

Report of the Assistant Director Legal & Governance

**Police & Crime Commissioner Proposal on Future Governance of North
Yorkshire Fire & Rescue Service – Cover Report**

Summary

1. This report introduces a presentation by the Police & Crime Commissioner (PCC) on her proposal for the future governance of North Yorkshire Fire & Rescue in order to support enhanced collaboration between emergency services. It also suggests a number of issues arising from the PCC's consultation document that committee members may wish to consider in greater depth during the course of the meeting.
2. Members are asked to consider the proposal, and feed their views back to the Executive ahead of the Executive formally responding to the PCC's Local Business Case attached at Annex A.

Background

3. The Policing and Crime Act 2017 enacted by Parliament in January 2017 placed a statutory obligation to collaborate on the three emergency services – Fire, Ambulance and Police. Unlike similar initiatives previously, this duty includes a specific opportunity for Police and Crime Commissioners to apply to the Secretary of State to allow them to take on responsibility for the governance of their local Fire and Rescue Service, if it appears that it is in the interests of effectiveness, efficiency, economy or public safety to do so. It is important to note that this is an enabler rather than a requirement.
4. In response, the PCC for North Yorkshire has undertaken a review of the governance of the Fire and Rescue Service and proposed changes that are aimed at promoting improved collaboration between the Police and the Fire and Rescue Service, suggesting this will lead to greater efficiencies, improved outcomes and increased investment in front-line services.

5. Across the 40 force areas in England and Wales that have a Police and Crime Commissioner, there are 10 Police and Crime Commissioners who are looking into options for changes to the governance to enable greater collaboration between the Police and the Fire and Rescue Service in their area. The drivers for this range from responding to the Policing and Crime Act 2017 to seeking to address specific local issues with governance and service provision.
6. The pace at which the reviews are being undertaken also varies. North Yorkshire is one of the front runners and will be, subject to the outcome of the consultation and the assessment of the Home Office, an early adopter of a new governance model.
7. Assessment Process
The Home Office states that any changes in governance proposed by a Police and Crime Commissioner must meet the tests laid down in the Policing and Crime Act 2017. These are that any changes are in the interests of:
 - Economy
 - Efficiency
 - Effectiveness
 - Public safety.
8. The Association of Police and Crime Chief Executives (APACE) guidance states that as a minimum, a LBC will need to demonstrate that there is no adverse impact on public safety.
9. The criteria used as part of the assessment of the options for a revised governance model, do not use the four tests in the Policing and Crime Act 2017 (of which public safety is one) as they stand. Instead, the four tests are translated into a series of design principles, none of which explicitly refer to public safety (see Annex 1, page 58).
10. Please note that if one or both of the County Council and the City of York Council object to what is proposed, as the upper tier authorities in the area covered by the PCC, Police and Fire and Rescue Service, then the Home Secretary must obtain and publish an independent assessment of the proposal, and must have regard to that assessment and to the representations from relevant local authorities and others in deciding whether to make an order.

Consultation

11. A Local Business Case (LBC) has been prepared by the PCC for formal public consultation in North Yorkshire. It has been developed in consultation with a strategic reference group based on information provided by North Yorkshire Police, North Yorkshire Fire and Rescue Authority, North Yorkshire Fire and Rescue Service and information in the public domain. The LBC attached at Annex A details the organisations that have been engaged during its development, but does not necessarily reflect their views. – see Annex 1 pages 8/9.
12. The LBC has been published for public consultation. The consultation runs from 17 July – 22 September 2017. Response forms and information leaflets have been made available at local libraries, police stations, fire stations and council offices across the region. Consultees can also respond online at www.telljulia.com.
13. To support the Committee in their consideration of the LBC, the following have been invited to attend this meeting to give their views:
 - Chief Fire Officer, North Yorkshire Fire & Rescue Service
 - Chair of North Yorkshire Police & Crime Panel
14. County Councillor Andrew Backhouse, Chair of North Yorkshire Fire and Rescue Authority, has also been invited to offer the Authority's perspective on collaboration with the Police and how best to achieve it.
15. The views of this Committee will be presented to the Executive on 31 August 2017, when it formally considers the LBC, and will help inform their response to the consultation.
16. Depending upon the view taken by the PCC after consultation, further versions of the business case may be developed, or the current version may form the Local Business Case submission to the Home Secretary for consideration.

Timeline

17. Following the consultation period, the timeline for analysis, submission and consideration of the preferred option for governance is as follows:
 - Analysis of findings – 22 September 2017 to 2 October 2017
 - Consultation report published – around 16 October 2017

- Submission to Home Office dependent on PCC final decision – before the end of October 2017
- Consideration by Home Secretary – 4 weeks where agreed by local tier 1 authorities
- Consideration by Home Secretary – 12 (8+4) weeks where no agreement and an independent assessment is required
- Secondary legislation – 8 to 12 weeks
- Earliest transfer date – April 2018.

Governance Options

18. To enable greater collaboration between blue light services the Policing and Crime Act 2017 proposes three alternative options to the status quo (the 'Do Nothing' model). These are:

- Representation model
The PCC is represented on a Fire and Rescue Authority (and its committees) in their police area with full voting rights, subject to the consent of the Fire and Rescue Authority. In North Yorkshire, this would see the PCC join NYFRA and become one of 17 voting members.
- Governance model
The PCC takes on legal and overarching responsibility for the provision of the fire and rescue service(s) in their area. Individual services retain their operational independence, budgets, their Chief Fire Officer or Chief Constable, and their own staff. In North Yorkshire, this would see the PCC becoming the North Yorkshire Fire & Rescue Authority.
- Single Employer model
The PCC would become the North Yorkshire Fire & Rescue Authority but, in addition, fire and rescue functions are delegated to a single Chief Officer for policing and fire. Within this model, the services remain distinct front line services with separate budgets, albeit with increasingly integrated management and support services.

Analysis

19. The LBC contains the PCC's assessment of:

- i. The strategic, operational and financial benefits that closer collaboration and shared governance could deliver for the police and the fire and rescue services in North Yorkshire.
- ii. The governance options available under the Policing and Crime Act 2017 (see paragraph 10 above), and her assessment of which of those options would be more likely to deliver those benefits at greater pace and scale, and support the improvement of emergency services in North Yorkshire.

20. The assessment has been undertaken based on the HM Treasury Five Case Model, using the following assessment criteria:

- Strategic - legislative and strategic context
- Economic – the key criteria for determining the preferred option
- Commercial - commercial, HR and resourcing implications
- Financial - affordability and accounting implications
- Management – delivery of the preferred option.

21. The arguments that have been put forward for a change in governance and not keeping with the status quo are as summarised below. The detailed analysis is contained in the consultation document.

- Inevitability – the argument that closer working between the Police and the Fire and Rescue Service is inevitable as the way of improving services and saving money
- Pace – whilst there has been collaboration to date the pace has been slow and the scope limited, with the emphasis upon the tactical rather than the strategic
- Research – the findings of national and international research and reviews suggests that joined up governance between emergency services accelerates collaboration
- Protecting the front line – increased collaboration results in increased efficiency, which in turn means that during a period of tight budgets there is greater protection of front line services
- Outcomes – a strategic view of collaboration between the Police and the Fire and Rescue Service will lead to improved outcomes.

22. Preferred Option of the Police and Crime Commissioner

The preferred option that has been identified is that of the Governance Model, whereby the PCC takes on legal and overarching responsibility for the Fire and Rescue Service.

23. The arguments put forward for the Governance Model, are summarised below:

- Decision making – simplified and aligned decision-making structures will increase the scope and pace of collaboration
- Joint strategic planning – there would be greater scope for joint planning of services, creating opportunities for more effective use of funding and resources across both services. The combined budget under the influence of the Police and Crime Commissioner would be £169m, with assets £80m
- Front line services – savings achieved through enhanced collaboration, estimated as being £6.6m per annum, could be re-invested in front line staff
- Scrutiny – improved oversight of the Fire and Rescue Service
- Public safety – improvements in public safety arising from collaborative approaches.

24. The tangible benefits that could be achieved by accelerated collaboration between the Police and the Fire and Rescue Service, should the Governance Model be adopted, include the following:

- Systematic data sharing of intelligence to enable commissioning of targeted services
- A single approach to community safety across Police and Fire and Rescue
- Roll out of community safety hubs
- Joint control rooms
- Implementation of the fire responder role, particularly in rural areas
- Joint management of estates, linked to One Public Estate
- Integrated specialist training
- Single ICT strategy and systems
- Rationalisation of the back office.

25. The arguments put forward against the other options, are as summarised below:

- Do nothing option – this will not bring about an acceleration in strategic collaboration between emergency services, perpetuating the existing culture of tactical and localised joint working. Estimated savings of £0.1m per annum.
- Representation model – this will promote greater tie in at a strategic level between the Police and Fire and Rescue Service but will suffer from the constraints of multiple decision-making mechanisms and the joint agreement of objectives and priorities. Estimated savings of £1.3m per annum.
- Single Employer model – is likely to bring greater benefits than the Governance model but presents significant delivery and strategic risks. Estimated savings of £7.5m per annum.

26. Irrespective of the option that is finally adopted:

- Separate fire and police funds would have to be maintained.
- The roles and powers of police and fire officers could not be changed or merged.
- The operational independence of the Chief Constable would be maintained.

27. The Local Business Case is a very detailed document that runs to 119 pages. There is a concern that there may not be sufficient time for the public, City of York, district and county councillors, and other key stakeholders to undertake the necessary detailed examination of the evidence that has been provided. In particular, to be able to determine what the consequences may be, intended or otherwise, over the short, medium and long term. Also, if the Governance Model is adopted, there will be no easy way to reverse the decision should experience dictate that other solutions may be preferred in the longer term.

Lines of Enquiry

28. In considering the local business case and the preferred option of the Governance Model, members may wish to consider a number of lines of enquiry. Each of the queries raised below is referenced to the relevant section of the consultation document attached at Annex A:

Is a revised model of governance really the answer or are there other ways of promoting increased collaboration between the Police and the Fire and Rescue Service?

29. The LBC suggests that the only way in which significant financial benefits can be readily realised from accelerated collaboration is through addressing “*the issues around sovereignty that have formed one barrier to greater pace and scale of collaboration in the past*” (page 14). Is this really the case? Whilst a stronger central grip of governance across both services may help increase collaborative approaches, it is likely that the real challenge will be cultural.

Are we leaping to solutions without fully understanding what the issues are across all of those organisations that work in promoting community safety and wellbeing?

30. The Policing and Crime Act 2017 places a duty on police, fire and ambulance services to work together and enables police and crime commissioners to take on responsibility for fire and rescue services where a local case is made. It is reasonable to question why further work is not being done to promote collaboration across all three blue light services in the county, before reverting to the changes in governance for the Fire and Rescue Service.
31. A whole sector approach is referred to in the local business case a number of times but not fully explored, “*service delivery needs to be increasingly focussed on preventing need than responding to it, with local public service delivery focussed on working holistically with the same communities that they serve*” (page 40) and “*whilst reliable quantitative data does not exist, we know that there is a high degree of overlap between police, fire, ambulance and local authorities in providing services to the same vulnerable communities. Further collaboration between agencies around joint priorities would support a joined-up approach that will provide greater efficiency and effectiveness, allow reinvestment in emergency services and improve public safety and outcomes for residents*” (page 47).

Are the big wins for the PCC associated with further collaboration, integration and mergers of Police forces?

32. The local business case refers to the relatively low level of spend on collaborative arrangement by North Yorkshire Police with other Police forces: “*Spend on collaboration by North Yorkshire Police is, however, below the national average. North Yorkshire Police forecast that it would spend £4.2m in 2016/17 on collaboration with other police forces. This is*

2.9% of its net revenue expenditure (NRE), which is lower than the England and Wales average of 11.9 %” (page 29). There remains a question as to whether further work could be done on regional collaboration between Police forces before pursuing changes to governance for the Fire and Rescue Service.

33. Equally, there may be opportunities for greater collaboration between the Fire and Rescue Service and the Ambulance Service prior to more in-depth and formal collaborative arrangements with the Police Service.

The LBC suggests that the current attempts at collaboration between the Police and the Fire and Rescue Service have not delivered at the level that was expected. If this is the case, then do we really understand why and will changes in governance be the solution?

34. In December 2013, the Police and the Fire and Rescue Service issued a Statement of Intent for Improving Public Safety. This listed a number of areas in which there were opportunities for collaboration. The LBC (page 26) acknowledges the progress that has been made but suggests that more could have been done: *“Back in 2013, the fire service and police in North Yorkshire recognised that opportunities existed to improve public outcomes and signed a 'statement of intent' to collaborate. We set out a wide range of activities which we felt could be done better together. But if we're frank, success has been slow to come, and limited in scale” (page 7).*

What will the Office of the Police & Crime Commissioner (OPCC), Police and Fire and Rescue Service look like in the county in five years' time?

35. The LBC argues that collaborative working with emergency services and others is essential in order to meet the many various challenges that these services face. It is reasonable to suggest that the proposed governance changes are only the starting point for more ambitious changes to service delivery over time. As such, is the end goal the adoption of the single employer model, whereby the functions of the Fire and Rescue Service would be transferred to a single Chief Officer for policing and fire and rescue? As stated in the local business case, *“The Single Employer model could bring greater benefits than the Governance model, through providing the means to achieve deeper integration of fire and police assets while maintaining operational separation” (page 15).*

What has been the role of the Fire and Rescue Service and the Fire and Rescue Authority in the development of the LBC and the identification of a preferred option?

36. The LBC appears to be heavily weighted towards the priorities of the Police and the Police and Crime Commissioner. References are made to a number of stakeholder groups (the Strategic Reference Group, the Check and Challenge Panel and the Business Case Development Group). It is unclear how these groups have worked and influenced the development of the LBC.

What is the vision for the Fire and Rescue Service over the next 5 years?

37. There is a clear articulation of the PCC's vision for local policing (page 30) but little about the vision for the Fire and Rescue Service or what their strategic and operational intentions are over the next 5 years. This then suggest that there has been little consideration of the impact of the proposed changes upon the Fire and Rescue Service.

Will the PCC and OPCC have the skills, experience, knowledge and capacity to take on responsibility for an additional complex and high risk area of work?

38. The proposed change to governance would see the PCC take on legal and overarching responsibility for the Fire and Rescue Service. Both the Police and the Fire and Rescue Service are working in an increasingly challenging environment, with greater demands being made upon their front line staff. They also have increasingly sophisticated, technical and specialised services and regional and national collaborative and inter-operability arrangements in place.

Has the public safety case been made for the proposed changes to governance?

39. The Association of Police and Crime Chief Executives (APACE) guidance states that as a minimum, the Local Business Case will need to demonstrate that there is no adverse impact on public safety. The criteria used as part of the assessment of the options for a revised governance model, do not use the four tests in the Policing and Crime Act 2017 (of which public safety is one). Instead, the four tests are translated into a series of design principles, none of which explicitly refer to public safety (page 58).

It appears that a full Equalities Impact Assessment not been undertaken as part of the preparation of the LBC. Why? If it is the case, then this is a serious omission.

40. It is good practice for a comprehensive Equalities Impact Assessment to be included as part of the consultation document. This then enables those people who are being consulted with to have a better understanding of what the impacts may be as well as being given an opportunity to respond directly. The section on page 105 suggests that this will only be done as part of the submission to the Home Office.
41. Preferred Option of the North Yorkshire Fire and Rescue Authority
In summary, the Fire and Rescue Authority have made the following key points:
- There is already a commitment to collaboration and joint working across both services
 - There is potentially more to gain from collaboration with the Ambulance Service, Public Health and the local NHS than with the Police
 - Despite the detailed nature of the business case that has been presented as part of the consultation, there is a lack of evidence to support the assertion that a change of governance will make collaboration easier
 - There is no imperative to pursue this now.
42. The preferred approach of the North Yorkshire Fire and Rescue Authority is to adopt the representation model (the PCC is represented on the Fire Authority and its committees for 12 months) and revitalise the existing collaboration committee. The progress made through this approach can then be reviewed and options for change considered at that point. This is then a progressive stepping up on arrangements, informed by experience.
43. A copy of the North Yorkshire Fire and Rescue Authority response and their alternative proposal is attached at Annex B.
44. North Yorkshire Police and Crime Panel
The North Yorkshire Police and Crime Panel met on 20 July 2017 to review the LBC as presented in the consultation documents. They will then meet again on 14 September 2017 to provide detailed feedback to

the Police and Crime Commissioner and clarify any further points before submitting a formal response.

Accountability

45. If the preferred option of the PCC is implemented i.e. the adoption of the governance model, then the PCC will take on legal and overarching responsibility for the Fire and Rescue Service.
46. The Police and Crime Panel will have to expand its remit to cover matters relating to Fire and Rescue as the Fire and Rescue Authority would cease to exist as a governing body.
47. The Health, Housing & Adult Social Care Policy & Scrutiny Committee would continue to have oversight of the work of the responsible authorities of their crime and disorder functions, as the Crime and Disorder Committee for City of York Council.

Implications for City of York Council (CYC)

48. The direct implications of the preferred option of the Police and Crime Commissioner for the adoption of the governance model are likely to include:
 - A significantly reduced input from CYC Councillors into the planning and delivery of fire and rescue services in York and across North Yorkshire, as the Fire and Rescue Authority ceases as a governing body (currently 4 CYC Councillors are members)
 - An increased burden upon the Police and Crime Panel (currently 2 CYC Councillors are members), with no clarity around appropriate additional resources, as it expands its remit to cover matters relating to the planning and delivery of fire and rescue services.

Recommendations

49. Members are asked to:
 - i) Consider the views of the invited consultees listed at paragraph 13 & 14 above
 - ii) Consider and comment on the LBC at Annex A

- iii) Consider and comment on the North Yorkshire Fire & Rescue Authority response and alternative proposal at Annex B
- iv) Make recommendations to Executive, based upon the evidence presented at the meeting, stating which is the preferred model for governance, along with a clear rationale as to why

Reason: To facilitate the effective consideration of the Police & Crime Commissioner's LBC ahead of the Executive's consideration in order to inform their consultation feedback.

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Specialist Implications Officer(s) N/A

Wards Affected:

All



For further information please contact the author of the report

Background Papers: N/A

Annexes:

Annex A – Police & Crime Commissioner's Local Business Case on Options for Future Governance of North Yorkshire Fire & Rescue Service

Annex B – North Yorkshire Fire & Rescue Authority Response & Alternative Proposal

Abbreviations:

APACE – Association of Police and Crime Chief Executives
CYC – City of York Council
LBC – Local Business Case
OPCC – Office of the Police & Crime Commissioner
PCC – Police & Crime Commissioner