

Report to	Executive Panel
Date	11/02/2019
Lead Officer	Shân Morris, Assistant Chief Officer (Corporate Policy and Planning)
Contact Officer	Pippa Hardwick, Corporate Planning Manager
Subject	Response to the replies received to the Authority's public consultation 2018



PURPOSE OF REPORT

- 1 To present for approval a draft response to the written replies submitted to North Wales Fire and Rescue Authority (the Authority) during its 2018 public consultation.

EXECUTIVE SUMMARY

- 2 In December 2018 Members received information about the response to its public consultation 2018 regarding the prospect of increasing the Authority's revenue budget by an estimated £1.9 million in 2019/20.
- 3 Having taken the response into account alongside other information the Authority decided to increase its revenue budget by £1.7 million and to continue to pursue its two existing Improvement and Well-being Objectives in 2019/20.
- 4 This report presents a draft response from the Authority to the key points that were made in the written responses received during the consultation from individuals and organisations.
- 5 Publishing an adequate feedback that: states how many responses were received from consultees; explains those responses and describes how they informed decision-making is considered to be good practice.

RECOMMENDATION

- 6 That Members approve the publication of the draft response from the Authority to the comments received during the public consultation 2018.

BACKGROUND

- 7 The Authority is required to publish improvement and well-being objectives and to have involved the public and other stakeholders in the process of developing those objectives.

- 8 As part of its planning process, the Authority is expected to conduct a public consultation on the objectives that it is considering, and to take the response into consideration when finalising its plans.
- 9 At its meeting in December 2018 the Authority considered the response that it had received to its 2018 public consultation and decided to maintain its current improvement and well-being objectives in 2019/20.
- 10 Most of the responses received answered the three survey questions without further comment. An analysis of those responses was provided for Members at the December 2018 meeting together with a brief summary of the key points made in the written responses.
- 11 The majority of those who responded using the on-line questionnaire preferred to see an increase in the Authority's budget than a reduction in fire and rescue services, and accepted that this might be reflected in council tax bills.
- 12 A significant proportion of respondents, although supporting an increase of an estimated £1.9 million in the Authority's revenue budget in 2019/20, also wanted to see the Authority reducing its running costs but without reducing the availability or quality of front line services.

INFORMATION

- 13 Draft feedback to the consultation response is provided at appendix A.

IMPLICATIONS

Wellbeing Objectives	Budget-setting is associated with the Authority's Well-being Objectives. There is an expectation that the Authority will involve the public and other stakeholders in the process of developing and pursuing those objectives.
Budget	The consultation was directly related to the revenue budget. The response confirmed public support for increasing the budget in 2019/20.
Legal	None identified.
Staffing	None identified.
Equalities/Human Rights/Welsh Language	The response to appear on the Authority's website in Welsh and English.
Risks	Providing an appropriate level of feedback following public consultations is considered good practice that promotes transparency and so reduces any risk of legal challenge.

DRAFT RESPONSE FROM THE AUTHORITY

North Wales Fire and Rescue Authority's annual public consultation ran from 14th September 2018 until 2nd November 2018.

We are grateful to those who responded and for the support that we received for increasing our annual revenue budget in 2019/20. Having considered the responses in detail we think it important to reassure the public - and especially the county councils in North Wales - that we do recognise the financial challenges and difficult decisions being faced by county councils across the region and that we have noted the comments about continuing to look for ways to make efficiencies.

As explained in our consultation document, setting a balanced budget has been an unusually difficult process for the Authority this year. Not only is it facing some unavoidable cost increases in 2019/20, but it is also having to make up ground after three consecutive years of keeping the contributions from the county councils artificially low by taking money from its own financial reserves instead.

Whilst using reserves in this way worked well as a short term alternative to increasing the contributions, the true cost of providing services has continued to increase gradually in the meantime and the Authority is understandably reluctant to risk spending its limited financial reserves, leaving nothing to fall back on.

At the start of the consultation the Authority was not minded to pursue large scale savings because it considered that the level of risk would be too high at this time. It had not ruled out making some savings but for several reasons it was reluctant to make savings on a scale that could only have been achieved through, for example, closing fire stations or making firefighters redundant.

The response to the consultation was overwhelmingly supportive of this view and was helpful when the Authority took the difficult decision to increase the annual contributions from the county councils by £1.7 million in 2019/20.

The response we received included a number of suggestions for ways of reducing the cost of providing fire and rescue services in North Wales. We are grateful for these suggestions and consider them individually below.

We received 193 responses to our on-line consultation questionnaire and eleven written responses that did not necessarily answer the three questions in the questionnaire. Not every respondent answered every question.

For Question 1:

- 61% of the respondents thought it reasonable to ask the county councils to pay the additional £1.9 million and would prefer for that amount to be collected from the county councils than see local fire and rescue services being reduced.

24% of respondents agreed that it was reasonable to ask county councils for the additional funding but thought that the Authority should also try to reduce its running costs.

15% did not think that the county councils should pay anything close to an additional £1.9 million even if that meant losing some fire and rescue services in the area.

For Question 2:

- 45% of the respondents thought that adding £6 or £7 to the average Band D council tax bill next year would represent excellent value and would be worth paying.

32% of respondents considered an additional £6 or £7 to be acceptable, but no more.

9% of respondents considered an additional £6 or £7 to be slightly too much to ask for.

14% of respondents considered an additional £6 or £7 to be far too much to ask for.

For Question 3:

- 24% of respondents did not think the Authority should be expected to reduce its running costs.

61% of respondents thought that the Authority should try to reduce its costs, but only to the extent that it would not reduce the availability or quality of front line services.

13% thought that the Authority should try to reduce its costs and accept that some front line services might have to be scaled back a little.

3% thought that fire and rescue services should cost as little as possible, even if that meant closing fire stations and making firefighters redundant.

The eleven written replies that we received were submitted by: members of the public, county councils, a town council and the Fire Brigades Union (FBU).

- One respondent praised the dedication of retained firefighters in their area; one said they would be happy to spend an additional £6 or £7 on their council tax to maintain the level of fire cover; one suggested broadening the role of the fire and rescue service; one suggested some income generation/cost saving measures adopted by county councils that the FRA might wish to consider; and one emphasised the reassurance that a continuously available fire and rescue service provided.
- The Fire Brigades Union supported an increase in contributions and although it recognised that the Authority should try to reduce its costs, it thought that this should stop short of reducing the availability or quality of front-line services.
- Of the responses from the county councils, one emphasised the need for the Authority to seek ways of reducing its costs; and another - whilst appreciating the service provided by the Authority and accepting the proposal to increase contributions - referred to the extremely challenging financial environment and to a past decision by the Authority not to pursue a course of action that could have made significant savings. This council was disappointed at what it perceived to be a lack of proposals to make savings, and asked that the Authority look again at the balance between making savings and increasing the level of contributions from county councils.
- Another county council wanted the Authority to keep seeking efficiencies but did not want fire cover or other responsive services to be reduced to an unsafe level, or essential preventative services to be compromised, and referred to the shared interest - as partners - in public safety.
- One council was happy to confirm that the increase in contribution had been incorporated into its budget planning without any adverse comments from its Members.
- One council empathised with the Authority's position and commented that it entrusts the Authority to use judgement in balancing budget efficiency and service continuity and quality, and to reach its own informed decision.

Suggestions for making savings related to:

- **Becoming 'first responders':**

The Authority has for many years entered into partnership arrangements where it makes sense to do so. This has included trialling a Community Assistance Team (CAT) approach where specially trained members of our staff would respond instead of the Ambulance Service to (generally older) people who had suffered a fall at home, and although not injured, needed assistance to get up.

As reported in our annual assessment of performance in 2017/18 (published October 2018):

"The benefits of collaborative working with other emergency and public services are obvious, both in monetary savings and in respect of delivering improved services to our communities. The CAT initiative was supported by Welsh Government in conjunction with the three emergency services, Denbighshire County Council, Conwy County Borough Council, Betsi Cadwaladr University Health Board and Galw Gofal / Care Connect, and North Wales Regional Call Monitoring Service."

Also, between December 2015 and September 2017, North Wales Fire and Rescue Service took part in a national pilot of co-responding that saw fire and rescue staff responding with ambulance staff to medical emergencies that were immediately life-threatening (e.g. heart attacks). The pilot followed similar schemes launched by a total of 43 participating Fire and Rescue Services across the UK.

Co-Responding remains a matter of discussion at a national level as part of firefighters' pay negotiations which the Authority would not wish to pre-empt.

- **Generating income:**

It is important to distinguish between *charging* (to recover the costs of providing discretionary services) and *trading* (for a commercial purpose to generate a profit). Clearly, cost recovery does not, and cannot, generate additional income. As regards generating a profit through trading this would require a complex legal process of setting up and running a separate trading company – a distinct legal entity with its own board of directors. In deciding whether doing so would be worth the cost and effort, a primary consideration would include the anticipated size of the market and the expected returns in relation to the costs that would be incurred.

- **Sharing administrative functions with other public service organisations (e.g. audit, payroll, procurement or HR)/ outsourcing services:**

Several of the Authority's support functions are already undertaken under arrangements with partner organisations where they offer better value and/or a better service than we could provide ourselves. For example, our buildings are managed through a contract with North Wales Police; financial, payroll and internal audit services are undertaken through contracts with Conwy County Borough Council. These sorts of arrangements can often tap into the skills and capacity that larger organisations have within their departments. However, although outsourcing can be a useful alternative, it should not be assumed that it will always cost less than running the function in-house. Where, for example, the function can be adequately provided by just one or two members of staff, the potential to make savings by outsourcing that function is likely to be very limited or non-existent. So although the possibility of outsourcing is routinely considered, potential savings are rarely on a very large scale.

- **Re-financing debts:**

The Authority does take care to consider the revenue impact of its capital borrowing. For example, in December 2017, it amended its Minimum Revenue Provision policy relating to unsupported borrowing on land and buildings. By spreading the cost over a longer period it was possible to make annual savings to the revenue budget of about £366,000.

As a Fire and Rescue Authority we recognise that we have a duty to ensure that we can provide the level and quality of fire and rescue services that the public expects and that we do not introduce an unacceptable level of risk in the area. However, at a time when all public services are facing difficult financial decisions we also recognise that we have a duty to ensure that we remain as efficient as possible.

We can therefore confirm that the Authority's revenue budget 2019/20 has been set slightly lower than our initial estimate. We have no plans to reduce fire and rescue services at this time, but we will be continuing to seek to make efficiencies.