>0.406</b>		<b>0.406</b>
7 General Inflation Contingency	<b>0.300</b>		<b>0.300</b>		<b>0.300</b>		<b>0.300</b>
8 LGPS Revaluation	<b>0.010</b>		<b>0.010</b>		<b>0.010</b>		<b>0.010</b>
9 Capital Programme	<b>0.361</b>		<b>0.361</b>		<b>0.361</b>		<b>0.361</b>
<u>Other Cost Pressures</u>							
10 FFPS Contribution Rates	<b>0.315</b>		<b>0.315</b>		<b>0.315</b>		<b>0.315</b>
11 Property Maintenance	<b>(0.140)</b>		<b>(0.140)</b>	0.140	<b>0.000</b>		<b>0.000</b>
12 HQ Relocation	<b>(0.078)</b>		<b>(0.078)</b>		<b>(0.078)</b>		<b>(0.078)</b>
13 Fire Collaboration	<b>0.175</b>		<b>0.175</b>		<b>0.175</b>		<b>0.175</b>
<u>Funding Changes</u>							
14 Revenue Support Grant		0.391	<b>0.391</b>		<b>0.391</b>		<b>0.391</b>
15 Business Rate Top Up Grant		(0.078)	<b>(0.078)</b>		<b>(0.078)</b>		<b>(0.078)</b>
17 Fire Revenue Grant		(0.040)	<b>(0.040)</b>		<b>(0.040)</b>		<b>(0.040)</b>
18 Rural Services Delivery Grant		(0.021)	<b>(0.021)</b>		<b>(0.021)</b>		<b>(0.021)</b>
19 Business Rate Yield		(0.085)	<b>(0.085)</b>		<b>(0.085)</b>		<b>(0.085)</b>
20 Bus, Rate Collection Fund		0.079	<b>0.079</b>		<b>0.079</b>		<b>0.079</b>
21 Council Tax Yield (Tax-base)		(0.918)	<b>(0.918)</b>		<b>(0.918)</b>		<b>(0.918)</b>
22 Council Tax Collection Fund		0.026	<b>0.026</b>		<b>0.026</b>		<b>0.026</b>
23 Planned Use of Bud.Red Res			<b>0.000</b>		<b>0.000</b>	(0.294)	<b>(0.294)</b>
24 Planned Use of General Bals			<b>0.000</b>		<b>0.000</b>	(0.300)	<b>(0.300)</b>
24	<b>33.758</b>	(32.784)	<b>0.974</b>	(0.120)	<b>0.854</b>	(0.605)	<b>0.249</b>
25 FFPS Contribution Rates	<b>1.095</b>		<b>1.095</b>		<b>1.095</b>		<b>1.095</b>
26 Pension Grant		(1.344)	<b>(1.344)</b>		<b>(1.344)</b>		<b>(1.344)</b>
27 <b>2019/20: Feb 2019</b>	<b>34.853</b>	(34.128)	<b>0.725</b>	(0.120)	<b>0.605</b>	(0.605)	<b>0.000</b>



## Hereford & Worcester Fire Authority: Feb 2019

### Revenue Budget Allocation

Col. Line		c 2018/19 Original Budget £m	d 2018/19 Permanent Reallocation £m	e 2018/19 Pay Awards £m	f 2018/19 Revised Base £m	g 2019/20 In-sourcing & LTCM £m	h 2019/20 Changes Appendix 3 £m	i 2019/20 Proposed Allocation £m
1	Whole-time Fire-fighter Pay	12.093	(0.076)	0.303	12.320		1.165	13.485
2	Retained Fire-fighter Pay	3.439	0.076	0.085	3.600		0.245	3.845
3	Control Pay	0.732		0.018	0.750		0.003	0.753
4	Support Pay	3.349	0.119	0.113	3.581	0.124	0.007	3.712
5	Other Employee Costs	0.120			0.120			0.120
6	Unfunded Pension Costs	1.055			1.055			1.055
7	<b>Employee Related</b>	<b>20.788</b>	<b>0.119</b>	<b>0.519</b>	<b>21.426</b>	<b>0.124</b>	<b>1.420</b>	<b>22.970</b>
8	Strategic Management	0.079	0.020		0.099			0.099
9	New Dimensions	0.056	0.009		0.065			0.065
10	Operational Policy	0.066	(0.015)		0.051			0.051
11	Technical Fire Safety	0.014			0.014			0.014
12	Community Safety	0.182	0.001		0.183			0.183
13	Training	0.499	(0.011)		0.488			0.488
14	Fleet	0.516	0.181		0.697	(0.119)		0.578
15	Operational Logistics	1.178	0.018		1.196	0.020		1.216
16	Information & Comms Technology	1.695	(0.018)		1.677	(0.120)		1.557
17	Human Resources/Personnel	0.453	0.002		0.455			0.455
18	Policy & Information	0.042	0.023		0.065			0.065
19	Corporate Communications	0.020	0.001		0.021			0.021
20	Legal Services	0.024			0.024			0.024
21	Property/Facilities Management	2.034	0.056		2.090		(0.140)	1.950
22	PPL Charges	0.381			0.381			0.381
23	Authority Costs	0.064			0.064			0.064
24	Committee Services	0.003	(0.001)		0.002			0.002
25	Insurances	0.316			0.316			0.316
26	Finance (FRS)	(0.234)	0.173		(0.061)		(0.078)	(0.139)
27	Finance SLA	0.098			0.098			0.098
28	<b>Budget-Holders</b>	<b>7.486</b>	<b>0.439</b>	<b>0.000</b>	<b>7.925</b>	<b>(0.219)</b>	<b>(0.218)</b>	<b>7.488</b>
29	Capital Financing	2.858	(0.015)		2.843		0.361	3.204
30	<b>Capital Financing</b>	<b>2.858</b>	<b>(0.015)</b>	<b>0.000</b>	<b>2.843</b>	<b>0.000</b>	<b>0.361</b>	<b>3.204</b>
31	Pay Award Provision 17/18 & 18/19	0.804		(0.519)	0.285			0.285
32	Pay Award Provision 19/20	0.000			0.000		0.406	0.406
33	Inflation Contingency 18/19	0.300	(0.300)		0.000			0.000
34	Inflation Contingency 19/20	0.000			0.000		0.300	0.300
35	Unallocated Budget/Fire Alliance	0.000	0.049		0.049	(0.024)	0.175	0.200
36	<b>Provisions/Contingencies</b>	<b>1.104</b>	<b>(0.251)</b>	<b>(0.519)</b>	<b>0.334</b>	<b>(0.024)</b>	<b>0.881</b>	<b>1.191</b>
37	<b>Core Budget</b>	<b>32.236</b>	<b>0.292</b>	<b>0.000</b>	<b>32.528</b>	<b>(0.119)</b>	<b>2.444</b>	<b>34.853</b>
38	Revenue Support Grant	(2.427)			(2.427)		0.391	(2.036)
39	Business Rate Top Up Grant	(3.240)			(3.240)		(0.078)	(3.318)
40	Pension Grant	0.000			0.000		(1.344)	(1.344)
41	Fire Revenue Grant	(0.985)			(0.985)		(0.040)	(1.025)
42	New Dimensions Maintenance Grant	0.000	(0.119)		(0.119)	0.119		0.000
43	Rural Services Delivery Grant	(0.088)			(0.088)		(0.021)	(0.109)
44	Business Rates & related S31 Grant	(2.455)	(0.121)		(2.576)		(0.085)	(2.661)
45	Business Rates Collection Fund	0.000	(0.079)		(0.079)		0.079	0.000
46	Council Tax Precept	(22.576)			(22.576)		(0.918)	(23.494)
47	Council Tax Collection Fund	(0.167)			(0.167)		0.026	(0.141)
48	<b>Total Funding</b>	<b>(31.938)</b>	<b>(0.319)</b>	<b>0.000</b>	<b>(32.257)</b>	<b>0.119</b>	<b>(1.990)</b>	<b>(34.128)</b>
49	<b>Sub-total</b>	<b>0.298</b>	<b>(0.027)</b>	<b>0.000</b>	<b>0.271</b>	<b>0.000</b>	<b>0.454</b>	<b>0.725</b>
50	to/(From) Property Reserve	(0.260)			(0.260)		0.140	(0.120)
51	to/(From) Budget Reduction Reserve	(0.038)	0.027		(0.011)		(0.294)	(0.305)
52	to/(From) General Reserve	0.000			0.000		(0.300)	(0.300)
53	<b>Use of Reserves</b>	<b>(0.298)</b>	<b>0.027</b>	<b>0.000</b>	<b>(0.271)</b>	<b>0.000</b>	<b>(0.454)</b>	<b>(0.725)</b>
54	<b>Net</b>	<b>0.000</b>	<b>(0.000)</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

## Hereford & Worcester Fire Authority: Feb 2019

### Medium Term Financial Forecasts

Col Row	b	c 2019/20 Forecast £m	d 2020/21 Forecast £m	e 2021/22 Forecast £m	f 2022/23 Indicative £m	g 2023/24 Indicative £m
1	Assumed Business Rate increase	2.00%	2.00%	2.00%	2.00%	2.00%
2	Assumed Tax-base Increase		1.12%	1.32%	1.34%	1.21%
3	Assumed Band D Tax Increase	2.98%	1.96%	1.96%	1.96%	1.96%
4	<b>2019/20 CORE BUDGET</b>	<b>34.853</b>	<b>34.853</b>	<b>34.853</b>	<b>34.853</b>	<b>34.853</b>
	<u>Pay Awards &amp; Inflation</u>					
5	Pay Awards		0.415	0.837	1.257	1.677
6	General Inflation Contingency		0.300	0.600	0.900	1.200
7	LGPS Revaluation		0.000	0.010	0.010	0.010
8	Capital Programme			0.100	0.100	0.100
	<u>Other Cost Pressures</u>					
9	Fire Alliance One-Off		(0.200)	(0.200)	(0.200)	(0.200)
10	Property Maintenance		0.065	0.040	0.027	(0.107)
	<u>Efficiencies &amp; Other Savings</u>					
11	ESMCP shared post Provision		(0.020)	(0.020)	(0.020)	(0.020)
12	Crewing Changes			(0.250)	(0.250)	(0.250)
13	HQ Relocation		(0.310)	(0.310)	(0.310)	(0.310)
14	Fire Control Collaboration			(0.300)	(0.300)	(0.300)
15	Wyre Forest Hub			(0.100)	(0.100)	(0.100)
16	<b>BUDGET FORECAST</b>	<b>34.853</b>	<b>35.103</b>	<b>35.260</b>	<b>35.967</b>	<b>36.553</b>
	<b>Funding</b>					
17	Revenue Support Grant	(2.036)				
18	Business Rate Support Grant	(3.318)	(3.384)	(3.452)	(3.521)	(3.591)
19	Pension Grant	(1.344)				
20	Fire Revenue Grant	(1.025)	(1.025)	(0.835)	(0.835)	(0.835)
21	Rural Services Delivery Grant	(0.109)				
22	Business Rates & Section 31 Grant	(2.661)	(4.071)	(4.152)	(4.236)	(4.321)
23	Business Rates Collection Fund	0.000				
24	Council Tax Precept	(23.494)	(24.223)	(25.026)	(25.859)	(26.684)
25	Council Tax Collection Fund	(0.141)				
26	<b>PROJECTED RESOURCES</b>	<b>(34.128)</b>	<b>(32.703)</b>	<b>(33.465)</b>	<b>(34.451)</b>	<b>(35.431)</b>
27	<b>CORE BUDGET GAP</b>	<b>0.725</b>	<b>2.400</b>	<b>1.795</b>	<b>1.516</b>	<b>1.122</b>
28	Use of Property Reserve	(0.120)	(0.185)	(0.160)	(0.147)	
29	Use of Budget Reduction Reserves	(0.305)	(2.215)	(1.430)		
30	Use of General Reserve	(0.300)				
31	<b>BUDGET REQUIREMENT FORECAST</b>	<b>0.000</b>	<b>(0.000)</b>	<b>0.205</b>	<b>1.369</b>	<b>1.122</b>

## Hereford & Worcester Fire Authority: Feb 2019

### Council Tax Requirement Calculation

	2018/19 Total	2019/20 Expenditure	2019/20 Income	2019/20 Reserves	2019/20 Total
<b>Core Budget</b>	<b>£32,236,000.00</b>	£34,958,200.00	(£105,200.00)		<b>£34,853,000.00</b>
To/(From) Property Maintenance Reserve	(£260,100.00)			(£120,000.00)	<b>(£120,000.00)</b>
To/(From) General Reserves	£0.00			(£300,000.00)	<b>(£300,000.00)</b>
To/(From) Budget Reduction Reserves	(£38,338.00)			(£304,700.00)	<b>(£304,700.00)</b>
	<b>£31,937,562.00</b>	<b>£34,958,200.00</b>	<b>(£105,200.00)</b>	<b>(£724,700.00)</b>	<b>£34,128,300.00</b>
<b>Less: Formula/Support Grants:</b>					
Revenue Support Grant	(£2,426,500.00)		(£2,035,690.00)		<b>(£2,035,690.00)</b>
Business Rate Top Up Grant	(£3,243,875.00)		(£3,318,213.00)		<b>(£3,318,213.00)</b>
adjustment to prior year Business Rate Top Up Grant	£3,665.00		£0.00		<b>£0.00</b>
<b>Less: Other Grants</b>					
S31: Fire Revenue Grant (Firelink/New Dimensions)	(£985,000.00)		(£1,025,000.00)		<b>(£1,025,000.00)</b>
Rural Services Delivery Grant	(£87,569.00)		(£109,125.00)		<b>(£109,125.00)</b>
2019/20 Pension Grant	£0.00		(£1,343,895.00)		<b>(£1,343,895.00)</b>
<b>Less: Retained Share of Business Rates (1%)</b>					
Baseline	(£2,231,189.00)		(£2,278,298.00)		<b>(£2,278,298.00)</b>
Local Forecasts	£14,189.00		(£14,002.00)		<b>(£14,002.00)</b>
Collection Fund Deficit/(Surplus)	£0.00		£0.00		<b>£0.00</b>
S31: Business Rate Initiatives	(£238,000.00)		(£368,700.00)		<b>(£368,700.00)</b>
<b>GROSS PRECEPT</b>	<b>£22,743,283.00</b>	<b>£34,958,200.00</b>	<b>(£10,598,123.00)</b>	<b>(£724,700.00)</b>	<b>£23,635,377.00</b>
		<b>S42A2a</b>	<b>S42A3a</b>	<b>S42A3b</b>	
<b>Less: Collection Fund Deficits/(Surpluses) S42A10</b>					
Bromsgrove	(£36,960.00)		(£21,040.00)		<b>(£21,040.00)</b>
Herefordshire	(£25,000.00)		(£25,000.00)		<b>(£25,000.00)</b>
Malvern Hills	£0.00		£0.00		<b>£0.00</b>
Redditch	(£58,471.00)		(£5,024.00)		<b>(£5,024.00)</b>
Worcester	(£30,117.00)		(£40,808.00)		<b>(£40,808.00)</b>
Wychavon	£0.00		(£49,385.00)		<b>(£49,385.00)</b>
Wyre Forest	(£16,927.00)		£0.00		<b>£0.00</b>
	<b>(£167,475.00)</b>		<b>(£141,257.00)</b>	<b>£0.00</b>	<b>(£141,257.00)</b>
<b>COUNCIL TAX REQUIREMENT S42A4</b>	<b>£22,575,808.00</b>	<b>£34,958,200.00</b>	<b>(£10,739,380.00)</b>	<b>(£724,700.00)</b>	<b>£23,494,120.00</b>
<b>Tax-base : Band D Equivalent</b>					
Bromsgrove	36,531.10				36,714.20
Herefordshire	68,177.57				68,826.03
Malvern Hills	30,461.94				30,957.19
Redditch	26,058.20				26,096.00
Worcester	31,528.50				31,898.00
Wychavon	49,435.58				50,322.12
Wyre Forest	33,458.00				33,751.00
	<b>275,650.89</b>				<b>278,564.54</b>
Precept - Band D Equivalent	£81.900000				£84.339952
<b>Band D (rounded to 2 decimal places) S42B</b>	<b>£ 81.90</b>				<b>£ 84.34</b>
<b>Equivalent to Tax at Band (Ratio to Band D) S47</b>					
A 6/9	£ 54.6000			2.99%	£ 56.2300
B 7/9	£ 63.7000			2.98%	£ 65.6000
C 8/9	£ 72.8000			2.98%	£ 74.9700
<b>D 9/9</b>	<b>£ 81.9000</b>			<b>2.98%</b>	<b>£ 84.3400</b>
E 11/9	£ 100.1000			2.98%	£ 103.0800
F 13/9	£ 118.3000			2.98%	£ 121.8200
G 15/9	£ 136.5000			2.98%	£ 140.5700
H 18/9	£ 163.8000			2.98%	£ 168.6800
<b>Total Precept on Billing Authorities S48</b>					
Bromsgrove	£2,991,897.11				£3,096,473.87
Herefordshire	£5,583,743.01				£5,804,784.08
Malvern Hills	£2,494,832.90				£2,610,927.93
Redditch	£2,134,166.59				£2,200,935.39
Worcester	£2,582,184.16				£2,690,275.80
Wychavon	£4,048,774.02				£4,244,165.20
Wyre Forest	£2,740,210.21				£2,846,557.73
	<b>£22,575,808.00</b>				<b>£23,494,120.00</b>
check	£0.00				£0.00

## Hereford & Worcester Fire Authority 2018/19

### Reserves Strategy

Col Row		d	e	f	g	h	j	k	l
		May 2018 MTFP				Feb 2019 MTFP			
		Deferred Expd. Reserves £m	Funding Reduction Reserves £m	Other Reserves £m	Total E-marked Reserves £m	Deferred Expd. Reserves £m	Funding Reduction Reserves £m	Other Reserves £m	Total E-marked Reserves £m
1	<b>31st March 2018 (Actual)</b>	6.543	3.961	1.844	<b>12.348</b>	6.543	3.961	1.844	<b>12.348</b>
	<u>2018/19 Impact:</u>								
2	To Fund Equipment				<b>0.000</b>	(1.004)			<b>(1.004)</b>
3	To Create Reserve for Broadway				<b>0.000</b>	0.750			<b>0.750</b>
4	To Fund One-Off Expenditure	(0.977)			<b>(0.977)</b>	(0.260)		(0.146)	<b>(0.406)</b>
5	To Smooth the Budget Gap		(0.011)		<b>(0.011)</b>		(0.011)		<b>(0.011)</b>
6	<b>31st March 2019 (Forecast)</b>	5.566	3.950	1.844	<b>11.360</b>	6.029	3.950	1.698	<b>11.677</b>
	<u>2019/20 Impact:</u>								
7	To Fund Equipment	(2.528)			<b>(2.528)</b>	(0.384)			<b>(0.384)</b>
8	To Fund Broadway				<b>0.000</b>	(0.375)			<b>(0.375)</b>
9	To Fund One-Off Expenditure	(0.120)			<b>(0.120)</b>	(0.837)		(0.035)	<b>(0.872)</b>
10	To Support Wyre Forest Hub			(0.381)	<b>(0.381)</b>			(0.381)	<b>(0.381)</b>
11	To Smooth the Budget Gap		(0.777)		<b>(0.777)</b>		(0.305)		<b>(0.305)</b>
12	<b>31st March 2020 (Forecast)</b>	2.918	3.173	1.463	<b>7.554</b>	4.433	3.645	1.282	<b>9.360</b>
	<u>2020/21 Impact:</u>								
13	To Fund Equipment	(1.526)			<b>(1.526)</b>	(1.599)			<b>(1.599)</b>
14	To Create Reserve for Broadway				<b>0.000</b>	(0.375)			<b>(0.375)</b>
15	To Fund One-Off Expenditure	(0.185)			<b>(0.185)</b>	(0.185)		(0.008)	<b>(0.193)</b>
16	To Smooth the Budget Gap		(1.434)		<b>(1.434)</b>		(2.215)		<b>(2.215)</b>
17	<b>31st March 2021 (Forecast)</b>	1.207	1.739	1.463	<b>4.409</b>	2.274	1.430	1.274	<b>4.978</b>
	<u>2021/22 Impact:</u>								
18	To Fund Equipment	(0.900)			<b>(0.900)</b>	(1.967)			<b>(1.967)</b>
19	To Fund One-Off Expenditure	(0.160)			<b>(0.160)</b>	(0.160)			<b>(0.160)</b>
20	To Smooth the Budget Gap		(0.770)		<b>(0.770)</b>		(1.430)		<b>(1.430)</b>
21	<b>31st March 2022 (Forecast)</b>	0.147	0.969	1.463	<b>2.579</b>	0.147	0.000	1.274	<b>1.421</b>
	<u>2022/23 Impact:</u>								
22	To Fund One-Off Expenditure	(0.147)			<b>(0.147)</b>	(0.147)			<b>(0.147)</b>
23	<b>31st March 2023 (Forecast)</b>	(0.000)	0.969	1.463	<b>2.432</b>	(0.000)		1.274	<b>1.274</b>
	<u>2023/24 Impact:</u>								
24	To Smooth the Budget Gap		(0.372)		<b>(0.372)</b>				<b>0.000</b>
25	<b>31st March 2024 (Forecast)</b>		0.597	1.463	<b>2.060</b>			1.274	<b>1.274</b>

## Hereford & Worcester Fire Authority: Feb 2019

### Fees & Charges for 2019/20

	2018/19			last yr change
	NET	VAT	TOTAL	
Attendance by pumping appliance (inclusive of crew)	£ 241.67	£ 48.33	<b>£ 290.00</b>	£ 3.00
Attendance by special appliance (inclusive of crew)	£ 321.67	£ 64.33	<b>£ 386.00</b>	£ 4.00
Attendance by ancillary vehicles	£ 81.67	£ 16.33	<b>£ 98.00</b>	£ 1.00
High Volume Pump (HVP) deployment and recovery	£ 1,203.33	£ 240.67	<b>£ 1,444.00</b>	£ 13.00
And per hour	£ 379.17	£ 75.83	<b>£ 455.00</b>	£ 5.00
Attendance by personnel:				
- Firefighter, Crew and Watch Commander	£ 36.67	£ 7.33	<b>£ 44.00</b>	£ -
- Station Commander	£ 42.50	£ 8.50	<b>£ 51.00</b>	£ -
- Officers above Station Commander	£ 50.00	£ 10.00	<b>£ 60.00</b>	£ 1.00
- Others, support staff, mechanics	£ 19.17	£ 3.83	<b>£ 23.00</b>	£ -
Interviewing officers x rate of role				
Costs of travel and subsistence incurred	£ 170.00	£ 34.00	<b>£ 204.00</b>	£ 2.00

	Last Increase	This Increase	2019/20			change
			NET	VAT	TOTAL	
Attendance by pumping appliance (inclusive of crew)	2018/19	2.1%	£ 246.67	£ 49.33	<b>£ 296.00</b>	£ 6.00
Attendance by special appliance (inclusive of crew)	2018/19	2.1%	£ 328.33	£ 65.67	<b>£ 394.00</b>	£ 8.00
Attendance by ancillary vehicles	2018/19	2.0%	£ 83.33	£ 16.67	<b>£ 100.00</b>	£ 2.00
High Volume Pump (HVP) deployment and recovery	2018/19	2.0%	£ 1,227.50	£ 245.50	<b>£ 1,473.00</b>	£ 29.00
And per hour	2018/19	2.0%	£ 386.67	£ 77.33	<b>£ 464.00</b>	£ 9.00
Attendance by personnel:						
- Firefighter, Crew and Watch Commander	2017/18	2.3%	£ 37.50	£ 7.50	<b>£ 45.00</b>	£ 1.00
- Station Commander	2017/18	2.0%	£ 43.33	£ 8.67	<b>£ 52.00</b>	£ 1.00
- Officers above Station Commander	2018/19	1.7%	£ 50.83	£ 10.17	<b>£ 61.00</b>	£ 1.00
- Others, support staff, mechanics	2017/18	0.0%	£ 19.17	£ 3.83	<b>£ 23.00</b>	£ -
Interviewing officers x rate of role						
Costs of travel and subsistence incurred	2018/19	1.0%	£ 171.67	£ 34.33	<b>£ 206.00</b>	£ 2.00

## **Hereford & Worcester Fire Authority** **Statement of Prudential Indicators;** **& Minimum Revenue Provision Policy**

### **Introduction : Prudential Indicators**

The Prudential Code for Capital Finance in Local Authorities (Prudential Code) has been developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) to provide a code of practice to underpin the new system of capital finance embodied in Part 1 of the Local Government Act 2003. Since 1 April 2004, Local Authorities are no longer subject to government controlled borrowing approvals and are free to determine their own level of capital investment controlled by self-regulation.

The key objectives of the Prudential Code are to ensure that capital investment plans are affordable, prudent and sustainable.

The Prudential Code supports a system of self-regulation that is achieved by the setting and monitoring of a suite of Prudential Indicators that directly relate to each other. The indicators establish parameters within which the Fire Authority should operate to ensure the objectives of the Prudential Code are met.

### **Introduction : Minimum Revenue Provision (MRP) Policy**

This is the amount charged every year to provide for the repayment of long term loans used to finance capital assets.

Under provisions of the Local Authorities (Capital Finance and Accounting) (England) Amendment) Regulations 2008, the FRA is required to “determine an amount of MRP which is considered to be prudent”.

The Fire Authority has a statutory requirement to determine an MRP policy prior to the start of the financial year.

In considering a prudent MRP policy the Fire Authority needs to take into account the statutory guidance provided by CLG, and the issue of affordability. The guidance states that “provision for the borrowing which financed the acquisition of an asset should be made over a period bearing some relation to that over which the asset continues to provide a service” – the “Asset Life” method.

## **Prudential Indicators**

The Prudential Indicators for which the Fire Authority is sets limits are as follows:

### **1. Net Borrowing and the Capital Financing Requirement**

This Prudential Indicator provides an overarching requirement that all the indicators operate within and is described in the Prudential Code as follows:

**“In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years”.**

**The Treasurer reports that the Fire Authority had no difficulty meeting this requirement since 2002/03, nor are any difficulties envisaged for the current or future years. This view takes into account all plans and commitments included in the 2019/20 Budget and MTFP.**

### **2 Capital Expenditure**

The actual amount of capital expenditure that was incurred since 2018/19, and the estimates of capital expenditure to be incurred for the current and future years that are proposed in the 2019/20 Budget and MTFP are:

	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Capital Expenditure	7,925	10,631	10,864	5,073	3,027

### **2. Ratio of Financing Costs to Net Revenue Stream**

Financing Costs include the amount of interest payable in respect of borrowing or other long term liabilities and the amount the Fire Authority is required to set aside to repay debt, less interest and investments income.

The actual Net Revenue Stream is the ‘amount to be met from government grants and local taxation’ taken from the annual Statement of Accounts, and the estimated figure is the Fire and Rescue Authority’s budget net of any transfers to or from the balances.

The prediction of the Net Revenue Stream in this Prudential Indicator for future years assumes increases in the Fire Authority's funding from government and the local taxpayer consistent with expectations in the Medium Term Financial Strategy. This is indicative only and in no way meant to influence the actual future years funding or in particular the funding from Precepts.

The indicator only requires that the costs associated with capital expenditure are measured in this way. However the Fire Authority has used, and may continue to use Operational Leasing as a cost effective method of acquiring vehicles. In the spirit of the Prudential Code these costs are included for comparative purposes.

The rise in this ratio is partially due to the fact that capital expenditure prior to the formation of the FRA is not charged to the Fire Authority; (In other words, the Fire Authority inherited all its assets without any cost. Thus, as investment is made in vehicles, for example the increased costs are in the Fire Authority accounts but the savings are elsewhere); and partly due to inflation between original purchase and replacement purchase e.g. over 15 years for a fire appliance.

	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Financing Costs	2,618	2,964	2,964	3,064	3,064
Net Revenue Stream	30,956	31,751	31,659	32,610	33,591
Ratio	8.46%	9.34%	9.36%	9.40%	9.12%

### **3. Capital Financing Requirement**

The capital financing requirement (CFR) is a measure of the extent to which the Fire Authority needs to borrow to support capital expenditure. It does not necessarily relate to the actual amount of borrowing at any one point in time. The Fire Authority arranges its treasury management activity via a Service Level Agreement (SLA) with Worcestershire County Council (WCC) which has an integrated treasury management strategy where there is no distinction between revenue and capital cash flows and the day to day position of external borrowing and investments can change constantly.

The capital financing requirement concerns only those transactions arising from capital spending, whereas the amount of external borrowing is a consequence of all revenue and capital cash transactions combined together following recommended treasury management practice.

Estimates of the end of year capital financing requirement are shown overleaf.



	<b>2018/19 Estimate £000</b>	<b>2019/20 Estimate £000</b>	<b>2020/21 Estimate £000</b>	<b>2021/22 Estimate £000</b>	<b>2022/23 Estimate £000</b>
CFR at 31st March	21,622	25,653	32,617	33,245	33,929

#### **4. Authorised Limit**

The Authorised Limit represents an upper limit of borrowing that could be afforded in the short term but may not be sustainable. This limit includes a risk assessment of exceptional events taking into account the demands of revenue and capital cash flows. The Authorised Limit gauges events that may occur over and above those transactions which have been included in the Operational Boundary.

These limits are higher than set in previous years to reflect the decisions taken by the Fire Authority to switch from leasing to more cost effective borrowing for the acquisition of operational vehicles.

**The Fire Authority should note that the Authorised Limit represents the limit specified in section 3 (1) of the Local Government Act 2003 (Duty to determine affordable borrowing limit).**

The following Authorised Limits for external debt, excluding temporary investments are recommended:

	<b>2019/20 £000</b>	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>
<b>Authorized Limit</b>				
External Borrowing	31,000	38,000	39,000	40,000

#### **5. Operational Boundary**

The Operational Boundary represents an estimate of the most likely, prudent, but not worst case scenario and provides a parameter against which day to day treasury management activity can be monitored.

The Treasurer reports that procedures are in place to monitor the Operational Boundary on a daily basis, via the SLA with WCC and that sufficient authorisation is in place to take whatever action is necessary to ensure that, in line with the Treasury Management Strategy, the cash flows of the Fire Authority are managed prudently.

Occasionally, the Operational Boundary may be exceeded (but still not breach the Authorised Limit) following variations in cash flow. Such an occurrence

would follow controlled treasury management action and may not have a significant impact on the prudential indicators when viewed all together.

Both the Authorised Limit and the Operational Boundary include an element relating to debt restructuring where, for the short term only, external borrowing may be made in advance of the repayment of loans. In this circumstance External Borrowing is increased temporarily until the replaced loans are repaid. The converse can also apply where loans are repaid in advance of borrowings.

The following limits (shown overleaf) for each year's Operational Boundary, excluding temporary investments are recommended:

	2019/20	2020/21	2021/22	2022/23
<b>Operational Boundary</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
External Borrowing	28,000	35,000	36,000	37,000

## **6. Actual External Debt**

The Fire Authority's actual external debt as at 31 March 2018 was £11.137m; comprising £11.137m External Borrowing and £0 (zero) Other Long Term Liabilities. During 2018/19, £0.500m of external debt is scheduled for repayment.

## **7. The Incremental Impact of Capital Investment Decisions on the Council Tax**

This indicator identifies specifically the additional cost to the taxpayer of the **new** capital investment proposed in the 2019/20 – 2022/23 Capital Programme. As the indicator deals only with new investment the impact of the previously approved programme was included in the equivalent report provided to the Fire Authority in Feb 2018.

The incremental impact identifies transactions that will occur **over and above** what has already been provided for in the 2019/20 revenue budget and projected in the MTFP and assumes the funding available in 2019/20 will be carried forward in the future year's base budgets.

The incremental impact has been calculated using forward estimates of funding consistent with expectations in the Medium Term Financial Plan.

The impact on the revenue budget, and therefore the Council Tax, is felt by a combination of the following: debt costs of the new borrowing, the amount set aside from revenue to repay the principal element of external borrowing (Minimum Revenue Provision) and the revenue impact of a capital project

It should be noted that borrowing itself does not fund capital expenditure since the loans have to be repaid eventually. The actual funding comes from the Minimum Revenue Provision which is statutorily charged to revenue each year.

The estimate of the incremental impact of the capital investment detailed in the 2019/20 Budget on the Council Tax is as follows:

	2019/20	2020/21	2021/22	2022/23
Incremental Impact on Band D	-£ 0.04	-£ 0.04	-£ 0.04	-£ 0.04

## **PRUDENTIAL INDICATORS FOR TREASURY MANAGEMENT**

### **8. Treasury Management Code of Practice**

The Fire Authority has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA): Code of Practice for Treasury Management in the Public Services.

The Treasury Management function is carried out on behalf of the Authority by Worcestershire County Council, who have also adopted the Treasury Management Code of Practice.

### **9. Fixed Interest Rate Exposures**

It is recommended that the Fire Authority sets an upper limit on its fixed interest rate exposures as follows.

#### **Upper limits for net principal sums outstanding at fixed rates**

	2019/20	2020/21	2021/22	2022/23
<b>Fixed Interest Rate Exposure</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Upper Limit	31,000	38,000	39,000	40,000

This represents the position that all of the Fire Authority's authorised external borrowing may be at a fixed rate at any one time.

### **10. Variable Interest Rate Exposures**

It is recommended that the Fire Authority sets an upper limit on its variable interest rate exposures as follows.

## Upper limits for net principal sums outstanding at variable rates

	2019/20	2020/21	2021/22	2022/23
Variable Interest Rate Exposure	£000	£000	£000	£000
Upper Limit	8,000	10,000	10,000	10,000

This is the maximum external borrowing judged prudent by the Treasurer that the Fire Authority should expose to variable rates.

### 11. Maturity Structure of Borrowing

It is recommended that the upper and lower limits for the maturity structure of borrowings are as follows:

**Amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate.**

Period of Maturity	Upper Limit	Lower Limit
	%	%
Under 12 months	25	0
12 months and within 24 months	25	0
24 months and within 5 years	50	0
5 years and within 10 years	75	0
10 years and above	95	25

### 12. Investments for longer than 364 days

It is recommended that the upper limits of total principal sums invested for periods longer than 364 days are £5 million for each year.

## **Minimum Revenue Provision (MRP) Policy**

To continue the policy previously adopted i.e.:

1. Vehicle Expenditure before 2008/09 – MRP on a proxy Asset Life basis using original cost, less cumulative MRP, over the remaining useful life of the individual vehicle types.
2. Expenditure before 2008/09, (other than vehicles) - MRP on a proxy Asset Life basis using original cost, less cumulative MRP over average asset life as above
3. All expenditure from 2008/09 onwards - MRP using an Asset life basis:-
  - Buildings over 50 years – per depreciation policy (taking account of remaining useful life);
  - IT equipment over 5 years - reflecting average life
  - Other Equipment over 7 years – reflecting actual average usage within the FRS;
  - Vehicles – on actual estimated life of each vehicle type

This means that after a specified time (depending on the life expectancy of the individual asset) there will be no further charge to the Revenue Account for MRP in relation to these assets. For a significant proportion of pre-2008/09 assets this point had been reached by 2014/15.

## **Report of Chief Fire Officer/Chief Executive**

### **Cessation of Day Crewing Plus Duty System and Adjustment of Day Crewing Duty System in Response to Recent Legal Rulings**

#### **Purpose of Report**

1. To seek agreement from the Fire Authority to start the process of implementing revised emergency cover arrangements at Hereford, Worcester and Bromsgrove Stations, as soon as is practicable, due to the inability to reach a collective agreement with the Fire Brigades Union (FBU) on the existing Day Crewing Plus (DCP) duty system. This is a similar situation to other Fire Authorities that have introduced comparable duty systems.
2. In addition, because of a recent EU ruling linked to the Working Time Regulations (WTR), there is now a requirement to adjust the Service's approach to its Day Crewing (DC) Duty System.
3. The implementation of both should take into account recent relevant legal rulings and subsequent legal advice, updated CRMP analysis, original public & staff consultation on 2014 CRMP and requirements for further public & staff consultation based on specific circumstances of the affected communities.

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#### **Recommendations**

##### ***It is recommended that:***

- (1) Because of the inability to reach a local agreement with the FBU in respect to the existing DCP duty system, standard crewing arrangements on the full-time appliance at Bromsgrove and the second full-time fire appliances at both Hereford and Worcester stations be changed at the earliest opportunity.***
- (2) Proportionate public and staff consultation be undertaken in respect to future emergency cover arrangements at Hereford, Worcester and Bromsgrove, including the option to move the existing DCP appliances to a Day-Duty type system in line with the Fire Authority's original 2014-2020 Community Risk Management Plan (CRMP) recommendation and/or the latest CRMP analysis.***
- (3) In light of recent Court decisions, staff currently working the Day Crewing duty system be requested to individually opt-out of the Working Time Regulations in respect to the 48 hour working week limit.***
- (4) If the FBU continues to refuse to enter into a local agreement on a suitable Day-Duty type system, the Service progress with the use of its agreed 7-day Flexible Day Duty system, as well as with its proposed 10-***

***Hour Day Duty system, as the latter has recently been confirmed by the NJC Technical Advisory Panel (TAP) as being both Grey Book and Working Time Regulations (WTR) compliant.***

- (5) *Officers be authorised to secure full implementation of the 10-Hour Day Duty system (or a suitable alternative) into the contracts of all relevant operational personnel by imposition if necessary and/or the use of a dismissal/re-engagement process, as and when required.***

## **Background**

4. In December 2018, the Fire Authority instructed officers to enter into immediate discussions with the relevant representative bodies, with a view to reaching a local agreement in respect to the Service's existing Day Crewing Plus (DCP) duty system, which has been in place (and run successfully) on a voluntary basis at Hereford, Worcester and Bromsgrove stations for over three years.
5. However, despite concerted efforts by officers – and even though the staff currently working the system want to continue using it - the FBU has made it clear it is not prepared to sign up to such a system locally. In effect, this leaves the lawfulness of the system in significant doubt due to the lack of a collective agreement – which, if in place, would provide the relevant exemptions needed under the Working Time Regulations to make it lawful.
6. Furthermore, the FBU's National Executive Council has a clear stance in respect to the negotiation of local duty systems which states that *any duty systems being proposed by local FRS's that are not in accordance with the Grey Book and that do not comply with the four principles laid down within Section 4, must be brought to the Executive Council for their consideration and approval before a local collective agreement can be reached.* If we then take into account the FBU's successful court case against South Yorkshire FRA's Close Proximity Crewing (CPC) duty system in May last year, it is now clear that a local agreement with the FBU in respect to DCP in HWFRS will not be achievable. This position is further reinforced by the comments made by the FBU's Assistant General Secretary, Andy Dark, at the union's most recent national conference (5<sup>th</sup>-8<sup>th</sup> June 2018), threatening legal action against Service's who did not change such duty systems.
7. As a consequence, the Service has started to progress with identifying what other duty systems might be deliverable locally, based on the restrictions highlighted above, but also considering the latest CRMP analysis and the Service's Medium Term Financial Plan (MTFP). As part of this approach, officers have also attempted to proactively engage with the FBU, Fire Officers' Association (FOA) and the affected staff groups to try and identify sustainable and financially affordable variations to the current DCP system that could be agreed locally, but no such options have been successfully developed to date. A Duty System Matrix detailing the advantages, disadvantages and barriers to adopting any one of a number of possible duty systems is available in Appendix One.

8. In respect to the Service's Day Crewing (DC) Duty System, on the other hand, this currently requires individuals to undertake rostered blocks of on-call duties as well as the positive hours worked at station – and during such periods they are not able to book-off duty. This is in contrast to the Service's Retained Duty System, which allows for a more flexible approach to booking on and off duty. Following the recent EU Matzak ruling (Belgium), legal advice has been sought via the LGA and this has confirmed that such rostered use of on-call duty would now be deemed as positive hours under the WTR's and, therefore, it becomes subject to the 48-hour working week limit element of those regulations. Importantly, the WTR 48-hour opt-out clause is an individual right and cannot be exempted by collective agreement. As such, the Service will now need to ask all individuals working the current duty system to formally opt-out of their right not to exceed a 48-hour working week.

### **Latest CRMP Analysis**

9. In respect to the three fire appliances currently staffed using the DCP duty system and their respective stations, the latest CRMP analysis (which includes independent analysis by experts ORH as well as internal analysis of incidents numbers, their frequencies over a 24-hour period and trend analysis over a number of years) demonstrates that night-time operational activity levels for these appliances are on a par with or less than the activity levels experienced at existing DC stations over similar periods. As the Authority is fully aware, these DC stations (Malvern, Evesham and Droitwich) have been effectively and efficiently managed over a number of years by using a staffing approach that has the appliance immediately available during the day and staffed by on-call arrangements during the evening and throughout the night<sup>1</sup>.
10. Furthermore, in respect to the appropriate shift-length of any day-time cover arrangements, the CRMP analysis indicates that the most cost-effective and resilient use of full-time resources (balanced against the operational activity profile over the last few years) would be best achieved by utilising a 10-hour day duty period. The introduction of such a duty system would also only increase the current response times to incidents, on average, by ten seconds. The 10-hour duty period is also the same level of immediately available emergency cover that the Service currently provides during the day at Evesham, Droitwich and Malvern stations. However, if a 12-hour day duty system were to be adopted for the DCP appliances instead, the average response times to incidents would increase by even less – only four seconds – but this would have a significant impact on the system's efficiency and resilience, as each firefighter would be working 31 less shifts per year than under the 10-Hour system.
11. Significantly, the period currently covered by the existing 12-hour stand-down period on DCP (i.e. 8pm-8am - where the DCP appliances remain immediately

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<sup>1</sup> – completely removing the second full-time appliances at both Hereford and Worcester stations was an option that was initially considered in the draft 2014-2020 CRMP, due to the fact it would have had minimal impact on 1st appliance response times. However, at the time, this approach was offset against the resilience argument of having two additional immediately available appliances for wider Service needs, if required



available but the crews stand-down from all other duties) shows a very low level of operational activity, which again, is very similar to the current operational activity levels at Evesham, Droitwich and Malvern stations during the evening and night-time periods. However, on those stations, the low operational activity is successfully covered by utilising the on-call duty system (see Tables 1, 2 & 3 below for comparative operational activities across these stations).

**Table 1: Average Number of Mobilisations to False Alarm Incidents per week (at night) - Bromsgrove versus Day Crewing Stations:**

	<b>Apr15/Mar16</b>	<b>Apr16/Mar17</b>	<b>Apr17/Mar18</b>	<b>Apr18/Dec18</b>	<b>Overall Average</b>
Bromsgrove DCP appliance <b>6pm-8am</b>	<i>2.67</i>	<i>3.17</i>	<i>3.42</i>	<i>4.10</i>	<b>3.34</b>
Bromsgrove DCP Appliance <b>8pm-8am</b>	<i>2.00</i>	<i>2.40</i>	<i>2.63</i>	<i>3.28</i>	<b>2.58</b>
Malvern DC appliance <b>6pm-8am</b>	<i>2.29</i>	<i>2.08</i>	<i>2.06</i>	<i>2.41</i>	<b>2.21</b>
Evesham DC appliance <b>6pm-8am</b>	<i>1.56</i>	<i>1.52</i>	<i>1.46</i>	<i>2.10</i>	<b>1.66</b>
Droitwich DC appliance <b>6pm-8am</b>	<i>1.35</i>	<i>1.35</i>	<i>1.15</i>	<i>1.28</i>	<b>1.28</b>

**Table 2: Average Number of Mobilisations to Fire and other Emergency Incidents (excluding False Alarms) per week (at night) – Bromsgrove versus Day Crewing Stations:**

	<b>Apr15/Mar16</b>	<b>Apr16/Mar17</b>	<b>Apr17/Mar18</b>	<b>Apr18/Dec18</b>	<b>Overall Average</b>
Bromsgrove DCP appliance <b>6pm-8am</b>	<i>3.63</i>	<i>3.65</i>	<i>3.33</i>	<i>4.31</i>	<b>3.73</b>
Bromsgrove DCP Appliance <b>8pm-8am</b>	<i>2.65</i>	<i>2.60</i>	<i>2.48</i>	<i>3.10</i>	<b>2.71</b>
Malvern DC appliance <b>6pm-8am</b>	<i>2.04</i>	<i>1.96</i>	<i>2.06</i>	<i>2.41</i>	<b>2.12</b>
Evesham DC appliance <b>6pm-8am</b>	<i>2.06</i>	<i>1.63</i>	<i>2.00</i>	<i>3.08</i>	<b>2.19</b>
Droitwich DC appliance <b>6pm-8am</b>	<i>2.25</i>	<i>2.19</i>	<i>2.40</i>	<i>3.18</i>	<b>2.50</b>

**Table 3: Average of Mobilisations to All Types of Incidents (including False Alarms) per week for DCP appliances at Hereford & Worcester Stations (at night) only:**

	Apr15/Mar16	Apr16/Mar17	Apr17/Mar18	Apr18/Dec18	Overall Average
Hereford DCP appliance <b>6pm-8am</b>	2.23	3.38	2.08	2.49	<b>2.55</b>
Hereford DCP Appliance <b>8pm-8am</b>	1.40	2.44	1.33	1.62	<b>1.70</b>
Worcester DC appliance <b>6pm-8am</b>	3.17	2.83	3.57	3.28	<b>3.21</b>
Worcester DC appliance <b>8pm-8am</b>	2.08	1.75	2.54	1.69	<b>2.02</b>

### Utilisation of the 10-Hour Day Duty System

12. As part of the extensive negotiations and consultations with the relevant representative bodies over the last two years linked to the wider crewing changes – the Service has sought to agree a 10-Hour Day Duty system. This has recently culminated in the proposed system being scrutinised by the NJC Technical Advisory Panel (TAP) and being assessed by it as being both Grey Book and WTR compliant. However, despite this endorsement by the NJC approved independent process, the local FBU have still not agreed to sign up to the system. In contrast, FOA have agreed to the system. Unfortunately, this approach by the FBU locally leaves the Service in a position where it now has to consider utilising already established Grey Book duty systems (such as Shift or Day Crewing), locally agreed duty systems (such as the 7-day Flexible Day-Duty system) or by finding an alternative way to implement the proposed 10-Hour Day Duty System.
13. In respect to using the Shift duty system (four-watch, 2-2-4) to cover the DCP appliances, this is neither a suitable nor sustainable option due to both its cost (circa £500k more expensive, per appliance, per annum than the current DCP duty system) and the fact that it would require the creation of more full-time firefighter posts - over and above those that are currently on establishment. More importantly, the latest CRMP analysis has identified that none of the three appliances in question are required to be immediately available, 24/7 in order to effectively manage the local risk and incident profile.
14. Similarly, if the Service chose to utilise its current Day Crewing system to cover the DCP appliances, this would not provide the 24/7 immediately available emergency cover arrangement that the DCP system currently provides. Furthermore, it has already been highlighted in this paper that the rostered on-call element of the contract is no longer legally enforceable as it now requires individuals to formally opt-out of the WTR 48-hour working week limit. This means that such a contract cannot even be used to provide rostered on-call

cover at night, either now or in the future – making it no more resilient than the current Retained Duty System. Having said this, the Retained Duty System is successfully utilised across all HWFRS stations to staff 31 out of the Service's 41 frontline fire appliances, as well as numerous specialist appliances.

15. In the case of the DCP appliances at Hereford and Worcester stations, changing them to a day-duty type system would not be at odds with the 2014-2020 CRMP analysis, which identified, at the time, that the most effective and efficient staffing model for both of these second full-time appliances would be immediate availability during the day (i.e. Day-Duty type system) and on-call at night. Moreover, the latest operational activity analysis (highlighted above) reinforces this position. Having said that, it is appreciated that back in 2014, the Authority chose instead to enhance the emergency cover arrangements at Hereford and Worcester stations at night-time, but this was based on the resilience argument and only made possible because it could be achieved in a manner that was both affordable and sustainable for the Service (i.e. by utilising the DCP duty system and riding with crews of four). However, it is clear from an operational management perspective that the low operational activity levels of these appliances over the intervening years has significantly weakened any resilience argument for maintaining these appliances with immediate availability, especially when compared to the similar operational activity levels of existing Day Crewing stations.
16. As the 2014 decision was made following consultation with both the public and staff, it is recommended that the Fire Authority undertake a proportionate piece of further public consultation explaining the operational rationale and legal drivers for changing the emergency cover in this manner.
17. In respect to Bromsgrove, the 2014-2020 CRMP analysis recommended that the first appliance on the station should be immediately available 24/7, which was only made possible and affordable by adopting the DCP duty system. However, taking into account the latest CRMP analysis, the Service's Medium Term Financial Plan and the findings of the recent HMICFRS inspection regarding the organisation's approach to efficiency - coupled with the fact that the Service is unable to reach an agreement with the FBU on DCP - the recommendation going forward now is that the most efficient duty system to effectively manage the risks and incident profile for the area is in fact a Day-Duty type system (with on-call at night).
18. This change to the emergency cover model in the Bromsgrove area would similarly require a proportionate level of consultation with the communities directly impacted by the change, which is estimated would take circa three months to complete. Affected staff will also need to be proportionately consulted in respect to any changes to their work patterns.

## Summary

19. Despite significant efforts to try and achieve a local agreement for the DCP duty system in HWFRS, this has not been possible, for the reasons highlighted above. As a consequence, the Service must now introduce a different duty system(s) for the three fire appliances currently crewed in this manner. Taking into account all of the factors and analysis highlighted above, it is recommended that that this would be best achieved by implementing a Day-Duty type system during the day and an on-call system at night (the latter being already in place). To date, however, the local FBU have yet to agree a suitable Day-Duty type system.
20. If a local agreement on a suitable Day-Duty type system cannot be reached as a matter of priority (i.e. within three months), the Service should implement its 10-Hour Day Duty system, since this system has recently been independently assessed as being both Grey Book and Working Team Regulations compliant. If this becomes the necessary way forward, legal advice supports the approach that this system can be easily incorporated into new contracts, whether for new starters or for any substantive promotions. However, as all reasonable avenues to reach a local agreement for such a system would have then been exhausted without success, its wider implementation across the whole Service may still require it to be imposed (as the last resort mechanism identified in the Grey Book - 6<sup>th</sup> Edition, page 84), which may also require the Service to adopt an appropriate dismissal / re-engagement process.
21. A summary of the implications of the recent legal rulings has been provided in Appendix Two

## Corporate Considerations

<b>Resource Implications</b> (identify any financial, legal, property or human resources issues)	Yes – implementation will require the relevant management, legal and financial resources to be allocated, as well as some potential minor investment in some properties to allow the changes to be accommodated.
<b>Strategic Policy Links</b> (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	Yes – the implementation of the changes has a direct impact both the CRMP and the MTFP.
<b>Risk Management / Health &amp; Safety</b> (identify any risks, the proposed control measures and risk evaluation scores).	Organisational and operational risks are highlighted in the paper, along with associated mitigation approaches.
<b>Consultation</b> (identify any public or other consultation that has been carried out on this matter)	Yes – proportionate staff consultation has taken place to date – in addition, proportionate public and staff consultation will take place, where appropriate.
<b>Equalities</b> (has an Equalities Impact Assessment been completed? If not, why not?)	Yes – EIA for 10-hour day duty system has been undertaken and recently updated.

## Supporting Information

N/A

## Background Papers

2014-2020 Community Risk Management Plan

Fire Authority 15 February 2017: Review of Crewing Levels

Fire Authority 27 June 2017: Crewing Proposals

EIA Crewing Changes November 2017

Fire Authority 15 December: Crewing Proposals (Members Briefing)

Fire Authority 14 Feb 2018: Implementing Crewing Changes

Fire Authority 19 Dec 2018: Update on Implementation of Crewing Changes

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## Appendix One: Duty Systems Matrix:

<b>Duty System</b>	<b>Advantages</b>	<b>Disadvantages / Barriers</b>
Shift (2-2-4 watch)	<ul style="list-style-type: none"> <li>Local agreement in place</li> <li>24/7 immediate availability (same as DCP)</li> </ul>	<ul style="list-style-type: none"> <li>Significant additional cost - £500k extra per year, per appliance (up to £1.5m extra overall)</li> <li>Need to employ, train &amp; equip circa 30 extra full-time Firefighters</li> <li>Enhanced level of emergency cover, compared to latest CRMP analysis of what is most effective and efficient</li> <li>Enhanced level of emergency cover compared to current DC stations with similar activity levels</li> </ul>
Day Crewing Plus (DCP)	<ul style="list-style-type: none"> <li>No change to current provision or costs</li> <li>24/7 immediate availability</li> </ul>	<ul style="list-style-type: none"> <li>No local agreement</li> <li>Unlawful due to inability to get local agreement with FBU</li> <li>Voluntary (subject to WTR 48-hour opt-out)</li> <li>Threat of legal challenge</li> </ul>
Day Crewing (DC)	<ul style="list-style-type: none"> <li>10-hour immediate availability in line with CRMP analysis</li> </ul>	<ul style="list-style-type: none"> <li>10 second increase (average) in response time</li> <li>Inefficient use of full-time resources (2 hours per day shift on-call and not immediately available)</li> <li>Rostered on-call night cover no longer enforceable – same level of resilience as Retained Duty System</li> </ul>
7-Day Flexible Day Duty	<ul style="list-style-type: none"> <li>Local Agreement in place</li> <li>Maximises 42-hour duty</li> <li>Additional shifts (resilience) compared to DC system</li> <li>Can cover both 10 and 12-Hour options</li> </ul>	<ul style="list-style-type: none"> <li>Requires individual flexibility to align to 10-hour or 12-Hour duty pattern</li> </ul>
12-hour Day Duty	<ul style="list-style-type: none"> <li>Affordable &amp; Sustainable</li> <li>In line with CRMP analysis</li> <li>Smaller increase in average response times (four seconds)</li> <li>Locally agreed systems already in neighbouring Services</li> <li>More incidents covered in day by immediately available appliance</li> </ul>	<ul style="list-style-type: none"> <li>No agreed system or proposal</li> <li>Potential challenge from FBU regarding Grey Book and WTR compliance, which would eventually result in need for TAP referral</li> <li>Not as efficient as 10-Hour system</li> <li>May require level of imposition if no local agreement in place</li> </ul>
10-Hour Day Duty	<ul style="list-style-type: none"> <li>Affordable &amp; Sustainable</li> <li>In line with CRMP analysis</li> <li>Already TAP outcome – Grey Book &amp; WTR compliant</li> <li>More efficient compared to 12-Hour system</li> <li>Provides more resilience (31 extra shifts per person)</li> </ul>	<ul style="list-style-type: none"> <li>May require some level of imposition if no local agreement in place</li> <li>10 second increase (average) in response time</li> </ul>

## Appendix Two: Summary of Legal Rulings and Implications:

There are a couple of recent legal rulings linked to the Working Time Regulations (WTR) that directly affect the way Day Crewing Plus and Day Crewing are operated in HWFRS:

- **Matzak**  
*Judgment 21 February 2018, Ville de Nivelles v. Rudy Matzak*,  
This was a Court of Justice of the European Union ( CJEU) decision concerning a Belgian volunteer firefighter
- **FBU v South Yorkshire Fire Authority - Judgement 25<sup>th</sup> May 2018**  
A High Court judgement in relation to South Yorkshire FRS 'Close Proximity Crewing', which was similar to our DCP system.

Both cases have given greater clarity around the working time regulations as they apply to firefighters.

### Working Time Regulations (WTR) 1998

There are four key provisions in the regulations:

Regulation	Possible exemptions / Notes
Reg. 4 – not to work average of more than 48 hours per week	<ul style="list-style-type: none"><li>▪ Individuals can opt-out</li></ul>
Reg. 6 - Night work: - anyone who normally works at least 3 hrs during the night cannot work more than 8 hrs in each 24 hrs	<ul style="list-style-type: none"><li>▪ No opt-out</li><li>▪ Can be modified or excluded by a collective agreement</li><li>▪ Contravention of Reg.6 (only) can result in prosecution</li><li>▪ There are some exemptions for civil protection services (inc. Fire) but these would only apply when attending an actual incident</li><li>▪ Where exemptions apply or the regulations are modified by collective agreement, compensatory rest must be given wherever possible</li></ul>
Reg.10 - Daily rest of at least 11 consecutive hours	
Reg.11 - Weekly rest of 24 consecutive hours in each week	

### Matzak case

Mr Matzak was a volunteer firefighter and on the facts of that particular case, it was decided that the requirement on him to be at home and respond to the fire station within a specified time if called, placed a significant restriction on this ability to pursue his everyday activities, such that on-call time at home was classed as 'working time' for the purposes of the WTR.

However, each case depends upon its own facts and the key to whether on-call time for retained firefighters, and those working the retained element of the Day Crewing system, is working time is the extent to which they are constrained from pursuing their own economic and social interests and family life when on call.

### What is the impact...?

On-call retained firefighters have a degree of flexibility because they have the ability to book off via Gartan at short notice. Consequently, it is considered that their on-call time will not count as working time for the purposes of the WTR.

However, whole-time staff working the Day Crewing system do not have the same flexibility and the Service accepts that the on-call element of the current Day Crewing contract within HWFRS almost certainly counts as working time for the purposes of the WTR.

### What is the impact on Day Crewing?

*Extract from the current day Crewed SPI:*

*Between 08:00 and 18:00 the crew must be immediately available to respond to fire calls (subject to recuperation periods). The remainder 07:00hrs to 08:00hrs and 18:00hrs to 19:00hrs will be covered as standby duty on the understanding that personnel will respond to any call received during standby hours for no further payment. During the period of 19:00hrs through to 07:00hrs staff employed under the day crewed system will provide on-call cover similar to the retained duty system.*

The above hours aggregated together total 96, however, over an eight day rota pattern this evens out to 84 in any 7 day period. This exceeds the average 48 hours per week permitted under WTR and is a breach of the individual's rights unless that person chooses to give an opt-out under Reg. 4.

Any employee who is currently working the Day Crewed duty system will need to **opt out** of the WTR. An opt-out can be withdrawn at any time (subject to reasonable notice) and consequently, if an individual decides they no longer wish to exercise their right to **opt out** the Service may be left in a position where it doesn't have sufficient staff employed to maintain Fire Cover.

On the face of it, the Day Crewing system would also fall foul of WTR Reg. 6 (restriction on night-time working) and Reg.10 (11 hours consecutive daily rest) but as there is an existing local agreement with the representative bodies regarding the Day Crewing system, this means the WTR are deemed to have been modified and consequently there is no breach of those provisions.

### What is opting out of WTR?

You can choose to **work** more than 48 hours a week on average if you're over 18. This is called '**opting out**'. Your employer can ask you to **opt out**, but you can't be sacked or suffer any detrimental treatment for refusing to do so. You can **opt out** for a certain period or indefinitely.

Once having opted out, you can withdraw your opt out at any time in the future (subject to giving the employer reasonable notice).

### What does this all mean?

The Service must ensure it has robust employment arrangements in place to deliver the CRMP. It is therefore looking at the current model and considering a transition away from the current Day Crewed model and adopting the model operated at other 2 pump On-Call Stns (Bromyard, Leominster, Ross, Redditch) between 18:00hrs and 08:00hrs.

Staff currently employed on Day Crewed contracts will need to **opt out**, (if they haven't already) should they choose to opt back in they can not suffer a detriment and therefore their night response will need to be covered by an on-call employee.



**FBU v South Yorkshire Fire Authority case:**

In light of the decision in this case, it is the belief of management within the Service and also the Fire Brigades Union that the current HWFRS Day Crewed Plus system contravenes both Reg. 6 (restriction on night-time working) and Reg.10 (11 hours consecutive daily rest) of the WTR (outlined above). Unlike the Day Crewing system, however, there is currently no local agreement with the FBU in respect of DCP.

This is particularly problematic because contravention of Reg.6 carries potential criminal liability for which the Service could face prosecution. It is not a tenable position for the Fire Authority to continue with the DCP system in breach of the law.

The only way for the Service to secure compliance with the WTR so far as DCP is concerned would be to enter into a 'collective agreement' with the FBU to enable the required dispensation needed to make the current system lawful.

To date the Service has been unable to gain the required agreement, which has resulted in it having to review suitable options for change.

## Report of the Chief Fire Officer

### HMICFRS – Inspection update

#### Purpose of report

1. To update Members on the HMICFRS inspection and the preparation of an improvement plan.

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#### Recommendation

***It is recommended that Members note the findings of the HMICFRS inspection and the proposed improvement plan template.***

#### Background

2. Members will be aware that Hereford & Worcester Fire and Rescue Service was inspected by officers from Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) during July 2018.
3. In March 2018, HMICFRS announced their intention to inspect all 45 fire and rescue services in England in three sets of services, beginning in summer 2018 and concluding in autumn 2019. The Service was inspected as part of the first tranche of fourteen services.
4. The inspection focused on three main questions:
  - a. How effective is the fire and rescue service at keeping people safe and secure from fire and other risks?
  - b. How efficient is the fire and rescue service at keeping people safe and secure from fire and other risks?
  - c. How well does the fire and rescue service look after its people?
5. The inspection involved reviewing the Service's policies, plans and procedures, the submission of a Position Statement and Self-Assessment completed by the Chief Fire Officer, and a fieldwork phase during the week of 23 July 2018. During the fieldwork, inspectors visited every wholetime fire station and two on-call stations, held several focus groups with members of staff across the organisation and conducted interviews with senior managers.
6. HMICFRS have concluded their inspections of all fourteen services in the first tranche and their overall report has now been published along with individual reports for each service. The reports were published on 20 December 2018 and are available on the [HMICFRS website](#). The report for HWFRS is attached as Appendix 1.

## Findings

7. Using graded judgements against areas explored in the inspections, HMICFRS identified four categories:

- **outstanding** – where the service exceeds what is expected for good,
- **good** – the expected graded judgement for all fire and rescue services,
- **requires improvement** – where there are shortcomings, and
- **inadequate** – where there are serious critical failings of policy, practice or performance.

8. The following table lists the distribution of gradings awarded to the fourteen services inspected and Appendix 2 provides a summary of gradings against each service.

	Effectiveness	Efficiency	People
Outstanding	0	0	0
Good	10	8	3
Requires improvement	4	5	10
Inadequate	0	1	1

9. The overall summary of inspection findings for Hereford & Worcester FRS states:

*“We are satisfied with some aspects of the performance of Hereford and Worcester Fire and Rescue Service. But there are areas where the service needs to make improvements.”*

10. The individual gradings against the three areas examined were as follows:

**a. Effectiveness      Good**

*“The service keeps people safe from fire and other emergencies in an effective manner. It is good at:*

- *understanding risk;*
- *protecting the public through fire regulation;*
- *responding to fires and emergencies; and*
- *responding to national risks.*

*“But it does need to improve its prevention activity.”*

**b. Efficiency      Requires improvement**

*“(The service) needs to provide a more efficient service, particularly in the way it uses resources. But it provides an affordable service.”*

**c. People      Requires improvement**

*“The service needs to improve the way it looks after its people. This is particularly the case in these areas:*

- *promoting the right values and culture;*

- *ensuring fairness and promoting diversity; and*
  - *managing performance and developing leaders.*
- “However, it is good at getting the right people with the right skills.”*

11. The gradings were determined following analysis of detailed aspects of the Service, with any particular areas of good practice or requiring improvement highlighted in the inspection report. The findings for each area examined are summarised below together with a short commentary on the areas requiring attention.

## **Effectiveness**

12. In terms of effectiveness, the inspection found the Service to be good at understanding the risk of fire and other emergencies; protecting the public through fire regulation; responding to fires and other emergencies; and responding to national risks. In particular, the report highlights the work of the Multi-Agency Targeted Enforcement (MATE) team as notable practice in successfully delivering a joint approach to enforcement against those in breach of fire safety regulations.
13. The report recommends that more needs to be done in terms of preventing fires and other risks, including more clarity in prevention planning, further training for staff and more evaluation of prevention activity. These are areas that the Service is already planning to address through the Community Risk Management Plan process, a review of training requirements relating to vulnerability and safeguarding, and an improved evaluation process to ensure the impact and benefits of our prevention work is better understood.

## **Efficiency**

14. The inspection recognises the Service’s good collaboration work with others including West Mercia Police, Shropshire FRS and other local authorities and its contribution to making sure the Service is affordable now and in the future. However, while the Service’s Medium Term Finance Plan is seen as good and based on sensible assumptions, the report considered that better use could be made of resources and roles within the workforce, and more effective monitoring of the benefits of working with partners.

## **People**

15. The report notes that the Service is good at getting the right people with the right skills in place and at making sure they are well trained. It also considers the Service good at making sure staff wellbeing is a priority. However, in common with most of the other services inspected, it also found that we could improve in other areas such as the promotion of the right values and culture; ensuring fairness and promoting diversity; and managing performance and developing current and future leaders within the organisation.

16. The report acknowledges that the Service was already aware of these issues having identified them in the Service's own self-assessment prior to the inspection and through a cultural review of the Senior Management Board carried out in early 2018. With the People Strategy in place, improvements are being pursued as a priority. This includes the work of the Service's Organisational Development Working Group and the Cultural Challenge Group exploring engagement and communication with staff and members of the public interested in joining HWFRS. New principles drawn up by the Promotion Process Group are being piloted in the Crew Commander promotion process, and staff from throughout the organisation will be involved in an upcoming Service Values consultation to ensure effective staff engagement and feedback in the process.
17. As with the other two areas examined, we will need to effectively monitor, review and evaluate the outcomes and benefits of changes made.

### **Improvement Plan**

18. The inspection report highlighted a number of areas for improvement and recommended that action be taken to address them. Therefore, the Service has prepared a draft Improvement Plan template, which focuses on the areas for improvement highlighted in the inspection report, but also adds a number of other areas, where further improvements can be made. The Improvement Plan will be owned by senior managers and will be regularly updated and published as progress is made throughout the year ahead.
19. The draft Improvement Plan template is attached as Appendix 3.

### **Conclusion/Summary**

20. The HMICFRS inspection report for Hereford & Worcester Fire and Rescue Service has been published. It found that we were effective in delivering our core service and have aspirations to achieve much more, but we need to make sure we can most efficiently balance limited resources to meet the prevention, protection and emergency response needs of our local communities, and how we can further support and develop our workforce.
21. The report highlighted a number of areas for improvement, which form the basis of an Improvement Plan to be delivered over the forthcoming year. Members will be given regular updates as the Improvement Plan actions progress.

### **Corporate Considerations**

<b>Resource Implications</b> (identify any financial, legal, property or human resources issues)	The whole report highlights areas for improvement in relation to effectiveness, efficiency and the Service workforce. Actions to address these areas are likely to have resource implications, and these will be considered through an Improvement Plan.
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<b>Strategic Policy Links</b> (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	Proposals developed through the Improvement Plan are likely to have an impact on both the CRMP and the MTFP. Proposals will also be assessed to ensure they meet the Service's overall Core Purpose ("Keeping people safe from fire and other risks – responding efficiently and effectively to incidents and emergencies.") and the 'Saving More Lives' Vision.
<b>Risk Management / Health &amp; Safety</b> (identify any risks, the proposed control measures and risk evaluation scores).	Any risks associated with proposals will be assessed through the Improvement Plan.
<b>Consultation</b> (identify any public or other consultation that has been carried out on this matter)	None directly. Proposals developed through the Improvement Plan will consider any consultation requirements as necessary.
<b>Equalities</b> (has an Equalities Impact Assessment been completed? If not, why not?)	An EIA is not required as part of this report. EIAs will be completed as appropriate when preparing proposals through the Implementation Plan.

### Supporting Information

Appendix 1: Fire & Rescue Service – Effectiveness, efficiency and people 2018/19 –  
An inspection of Hereford and Worcester Fire and Rescue Service,  
HMICFRS, December 2018  
Appendix 2: HMICFRS Inspection – Summary of Tranche 1 Judgements  
Appendix 3: HMICFRS Inspection – Improvement Plan 2018-19 template

### Background papers

None

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# Fire & Rescue Service

## Effectiveness, efficiency and people 2018/19

An inspection of Hereford and Worcester Fire and Rescue Service



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# About this inspection

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This is the first time that HMICFRS has inspected fire and rescue services across England. Our focus is on the service they provide to the public, and the way they use the resources available. The inspection assesses how effectively and efficiently Hereford and Worcester Fire and Rescue Service prevents, protects the public against and responds to fires and other emergencies. We also assess how well it looks after the people who work for the service.

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In carrying out our inspections of all 45 fire and rescue services in England, we answer three main questions:

1. How effective is the fire and rescue service at keeping people safe and secure from fire and other risks?
2. How efficient is the fire and rescue service at keeping people safe and secure from fire and other risks?
3. How well does the fire and rescue service look after its people?

This report sets out our inspection findings. After taking all the evidence into account, we apply a graded judgment for each of the three questions.

## What inspection judgments mean

Our categories of graded judgment are:

- outstanding;
- good;
- requires improvement; and
- inadequate.

**Good** is our 'expected' graded judgment for all fire and rescue services. It is based on policy, practice or performance that meet pre-defined grading criteria, which are informed by any relevant national operational guidance or standards.

If the service exceeds what we expect for good, we will judge it as **outstanding**.

If we find shortcomings in the service, we will judge it as **requires improvement**.

If we find serious critical failings of policy, practice or performance of the fire and rescue service, we will judge it as **inadequate**.

## Service in numbers



### Public perceptions

Hereford and Worcester

England

#### Perceived effectiveness of service

Public perceptions survey (June/July 2018)

90%

86%



### Response

Hereford and Worcester

England

#### Incidents attended per 1,000 population

12 months to 31 March 2018

9.0

10.2

#### Home fire risk checks carried out by FRS per 1,000 population

12 months to 31 March 2018

5.3

10.4

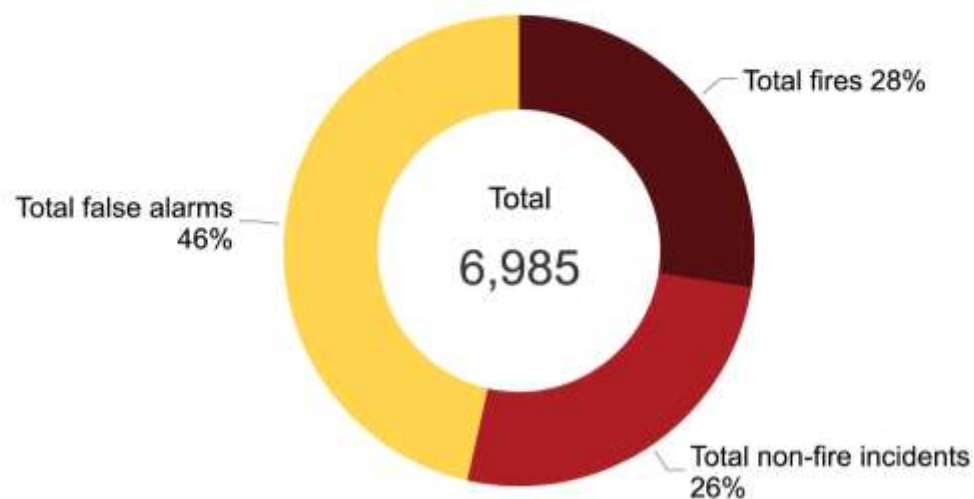
#### Fire safety audits per 100 known premises

12 months to 31 March 2018

3.9

3.0

#### Incidents attended in the 12 months to 31 March 2018





## Cost

Hereford and Worcester

England

**Firefighter cost per person per year**  
12 months to 31 March 2018

£20.02

£22.38



## Workforce

Hereford and Worcester

England

**Number of firefighters per 1,000 population**  
As at 31 March 2018

0.6

0.6

**Five-year change in workforce**  
As at 31 March 2013 compared with 31 March 2018

-20%

-14%

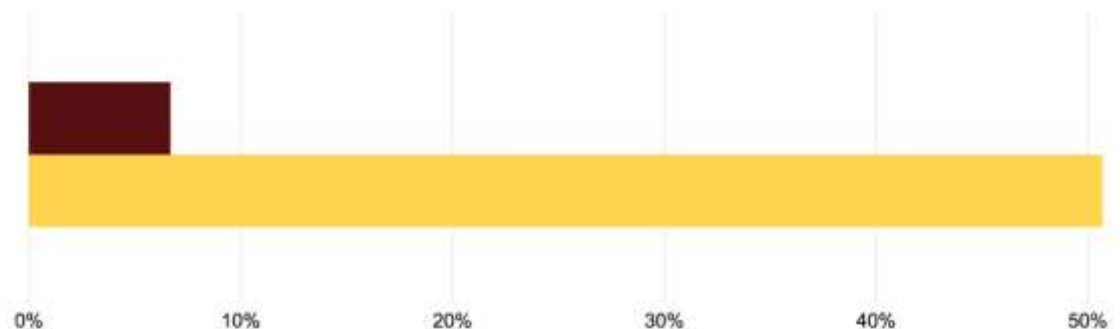
**Percentage of wholetime firefighters**  
As at 31 March 2018

51%

70%

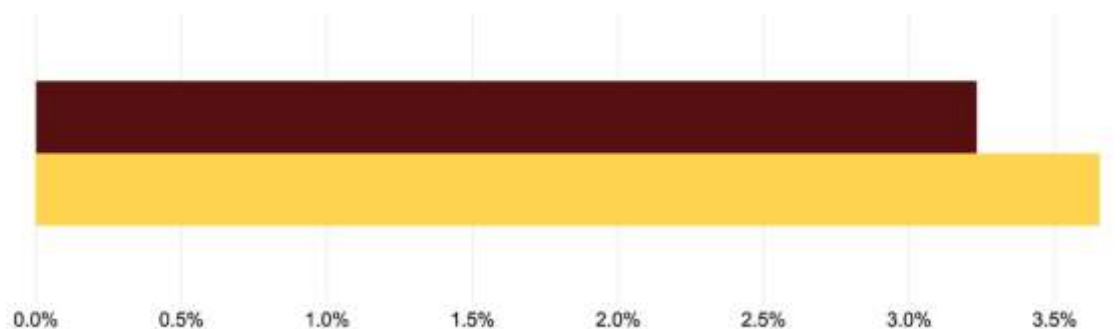
**Percentage of female firefighters as at 31 March 2018**

● Female firefighters ● Female residential population














**Percentage of black, Asian and minority ethnic firefighters as at 31 March 2018**

● BAME firefighters ● BAME residential population



Please refer to annex A for full details on data used.

# Overview

 <b>Effectiveness</b>	 <b>Good</b>
Understanding the risk of fire and other emergencies	 Good
Preventing fires and other risks	 Requires improvement
Protecting the public through fire regulation	 Good
Responding to fires and other emergencies	 Good
Responding to national risks	 Good
 <b>Efficiency</b>	 <b>Requires improvement</b>
Making best use of resources	 Requires improvement
Making the fire and rescue service affordable now and in the future	 Good



## People



**Requires improvement**

---

Promoting the right values and culture



Requires improvement

---

Getting the right people with the right skills



Good

---

Ensuring fairness and promoting diversity



Requires improvement

---

Managing performance and developing leaders



Requires improvement

---

## Overall summary of inspection findings

We are satisfied with some aspects of the performance of Hereford and Worcester Fire and Rescue Service. But there are areas where the service needs to make improvements.

The service keeps people safe from fire and other emergencies in an effective manner. It is good at:

- understanding risk;
- protecting the public through fire regulation;
- responding to fires and emergencies; and
- responding to national risks.

But it does need to improve its prevention activity.

The service needs to improve the way it looks after its people. This is particularly the case in these areas:

- promoting the right values and culture;
- ensuring fairness and promoting diversity; and
- managing performance and developing leaders.

However, it is good at getting the right people with the right skills.

It needs to provide a more efficient service, particularly in the way it uses resources. But it provides an affordable service.

Overall we would like to see improvements in the year ahead.

# Effectiveness



# How effective is the service at keeping people safe and secure?



**Good**

## Summary

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An effective fire and rescue service will identify and assess the full range of foreseeable fire and rescue risks its community faces. It will target its fire prevention and protection activities to those who are at greatest risk from fire. It will make sure businesses comply with fire safety legislation. When the public calls for help, the fire and rescue service should respond promptly with the right skills and equipment to deal with the incident effectively. Hereford and Worcester Fire and Rescue Service's overall effectiveness is good.

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The service is good at understanding the risk of fire and other emergencies. Its plan to manage risk is based on a range of information. However, mobile computer systems are not updated fast enough with this risk information. The service recognises this and has plans in place to address this. Community engagement could also be better, to help understand local risk.

The service needs to improve how it prevents fires and other risk. Its prevention plan does not explain how or when things will be done. The service has extended its [home fire safety checks](#) to include questions about [vulnerable people](#). Further training is needed to give staff more confidence in this process. This is currently being assessed. The service should also ensure it evaluates all its prevention activity.

The service is good in how it protects the public through fire regulation. It needs to get the right balance between inspections based on risk and those based on intelligence. However, the work of the multi-agency targeted enforcement team has the potential to be notable practice. The service supports local businesses in understanding fire regulations. It should also work more closely with them to reduce the number of false alarms.

The service is good at responding to fires and other emergencies. It has good equipment and training. It is flexible in how it responds to incidents and follows national guidance. However, it should use [hot debriefs](#) more often. Also, when it evaluates incident commanders, it should share the learning more widely.



The service is good at responding to national risks. It has good plans in place and staff understand what they need to do. Staff have done local and national multi-agency training exercises. The service works closely with other nearby services.

## Understanding the risk of fire and other emergencies



### Good

Hereford and Worcester Fire and Rescue Service is good at understanding the risk of fire and other emergencies. But we found the following area in which it needs to improve:

#### Areas for improvement

- The service should ensure its firefighters have good access to relevant and up-to-date risk information.

All fire and rescue services should identify and assess all foreseeable fire and rescue-related risks. They should also prevent and mitigate these risks.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

### Understanding local and community risk

The public can give general feedback about Hereford and Worcester Fire and Rescue Service through links on its website. The procedure to submit comments and complaints is explained and includes expected response times. The website provides users with clear information and considers people with impairments and disabilities. The information can also be obtained in other languages, although these alternatives are not instantly accessible.

The website includes a section where consultations are published, like the Wyre Forest Emergency Services hub. Apart from statutory consultations, however, like the one for the Wyre Forest hub, local station engagement with the community is limited. The service could not show how it engages with the community concerning the services it provides. The only exception is the service's 'after fire' surveys, which it is aiming to improve.

We found that each station has its own top five risks, known as '7(2)d' risks. Section 7(2)d of the Fire and Rescue Services Act 2004 places a responsibility on fire and rescue services to gather risk information within their area. Fire crews visit at least three of the risk sites in each station area each year, undertaking training exercises. In addition, all [watches](#) and [on-call](#) staff make familiarisation visits on a rolling programme, depending on the level of risk. Certain high-risk sites are visited every year, with others visited every two or three years. All relevant information for the sites is checked to see whether there have been any changes. Updates are recorded.

We were told that the service uses [Mosaic](#) data to map community risk in relation to poverty levels, which informs station risk profiles. The service can also access Exeter data (a database of all patients registered with an NHS GP in England and Wales). It is reviewing how it can use this more widely, for example in building station risk profiles. The service is developing data on the top five economic risks in an area. For example, this could be the loss of a school or a major employer. It assesses the wider economic effect that this would have on the community, and how the service would manage that risk.

The service has an established referral process with local health and social care teams to identify vulnerable residents. It also exchanges certain data with partner organisations, such as Age Concern, to highlight the people most at risk from fire and other emergencies. But this depends on local arrangements. It is not done countywide. The Worcestershire Office of Data and Analytics – which is supported by senior leaders across the public sector – plans to make better use of the service's data. The service also says it wants to use data held by partner organisations better.

The service's strategic plan is called the community risk management plan (CRMP); in other services, it is known as the [integrated risk management plan](#). The service uses various data (dwelling house fires, other building fires, casualties, and indices of multiple deprivation) to create a risk map. It has mapped risk, and the reduction of risk, since 2009. The data was reviewed and updated as part of the CRMP mid-point review in 2017/2018. Within the CRMP, there are links to the national risk register and the [local resilience forum](#) community risk register, called West Mercia Prepared. This deals with the requirements of the [fire and rescue national framework](#) for England in planning for, and meeting, national risks.

### **Having an effective risk management plan**

The CRMP 2014–2020 document sets out clearly how the service uses information to assess risk within the two counties, and how it manages the risk under the following headings:

- identify the hazard;
- assess the risk;
- review and rank the risk;
- agreed actions to reduce risk; and
- action planning.

The service has produced five strategies that support the CRMP and its overall objectives. These are:

- medium-term financial strategy;
- ICT and data strategy;
- asset management plan;
- people strategy; and
- community risk strategy.

Four of these strategies are part of the 'saving more lives' programme, recently introduced by the service. They are easy to understand and link to the overall CRMP. The community risk strategy also supports the CRMP. But while the priorities within this strategy are clear, it is less clear how they will be achieved, or how they link to the CRMP.

We saw examples of risk strategies for districts, as well as for the areas covered by each station. The station risk plans are publicly available and linked to each fire station website page. These describe the risk profile for each station, including high-risk locations and [heritage](#) risk, and the activities to reduce this risk. The service has a single point of contact for heritage risk and its role includes managing the heritage risks that come under the Regulatory Reform Order (Fire Safety) 2005.

Hereford and Worcester Fire and Rescue Service is in the process of a potential change of governance from the combined [fire authority](#) to the West Mercia police and crime commissioner. This was subject to a judicial review at the time of our inspection and the process had been suspended. The service is also evaluating proposals for a joint work stream with Shropshire Fire and Rescue Service (whose governance may also change, to come under the West Mercia police and crime commissioner) to adopt a common approach to their risk management plans.

### **Maintaining risk information**

Staff clearly explained to us the process for gathering risk information. When a new risk is identified, staff complete basic details (premises information and apparent risk) and send this to the district watch commander. The watch commander then reviews other available information and completes a more detailed risk assessment. This is added to the information held on fire crews' [mobile data terminals](#). In urgent cases, a temporary action note is sent to control, and information is put on the [mobilising](#) system. This ensures that fire crews receive the information via the station turnout message and on their mobile data terminals as well.

Operational crews visit risk premises to familiarise themselves with the location and complete risk reviews. The schedule for these visits depends on the number of risk premises within each station area, and on the level of risk. Staff also gave us examples of floor plans being placed in [dry risers](#) within high-rise buildings, so that crews can use them, should an incident occur. Risk information is only gathered by [wholtime crews and managers](#).

Staff informed us that delays often occur in uploading new or updated risk records to the mobile data terminals. This is due to limited capacity to produce the plans and to the need to update each fire engine mobile data terminal manually. This means that it can take several months to upload the full risk information. This is an area for improvement.

## Preventing fires and other risks



### Requires improvement

#### Areas for improvement

- The service should evaluate its prevention work, so it understands the benefits better.
- The service should ensure staff understand how to identify vulnerability and safeguard vulnerable people.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

#### Prevention strategy

The service's prevention strategy is part of the community risk strategy 2017–2020. It lays out the broad priorities, which are:

- To reduce the number of accidental fires in the home.
- To work with our businesses to ensure they are properly protected.
- To reduce the number of deliberate fires.
- To improve the health and wellbeing of people in our area.
- To reduce the number of road fatalities and the injury severity of those involved in road traffic collisions.

The document gives members of the public a good overview, but lacks any detail. It does not explain how and when these priorities will be implemented, or who is responsible for ensuring they are completed. We witnessed a more targeted approach to prevention when we visited stations to do reality testing. Staff members agree on which areas to focus, based on local risk profiles.

The service undertakes home fire safety checks and has recently completed a pilot scheme for safe and well checks. Safe and well checks involve staff thinking about wider risks for vulnerable people, such as the potential for slips, trips and falls, hoarding, and other health concerns. Worcester University is currently evaluating the pilot scheme. We look forward to reviewing the results of this academic assessment.

In the meantime, the community fire risk management information system (CFRMIS) forms for home fire safety checks have been adapted. They now include more detail about vulnerable people who may be at greater risk from fire in the home. The extra information means the service is able to tell vulnerable people where they can get additional assistance. The CFRMIS system provides a daily report of vulnerable people for the [safeguarding](#) lead to make referrals to the most appropriate organisation, such as Age Concern. This addresses some of the immediate

concerns about vulnerable people, such as a lack of mobility, or whether the person uses oxygen. The information is also sent to [fire control](#) to update command and control systems with the immediate risk. Once the process for safe and well checks is fully implemented, it should ensure a consistent and appropriate approach is taken to supporting those people who are the most vulnerable.

We found that staff had varying levels of understanding about safeguarding and vulnerable people. Staff informed us that most of the training has been done via e-learning, and that some people are not confident about what questions to ask, to complete the new home fire safety checks. The service acknowledges this and says it is planning further training as part of the rollout of safe and well checks.

Partner organisations are very positive about how the service takes the lead with initiatives, and about its work to support vulnerable people. The 'connecting families' programme is a good example of joint working to turn around the lives of disadvantaged families through early intervention. Partner organisations share data about vulnerable families to enable targeted interventions, depending on need. The programme has not been formally evaluated yet, but there are plans to do so.

The majority of referrals for home fire safety checks come from partner organisations. These referrals are for high priority, vulnerable individuals who require support from the service. The referrals are allocated to crews or specialist staff for completion in the order they are received unless the required checks are identified as urgent.

The service does have access to [Exeter](#) and Mosaic data, but does not use this information to create risk profiles that guide prevention activity. It believes the current system of referrals from partner organisations enables it to target 'at risk' groups. The service will review this at a later date.

The service recognises it has not evaluated all of its preventative work, other than the assessment of safe and well checks conducted by Worcester University and the Dying2Drive road safety scheme.

### **Promoting community safety**

Hereford and Worcester Fire and Rescue Service has made 'reducing deliberate fires' one of the five priorities of the community risk strategy. Staff are aware that the service has a juvenile fire-setters programme, and that referrals go through to technicians within the community safety teams.

The service website has links to useful information for prevention and to government fire safety advice. It displays the latest campaign information at the top of the page. Links to various campaigns can be found in the events calendar. Each station risk profile also has a copy of the National Fire Chiefs Council campaigns calendar. The corporate communications team links national campaigns to local issues.

Partner organisations acknowledge that they could do more to assist the service with campaigns and campaign promotions. At the moment, joint planning is limited.

## Road safety

The service is involved in several road safety campaigns. It runs 'dying to drive' sessions, which is a road safety initiative aimed at reducing death and serious injury among young road users. This initiative is primarily aimed at Year 11 students (aged 15 to 16) who will soon become young drivers. The scheme is run with the other emergency services. The service considers this scheme a success and plans to have it formally evaluated soon. Some staff informed us that the Safer Roads Partnership does not support this scheme, as it does not focus on their target group.

The service works with the Safer Roads Partnership to run 'green light'. This programme educates sixth-form and college students about why so many young drivers and passengers are involved in road traffic collisions, and how they can avoid them. The 'dying to drive' and 'green light' programmes both target a similar age group. We would therefore encourage the service to discuss this with the Safer Roads Partnership, to agree on an effective joint approach.

The service leads the Biker Down programme within the two counties. This is a national programme, run by bikers for bikers. It gives motorcyclists information on what to do if they are the first to arrive at the scene of an accident involving a motorcyclist.

## Protecting the public through fire regulation



### Good

Hereford and Worcester Fire and Rescue Service is good at protecting the public through fire regulation. But we found the following areas in which it needs to improve:

#### Areas for improvement

- The service should ensure it allocates enough resources to a prioritised and risk-based inspection programme.
- The service should assure itself that its enforcement plan prioritises the highest risks and includes proportionate activity to reduce risk.

All fire and rescue services should assess fire risks in buildings and, where necessary, require building owners to comply with fire safety legislation. Each service decides how many assessments it does each year. But it must have a locally-determined, risk-based inspection programme for enforcing the legislation.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.



## Risk-based approach

Hereford and Worcester Fire and Rescue Service has a risk-based inspection programme, which is managed via the community fire risk management information system (CFRMIS). This is consistent with the fire and rescue national framework for England. We reviewed the fire safety policy and found that it did not contain much detail about how the service classifies risk and manages its risk-based inspection programme.

The service has a protection team for each of its three districts. These are supervised by a station manager, who has responsibility for community protection and community safety. Within each team, all members have a [Level 4 Diploma in Fire Safety](#) and some inspectors have a Level 5 Diploma in Fire Engineering Design. All staff can carry out each other's roles.

The service uses operational crews to carry out business fire-safety checks. We found that most crews had a good understanding of the process and of the importance of gathering wider operational intelligence. Assigning these checks to operational crews means fire safety officers can concentrate on more high-risk inspections. In the 12 months to 31 March 2018, the had service audited 92 percent of the 107 identified high-risk premises. This confirms that allocating checks in this way has enabled fire safety officers to focus on high-risk premises inspections.

The service has made a considerable effort to move to more intelligence-led safety inspections. Two projects exemplify this in particular: the team targeting houses in multiple occupation; and the multi-agency targeted enforcement (MATE) team in Herefordshire. These projects are resulting in an increase in enforcements; however, the service feels this is targeting those most at risk.

The dilemma for the service is that this intelligence-led approach has reduced its capacity for risk-based inspection work. Staff told us that inspectors are unlikely to be able to complete all their risk-based inspections due to the additional intelligence-led work. The service needs to consider what balance it wants to take. Its fire safety enforcement strategy should be clear about how much of its inspection work will be pre-planned and risk-based, and how much will be intelligence-led, and why.

## Enforcement

The work of the MATE team is innovative. It involves partners from a range of organisations that all work together from one location. These partners are:

- West Mercia Police;
- Herefordshire Council Trading Standards;
- Herefordshire Council Housing Enforcement;
- Herefordshire Council Environmental Health;
- Home Office Immigration Enforcement;
- HMRC; and
- Gangmasters Licensing Authority.

The service informed us that inspectors took [fire safety enforcement action](#) at approximately 75 percent of the premises targeted by the MATE team. We reviewed a case that started with the service issuing an enforcement notice but led to much wider public safety and organised crime issues. The work of the MATE team has the potential to be notable practice. The service should consider formalising this in a partnership agreement and evaluate the outcomes.

Although the service has taken other enforcement action, it has not carried out a prosecution for a number of years. However, its level of enforcement action has increased. In the 12 months to 31 March 2018 there were 132 Article 30 enforcement notices, compared with 45 in the year before. The service recognises that it needs to develop skills and capacity in this area, as it is not currently using the full range of its powers as a regulator.

### **Working with others**

Information available to businesses through the service's website is generally good. It is easy to read and has links to appropriate legislation and guidance on risk assessments. The service hosts business forums at its headquarters, together with other enforcing authorities. These forums aim to help businesses to understand and work through all the rules and regulations.

Hereford and Worcester Fire and Rescue Service provides [primary authority](#) services to two large local companies. A watch manager runs the scheme. The service admits it could offer these services to more companies.

The service is updating its policy for unwanted fire signals (false alarms from fire alarms and detection systems). It last partially updated this in 2014. We found evidence that the service is working with premises where repeat activations occur. This depends on individual operational managers, however, and protection officers are only used when they request it. As the number of false alarms makes up a large proportion of the incidents attended to by the service, the service should continue its work to engage with business and reduce false alarms.



## Responding to fires and other emergencies



### Good

Hereford and Worcester Fire and Rescue Service is good at responding to fires and other emergencies. But we found the following area in which it needs to improve:

#### Areas for improvement

- The service should ensure it has an effective system for staff to use learning and debriefs to improve operational response and incident command.

All fire and rescue services must be able to respond effectively to multi-agency and cross-border incidents. This means working with other fire and rescue services (known as interoperability) and emergency services (known as interoperability).

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

### Managing assets and resources

Hereford and Worcester Fire and Rescue Service supports its response activity with a good standard of equipment and training. It has national assets, including an [urban search and rescue team](#), a high-volume pump and boat and water rescue capability. The policy of the service is to provide a balance of cover across the service area, and move firefighters and equipment around if gaps occur (e.g. where a fire engine is unavailable for some reason).

The service measures areas of risk that are as consistent as possible in population size. It uses its own defined response times to risk-critical incidents, where there is a risk to life, to buildings or to the environment. For building fires, the response standard is ten minutes on 75 percent of occasions. Data supplied by the service showed that it met this standard 59.7 percent of the time for the 12 months to 31 March 2018.

The service has pre-determined response levels for incident types. We saw these being used when we visited fire control. Control operators can select a pre-determined attendance type (number of fire engines, specialist equipment etc.), but can increase or decrease this, depending on the information they receive and their professional judgement. Control operators also monitor call-handling performance times. We saw evidence of this with an individual operator who followed up a call that had fallen outside set call handling times to find out the reasons for the delay. Control operators could confidently describe procedures, such as fire survival guidance and breathing apparatus emergencies. The service also offers access to a language service for non-English speakers.

Operational crews that we spoke to could confidently demonstrate the use of breathing apparatus and carry out the appropriate testing and recording. They could also describe what to do during a breathing apparatus emergency and/or a potential building collapse.

## **Response**

The service has carried out a gap analysis against [national operational guidance](#). Where it varies, it highlights the difference and carries out work to improve matters. The service has already updated its breathing apparatus and incident command procedures.

We found that the use of mobile data terminals in vehicles is well understood and is an effective way of managing information on mobilisation. If necessary, control operators will confirm important information with crews while they are on their way to an incident. The mobile data terminal also contains information on vehicle data for crews to access when attending road traffic accidents. This allows them to find battery isolation points and areas to avoid cutting during extraction.

The service recognises that the availability of on-call firefighters is a current and future challenge. At several locations, staff (both wholetime and on-call), expressed their concerns about the availability of the on-call fire engine, as this often led to delays in additional crews attending an incident. The service is working on addressing this concern and is implementing an on-call charter. We look forward to reviewing this charter.

## **Command**

We found that the principles of incident command are well understood at all levels across the service. Managers know the requirements for dynamic as well as analytical risk assessments. Staff are aware of the incident command pack held in fire engines and understand how it should be used.

The use of [operational discretion](#) at an incident is broadly understood. Staff feel they would be supported if they had to use it. We were given an example of when it had been used and then debriefed, after which the learning was shared across the organisation. The service intends to do more to ensure all staff fully understand it, and any use of it properly recorded.

## **Keeping the public informed**

The service uses social media via Twitter to update users on incidents or other matters of note. There is a section on the front page called 'latest incidents', and the service shows all incidents from Twitter on this page.

All press-related enquiries are forwarded to the service's corporate communications team during working hours. Out-of-hours cover for media and press enquiries is the responsibility of the duty officer. Each duty officer has received media and social media training. Control can also send out priority messages.

Operational staff broadly know what to do when they encounter a person who is vulnerable. They all know that, if they have concerns, they may contact control to request support from a more senior officer. Nobody we spoke to had first-hand experience of this happening.

## Evaluating operational performance

The senior management board receives quarterly reports on all operational assurance activities and acts on any deficiencies. Operational learning comes from debrief findings. We found that the use of incident debriefs varies between stations. At some locations, hot debriefs (that is debriefs shortly after the incident has occurred) follow all incidents, whereas at other stations they rarely happen. The service's incident and exercise debrief policy contains a clear process for identifying wider fire and rescue service or multi-agency learning. Nominated members of staff are responsible for identifying and communicating responses to joint operational learning and [national operational learning](#). This is gathered together by a single point of contact and shared across the service. Electronic debriefs contain a specific section for [Joint Emergency Services Interoperability Principles](#) (JESIP) consideration.

The service uses active incident monitoring (AIM) to assess incident commanders. It believes this system is effective. It publishes the number of AIM assessments it carries out, as part of its performance snapshot to the public. However, with the number of incidents declining, AIM assessments are not always easy to achieve. Staff we spoke to were not clear about when these assessments should be carried out and who should complete them. The service acknowledges that this process is still evolving. We are keen to see how this work develops.

## Responding to national risks



### Good

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

### Preparedness

Hereford and Worcester Fire and Rescue Service has good arrangements in place to mobilise [national resilience assets](#). Control staff are confident about the arrangements for national asset deployment. They told us how they inform the Fire and Rescue Service [National Co-ordination Centre](#) when national assets are mobilised and explained about information collection and planned holding areas. Recent examples of when the service has deployed national assets include Norfolk (tidal surge) and Devon and Somerset (flooding Somerset Levels).

Premises' risk plans are documented, up to date and available for crews. Site plans for the top five risk premises in the area have been used to create simulations on a virtual reality system. This allows staff to test various scenarios and learn in an interactive way. It is an effective system; we found that staff have a good knowledge of these sites.

The service has done training exercises in high-rise premises involving crews across the county. Operational staff have also completed larger-scale exercises, involving ambulance [hazardous area response teams](#) and other fire and rescue services.

### **Working with other services**

Hereford and Worcester Fire and Rescue Service shares the same control system technology with Shropshire Fire and Rescue Service. Each service has its own system but allows the other service to log on and access its functions. This means that each service can mobilise the other's resources in a fall-back situation. This happens when a fire control is forced to change procedures due to a loss of a piece of equipment or to the need to change location. This was used when Shropshire Fire and Rescue Service had staffing shortages and when Hereford and Worcester Fire and Rescue Service suffered a loss of its communications control system.

We found several examples of the service working with nearby fire and rescue services (English and Welsh), both operationally and in training. The service collects risk data for other fire and rescue service areas up to 10km away and we saw this demonstrated at several sites.

Managers were confident in describing JESIP. The service has chosen to incorporate the recommended message structure into its standard radio messages. Control operators assist staff when the standard of messages has not been met.

### **Working with other agencies**

The West Mercia local resilience forum is positive about the involvement of Hereford and Worcester Fire and Rescue Service in supporting its work. This includes chairing some of the sub-groups. The county has two [control of major accident hazard sites](#). As well as helping produce plans for the site, the service regularly completes exercises there to test the plans.

The service takes part in multi-agency exercises and invites partner organisations to attend training exercises it is running. Recently, the service was part of an exercise involving a crashed aircraft. It has also carried out training with Shropshire Fire and Rescue Service in marauding terrorist attack procedures, using their shared national incident liaison officer cadre. They used the example of the Manchester terrorist attack to carry out table-top scenarios.

# Efficiency



# How efficient is the service at keeping people safe and secure?



## Requires improvement

### Summary

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An efficient fire and rescue service will manage its budget and spend money properly and appropriately. It will align its resources to its risk. It should try to keep costs down without compromising public safety. Future budgets should be based on robust and realistic assumptions. Hereford and Worcester Fire and Rescue Service's overall efficiency requires improvement.

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The service made ambitious plans in 2014 that it has not achieved. These were based on saving money by improving efficiency and making changes to the workforce. The financial plan is good and is based on sensible assumptions. But delays in bringing in the planned changes are costing the service money. This presents a risk. We found that staff do not fully understand the proposed changes to the role of watch managers. The service needs to address this situation.

Progress made in the service's prevention work is likely to increase workloads in other areas. We found that specialist prevention officers already have a lot of work to do. This is a risk. The service should review the situation and consider how to deal with this problem. In particular, it may be able to introduce a better system for replacing faulty smoke alarms.

The service is good at working with partner organisations. Good arrangements are in place for joint work with Shropshire Fire and Rescue Service, West Mercia Police and several local authorities. Some of these arrangements are innovative and the service is willing to try new things. The service should evaluate the benefits of these arrangements and make sure they are achieved. The benefits should include providing value for money. There are good arrangements in place to make sure the service can continue to function in all circumstances.

## Making best use of resources



### Requires improvement

#### Areas for improvement

- The service should assure itself that its workforce is productive. It needs to clarify the role of watch manager and consider alternative ways to manage the replacement of faulty smoke alarms.
- The service should ensure it effectively monitors, reviews and evaluates the benefits and outcomes of any future collaboration.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

#### How plans support objectives

Hereford and Worcester Fire and Rescue Service is not operating as efficiently as planned. The service is spending more than it needs to in responding to emergencies. The 2014 CRMP was ambitious in its plans for the service. It intended to reduce costs by operating with greater flexibility and greater efficiency.

One of the main elements of the plan was to reorganise the way the service responds to emergencies by aligning resources more closely to risk. Within this new model, fire engine crews for most incidents would reduce in number from five firefighters to four. However, the combined fire authority later decided to continue operating with crews of five at as many incidents as possible for another two years. It funded extra staffing for this by using £800,000 of the service's [reserves](#) until February 2017.

The medium-term financial plan is good. It identifies the problems the service faces, making prudent assumptions about future income and expenditure. While the budgets are broadly balanced during the four years of the plan through to 2023, this is mainly achieved by using financial reserves. Longer-term action is needed to reduce spending to acceptable levels in line with projected funding available. Had the service implemented its changes as planned in the 2014 CRMP, it would have mitigated some of these problems. The service is considering alternative crewing arrangements together with other cost-saving measures. These include reducing the number of fire stations in the Wyre Forest area and relocating the fire headquarters and control room to the West Mercia Police headquarters.



## Productivity and ways of working

Compared with 2010, the service has reduced the numbers of fire engines and staff to save money. More recently, it introduced a range of flexible working patterns to align its response arrangements to risk and demand for services. The new staffing structure removes watch managers from riding on fire engines as part of the crew. This means the service can reduce the number of watch managers at each station from four to two. The two watch managers are employed on a flexible seven-day rota (except at [day crewing plus](#) stations). In the new structure, crew managers do more of the day-to-day supervision of firefighters; watch managers manage the performance of a wider group of firefighters and have an enhanced role in local partnership engagement activities. However, because the service has not yet fully implemented the reduction to four riders, or the wider changes to the operating model, we found some staff were unclear about the proposals. While the service has communicated the benefits and reasons for change to staff and representative bodies, more needs to be done.

The service allocates resources to prevention and protection activities. These activities are designed to reduce the number of fires and other emergencies, as well as manage the risks throughout the area. We found that the specialist prevention officers have a backlog of work. The service needs to review this situation and make any changes necessary to reduce the backlog. It is not clear whether the service is making the best use of response firefighters for prevention activities. For example, we found occasions when the service sent a full fire crew to replace faulty smoke alarms (in homes where the service previously fitted them). We recognise it is essential that fire crews can be deployed quickly to an emergency, and defective alarms do need to be replaced, but there may be more cost-effective ways of achieving this. This could free up crews to undertake other work, such as new home fire safety checks, where their skills could be better employed.

The service's fire protection programme of work is risk-based and is increasingly targeted at sites where the risk to community and firefighter safety is greatest. However, this better targeting of protection activity means that inspections are leading to more enforcement and follow-up activity. This affects the workloads of other staff and could soon lead to current resourcing levels becoming stretched.

## Collaboration

We found that the service is keen to collaborate both with other fire services and with the wider public sector. However, it is not clear whether the benefits of collaboration, for the fire and rescue service and its users, have been fully evaluated. There are constructive joint working arrangements in place with Shropshire Fire and Rescue Service and with West Mercia Police in particular. There are already several shared police and fire stations. In addition, plans are at an advanced stage to relocate the fire service headquarters along with its fire control centre to the site of West Mercia Police headquarters. The services were successful in a joint bid for government funding of £1.89m to support this move.

Hereford and Worcester Fire Service is also part of an innovative collaborative venture, known as Place Partnership Ltd. This includes a number of local authorities as well as Warwickshire Police and West Mercia Police. It was set up as joint venture



to manage all the partners' property, facilities and energy management solutions. It is not yet clear that the anticipated cost savings are being achieved. Indeed, costs have increased due to the number of capital projects the service has under way. However, costs are no higher than they would have been, and the service is confident that it now has access to greater capacity and skilled resources in implementing its various estates projects.

The service has also obtained transformation funding for a joint emergency services hub within the Wyre Forest area of Worcestershire. This involves relocating three stations, one [wholetime](#) and two retained, into one central hub alongside police services. The fire service has carried out extensive consultation. It has recently agreed a site, bought the land and obtained planning permission. The three fire stations were all located close to each other. The service made a compelling case for creating one central hub serving the area and maintaining acceptable response times at lower operating costs. This has been a difficult process for both the public and staff members affected. Although it has taken longer than originally envisaged, the project is now close to being finished.

### **Continuity arrangements**

Hereford and Worcester Fire and Rescue Service has a comprehensive system for assessing and recording business continuity. We reviewed plans across many areas, including plans for the move of fire control. These include detailed plans for before, during and after the move, to ensure business as usual. However, in two of the plans supplied, there was no version control and review dates had not been recorded. The service could not, therefore, reassure us that these plans had been fully agreed.

### **Making the fire and rescue service affordable now and in the future**



#### **Good**

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

### **Improving value for money**

The service plans to achieve a balanced budget by making long-term cost savings, which will improve value for money. However, over the medium term, it continues to spend more than it receives in funding. It uses its reserves to fill the gaps. The service intends to have put in place sufficient measures to reduce its spending to within affordable limits. The assumptions made on income and expenditure are prudent and cautious. This means that the use of the reserve can be phased to meet the budget shortfalls later in this financial period.

Once again, the delay in implementing the decisions taken in the 2014 CRMP mean that the pace of improving value for money has been slow. There is a risk that the service will continue to operate inefficiently and that the operating model may become unaffordable. This is made more likely by delays in implementing the workforce and crewing changes, and by any delays in some of the more ambitious

change projects, such as the Wyre Forest hub and the relocation to the West Mercia Police headquarters site.

Much of the collaboration work to date, although constructive and valued by partners, has not resulted in measurable improvements in terms of value for money. In discussions with the service and partner organisations, it is clear that the main initial motivation for these initiatives was not to save money but because it felt like the right thing to do. The chief fire officer has ambitious intentions to involve fire service staff in much greater joint service provision with other public services. However, these plans are at an early stage. The service is not yet able to show how it can increase its range of activities without affecting its main statutory functions. The service acknowledges it needs to identify the expected benefits at the start, and then monitor and evaluate the outcomes, to ensure these benefits are realised.

## **Innovation**

The service has shown it is willing to innovate and find creative solutions. We have already discussed the Place Partnership. Another example is the joint programme with Wychavon District Council, which resulted in the council providing a £3.5m purpose-built fire station in Evesham, at minimal cost to the service. The new station was part of the council's plan to regenerate Evesham town centre, which required the relocation of the old fire station. The service worked closely with the council to achieve the best results for the community and for the service.

The service is planning to improve its out-of-date mobile data terminals with updated software and improved Wi-Fi to allow the devices to function remotely throughout the area. This should ensure crews are provided with up-to-date data, including risk information.

Following the 2014 staffing review, the service identified that changes to workforce models would mean it had too many staff. Through constructive joint planning, staff were seconded to Shropshire Fire and Rescue Service across both operational areas and fire safety. This enabled Shropshire Fire and Rescue Service to manage skills gaps in its workforce without the need to recruit, and meant that Hereford and Worcester Fire and Rescue Service could save the salary costs of its extra staff. Staff were also seconded to several other fire and rescue services. Over 50 staff were involved in total.

## **Future investment and working with others**

The service's reserves are set to fall significantly by the end of this financial period. Reserves are being used to balance the shortfalls in spending over the whole period of the medium-term financial plan. The service is planning to invest £32.6m in capital projects between 2018/19 and 2020/21. This is broken down as follows:

- fire stations/training facilities £19.7m;
- vehicles and equipment £8.5m; and
- ICT/minor building works £4.4m.

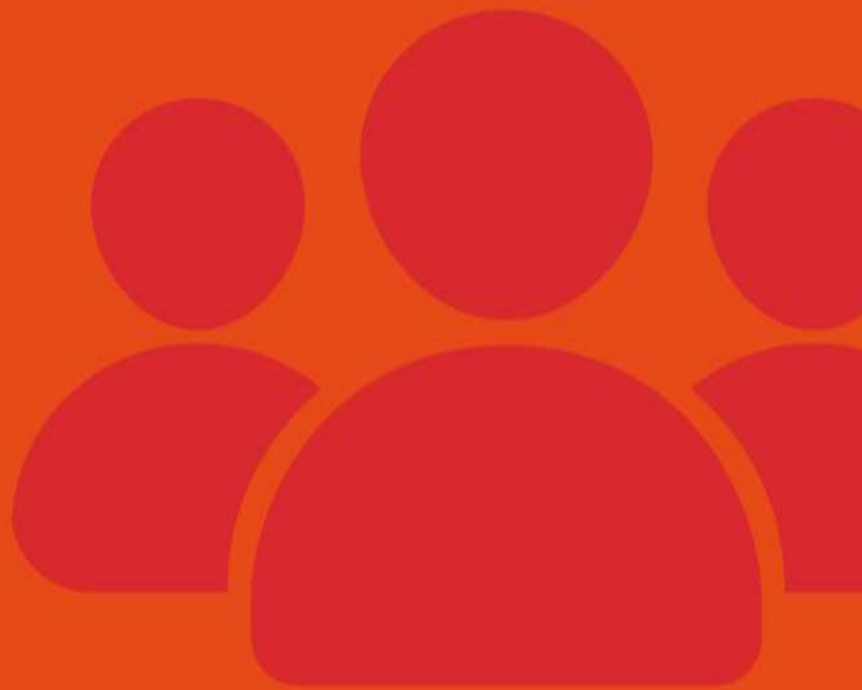
This will be funded by earmarked reserves and some borrowing.

One of the five fire and rescue authority ICT priorities for 2018/19 is moving the fire control mobilising system to the operational communications centre at the police headquarters. Police and fire controls will be then based from the same location. This project involves both police and fire team members and is led by a fire service manager. In addition, the police told us that they have included fire service requirements in the specification for the new police command and control system. This means that collaborative working should be able to continue in future without disruption.

The service secured funding on its own from the [fire transformation fund](#) for the Wyre Forest hub, and for the move to West Mercia Police headquarters. It has also assisted the police in gaining funding from the Home Office for the operational communications centre.

The service has agreed to share incident command units with Shropshire Fire and Rescue Service. These specialist units will increase from two to three across the two services. This will also mean that the policies for incident command will need to be aligned, so that the units can be deployed across either service. It should lead to wider collaboration for incident command.

# People



## How well does the service look after its people?



### Requires improvement

#### Summary

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A fire and rescue service that looks after its people should be able to provide an effective service to its community. It should offer a range of services to make its communities safer. This will include developing and maintaining a workforce that is professional, resilient, skilled, flexible and diverse. The service's leaders should be positive role models, and this should be reflected in the behaviour of the workforce. Overall, Hereford and Worcester Fire and Rescue Service requires improvement at looking after its people.

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The service needs to improve how it promotes the right values and culture. It particularly needs to improve how senior leaders communicate with the workforce. It is making changes to make the workforce more adaptable and take on different work. Staff do not fully understand the reasons for these changes. The service should address this, so that it can improve trust and move forward with its plans.

The service is good at making sure staff wellbeing is a priority. Staff can access a range of support services. The service could consider the benefits of letting staff from all roles work more flexibly. Operational staff maintain their fitness levels. The new policy for responding to incidents focuses on both public and firefighter safety.

The service is good at getting the right people with the right skills and makes sure they are well trained. It is working on a charter for on-call firefighters to improve their experience and increase numbers. The service would also benefit from finding out about the wider skills and experience of on-call staff.

The service needs to improve how it ensures fairness and promotes diversity. We found that some staff do not understand the importance of diversity. The service should focus on developing this understanding, so that the workforce can build trust and confidence with its community.

The service should improve how it manages performance and develops leaders. Managers with specialist skills should continue to be included in leadership team meetings, to support decision making. All staff need to understand and use the appraisal system, to assist workforce development. The service should do more to make sure staff are confident in the promotion process. It is not as open as it could be.

## Promoting the right values and culture



### Requires improvement

#### Areas for improvement

- The service should put in place a regular and effective system to measure and monitor staff engagement (across the whole service). It needs to improve its two-way communication channels with staff, and its face-to-face communication by and with senior leaders.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

### Workforce wellbeing

The service sees wellbeing as a priority. There are good examples of appropriate and timely wellbeing provision. These include early intervention after traumatic incidents, counselling, therapy, and services provided by occupational health. Access to wellbeing services is good and managers and staff clearly understand how to do this. On-call staff told us that welfare support received through the critical incident support team is good, and there is an emphasis on mental health and dementia awareness.

Managers have a very good understanding of the wellbeing needs of the workforce and gave us examples of where they had been proactive in identifying and seeking assistance for staff. Sickness is monitored and the reasons for absence are investigated. Following every period of absence, a return-to-work interview is held.

The service provided us with examples of flexible working. It should continue to consider requests for flexible working across all its roles, to meet its people strategy. On-call staff told us they would welcome more flexibility in the contracts for on-call staff, which they said would aid recruitment and retention. The service believes there is sufficient flexibility but recognise it needs to do more to promote opportunities more widely.

## **Health and safety**

The service carries out annual fitness testing for operational staff. This is done independently by a fitness instructor from the University of Worcester, who is also an on-call firefighter. All staff are expected to achieve the national standard for a person's individual aerobic capacity. Staff are given three months to achieve this standard if they underperform. The service has just raised the fitness standard from a lower level. It is thought that just over 100 members of staff are still below the new level. They have been given 12 months to reach the new standard. If a person fails to achieve the lower level of fitness, they are taken off active duty and given a programme for improvement.

The service introduced a graded response policy just before our inspection. This followed a health and safety review of all driving activity. Fire control now puts a grade of response on to the call sheet for the fire crews, based on the information given by the caller and the type of incident. The three grades of response are emergency, prompt and non-emergency. The officer in charge can alter the response based on their judgement of any other facts, such as distance or traffic congestion. The prompt response allows crews to use audible warnings and blue lights if necessary; otherwise, they should proceed at normal road speed. The policy allows for a flexible response, but recognises the service's duty of care to the public.

## **Culture and values**

The service management team wants to move the service into new areas and develop an adaptable workforce that can cope with the new roles. We saw a lot of evidence of the more recent change initiatives. This included changes to crewing and the change in role for watch managers to become more flexible and responsible for wider change.

Negotiation between the service and representative bodies has taken a considerable amount of time and effort, but has not yet achieved an agreed outcome. Staff told us that they had not understood the change process and felt it was being imposed on them. The senior manager with responsibility for frontline operational teams made regular visits to watches and stations to discuss the proposed changes with affected staff. Staff told us, however, that they felt senior management were not sufficiently visible and had only communicated through the union.

Staff from a range of roles and levels across the organisation said they thought that challenge wasn't welcomed and that the service does not listen to them. They believe there is no proper project management, "just people running with their own ideas". Several members of staff described Hereford as remote and forgotten about.

The senior management board has recognised some of these problems. In early 2018, it hired independent consultants to carry out a cultural survey of the senior management board. Those who were consulted within the service were station and group managers or non-uniformed manager equivalents.

After receiving the report, the chief fire officer proposed forming a managers' group to improve the culture, whose members would be selected from among their peers. This aimed to encourage the change proposals from managers who had been part of the survey. It was also intended to represent a team approach, as the survey's results indicated that the leadership was viewed as high-handed.

While senior and middle managers received a copy of the report and other staff groups were aware of the review, staff members reported they had not been told any details. In the absence of information, staff have drawn their own conclusions.

It is clear that improvements need to be made in communications and openness between senior leaders and the workforce. Senior leaders showed us plans that are in place to re-commence visits across the service. We would encourage this at the earliest opportunity, to tackle these communication problems.

## Getting the right people with the right skills



### Good

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

#### Workforce planning

The service has a published people strategy, while an action plan has been drafted but not yet published. A workforce planning meeting is held quarterly, with data provided in respect of workforce numbers and anticipated moves or retirements.

A quarterly meeting for an operational assurance report takes place, at which the senior management board discusses training activity. Statistics are produced that include the number of training courses run and how many staff have completed them. This is a robust system, which shows that the service is tracking training activity across the service. It plays an important part in ensuring that the service can identify and act on any gaps it finds.

The service has introduced an additional crew manager development post to each crew. It created these new posts from existing firefighter posts to:

- provide additional resilience;
- maintain appropriate supervisory management; and
- create opportunities to identify, develop and support staff aspiring to become managers.

Each of these new staff must pass a five-day incident command course and assessment. We were told of several occasions when engines had relatively new crew managers in charge. While this is not unusual across fire and rescue services, the service will need to ensure that these new managers are supported during their operational development, especially at incidents.

We were told that the low numbers of on-call staff willing to take on crew manager management roles is a principal reason why fire engines are unavailable. The reasons given for this reluctance are the extra responsibility and time required, balanced against the reward offered. The service is publishing an on-call charter and will be surveying on-call staff. We look forward to seeing the progress of the on-call charter.



On-call staff told us that the service doesn't audit the skills that staff have gained from working in other jobs, to understand how these may benefit the service. These staff work in roles outside the fire service, as business owners, project managers or IT workers, for example. The service should consider what wider skills could be gained from its on-call workforce.

### Learning and improvement

Staff are well trained. A comprehensive training and competency records system is maintained and monitored by managers. This allows the service to deploy staff with the right skills and level of competence to incidents. We saw this across wholetime firefighters, on-call firefighters and control. All records we reviewed were up to date except for one, and the reasons for it not being current were recorded. Areas checked included:

- breathing apparatus;
- water rescue;
- health and safety;
- incident command;
- equality and diversity; and
- safeguarding.

The system for supporting operational staff carrying out business fire safety checks is well developed and is supported by those operational fire inspectors we spoke to. Training and development of fire protection staff is also at a high level. All level one to four incident commanders are re-assessed every two years, to make sure they remain competent to command at incidents. As part of this, they undergo a virtual-reality assessment to test their abilities.

### Ensuring fairness and promoting diversity



#### Requires improvement

##### Areas for improvement

- The service should assure itself that staff are confident using its feedback mechanisms.
- The service should ensure any change processes it proposes are visible to all staff.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

## Seeking and acting on staff feedback

Hereford and Worcester Fire and Rescue Service has various groups and methods of communication within the service.

An organisational development group meets every two months and has terms of reference. Its remit is to consider and address problems outlined in the people strategy 2017–2020. There is a two-way feedback process between the group and the senior management board, via an area manager. There is also a joint consultative committee, chaired by the assistant chief fire officer. This includes senior managers and all representative bodies. It is designed to look at problems and address areas of concern. The service also issues to all staff a weekly bulletin, with a range of information, and a fortnightly chief fire officer briefing.

We have already discussed some of the concerns about engagement from senior leaders under the 'Culture and values' section. Work is underway to address this and we look forward to reviewing the results of this at a later date.

In the 12 months to 31 March 2018, the service recorded a low number of grievances. We reviewed these and found that the majority did not meet the timescales laid down in the policy. In some cases, an explanation was given for the delay. However, support was not offered to the staff members, despite the potential of these delays to cause stress. This was the case even when a grievance was subsequently upheld.

## Diversity

As at 31 March 2018, the percentage of firefighters who were female in Hereford and Worcester Fire and Rescue Service was slightly above the England rate (6.7 percent, compared with 5.7 percent). However, when considering all staff groups, the service had a slightly smaller percentage of female staff (14.8 percent, compared with 15.9 percent). Also, the percentage of firefighters from black, Asian and minority ethnic (BAME) backgrounds was below the England rate (3.2 percent, compared with 4.1 percent); however, this should be seen in the context of the service area's BAME population (3.7 percent, compared with 14.6 percent in England).

During its most recent wholetime recruitment campaign, the service informed us that it undertook positive action to increase the pool of applicants. It is developing a positive action strategy for the next recruitment campaign, planned for January 2019.

Senior leaders understand the need for a diverse workforce, but staff at lower levels are not as clear and do not understand its relevance. The service provides diversity training for staff. However, staff referred to 'diversity issues' in the 1990s, which they said had made them wary of having a female firefighter on their station. Overall, staff told us there is too much emphasis on diversity and the service is already doing all it can in this field. This again indicates the importance of more effective communication between the service and its workforce.

## Managing performance and developing leaders



### Requires improvement

#### Areas for improvement

- The service should put in place an open and fair process to identify, develop and support high-potential staff and aspiring leaders.

We set out our detailed findings below. These are the basis for our judgment of the service's performance in this area.

#### Managing performance

The service has an individual personal development review (IPDR) or appraisal process in place. We found that all operational staff use it to maintain their continual professional development, for which they receive a payment. However, some staff have not had an IPDR for several years. We were also told others have been emailed their review without having a face-to-face meeting with their manager. By not ensuring that staff understand the IPDR process, and by not using the information to assist workforce development, the service is missing out on wider benefits.

We were informed that the service manages any failure of on-call staff to respond to incidents. This will usually involve an investigation into the reasons for the failure, such as traffic conditions or a pager not working. The service's policy states that when six failures to respond occur within six months, management intervention is required. During our inspection the lack of evidence meant that no conclusion could be drawn about whether this happens uniformly across the service.

Processes are in place for the use of exit interviews when staff leave the service, but their use does not appear to be consistent. The service would benefit from using these interviews in all cases, where possible, as important information can be obtained that will assist with future improvements.

#### Developing leaders

The service does not have a process throughout the organisation to identify future leaders. It has recently allowed group managers to apply for the national executive leadership programme. Two have since been successful.

The senior management board includes specialist staff. The board invites managers with specialist skills to participate in some discussions and decisions. To support its understanding of issues and allow more informed decision making, the service should consider how this could be expanded. It could also consider using these skills more in wider senior management meetings.

Staff at many levels informed us that the promotion procedure is not open and clear. At roles up to watch manager, we noted a lack of defined selection criteria, and that the procedure has changed several times. The perception is common that staff will only be promoted to station manager and above if they have sponsorship from more senior managers. The service's process for promotions should be clear and open.

The service has recognised this perception, which the cultural review mentioned previously also highlighted. An independent person took part in its recent middle-manager promotions, to encourage a more open process. We highlighted this change to the staff we spoke to. They told us they were aware of it, but felt it was only a start. More needs to be done to build confidence in the process.

We were told that some staff have been in temporary management positions for years, and have not been substantively promoted, despite having applied for it. Staff members gave us various examples of this, each with different explanations as to why this might be the case. This situation may result in some individuals being in long-term temporary management positions with little or no management training, though they are experienced operational commanders. The service should ensure that it is confident in the skills of its managers and supports them in these roles.

The people strategy action plan includes a number of proposed changes. This is still to be agreed. It is important that the service uses this opportunity to include staff in the process, so that they are aware of what is being proposed.

## Annex A – About the data

Data in this report is from a range of sources, including:

- Home Office;
- Office for National Statistics (ONS);
- Chartered Institute of Public Finance and Accountancy (CIPFA);
- our inspection fieldwork; and
- data we collected directly from all 45 fire and rescue services in England.

Where we use published Home Office data, we use the period to 31 March. We selected this period to be consistent across data sets. Some data sets are published annually, others quarterly. [The most recent data tables are available online.](#)

We use different data periods to represent trends more accurately.

Where we collected data directly from fire and rescue services (FRSs), we took reasonable steps to agree the design of the data collection with services and with other interested parties such as the Home Office. We gave services several opportunities to validate the data they gave us, to ensure the accuracy of the evidence presented. For instance:

- We checked and queried data that services submitted if notably different from other services or internally inconsistent.
- We asked all services to check the final data used in the report and correct any errors identified. Data that services submitted to the Home Office in relation to prevention, protection and workforce figures was published in November 2018. This data was updated after reports had been checked by services, so we haven't validated it further.

We set out the source of Service in numbers data below.

## Methodology

### Population

For all uses of population as a denominator in our calculations, unless otherwise noted, we use [ONS mid-2017 population estimates](#). This is the most recent data available at the time of inspection.

### BMG survey of public perception of the fire and rescue service

We commissioned BMG to survey attitudes towards fire and rescue services in June and July 2018. This consisted of 17,976 interviews across 44 local fire and rescue service areas. This survey didn't include the Isles of Scilly, due to its small population. Most interviews were conducted online, with online research panels.

However, a minority of the interviews (757) were conducted via face-to-face interviews with trained interviewers in respondents' homes. A small number of respondents were also interviewed online via postal invitations to the survey. These face-to-face interviews were specifically targeted at groups traditionally under-represented on online panels, and so ensure that survey respondents are as representative as possible of the total adult population of England. The sampling method used isn't a statistical random sample. The sample size was small, varying between 400 and 446 individuals in each service area. So any results provided are only an indication of satisfaction rather than an absolute.

[Survey findings are available on BMG's website.](#)

### Service in numbers

A dash in this graphic indicates that a service couldn't give data to us or the Home Office.

### Perceived effectiveness of service

We took this data from the following question of the public perceptions survey:

How confident are you, if at all, that the fire and rescue service in your local area provides an effective service overall?

The figure provided is a sum of respondents who stated they were either 'very confident' or 'fairly confident'. Respondents could have also stated 'not very confident', 'not at all confident' or 'don't know'. The percentage of 'don't know' responses varied between services (ranging from 5 percent to 14 percent).

Due to its small residential population, we didn't include the Isles of Scilly in the survey.

## Incidents attended per 1,000 population

We took this data from the Home Office fire statistics, '[Incidents attended by fire and rescue services in England, by incident type and fire and rescue authority](#)' for the period from 1 April 2017 to 31 March 2018.

Please consider the following points when interpreting outcomes from this data.

- There are six worksheets in this file. The 'FIRE0102' worksheet shows the number of incidents attended by type of incident and fire and rescue authority (FRA) for each financial year. The 'FIRE0102 Quarterly' worksheet shows the number of incidents attended by type of incident and FRA for each quarter. The worksheets 'Data fires', 'Data fire false alarms' and 'Data non-fire incidents' provide the raw data for the two main data tables. The 'Figure 3.3' worksheet provides the data for the corresponding chart in the statistical commentary.
- Fire data, covering all incidents that FRSs attend, is collected by the Incident Recording System (IRS). For several reasons some records take longer than others for FRSs to upload to the IRS. So totals are constantly being amended (by relatively small numbers).
- We took data for Service in numbers from the August 2018 incident publication. So figures may not directly match more recent publications due to data updates.

## Home fire risk checks per 1,000 population

We took this data from the Home Office fire statistics, '[Home fire risk checks carried out by fire and rescue authorities and partners, by fire and rescue authority](#)' for the period from 1 April 2017 to 31 March 2018.

Each FRS's figure is based on the number of checks it carried out and doesn't include checks carried out by partners.

Please consider the following points when interpreting outcomes from this data.

- Dorset FRS and Wiltshire FRS merged to form Dorset and Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.
- The England total hours figures for 'Number of Fire Risk Checks carried out by FRS' include imputed figures to ensure a robust national figure. These imputed figures are: '2016/17 – Staffordshire'.
- Figures for 'Fire Risk Checks carried out by Elderly (65+)', 'Fire Risk Checks carried out by Disabled' and 'Number of Fire Risk Checks carried out by Partners' don't include imputed figures because a lot of FRAs can't supply these figures.

Home fire risk checks may also be referred to as Home Fire Safety Checks by FRSs.

## Fire safety audits per 100 known premises

Fire protection refers to FRSs' statutory role in ensuring public safety in the wider built environment. It involves auditing and, where necessary, enforcing regulatory compliance, primarily but not exclusively in respect of the provisions of the [Regulatory Reform \(Fire Safety\) Order 2005 \(FSO\)](#). The number of safety audits in Service in numbers refers to the number of audits FRSs carried out in known premises.



According to the Home Office definition, “premises known to FRAs are the FRA’s knowledge, as far as possible, of all relevant premises; for the enforcing authority to establish a risk profile for premises in its area. These refer to all premises except single private dwellings”.

We took this from the Home Office fire statistics, ‘[Fire safety audits carried out by fire and rescue services, by fire and rescue authority](#)’ for the period from 1 April 2017 to 31 March 2018.

Please consider the following points when interpreting outcomes from this data.

- Berkshire FRS didn’t provide figures for premises known between 2014/15 and 2017/18.
- Dorset FRS and Wiltshire FRS merged to form Dorset and Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.
- Several FRAs report ‘Premises known to FRAs’ as estimates based on historical data.

### **Firefighter cost per person per year**

We took the data to calculate firefighter cost per person per year from the annual financial data returns that individual FRSs complete and submit to CIPFA, and [ONS mid-2017 population estimates](#).

You should consider this data alongside the proportion of firefighters who are wholetime and on-call / retained.

### **Number of firefighters per 1,000 population, five-year change in workforce and percentage of wholetime firefighters**

We took this data from the Home Office fire statistics, ‘[Total staff numbers \(full-time equivalent\) by role and by fire and rescue authority](#)’ as at 31 March 2018.

Table 1102a: Total staff numbers (FTE) by role and fire authority – Wholetime Firefighters and table 1102b: Total staff numbers (FTE) by role and fire authority – Retained Duty System are used to produce the total number of firefighters.

Please consider the following points when interpreting outcomes from this data.

- We calculate these figures using full-time equivalent (FTE) numbers. FTE is a metric that describes a workload unit. One FTE is equivalent to one full-time worker. But one FTE may also be made up of two or more part-time workers whose calculated hours equal that of a full-time worker. This differs from headcount, which is the actual number of the working population regardless if employees work full or part-time.
- Some totals may not aggregate due to rounding.
- Dorset FRS and Wiltshire FRS merged to form Dorset and Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.



## **Percentage of female firefighters and black, Asian and minority ethnic (BAME) firefighters**

We took this data from the Home Office fire statistics, '[Staff headcount by gender, fire and rescue authority and role](#)' and '[Staff headcount by ethnicity, fire and rescue authority and role](#)' as at 31 March 2018.

Please consider the following points when interpreting outcomes from this data.

- We calculate BAME residential population data from ONS 2011 census data.
- We calculate female residential population data from ONS mid-2017 population estimates.
- Dorset FRS and Wiltshire FRS merged to form Dorset and Wiltshire FRS on 1 April 2016. All data for Dorset and Wiltshire before 1 April 2016 is excluded from this report.

## Annex B – Fire and rescue authority governance

These are the different models of fire and rescue authority (FRA) governance in England. Hereford and Worcester Fire and Rescue Service is a combined FRA.

### **Metropolitan FRA**

The FRA covers a metropolitan (large urban) area. Each is governed by locally elected councillors appointed from the constituent councils in that area.

### **Combined FRA**

The FRA covers more than one local authority area. Each is governed by locally elected councillors appointed from the constituent councils in that area.

### **County FRA**

Some county councils are defined as FRAs, with responsibility for fire and rescue service provision in their area.

### **Unitary authorities**

These combine the usually separate council powers and functions for non-metropolitan counties and non-metropolitan districts. In such counties, a separate fire authority runs the fire services. This is made up of councillors from the county council and unitary councils.

### **London**

Day-to-day control of London's fire and rescue service is the responsibility of the London fire commissioner, accountable to the Mayor. A Greater London Authority committee and the Deputy Mayor for Fire scrutinise the commissioner's work. The Mayor may arrange for the Deputy Mayor to exercise his fire and rescue functions.

### **Mayoral Combined Authority**

Only in Greater Manchester. The Combined Authority is responsible for fire and rescue functions but with those functions exercised by the elected Mayor. A fire and rescue committee supports the Mayor in exercising non-strategic fire and rescue functions. This committee is made up of members from the constituent councils.

## **Police, fire and crime commissioner FRA**

The police, fire and rescue commissioner is solely responsible for the service provision of fire & rescue and police functions.

## **Isles of Scilly**

The Council of the Isles of Scilly is the FRA for the Isles of Scilly.



**HMICFRS Inspection – Summary of Tranche 1 Judgements****1. Effectiveness inspection judgements for each fire and rescue service**

Service	Effectiveness	Understanding the risk of fire and other emergencies	Preventing fires and other risks	Protecting the public through fire regulation	Responding to fires and other emergencies	Responding to national risks
Avon	Requires improvement	Good	Requires improvement	Inadequate	Requires improvement	Good
Bedfordshire	Good	Good	Requires improvement	Requires improvement	Good	Good
Cambridgeshire	Good	Good	Good	Good	Good	Good
Cheshire	Good	Good	Good	Good	Good	Good
Cornwall	Requires improvement	Requires improvement	Good	Requires improvement	Inadequate	Good
Hampshire	Good	Good	Good	Requires improvement	Good	Good
Hereford & Worcester	Good	Good	Requires improvement	Good	Good	Good
Hertfordshire	Requires improvement	Requires improvement	Requires improvement	Good	Good	Good
Isles of Scilly	Good	Good	Good	Requires improvement	Good	Not inspected
Isle of Wight	Good	Good	Good	Requires improvement	Good	Good
Lancashire	Good	Good	Good	Good	Good	Good
Lincolnshire	Good	Good	Good	Requires improvement	Good	Good
Surrey	Requires improvement	Good	Requires improvement	Requires improvement	Requires improvement	Good
Warwickshire	Good	Good	Good	Requires improvement	Good	Good

## 2. Efficiency inspection judgements for each fire and rescue service

Service	Efficiency	Making best use of resources	Making the fire and rescue service affordable now and in the future
Avon	Requires improvement	Requires improvement	Good
Bedfordshire	Requires improvement	Requires improvement	Requires improvement
Cambridgeshire	Good	Good	Good
Cheshire	Good	Good	Good
Cornwall	Requires improvement	Requires improvement	Good
Hampshire	Good	Good	Good
Hereford & Worcester	Requires improvement	Requires improvement	Good
Hertfordshire	Requires improvement	Requires improvement	Requires improvement
Isles of Scilly	Good	Good	Requires improvement
Isle of Wight	Good	Good	Good
Lancashire	Good	Good	Good
Lincolnshire	Good	Good	Good
Surrey	Inadequate	Inadequate	Requires improvement
Warwickshire	Good	Good	Good

### 3. People inspection judgements for each fire and rescue service

Service	People	Promoting the right values and culture	Getting the right people with the right skills	Ensuring fairness and promoting diversity	Managing performance and developing leaders
Avon	Inadequate	Inadequate	Good	Inadequate	Requires improvement
Bedfordshire	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement
Cambridgeshire	Good	Good	Good	Good	Good
Cheshire	Requires improvement	Requires improvement	Good	Requires improvement	Good
Cornwall	Good	Good	Good	Good	Requires improvement
Hampshire	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement
Hereford & Worcester	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement
Hertfordshire	Requires improvement	Requires improvement	Requires improvement	Requires improvement	Requires improvement
Isles of Scilly	Requires improvement	Requires improvement	Requires improvement	Requires improvement	Requires improvement
Isle of Wight	Requires improvement	Requires improvement	Good	Requires improvement	Requires improvement
Lancashire	Good	Outstanding	Good	Good	Good
Lincolnshire	Requires improvement	Requires improvement	Requires improvement	Good	Requires improvement
Surrey	Requires improvement	Requires improvement	Requires improvement	Requires improvement	Requires improvement
Warwickshire	Requires improvement	Good	Good	Requires improvement	Requires improvement

**HMICFRS Inspection – Improvement Plan 2018-19 template**

<b>Effectiveness</b>				
<b>Source (HMICFRS Inspection 2018)</b>	<b>Summary finding</b>	<b>Detailed finding</b>	<b>Areas for Improvement</b>	<b>Department – Activity Lead and Action Owner</b>
Page 8, 9, 11-12	The service is good at understanding the risk of fire and other emergencies. Its plan to manage risk is based on a range of information. However, mobile computer systems are not updated fast enough with this risk information. The service recognises this and has plans in place to address this.	Staff informed us that delays often occur in uploading new or updated risk records to the mobile data terminals. This is due to limited capacity to produce the plans and to the need to update each fire engine mobile data terminal manually. This means that it can take several months to upload the full risk information. This is an area for improvement.	<b>The service should ensure its firefighters have good access to relevant and up-to-date risk information.</b>	Area Commander (Head of Operational Support)
Page 8, 9	Community engagement could also be better, to help understand local risk.	Apart from statutory consultations, like the one for the Wyre Forest hub, local station engagement with the community is limited. The service could not show how it engages with the community concerning the services it provides. The exception to this is the service's 'after fire' surveys, which it is aiming to improve.		Area Commander (Head of Community Risk)  Head of Corporate Services
Page 8, 11, 12	The service needs to improve how it prevents fires and other risk. Its prevention plan does not explain how or when things will be done.	The community risk strategy also supports the CRMP. But while the priorities within this strategy are clear, it is less clear how they will be achieved, or how they link to the CRMP. The (community risk strategy) gives members of the public a good overview, but lacks any detail. It does not explain how and when priorities will be implemented, or who is responsible for ensuring they are completed.		Area Commander (Head of Community Risk)



Page 8, 12, 13	The service has extended its home fire safety checks to include questions about vulnerable people. Further training is needed to give staff more confidence in this process.	We found that staff had varying levels of understanding about safeguarding and vulnerable people. Staff informed us that most of the training has been done via e-learning, and that some people are not confident about what questions to ask, to complete the new home fire safety checks. The service acknowledges this and says it is planning further training as part of the rollout of safe and well checks.	<b>The service should ensure staff understand how to identify vulnerability and safeguard vulnerable people.</b>	Area Commander (Head of Community Risk)
Page 8, 13	The service should also ensure it evaluates all its prevention work.	The service recognises it has not evaluated all of its preventative work, other than the assessment of safe and well checks conducted by Worcester University and the Dying2Drive road safety scheme.	<b>The service should evaluate its prevention work, so it understands the benefits better.</b>	Area Commander (Head of Community Risk)

Page 8, 14, 15	<p>The service is good in how it protects the public through fire regulation. It needs to get the right balance between inspections based on risk and those based on intelligence.</p>	<p>Hereford and Worcester Fire and Rescue Service has a risk-based inspection programme, which is managed via the community fire risk management information system (CFRMIS). This is consistent with the fire and rescue national framework for England. We reviewed the fire safety policy and found that it did not contain much detail about how the service classifies risk and manages its risk-based inspection programme.</p> <p>The service has made a considerable effort to move to more intelligence-led safety inspections. ... The dilemma for the service is that this intelligence-led approach has reduced its capacity for risk-based inspection work. Staff told us that inspectors are unlikely to be able to complete all their risk-based inspections due to the additional intelligence-led work. The service needs to consider what balance it wants to take. Its fire safety enforcement strategy should be clear about how much of its inspection work will be pre-planned and risk-based, how much will be intelligence-led, and why.</p>	<p><b>The service should ensure it allocates enough resources to a prioritised and risk-based inspection programme.</b></p> <p><b>The service should assure itself that its enforcement plan prioritises the highest risks and includes proportionate activity to reduce risk.</b></p>	Assistant Chief Fire Officer (Service Delivery)
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Page 8,16	However, the work of the multi-agency targeted enforcement team has the potential to be notable practice.	<p>The work of the MATE team is innovative. It involves partners from a range of organisations that all work together from one location.</p> <p>The service informed us that inspectors took fire safety enforcement action at approximately 75 percent of the premises targeted by the MATE team, We reviewed a case which started with the service issuing an enforcement notice but led to much wider public safety and organised crime issues. The work of the MATE team has the potential for being notable practice. The service should consider formalising this in a partnership agreement and evaluate the outcomes.</p>		
Page 8, 16	The service supports local businesses in understanding fire regulations. It should also work more closely with them to reduce the number of false alarms.	<p>The service is updating its policy for unwanted fire signals (false alarms from fire alarms and detection systems). It last partially updated this in 2014. We found evidence that the service is working with premises where repeat activations occur. This depends on individual operational managers, however, and protection officers are only used when they request it. As the number of false alarms makes up a large proportion of the incidents attended by the service, the service should continue its work to engage with business and reduce false alarms.</p>		<p>Area Commander (Head of Community Risk)</p> <p>Area Commander (Head of Operational Support)</p>

Page 18		The service recognises that the availability of on-call firefighters is a current and future challenge. At several locations, staff (both wholtime and on-call) expressed their concerns about the availability of the on-call fire engine, as this often led to delays in additional crews attending an incident. The service is working on addressing this concern and is implementing an on-call charter. We look forward to reviewing this charter.		
Page 8, 19	The service is good at responding to fires and other emergencies. It has good equipment and training. It is flexible in how it responds to incidents and follows national guidance. However, it should use hot debriefs more often.	The senior management board receives quarterly reports on all operational assurance activities and acts on any deficiencies. Operational learning comes from debrief findings. We found that the use of incident debriefs varies between stations. At some locations, hot debriefs (that is debriefs shortly after the incident has occurred) follow all incidents, whereas at other stations they rarely happen.	<b>The service should ensure it has an effective system for staff to use learning and debriefs to improve operational response and incident command.</b>	Area Commander (Head of Operational Support)  Area Commander (Head of Operations)

Page 8, 18, 19	Also, when it evaluates incident commanders, it should share the learning more widely.	<p>The use of operational discretion at an incident is broadly understood. Staff feel they would be supported if they had to use it. We were given an example of when it had been used and then debriefed, after which the learning was shared across the organisation. The service intends to do more to ensure all staff fully understand it, and any use of it properly recorded.</p> <p>The service uses active incident monitoring (AIM) to assess incident commanders. It believes this system is effective. It publishes the number of AIM assessments it carries out, as part of its performance snapshot to the public. However, with the number of incidents declining, AIM assessments are not always easy to achieve. Staff we spoke to were not clear about when these assessments should be carried out and who should complete them. The service acknowledges that this process is still evolving. We are keen to see how this work develops.</p>		Area Commander (Head of Operational Support)
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<b>Efficiency</b>				
<b>Source (HMICFRS Inspection 2018)</b>	<b>Summary finding</b>	<b>Detailed finding</b>	<b>Areas for Improvement</b>	<b>Department – Activity Lead and Action Owner</b>
Page 22, 23	An efficient fire and rescue service will manage its budget and spend money properly and appropriately. It will align its resources to its risk. It should try to keep costs down without compromising public safety. Future budgets should be based on robust and realistic assumptions. Hereford and Worcester Fire and Rescue Service's overall efficiency requires improvement.	<p>Hereford and Worcester Fire and Rescue Service is not currently operating as efficiently as planned. The service is spending more than it needs to in responding to emergencies. The 2014 CRMP was ambitious in its plans for the service. It intended to reduce costs by operating with greater flexibility and greater efficiency.</p> <p>The medium-term financial plan is good. It identifies the problems the service faces with prudent assumptions about future income and expenditure. While the budgets are broadly balanced during the four years of the plan through to 2023, this is only achieved by using a significant proportion of the financial reserves to support the overspending each year. Longer term action is needed to reduce spending to acceptable levels in line with projected funding available. If the changes planned in the 2014 CRMP had been implemented, they would have mitigated some of these problems. The service plans to implement the new crewing arrangements, together with other cost saving measures.</p>		Chief Fire Officer

Page 22, 23, 25-26	<p>The service made ambitious plans in 2014 that it has not achieved. These were based on saving money by improving efficiency and making changes to the workforce. The financial plan is good, and is based on sensible assumptions. But delays in bringing in the planned changes are costing the service money. This presents a risk.</p>	<p>One of the main elements of the (2014 CRMP) plan was to reorganise the way the service responds to emergencies, by aligning resources more closely to risk. Within this new model, fire engine crews for most incidents would reduce in number from five firefighters to four. However, the combined fire authority later decided to continue operating with crews of five at as many incidents as possible for another two years. It funded extra staffing for this by using £800,000 of the service's reserves until February 2017.</p> <p>While the budgets are broadly balanced during the four years of the (MTFP) plan through to 2023, this is mainly achieved by using financial reserves. Longer-term action is needed to reduce spending to acceptable levels in line with projected funding available. Had the service implemented its changes as planned in the 2014 CRMP, it would have mitigated some of these problems. The service is considering alternative crewing arrangements together with other cost-saving measures. These include reducing the number of fire stations in the Wyre Forest area and relocating the fire headquarters and control room to the West Mercia Police headquarters.</p> <p>The service plans to achieve a balanced budget by making long-term cost savings, which will improve value for money. However, over the medium term, it continues to spend more than it receives in funding. It uses reserves to fill the gaps. The service intends to have put in place sufficient measures to reduce its spending to within</p>	Chief Fire Officer
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		<p>affordable limits. The assumptions made on income and expenditure are prudent and cautious. This means that the use of the reserve can be phased to meet the budget shortfalls later in this financial period.</p> <p>Once again, the delay in implementing the decisions taken in the 2014 CRMP mean that the pace of improving value for money has been slow. There is a risk that the service will continue to operate inefficiently and that the operating model may become unaffordable. This is made more likely by delays in implementing the workforce and crewing changes, and by any delays in some of the more ambitious change projects, such as the Wyre Forest hub and the relocation to the West Mercia Police headquarters site.</p>		
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Page 22, 24	<p>We found that staff do not fully understand the proposed changes to the role of watch managers. The service needs to address this situation.</p>	<p>Compared with 2010, the service has reduced the numbers of fire engines and staff to save money. More recently it introduced a range of flexible working patterns to align its response arrangements to risk and demand for services. The new staffing structure removes watch managers from riding on fire engines as part of the crew. This means the service can reduce the number of watch managers at each station from four to two. The two watch managers are employed on a flexible seven-day rota (except at day-crewing-plus stations). In the new structure, crew managers do more of the day-to-day supervision of firefighters; watch managers manage the performance of a wider group of firefighters and have an enhanced role in local partnership engagement activities. However, because the service has not yet fully implemented the reduction to four riders, or the wider changes to the operating model, we found some staff were unclear about the proposals. While the service has communicated the benefits and reasons for change to staff and representative bodies, more needs to be done.</p>	<p><b>The service should assure itself that its workforce is productive. It needs to clarify the role of watch manager ...</b></p>	<p>Assistant Chief Fire Officer (Service Delivery)</p>
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Page 22, 24	Progress made in the service's prevention work is likely to increase workloads in other areas. We found that specialist prevention officers already have a lot of work to do. This is a risk. The service should review the situation and consider how to deal with this problem.	The service allocates resources to prevention and protection activities. These activities are designed to reduce the number of fires and other emergencies, as well as manage the risks throughout the area. We found that the specialist prevention officers have a backlog of work. The service needs to review this situation and make any changes necessary to reduce the backlog.	<b>The service should assure itself that its workforce is productive.</b>	Area Commander (Head of Community Risk)
Page 22, 24	In particular, it may be able to introduce a better system for replacing faulty smoke alarms.	It is not clear whether the service is making best use of response firefighters for prevention activities. For example, we found occasions when the service sent a full fire crew to replace faulty smoke alarms (in homes where the service previously fitted them). We recognise it is essential that fire crews can be deployed quickly to an emergency, and defective alarms do need to be replaced, but there may be more cost-effective ways of achieving this. This could free up crews to undertake other work, such as new home fire safety checks, where their skills could be better employed.	<b>The service should assure itself that its workforce is productive. It needs to ... consider alternative ways to manage the replacement of faulty smoke alarms.</b>	Area Commander (Head of Community Risk)
Page 24		The service's fire protection programme of work is risk-based and is increasingly targeted at sites where the risk to community and firefighter safety is greatest. However, this better targeting of protection activity means that inspections are leading to more enforcement and follow-up activity. This affects the workloads of other staff and could soon lead to current resourcing levels becoming stretched.	<b>The service should assure itself that its workforce is productive.</b>	Area Commander (Head of Community Risk)

Page 22, 24, 26	<p>The service is good at working with partner organisations. Good arrangements are in place for joint work with Shropshire Fire and Rescue Service, West Mercia Police, and several local authorities. Some of these arrangements are innovative and the service is willing to try new things. The service should evaluate the benefits of these arrangements and make sure they are achieved. The benefits should include providing value for money.</p>	<p>We found that the service is keen to collaborate both with other fire services and with the wider public sector. However, it is not clear whether the benefits of collaboration, for the fire and rescue service and its users, have been fully evaluated.</p> <p>Much of the collaboration work to date, although constructive and valued by partners, has not resulted in measurable improvements in terms of value for money. In discussions with the service and partner organisations, it is clear that the main initial motivation for these initiatives was not to save money, but because it felt like the right thing to do. The chief fire officer has ambitious intentions to involve fire service staff in much greater joint service provision with other public services. However, these plans are at an early stage of development. The service is not yet able to show how it can increase its range of activities without affecting its main statutory functions. The service acknowledges it needs to identify the expected benefits at the start and then monitor and evaluate the outcomes, to ensure these benefits are realised.</p>	<p><b>The service should ensure it effectively monitors, reviews and evaluates the benefits and outcomes of any future collaboration.</b></p>	Head of Corporate Services
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Page 22, 25	There are good arrangements in place to make sure the service can continue to function in all circumstances.	Hereford and Worcester Fire and Rescue Service has a comprehensive system for assessing and recording business continuity. We reviewed plans across many areas including plans for the move of fire control. These include detailed plans for before, during and after the move, to ensure business as usual. However, in two of the plans supplied, there was no version control and review dates had not been recorded. The service could not, therefore, reassure us that these plans had been fully agreed.	Area Commander (Head of Operational Support)  Area Commander (Head of Operations)
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<b>People</b>				
<b>Source (HMICFRS Inspection 2018)</b>	<b>Summary finding</b>	<b>Detailed finding</b>	<b>Areas for Improvement</b>	<b>Department – Activity Lead and Action Owner</b>
Page 29, 30, 36	A fire and rescue service that looks after its people should be able to provide an effective service to its community. It should offer a range of services to make its communities safer. This will include developing and maintaining a workforce that is professional, resilient, skilled, flexible and diverse. The service's leaders should be positive role models, and this should be reflected in the behaviour of the workforce. Overall, Hereford and Worcester Fire and Rescue Service requires improvement at looking after its people.	The people strategy action plan includes a number of proposed changes. This is still to be agreed. It is important that the service uses this opportunity to include staff in the process, so that they are aware of what is being proposed.	<b>The service should put in place a regular and effective system to measure and monitor staff engagement (across the whole service). It needs to improve its two-way communication channels with staff, and its face-to-face communication by and with senior leaders.</b>	Assistant Chief Fire Officer (Service Delivery)

Page 29, 31, 32	<p>The service needs to improve how it promotes the right values and culture. It particularly needs to improve how senior leaders communicate with the workforce. It is making changes to make the workforce more adaptable and take on different work. Staff do not fully understand the reasons for these changes. The service should address this, so that it can improve trust and move forward with its plans.</p>	<p>The service management team wants to move the service into new areas and develop an adaptable workforce that can cope with the new roles. We saw a lot of evidence of the more recent change initiatives. This included changes to crewing and the change in role for watch managers to become more flexible and responsible for wider change.</p> <p>Negotiation between the service and representative bodies has taken a considerable amount of time and effort, but has not yet achieved an agreed outcome. Staff told us that they had not understood the change process and felt it was being imposed on them. The senior manager with responsibility for frontline operational teams made regular visits to watches and stations to discuss the proposed changes with affected staff. Staff told us, however, that they felt senior management were not sufficiently visible and had only communicated through the union.</p> <p>Staff from a range of roles and levels across the organisation said they thought that challenge wasn't welcomed and the service does not listen to them. They believe there is no proper project management, "just people running with their own ideas". Several members of staff described Hereford as remote and forgotten about.</p>	<p><b>The service should put in place a regular and effective system to measure and monitor staff engagement (across the whole service). It needs to improve its two-way communication channels with staff, and its face-to-face communication by and with senior leaders.</b></p>	Assistant Chief Fire Officer (Service Delivery)
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		<p>The senior management board has recognised some of these problems. In early 2018, it hired independent consultants to carry out a cultural survey of the senior management board. Those who were consulted within the service were station and group managers or non-uniformed manager equivalents.</p> <p>After receiving the report, the chief fire officer proposed forming a managers' group to improve the culture, whose members would be selected from among their peers. This aimed to encourage the change proposals from managers who had been part of the survey. It was intended to represent a team approach, as the survey's results indicated that the leadership was viewed as high-handed.</p> <p>While senior and middle managers received a copy of the report and other staff groups were aware of the review, staff members reported they had not been told any details. In the absence of information, staff have drawn their own conclusions.</p>		
		<p>It is clear that improvements need to be made in communications and openness between senior leaders and the workforce. Senior leaders showed us plans that are in place to re-commence visits across the service. We would encourage this at the earliest opportunity, to tackle these communication problems.</p>		

Page 29, 30	The service is good at making sure staff wellbeing is a priority. Staff access a range of support services. The service could consider the benefits of letting staff from all roles work more flexibly.	The service provided us with examples of flexible working. It should continue to consider requests for flexible working across all its roles, to meet its people strategy. On-call staff told us they would welcome more flexibility in the contracts for on-call staff, which they said would aid recruitment and retention. The service believes there is sufficient flexibility, but recognise it needs to do more to promote opportunities more widely.		Area Commander (Head of Operations)
Page 32		We were told of several occasions when engines had relatively new crew managers in charge. While this is not unusual across fire and rescue services, the service will need to ensure that these new managers are supported during their operational development, especially at incidents.		Area Commander (Head of Operations)
Page 29, 32, 33	The service is good at getting the right people with the right skills and makes sure they are well trained. It is working on a charter for on-call firefighters to improve their experience and increase numbers. The service would also benefit from finding out about the wider skills and experience of on-call staff.	<p>We were told that the low numbers of on-call staff willing to take on crew manager roles is a principal reason why fire engines are unavailable. The reasons given for this reluctance are the extra responsibility and time required, balanced against the reward offered. The service is publishing an on-call charter and will be surveying on-call staff. We look forward to seeing the progress of the on-call charter.</p> <p>On-call staff told us that the service doesn't audit the skills staff have gained from working in other jobs, to understand how these may benefit the service. These staff work in roles outside the fire service, as business owners, project managers or IT workers, for example. The service should consider what wider skills could be gained from its on-call workforce.</p>		Assistant Chief Fire Officer (Service Delivery)



Page 29, 34	<p>The service needs to improve how it ensures fairness and promotes diversity. We found that some staff do not understand the importance of diversity. The service should focus on developing this understanding, so that the workforce can build trust and confidence with its community.</p>	<p>We have already discussed some of the concerns about engagement from senior leaders under the 'Culture and values' section. Work is underway to address this and we look forward to reviewing the results of this at a later date.</p> <p>Senior leaders understand the need for a diverse workforce is understood by senior leaders, but staff at lower levels are not as clear and do not understand its relevance. The service provides diversity training for staff. However, staff referred to 'diversity issues' in the 1990s, which they said had made them wary of having a female firefighter on their station. Overall, staff told us there is too much emphasis on diversity and the service is already doing all it can in this field. This again indicates the importance of more effective communication between the service and its workforce.</p>	<p><b>The service should assure itself that staff are confident using its feedback mechanisms.</b></p> <p><b>The service should ensure any change processes it proposes are visible to all staff.</b></p>	Chief Fire Officer
Page 34		<p>In the 12 months to 31 March 2018, the service recorded a low number of grievances. We reviewed these and found that the majority did not meet the timescales laid down in the policy. In some cases, an explanation was given for the delay. However, support was not offered to the staff members, despite the potential of these delays to cause stress. This was the case even when a grievance was subsequently upheld.</p>		

Page 30, 34	The service should improve how it manages performance and develops leaders.	The service does not have a process throughout the organisation to identify future leaders. It has recently allowed group managers to apply for the national executive leadership programme. Two have since been successful.	<b>The service should put in place an open and fair process to identify, develop and support high-potential staff and aspiring leaders.</b>	Area Commander (Head of Community Risk)
Page 30, 35	Managers with specialist skills should continue to be included in leadership team meetings, to support decision making.	The senior management board includes specialist staff within its membership. The board invites managers with specialist skills to participate in some discussions and decisions. To support its understanding of issues and allow more informed decision making, the service should consider how this could be expanded. It could also consider using these skills more in wider senior management team meetings.		Area Commander (Head of Community Risk)

Page 30, 35	All staff need to understand and use the appraisal system, to assist workforce development.	<p>The service has an individual personal development review (IPDR) or appraisal process in place. We found that all operational staff use it to maintain their continual professional development, for which they receive a payment. However, some staff have not had an IPDR for several years. We were also told others have been emailed their review without having a face-to-face meeting with their manager. By not ensuring that staff understand the IPDR process, and by not using the information to assist workforce development, the service is missing out on wider benefits.</p> <p>Processes are in place for the use of exit interviews when staff leave the service, but their use does not appear to be consistent. The service would benefit from using these interviews in all cases where possible, as important information can be obtained that will assist with future improvements.</p>	Chief Fire Officer
Page 35		We were informed that the service manages any failure of on-call staff to respond to incidents. This will usually involve an investigation into the reasons for the failure, such as traffic conditions or a pager not working. The service's policy states that when six failures to respond occur within six months, management intervention is required. During our inspection, the lack of evidence meant that no conclusion could be drawn about whether this happens uniformly across the service.	<p>Area Commander (Head of Operational Support)</p> <p>Area Commander (Head of Operations)</p>

Page 30, 36	<p>The service should do more to make sure staff are confident in the promotion process. It is not as open as it could be.</p>	<p>Staff at many levels informed us that the promotion procedure is not open and clear. At roles up to watch manager, we noted a lack of defined selection criteria, and that the procedure has changed several times. The perception is common that staff will only be promoted to station manager and above if they have sponsorship from more senior managers. The service's process for promotions should be clear and open.</p> <p>The service has recognised this perception, which the cultural review mentioned previously also highlighted. An independent person took part in its recent middle-manager promotions, to encourage a more open process. We highlighted this change to the staff we spoke to. They told us they were aware of it, but felt it was only a start. More needs to be done to build confidence in the process.</p>	<p><b>The service should put in place an open and fair process to identify, develop and support high-potential staff and aspiring leaders.</b></p>	Chief Fire Officer
Page 36		<p>We were told that that some staff have been in temporary management positions for years, and not been substantively promoted, despite having applied for it. Staff members gave us various examples of this, each with different explanations as to why this might be the case. This situation may results in some individuals being in long-term temporary management positions with little or no management training, though they are experienced operational commanders. The service should ensure that it is confident in the skills of its managers and supports them in these roles.</p>		Chief Fire Officer

## **Report of the Assistant Chief Fire Officer**

### **Pay Policy Statement**

#### **Purpose of report**

1. To bring to the attention of the Authority the requirement for the Service to publish its annual Pay Policy Statement for year 2019/2020.
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#### **Recommendation**

***It is recommended that the Pay Policy Statement and supporting information be approved for publication.***

#### **Introduction and Background**

2. The Fire Authority is required by section 38(1) of the Localism Act 2011 (openness and accountability in local pay) to prepare and publish annual pay policy statements. These statements articulate an Authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff, Chief Officers and its lowest paid employees. They are required to be approved by the Fire Authority and published on the Authority's website on an annual basis.

#### **Pay Policy**

3. The Act requires that authorities include in their pay policy statements, their approach to the publication of and access to information relating to the remuneration of Chief Officers. Remuneration includes salary, expenses, bonuses, performance related pay as well as severance payments.
4. The definition of Chief Officers (as set out in section 43(2)) is not limited to Heads of Paid Service or statutory Chief Officers. It also includes those who report directly to them (non-statutory Chief Officers), and the people who report directly to them. The Act sets out the information that authorities are required to include in their pay policy statements as a minimum.

#### **Conclusion/Summary**

5. It is a requirement that the Authority's approach to pay, as set out in the attached Pay Policy Statement, is accessible for citizens and enables local taxpayers to take an informed view of whether local decisions on all aspects of remuneration are fair and make best use of public funds. The Pay Policy Statement is accessible on the Authority's website.

## Corporate Considerations

<b>Resource Implications</b> (identify any financial, legal, property or human resources issues)	There are legal issues referenced in paragraph numbers 2, 3, 4 and 5 in the report.
<b>Strategic Policy Links</b> (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	N/A
<b>Risk Management / Health &amp; Safety</b> (identify any risks, the proposed control measures and risk evaluation scores).	N/A
<b>Consultation</b> (identify any public or other consultation that has been carried out on this matter)	N/A
<b>Equalities</b> (has an Equalities Impact Assessment been completed? If not, why not?)	N/A

## Supporting Information

Appendix 1 - Pay Policy Statement

Appendix 2 – Pay Grades 2019/20

Appendix 3 – Other Main Pay Grades

Appendix 4 – Grades and Staff in Post

## Contact Officer

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## **Hereford & Worcester Fire Authority**

### **Pay Policy Statement**

#### **Introduction**

Pay for all Hereford & Worcester Fire Authority (H&WFA) staff is determined by the Local Government Employers with the Employers' Sides of the National Joint Council for Local Authority Fire and Rescue Services, the Middle Managers' Negotiating Body, the NJC for Brigade Managers of Local Authority Fire and Rescue Services, the Fire and Rescue Authority locally and representative bodies nationally. Pay awards are considered annually for all staff.

#### **Pay Framework**

Terms and conditions of employment for staff within the Fire Authority pay framework are set nationally with any variations negotiated and agreed locally.

#### **Pay Grades and Progression**

For uniformed staff, new firefighters will be appointed to the trainee rate of pay. Once their initial training has been completed, the employee will move to development rate of pay and once they have successfully completed their development programme, they will move to competent rate of pay. Existing employees who are promoted will commence on development rate of pay and will move to competent rate of pay upon completion of the workplace assessment.

For non-uniformed support staff, new employees will usually be appointed to the bottom of the scale point / pay grade for the relevant grade. There are occasions when a higher scale point is offered where the employee has additional skills and experience required for the post.

For grades containing between 3 and 5 increments, progression through each scale point is on an annual basis. However, where an employee commences in post after 1<sup>st</sup> October and up to 31<sup>st</sup> March, they will receive an increment six months later and then annually on 1<sup>st</sup> April. The date of progression is normally 1<sup>st</sup> April each year until the top of the grade is reached.

#### **Market Forces**

Where necessary the Service may apply market supplements for specific roles in order to ensure that it can recruit the best staff. This approach will only be adopted where there is clear evidence of recruitment difficulty and any such payments will be time limited and reviewed annually. We do currently pay market supplements.

#### **Pay Allowances**

There are a number of allowances paid to employees where specific circumstances require this and where it can be justified, for example to cover additional responsibilities over and above pay grades. Allowances are negotiated nationally or locally through collective bargaining arrangements and/or as determined by Service policy.

#### **Honorariums**

A one off additional payment for work carried out over and above the job role. This payment is at the CFO's discretion.

### **Non Uniformed Support Staff**

The H&WFA pay framework for non-uniformed support staff was implemented in 2003 in line with national guidance, with the grade for each role being determined by the national Greater London Provincial Council (GLPC) Job Evaluation scheme. The Scheme was developed to support Local Authorities in carrying out their obligations under the national agreement on single status. The national agreement required all Local Authorities, and a number of other public sector employers, to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer.

The grading structure was reviewed and implemented in 2012 for non-uniformed Senior Management posts, PO3 and above.

For non-uniformed support staff any outcome of national consultations by the Local Government Employers in negotiation with the Trade Unions is applied in April each year.

### **Uniformed Staff**

The H&WFA pay framework for operational staff was reviewed in 2003 and implemented in December 2003 following a rank-to-role exercise in line with national guidance, with the grade for each role being determined by a consistent job evaluation process.

For operational staff any outcome of national consultations by the Local Government Employers in negotiation with the Trade Unions is applied in July each year.

### **Chief Fire Officer /Chief Executive's Pay**

The Chief Fire Officer/Chief Executive's pay is considered by the Fire and Rescue Authority. Account is taken of relevant available information, including the salaries of Chief Officers in other comparable Fire and Rescue Services nationally. To support the pay review, information may be provided on inflation, earnings growth and any significant considerations from elsewhere in the public sector. The last review of the Chief Fire Officer's pay was in November 2017 where it was agreed that;

- (i) there be no changes made to salary of the Chief Fire Officer at this time;
- (ii) the Chief Fire Officer and other Principal Officers continue to receive annual pay awards (if any) as recommended by the National Joint Council; and
- (iii) a further review be undertaken in 2 years' time.

The Authority has adopted the following pay levels for the Principal Officer team:

- Deputy Chief Fire Officer (DCFO) – 80.14% of CFO
- Assistant Chief Fire Officer (ACFO) – 75.13% of CFO
- Director of Finance – 80% of ACFO

The Treasurer is part of the Director of Finance's role for which a specific honorarium is paid and this is reviewed periodically.



## **Latest National Pay Award**

Annual pay awards normally take place as follows:

- Chief Officers' – In 2018 this was in 2 parts; part 1: January; part 2: July
- Non-uniformed support staff - April
- Uniformed staff - July

The last annual pay award for these groups were as follows:

- Chief Officers – July 2018
- Non-uniformed support staff - April 2018
- Uniformed staff - July 2018

Appendix 1 and 2 details the remuneration relating to the above groups.

## **Other Employment-Related Arrangements**

### **Pension Schemes**

These are the pension schemes that we operate for our employees:

- Local Government Pension Scheme (LGPS)
- 1992 Firefighter Pension Scheme
- 2006 Firefighter Pension Scheme
- Firefighters' Pension Scheme 2006 (Modified)
- The Firefighters' Pension Scheme 2015 (England)

In accordance with the Public Service Pensions Act 2013, the Authority has established a Pensions Board for the Firefighter's Pension Scheme.

### **Employment Arrangements**

Due to the nature and responsibilities of their role, Senior Managers are normally employed on full time permanent employment contracts. The Service's policy and procedures with regards to recruitment of Chief Officers is set out within the Officer Employment Procedure Rules as set out in Part 4 of the Fire Authority Constitution.

When recruiting to all posts the Service will take full and proper account of its own Equal Opportunities, Recruitment and Redeployment Policies. The determination of the remuneration to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and the relevant policies in place at the time of recruitment.

### **Payments on Termination of Employment**

The Service's approach to statutory and discretionary payments on termination of employment for all staff prior to reaching normal retirement age are in accordance with the Service's Redundancy Policy and relevant terms and conditions as follows:-

- Arrangements for non-uniformed staff are set out within the Service's LGPS Discretions Policy Statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment), (Discretionary Compensation) Regulations 2006 [and if adopted] Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.
- Arrangements for uniformed staff are set out within the relevant conditions of service i.e. NJC for Brigade Managers of Local Authority Fire and Rescue Services and the NJC for Local Authority Fire and Rescue Services.

The Authority agreed on 18 February 2015 the discretion to pay voluntary redundancy to all employee groups based on the number of statutory weeks x actual weekly pay, enhanced by 75%. On the 8 October 2015, the Authority extended the Scheme of Delegation to permit the CFO to approve early retirements, in consultation with the Chair of the Fire Authority and Treasurer, in the case of employees whose salary is less than £45,000 to include Officers at Station Commander role subject to the pension costs still not exceeding £45,000. Where it is above £45,000 the decision will be taken by the Policy & Resources Committee.

The Service operates a Flexible Retirement Policy which was agreed by the Policy and Resources Committee of the FRA at its meeting on 25 January 2012. This policy applies to all staff in all relevant pension schemes. The Fire Authority offers re-employment as an option to fill specific post(s) where there is a shortage of skills/experience within the remaining workforce.

Where the Authority has defined a specific need a business case must be produced by the relevant Head of Department showing that there are clear benefits for the Authority to offer a re-employment opportunity. Part of the business case will include whether to offer the post out to open competition.

### **Mandatory Gender Pay Gap Reporting**

Hereford & Worcester Fire Authority are required to publish information regarding the Service's Gender Pay Gap, as required under new Equality and Discrimination legislation.

The Gender Pay Gap Report will be considered by the Audit and Standards Committee in 2019 and then published.

## Appendix 2

Pay Grades 2018/19 Job	Remuneration	Pay Relationship to CFO (%)	Salary Range	
			Min	Max
1. Head of Paid Service				
Chief Fire Officer / Chief Executive	£128,478	Recommended by Appointments Committee		
2. Statutory Chief Officer				
Treasurer (Part of Director of Finance role) receives an additional £3,000 honorarium for the extra responsibility of Treasurer				
Monitoring Officer (Part of Head of Legal Services role)				
3. Non Statutory Chief Officer				
Deputy Chief Fire Officer (DCFO)	£102,961	80.14		
Assistant Chief Fire Officer (ACFO)	£ 96,525	75.13		
Director of Finance (excluding Treasurer role)	£ 77,220	60.10		
Head of Legal Services	£ 66,123 *	51.47	£59,951	£63,623
4. Deputy Chief Officer				
Area Commander Operations	£75,683 **	58.91	£68,996	£75,683
Area Commander Community Risk & Training	£75,683 **	58.91	£68,996	£75,683
Area Commander Operations Support	£75,683 **	58.91	£68,996	£75,683
Head of Corporate Services	£68,623 *	53.41	£59,951	£63,623
Finance Manager	£48,541	37.78	£44,697	£48,541
5. Lowest Paid Employees***				
Uniformed				
Firefighter (Control)	£21,763	16.94	£21,763	£29,006
Non Uniformed				
Administrator	£17,681	13.76	£17,681	£18,672

**Notes:**

**\* includes an allowance for additional duties.**

**\*\* includes 20% allowance to provide out of hours fire cover on a continuous rota system and includes an additional 8% enhancement to provide a higher level of fire cover responsibility.**

**\*\*\* The lowest paid workers (administrators) are paid in accordance with their job evaluation score which matches across to Scale 3 of the Services' Pay and Grading structure which is the lowest grade**

**The Head of Paid Service, Director of Finance, Deputy Chief Fire Officer, Assistant Chief Fire Officer and Area Commanders are provided with a motor vehicle for work purposes. Any private use is chargeable.**

**The Head of Legal Services and the Head of Corporate Services receive an essential mileage car user allowance in accordance with the NJC provisions.**

**The Head of Paid Service, all statutory and non-statutory Chief Officers and all Deputy Officers are provided with a mobile phone and laptop for work purposes. Any private use is chargeable.**

## Other Main Pay Grades

	Grade	Pay Range Minimum	Pay Range Maximum	No of Staff In Post		
Non Uniformed Pay Grades from 1 <sup>st</sup> April 2019						
PO7		£61,150	£64,895	2		
PO6		£55,062	£58,343	0		
PO5		£49,358	£52,481	1		
PO4 *		£44,387	£47,869	2		
PO3		£38,813	£41,675	3		
PO2		£34,788	£37,849	1		
PO1		£31,371	£33,799	15		
SO2		£29,636	£31,371	3		
SO1		£26,999	£28,785	11		
Scale 6		£24,313	£26,317	15		
Scale 5		£21,589	£23,836	16		
Scale 4		£19,554	£21,166	15		
Scale 3		£18,795	£19,171	26		
<b>Total</b>				<b>110</b>		
Uniformed Pay Grades **				<b>WT</b>	<b>RDS</b>	<b>Total</b>
Area Commander		£53,238	£58,397	3		<b>3</b>
Group Commander		£45,347	£50,270	10		<b>10</b>
Station Commander		£39,374	£43,428	15		<b>15</b>
Station Commander Control		£37,405	£41,257	1		<b>1</b>
Watch Commander		£34,583	£37,854	43	23	<b>66</b>
Watch Commander Control		£32,854	£35,961	2		<b>2</b>
Crew Commander		£32,452	£33,851	27	47	<b>74</b>
Crew Commander Control		£30,829	£32,158	5		<b>5</b>
Firefighter ***		£22,908	£30,533	133	298	<b>431</b>
Firefighter Control		£21,763	£29,006	14		<b>13</b>
<b>Total</b>				<b>253</b>	<b>368</b>	<b>621</b>

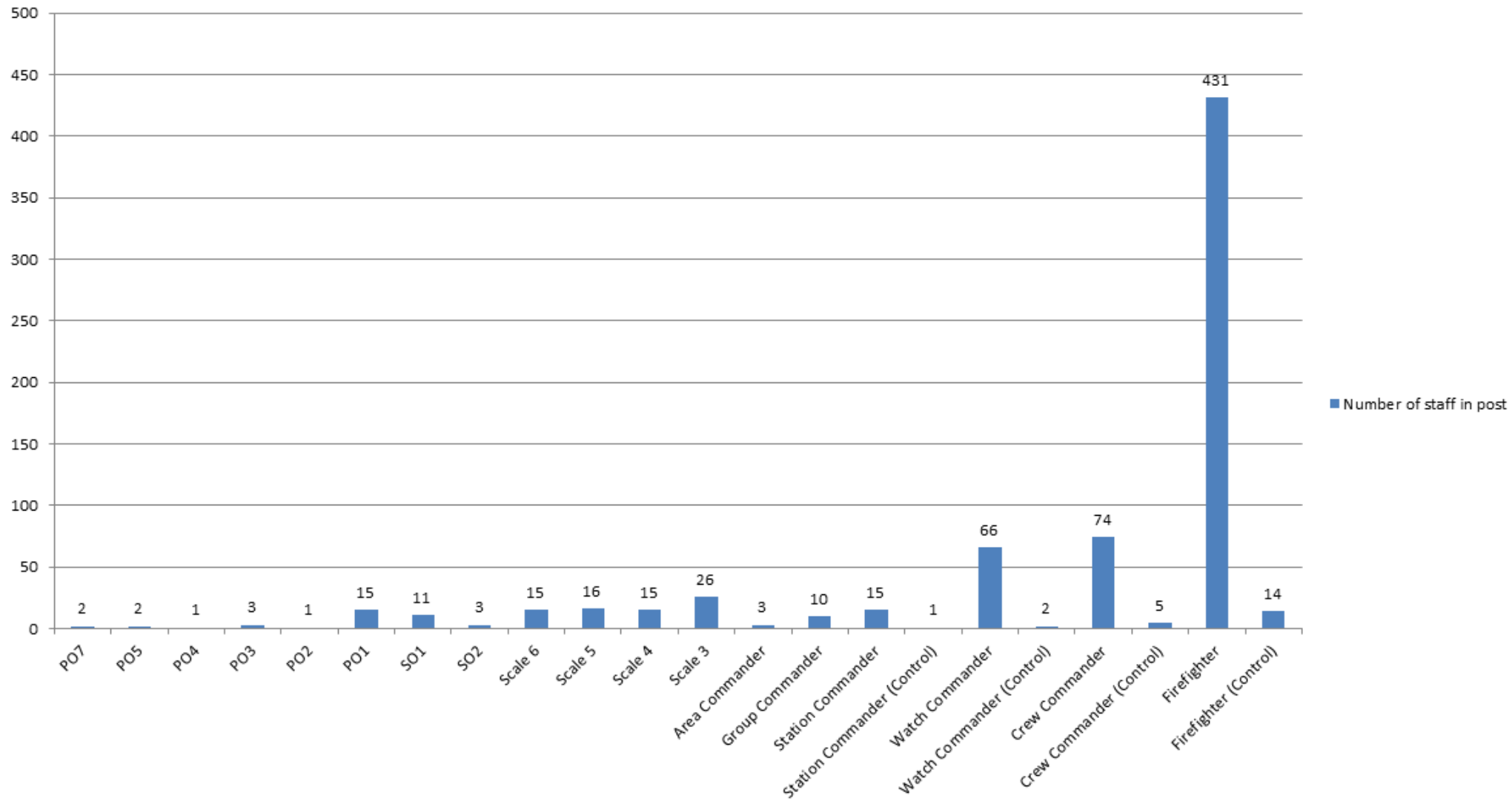
**NOTES:** Number of staff in post is as at 31<sup>st</sup> December 2018 and is based on people in their substantive roles.

\* 1 employee is protected on the old salary levels

\*\* These figures are headcount not full time equivalent. Retained duty system employees have a different pay structure to wholetime – a retaining fee of 7½% or 10% of the equivalent wholetime rate, depending on cover, plus the same hourly rate as wholetime.

\*\*\* This number includes 7 Firefighters who are on fixed term contracts

## Grades and staff in post



## **Report of the Head of Legal Services**

### **Members' Allowances Scheme 2019/20**

#### **Purpose of report**

1. To consider whether to make any alterations to the Members' Allowances Scheme for 2019/20 in light of the change in the Consumer Price Index to November 2018.

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#### **Recommendation**

***Group Leaders recommend that there be no change to the existing allowances for 2019/20.***

#### **Introduction and Background**

2. The Authority is required to make a scheme each year for its Members to be paid a basic annual allowance, under the Local Authorities (Members' Allowances) (England) Regulations 2003. Authorities may also make provision for other allowances, for example for those Members with special responsibilities or for travel and subsistence. The proposed 2019/20 budget for Members' Allowances is £51,300. The Regulations allow for authorities to refer to an index for the purpose of any annual adjustments to the levels of allowances.

#### **Consumer Price Index**

3. The Authority uses the Consumer Price Index (CPI) for the purpose of annually adjusting Members' Allowances, however the Authority has not taken any uplift since 2008 with the exception of the decision taken in February 2016, which provided a slight increase of 0.2% for the financial year 2016/17.
4. The Office of National Statistics has reported that the CPI 12 month rate was 2.2% in November 2018. By way of example, an increase of 2.2% would equate to an additional £25.64 on the current basic allowance of £1,165.80 and would increase the total annual cost of Members' Allowances by approximately £1,128. It is anticipated that this increase could be met within the existing budget.
5. Table 1 overleaf sets out the comparison between each allowance at the current rate and the rate with a 2.2% CPI uplift.

Table 1. Comparison between each allowance at the current rate and the rate with a 2.2% CPI uplift.

<b>Allowance</b>	<b>Current Rate</b>	<b>Rate with CPI increase</b>
Basic	£1165.80	£1191.44
Committee Chairman / Group Leader	£1357.44	£1387.30
Authority Vice-Chairman	£5429.76	£5549.19
Authority Chairman	£9049.68	£9248.77

### **Conclusion/Summary**

6. The Authority has previously used the CPI to make any necessary annual adjustments to its Members' Allowances Scheme. Should the Authority approve an uplift in Members' Allowances for 2019/20 in line with the CPI this would result in an additional £25.64 on the current basic allowance of £1,165.80 and would increase the total annual cost of members' allowances by approximately £1,128.

### **Corporate Considerations**

<b>Resource Implications</b> (identify any financial, legal, property or human resources issues)	The proposed budget for Members' Allowances is £51,300. An increase due to the CPI increase could be met within the existing budget.
<b>Strategic Policy Links</b> (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	None directly.
<b>Risk Management / Health &amp; Safety</b> (identify any risks, the proposed control measures and risk evaluation scores).	None directly.
<b>Consultation</b> (identify any public or other consultation that has been carried out on this matter)	None.
<b>Equalities</b> (has an Equalities Impact Assessment been completed? If not, why not?)	The basic allowance payable is determined by the Regulations, however the current Members' Allowances Scheme also includes a Dependents' Carers' Allowance to assist those Members with caring responsibilities in carrying out their approved duties.



## **Supporting Information**

Appendix 1 – Members’ Allowances Scheme 2018/19

Background papers –

Local Authorities (Members Allowances) (England) Regulations 2003

Inflation and Price Indices – Office for National Statistics [www.ons.gov.uk](http://www.ons.gov.uk)

## **Contact Officer**

Nigel Snape, Head of Legal Services  
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## Members' Allowances Scheme 2018/19

Fire Authority Members receive certain allowances in recognition of their various duties and to recognise the time they give to undertake Authority work. Allowances are also intended to cover incidental costs that may be incurred by Members.

Allowances are adjusted annually in line with the Consumer Price Index, as approved by the Authority.

### **Basic Allowance**

The annual basic allowance of £1165.80 is paid to all Members.

### **Special Responsibility Allowance**

The following additional allowances are paid to Members with special responsibilities:

Chair of the Authority £9049.68  
Vice Chair of the Authority £5429.76  
Political Group Leaders £1357.44  
Chairman of Audit & Standards Committee £1357.44  
Chairman of Policy & Resources Committee £1357.44

Members with more than one special responsibility will only receive one special responsibility allowance at the higher appropriate level.

The Members' Allowances Scheme also includes the following travel and subsistence allowances:

### **Travel Allowance**

Allowances for travel expenses incurred by Members undertaking their approved duties can be claimed.

Mileage can be claimed for travel by car motorbike or cycle in line with the rate used by HM Revenue & Customs. Car park costs incurred by a Member whilst undertaking an approved duty may also be claimed back although evidence of the payment will need to be submitted.

For those Members who car share, a passenger allowance can be claimed by the driver in respect of one or more passengers who are fellow Authority Members carried on Authority business.

Members may claim for use of public transport up to the amount of the ordinary standard class fare (or any available cheap fare as incurred). Evidence of the payment will need to be submitted. Taxi fares may be claimed where bus/train travel is not practical. Receipts will be required.

## **Approved Duties**

Members may submit a claim for travel allowances for:

- a) meetings of the Authority, its committees, sub-committees, panels or working parties;
- b) meetings of outside bodies to which a Member is appointed by the Authority, if that organisation does not pay Members' expenses;
- c) Authority Member training seminars, events and workshops;
- d) Chairman's briefing meetings;
- e) meetings with Officers in connection with the functions of the Authority which have been convened by the Chief Fire Officer or a member of the Senior Management Board; or
- f) any meeting or event as approved by the Authority or its Committees.

## **Subsistence Allowances**

Members can claim subsistence allowance payments as a reimbursement of actual expenditure, on the basis that reasonable expenses evidenced by receipts will be paid. Similarly, overnight accommodation expenses will be paid where this is necessary and is evidenced by receipts.

## **Dependent Carers' Allowance**

Members can claim an additional allowance to cover expenditure incurred for the care of dependents as follows:

- i) £6.09 per hour;
- ii) Payable in respect of attendance at meetings of the Authority, its committees and Member training events; and
- iii) Claims to be made only in respect of care provided by persons other than family members resident in the house and all claims to be evidenced by receipts.

## Report of Head of Legal Services

### Disposal of Kidderminster, Bewdley and Stourport Fire Stations

#### Purpose of report

1. To seek authority to dispose of the existing Bewdley, Kidderminster and Stourport fire stations once the new Wyre Forest Emergency Services Hub is completed.
- 

#### Recommendation

*It is RECOMMENDED that:*

*Officers be authorised to proceed with the marketing and subsequent sale of the existing Bewdley, Kidderminster and Stourport Fire Stations, each on terms representing the best price reasonably obtainable and to be agreed by the Chief Fire Officer in consultation with the Treasurer, Head of Legal Services and Chairman of the Authority.*

#### Background

2. Construction of the new Wyre Forest Emergency Services Hub at Stourport Road, Kidderminster commenced on 26<sup>th</sup> October 2018 with a ground-breaking ceremony attended by the Chairman of the Authority. The contract is proceeding well to date and practical completion is scheduled for 29<sup>th</sup> November 2019. Allowing time for the necessary fit out following completion of the building, it is anticipated the new station will become operational in early 2020.
3. The Emergency Services Hub will replace the existing fire stations at Bewdley, Kidderminster and Stourport, at which point those buildings will each become surplus to requirements.
4. It is proposed that all three existing sites be disposed of on the open market for the best price obtainable:
  - Bewdley Fire Station is adjacent to land owned by Worcestershire County Council (the former doctors' surgery site) and it is proposed to market the two sites jointly. Following a tender exercise, Agents have now been selected and subject to members' approval, the site will be offered to the market as soon as possible.

- Stourport Fire Station is also part of a larger site with adjacent County Council buildings. There are some existing constraints on the County Council's land but subject to these being resolved, it is again proposed to seek a joint disposal of the whole site as this will give the greater opportunity for re-development of the land as a whole.
  - Kidderminster Fire Station – Place Partnership will shortly be tendering for Agents to act on our behalf with a view to marketing of the site commencing in about May 2019.
5. The agreed Property Strategy 2018-2023 identifies these three sites for disposal following completion of the Wyre Forest Hub and the anticipated proceeds of sale have already been included within the capital programme towards funding the development cost of the new Hub.

## Summary

6. All three existing fire stations at Bewdley, Kidderminster and Stourport will be surplus to requirements once the Wyre Forest Hub becomes operational in early 2020. It is intended to commence the marketing of the sites as soon as possible in order to minimise any delay once the buildings are vacated.

## Corporate Considerations

<b>Resource Implications</b> (identify any financial, legal, property or human resources issues)	The proceeds of sale from the existing sites have been assumed as part of the capital programme towards funding the development costs of the new Wyre Forest Emergency Services Hub
<b>Strategic Policy Links</b> (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	The sale of these sites is in line with the the Authority's capital programme and the Property Strategy adopted in 2018
<b>Risk Management / Health &amp; Safety</b> (identify any risks, the proposed control measures and risk evaluation scores).	There is a financial risk to the Authority if the proceeds of sale are less than currently anticipated. A full marketing exercise will therefore be undertaken, working in conjunction with the County Council where appropriate to maximise the redevelopment potential of the sites and seek the best consideration reasonably obtainable
<b>Consultation</b> (identify any public or other consultation that has been carried out on this matter)	None
<b>Equalities</b> (has an	None

Equalities Impact Assessment been completed? If not, why not?)	
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### **Supporting Information**

Background papers – Property Strategy 2018-2023

### **Contact Officer**

Nigel Snape, Head of Legal Services

(01905 368242)

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## Report of Head of Legal Services

### Fire Authority and Committee Dates 2019/20

#### Purpose of report

1. To inform Authority Members of the meeting dates for 2019/20.
- 

#### Recommendation

*It is recommended that the meeting dates for 2019/20 be noted.*

#### Meeting Dates 2019/20

2. Attached at Appendix 1 are the Authority meeting dates for 2019/20. These meeting dates have been checked with Worcestershire County Council and Herefordshire Council in a bid to avoid any clashes in Members' diaries.
3. However, as 2020 meeting dates have not been scheduled for either Council, we have requested that our dates be taken into account when setting the dates of their meetings.

#### Corporate Considerations

<b>Resource Implications</b> (identify any financial, legal, property or human resources issues)	None
<b>Strategic Policy Links</b> (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	None
<b>Risk Management / Health &amp; Safety</b> (identify any risks, the proposed control measures and risk evaluation scores).	None

<b>Consultation</b> (identify any public or other consultation that has been carried out on this matter)	Consultation with Senior Management Board Members and constituent authorities.
<b>Equalities</b> (has an Equalities Impact Assessment been completed? If not, why not?)	Not applicable

### **Supporting Information**

Appendix 1 –Hereford & Worcester Fire Authority 2019/20 Meeting Dates.

Background papers - None

### **Contact Officer**

Committee Services  
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## Fire Authority and Committee Meeting Dates for 2019/20

Meeting	Date	Time	Location
Fire Authority	Wednesday 12 June 2019	10.30	Council Chamber, County Hall
Audit & Standards Committee	Tuesday 30 July 2019	14:00	Council Chamber, County Hall
Policy & Resources Committee	Thursday 19 September 2019	14:00	Council Chamber, County Hall
Audit & Standards Committee	Tuesday 15 October 2019	10.30	Council Chamber, County Hall
Fire Authority	Tuesday 15 October 2019	12.00	Council Chamber, County Hall
Policy & Resources Committee	Wednesday 20 November 2019	10.30	Council Chamber, County Hall
Fire Authority	Wednesday 18 December 2019	10.30	Shire Hall, Hereford
Audit & Standards Committee	Wednesday 22 January 2020	10.30	Council Chamber, County Hall
Policy & Resources Committee	Wednesday 29 January 2020	10.30	Council Chamber, County Hall
Fire Authority	Wednesday 12 February 2020	10.30	Council Chamber, County Hall
Audit & Standards Committee	Wednesday 22 April 2020	10.30	Council Chamber, County Hall
Policy & Resources Committee	Wednesday 6 May 2020	10.30	Council Chamber, County Hall



Hereford & Worcester Fire Authority

Audit and Standards Committee

Tuesday, 22 January 2019, 14:30

## Minutes

**Members Present:** Ms P Agar, Mr A Amos, Ms T Bowes, Ms K S Guthrie, Mr I D Hardiman, Mr M Hart, Mr P Middlebrough, Dr K Pollock, Professor J W Raine, Mr S D Williams

### 111 Apologies for Absence

Apologies were received from Mr B Matthews.

### 112 Named Substitutes

There were no named substitutes.

### 113 Declarations of Interest (if any)

There were no interests declared.

### 114 Confirmation of Minutes

**RESOLVED that the minutes of the meeting of the Audit and Standards Committee held on 25 July 2019 be confirmed as a correct record and signed by the Chairman.**

### 115 Annual Audit Letter 2017/18

The External Auditor presented the Annual Audit Letter 2017/18 to the Committee summarising the findings from the 2017/18 Audit.

Members were pleased to note that no significant issues were found with the primary statements in the 2017/18 audit and that the Authority has proper arrangements in place to secure value for money in its use of resources for the year ending 31 March 2018.

The Treasurer confirmed that he had no concerns from the Audit Findings Report.

*[Cllr Agar and Cllr Amos entered the meeting at 14:34].*

**RESOLVED that the Annual Audit Letter 2017/18 from External Auditors, Grant Thornton UK LLP be noted.**

**116 Internal Audit Progress Report 2018/19**

The Head of Internal Audit Shared Service presented an update on the 2018/19 audit plan delivery.

Members were pleased to note the Internal Audit Plan for 2018/19 was progressing steadily with 64% of the reviews either nearing completion or completed with the remaining timetabled for quarter 4 delivery and recommendations that had been made were being addressed through robust management action plans.

A Member queried the Data Protection Officer post and was advised that the Head of Legal Services currently held the position, however a permanent solution was being looked at with the possibility of outsourcing to the company that had recently concluded a GDPR audit for the Service.

**RESOLVED that the report be noted.**

**117 Annual Statement of Assurance 2018-19**

The Chief Fire Officer presented the Statement of Assurance 2018-19 to the Committee for approval and publication on the Service's website.

A Member requested that the wording in the third paragraph on page 4 of 16 of the Statement of Assurance be amended to read "A significant proportion of incidents..." rather than "The majority of incidents..." in relation to false alarms and also reference to Service Headquarters at Kings Court be amended to Hindlip at the end of the document.

There was discussion around false alarms and Members were assured that the Service works closely with businesses to reduce the number of false alarms.

Members agreed that the document was well written and easy to read.

**RESOLVED that the Committee adopts the draft Statement of Assurance 2018-19 and approves it for publication, subject to the**

**amendments stated above.**

**118 Employment Monitoring Data 2017-18**

The Assistant Chief Fire Officer presented a report summarising the progress against the Public Sector Equality Duty prior to the publication of the Employment Monitoring Data 2017-18 on the Service's website.

A Member queried the statistics in paragraph 18 of the report. The Assistant Chief Fire Officer confirmed that out of the 76 leavers, there were 55 resignations, 12 retirements and 9 others. Members were also assured that figures in the report and the Appendix would be double checked prior to publication on the Service's website.

Members were assured that the Service continues to make progress in embedding Equality and Diversity and will continue to provide updates to this Committee.

**RESOLVED that:**

- i. Members note there have been minimal changes to the overall make up of the Service's workforce since the previous employment monitoring report for 2016-2017; and**
- ii. The Employment Monitoring Report 2017-2018 is approved for publication.**

**119 Health and Safety Committee Update**

The Head of Operation Support presented an update on the activities and items of significance from the Service's Health and Safety Committee.

Members were assured that the increase in personal injuries was minimal and generally minor in nature. Some of the injuries were during training incidents and the Health and Safety Committee were looking into these in more detail.

Members discussed violence and aggression on members of staff and were assured that the Service worked closely with the Police and were pleased to report that incidents were relatively small in number. Members were also informed that body worn and vehicle CCTV cameras were now able to record incidents.

**RESOLVED that the following issues, in particular, be noted:**

- i. Health and Safety performance information recorded during April**

**2018 to September 2018 (Quarters 1 & 2); and**  
**ii. The involvement of the Service in a number of Health and Safety initiatives.**

The Meeting ended at: 15:18

Signed:.....

Date:.....

Chairman