



Committee report

Committee	EXTRA-ORDINARY EXECUTIVE
Date	21 FEBRUARY 2017
Title	IMPLICATIONS OF THE POLICING AND CRIME ACT 2017
Report of	LEADER AND EXECUTIVE MEMBER FOR STRATEGIC AND COMMUNITY PARTNERSHIP AND PUBLIC PROTECTION

EXECUTIVE SUMMARY

1. This report seeks a decision from the Executive to ensure the Council complies with legislation within the Policing and Crime Act 2017. It provides the Executive with an update on the Policing and Crime Act 2017 and explains what is required as a result of the inclusion of Fire and Rescue Services within the legislation.
2. This report also seeks a mandate for the Chief Fire Officer to develop a business case for Full Council consideration that examines future governance arrangements for the Fire and Rescue Service in the context of the Policing and Crime Act 2017. One approach would be to consider enabling Isle of Wight Fire Authority to join the existing Combined Fire Authority (CFA) arrangements for Hampshire, Portsmouth and Southampton.

POLICING AND CRIME ACT 2017 BACKGROUND

3. On 5 January 2016, the Prime Minister confirmed that ministerial responsibility for fire and rescue policy had transferred to the Home Office from the Department for Communities and Local Government (DCLG). The aim of the move was to support a radical transformation of how the police and fire and rescue services work together.
4. The Home Office stated that they are committed to supporting collaborative and innovative blue light working and has invested over £80million in collaborative projects since 2013. They acknowledge that whilst there are already a number of good examples of joint working across the emergency services locally, levels of collaboration are not as widespread as they could be. The Government's manifesto commitment was that it will "enable fire and police services to work more closely together and develop the role of the elected and accountable Police and Crime Commissioners".
5. The Policing and Crime Act (the Act) received Royal Assent on 31 January 2017 and comes into effect from 1 April 2017. The Act establishes 'legislation to enhance the

democratic accountability of police forces and fire and rescue services, improve the efficiency and effectiveness of the emergency services through collaboration and build public confidence in policing'.

6. There are 3 main provisions within the Policing and Crime Act 2017 which affect Fire and Rescue Services:
 - A new duty to collaborate on Police, Fire and Emergency Ambulance Services.
 - The enabling of Police and Crime Commissioners (PCC's) to be represented on their local Fire and Rescue Authority (FRA) with voting rights, where the FRA agrees.
 - The enabling of PCC's to take responsibility for the governance of fire and rescue services where a local case is made.
7. Part 1 of the Act specifically relates to fire and rescue services and makes several additions to the Fire Services Act 2004 which provide powers to start the transfer of Fire and Rescue governance to a PCC and to ensure collaboration goes further and faster. Now that the Act has received Royal Assent, PCC's are able to start submitting business cases to the Secretary of State for a change in governance, they do not have to wait until 1 April 2017 to do this.
8. The fire reform agenda introduced to the fire sector by the then Home Secretary on 24 May 2016 set out the Home Office's expectations for further collaboration between emergency services under three pillars of reform. These are: accountability and transparency, efficiency and collaboration and workforce reform. The current national political climate of the fire reform agenda is seen as an important driver for exploring further collaboration of the two services.

WHAT THIS MEANS FOR THE ISLE OF WIGHT COUNCIL

9. Emergency Services collaboration is at the heart of the Fire Reform Agenda. The Policing and Crime Act 2017 legislates that emergency services are to collaborate where they can demonstrate that there will be an improvement in efficiency and effectiveness.
10. When the Act becomes enforceable legislation, the Isle of Wight Council will have a statutory duty to ensure it is working collaboratively with other emergency services partners. One way to achieve immediate, further collaboration is to include the Police and Crime Commissioner (PCC) as a voting member on the Executive for fire related business.
11. The inclusion of the PCC would demonstrate that the Council is proactively embracing collaboration, seeking the best outcomes possible for the public and pursuing value for money. It would also ensure good governance and suitable scrutiny and provide specialist expertise across the two blue light services.
12. The Local Authorities of Hampshire County Council, Portsmouth City Council and Southampton City Council that form the Combined Hampshire Fire and Rescue Authority (HFRA) have recently undertaken a Governance Review of HFRA to improve

its efficiency and effectiveness. This included inviting the PCC to have a voting seat on the Fire and Rescue Authority.

HAMPSHIRE AND ISLE OF WIGHT STRATEGIC PARTNERSHIP BACKGROUND

13. The Strategic Partnership between Hampshire Fire and Rescue Authority (HFRA) and the Isle of Wight Council (IWC) to facilitate the operational alignment of the two Services, was agreed by each Authority in April 2015. It has been successfully operating for nearly two years and in that time has delivered benefits to both authorities, our staff and the communities we serve. It has been successful in achieving financial efficiencies and operating benefits for both partners. In addition to financial savings, both services have benefitted from this collaboration in other ways, including mutual learning and cross fertilisation of ideas.
14. This locally led innovation was developed and instigated by the then Chief Fire Officer of the Isle of Wight Fire and Rescue Service (IWFRS) in recognition that the service could not continue to sustain its improvement and efficiency journey without a fundamental change in the way it was led and supported.
15. The partnership has reduced the cost of the IWFRS and provided cost recovery for HFRA. It has also had the effect of bringing the services closer together and increasingly they are becoming aligned in the way they deliver services.
16. Although savings have been created for the Council and costs recovered for HFRA, financial pressures continue. It is important that the leadership of the fire and rescue services continue to develop and identify opportunities for further service improvements and efficiencies that would benefit the residents of both the Isle of Wight and Hampshire and in the context of the act.
17. Ongoing financial pressures, together with the national desire for more efficient governance models, means that further review and building upon the success of the current strategic partnership is timely. The operational aspects of the two services are aligning and the organisational benefits are beginning to be realised. The area that is now able to be considered is the optimal governance arrangement for the two authorities.
18. It is considered that the most appropriate method to investigate the opportunities for service improvements in the context of the Policing and Crime Act 2017 would be to develop a business case which examines the potential for the expansion of the Combined Fire Authority to include the Isle of Wight Council.
19. Such an approach will require the agreement of both authorities to the recommendations within this report; a business case would then be developed and presented for consideration to both fire and rescue authorities.
20. The scope of the business case would include looking at options for change in governance arrangements including the potential benefits and risks of these options and any financial and resource implications.

21. It should be noted however, that the Secretary of State will ultimately need to agree to any proposed changes to the governance of either the HFRA or the IWFRS before they could be completed.

PRINCIPLES FOR THE DEVELOPMENT OF A BUSINESS CASE

22. It is suggested that the following principles are established to guide the development of the business case and provide the outcomes to be achieved:
- Consideration of the requirements of the fire reform agenda (explained in paragraph 8).
 - To maximise efficiencies in order to protect front line services.
 - The creation of further financial efficiencies.
 - Strengthening of existing relationships and improve the effectiveness of front line services.
 - To examine options for securing funding for the services.
 - Consideration of the requirements of Policing and Crime Act 2017.

AREAS FOR EXPLORATION DURING THE DEVELOPMENT OF A BUSINESS CASE

23. Both fire authorities have a strong track record of collaboration with blue light partners. This has helped us provide high quality services to make life safer for our communities in Hampshire and on the Isle of Wight. Any business case considering governance arrangements for the HFRA and IWFRS would examine the benefits of blue light services covering the same geographic area which could help to further drive service improvements.
24. A business case would explore various governance options and identify whether opportunities for shared expertise, innovation and knowledge would allow for improvements in overall effectiveness and use of resources to help make our communities safer, whilst providing efficiencies. A business case will consider and fully explore the identities of both services and the uniqueness of the challenges faced by this Council, as an Island Authority.
25. A business case would also examine the financial implications of various governance options and potential savings, including exploring an expanded Combined Fire Authority (CFA) and its opportunities to provide financial benefits additional to those already demonstrated through the strategic partnership.
26. A key consideration would be the role of the PCC and their involvement in the governance arrangements of the services covering Hampshire and the Isle of Wight. A business case would include a review of the legal requirements in this regard, paying particular attention to the duties contained within the Policing and Crime Act 2017.
27. In recent months, health organisations and local authorities across Hampshire and the Isle of Wight have been working together to create a Sustainability and Transformation Plan (STP). There are common underlying risk factors which increase demands on both fire and health services. The business case will also explore how sharing the same geographic area as the STP area may enable more effective use of our collective fire and rescue capabilities and resources.

28. The executive will receive a proposal in March 2017 to carry out a service review of the IWFRS. The full scope for the review is yet to be agreed; but the business case would need to take full account of the potential outcomes of the service review and the role it could play in assisting and facilitating the proposed outcomes.

STRATEGIC CONTEXT

29. One of the Council's key priorities set out in its corporate plan (2015-17) is

Supporting growth in the economy, making the island a better place and keeping it safe

One of the areas the Council has agreed to focus its delivery on within this priority is in ensuring that there is:

an effective, resilient and safe fire and rescue service for the Island.

30. The development of the business case proposed in this paper is therefore consistent with the Council's corporate plan aspirations and any final outcomes of the business case will need to give due consideration to these aspirations in order to properly inform any final decisions to be taken.

TIMELINE FOR DEVELOPMENT OF BUSINESS CASE

31. If agreement is reached by both Authorities to commission a business case, it is expected that a report will be brought back to the Council and HFRA in late 2017.

CONSULTATION

32. There is no statutory duty to consult on the contents of this report or its recommendation. A full statutory 12 week consultation on the development of the business case would be carried out if the executive agree to the recommendations within this report.

FINANCIAL / BUDGET IMPLICATIONS

33. Following agreement to create a business case, a team made up of both Hampshire and Isle of Wight personnel will be established to work together. The aim is for financial resources for this team to initially be established through existing budgets. The team would include colleagues from legal, human resources, organisational change and finance.
34. The development of the business case would be highlighted to the Home Office and discussions would be progressed to determine whether any additional financial support can be provided for any transition/implementation costs to implement the outcomes of the business case once agreed.
35. A business case would evaluate the benefits, savings, costs, legal and human resource implications.

LEGAL IMPLICATIONS

36. Section 2 of the Policing and Crime Act 2017 places a duty on a relevant emergency services in England, which therefore applies to the Isle of Wight Council as fire authority, to keep under consideration whether entering into a collaboration agreement with one or more other relevant emergency services in England could be in the interests of the efficiency or effectiveness of that service and those other services. A collaboration agreement is an agreement in writing that sets out how the parties to the agreement will work together in discharging their functions.
37. Whilst this duty is not yet in force, it is appropriate for fire authorities to have regard to the duty that will become a requirement. Provision already exists in the Fire and Rescue Act 2004 (s.16) for arrangements to be put in place for the discharge of the functions of one fire and rescue authority by others and under that provision the existing partnership was put in place.

EQUALITY AND DIVERSITY

38. An Equality Impact Assessment is not required at this stage due to permission being sought to conduct a business case. The creation of a business case will include a full equality impact assessment.

PROPERTY IMPLICATIONS

39. Property implications will be examined as part of the business case.

RISK MANAGEMENT

40. There is a risk that if the Council does not agree to explore a business case it could be argued that it is not properly considering its duty to collaborate as provided for in the Policing and Crime Act 2017.
41. The Act also gives the PCC the opportunity to develop their own business case for taking over responsibility for the governance of the Isle of Wight Fire and Rescue Service, from the Isle of Wight Council. There is therefore some merit in the Council working collaboratively with all partners on the widest business case and ensure the needs of the Island are properly secured in any governance model being developed and considered.
42. A full risk analysis will be carried out as part of the business case.

OPTIONS

43. There are three options which the executive are asked to consider. The options are explained below and the risks associated with each are highlighted.
44. Option one: Maintain the current status quo of the Isle of Wight Fire and Rescue Authority (IWFRA).

If this option was chosen it could be argued that the Council would not be meeting the duty to engage within the Policing and Crime Act 2017. The legislation places a duty on police, fire and rescue, and emergency ambulance services to collaborate where it is in the interests of their efficiency or effectiveness and allows for an invite to be extended to the PCC to have a voting seat on the IWFRA. If the Council does nothing it may be seen as a demonstration of not responding to the spirit of the enabling Act and the new duty to engage.

45. Option two: to recommend to Full Council that the PCC has a seat on the IWFRA with full voting rights in matters relating to the fire service.

This option would mean that the Council would be positively responding to the Policing and Crime Act 2017 and signify commitment to working with the PCC.

If this option were chosen there would need to be a recommendation to Full Council as it would require a change to the constitution. The precise wording changes would be undertaken by the Monitoring Officer within their delegated powers.

46. Option three: That the Chief Fire Officer develops a business case considering the potential (including costs and benefits) for the extension of the existing Hampshire, Southampton and Portsmouth Combined Fire Authority to include the Isle of Wight, on the basis of the principles set out in paragraph 22. The outcomes of the business case be presented for Full Council's consideration in late 2017

This option would mean that the Council would be positively responding to the Policing and Crime Act 2017 and it would signify their commitment to working with the PCC. It would also demonstrate that the IWFRA acknowledge the benefits of the strategic partnership and are seeking to explore further collaboration.

Choosing this option, which includes engaging to explore a business case to extend the Hampshire, Southampton and Portsmouth Combined Fire Authority to the Isle of Wight, would also show that the Isle of Wight Council are committed to exploring other options of governance to ensure the service is being led in the most effective and efficient way.

RECOMMENDATION

47. That options two and three be agreed as follows:
2. To recommend to the Full Council that the PCC to have a seat on the IWFRFA with full voting rights in matters relating to the fire service.
 3. That the Chief Fire Officer develops a business case considering the potential (including costs and benefits) for the extension of the existing Hampshire, Southampton and Portsmouth Combined Fire Authority to include the Isle of Wight, on the basis of the principles set out in paragraph 22. The outcomes of the business case be presented for Full Council's consideration in late 2017

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