



Llywodraeth Cymru
Welsh Government

Welsh Government Integrated Impact Assessment Summary

Title of proposal:

Reform of Fire and Rescue Authorities in Wales' Governance and Funding arrangements

Department:

Education and Public Services

Cabinet Secretary/Minister responsible:

Cabinet Secretary for Local Government and Public Services

Start Date:

13 November 2018

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What action is the Welsh Government considering and why?

The Welsh Government is consulting on proposals to modernise Fire and Rescue Authorities (FRAs) governance and funding arrangements which have been in place since 1995. The three FRAs in Wales are constituted as combinations of (but separate from) the local authorities in the areas they serve. Their members are nominated by those authorities, and almost all of their funding comes from charges levied on those same authorities. These arrangements no longer support the changing context of the Service as explained below.

The case for change is set out in detail in the consultation document. In summary:-

- FRAs as a whole are not accountable to any other tier of government, or to the electorate, for their plans or the delivery of them.
- There is no external control, or adequate scrutiny, of FRA budgets.
- The current arrangements will not adequately support FRAs in the future to effectively plan and fund their services in the context of the changing environment in which they will be delivering their services. This includes a widening of their role to include support for other public services, the impact for FRAs on the change in demographics (for instance the risks and challenges of an aging population living independently) and continued austerity.

Therefore, the consultation explores a range of options to:

- Change the current membership of FRAs so that members are accountable to their electorate and/or to the Welsh Government.
- Improve scrutiny of FRAs' decision making including the setting of their budgets.
- Introduce a new funding mechanism for FRAs which could sustain the widening of their role to support other public services.

The number of fires in Wales has reduced by over 50 per cent in the last 10 years. However, FRAs need to maintain appropriate firefighter levels to ensure that they can respond when an emergency does occur. With fewer fires to respond to, FRAs must therefore explore opportunities to support other public services. Firefighters have the skills, capabilities and values to deal with a wide range of other incidents, such as floods, medical emergencies and terrorist attacks. But to make the most of that potential, the Service needs to be governed and funded in a modern, accountable and sustainable way.

Current governance structure and funding arrangements restricts FRAs ability to fully integrate with and support other public services in a sustainable way. The consultation proposes a range of options for changing the current governance structure which could enable the FRAs to build those connections. A new funding model could support this to happen and sustain this work in the longer term.

Integrating their work with that of social services or the NHS could support the delivery of quality health and care services, promote good health and well-being and help to build healthier and more resilient communities as set out in *Prosperity for all*.

The consultation also explains why a replacement performance management system for FRAs is required. The means to do so, by more clearly linking performance management to the Welsh Government's priorities for FRAs as set out in the Fire and Rescue National Framework, are being set out in the Local Government Bill.

This impact assessment should be read in conjunction with the consultation document – it sets out the main reasons why reform is needed and explores several options which could achieve it, both in the short and longer term. It also rules out others – all of which were discussed and deliberated on during the early engagement stages. Neither are the options limited and the

consultation invites alternative options for reform which clearly meet the criteria that the consultation document describes.

The consultation proposes a reduction in the number of FRA members which would naturally reduce the overall remuneration for them. We anticipate that should FRAs also comprise of appointed non-executive members, the savings realised from the overall reduction in member numbers would at least cover the remuneration for those non-executive members.

Implementing some of the proposals would require subordinate legislation, while other more radical or long-term changes would need primary legislation. Regulatory Impact Assessments will be prepared for any such legislation that is brought forward.

Conclusion

1. How have people most likely to be affected by the proposal been involved in developing it?

The proposals largely affect FRAs although proposed options to change their governance arrangements could impact on the current structure of local authority cabinets as the consultation document explores.

We have engaged with the three Chief Fire Officers, the Chairs of the FRAs and the WGLA in developing the proposed options. This took the form of meetings between the Cabinet Secretary for Local Government and Public Services and FRA Chairs and the WLGA, and between officials and Chief Fire Officers over a two year period. Academics were also commissioned to undertake informal independent discussions with the Chief Fire Officers, Chairs of the FRAs and the WLGA. The Cabinet Secretary has also discussed the case for reform with the Fire Brigades Union.

The consultation itself will be shared more widely including with all 22 local authorities and with relevant Trade Unions.

2. What are the most significant impacts, positive and negative?

The policy proposals are about reforming the current governance and funding arrangements for FRAs in Wales and as such do not affect any particular groups of people including children, Welsh speakers or those with protected characteristics under the Equality Act 2010. A full Equality and Welsh Language Impact Assessment have been undertaken which raised no issues.

The Integrated Impact Assessment has raised no issues associated with the social well-being of people and communities in Wales or on Wales' cultural well-being or on the Welsh Language. Neither has it raised any issues on the economic well-being of businesses and the public, the Environment, the United Nations Convention on the Rights of the Child or the Tackling Poverty agenda.

The policy proposals as set out in the consultation document have no effect on the Well-being of Future Generations goals or ways of working at this stage. They have been developed, however, in line with the five ways of working in the Well-being of Future Generations (Wales) Act 2015.

We will keep the Integrated Impact Assessment under review as part of the ongoing process of developing more detailed proposals.

3. In light of the impacts identified, how will the proposal:

- **maximise contribution to our well-being objectives and the seven well-being goals; and/or,**
- **avoid, reduce or mitigate any negative impacts?**

No impacts have been identified.

4. How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?

We will keep the integrated impact assessment under review as part of the ongoing process of considering the response to the consultation and the resulting more detailed implementation plans.