

# Regional Fire Control Centre / Firelink

## Report of the Chief Fire Officer and Treasurer

For further information about this report please contact Alan Taylor, Chief Fire Officer, on 01743 260210 or Keith Dixon, Treasurer, on 01743 260202.

### 1 Purpose of Report

The report is intended to update Members of the Committee on the financial outlook for the Fire Authority of these national schemes. This will inform the Medium Term Financial Plan and the three-year budgeting process for 2008/09 to 2010/11.

### 2 Recommendations

The Committee is asked to note the current position, and agree the issues that the Fire Authority will need to address as part of its financial planning.

### 3 Background

There have been significant steps by Government in establishing the mechanisms for running Regional Control Centres, building the infrastructure, and letting key contracts for it and for Firelink.

Although the net financial impact and the service consequences for this Authority have not yet been established, this report brings together the information currently available.

### 4 Timetable

The latest information is as follows:

#### Regional Control Centres

- Transitional period  
During this time Communities and Local Government (CLG) will fund the costs of the Regional Control Centre (RCC) Company, meeting



reasonable redundancy and retraining costs and seeking to ensure that the impact of transition on Fire and Rescue Authorities (FRAs) will not increase net costs

- **Go-live onwards**  
Authorities will meet all the costs distributed between authorities in each region as that region determines. The CLG is understood to be financing any net additional funding in the first part financial year, i.e. after go-live. The go-live period will start when control-room functions have been transferred to the RCC and the RCC is providing the Authority with mobilising services. This is currently expected to be May 2010.

### **Firelink**

- There is a roll-out programme that will see authorities transferring to the new Firelink Contract. In the West Midlands, this is between July 2007 and July 2010, with this Authority scheduled for the first half of 2008.
- This Authority has an existing contract for Airwave (the same basic system as Firelink), which expires in September 2008. Airwave, as operated by ourselves, has greater functionality than the basic Firelink system to be provided by CLG.
- Authorities will each use Firelink on an interoperable basis until the RCCs go live.
- Details of how costs will be met are not clear but, if the same principles are applied as to RCCs, then:
  - CLG should pick up any extra costs between installing Firelink and the go-live date;
  - CLG should pick up any extra costs in the first part financial year after go-live.

## **5 Transitional Costs**

The CLG is currently paying for a Change Manager, and giving £129,000 in 2007/08 for the costs of delivering the necessary changes to move to a Regional Control Centre. Officers are currently examining whether the work necessary can be contained within the money available, although this will be difficult for future years, as further funds for 2008/09 and 2009/10 are not secure or guaranteed as yet.

There is greater concern over the transitional costs of Firelink, as the CLG has argued that authorities' existing systems would have had to change, therefore New Burdens principles do not apply. This Authority would, however, appear to be in a relatively strong position, operationally and financially, given that it already uses the Firelink system through its contract for Airwave.



## 6 Costs of the New Systems

The longer-term concern is what the Fire Authority will pay for the new systems once the RCC has gone live. This will depend on total annual costs and on the method used to share these costs.

### Regional Control Centre

#### Total Annual Cost

The cost is apportioned by CLG to each region with the figure for the West Midlands being put at £6.8 million, although latest local estimates put it at £7.4 million.

#### Cost-Sharing Basis

The Region must decide on how to share the costs. Latest proposals include population, tax base, call volumes, incident response, property numbers, or a straight five-way share.

Whatever method is chosen must be equitable, certain but flexible, encourage efficiency and effectiveness, sustainable, transparent and understandable. Clearly compromises between these objectives will need to be made. It is also clear that the financial impact on this Authority could be significant (about £150,000 between the least and most financially favourable).

Currently work is taking place in the region to set out the options for the fire authorities to decide and Warwick University has been asked to provide an independent view as to the most appropriate and fair method. Of significance will be the ability to determine which costs can be varied and which are fixed. Clearly any cost-sharing system should encourage efficiencies in areas where savings are possible.

### Firelink

#### Total Annual Cost

There is no clear total cost. Certain elements will be variable and others fixed. There is also the question as to what the additional costs will be for this Authority, in order to maintain its current level of service, which is higher than that in the standard national contract. We will also need to decide whether, and when, to decommission our analogue stand-by system.

#### Cost-Sharing Basis

It is assumed that the CLG will bill the various RCCs for their share of costs, and that these costs will then be billed to the various authorities on a basis that meets the criteria set out in the previous section on cost sharing above.

The current assumption can only be that costs are comparable to our current payments for Airwave.



## 7 Costs of Current Systems

If it is assumed that the costs of Firelink are broadly comparable with Airwave, then the other area where significant change is possible would be on the costs of Control services. Currently costs are about £665,000, including £590,000 of staff costs. It is not necessarily the case that all costs would be transferable when the function went live regionally, as some staff-time and other costs might be needed to maintain current services.

## 8 Summary

The table below sets out the current position as outlined above. The actual figures are not important in themselves, but demonstrate how difficult it is currently to determine a clear financial position.

	2007/08 £ 000	2008/09 £ 000	2009/10 £ 000	2010/11 £ 000	2011/12 £ 000
1 Transitional Costs					
Fire Control					
Firelink					
New Burdens grant	185	-	-	-	-
Net cost	-	-	-	-	-
2 Fire Control cost (from May 2010) (based on mid range of cost sharing)				582	635
3 Comparable current costs of existing Control				610*	665 -
4 Net cost of RCC				28 -	30 -
5 CLG support of increased cost of RCC				0	-
6 Firelink cost (from July 2006)		216	288	288	288
7 Current cost of Airwave		216** -	288 -	288 -	288 -
8 Net cost of Firelink		0	0	0	0
9 CLG support of increased costs of Firelink		0	0	0	-
10 Net Cost / (Saving) of RCC and Firelink	-	-	-	(28) -	(30) -

\* 11 months of current costs

\*\* 9 months of current costs



## **9 Issues to be Addressed**

The outstanding issues can be summarised as:

### **RCC and Firelink**

Confirm transitional costs and New Burdens funding.

### **RCC**

- Agree the costs (with CLG) and cost sharing (with RMB) for RCC.
- Consider the residual budgets required for duties currently carried out by our Control and for current stand-by systems.

### **Firelink**

- Confirm date of change-over.
- Resolve transitional contractual matters for Airwave in order to have a smooth transition.
- Resolve levels of service required from Firelink.
- Resolve basis of cost sharing.

### **Generally**

Incorporate these uncertainties into the Medium Term Financial Plan and budget strategy.

## **10 Financial Implications**

There are no direct financial implications other than those outlined in the report.

## **11 Legal Comment**

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

## **12 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.

## **13 Appendices**

There are no appendices attached to this report.



## 14 Background Papers

There are no background papers associated with this report.

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	*

