

## Medium Term Financial Plan 2008/09 to 2011/12

### 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

To propose to Members of the Committee a structure for the latest development of the Fire Authority's Medium Term Financial Plan (MTFP).

### 2 Recommendations

The Committee is asked to:

- a) Agree the proposed structure for update of the Fire Authority's MTFP;
- b) Approve that the period covered by the Plan is extended from three to four years, to take full account of the impact of agreed capital expenditure at the St Michael's Street site in Shrewsbury; and
- c) Approve that the completed MTFP should be the subject of a full Equalities Impact Assessment

### 3 Background

In 2006 the Fire Authority published its first MTFP, which covered a three-year period and confirmed the Fire Authority's continued commitment to providing a Fire and Rescue Service, which represents the best possible value for money for Shropshire's residents. The MTFP was thus established and embedded as an important part of the strategic planning process. It ensures that the financial planning of the Authority links closely to its service planning and thus to the delivery of the Fire Authority's five strategic aims.

In 2007 the MTFP (in conjunction with the associated Performance Plan) was updated to take account of local, regional and national developments. The Plan described what appeared to be a continuing and favourable (if gradual) shift of central government controlled resources towards more rural fire and



rescue services, such as Shropshire. The Plan also, however, highlighted that the major problem facing the Fire Authority at that time was widespread uncertainty over future funding, brought about by the Government's planned Comprehensive Spending Review, due to be completed during 2007 (CSR07).

The results of CSR07 were made known during December 2007, when the Government provided the Fire Authority with information on its grant settlement for the next three years. This was the first occasion on which such information had been made available for a period of longer than one year. This has been extremely useful in enabling the Fire Authority to enhance even further its planning processes for the benefit of the public of Shropshire and the Borough of Telford & Wrekin.

At a meeting of the full Fire Authority on 13 February 2008, Members agreed the revenue and capital budgets for the three-year period of the CSR. As such, the MTFP will now require further updates to reflect these developments and this paper puts forward proposals for the structure of the Plan.

#### **4 MTFP 2008/09 to 2011/12**

Attached at Appendix A is a proposed structure for the latest development of the MTFP. The layout and content proposed is similar to earlier versions of the Plan, which have served the Authority well and have been well received by auditors. Members are requested to approve the proposed structure of the Plan.

In addition, Members will recall that at its meeting on 13 February 2008 the Fire Authority agreed that the following key principles (put forward by this Committee) should be incorporated within in the updated MTFP:

That a 3.9% per annum increase in precept over the next three years would form the basis of a comprehensive approach to service and financial planning, and, in particular, would:

- i Set a potential upper limit on increases, whilst giving scope for reducing the rate of increase;
- ii Provide scope for coping with a realistic level of service pressures likely to arise;
- iii Set an achievable annual target for efficiencies, whilst encouraging the drive for further efficiencies as the potential shortfalls from 2010/11 are addressed. The objective would be to match the national target for the service as a whole; and
- iv Deal with the problems identified at the St Michael's Street site, and the implications for committed financing costs. Notably one-off receipts, efficiencies and other savings would be channelled to the capital reserve to reduce prudential borrowing.



## **5 Financial Implications**

The financial implications associated with this report will be fully detailed within the completed MTFP.

## **6 Legal Comment**

There are direct legal implications arising from this report.

## **7 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.

Members are asked to approve, however, that a full equality impact assessment is conducted upon the MTFP, when completed. A copy of the Government's "Regulatory Impact Assessment of the Fire and Rescue Service Equality and Diversity Strategy: 2008–2018" is attached at Appendix B to provide Members with an overview of what such assessments entail.

## **8 Appendices**

### **Appendix A**

Shropshire and Wrekin Fire Authority – Medium Term Financial Plan – 2008/09 to 2011/12 – outline document

### **Appendix B**

Communities and Local Government's "Regulatory Impact Assessment of the Fire and Rescue Service Equality and Diversity Strategy: 2008–2018"

## **9 Background Papers**

### **Shropshire and Wrekin Fire Authority**

13 February 2008, Report 9 – Revenue Budget and Capital Programme - Budget Recommendations 2008/09



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	*



# **Shropshire and Wrekin Fire Authority**

## **Medium Term Financial Plan**

**2008/09 to 2011/12**



## **Foreword by the Chair of the Fire Authority and the Chief Fire Officer**

One page to contain the following:

Introduction

Paragraph describing the Fire Authority's high performance and below average costs

Paragraph providing a high-level overview of what the Fire Authority has achieved; and still has left to do (This paragraph will contain the first mention of the need for extensive capital investment in Shrewsbury and thus explain why this MTFP has unusually been extended to cover four years).

Paragraph providing an update on funding by Central Government, including a mention of many years of under-funding in rural fire and rescue services, such as Shropshire

Paragraph describing the concerns the Fire Authority had with regard to the uncertainties, which surrounded the Comprehensive Spending Review, and detailing the extensive 'what if' contingency planning that took place as a result

Paragraph describing the positive three-year settlement achieved by the Fire Authority

Final paragraph describing how the Fire Authority is now in a position to drive through even further improvements to the Service whilst reducing the impact upon local taxpayers

Stuart West  
Chair of Shropshire and Wrekin Fire Authority

Alan Taylor  
Chief Fire Officer

## Contents

Page

### **Foreword by Chair and Chief Fire Officer**

**Section 1** Introduction and Service Priorities

**Section 2** National Context

**Section 3** Overview of Revenue 2008-12

**Section 4** Value for Money Strategy

**Section 5** Overview of Capital Investment Plan 2008-12

**Section 6** Treasury Strategy 2008-12

**Section 7** Budget Risk Assessment

**Appendix A** Prudential Indicators

**Appendix B** Glossary of Terms

Equality Impact Assessment of Shropshire and Wrekin Fire  
Authority's Medium Term financial Plan 2008/09 – 2011/12

# Section 1

## Introduction and Service Priorities

### Introduction

Providing a description of the way in which all of the plans of the Fire Authority are joined up and, in particular, how Service Planning is very clearly linked to Financial Planning

### Summary of Shropshire and Wrekin Fire Authority's Medium Term Financial Plan

This section firstly provides an overview of each of the following sections of the MTFP and summarises the main points in each section as follows:

#### Section 1:

Provides an overview of the aims and objectives of the Fire Authority and describes how these are regularly reviewed and updated by the Authority and how they take full account of the Government's requirements, as identified through the National Framework. Most importantly, this section also provides an overview of what the Fire Authority has identified as its priorities for improvement.

#### Section 2:

This section attempts to place the funding of this Authority within a national context. It briefly describes the process of modernisation, which commenced with an independent review of the Service in 2002 by Professor Sir George Bain, through to changes to the funding of the Service, which have occurred in the most recent three-year settlement. It also provides detail of the requirements of the Fire and Rescue Service National Framework for 2008-11 due to be published shortly. This section will also summarise the impact of all of these issues upon the finances of this Authority.

#### Section 3:

This section seeks to provide an overview of the revenue budgets of the Authority for the period 2008/09 to 2011/12 and beyond. The factors taken into account, when setting revenue budgets for the next three years, are summarised within this section of the Plan.

#### Section 4:

This section describes the wide range of methodologies and structures used by the Fire Authority to ensure that it is promoting and delivering value for money.

It is finally explained how remaining sections of the MTFP then provide much greater detail on the Capital Investment Plan, the Treasury Strategy and the Budget Risk Assessment.

### **Revenue and Capital Budgets**

The proposed working budgets for the medium term are described in this part of section 1 and detail is provided of how both revenue and capital budgets are allocated between departments and of how the capital programme is funded.

### **Service Priorities**

The Service Priorities of the Authority are described in detail within this section and the corporate aims and objectives are listed. Evidence of clear links between costs and priorities is also provided, including charts demonstrating that over three quarters of the Fire Authority's expenditure is on employee costs and that over 85% of employee costs are related to frontline staff.

Links between the priorities of the Authority and performance improvement are demonstrated by the provision of detailed evidence from audits conducted during 2007 under the Audit Commissions Performance Framework. It may also be necessary to mention that this Authority was the second highest rated Fire Authority in England during 2007!

The priorities of the Authority for further improvement are described next and the costs of these are highlighted. This section of the MTFP then concludes with statements on 'sound financial management and value for money' on 'risk management' on 'customer care' and on 'workforce development and working in partnership'.

# Section 2

## National Context

### Introduction

Describes how the Authority's financial and service planning must take place within the context of the national economic and public expenditure plans for the Fire and Rescue Service.

### Background

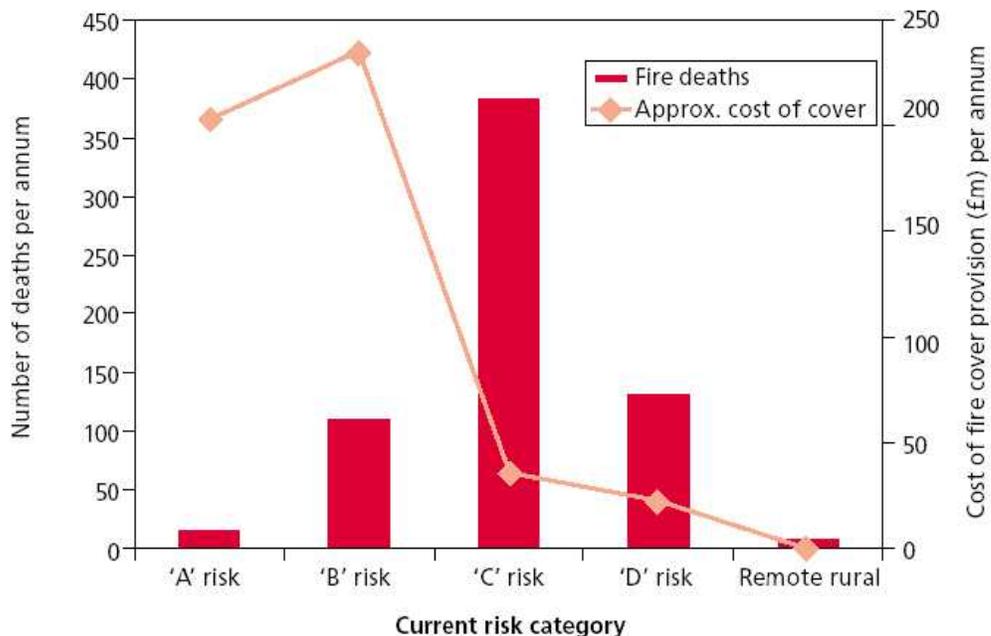
#### The Bain Review (2002)

A brief description of the findings

#### Our Fire and Rescue Service (White Paper) 2003

A brief reminder of the Government's identification that in the past funding has not been allocated on the basis of risk!

Figure 3: Current allocation of resources to risk



A risk = normally in the largest cities and towns, and including main shopping, business, entertainment or industrial centres

B risk = normally in the larger cities and towns

C risk = normally in the suburbs of the larger towns and in the built-up areas of smaller towns

D risk = all risks other than remote rural

Source: ODPM

### **The Fire and Rescue Service Act 2004**

A reminder that the Fire and Rescue Services Act 2004 provided “a new legislative framework to ensure the Fire and Rescue Service was better able to meet the particular challenges of the 21st Century”

### **The Fire and Rescue National Framework 2004-05**

A reminder that in its very first National Framework the Government recognised that “the costs and savings of modernisation could fall unevenly across fire and rescue authorities”

### **The Fire and Rescue National Framework 2005-06**

The second Fire and Rescue National Framework identified that, according to the provisional 2005/06 local government settlement, fire and rescue authorities would receive an average increase in grant of 3.7% and no authority would receive less than a 2.5% increase in 2005/06.

### **Fire and Rescue Service National Framework 2006-08**

In its first two-year version of the National Framework, published on 6 April 2006, the Government confirmed that fire and rescue authorities received average grant increases of 1.96% in 2006/7 and 3.14% in 2007/8 and no authority received less than 1.5% in 2006/7 and 2.7% in 2007/8.

### **The Fire and Rescue National Framework 2008-11**

A short section on the recent consultation on the latest National Framework and on the references to finance within the Framework

## **Local Government Finance Settlement 2006/07 and 2007/08**

### **Fire Formula Working Group**

A brief reminder of the Fire Authority’s involvement in the Working Group and in particular of the fact that this Authority highlighted that the element on sparsity was essential, if resources were to be made available for investment in the Retained Service. The Authority also pointed out that the Retained Service is extremely cost-effective (crewing costs for a retained appliance being approximately 12.5% of those for a wholetime appliance).

### **Settlement 2006/07 and 2007/08**

A short overview of the impact of settlements for 2006/07 and 2007/08 on SWFA. This will describe how, despite the good intentions of the Government, flooring meant that this Authority failed to be provided with the level of central funding identified as required to meet its risk. As a result, the burden of funding continued to fall disproportionately upon local taxpayers, despite this Authority’s having maintained its commitment to reducing the tax burden upon local taxpayers by delivering a clear downward trend in precept increases.

## **Comprehensive Spending Review 2007**

This section will provide an important reminder that during 2007 the Government carried out a spending review for the three years, commencing in 2008/09. This so-called Comprehensive Spending Review 2007 (CSR07) was of fundamental importance to the Authority, as it determined the level of Government grant for the next three years.

Included within this section will be detail of the uncertainties brought about by CSR07 and an overview of the work carried out by the Budget Working Group to provide contingency plans to deal with worst case scenarios.

Detail will then be provided of the outcome of CSR07 and its impact upon the Fire Authority's finances. Although this will clearly be reported in a positive light, it will be necessary to highlight that flooring continues to mean that this Authority and the public of Shropshire still do not receive their full funding entitlement.

### **Summary**

It could have been worse!

# Section 3

## Overview of Revenue 2007-10

### **Introduction**

This section will consider in detail the impact of CSR07 on the finances of the Fire Authority. The way in which the revenue budget is controlled and monitored will be explained and the level of reserves utilised to control risks to the Authority detailed.

### **Grant Settlement**

The increases provided in the three-year settlement will be described in detail.

### **Response to Grant Settlement**

Details of the Fire Authority's response to the settlement will be provided.

### **Revenue Budgets 2008/09 to 2011/12**

The factors taken into account in setting the Authority's budget for the next three years and beyond will be described under the following headings:

#### **Integrated Risk Management Planning (IRMP) and other Service Developments**

Growth areas, identified through the IRMP process, will be described and the costs of these will be identified. These will include the decision to re-furbish the St Michael's Street site and its implications on the capital programme and the need to enhance officer resilience and the way that this has been achieved with relatively minor impact upon the revenue budget.

Details of all other growth items will be included also, together with descriptions of funding mechanisms for this growth.

#### **Efficiencies and Savings**

Efficiencies made during the previous financial year will be described and plans for efficiencies over the period of CSR07 will be included.

### **Strategic Considerations**

All of the main strategic considerations taken into account in setting the Fire Authority's budgets for the next three to four years will be included in this section.

### **Consultation on Budgets and Precept**

The Fire Authority places the highest significance on the need to consult with the public and stakeholders and this section will describe the consultation process and highlight the findings. Recent reports from the local press may also be included.

### **Budgets and Precept 2008/09 to 2010/11**

A detailed analysis of expenditure growth and precept levels will be included here.

### **Budget Management by Departments**

A description of how the budget is broken down between the five departments of the Service will be provided and a section will be included on partnership budgets.

### **Risks and Reserves**

An overview will be provided on the way in which the Fire Authority has carefully reviewed its need for a general reserve and particularly the assumptions on which the need has been assessed. The reserves and provisions established will also be summarised.

### **Summary**

Finally, in this section, all of the factors taken into account in setting a three-year budget will be summarised.

# Section 4

## Value for Money Strategy

### **Delivering Value for Money - Methodologies**

The Authority has a number of methodologies and structures for promoting and delivering value for money. These will be summarised under the following headings:

**Prudential Review**

**Authority Policy**

**Comparisons and Benchmarking**

**Growth and Savings during the Budget Process**

**Base Budget Reviews**

**Effective use of Information Technology**

**Effective Corporate Procurement Mechanisms**

**Achieving Economies through Joint Working**

**Customer Feedback**

**Scrutiny**

**Audit**

**Performance Management**

**Organisational Structure**

# **Section 5**

## **Overview of Capital Investment Plan 2006-09**

### **Capital Investment Plan**

The Fire Authority's Medium Term Financial Plan is led by the work of Integrated Risk Management and the desire to use capital investment to achieve best value services within that context. The key to this is to identify where fire appliances would best be located, taking into account both current and future risks. This section will explain how the Capital Investment Plan supports the aims and objectives of the Fire Authority under the following headings:

### **Proposed Capital Investment Plan**

#### **Government Support**

#### **The Fire Authority's Investment Approach and Strategy for Resource Allocation**

#### **Capital Resources**

#### **Loans**

#### **Capital Receipts**

#### **Grants and External Funding**

#### **Capital Reserve and Revenue**

Finally, a copy of the recently revised ten-year capital programme will be included in this section.

# **Section 6**

## **Treasury Strategy 2007 to 2010**

### **Treasury Strategy**

The Fire Authority recognises the importance of Treasury Management to the economy and efficiency of its finances. It also recognises that delivering quality services in this area requires expertise and skills that cannot be delivered cost effectively in-house. This section of the MTFP therefore explains the way in which the Authority employs Shropshire County Council to manage its treasury functions. Details of each of the following will be provided:

**Long-Term Borrowing**

**Short-Term Investments**

**Prudential Indicators**

**Strategy Proposals**

**Leasing**

**Short-Term Investment**

**Treasury Management Practice – Credit and Counterparty Risk Management**

**Governance Arrangements**

**Performance Measurement**

# Section 7

## Budget Risk Assessment

### Budget Risk Assessment

The Fire Authority has a well developed approach to risk management and analyses the potential budget risks carefully. These risks can be categorised as follows:

- i Accounts based
- ii External
  - service demand/demography
  - funding
  - legislation
- iii Budget
- iv Operational

A table at the end of this section will set out the various risks identified, their likelihood of happening, the relative impact on the three-year budget, and finally the scope for managing the risk.

# **Appendix A**

## **Prudential Indicators**

An Appendix detailing the current position with regard to prudential indicators will be included.

# **Appendix B**

## **Glossary of Terms**

An Appendix explaining terms used within the Plan will be included.

**Equality Impact  
Assessment  
of  
Shropshire and Wrekin  
Fire Authority's  
Medium Term Financial  
Plan 2008/09 – 2011/12**

## Regulatory Impact Assessment of the Fire and Rescue Service Equality and Diversity Strategy: 2008–2018

Summary: Intervention & Options		
<b>Department /Agency:</b> Communities and Local Government	<b>Title:</b> Impact Assessment of the Fire and Rescue Service Equality and Diversity Strategy 2008–2018	
<b>Stage:</b> Consultation	<b>Version:</b> 1	<b>Date:</b> 31 October 2007
<b>Related Publications:</b> <ul style="list-style-type: none"> <li>• The Thematic Review on Equality and Fairness (1999),</li> <li>• The Two National Action Plans, “Toward Diversity I” and “Toward Diversity 2” (2000 &amp; 2001)</li> <li>• The scoping study on Leadership “ Bridging the Gap” (2002)</li> <li>• Fire and Rescue Service Core Values</li> <li>• Fire and Rescue Shared Vision Towards 2017</li> </ul>		
<b>Available to view or download at:</b> <a href="http://www.communities.gov.uk">http://www.communities.gov.uk</a>		
<b>Contact for enquiries:</b> Gill McManus/John Dackombe	<b>Telephone:</b> 020 7944 8640/5707	

**What is the problem under consideration? Why is government intervention necessary?**

The Government’s Thematic Review on Equality and Fairness (in 1999) identified significant deficiencies in the performance of the Fire and Rescue Service and made a number of recommendations. Despite a series of subsequent national initiatives, including employment targets for women and ethnic minorities, publishing national action plans, and delivering a national campaign (in 2006) to raise women’s awareness about a career in firefighting, the progress achieved by the Service has not kept pace with Government expectations or those of the key Service stakeholders. In its 2006 report, the Communities and Local Government Select Committee was critical of the Service performance on equality and diversity and of Central Government’s lack of leadership on these issues. The Government’s response to the Report proposed a series of measures to support the Service to make a step change in its performance. In particular, it committed to publish a national Fire and Rescue Service Equality and Diversity Strategy by the end of 2008.

**What are the policy objectives and the intended effects?**

The objective of the Strategy is to provide a framework for action that will enable the Fire and Rescue Service to tackle current inequalities, promote equality between different groups in line with legislative requirements and, importantly, establish a climate that enables a supported, diverse workforce to provide a service that is closer to, and has an effective relationship with, the public in order to improve the service provided to all sections of our community. The Strategy's aim is to improve the way that people treat each other within the Service and the effectiveness of the relationship it has with all parts of the community it serves. It will also support delivery of Government commitments to promote equality and diversity, tackle disadvantage, and build cohesive and sustainable communities. Improving workforce diversity through recruitment and retention is a key area for action proposed by the Strategy. A key change is a proposal to revise the existing employment targets. The current targets of 7 per cent for minority ethnic staff and 15 per cent for women (operational sector only) by 2009 will clearly not be achieved on the present rate of progress (current representation: 3 per cent for minority ethnic staff and 2.8 per cent for women). Modernisation of the Service together with demographic changes provide an opportunity to re-visit the targets to ensure that they are more relevant, stretching, yet achievable, therefore gaining buy-in and support from the wider community, prospective candidates, current employees, Local Government Partners and other stakeholders.

**What policy options have been considered? Please justify any preferred option.**

1. Do nothing
2. Development and implementation of a ten year national Strategy to improve workforce diversity and create a more inclusive Service culture and effective community engagement.

To do nothing will fail to change at an acceptable pace the diversity of the Service's workforce or its culture; nor will it lead to significant improvements in engagement with all parts of the community and more effective service delivery. The preferred option (2), supported by the Fire and Rescue Service key stakeholders, will provide a framework for action that can be implemented at national, regional and local levels, with measures to monitor and report on performance and clear indicators of what success should look like. It will support the Service in improving its engagement with, and understanding the needs of, all the communities it serves. It will drive progress in achieving greater workforce diversity, creating a Service that attracts and appoints talented people from diverse backgrounds at all levels of the organisation, where **all** staff are treated fairly and with respect in a culture that does not tolerate bullying or harassment.

**When will the policy be reviewed to establish the actual costs and benefits and the achievement of the desired effects?**

Progress will be reviewed annually; an annual report will be published which would include quantitative and qualitative evidence of performance on equality and diversity against a range of measures.

**Ministerial Sign-off For Consultation STAGE Impact Assessments:**

***I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.***

Signed by the responsible Minister:

A handwritten signature in black ink, appearing to read 'Ranjit Dhillon', is written over the text 'Signed by the responsible Minister:'. The signature is fluid and cursive.

**Date:** 31 OCTOBER 2007

Summary: Analysis & Evidence			
Policy Option:		Description:	
<b>COSTS</b>	<b>ANNUAL COSTS</b>		There are no additional quantified costs to Fire and Rescue Authorities that have been identified as a consequence of the good practice contained in the Strategy.
	<b>One-off (Transition)</b>	<b>Yrs</b>	
	£		
	<b>Average Annual Cost (excluding one-off)</b>		
	£		<b>Total Cost (PV)</b>
Other <b>key non-monetised costs</b> by 'main affected groups'			
<b>BENEFITS</b>	<b>ANNUAL BENEFITS</b>		The introduction of the Strategy and the actions it requires in each of the key priority areas are unlikely to adversely impact any groups within the Service or in the community. Actions related to recruitment, retention and progression will have a positive impact, thereby creating a more diverse workforce that better reflects the communities served. Actions related to leadership, retention, effective service delivery, measuring action and accountability will impact on the understanding of all staff of equalities issues, raising awareness levels, reducing negative behaviours in the workplace and negative experiences of Service users. Groups that are currently under-represented in the workforce are likely to experience a positive impact. Improved, more effective engagement with the community will increase their confidence in the Service and they will be more likely to accept the professional support and advice which the Service offers. An effective relationship with the communities will help to prevent fire, reduce the risk of death and injury, and the loss of property. It will also help to prevent arson and attacks on firefighters. Not possible to quantify costs.
	<b>One-off</b>	<b>Yrs</b>	
	£		
	<b>Average Annual Benefit (excluding one-off)</b>		
	£		<b>Total Benefit (PV)</b>
Other <b>key non-monetised benefits</b> by 'main affected groups'			

**Key Assumptions/Sensitivities/Risks**

The development of the Strategy has been shaped by input from the key stakeholders, representative groups within the Service, equalities and HR professionals, and members of the wider community. However, its success in delivering real change will be dependent on the commitment and positive engagement with the issues across all parts of the Service.

Price Base Year	Time Period Years	Net Benefit Range (NPV) £	NET BENEFIT (NPV Best estimate) £		
What is the geographic coverage of the policy/option?		England			
On what date will the policy be implemented?		1 April 2008			
Which organisation(s) will enforce the policy?		CLG			
What is the total annual cost of enforcement for these organisations?		£			
Does enforcement comply with Hampton principles?		Yes/No			
Will implementation go beyond minimum EU requirements?		No			
What is the value of the proposed offsetting measure per year?		N/A			
What is the value of changes in greenhouse gas emissions?		N/A			
Will the proposal have a significant impact on competition?		Yes/No			
Annual cost (£-£) per organisation (excluding one-off)		Micro	Small	Medium	Large
Are any of these organisations exempt?		Yes/No	Yes/No	N/A	N/A
<b>Impact on Admin Burdens Baseline (2005 Prices)</b>		N/A			(Increase – Decrease)
Increase of	N/A	Decrease of	N/A	<b>Net Impact</b>	N/A

## **Evidence Base (for summary sheets)**

### **Proposed Strategy**

In 2006 the Government established an Equality and Diversity Project Board, chaired by the Director of Fire and Resilience in Communities and Local Government and including key stakeholder organisations. The key output for the Project Board has been the development and implementation of a ten year national Equality and Diversity Strategy which is relevant to all sections of the Service, easily understood by those responsible for its delivery and leads to sustained and positive change.

The structure for the draft Strategy sets out the current position, the case for change and priority areas for action:

1. Providing leadership and promoting inclusion
2. Attraction, recruitment, progression and retention
3. Effective service delivery and community engagement
4. Measuring action and sharing success
5. Accountability

These priority areas are informed by evidence from a study undertaken by Communities and Local Government to identify what has worked elsewhere.

The Strategy has been drafted as a high level action plan to emphasise the need for action from all sections of the Service, from individual employees to elected members as well as national bodies. It provides examples of how the Service might achieve a goal and examples of what achievement would look and feel like.

In particular, it focuses on areas where statistics tell us that there appear to be inequalities in outcomes for particular groups. Similarly it highlights areas where action is required to inform understanding and proposals for action to address other areas of potential inequality. Informed by available statistics and evidence from published research we have conducted an impact assessment considering the needs of the people that the Strategy is intended to benefit to determine if there is a likelihood that (a) the proposals will result in detriment for a particular group and (b) will not improve relations between groups. The results indicate that no group is likely to be adversely affected by the introduction of the Strategy and that groups that are currently under represented in the workforce are likely to experience a positive impact.

The actions and goals contained within the Equality and Diversity Strategy are not expected to have a detrimental impact on any recognised 'equality group'.

Actions related to recruitment and progression will have a positive impact on employment outcomes for women and people from Black and Minority Ethnic Communities thereby creating a diverse workforce that reflects the communities the Service serves.

Actions related to leadership, retention, effective service delivery, measuring action and accountability will impact on the understanding of all staff of equalities issues, raising skill levels and reducing negative behaviours in the workplace and negative experience of Service users.

A renewed focus on equality issues and the need to impact assess locally, will help ensure decisions taken for the benefit of one group are not to the detriment of another. We would therefore expect to see positive outcomes for people (whether staff or users) from the following recognised equality groups (recognising always that individuals are identified by more than one 'group')

- Black and Minority Ethnic Communities (including Gypsy/Travellers and Refugees & Asylum Seekers, migrant population and others)
- Women and Men
- Religious/Faith Groups
- Disabled People
- Older People
- Children and Young People
- The Lesbian, Gay, Bisexual and Transgender Community.

The impact of the Strategy will be monitored through these actions and if adverse impact is detected, remedial action will be instructed. No adverse impact however is anticipated.

The impact of Recruitment, Progression and Retention Activity is designed to have a positive impact on Target Groups without adverse impact to any other equality 'group'.

The impact of activity relating to Effective Service Delivery and Community Engagement is not anticipated to have any adverse impact on any equality group.

The impact of activity relating to sharing success and measuring action is not anticipated to have any adverse impact on any equality group.

The impact of actions relating to Accountability are not anticipated to have any adverse impact for any equality group.

### **Workforce Diversity Targets**

The current workforce composition targets require that by 2009 7 per cent of all staff should be from minority ethnic background and 15 per cent of all operational staff should be women (women are well represented elsewhere in the Service). These have proved difficult for the Service to achieve because of:

- Low turnover: favourable pay, terms and conditions encourage operational staff to remain in service for the full 30 years, leading to average firefighter wastage of 6.7 per cent p.a. (as a percentage of total staff)<sup>1</sup>
- Low recruitment: recruitment nationally between 2008-2018 is expected to be around 35,000, and may fall further under pressure from the proposed efficiency target.
- Improved employment protection: the Disability Discrimination Act provides greater job security and age legislation has provided staff with the right to stay on beyond thirty years service.

### **New Workforce Diversity Target Proposals**

We are proposing to refresh the targets as part of the new Strategy. The headlines to focus on are:

- (i) **recruitment figures** – rather than workforce composition, on the basis that performance in this area cannot be blamed on low turnover as at present. In addition this target will encourage improvements in positive action and community engagement.
- (ii) **local targets** – targets for minority ethnic representation based on the representation within the local working population of each Fire and Rescue Authority area.
- (iii) **revitalising the targets on progression and retention** on the basis that:

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<sup>1</sup> Wastage is also low in the police service (6%) though the figure is reduced by rising numbers overall, and the police have achieved a similar rate of progress though from a higher base (3 per cent BME in 1999, 5 per cent in 2006). The Prison Service have higher wastage (9%) but have also progressed at a similar rate (3.2 per cent BME in 1999, 5.7 per cent in 2006).

- progression targets will encourage fairer more transparent application of the assessment and development centre and promotion processes, and
- retention targets will encourage services to look at their employment practices and procedures and their internal culture.

Benefits of revising the targets will ensure there is a focus on considering the needs of women and minority groups in all aspects of service planning and employment. This will have a positive impact on employment outcomes for women and people from Black and Minority Ethnic Communities.

### **Race Equality Impact Assessment**

Even though the Fire and Rescue Service has worked hard to develop an organisation which is fair to everyone, values and supports equality and diversity and demonstrates real commitment to the Fire and Rescue Service Core Values it still has a long way to go:

- *very small numbers of staff are from minority ethnic background (3 per cent compared to a national average of over 12 per cent – among senior staff this falls to 1 per cent).*

The Strategy aims to promote equality throughout all parts of the Service for **all** staff and the public they serve and supports the requirements of Race Equality legislation. It requires Fire and Rescue Services to meet targets on recruitment, progression and retention of minority ethnic staff across the whole workforce and to undertake robust monitoring of the workforce in terms of recruitment, progression and retention, on the basis of age, disability, race, gender, gender identity, religion or belief and sexual orientation.

The Strategy is developed in consultation with representatives of the Fire Brigades Union representative Groups (Black & Ethnic Minority, Women, Lesbian, Gay, Bisexual, Transgender Members), Minority Ethnic Communities and other representative bodies. No adverse impact in relation to Race has been identified at this stage but progress and outcomes will be continually monitored.

### **Disability Equality**

The Strategy aims to promote equality throughout all parts of the service for **all** staff and the public they serve. It requires Fire and Rescue Services to undertake robust monitoring of the workforce in terms of recruitment, progression and retention, on the basis of age, disability, race, gender, gender identity, religion or belief and sexual orientation. No expected adverse impact is anticipated. The consultation phase will ensure people with disabilities are involved.

### **Gender equality**

Even though the Fire and Rescue Service has worked hard to develop an organisation which is fair to everyone, values and supports equality and diversity and demonstrates real commitment to the Fire and Rescue Service Core Values it still has a long way to go:

- very small numbers of operational firefighters are women (2.8%), with less than 1 per cent in senior positions.
- women are much more likely to resign from the Service than men (77 per cent operational women leave before completing 10 years of service – compared to 47 per cent of men)

The Strategy aims to promote equality throughout all parts of the service for **all** staff and the public they serve. It requires Fire and Rescue Services to meet targets on recruitment, progression and retention of women in the operational sector and to undertake robust monitoring of the workforce in terms of recruitment, progression and retention, on the basis of age, disability, race, gender, gender identity, religion or belief and sexual orientation.

The Strategy is developed in consultation with representatives of bodies including the Fire Brigades Union's National Women's Committee, National Lesbian and Gay, Bisexual and Transgender Committee and the National Women's Committee, UNISON and, Networking Women in the Fire Service. No adverse impact in relation to gender has been identified at this stage but progress and outcomes will be continually monitored.

### **Competition Assessment**

There is no adverse impact on business.

### **Small Firms Impact Assessment**

There is no adverse impact on small firms.

### **Legal Aid**

There are no implications for the Legal Aid budget.

### **Sustainable Development**

We do not anticipate any impact on sustainable development.

### **Carbon Assessment**

There is no impact on carbon emissions.

### **Other Environment**

We do not anticipate any other environmental impacts.

### **Health Impact Assessment**

We do not anticipate any adverse impact on health. We would expect to see a reduction in fire related deaths, injuries, risk taking behaviours through effective community engagement. We would expect to see a healthier workforce as a result of decreased stress related illness through reduced incidences of bullying and harassment. Resulting improvements for health and well being of staff and reduction in fire related deaths and arson in the community.

### **Human Rights**

We do not anticipate any adverse impact, information required for monitoring will be requested, collected and stored in line with Data Protection Requirements and identifiable information will not be shared or be accessible in a way which would impact on an individuals human rights.

### **Rural Proofing**

We do not anticipate any impact.