

Sandwell Metropolitan Borough Council

8 March 2016

West Midlands Fire and Rescue Authority

Report by Councillor John Edwards, Chair of the Authority
Councillor Chris Tranter, Chair of Scrutiny Committee

1.1 Financial Update- 2016/17 to 2019/20 Key points

On 9th February 2016, the Secretary of State at the Department for Communities and Local Government (DCLG) announced the final settlement for 2016/17 at £58.665m, resulting in a core funding reduction of £3.278m for West Midlands Fire and Rescue Authority.

The four year settlement offer (provisional for 2017/18 – 2019/20) would result in the following core funding reductions:

2016/17 - £3.278m
2017/18 - £3.985m
2018/19 - £1.691m
2019/20- £0.690m

Total core funding reduction therefore is expected to be £9.644 million (15.6%) over the remaining life of the current Parliament.

This is in addition to the reductions already made from 2011/12 to 2015/16 of £28 million (35%) **taking our total cut in core government funding to circa 50% in this 9-year period.**

1.2 Savings to meet the funding gap 2016/17 – 2019/20 (£9.644m)

(a) Operational staffing (£4 million)

The most effective way to ensure delivery of the budget savings is to suspend recruitment again, which we have already done. This will mean a reduction in the organisations operational strength, primarily as firefighters leave the organisation through retirement.

The reducing staff numbers will produce budget savings but in order to continue to maintain and deliver the current Service Delivery Model the service will require increased flexible staffing arrangements.

It is anticipated that there will be a further reduction in the overall operational staffing establishment of 154 firefighter posts with the introduction of voluntary additional shifts at plain rate to supplement the organisations operational service delivery model.

It is worth noting that the service has already lost 275 firefighter posts during 2011- 2015/16 as a result of budget cuts.

(b) Commissioning (£2 million)

The key areas identified for income generation through flexible funding include:

- Commissioning through supporting the health sector and reducing risk to vulnerable people and through other public bodies such as local authorities etc.
- Income generation through social value opportunities
- Sponsorship

(c) Internal restructures (£1 million)

The fire and rescue service has already made considerable savings over the last five-year period following a number of internal restructures, predominantly across the Support Service functions. This approach will continue over the next four financial years with specific functional reviews scheduled for People Support Services, Administration and Fire Control. The intention moving forward is to consider once more the arrangements and structures for all Service Support functions combined with a further management review across the Service as a whole.

(d) General budget reductions (£1 million)

As part of the Authority's budget process there is an annual exercise which requires budget holders to review and update their budget requirements for future years. It is anticipated that there will be reductions across a range of budgets as part of this exercise.

Also as part of the Authority's overall budget setting exercise, a number of assumptions and estimates were considered. For example, an estimate is made to allow for increases in general inflation against the Authority's overall budget. This and other similar issues will now be reviewed to determine whether budget holders should be required to operate within a nil inflation budget.

(e) Council Tax (£2 million)

Variations to income from Council Tax, within assumed government limitations, will generate additional income of £2m over the period 2016/17 to 2019/20.

West Midlands Fire and Rescue Authority continues to set the lowest precept figure of all fire and rescue services in England. In 2016/17 a band-D property will pay only £56.03 a year or £1.08 a week. The increase we have applied for 2016/17 is less than 2p a week.

2. General points

WMFRA continues to provide protection, prevention and deliver a response services to fires and other incidents that is amongst the best in the country. Our service delivery model provided by whole-time firefighters working out of 38 community fire stations enables us to perform against a risk based target response time of 5-minutes to incidents that threaten life or property.

Our actual average time to reach such incidents is currently running at 4 minutes 42 seconds which we believe to be the best in the country.

Our determination over a sustained period of government cuts in funding is to maintain this excellence.

Firefighters spend around 40% of their time on duty delivering prevention activities. This has made a major contribution to driving down house fires by 40% in the last ten-years.

The newly agreed 'Safe and Well' home checks take prevention much further by gathering an extensive amount of information from residents about home safety, health and well-being, lifestyles, fuel poverty, winter warmth, employment and other issues affecting quality of life.

We are now actively engaged in discussions with all of our Council partners about how this work can be delivered in much greater collaboration to produce a wide range of improved health and well-being outcomes for residents across the West Midlands.

Our flexibility as a service, the skills of our firefighters and our integrated approach to prevention, protection and response make it possible for us to engage in these wider prevention activities with our partners.

It is for this reason, and the contribution the service makes to the local economy (see below) that WMFRA has an ambition to align to the West Midlands Combined Authority (WMCA).

3. Performance

Performance figures for the current year to January are attached.
313 people have been rescued and led to safety from fires and 280 have been extricated from road traffic collisions.

In 2013/14 the cost of dwelling fires, industrial and commercial fires and road traffic collisions in the West Midlands stood at **£198,651,600**. Without our response and assertive interventions these costs would spiral even more with devastating impacts upon our communities. Working with our partners in the WMCA would present an opportunity to explore how we could jointly reduce these significant costs.

The impact of our response times is not just related to deaths and injuries but also to the impact it has on our transport network and critical national infrastructure. As previously mentioned, we aim for the highest standards of emergency response with a targeted response time of 5 minutes to high risk incidents, where life or property is endangered. This keeps business in business, reduces vulnerability and enables economic stability and growth, demonstrating our alignment to the key priorities of the WMCA.

**Councillor John Edwards
Chair WMFRA**

**Councillor Chris Tranter
Chair Scrutiny WMFRA**

1st March 2016