

GREATER MANCHESTER FIRE & RESCUE AUTHORITY

REPORT TO: MANCHESTER CITY COUNCIL RESOURCES AND GOVERNANCE OVERVIEW AND SCRUTINY COMMITTEE

SUBJECT: USE OF RESOURCES UNDER COMPREHENSIVE AREA ASSESSMENT

REPORT OF THE COUNTY FIRE OFFICER AND CHIEF EXECUTIVE

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SUMMARY

Under the new Comprehensive Area Assessment, Greater Manchester Fire and Rescue Authority was judged by the Audit Commission as 'performing well', 'operationally effective', 'influential nationally' and 'innovative in its approach to modernising.' Under the Use of Resources assessment Greater Manchester Fire and Rescue Authority was judged to be 'performing well.'

Background

1. Historically, under the Comprehensive Performance Assessment, the Audit Commission has judged that the Authority's use of resources judgement is performing strongly with an overall score of 4 out of 4, and well above minimum requirements. Areas of best practice noted by the Audit Commission included the integrated and embedded risk management practices, financial reporting, the approach to partnership working and the financial standing of the Authority.
2. The move to the Comprehensive Area Assessment represents a harder test for Authorities and requires Authorities to demonstrate the impact of policies and service delivery on local people.

Strategic Approach to Inspection

The Authority has adopted a number of guiding principles to inspection –

- Full senior member engagement in the inspection processes with regular updates to the Authority

- Seek to ensure inspection processes are fit for purpose – this has been achieved by volunteering to be a “pilot” authority to test out new inspection processes for the Audit Commission
- Use external inspections to drive organisational improvement
- Open and honest approach – self aware
- Sharing best practice with others eg CIPFA workshops, assisting DCLG and Chief Fire Officers Association (the professional body for the fire and rescue service) with case studies to share learning
- Being prepared to learn from others who can help speed up our areas of known development needs

Use of Resources scores under CAA

3. The following table (Table 1) sets out the overall judgement for Greater Manchester Fire and Rescue Authority in the Use of Resources. A breakdown for each Key Line of Enquiry is attached as Table 2. It should be noted that there are differential areas of focus for local authorities, police and fire authorities within the managing resources heading. Work force planning was the key area of focus for the Authority this year.

Table 1: Use of Resources themes scores

Use of resources theme	Scored judgement
Managing finances	3
Governing the business	3
Managing resources	2

Table 2: Use of Resources Key Lines of Enquiry scores

Scores for each Key Line of Enquiry	Scored judgement
Managing finances	3
Financial planning	3
Understanding costs and achieving efficiencies	3
Financial reporting	3
Governing the business	3
Commissioning and procurement	3
Data quality and use of information	2
Good governance	3
Managing resources	2
Workforce planning	2

Feedback from the Audit Commission

4. In the following paragraphs feedback from the Audit Commission is included for the KLOEs assessed. In the 2008/09 assessment, under Managing our Resources, the Fire and Rescue Service were assessed on Workforce Planning.

Managing Finances

5. The FRA manages its finances well making sure that it has the funds it needs to deliver its priorities. Effective financial planning and good financial information give managers and authority members a clear picture of costs and performance throughout the year. This helps them in making sound investment decisions. Financial information is well laid out in key documents.
6. Partners in the Association of Greater Manchester Authorities (AGMA) scrutinise the budget providing a good challenge to financial decisions and plans. The FRA also involves some partners in financial planning. It held community events for partners when developing its Children's and Young People's plan however we are mindful that we need to improve our community engagement strategy more generally. We are seeking to involve partners and local communities more in decisions about local spending and this is an area of development we are keen to learn from partners who have been involved in the pilot schemes.
7. The FRA achieves value for money and delivered the highest level of efficiencies in the fire and rescue service over the last three years. It delivered large efficiency savings this year while at the same time improving service performance in key areas such as reducing fires and hoax calls. The Flexible Operational Resource Deployment (FORD) project identifies appliances that it can take out of service without loss of cover and has led to saving of £0.86m this year. The FRA routinely compares costs and performance with other FRA and emergency services to identify potential savings. The current Band D council tax of £51.37 (2009/2010) is one of the lowest in the country with further cashable savings of £2-2.5M planned for 2010/11 resulting in a 2.5% precept rise which will be the lowest ever increase, whilst continuing to invest/redirect resources in to the community safety agenda.

Governing the Business

8. Procurement of goods and services is cost-effective and in line with good practice and national guidance. The Authority works closely with Wigan MBC as its lead authority and buys in a range of financial services and also shares/develops best practice with the Council. The FRA is beginning to widen its approach by involving local people more in the design and delivery of services and has set up a multi-agency, arms-

length company to provide advice, training and consultancy to small businesses not covered by fire protection legislation.

9. Sound internal control helps drive improvements and the FRA effectively identifies business risks and reduces their impact. Risk management is obvious in financial and business planning with risks fully assessed and rigorously reviewed. This was set out in the last report to this Scrutiny Committee in terms of how risk management, service and financial planning are embedded and integrated.
10. Performance management is effective. Staff at all levels have good access to up to date performance information. Targets focus on outcomes with clear measures but there is scope to drive further improvement over time. The FRA has effective management arrangements for ensuring data quality and compliance with statutory requirements for reporting national performance indicators. Data sharing protocols support exchange of information locally but data exchange is not always effective across partnerships. The FRA is working with partners to improve this.
11. The FRA promotes and displays the principles and values of good governance internally and in partnerships. It has a sound ethical framework with suitable management and control and regular training for officers and members. There are clear policies in place to address fraud and corruption, whistle-blowing and fraud prosecution. The FRA makes sure that these apply in partnerships which are an increasing part of the way community safety is delivered. The new employee code of conduct has a clear focus on tackling bullying and harassment.

Managing resources

12. The FRA is improving its approaches to managing its staff. A stronger HR team is revising policies and beginning to have impact in a number of areas. Sickness levels and ill health retirements are going down with levels significantly better than average. Sickness figures for the whole workforce are currently projected to out turn at 5.5 shifts/days lost per employee in 2009/2010 which remains one of the lowest figures in the country.
13. Ill health retirements have been reduced to significantly below the actuarial projections with low single digits being the norm. The Authority has invested in risk management initiatives and occupational health schemes for a number of years and is now seeing the direct benefits of those decisions. This produces direct cashable savings to the council tax payer virtually zero in recent years (in excess of £10M over the last 5 years).
14. There are still challenges in the area of workforce diversity. For example the approach to recruitment is more professional and better managed but is not achieving the authority's aims for a more diverse workforce

that better reflects the make up of local communities. In addition, there is more to do in medium and longer term to make sure the FRA has the people and skills that it needs to deliver its plans for organisational development. Outcomes for equality and diversity remain weak despite a stronger emphasis this year. There have however been some improvements.

15. Several key workforce diversity targets have been missed. There are no formal support networks internally for staff from minority groups but work is now in hand to tackle this issue. A lack of support and guidance means that fire-fighters do not always feel confident when working with local minority groups. The Authority has redirected more dedicated resources into this key area and is working with a range of partners to improve performance, and is always keen to learn from others who have been more successful in this area.

16. New flexible duty arrangements for fire safety staff provide better out of hours cover and is being extended to the remaining officer groups. The 'rostering for duty' changes is helping to release staff for prevention work by scheduling staff availability linked to demand. This is delivering cashable efficiencies in excess of £3M per annum and won a European wide public sector efficiency award. The FRA has taken a flexible, cost effective approach to building its Urban Search and Rescue team. A team of these fire fighters have just returned from Haiti as part of the UK Search and Rescue Team where they were successful in recovering a number of live casualties. Direct staff engagement is a major part of the cultural change programme within GMFRS where all staff have an opportunity to contribute to the service delivery changes/efficiency agenda to ensure change is sustained.

Plans for 2009/10 assessment

17. In 2009/10 and subsequent years, the Authority proactively uses feedback from the Audit Commission to improve services, and to continue to deliver Value for Money. Action Plans are used to manage this process and Senior Officers and Senior Members are kept updated of progress.

18. Work continues on improving the diversity of the Authority workforce and has committed to challenging stretch targets. However the increased pressure on public sector finances will impact on future recruitment levels of uniformed staff, albeit opportunities will emerge as the Authority civilianises more posts as part of its efficiency agenda. Elected members play an active role in a number of working groups to support officers and show strategic leadership on this key issue. The Authority is keen to learn from others who have achieved sustained change in the diversity agenda.

19. In 2009/10 the Fire and Rescue Service are being judged on Use of our Natural Resources, and significant work has taken place in this area:

- The Authority was the first local authority in the country to achieve BS8555 Level 3 (which is a recognised standard for environmental management)
- Creating a member champion for sustainability
- The Authority is one of only 6 Fire and Rescue Authorities which has committed the Local Authority Carbon Management Programme and to achieving a 25% reduction in CO2 emissions from 2009-2014. The year one results show a 6% reduction with plans in place to achieve the remaining targets over the next four years
- The Authority is investing in new low carbon emissions, light weight fire appliances which contribute to our/partner CO2 reduction targets
- the identification of a dedicated resource plan our response to climate change, to reduce our carbon impact and to save money in terms of costs associated with natural resources;
- the identification of Sustainability Champions across the organisation to embed the cultural change and deliver the targets

The impact of the Total Place pilots and the desire for increased transparency in public spending will present major challenges for the public sector in the next few years, but will equally create real opportunities to identify potential areas for efficiency and more joined up service delivery across a range of public sector partners. The Authority is working closely with the City Council and its partners to gain a better understanding of the cost base of each authority.