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Welsh Government

Consultation – summary of response

Reform of Fire and Rescue Authorities in Wales

Consultation on reform of the Fire and Rescue Authorities in Wales' governance and funding arrangements

July 2019

Mae'r ddogfen yma hefyd ar gael yn Gymraeg. This document is also available in Welsh.

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1. Introduction

- 1.1. On 12 November 2018, the then Cabinet Secretary for Local Government and Public Services published a White Paper on the reform of governance, finance and performance management arrangements for Fire and Rescue Authorities (FRAs) in Wales. He made a statement about this to the National Assembly for Wales the same day.
- 1.2. The consultation ran until 5 February 2019. Overall, 60 responses were received by the deadline, with a further response submitted late. Those 60 responses came from the following:
 - **5** from FRAs (all three Welsh FRAs, of which **2** chose to submit separate responses from the "Fire and Rescue Service" too);
 - **5** from other fire-related organisations (representative organisations, regulators and trade unions representing FRA staff);
 - **19** from local authorities (**18** from county or county borough councils, and **1** from a town council);
 - 3 from other public bodies;
 - **14** from individual politicians (Assembly Members, Members of Parliament and councillors) or party groups of them; and
 - **14** from members of the public.
- 1.3. The annex to this document contains a full list of responses. The responses themselves except **1** which the authors did not want to be published are also available at https://gov.wales/reform-fire-and-rescue-authorities-wales.
- 1.4. This is a far higher and broader response than consultations on fire policy normally attract¹. Furthermore, many of the responses were long, detailed and thoughtful, and went beyond the matters which the White Paper raised. Overall, most responses supported the broad case for change, although the FRAs themselves generally did not. However, and with a few exceptions, there was less consensus about the detailed proposals. The Welsh Government remains committed to reform, and is considering the shape of that in light of this consultation. In the meantime this document provides a summary analysis of the responses received.

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¹ The next highest in recent years was the 2017 consultation on a new duty for the Service to respond to flooding and water-related incidents, which attracted 38 responses. That was, though, a much shorter and more focused consultation which gathered a much narrower range of views, almost all of them positive.

2. The Case for Change

- 2.1. The White Paper described the case for reforming the governance and finance arrangements for FRAs, and summarised those into the following objectives for a reform programme:
 - Preserve the current high standards of service and allow the Fire Service to sustain and enhance it to the fullest extent possible.
 - Create clear and effective leadership of, and accountability for, the development and delivery of fire and rescue services.
 - Create genuine external accountability for FRA budget and spending decisions, while recognising the particular features of resourcing emergency services.
 - Encompass the changing role of the service and provide clear, fair and sustainable funding mechanisms for it.
 - Increase the expertise and capability of FRAs to provide strategic leadership, to sustain effective collaboration and to hold senior officers to account.
 - Provide for FRA members to be fewer in number, but to have a more clearly defined remit and the capability to carry it out.
 - Include a new performance management system which should better reflect the particular operating contexts and challenges which FRAs face.
 - Be as limited in scope as possible, and avoid any changes to front-line operations or resources.
- 2.2. The White Paper then posed the following questions:
 - 1. Do you agree the objectives for reform are appropriate and important?
 - 2. Are there other objectives that the reform programme should pursue?
- 2.3. 55 consultees responded substantively to question 1. Of those, 27 agreed that the objectives were appropriate and important, without offering further comment. Those included responses from all types of organisations which responded, except the FRAs themselves. By contrast, 15 consultees disagreed with the objectives without offering further comment. These largely comprised responses from FRAs, some local authorities and some politicians.
- 2.4. Most consultees gave only a yes/no answer to this question. However, 13 offered further comments. Most of these suggested other objectives which the Welsh Government should also have pursued, and we cover those under question 2 below. However, 4 consultees specifically opposed some (but, implicitly, not all) of the objectives. 3 responses opposed the objective on reforming FRA membership, while a

further response opposed both that objective and the one relating to financial accountability.

- 2.5. **29** respondents answered question 2 by suggesting further objectives that the reform programme should pursue (as noted, a further **9** responses to question 1 effectively did so too). Again, these spanned all the types of organisations which responded, except the FRAs themselves. By contrast, **14** responses, mostly from members of the public and local authorities, believed the objectives were adequate and needed no augmentation, while **4**, all from politicians, expressly said that no objectives were appropriate and that reform should not proceed. **13** consultees did not answer this question substantively.
- 2.6. The further objectives that consultees proposed were very wide-ranging. 7 said that the White Paper should have been more ambitious in its proposals on governance reform. Suggestions here included creating a single Fire Service for Wales, direct election of FRA members or restructuring FRAs to make them coterminous with police boundaries (which would mean moving the border between Mid and West Wales FRA and South Wales FRA, and creating a separate FRA for Gwent). Respondents also called for management restructuring within FRAs and better training for FRA members, although they did not elaborate on these points.
- 2.7. Others said the White Paper should have included more about the role of the Fire Service. A common theme here was the need for that role to diversify, in particular to support the NHS, which 7 respondents mostly local authorities supported. On the other hand, 1 respondent opposed such diversification and believed the Service should reduce in size. Another respondent believed that protecting funding and securing agreed service standards should have been a priority.
- 2.8. There were also further proposed objectives for improving accountability. 5 local authorities and politicians advocated a greater role for local authority scrutiny, while others suggested a greater role for the Welsh Government, improved internal scrutiny within FRAs, or more direct citizen involvement.
- 2.9. Finally, **5** local authorities believed that the White Paper should have emphasised financial accountability and efficiency, while **2** FRAs and the Fire Brigades Union (FBU) called for further discussions on the White Paper's proposals and their implementation.

3. Design of a new system

- 3. Do you agree that FRAs should remain as separate and distinct entities, with the same boundaries as now?
- 4. Do you agree that transferring control of fire and rescue services to Police and Crime Commissioners or local authorities would not be appropriate?
- 5. Do you agree that there are legitimate but limited national interests in the Service that need to be reflected in its governance arrangements?
- 3.1. 54 consultees responded substantively to question 3. Opinion was overwhelmingly (45 consultees) in favour of keeping three FRAs with the same boundaries as now. Those 45 represented all types of respondents, including all FRAs. The remaining 9 proposed a single authority for the whole of Wales, or remodelling FRAs along police boundaries.
- 3.2. The consensus on question 4 was even more pronounced. Of **55** substantive responses, **52** opposed transferring the Service to the control of Police and Crime Commissioners (PCCs), although **1** of them, had mixed views on the matter. Again, these responses were from across the full range of consultees. Only **3** responses supported this model unequivocally.
- 3.3. There was also a clear consensus on question 5. Of **50** substantive responses, **40** said there were limited national interests in the Service which should be reflected in its governance; a further **6** said those interests were extensive, not limited. Only **4** responses opposed this proposition altogether.

4. Proposals for Change – Governance and Membership

Questions for consultation – governance and membership:

- 6. Do you agree that local authorities should continue to nominate FRA members?
- 7. Do you think that local authorities should nominate one FRA member each, drawn from their cabinets?
- 8. Do you believe any changes are needed to the size and remuneration of council cabinets, if their members were also to serve on FRAs?
- 4.1. 57 consultees responded substantively to question 6. Opinion was overwhelmingly (48 consultees) in favour of local authorities continuing to nominate FRA members including 17 local authorities and all 3 FRAs. 13 respondents added they did not believe any reform of the current membership arrangements was necessary, although none of these respondents were members of the public.
- 4.2. 9 respondents did not agree, or qualified their response. 1 consultee commented on the need for membership from other public sector organisations such as health boards; 1 suggested the need for membership based on knowledge not politics and 1 suggested current membership does not represent communities.
- 4.3. In respect of question 7, **38** respondents indicated they did not believe that local authorities should nominate one FRA member from local authority cabinets. The most common reasons given were:
 - **25** respondents (including **13** local authorities) raised concerns regarding cabinet member capacity;
 - 18 consultees referred to a loss of political balance on FRAs, and/or a loss of local representation;
 - 17 consultees indicated that such a proposal would result in the loss of experienced and skilled membership (particularly in the scrutiny function);
 - 10 respondents (all either local authorities or FRAs) commented that such a reduction in membership would result in the loss of local authority representation based on population or level of levy/financial contribution thus leading to unbalanced/unequitable voting rights.
- 4.4. 9 consultees were concerned that a smaller FRA membership would mean less organisational resilience. 5 respondents also raised issues regarding the potential impact on member diversity and 6 respondents pointed out the potential for increased FRA running costs.
- 4.5. **15** consultees agreed that local authorities should nominate **1** Cabinet member to their FRA, and **7** had no particular view or said that further information was required before they were able to comment.

4.6. Question 8 sought views on changes to the size and remuneration of council cabinets if their members were also serving on FRAs. 38 consultees did not believe that cabinet size and remuneration should change; 10 of these respondents were concerned this would increase local authority costs. 12 consultees suggested there should be a change in cabinet size and remuneration (9 of these respondents were members of the public or individuals). 11 respondents did not provide any particular view.

Questions for consultation – governance and membership:

- 9. Do you agree that FRAs should also have non-executive members?
- 10. Who should appoint non-executive members of FRAs?
- 4.7. Responses to question 9 were more balanced. **24** consultees (including **13** members of the public) agreed that FRAs should also have non-executive members. However **26** consultees (including **10** AMs, MPs or councillors, **10** local authorities, and **2** of the FRAs) isagreed. **12** respondents indicated that the expertise that could be brought by non-executive members already existed; **9** indicated this was provided through current FRA members and FRA officers; **6** respondents also referred to existing FRA powers to co-opt experts.
- 4.8. **10** respondents did not know or had no particular view on this matter. **9** respondents who either disagreed with the appointment of non-executive members or offered no view at this stage, indicated that this was because not enough evidence had been provided, or that they wanted further discussion or exploration of the issue before forming a view; **6** of these were local authority respondents.
- 4.9. 30 respondents did not have a particular view on who should appoint non-executive members, although 3 of these said it should not be the Welsh Government.
 11 consultees specifically proposed that this should be the FRAs themselves whilst 7 proposed that it should be the Welsh Government and 5 suggested it should be local authorities.
- 4.10. Other proposals included:
 - 1 consultee suggested joint FRA and local authority appointment and 1 consultee suggested joint FRA and Welsh Government appointment;
 - 1 respondent proposed open elections for non-executive members;
 - 2 respondents proposed either Welsh Government or local authority appointments, and 2 respondents proposed either local authority or FRA appointments.

Questions for consultation – governance and membership:

- 11. Do you have any views on the longer term proposal that responsibility for the service should vest in a statutory Chief Fire Officer, with FRAs fulfilling a scrutiny and oversight role? If so, would that require any change to membership arrangements?
- 12. Do you have any other proposals for how to reform FRA governance which meet the criteria in Chapters 1 and 2?
- 4.11. Question 11 sought views on a longer term proposal regarding responsibility for the service to be vested in a statutory Chief Fire Officer with FRAs holding a scrutiny and oversight role. 49 consultees responded substantially to this question. 21 respondents supported the proposal; 13 of these were members of the public or individuals; 5 local authorities also agreed.
- 4.12. 28 respondents did not agree that Chief Fire Officers should have a changed role. Of these 10 raised concerns relating to a lack of accountability to the electorate, and 6 raised concerns about vesting such a significant amount of responsibility in one person. 4 respondents referred to the lack of a comparative model and 3 others said that there was not enough evidence and further exploration of the proposal was needed before informed views could be made. 2 respondents suggested that a Chief Fire Officer with such a role should be directly appointed.
- 4.13. Question 12 sought views on other proposals for FRA Reform which met the criteria set out in Chapters 1 and 2 of the White Paper. **47** respondents provided no additional proposals. Where consultees provided proposals, these fell into four areas:
 - Structures 5 respondents proposed alternative approaches. Of these 2 respondents suggested the introduction of directly elected fire commissioners; 1 respondent suggested this in the context of a single FRA with a directly elected Commissioner and publicly appointed Executive Committee (with potential for scrutiny on a regional basis by a joint public service board scrutiny committee),on a health board footprint; 1 respondent suggested that there should be three FRAs but with one Fire and Rescue Service with one Head of Service, and local hubs sitting beneath -they said this would be more cost effective, improve leadership of national and international issues, whilst retaining local accountability; 2 respondents focussed on better collaboration with other agencies, with 1 referring to the potential for merging back-office functions.
 - FRA Membership 3 respondents suggested membership from public services
 other than local authorities, from local health boards for instance; 1 consultee
 suggested public service board chairs; 4 respondents focussed on improved training
 for members, including building closer links with the Leadership Academy.
 - Internal Governance 2 respondents proposed a clearer internal split between the executive and scrutiny functions of FRAs, similar to the local authority model, or alternatively a smaller core FRA membership with scrutiny by local authorities.

•	Relationship with local authorities – 3 respondents believed scrutiny would be improved if FRAs were required to submit an annual report to constituent local authorities; 1 also suggested annual budget briefings to all local authority councillors.

5. Proposals for Change - Funding

- 13. Do you agree that FRAs and local authorities should agree the level of FRA funding each year, with a reserve arbitration power for the Welsh Ministers?
- 14. Do you agree that, in the longer term, FRAs should have powers to set a council tax precept, with the balance of their funding from Welsh Government grants?
- 15. Do you have any other proposals for how to reform FRA funding which meet the criteria in Chapters 1 and 2?
- 5.1. 53 consultees responded to question 13. Of these, 23 (largely members of the public and local authorities) were supportive of FRAs and local authorities agreeing the level of FRA funding each year and for the Welsh Ministers to have a reserve arbitration power to resolve any disputes over funding levels; 17 of those supported the move to a council tax precept in the longer term, 5 opposed it and 1 suggested a separate precept for FRAs' enhanced role in supporting other public services. Of the remaining 30, 6 were in favour of maintaining the status quo, offering no alternative proposals. The majority of the remaining 24 were either in favour of maintaining the status quo until the precept model could be introduced, or offered an alternative proposal and these are covered under question 14.
- 5.2. 54 consultees responded to question 14. Of these 41 supported the move to a council tax precept model. Many of these indicated that moving to a precept model should happen sooner rather than later although 2 suggested that further detailed discussion on the intricacies of such a model was needed, and 6 thought that public engagement was important prior to introducing a precept model. These responses were largely from local authorities, politicians and the FRAs themselves but also included some members of the public. 1 consultee believed, however, that it did not offer a significant improvement over the current levy system. 1 respondent suggested a national precept for a single FRA.
- 5.3. Should a precept not progress, 1 respondent believed the democratic link could be strengthened by local authorities and their scrutiny committees discussing the planning and performance of fire and rescue services. 3 respondents said Welsh Government grants should not be included as part of a precept model. 1 FRA believed that current Welsh Government grants should be maintained and Welsh Government grant funding be provided for any new duties imposed on the FRAs. 1 respondent, who responded positively to question 13, was opposed to a precept model, indicating it would afford a greater degree of transparency but no greater local accountability, and suggesting that a statement detailing the agreed settlement could achieve the same. 1 local authority in favour of a precept model indicated that FRAs should be required to formally consult constituent authorities and the public as part of the process. The WAO believed the move from annual grant cycles and short-term funding would support sustainability and certainty and reduce unnecessary time spent on budget management.

- 5.4. Others believed that any change to the FRAs' funding model would need to safeguard front-line services and consider the wider work of the FRAs in supporting other public services.
- 5.5. 7 consultees suggested alternative funding proposals in response to question 15. 6 suggested a funding model which was reflective of the evolving role of firefighters in supporting health and other public services; further proposals were wide-ranging and included eliminating wastage, realising efficiencies and raising funds through insurance claims when attending road traffic collisions. Others believed that the most appropriate funding model should be one which preserved the sustainability of FRAs. The FBU believed that priority should be given to increasing investment in FRAs rather than changing the governance structures.

6. Proposals for Change - Performance Management

Questions for consultation – performance management:

- 16. Do you agree that the performance management system for FRAs should be grounded in the National Framework for Fire and Rescue Services?
- 17. Do you agree with the need for such a system to give FRAs flexibility on planning and reporting cycles, and on the sources of information about performance that they use?
- 18. Do you agree that the Welsh Ministers should retain their duty to report to the Assembly about delivery of the Framework, and their powers of intervention?
- 6.1. In response to question 16, **44** consultees agreed that the performance management system for FRAs should be grounded in the National Framework. This included all **3** FRAs, **14** local authorities, and **13** members of the public. **1** respondent however felt that performance management arrangements should be grounded in FRAs statutory duties as well as the National Framework. The same respondent felt that the consultation had missed an opportunity to join up FRA performance management arrangements with other public sector organisations, siting automatic fire alarms as an example of where FRAs performance was impacted by the behaviour of the health and education sectors.
- 6.2. **2** respondents expressed views regarding the Framework document itself. **1** consultee suggested that the Framework should not be overly prescriptive whilst **1** consultee suggested that the current Framework lacked goals.
- 6.3. **15** respondents did not offer a particular opinion on whether this stronger link between FRA performance management and the National Framework should be made.
- 6.4. Only **1** respondent did not agree with the proposal.
- 6.5. In respect of question 17, **47** consultees agreed that any new performance management system needed to give FRAs flexibility on planning and reporting cycles and on performance information. However, **13** of these made comments regarding performance measures. **5** respondents said that it was important that comparable performance information was available to enable FRAs to benchmark their performance against other relevant organisations. **1** FRA pointed out that this may not always be appropriate given that each FRA has differing demands and resources. **3** respondents suggested the need for national standards, with **1** of these referring to the need for compatibility across the UK. **6** respondents (mostly local authorities) agreed that performance measures should be outcome rather than process or activity-based. **3** consultees thought that qualitative measures should be part of a wider package of performance measures.

- 6.6. 12 respondents also raised issues on flexibility around reporting cycles. 7 of these, including 5 local authorities, indicated the need for some clarity around flexible arrangements for performance management arrangements generally and, more specifically, reporting deadlines. 4 respondents noted the need for reporting cycles to align with reporting requirements in respect of the Wellbeing of Future Generations Act and other statutory plans. 1 respondent noted that annual budget-setting mechanisms and public reporting requirements would add some constraints to a flexible reporting approach.
- 6.7. **7** consultees had no particular views on the matter and only **6** did not agree with a flexible approach to planning and reporting cycles.
- 6.8. Question 18 sought views on Welsh Ministers retaining their intervention powers and duty to report delivery of the National Framework to the National Assembly. 44 consultees agreed that these powers and duty should be retained. This included 15 members of the public, and 12 local authorities. 7 respondents thought that there should be a mechanism in place for FRAs to feed into this reporting process and that there was a role for the Chief Fire and Rescue Adviser in supporting this more collaborative approach. 1 respondent also suggested that any such reporting should also include incidence of Welsh Ministers using default powers to determine an FRA budget if this were implemented (see Question 13). This would provide clarity on the impact of such a decision, particularly if this involved a budget reduction, or an FRA's ability to deliver the Framework Priorities. 15 consultees did not express a particular view on this question and only 1 did not agree that Welsh Ministers retain this duty to the National Assembly.

7. Other Consultation Questions

- 7.1. The consultation document asked a further 3 questions, 2 of which related to the effects of the policy proposals on the Welsh Language, and 1 which gave respondents the opportunity to raise any other issues relating to the proposals which had not been raised elsewhere in the document.
 - 19. We would like to know your views on the effects that the policy proposals would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English. What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?
 - 20. Please also explain how you believe the policy proposals could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.
- 7.2. **33** consultees responded to question 19. Of these, **19** respondents believed the policy proposals would have no impact on the use of the Welsh language either positively or negatively. Some others, who did not directly respond to the question, believed that current legislation would prevail in maintaining the Welsh language standards already in place. The **3** FRAs and **1** other consultee believed that reducing the size of an FRA would impact on the proportion of Welsh speakers within them.
- 7.3. **21** consultees responded to question 20. Suggestions to change the policy proposals so as to have a positive impact on the use of the Welsh language included maintaining the current number of members on FRAs and making it a requirement for those sitting on public bodies to be Welsh speakers.
 - 21. We have asked a number of specific questions about FRA governance, finance and performance management. If you have any related issues which we have not specifically addressed, please use this space to report them.
- 7.4. 9 consultees responded to question 21 offering supplementary comments on the White Paper proposals. These responses were from all types of responding organisations, including the FRAs themselves. 1 respondent thought that the relationship between FRA members and the Chief Fire Officers was far too close and as such, strategic decisions lacked challenge. 1 respondent believed that potential synergies between the fire and rescue services and health could have been considered

and 1 respondent thought that combining back-office functions such as finance had been worthy of consideration.

- 7.5. **1** FRA said that the Integrated Impact Assessment (IIP) of the policy proposals had not fully explored the impact the proposals would have on the FRAs themselves. It believed that reducing the number of authority members would dilute its diversity leading to an unbalanced approach on decision-making and scrutiny. The same FRA strongly opposed the White Paper's view that existing governance and funding arrangements had prevented the FRAs' work in supporting the NHS from progressing and that rather the blockage was related to pay. This and another FRA believed that any reduction in FRA funding would affect longer term budget planning and front-line services. **1** of these believed that some of the proposals which would vary or revoke the Combination Orders could be tested at a public enquiry.
- 7.6. **1** respondent welcomed further discussions with the Welsh Government on the Auditor General for Wales' proposed role in strengthening and improving current scrutiny and oversight of FRAs. They also believed that alternative approaches to the Chief Fire Officer's role should have been considered such as creating a Chief Executive post to secure a more diverse leadership team.