

21 February 2017

Potential to expand the existing Combined Fire Authority of Hampshire, Portsmouth and Southampton to include the Isle of Wight Fire Authority

Report of the Chief Officer

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1 Summary

- 1.1 The Strategic Partnership between Hampshire Fire and Rescue Authority (HFRA) and the Isle of Wight Council (IWC) to facilitate the operational alignment of the two Services, was agreed by each Authority in April 2015.

This report to the Authority is seeking a mandate for the Chief Officer to create a business case for the Fire Authority's consideration that examines future governance arrangements for the Fire and Rescue Service. The key aspect would be to consider the addition of the Isle of Wight Fire Authority to the existing Combined Fire Authority (CFA) arrangements for Hampshire, Portsmouth and Southampton.

The IWC will consider a mirror report at an Extraordinary Executive meeting scheduled for 21 February 2017 to coincide with this report to the Fire Authority.

2 Recommendations

- 2.1 That HFRA acknowledge the new duty to be placed upon the Fire Services to collaborate with blue light partners as legislated through the Policing and Crime Act 2017.
- 2.2 That HFRA agree to, and subject to the Isle of Wight Council also agreeing, give the Chief Officer the authority to create a business case for the Fire Authority's consideration and to present back to the Authority in December 2017 for further decision.

3 Introduction and background

- 3.1 The Strategic Partnership between Hampshire Fire and Rescue Authority (HFRA) and the Isle of Wight Council (IWC) to facilitate the operational alignment of the two Services, was agreed by each Authority in April 2015 (the original reports are provided as background papers). It has been successfully operating for nearly two years and in that time has delivered benefits to both Authorities, our staff and the communities we serve. It has been successful in achieving financial efficiencies and operating benefits for both partners. In addition to financial savings, both Services have benefitted from this collaboration in other ways, including mutual learning and cross fertilisation of ideas.

- 3.2 This locally led innovation was developed and instigated by the then Chief Fire Officer of the IWFRS in recognition that the Service could not continue to sustain its improvement and efficiency journey without a fundamental change in the way it was led and supported.
- 3.3 The partnership has reduced the cost of the IWFRS and provided cost recovery for HFRA. It has also had the effect of bringing the Services closer together and increasingly they are becoming aligned in the way they deliver services.
- 3.4 Although savings have been created for the IWC, and costs recovered for HRFA, financial pressures continue. It is important that the leadership of the Fire and Rescue Services continue to develop and make proposals that could lead to further service improvements and efficiencies that would benefit the residents of both the Isle of Wight and Hampshire.
- 3.5 Further financial pressure, together with the national desire for more efficient governance models, means that further review and building upon the success of the current strategic partnership is timely. The operational aspects of the two Services are aligning and the organisational benefits are beginning to be realised. The area that is now under consideration is the optimal governance arrangement for the two Authorities.
- 3.6 The Home Office has now taken over responsibility for Fire policy. The Fire Reform agenda introduced to the Fire Sector by the then Home Secretary in May 2016 clearly set out the Home Office's expectations for further collaboration between Emergency Services under three pillars of reform: Accountability and Transparency, Efficiency and Collaboration and Workforce Reform. The current national political climate of the Fire Reform agenda is seen as an important driver for exploring further alignment of the two services.
- 3.7 The Policing and Crime Act 2017 received Royal Assent on 31 January 2017 which means it is now an act of parliament. The Act introduces a high-level duty for emergency services to collaborate where at least two parties believe it would aid efficiency or effectiveness. It also gives powers for Police and Crime Commissioners (PCCs) to become the Fire Authority where a local case is made and agreed.

4 Proposal for the creation of a business case

- 4.1 If there is agreement by both Authorities to the recommendations within this report, a business case would be developed and presented for consideration to both Fire and Rescue Authorities.
- 4.2 The scope of the business case would include looking at options for change in Governance including the potential benefits and risks of these options and any financial and resource implications.
- 4.3 It is recognised that the creation of an agreed business case, may require an alteration to the current HFRA's Combination Order. This would need to be agreed by the Secretary of State.

5 Principles for the development of a business case

5.1 It is suggested that the following principles are established to guide the development of the business case and provide the options to be examined:

- Consideration of the requirements of the Fire Reform agenda.
- To maximise efficiencies in order to protect front line services.
- The creation of further financial efficiencies.
- Strengthening of existing relationships.
- To examine options for securing funding for the Services.
- Consideration of the requirements of Policing and Crime Act 2017.

6 Areas for exploration during the creation of a business case

6.1 Both Fire Authorities have a strong track record of collaboration with blue light partners, particularly other FRS's, our Ambulance colleagues and Hampshire Constabulary (HC). This has helped us provide high quality services to make life safer for our communities in Hampshire and on the Isle of Wight. A business case for the Fire Authority's consideration that examines future governance arrangements for the HFRA and IWC would examine the benefits of blue light co-terminosity which can help to further drive our partnership working.

6.2 A business case will explore governance options and identify whether we can use shared expertise, innovation and knowledge across an enlarged Combined Fire Authority to gain greater effectiveness and help make our communities safer, whilst providing efficiencies. A business case will explore the identity of both the new Combined Fire Authority and both Services. The uniqueness of the challenges faced by the IWC being an island Authority would be fully appreciated and taken into account during the creation of a business case.

6.3 A business case would examine the financial implications of various governance options and potential savings, including exploring an expanded CFA which could provide greater opportunities to take further the financial benefits demonstrated through the strategic partnership.

6.4 A key consideration would be to have the PCC represented on a new Combined Fire Authority covering Hampshire and Isle of Wight. A business case would include a review of the legal requirements of a new Combined Fire Authority paying particular attention to the duties contained within the Policing and Crime Act 2017.

6.5 In recent months, health organisations and local authorities across Hampshire and the Isle of Wight have been working together to create a Sustainability and Transformation Plan (STP). There are common underlying risk factors which increase demands on both fire and health services. The business case will also explore how co-terminosity with the STP area may enable more effective use of our collective fire service capabilities and resources.

6.6 IWC will receive a proposal in March 2017 to carry out a Service Review of the IWFRS. Although the full scope for the review is yet to be agreed. The business case

to examine the expansion of the Fire Authority to include the IWC could compliment the Service Review and assist in facilitating the desired outcomes.

7 Timeline

- 7.1 If agreement is reached by both Authorities to commission a business case, it is expected that a report will be brought back to HFRA and IWC on 5 December 2017.

8 Risk analysis

- 8.1 A full risk analysis will be carried out as part of the business case.

9 Equality Impact Assessment

- 9.1 The creation of a business case will include a full equality impact assessment.

10 Resource Implications

- 10.1 Following agreement to create a business case, a team made up of both Hampshire and Isle of Wight personnel will be established to work together. The aim is for financial resources for this team to be established through existing budgets.

The development of the business case would be highlighted to the Home Office and discussions would be progressed to determine whether any financial support could be offered for any transition/implementation costs should a decision to proceed with a change in governance arrangements be made.

A business case would evaluate in detail the benefits, savings, costs, legal and human resource implications.

- 10.2 An analysis of the resource implications of expanding the CFA will be carried out as part of the business case.

11 Environmental and Sustainability impact assessment

- 11.1 Any environmental and sustainability impacts will be considered within the business case.

12 Conclusion

- 12.1 The Strategic Partnership between HFRA and the IWC has been successfully operating for nearly two years and in that time has seen many benefits.

The move of Fire Policy to the Home Office, the Fire Reform agenda and the changes to legislation as outlined in the Police and Crime Act 2017 lead to the conclusion that it would be timely to build upon the success of the strategic partnership and consider optimal governance arrangements for the two Authorities.

Background papers

Hampshire Fire and Rescue Authority report: 20 February 2015

[Partnership between Hampshire Fire and Rescue Authority and the Isle of Wight Fire and Rescue Authority](#)

Isle of Wight Council report: 21 January 2015

[Isle of Wight Fire and Rescue Service - Strategic Partnership with Hampshire Fire and Rescue Service](#)