

A Centre of Excellence for the Fire and Rescue Service in England – Consultation

Report of the Chief Fire Officer

For further information about this report please contact Alan Taylor, Chief Fire Officer, on 01743 260201.

1 Purpose of Report

This report informs Members of a consultation exercise being undertaken by the Government concerning the development of a Centre of Excellence (CoE) for the Fire and Rescue Service in England. The report seeks approval for a response to the consultation and asks Members to consider various issues related to funding of the proposed CoE and interim arrangements.

2 Recommendations

Members are asked to:

- a) Note the consultation proposals for the development of a CoE;
- b) Agree in principle to support the development of a CoE;
- c) Agree to support the funding of the CoE, based upon cost apportionment by population;
- d) Task the Chief Fire Officer with responding to the consultation accordingly; and
- e) Note the correspondence from the Director of Fire and Resilience at Communities and Local Government and determine what level of funding support (if any) the Fire Authority wishes to make to the interim arrangements for 2008/09.

3 Background to a Centre of Excellence

Across the fire and rescue service (FRS) the pace and scope of change brought about by the modernisation agenda has been considerable. The demands now being made of the Service mean that some functions would benefit from being delivered nationally to facilitate greater consistency, help drive up standards by sharing best practice, deliver economies of scale and reduce duplication of effort and expenditure.



In response to this need the Local Government Association (LGA) and Chief Fire Officers Association (CFOA) have been working with Communities and Local Government (CLG) to examine whether the FRS would benefit from having a central resource, which could support the work of the FRS in driving forward the agendas for improvement, innovation and service delivery.

As a result of this work, CLG have issued a consultation document seeking views on whether Fire and Rescue Authorities (FRAs) and other stakeholders want such a central resource, known currently as a Centre of Excellence (CoE), in England. The consultation document sets out options for the role, function, status and governance of a CoE and associated costs and possible funding arrangements. The document also points out the importance of consensus across FRAs and stresses that a CoE will only be established, if it has the support, including financial support, of the FRS and other key stakeholders.

The consultation has been launched by means of a Fire and Rescue Service Circular (FRS 45/2007) and the consultation document can be accessed from the Communities and Local Government website at:

<http://www.communities.gov.uk/publications/fire/centreexcellencefire>.

The closing date for responses is 31 January 2008.

4 Response to Consultation

It is recognised within the consultation document that the earliest date on which it would be practicable to establish a CoE is April 2009. The consultation at this stage is, therefore, mainly to determine the level of support for the CoE and it is recommended that the response of the Fire Authority at this stage is limited to offering support in principle for the CoE, and to making clear its preference for the allocation of costs as described below.

5 Allocation of Costs

Early estimates of the funding contributions required to set up and run a CoE are included within the consultation document, although it is recognised that actual requirements will depend upon decisions taken in light of the responses to consultation. Additionally, two bases for apportioning costs between FRAs are included as follows:

- Equal shares for all FRAs
- By population

It is recognised within the consultation that whilst equal shares would be simple, population makes allowance for likely levels of use and benefits of the CoE.



As one of the smallest FRAs in England the difference in cost between the two options for Shropshire and Wrekin Fire Authority (SWFA) is substantial as shown below:

Cost Apportionment Method	SWFA Costs 2009/10
Equal shares	£50,000
Population	£20,442

It is recommended that in responding to the consultation the Fire Authority makes clear its support for the use of population as a cost apportionment model.

6 Requirements for Funding in 2008/09 – The Pathway Group

Attached at Appendix 1 is a letter dated 24 October 2007 from the Director of Fire and Resilience at the CLG seeking funding (estimated to be an average of £25,000 per FRA) for certain activities in 2008/09, pending the proposed development of the CoE in April 2009.

A response to this letter from the Chief Fire Officer, following discussions with the Chair, Vice-Chair and Treasurer, is attached at Appendix 2. The letter confirms support for the proposals made by the Director of Fire and Resilience but makes it clear that SWFA would wish their contribution to be linked to population (as per the CoE options) and points out that, as such, an allocation of £10,221 has been included within the Fire Authority's current budget planning process.

Attached at Appendix 3 is a further letter from the Director of Fire and Resilience dated 21 December 2007, which updates FRAs on the most recent position with the so-called Pathway Group set up to examine the funding required and FRS priorities, and makes recommendations on shared funding for 2008/09 of £17,200 per FRA. The letter notes that some FRAs consider a single level of payment to be inappropriate but states that "the Pathway Group did not feel able to make recommendations about different levels of payment".

The latest letter from CLG also confirms very clearly the following:

"We would like to make it clear that we are seeking voluntary contributions from the FRSs, which will benefit from the savings that these projects will provide. The process and findings of the Pathway Group are for the funding arrangements for 2008/09 only and contributions made now would be without assumption or obligation for future years. The arrangements for subsequent years will need to be considered in the light of the outcome of the consultation on a Centre of Excellence."



Members, therefore, need to decide what, if any, contribution they wish to make for 2008/09 from the following options:

- Make no contribution; or
- Make a contribution of £10,221, as previously notified to the Director of Fire and Resilience and built into the budget planning process; or
- Make a contribution of £17,200, as requested in the most recent letter from the Director of Fire and Resilience; or
- Make a contribution based upon the figure of £17,200, but adjusted to take account of population, i.e., £6,879.

7 Financial Implications

The financial implications relating to this report are dealt with in the body of the report.

8 Legal Comment

There are no legal implications arising directly out of this report.

9 Equality Impact Assessment

Officers have considered the Service's Brigade Order on Equality Impact Assessments (Personnel 5 Part 2) and have decided that there are no discriminatory practices or differential impacts upon specific groups arising from this report. An Initial Equality Impact Assessment has not, therefore, been completed.

10 Appendices

Appendix 1

Letter from CLG dated 24 October 2007

Appendix 2

Letter to CLG dated 8 November 2007

Appendix 3

Letter from CLG dated 21 December 2007

11 Background Papers

Fire and Rescue Service Circular (FRS 45/2007) and consultation document, which can be accessed from the Communities and Local Government website at:

<http://www.communities.gov.uk/publications/fire/centreexcellencefire>.



Implications of all of the following have been considered and, where they are significant (i.e. marked with an asterisk), the implications are detailed within the report itself.

Balanced Score Card		Integrated Risk Management Planning	
Business Continuity Planning		Legal	*
Capacity	*	Member Involvement	
Civil Contingencies Act		National Framework	*
Comprehensive Performance Assessment		Operational Assurance	*
Efficiency Savings	*	Retained	
Environmental		Risk and Insurance	
Financial	*	Staff	
Fire Control/Fire Link		Strategic Planning	
Information Communications and Technology		West Midlands Regional Management Board	
Freedom of Information / Data Protection / Environmental Information		Equality Impact Assessment	*





All Chief Fire Officers

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24 October 2007

A handwritten signature in black ink that reads "Peter Betts" followed by "Chief Fire Officer" in a cursive script.

THE FIRE AND RESCUE SERVICE – FUNDING REQUIREMENTS IN 2008/09

You are invited to support the approach set out in this letter to ensure that there are suitable arrangements and shared funding in place for 2008/09 to provide the level of joint support that FRAs want for certain key projects that underpin the modernisation of the FRS. This proposal has been discussed with Les Byrom (LGA) and Steve McGuirk (CFOA) who are supportive of the proposed process. A reply is requested by Friday 23 November 2007 so as to be within the current budget setting round.

My letter of 11 October about forthcoming consultations highlighted that a letter would be coming round shortly about a number of functions where, as planned, central Government funding comes to an end by the end of this financial year. FRAs need to decide what, if any functions they wish to be carried out on their behalf from 1 April 2008.

As that letter highlighted, we are about to issue a consultation document with options for the possible establishment of a Centre of Excellence (essentially an Improvement and Development body or committee) for the Fire and Rescue Service in England. The consultation paper has been developed in close partnership with key stakeholders. It sets out a range of options for the role, functions, status, governance and funding of a Centre, together with an indication of possible costs. The outcome of the consultation will not be known until Spring 2008 therefore, if supported, the earliest such a body can be in place is April 2009.

Several of the proposed functions for a Centre of Excellence are coming to the end of their development phase which has been funded by CLG until the end of this financial year. If the outcome of the consultation is a decision to create a Centre of Excellence, there will be a funding gap that will need to be bridged in order to ensure that functions FRAs determine they require are available to them in the interim. If the outcome is a decision not to create a Centre of Excellence we still need to know if FRAs want support provided centrally for these particular functions or whether each FRA will make its own arrangements.

Either way we want to ensure that options are not closed down prematurely and that an acceptable level of service can be provided until those decisions are known and implemented.

The activities that fall into this category are:

- o The Organisational Development Centre that supports the Learning and Development Strategy work for the FRS (comprising the Centre for Leadership, IPDS and National Assessment Unit); and
- o The IT support needed for the Fire Gateway (for which a subscription was paid by individual FRAs from July this year) and the Managed Learning System.

Additionally, we need to address the 2008/09 transitional funding contribution for Firebuy Ltd.

Next steps – Funding and a Pathway Group

This approach has the advantage of providing FRAs with a single request for funding. FRAs will, of course want to be satisfied that there is a mechanism for ensuring that any contribution made by them will support their priorities. You will also need to know the actual cost as soon as possible. To ensure that the cost is the minimum required to provide a viable service we propose to establish a Pathway Group, under the chairmanship of Les Byrom. The Group will be made up of representatives from LGA, CFOA, CFRAU and CLG. Its prime purpose will be to examine and scrutinise the proposed costs of providing these functions and determine the FRS's priorities for funding in 2008/09.

The cost of these activities will depend on the level of support that the FRS wants and is willing to fund. The Group will agree a view of the functions needed that will add value for FRAs and for which they should be asked to contribute at an affordable figure. Given that this is proposed as an interim arrangement, CLG would be prepared (subject to the detailed outcome of CSR07) to consider making a contribution to the overall cost for certain functions providing it is on a shared basis with the FRS. Subject to the outcome of this process it is estimated that the funding requirement may be an average of £25,000.per FRA

I am aware we need to move forward rapidly but before doing so we need to know whether your FRA is willing, in principle, to make a contribution. I would ask you to do this by responding to this letter by Friday 23 November 2007 (replies to Linda Hurford on linda.hurford@communities.gsi.gov.uk).

Yours sincerely
P B

PETER BETTS

Mr P Betts
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8 November 2007

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Dear Peter

The Fire and Rescue Service – Funding Requirements in 2008/09

Thank you for your letter dated 24 October 2007 regarding your proposed approach to ensuring that suitable arrangements and shared funding are in place for 2008/09 to provide the level of joint support that FRAs want for certain key projects that underpin the modernisation of the FRS.

I have now had the opportunity to discuss your letter with the Chair, Vice-chair and Treasurer of Shropshire and Wrekin Fire Authority (SWFA), and they are very supportive of the proposals. They would, however, wish to seek clarification that the apportioning of costs between FRAs would be on the basis of population, as put forward as one of two options contained within the Centre of Excellence consultation paper issued on 26 October 2007.

Your letter estimates that the funding requirements for 2008/09 may be an average of £25,000 per FRA. By assuming contributions based upon population (and using details provided within Table 2 of Annex F of the consultation document) we calculate that SWFAs expected contribution for 2008/09 would be approximately £10,221 and we are including this figure within our current budget planning process.

I trust that this response meets with your requirements, however, should this not be the case, or should you require any further information, please do not hesitate to contact me.

Yours sincerely

Alan Taylor
Chief Fire Officer

cc Stuart West, Chair of Shropshire and Wrekin Fire Authority
Yvonne Holyoak, Vice-chair of Shropshire and Wrekin Fire Authority
Keith Dixon, Treasurer of Shropshire and Wrekin Fire Authority



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21 December 2007

A handwritten signature in blue ink that reads "Peter Betts".

Requirements for funding in 2008/09 – the findings of the Pathway Group.

I wrote to you on 24 October about a proposal for shared funding arrangements for joint services in 2008/09 and for setting up a Pathway Group to examine and scrutinise the funding required and FRS priorities. The Pathway Group, chaired by Les Byrom (LGA) with Steve McGuirk (CFOA), Sir Ken Knight (CFRAU) and myself as members, has met several times. The Group has found the process very helpful and informative and an interesting and positive step change in working together to achieve mutually beneficial outcomes. As a result of the discussions, we all have a better understanding of the on-going issues for the Organisational Development Centre (ODC) and Firebuy Ltd. We have had the opportunity to challenge their assumptions about what the FRS needs and wants as their customers. Similarly, ODC and Firebuy Ltd have had the opportunity to learn more about FRS priorities and requirements.

The majority of CFOs have responded to my letter, although we are aware that there was a timing issue for some, with Authority meetings falling outside the date for responses. Most responses have been supportive of the proposals and a number of you made helpful comments and observations. There was also a general request for more information and reassurance about the benefits and value for money for FRAs. My thanks for your responses – they have all been fed into the discussions of the Pathway Group.

As you know, CLG has provided the development funding for the Organisational Development Centre at the Fire Service College and Firebuy Ltd on the basis that the FRS would be picking up the on-going costs as the work moved into steady state. The ODC is clearly now moving into business as usual. Therefore, as planned, we are looking to the FRS to determine and provide for future funding requirements. For Firebuy the revenue generation in 2008/9 is not projected to be sufficient to cover its costs and there is a continuing need to provide transitional funding.

The Pathway Group has undertaken a rigorous process of scrutiny and challenge. We are pleased to be able to tell you that as a result of this process the overall funding requirement for the various projects has been reduced from the early estimate of £3.7m, down to £2.5m overall. The detail of how this has been achieved is set out in the attached report from the Pathway Group.

We would like to make it clear that we are seeking voluntary contributions from the FRSs, which will benefit from the savings that these projects will provide. The process and findings of the Pathway Group are for the funding arrangements for 2008/09 only and contributions made now would be without assumption or obligation for future years. The arrangements for subsequent years will need to be considered in the light of the outcome of the consultation on a Centre of Excellence.

Recommendation

As a result, the Pathway Group concluded that FRAs should be invited to contribute a total of £774,000, which is an average of £17,200 per FRA in 2008/09 as their contribution towards the provision of joint services to support the implementation of the Learning and Development Strategy and maintain Fire Gateway. We are aware that some of you consider a single level of payment to be inappropriate but the Pathway Group did not feel able to make recommendations about different levels of payment.

This contribution is based on CLG making a significant contribution towards the overall costs of these services in 2008/09, some £1.8 million of the final gap identified on around £2.5m. CLG is also contributing through the waiving of accommodation charges at the FSC and is bearing the risk of the savings assumptions not materialising. CLG is willing to make the greater contribution in return for the goodwill of Authorities in providing the balance. Being able to provide the joint functions next year is dependent on both the CLG and the FRA contribution.

Next steps

We would welcome your confirmation that you will be able to support this recommendation. If so, the funding contribution will need to be paid directly to the Fire Service College. You are asked to make these payments in April 2008 in response to an invoice that will be sent to you by the Fire Service College.

Pathway Group Report

Background

The Pathway Group was set up under the chairmanship of Les Byrom. The members of the Group were Sir Ken Knight (Chief Fire and Rescue Adviser), Steve McGuirk (President of CFOA) and Pete Betts (Director of Fire and Resilience, CLG). The Group received written information from Firebuy Ltd and the Organisational Development Centre (ODC), and met with representatives of those organisations to understand, probe and challenge the services and costs that were being proposed for joint services for 2008/09. The Group considered the issues from the perspective of their own organisations, and collectively. Their findings and recommendations are as follows.

Findings

Organisational Development Centre

The Organisational Development Centre (ODC) based at the Fire Service College provides support to the FRS on leadership skills development, IPDS, National Firefighter Selection (NFS) tests, and Assessment and Development Centres. It also manages the Fire Gateway portal.

The Pathway Group asked the ODC to cost the provision of a joint support facility for the FRS that provided the basic facilities needed to maintain the national processes (IPDS, NFS and ADCs) and access to leadership development opportunities. Following the Pathway Group scrutiny, ODC is offering to provide these joint services in 2008/09 at an overall cost of £497,000. This is significant reduction on earlier estimates. The ODC has been able to drive down the costs by merging workstreams and removing the cost of any further development of IPDS and ADCs next year – for

example a budget of £497,000 will not provide for the development of any new ADC tools in 2008/09. The costs have been further reduced by offering some products (such as certain leadership training) on an individual recharge basis. This has served to keep the contribution for joint services to a minimum, whilst giving FRAs the flexibility to buy in additional services to match their needs and their budget priorities. The detailed breakdown of the joint services that would be available is at Annex A.

The Group asked for the cost of maintaining the Fire Gateway portal so that it remained available as a facility for the FRS and the public but without provision for any further development in the next year. This approach would keep open all options for the future use of the portal. The cost of maintaining the Fire Gateway on this basis in 2008/09 will be £277,000. The project team considered that they may be able to reduce these costs further by using short term contract staff to replace more expensive day rate contractors. The Pathway Group, however, considered that whilst this approach should be pursued there was an unadvisable risk that the recruitment might be delayed or unsuccessful, so are recommending funding of £277,000.

CLG has acknowledged that there is some outstanding work around the National Firefighter Selection tests, in particular the validation of the process and further work on impact assessment. CLG will therefore fund this outstanding work in 2008/09 by providing £100,000 to cover the cost of 1.5 posts in the National Assessment Unit.

Firebuy Ltd

Feedback from the FRS indicates that there are concerns about Firebuy Ltd. The Pathway Group considered that there remained a role for a central procurement facility but did not see a convincing case for asking the FRS to make a contribution in view of the objective that such a body would become self-funding. Through the Pathway process, however, Firebuy Ltd has reviewed its original proposed costs in 2008/09 and has identified a number of savings to reduce its funding gap.

Conclusions

Early estimates showed a total funding gap of £3.7m for the 3 functions:

- Organisational Development Centre
- Fire Gateway and learning portal
- Firebuy Ltd

Through the Pathway process, the overall funding gap was reduced to £2.8m and after further scrutiny finally to £2.52m. The reduction has been achieved by close scrutiny, hard decisions and most importantly ensuring that customer needs and priorities are the key driver.

The Group proposes that the sum of £2.52m is met by FRAs and CLG jointly. CLG has agreed to provide £100k for NFS work and to fund Firebuy's transition requirements in 2008/09 subject to FRAs being willing to provide a matching overall contribution of £774,000. FRAs' contribution is being sought to provide the ODC services (£497,000) and Fire Gateway (£277,000), as listed in Annex A.

As part of the overall CLG contribution, the Fire Service College is offering to contribute support by offering free accommodation, site support services and some additional staffing to the value of £250,000 in support of their investment in ODC work.

The FRS is being invited to contribute an overall sum of £774,000, which results in an average FRA contribution of £17,200 (based on 45 Authorities).

Recommendation:

As a result of scrutinising and prioritising the joint services that would be appropriate for shared funding in 2008/09, the Pathway Group is recommending to FRAs that they each contribute £17,200 for the joint provision of the functions in Annex A.



PETER BETTS

**Organisational Development Centre
Functions 2008/09**

No.	Product/Activity	Description	Funding
1	Centre for Leadership Access to Executive Leadership Programme	Under the governance of the new Executive Leadership Programme (ELP) Management Board, management and co-ordination of the ELP for those (uniform and non-uniform) with the potential to achieve the role of Brigade Manager. The programme will be delivered in partnership with Warwick Business School and National School of Gov. Scheduled start January 2008 with two cohorts.	Included in contribution Cost for individual take up additional
2	Access to Principal Officers' Development Opportunities (PODO)	Co-ordination of the Brigade Managers (Chief Officers) Development Programme that provides a menu of learning and development opportunities that support continuous professional development. This will include Chartered Director award, executive coaching, programmes through the Whitehall and Industry Group and Windsor Leadership Trust.	Included in contribution Cost for individual take up additional
3	Access to Elected Member Development	Elected Member Development through partnership working with IDEA and the Warwick University Leadership Academy. A FRS bespoke module is being developed.	Included in contribution Cost for individual take up additional
4	Coaching Skills Initiative	Continued delivery of the coaching skills programme across the FRS that will support the development of a coaching culture that leads to performance improvement. The pilot programme at ILM Level 5 is scheduled for the East Midlands Region which has a spread of CPA results including weak, poor, fair and good. A further programme at Level 3 is being developed for Supervisory Managers.	Included in contribution
5	Leadership Toolkit	Development and production of open learning workbooks for Middle and Strategic manager levels covering the themes of: <ul style="list-style-type: none"> • Diversity • Leadership • Change Also under consideration by the Project Board are toolkits for Chief Officers and Elected Members	Not included in contribution – available for purchase
6	Leadership Champions Network	Three Leadership Champions Network events to continue to promote leadership, diversity and change issues, four Leading Lights newsletters to promote and share best practice and innovation, and an Annual Leadership Conference.	Included in contribution
7	Virtual Learning Resource Centre	A customised leadership portal based on the Aspire leadership model, role maps and underpinning standards provided by Ashridge Business School	Included in contribution
8	National Leadership Framework	Promotion and co-ordination of the new leadership development framework for all levels.	Included in contribution
9	Stakeholder Panel meetings	Under current arrangements it is intended that the Stakeholder Panel (shadow board) will take over the governance role of the Centre for Leadership from the Project Board from April 2008. Four meetings are scheduled per year.	Included in contribution
10	Consultancy	Visits to each FRS to promote the sharing of good practice, provide advice and guidance on the National Leadership Programme and toolkit, provide consultancy eg 360 degree feedback and facilitate local and regional leadership events such as action learning and coaching. To promote succession planning and talent management.	Included in contribution
11	Learning & Development Managers Forum	In conjunction with CFOA & the Steering Group Co-ordination of the newly established Learning & Development Managers' forum to promote awareness of appropriate development and sharing of best practice.	Included in contribution
12	Leadership Benchmarking	Following on from the development of the 360° and 180° diagnostics, to establish benchmarking of leadership across the FRS.	Included in contribution
13	Action Learning	Continuation of Cross-Sector Action Learning sets to encourage partnership working and sharing of best practice across the public sector; we currently have one accredited facilitator	Not included in contribution – available for purchase
14	Professional Management	Promotion of professional management accreditation opportunities such as the Chartered Manager award, for which the CIL is an Advisory Centre.	Not included in contribution – available for purchase
15	ADDRESS Diversity project	Promotion of diversity awareness using the ADDRESS material.	Not included in contribution – available for purchase
Sub Total			£250K

No.	Product/Activity	Description	Funding
16	New and Revised National Occupational Standards	IPDS supports the management of workplace performance under a structure of National Occupational Standards (NOS) and Qualifications. The development and maintenance of these national standards is carried out by the Fire and Rescue Sector Vocational Standards Group. The FRSVSG requires technical and secretarial support	Included in contribution
17	Maintain IPDS web site and database	Ensuring continued availability IPDS information and support on the web	Included in contribution
18	Contact point for IPDS, NFS and ADC queries and help	Telephone and e-mail support for FRAs	Included in contribution
19	A new set of assessment exercises for supervisory, middle and strategic ADCs and second set of tools for NFS	Although these exercises have a limited self life, it is considered that new set are not essential in 2008/09	Not included in contribution
20	Equality Impact Assessments of ADCs and advice on quality assurance of the processes	Audit and review advice for FRAs and promotion of good practice.	Included in contribution
21	Validation, version control and ADC database analysis	To co-ordinate good practice and evaluate the processes on a service wide basis providing advice and feedback on issues.	Included in contribution
22	Support for National Firefighter Selection tests	Contact point for queries and help Holding and issuing test materials Marking test papers	Included in contribution
		Collecting and analysing data Validation study Impact assessment	CLG contribution
23	Network Support	Support from and to practitioners to facilitate the sharing of issues and exchange of good practice around NFS and ADCs	Included in contribution
24	Organisational Development Support	Advice and guidance on wider organisational and educational development issues including the evolving qualifications policy and framework, quality assurance of learning and development, implementing diversity practices and processes, graduate entry and high potential development schemes, cross sector networking and partnership working.	Included in contribution
		Sub Total	£247K
25	Fire Gateway	Maintain portal	Included in contribution
	Sub total		£277K
	Total		£774K