



**WEST MIDLANDS**  
COMBINED AUTHORITY

## Board Meeting

<b>Date</b>	3 March 2017
<b>Report title</b>	Route Map to Mayoral WMCA Governance
<b>Cabinet Member Portfolio Lead</b>	Councillor John Edwards – Chair of West Midlands Fire and Rescue Service
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<b>Report to be/has been considered by</b>	

### The Combined Authority Board is recommended to:

1. Support the strategy proposed in this paper concerning the reform of the West Midlands Fire and Rescue Authority (the Authority), namely the route required for the Mayoral West Midlands Combined Authority (WMCA) to assume governance of West Midlands Fire and Rescue Service (the Service) from the Authority.
2. Support the outcomes, purpose, approach and timeline as set out in this paper.

## **1.0 Purpose**

1.1 This report proposes that:

- 1) The route and approach required for the Mayoral WMCA to assume governance of the Service is supported and incorporated into any further devolution discussions.

This will accord with Home Office expectations regarding accountability and improved scrutiny in governance arrangements, as well as measuring the outcome of current and future service delivery to the communities of the West Midlands and beyond.

- 2) Consultation with the WMCA and the elected Mayor will be commenced to reform the Authority, to provide a more streamlined and flexible arrangement as an interim measure, until such date as is reasonably practicable for the functions exercisable by the Authority to become functions of the Mayoral WMCA.

## **2.0 Background**

### **2.1 The Service's Approach to Service Transformation**

2.2 The Authority has fully supported service wide transformation and has embraced plans to meet the circa 50% (£38m) reduction in central government grant (core) over the course of the Comprehensive Spending Review (CSR) covering the period 2011/12 to 2019/20.

2.3 Ongoing transformation over the past 6 years has impacted on both service support and service delivery functions. The Service has met the required reductions in funding through exploring and implementing more challenging and innovative approaches to the delivery of internal and external community facing services. Whilst the Service has had to make decisions that have increased risk in some areas of response, prevention and protection, these have been assessed through an evidence based approach, using Integrated Risk Management Plan (IRMP) analysis to minimise the impact on services to the community.

2.4 Service transformation in this way reinforces the Services' priorities and outcomes as set out in its 3 year rolling corporate strategy, The Plan 2016-19 (the Plan). The Service Delivery Model (SDM) sits at the heart of The Plan, underpinned by planning and analysis that determines the level of resources needed to be able to respond to high risk (life and property) incidents, within a risk based 5-minute attendance standard. This attendance standard evidentially enables the Service to reduce risk to firefighting and increase the survivability of the victim, as well as reducing the impact of fire on the local community and economy.

2.5 The SDM, underpinned by analysis and planning and is pivotal to supporting an integrated approach to the delivery of the Service's prevention, protection and response services to the communities of the West Midlands. Amidst the challenges that the CSR presents to the Service, the SDM cannot be compromised.

### **2.6 Delivering Service Transformation**

2.7 Since the beginning of the CSR the Service has worked alongside staff, representative bodies, partners and communities to implement changes which have delivered public service transformation. Through innovation and reform new concepts and ways of working

have been introduced. This has led to efficiencies and just as importantly, to the maintenance and improvement of services to the communities especially the most vulnerable.

- 2.8 Management reviews of the corporate team have enabled the Service to downsize and reorganise its management structure, whilst creating a much leaner and more accountable approach to leadership. As a result, the Service has realised savings of approximately £1.5 million per year.
- 2.9 Across service delivery the Service will have reduced its whole-time front line firefighting staff by 25% by May 2017, to 1433 since the CSR began. The SDM and the delivery of a 5-minute attendance standard relies on a front line resource of 1322 firefighters. This reduction in resources, driven by the need to meet reducing budgets, presents a risk to the delivery of services to the community. This has been met through more innovative approaches to the flexible deployment of front line resources, such as introducing a blended fleet of vehicles crewed at different levels, a new staffing model designed to address the gap in numbers of fire fighters and the use of dual staffing to crew specialist vehicles.
- 2.10 Such flexibility comes attached with additional risks in relation to the impact on services to communities, partner relationships and employee engagement. The Service has managed, controlled, mitigated and where possible removed these risks through effective and robust planning, change management, leadership and communication.
- 2.11 Service Support functions have and continue to undergo rigorous review to improve efficiency and effectiveness whilst seeking opportunities to develop collaborative working with other partners. The number of service support staff has reduced by circa 20% by January 2017 since the CSR began to 442.
- 2.12 The Authority is set to undergo further cuts to core funding of approximately £10 million over the four-year period 2016/17 to 2019/20. This means that by 2019/20, core funding will have reduced by approximately £38 million since the cuts began in 2011/12. This represents an unprecedented reduction, taking total cuts in core funding to circa 50% in this nine-year period.
- 2.13 **Delivering Services Differently**
- 2.14 By garnering a deep understanding of risk and vulnerability the Service has sought to tackle the 'causes of the causes' and integrated the findings of Sir Michael Marmot's Review and the six Marmot policy objectives, as a baseline for delivering all community services and protecting the most vulnerable communities and individuals.
- 2.15 Over the past 18 months the Service has developed a 'commissioned' approach to maintaining the SDM whilst delivering wider prevention based services. This approach has seen the implementation of two Falls Response services across Coventry and Wolverhampton, with services extending to Dudley in the near future. In addition, the Service is currently providing a Hospital Discharges trial in Coventry. By extending its prevention based services to support the wider priorities of the 7 WMCA Constituent Local Authorities and the NHS, not only supports the maintenance and improvement of the SDM; but also supports its priorities in: Making the West Midlands Safer, Stronger and Healthier.
- 2.16 Collaboration across a range of partners is at the heart of services delivered both nationally and to local communities. The Service benefits from positive collaborative relationships with

a number of emergency and public sector services. Some examples include: Joint Emergency Services Interoperability Programme (JESIP), West Midlands Police (WMP) – Fire Investigation and a joint Fire Control with Staffordshire Fire and Rescue Service. This particular area of collaboration has resulted in £1.5 million joint savings per year, with a joint saving of £11.6 million projected to 2020.

- 2.17 The Service is committed to collaboration which extends wider across the emergency services and other agencies (such as the NHS, Local Authority and the third sector). This will enable the achievement of better joint outcomes aligned to The Plan, designed to improve outcomes for local communities in a more efficient and effective way, such as, enhancing independent living for the most vulnerable and supporting economic growth through strategic regulation.
- 2.18 This commitment can be seen in how the Chief Fire Officer (CFO) and other officers have engaged, as key stakeholders and service delivery providers to 7 Local Authority Constituent Members, with the WMCA from its shadow stages through to inception. Initially this was through the Public Sector Leadership Board and more recently by establishing the Authority as an 'Observer' through the WMCA Board and the Programme Board.
- 2.19 This engagement has provided the Authority and the Service with an invaluable opportunity to develop the understanding of the WMCA, around the merits of a 21st century metropolitan fire and rescue service and the benefit it's integrated, flexible, service delivery model has on the wider footprint and priorities of the WMCA.
- 2.20 On behalf of the WMCA the CFO leads on the Public Service Reform (PSR) and Multiple Complex Needs Individuals (MCN) work programme. This represents a clear signal and acknowledgement that through its experience, brand and skills, WMFS can lead and support these wider agendas.
- 2.21 Improving Performance**
- 2.22 Despite these challenges there has been improvement in the performance of the Category 1 (5 minute) attendance standard for the highest risk incidents (life and property). During 2015/2016 achievement of this attendance standard performed positively throughout the year, with a median attendance of 4 minutes 42 seconds in the last two quarters of the year. This is the best performance seen in several years.
- 2.23 The Future for Fire**
- 2.24 It is clear there have been significant challenges for the Fire Service over the last 10 years, both financially throughout the CSR period and policy making with reviews such as those conducted by Sir Ken Knight, (Facing the Future 2013), and Adrian Thomas (Independent review of conditions of service for fire and rescue staff in England February 2015). These reviews continue to set the backdrop for the reform of the Fire and Rescue sector as is reflected in the Home Office's policy development. However, they have been less challenging for the Service because it has and remains a public service committed to efficient and effective delivery.
- 2.25 On the 11th September 2015 the Government released a consultation entitled 'Enabling Closer Working between the Emergency Services'. This was followed by a move of government department for the Fire and Rescue Service on the 5th January 2016, from the Department of Communities and Local Government to the Home Office. The fire reform

programme has also encapsulated the Chief Fire Officers' Association (CFOA) with the Home Office steering its priorities. The outcomes to the above consultation introduced the Policing and Crime Bill, which received Royal Assent in January 2017 (the Act 2017) and proposes a new duty to collaborate on each of the blue light emergency services, as well as new powers for Mayors and PCCs to take on the governance of Fire and Rescue Services.

2.26 The statement by the then Home Secretary, Theresa May, on the 24th May 2016 outlined a clear desire from central government to affect a change, which will create an impetus for further reform wider than the delivery of services - reform for Fire and Rescue Authorities. The government and Home Office are committed to implementing governance structures which provide more scrutiny, transparency and accountability of decision making.

## 2.27 **Changing Governance and Future Opportunities**

2.28 In view of the national policy developments the Authority recognised that staying the same was not an option. The Authority recognised that there are four possible routes for potential future governance structures for the Service:

- A Reformed Fire Authority (RFA),
- A Police and Crime Commissioner (PCC),
- A Mayor as part of the WMCA and and/or
- A Combination of regional Fire Services.

A more detailed description of each of these governance models is provided in Appendix 1.

2.29 Governance through a PCC or a Mayor as part of a Combined Authority are the main options being proposed by Government through the PACA 2017. However, the Home Office and the former Minister of State for Policing and the Fire Service, Mike Penning, confirmed there would not be a single governance approach for all Fire and Rescue Services and that a combination of regional fire services would be considered as a possible structure, as would the continuation of Fire Authorities.

## 2.30 **WMFRA commitment to future governance**

2.31 In view of Home Office expectations around the reform of the Fire Service developing apace, the Authority has considered how it works with, responds to, and influences the changes. As the Government pushes forward local devolution and public sector reform, the Authority has acknowledged that failure to address this could cause the Service to lose relevance, credibility and impact public confidence (an emerging corporate risk) from the uncertainty around the future governance of the Service, with the potential to impact on the priorities in The Plan.

2.32 The Authority committed itself to exploring an evidence based approach to understanding how each of the future governance options (in light of the changing external influences highlighted in this report), may support the delivery of services to local communities, whilst incorporating increased scrutiny, transparency and accountability of decisions; in a value for money way.

2.33 For this purpose, the Authority commissioned a Future Governance Working Group (the Group). The outcomes of the Group were to provide an options appraisal for the Authority, to be able to make an evidence based decision, on the best option for governance for the Service in the future and the best approach to achieving this.

**2.34 The approach to assessment:**

2.35 Initially the Group considered how collaboration currently exists as well as the potential for the provision of future collaborative services across blue light emergency services, Local Authorities, WMCA and NHS. A critical part to this was the impact this would have on the community and the ability to deliver public service priorities across the West Midlands.

2.36 As a result of this work the Group agreed a set of high level community outcomes against which each of the governance models were assessed. The Group undertook an options appraisal to assess the achievability of these outcomes, against the merits of each of the four governance options. This provided an evidence base to the Group's conclusions and a way of provoking debate about the relative merits of the options. (The Group conclusions can be found in Appendix 2).

**2.37 The Direction for the Future Governance of the Service**

2.38 The Authority has been clear in its intention to seek alignment to a Mayoral WMCA governance model. The Authority believes that this route provides the best approach for the future delivery of the services delivered to the communities of the West Midlands.

2.39 The options appraisal undertaken by the Group together with the outcome of the recent WMFRA public consultation, the current and future strategic directions of the Service, the WMCA and the overall direction set by the Government (both policy and legislation), reinforces the overall direction the Authority seeks for the future governance of the Service through the Mayor as part of the WMCA. All these provide an evidence base for the recommendations within this report.

2.40 There are emerging models in London and Manchester as to potential pathways. The Authority maintains its belief that given that the Service is the largest and most complex Fire and Rescue Service outside of London. Direction through a Mayoral WMCA arrangement as part of devolution represents the most logical and efficient route to achieve sustainability of and improvements in the SDM, whilst also seeking to support and deliver against wider public service priorities. These complexities were recognised by Adrian Thomas, who was commissioned by Government to review the conditions of service for fire and rescue staff (Independent review of conditions of service for fire and rescue staff in England, February 2015).

2.41 Public safety in its widest context can be enhanced through better collaboration delivering better integrated services in a value for money way across the West Midlands area, without adding pressure to the public purse. The Service leading on PSR and MCN as key elements of the WMCA devolution deal highlights the clear benefits a 21st century professional, flexible, integrated SDM can bring to the wider public services.

2.42 A critical element to a change in governance to a Mayoral WMCA will be the interim governance arrangements in continuing to provide the highest levels of public safety, supporting increased collaboration, without the associated costs an unnecessary change governance option would incur; as well as the risk of impact on engagement with staff, community and trust. The Authority believes that a Reformed Fire Authority (RFA) option can provide a more robust interim approach to governance. A RFA was a key consideration of the Group. In its conclusions the Group determined that, 'the Authority should consider

how its own governance should change, to enhance opportunities for further reform and collaboration’.

2.43 The proposals within this paper include the reform of the Authority to enable a more streamlined and flexible arrangement to a Mayoral WMCA. A RFA would maintain proportionality across the West Midlands, reflect changing approaches to governance and include invitations for non-executive membership to enhance collaboration, scrutiny, accountability and transparency to improve outcomes for the community.

2.44 The Mayoral WMCA provides a governance option for the Authority that converges with government policy regarding governance and accountability. Despite this, the Chair and CFO maintain regular discussion with all partners, which enables a continued approach to collaboration with partners.

**2.45 The IRMP Consultation:**

The Services’ engagement with the community as part of the Integrated Risk Management Consultation (the Consultation) revealed the route to a Mayoral WMCA to be amongst the popular options, as was a RFA (‘highly desirable’) and Combined Fire Services for best supporting the delivery of its prevention, protection and response services to the communities of the West Midlands.

**3.0 THE WAY FORWARD:**

**3.1 Legislation enables a change in governance**

3.2 The main pieces of legislation (and draft legislation) enabling the Mayoral WMCA to enact a change in governance have been captured in this report and can be listed as follows:

- The Local Democracy, Economic Development and Construction Act 2009
- The Cities and Local Government Devolution Act 2016, and
- The Policing and Crime Act 2017 (PACA)

3.3 This translates into 3 possible routes of governance:

- 1) The Cities and Devolution Act 2016 enables the WMCA and Mayor to take on additional functions which may be either local authority or other public authority functions.
- 2) The PACA enables the PCC to make a business case to take on the governance of the Service where this can be locally agreed.
- 3) The PACA also enables the Mayor to take on the governance of the Fire Service, again where locally agreed.

3.4 As referenced earlier in this report the Authority has been clear in its intention to seek alignment to a Mayoral WMCA governance model. The route to a Mayoral WMCA will impact a number of pieces of legislation affecting both governance and services delivered.

**3.5 The impact of the change on the Constitution and the liabilities for the Mayoral WMCA:**

3.6 With the proposed changes in governance for the Service, the current Authority will cease to exist and a new model will be enabled. Currently there are two Mayoral governance models emerging such as:

- the London Mayor and the London Fire Commissioner (LFC) and
- Greater Manchester Combined Authority (GMCA) and Mayor

Each model will represent different approaches to the discharge of statutory responsibilities and liabilities.

The categories below are amongst the most pertinent responsibilities and liabilities and their discharge will be dependent on the governance model adopted in the West Midlands:

- functions relating to statutory plans (the IRMP),
- the budget and the setting of the council tax precept
- People
- Assets, and
- Procurement

The responsibilities as set out in the following pieces of legislation will need to be transferred on abolition of the Authority.

- **Local Government Act 1985**

The Authority as it stands was legally created under the LGA 1985, which created joint fire authorities and stipulated the number of Members appointed from constituent councils to the Fire Authority (27). Section 34 also sets out the annual appointment of the Chair, Vice Chair and Clerk. The responsibilities as set out in this Act including their transfer will depend on the governance model adopted for the future provision of community services.

- **The Local Government Act 1972**

This Act requires the appointment of a Chief Finance Officer (section 151 Officer) in addition to the appointment of such officers as the Authority thinks necessary for the proper discharge of its functions. Under this Act the Authority may also acquire, appropriate or dispose of land/and or premises. Further, the Authority is permitted to make standing orders in respect to the making of contracts by them or on their behalf (subject to relevant procurement legislation). The responsibilities set out in this Act will depend on the governance model adopted.

- **Local Government and Housing Act 1989**

This Act requires the designation of one of WMFS's officers as Head of Paid Service (the Chief Fire Officer) and outlines the specific responsibilities of this role. It also stipulates the requirement to appoint a Monitoring Officer. The responsibilities for the appointment of the Head of Paid Service will be transferred to the Mayoral WMCA for discharge, subject to the detail set in the Scheme and the WMCA's Constitution. The requirement to appoint a Monitoring Officer will depend on the governance model adopted.

### 3.7 Impact on services:

3.8 There are a number of core service activities delivered by the Service that are prescribed under legislation, assurance for which is provided through the Authority. These responsibilities will need to be transferred to the Mayoral WMCA for discharge. The most pertinent legislative provisions are:

- **Fire and Rescue National Framework for England**

As a requirement of the Fire and Rescue Services Act 2004, the Government published the Fire and Rescue National Framework setting out the priorities and objectives for Fire and Rescue Authorities in England. FRA's must have regard to it in carrying out their duties. The Framework places responsibility on Fire and Rescue Services to prepare an Integrated Risk Management Plan (IRMP). The plan must include targets and objectives for reducing risks, balancing prevention and intervention, and determining response standards and resource allocation. In West Midlands this is called The Community Safety Strategy. The CFO will manage and advise the Mayoral WMCA on the IRMP, the Mayoral WMCA will approve plans.

- **The Fire and Rescue Services (Emergencies) (England) Order 2007**

Section 58 of the FRS Act 2004 specifies other emergencies for which fire and rescue authorities must make provision. These are set out in the above Order 2007 and specifies functions in connection with emergencies involving chemical, biological, or radio-active contaminants, structural collapse or a train, tram or aircraft ("transport emergencies"), but does not apply in relation to transport emergencies, unless the incident is likely to require a Fire and Rescue Authority to use resources beyond the scope of its normal day to day operations.

In addition, where a Fire and Rescue Authority has specialist resources, including specialist trained personnel, to enable it to deal with emergencies of a kind described in this Order, and such an emergency occurs or is likely to occur in the area of another Authority; this Order requires the Authority with the specialist resources, if asked to do so, to use those resources in that other Authority's area so far as is reasonable for the purpose of dealing with the emergency. The CFO will manage the configuration of the resources as part of day to day business, however, the Mayoral WMCA will retain oversight and be able to provide time critical resilience to emergencies on a regional and national scale.

- **Regulatory Reform (Fire Safety Order) 2005**

This places emphasis on business continuity and containing and preventing the spread of small fires. It provides a minimum fire safety standard in all non-domestic premises. It designates a person (e.g. employer, manager or owner) as a responsible person who is then required to carry out certain fire safety duties, which include ensuring that general fire precautions are satisfactory and that fire risk assessments are conducted.

Fire Authorities are the primary enforcing agencies for all fire legislation in non-domestic use. The Authority has delegated the power to prosecute to the Chief Fire Officer. However, the Mayoral WMCA will retain oversight.

- **Civil Contingencies Act 2004**

The Civil Contingencies Act 2004 delivers a framework for civil protection. It establishes a statutory framework of roles and responsibilities for local responders; of which the Authority is one, and on emergency powers, establishing a framework for the use of special legislative measures that might be necessary to deal with the effects of the most serious emergencies. The Act also divides local responders into two categories. The Fire Authority is a Category 1 responder. This means that it is at the core of emergency response. Upon transfer of governance the CFO will continue to manage operational handling and the Mayoral WMCA will retain oversight.

### 3.9 **The process and timeline:**

3.10 The Home Office have clearly stated the intentions around Fire Service reform. Whilst accepting that a great deal of self-initiated reform has already taken place, the expectation has been set that change will impact on fire services, as well as their governing bodies.

3.11 In support of these expectations the introduction of the Act 2017 and developing approaches to devolution across the country, has set the vehicle for change.

3.12 On the 4th May 2017 the West Midlands will be electing a Mayor to the WMCA, which presents an opportunity for the Authority to work with the WMCA to determine the future approach to governance of the Service.

3.13 The Authority seeks to move under the Mayoral WMCA model at the earliest possible opportunity. It is anticipated that following the election of a Mayor the earliest opportunity for the Mayoral WMCA to assume governance of the Service would be around May 2018. It is also anticipated that this change would be enabled through the inclusion of the Service in the second devolution deal, which is due to be presented to Government at the end of March 2017. A change in governance to a Mayoral WMCA model would follow a period of government consultation and decision making, local consultation as well as the development of a scheme to enable this change to be affected.

3.14 There will be an initial three year term for the Mayor from May 2017 to May 2020 at which point Mayoral elections will take place. The PCC also has a mandate until 2020.

3.15 The Authority believes that enabling this change in governance at the earliest opportunity is necessary, to ensure that outcomes for local communities can be delivered in the most efficient and effective way, whilst simultaneously enhancing public safety and delivering improved collaboration across public services within the West Midlands.

3.16 A key point to consider, as highlighted earlier, is the introduction of the new PACA 2017, which enables the PCC to develop a business case for the Service.

3.17 Proposed changes in governance to a Mayoral WMCA will need to or will have navigated through some key milestones:

**i) The Authority's approval – 20th February 2017**

The Authority has approved the strategy to pursue the route to a WMCA Mayoral model for future governance of the Service and has approved the instigation of the process to reform itself.

**ii) WMCA Board – 3rd March 2017**

The Authority will need to secure the approval of the WMCA Board in order to form part of the formal discussions for further devolution deals.

**iii) Further Devolution – March 2017**

Once the WMCA Board has confirmed its intent to include the transfer of the Service as part of its devolution discussions, the WMCA will need to begin discussions with HM Government over further devolution in March 2017 and if agreed, it will form part of the second devolution deal. The inclusion of the Fire Service in the second devolution deal will be critical to enabling the required change in governance to a Mayoral WMCA at the earliest opportunity (May 2018).

**iv) Governance Review, Scheme and Consultation – July to September 2017**

A Governance Review, Scheme and Consultation would enable the transfer of governance for the Service to the Mayoral WMCA by way of an Order. The Scheme would set out how the Mayoral WMCA's powers are to be exercised in relation to the Service.

It is envisaged that the public consultation would begin in July 2017 and last for up to eight weeks, after which time it will proceed to the Secretary of State, who will draft the required Order based on the above. The draft Order will require approval by all Constituent WMCA Councils. It is envisaged that the transfer of powers would take 12 months to complete from the signing of the second devolution deal. It is estimated that this would take us to March 2018. At this point the responsibilities and liabilities of the Authority would transfer in accordance with the governance model adopted.

- v)** The Service would then become incorporated into the WMCA and this would warrant a review of its current Observer membership status to reflect its engagement.

3.18 The RFA will be enabled irrespective of a timeline to a Mayoral WMCA. The proposed changes will need to navigate through some key milestones:

**i) The Authority's approval for a Reformed Fire Authority**

The Authority has approved the commencement of the dialogue around the process to reform the Authority.

**ii) Consultation**

The Authority will begin consultation with the WMCA who will be asked to commence this reform process with a view to introducing the Mayor to the dialogue following his/her election, this will be achieved via a report to the WMCA Board on 3rd March 2017. Consultees will also include the Home Office and other key stakeholders. It is envisaged that the public consultation would last for up to eight weeks.

**iii) Secretary of State Order**

On the conclusion of the consultation the matter will proceed to the Government, who will draft the Order based on the above reform of the Authority. The Authority's Constitution, subject to amendments, would set out how the Authority's power is to be exercised in relation to the Service.

- iv)** The Service would then become incorporated into the WMCA at the earliest possible time and in line with Mayoral milestones.

#### **4.0 Financial implications**

- 4.1 There are no direct financial implications at this early stage, however, it is recognised that further reports will be required as this proposal evolves which will highlight any financial implications if and when identified.
- 4.2 It is important to note that should the West Midlands Fire and Rescue Service be incorporated into the governance of the WMCA, the ability to set council tax precept relating to the Fire service should transfer to the Mayor.

#### **5.0 Legal implications**

- 5.1 The legal implications are set out in the body of this report. Further legal resources will be required to manage the work required around the drafting of the Order to be undertaken in consultation with the Secretary of State and in relation to the amendments required to the Constitution of WMCA.

#### **6.0 Equalities implications**

- 6.1 There are no direct equalities implications at this stage, however, it is recognised that further reports will be required which will highlight any implications if and when identified.

#### **7.0 Other implications**

- 7.1 There are no other direct implications at this early stage, however, it is recognised that further reports will be required which will highlight any implications if and when identified.

#### **8.0 Schedule of background papers**

- 8.1 West Midlands Fire and Rescue Authority: Route Map To A West Midlands Combined Authority Mayoral Governance Report, 20.02.17

West Midlands Fire and Rescue Authority: Future Governance of West Midlands Fire Service, 27.06.16

West Midlands Fire and Rescue Authority: WMFRA Response to the Enabling Closer Working Consultation between Emergency Services, 23.10.15

#### **9.0 Appendices**

Appendix 1: The Governance Models

Appendix 2: The Group's Conclusions

## **APPENDIX 1: The Governance Models**

### **A Fire Authority**

Currently all Fire and Rescue Services (excluding Scotland and London) whether Metropolitan, Combined or County Council, are governed through an Authority and Committees. These provide democratic accountability and governance of Fire Services to the communities they serve.

A Fire Authority is a statutory body. The Local Government Act 1985 and Local Government and Housing Act 1989, provides the basis for these arrangements. More specifically, for West Midlands Fire Service as a Metropolitan Service schedule 10 of the 85' Act sets out the number of Members that should sit on the Authority, apportioning this amongst each of the 7 West Midlands Local Authorities.

The purpose of a Fire Authority is to provide policy and political direction to the Service and to approve the Authority budget.

### **A Police and Crime Commissioner (PCC):**

The introduction of the Act 2017 as an outcome of the 'Enabling Closer Working' consultation, introduces two key proposals:

It places a duty on each of the emergency services to consider collaboration. The Act 2017 also enables for the governance of the Fire and Rescue Services to be provided for through a single elected accountable person, a PCC, where this is locally determined or following recent amendments a Mayor. PCC's now have the ability to submit a business case to the Secretary of State, to take over the governance of Fire and Rescue Services in their areas.

Any business case must be able to demonstrate the benefits of this change against the delivery of improved efficiency, effectiveness, economy and public safety.

The Act 2017 provides two options for the future governance and management of both organisations (Police and Fire).

The first is where the PCC provides the governance for both the Police and Fire, with Chief Officers from both organisations reporting in through their separate management structures. This would lead to the disbanding of the Authority and the transference of the Employer status for fire and rescue staff to the PCC.

The second also enables the PCC to provide governance for both Services but appoints a 'single employer', a Chief Officer, to oversee both organisations (Police and Fire). In this option the Chief Constable becomes the employer of fire and rescue staff.

The Act 2017 also makes provision for differing arrangements in London where the London Fire and Emergency Planning Authority (LFEPA) will be abolished and the London Fire Service will be brought under the direction of the Mayor of London, who will set its budgets and strategic direction. The London Fire Commissioner will become a 'corporation sole', with the functions of the abolished LFEPA being transferred to the Commissioner. The Commissioner will have the functions of the Fire and Rescue Authority for Greater London.

A Fire and Emergency committee will be formed with the purpose of scrutinising the Commissioner, Fire Service and Mayor.

### **West Midlands Combined Authority and the Mayor:**

As part of public sector reform, handing down power and money from central government to local authorities through devolution deals, means that decisions and spend can be made locally for the benefit of the region. This can be achieved through the joining of services to deliver better outcomes for the community. Devolution is a critical agenda for central government and through the Cities and Devolution Act 2016, will be delivered through a Mayor as the single accountable leader of a Combined Authority.

Mayoral elections for WMCA are due to take place on the 4<sup>th</sup> May 2017, which provides an opportunity through engaging as part of the WMCA (as we currently are) to influence the route that the Service can take.

Following amendments to the Act at Bill stage, provisions have been made for the Mayor to have the direct power to “exercise the functions of Fire and Rescue Services”. This will require further amendments to the Local Democracy, Economic Development and Construction Act 2009. Therefore, there exists the possibility that governance of the Service can move to the Mayor as part of the WMCA and be provided for through this structure.

### **Combination of Fire:**

Governance as part of the WMCA and Mayoral structure provides an opportunity for greater collaboration and possibly of the combination of neighbouring Fire Services within the WMCA footprint. Both Warwickshire and Shropshire County Councils are non-constituent members of the WMCA. These Councils cover two of the four neighbouring Fire Services and as such, this could provide a basis for exploring further the case for combination. Research undertaken during 2015 led by the Service, highlighted that the combination of neighbouring Fire Services has the potential to deliver wider efficiencies whilst delivering the same or improved performance standards within each Fire Service.

This change could be instigated by the Mayoral WMCA initially taking over the governance of the Service, as enabled by the Act 2017 and proceed to bring into focus the regional fire services through the footprint of the WMCA, which stretches across the wider west midlands regional geography to incorporate the regional fire services. The power to combine fire services rests with the Secretary of State.

The Act 2017 enables the West Midlands PCC and a Mayor, once elected, to make a case for the governance of West Midlands Fire Service. Mayoral elections are scheduled to take place in May 2017 with campaigns under way.

## Appendix 2: The Group's Conclusions

1. There is no "stand out" option, but the analysis suggests that a two-stage process increases costs, risk and reduces benefits and as such should be avoided. There is considerable potential change in the next year or so:

- PCC business cases
- The development of the Combined Authority model in Manchester and London
- The programme of the Mayor and the WMCA
- Additional Devolution deals

The WMFRA needs to ensure it continues to engage with stakeholders to ensure it can fully consider its position and the options available to it.

2. The Working Group found that there was enthusiasm and commitment from other organisations for collaboration. The Service has made great progress over recent years, and the working group felt that the Authority would benefit from considering its constitution and structure and how it might change enable further collaboration.
3. The Mayoral and WMCA model is just emerging and the first Mayor is yet to be appointed, so there is as yet lack of clarity about its programme. However, change with a new Mayor will happen and this will create opportunity in improving public services. The WMFRA need to ensure that they remain engaged in this to ensure the best opportunity for delivery of outcomes for future.
4. If a mayoral option is not available in the medium term for police or fire, then the options would need re appraised to ensure the benefits of collaboration across the emergency services and wider public services are realised.
5. The Bill does not enable governance changes with the Ambulance Service which may prevent full collaboration to be realised as well as the benefits from this.
6. Ambulance sits outside of governance analysis however the opportunities for collaboration are significant.
7. A Fire/Fire combination would realise significant benefits at lower risk than other options. This would require local consensus and a formal business case, approved by the Home Office. The associated Council tax consequences, and any boundary issues would need to be considered.
8. The PCC model is relatively new but is having an impact on Police effectiveness. Although there would be some risk associated with the Fire/Police combination, there could be significant cost benefits.