

CABINET - THURSDAY, 20 JULY 2017

LATE AGENDA ITEM

8. CAMBRIDGESHIRE POLICE AND CRIME COMMISSIONER'S FIRE GOVERNANCE CONSULTATION (Pages 3 - 28)

To consider a proposal to change the governance of the fire and rescue service in Cambridgeshire.

(Portfolio Holder: Cllr Mrs A Dickinson)

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**Public
Key Decision - No**

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Cambridgeshire Police and Crime Commissioner's Fire Governance Consultation
Meeting/Date:	Overview and Scrutiny Panel (Communities and Environment) – 13th July 2017 Cabinet – 20th July 2017
Executive Portfolio:	Executive Councillor for Community Resilience and Wellbeing, Councillor Angie Dickinson
Report by:	Head of Community
Wards affected:	All

Executive Summary:

The Cambridgeshire Police and Crime Commissioner is consulting on the proposal to change the governance of the fire and rescue service in Cambridgeshire. This follows Government legislation to promote greater joint working between emergency service organisations.

Four options have been evaluated and the resulting report (The Business Case) recommends the Governance option. This option proposes that the Police and Crime Commissioner becomes the Police, Fire and Crime Commissioner and has overall responsibility for the governance of both Cambridgeshire Fire and Rescue Service and Cambridgeshire Constabulary.

Members can follow the link (see below) to gain access to the consultation and documents.

<http://www.cambridgeshire-pcc.gov.uk/get-involved/fire-governance-consultation/>

On the consultation webpage are listed the following documents:

- Two Page Summary
- Executive Summary
- Full Business Case
- A link to the survey

List of appendices included:

- Appendix 1 – Consultation on Fire Governance, Background Information
- Appendix 2 – Cambridgeshire and Peterborough Fire Authority's Response

Overview and Scrutiny Comments:

- The Panel invites the Cabinet to make an official response on behalf of the Council.
- The Panel invites Cabinet to review all the documents and perhaps invite both the Police and Crime Commissioner and the Chairman of the Fire Authority to attend the Cabinet when the item is discussed before formulating a response.
- The Panel recommends that whilst the Cabinet is to formulate a Council response, individual Members should be allowed to formulate their own

responses to the consultation.

Recommendation:

The Cabinet is invited to scrutinise the proposal and consider whether a Council response to the consultation is appropriate.

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CONSULTATION ON FIRE GOVERNANCE

BACKGROUND INFORMATION

Consultation on the Local business case for fire and rescue governance options to improve the effectiveness of emergency services delivery in Cambridgeshire

The legislation

The Policing and Crime Act 2017 places a duty on police, fire and rescue and ambulance services to collaborate, and enables Police and Crime Commissioners to take on responsibility for the governance of fire and rescue services in their area where a local case is made to do so.

Background

Commissioners will be enabled to seek responsibility for their local Fire and Rescue Service where a local case is made to the Home Secretary. This is subject to tests to ensure that changes will deliver improvements in one or more of economy, efficiency and effectiveness or public safety. In line with the legislation, Commissioners are also required to work with their Fire Authority to prepare their local business case.

The Act provides for four options relating to fire governance:

1. The no change option: Police and fire continue to have governance arrangements that are independent of each other
2. The representation option: The Police and Crime Commissioner has a seat and voting rights on the Fire Authority;
3. The governance option: The Fire Authority is replaced by the Police and Crime Commissioner who becomes the new Fire Authority as a corporation sole. This is referred to as a "PCC style FRA". The PCC would become the "Police, Fire and Crime Commissioner";
4. The single employer option: There is a single Chief Officer for police and fire personnel who becomes the single employer under the Police and Crime Commissioner.

The Government is clear that they will only enable police and fire functions to be brought together under a Police and Crime Commissioner where there is a strong local case to do so. In doing so this requires a Commissioner to consult each of the upper tier local authorities in their area on their proposal before they submit it to the Home Secretary. This ensures that

the consultation requirement captures all local authorities that operate fire and rescue committees.

A Commissioner is also required to consult people in their area and to consult representatives of personnel who a Commissioner considers may be affected by the proposal. This ensures that the Commissioner has secured, and taken into account, local opinion on their proposal before making a request to the Home Secretary. Commissioners are required to publish a response to the consultation he or she has undertaken in the interests of transparency.

The Home Secretary can only make an order creating a PCC-style FRA if it appears to her that a Commissioner’s proposal would be in the interests of either a) economy, b) efficiency and effectiveness, or c) public safety.

Business Case

The Commissioner has worked with Cambridgeshire and Peterborough Fire Authority to explore the potential for greater collaboration between Cambridgeshire Constabulary and Cambridgeshire Fire and Rescue Service. Together they have worked in the spirit of collaboration on a Business Case, the purpose of which is to explore how the economy, efficiency, effectiveness and, above all, public safety, will be affected by a new governance model.

The Business Case assessed the four governance options in the Act in respect of Cambridgeshire as follows:

Option	Description	Potential benefits
No change option	<ul style="list-style-type: none"> ■ Police and Fire continue to have governance arrangements that are independent of each other 	Easy to implement but has limited benefits. Police and Crime Commissioner will have less ability to influence.
Representation option	<ul style="list-style-type: none"> ■ Police and Crime Commissioner has a seat and voting rights on the Cambridgeshire and Peterborough Fire Authority. ■ Police and Crime Commissioner continues to govern Cambridgeshire Constabulary as now. 	Easy to implement but has limited benefits in that the Police and Crime Commissioner will be only one of many members of the Fire Authority.
Governance option	<ul style="list-style-type: none"> ■ The Police and Crime Commissioner takes on the role of the Cambridgeshire and Peterborough Fire Authority, becoming the Police, Fire and Crime Commissioner. ■ Police and Crime Commissioner governs both Cambridgeshire Police and Cambridgeshire Fire and Rescue Service. 	Has significant benefits in terms of: <ul style="list-style-type: none"> ■ Economy ■ Efficiency & effectiveness ■ Public safety It is easily deliverable at a local level.

	<ul style="list-style-type: none"> Each service retains its Chief Officer. 	
Single employer option	<ul style="list-style-type: none"> The Police and Crime Commissioner takes on the role of the Cambridgeshire and Peterborough Fire Authority, becoming the Police, Fire and Crime Commissioner. A single Chief Officer is appointed and leads both Cambridgeshire Constabulary and Cambridgeshire Fire and Rescue Service. Police and Crime Commissioner governs both Cambridgeshire Police and Cambridgeshire Fire and Rescue Service, bringing the services together. 	Has significant benefits (as above) but scores low on deliverability, in that it could be difficult to deliver locally and it is likely that there would be opposition from a number of key local stakeholders.

Of these four options the Commissioner’s preference is for the Governance option which the business case recommends as offering the best balance between ease of implementation and overall benefits that can be delivered in terms of economy, efficiency and effectiveness and public safety.

On the basis of this assessment the Commissioner is proposing the “PCC-style FRA” option of governance, whereby he takes on the role of the Cambridgeshire and Peterborough Fire Authority and is responsible for the governance of the Cambridgeshire Fire and Rescue Service, in the same way as he is currently responsible for the governance of Cambridgeshire Constabulary. This achieves his overall aim of ensuring continued public safety at the same time as creating efficiencies and effectiveness in the way both organisations work together whilst providing value for money for the public they serve.

What this means in practice is that he will be responsible for such things as decisions on how the Fire and Rescue Service spend their budget and whether new fire service facilities should be built or shared with other emergency services. A change of governance would ensure the best use of police and fire assets through a single approach to investment decisions and estates consolidation. Optimisation of estates is perhaps the area of greatest opportunity for financial benefits from collaboration between the two organisations.

These proposals are not a Commissioner nor police takeover of fire and rescue services, or a top-down merger of the roles of police officers and firefighters. The distinction between operational policing and firefighting will be maintained. Funding streams for police and fire will not be merged and police and fire will continue to raise precepts separately, so local people can hold the Commissioner to account for how their money is spent.

Consultation

This Business Case will form the basis of the Commissioner’s consultation exercise on the governance proposal. He is legally required to consult with upper tier local authorities,

representatives of personnel who the Commissioner considers may be affected by the proposal, and the public.

The formal consultation, which will run for 8 weeks during July and August, will ensure that he has secured, and taken into account, local opinion on this proposal before making a request to the Home Secretary on the desired governance model.

He will be consulting with those effected by the proposals and their workforce representative bodies as well as a wide range of stakeholders and the public.

He will consider the feedback from the consultation and then publish a consultation response report, prior to finalising the Local Business Case ready for submission to the Home Secretary in October. The consultation response report will be published on the OPCC website.

Next steps

The Commissioner's aspiration is to seek responsibility for the Fire and Rescue Authority in April 2018 subject to the outcome of the consultation and the Home Secretary's approval that the Commissioner's proposal is in the interests of either economy, efficiency and effectiveness or public safety.

The key milestones are:

Jun 2017	Pre consultation engagement
03 Jul 2017	Consultation opens
28 Aug 2017	Consultation closes
Sep 2017	Revise consultation in light of consultation comments
Oct 2017	Submit to Home Office
Oct – Dec 2017	Home Office to review business case
Dec 2017	Home Office decision on whether to approve business case
Jan – Mar 2018	If approved, prepare for transition to new governance arrangements
01 Apr 2018	Implementation of new governance arrangements



**CAMBRIDGESHIRE
& PETERBOROUGH
FIRE AUTHORITY**
Working together to improve community safety

Response of Cambridgeshire and Peterborough Fire Authority to the Business Case of the Police and Crime Commissioner.

Executive Summary

This response has been put together with the overriding objective in mind of taking account of what we believe is important to our local communities. Having considered carefully all that the Police & Crime Commissioner (PCC) has presented in his Local Business Case, we strongly believe that a PCC governance model would distance local communities from the fire service and reduce rather than increase their opportunity to influence its direction. We also believe that 17 local councillors are better placed to connect with communities and develop a fuller understanding of their needs over a PCC who may struggle to focus on a 'risk based' organisation when his primary responsibility is for a much larger 'demand led' organisation.

The Local Business Case fails to provide an evidence based case for change to governance.

The Local Business Case fails to make a case based on the legal requirements of the Policing and Crime Act 2017:

i. **Economy**

The suggested cost savings are not evidenced. The proposal is not properly costed. It is likely that the proposed changes will cost more to the public purse.

ii. **Efficiency**

The case on efficiency grounds is not made with evidence. The Business Case is principally made in relation to estates. A change in governance will not influence the extent, pace, or delivery of an already well established

collaboration programme with police, ambulance and other public sector partners.

iii. **Effectiveness**

The case on effectiveness is not made. The Business Case relies heavily on 'probability percentages' and 'Red, Amber, or Green' ratings that are not explained, not evidenced and do not stand up to scrutiny. The scoring methodology is therefore unsuitable for what should be an evidence based case.

iv. **Public safety**

No case is made on public safety grounds. Recent tragic events demonstrate the need for a clear, independent yet engaged governance for fire. They also demonstrate the need for locally accountable voice that is engaged with, understands and speaks for its diverse local communities.

Detailed Response of Cambridgeshire and Peterborough Fire Authority to the Business Case of the Police and Crime Commissioner.

Introduction

1. This response is the collective response of the Cambridgeshire and Peterborough Fire Authority (“CPFA”) to the Local Business case (“LBC”) of the Police and Crime Commissioner (“PCC”) dated 8 June 2017.
2. CPFA is not a statutory consultee, but has been invited to comment on the proposal.

Summary

3. CPFA does not support the recommendations of the PCC’s LBC, for the following principal reasons:
 - a. There is a strong and ongoing collaboration between police, fire, ambulance, local government and health already. Nothing in the LBC suggests that a change in governance will bring forward new areas for collaboration or improve the prospects of delivering those planned improvements already under way.
 - b. Replacing a Fire Authority with a Police and Crime Panel model will weaken accountability. Under current arrangements, the Chief Fire Officer (“CFO”) attends every Fire Authority meeting, held in public, and he is held directly to account. Under the proposed model, only the Commissioner - not the CFO - will be required to attend at a Panel of elected members. The CFO's direct accountability to and before well-informed elected Members will vanish under the PCC model. We say this is a clear example of poor governance.
 - c. Cost savings are not evidenced. No direct comparison is made in the LBC of the cost of servicing Police and Crime Panels, or the associated costs of the Office of the PCC, compared with Fire Authority costs.

- d. The LBC suggests the changes will result in a more integrated approach to estate management. History tells us that this is clearly not evidenced as under the previous PCC little or no collaboration was forthcoming. Despite this both police and fire services have worked hard with limited resources to establish a Strategic "Inter-Operability Board" which has proved to be both effective and fruitful. No change to this model is envisaged and any change in governance could as equally harm progress rather than enhance it as suggested by the PCC.
- e. No qualitative assessments have been carried out in the LBC as to the quality of decision-making within the current governance model. The absence of a baseline for what the CPFA currently achieves renders the comparative 'scoring' exercise in the LBC meaningless.
- f. The scoring methodology is inconsistent and the ratings are not evidence-based. To place any reliance on it would be unreasonable in the "Wednesbury" sense. Even on the LBC's scoring methodology, the differences between the scores for each of the governance models is marginal.
- g. The change to a single individual overseeing the fire service lacks resilience, and loses the wealth and diverse range of local knowledge, skills and political dimension that the current model provides.
- h. The LBC fails to recognise fundamental differences between police and fire: police being demand led and fire being risk based. Further, it fails to recognise the benefits of collaborations more widely with the public sector. These factors have resulted in a LBC which potentially harms and undermines existing collaborations and instead focuses on simplistic statements, not tested or validated, as would be expected in a business case.

LBC does not meet the legislative requirements

4. The relevant provisions of the Policing and Crime Act 2017 (“The Act”) introduce new legal duties on police, fire and ambulance services fully to exploit collaboration opportunities. The provisions relating to governance are “enabling” provisions; that is the PCC *may* take on governance of fire “*where a local case is made*” and “*it appears to the Secretary of State to be in the interests of economy, efficiency and effectiveness or public safety*”. The requirement for economy, efficiency, effectiveness or public safety are not met in the LBC.
5. The Act does not envisage a ‘one size fits all’ and indeed up and down the country, various models are emerging.
6. There is therefore no presumption in play that change will deliver better collaboration; the legal case has to be made for change, and that case must comprise an actual, evidenced, business case, not a series of assertions for which there is no evidence.
7. The Act envisages that there must be some benefit in the change, not change for change’s sake. A LBC that delivers no greater collaboration, nor greater efficiency, nor effectiveness, nor financial benefit does not meet the required legislative standard. The CPFA believes that this LBC does not aid efficiency, effectiveness or economy for the residents of Cambridgeshire and Peterborough.
8. The LBC does not provide any evidence-based case for change. The LBC, in the considered view of CPFA, will weaken accountability and governance. It will, we believe, cost more and become more bureaucratic as it places reliance on Police and Crime Panels, which are not set up to carry out the detailed role in understanding, scrutinising and setting the direction for the fire service in Cambridgeshire and Peterborough. It will mean an already stretched PCC will be spread even more thinly.

Cambridgeshire and Peterborough collaboration to date

9. The LBC talks of current 'silo working' but provides no evidence that this exists.

10. In reality, under current arrangements, notable successful collaborations (recognised in the LBC) include:
 - a. First response and co-responding with the East of England Ambulance Service Trust ("EEAST") ;
 - b. Shared estate with police, utilising fire vehicles for community based work in Peterborough and fire sites at Linton and Dogsthorpe. This has delivered savings for the police as a result of not needing a facility in Linton and rationalising their estate in Peterborough;
 - c. Cambridge Community Fire Station – public/private collaboration resulting in a new fire station at nil cost to the public purse. This new fire station is valued at £4M. In addition a profit-share of £1.1M was received by the Fire Authority;
 - d. Fire and ambulance sharing facilities at Dogsthorpe and Stanground. Facilities provide a base for ambulances in deemed risk areas;
 - e. Ambulance using fire stations at Whittlesey, Huntingdon and Chatteris;
 - f. Cambridge Search and Rescue using fire facilities at March, Cottenham, Sawtry and Littleport. This is a charitable organisation that provides services to the community for missing persons. They are able to use our stations to store equipment free of charge;
 - g. Combined Fire Control with Suffolk. First Combined Fire Control in the country, which saves both Services £400K per annum;
 - h. Sharing senior officer resilience with Bedfordshire FRS: this has enabled the Fire Authority to remove a Principal Officer post, saving in excess of £180K per annum;
 - i. Service Transformation and Efficiency Programme (STEP) with Bedfordshire, Somerset and Devon FRS's. This project rationalises business process through technology, saving people's time and improving data. It's success

secured an additional grant of £1.4M from the government transformation fund;

- j. Insurance consortium with 8 other FRS's. The creation of a national indemnity company protects the Fire Authority from increases in insurance premiums;
- k. Shared audit functions with other FRS's: procurement savings and sharing of best practice;
- l. Training collaboration with South Wales FRS;
- m. Arson liaison with police;
- n. Joint Education Team tackling drug gangs with police in Cambridge;
- o. With Cambridgeshire County Council providing 'safe and well' visits to support adult social care: fire have been able to gain the trust of elderly residents due to the highly positive public perception of fire;
- p. With police to deliver Peterborough Enforcement Service;
- q. With prison and probation on offender management issues;
- r. With local councils to tackle rogue landlords;
- s. Numerous collaborations with private and third sector, including Red Cross, Rotary Club, Princes Trust;
- t. With Multi Agency Safeguarding Hub (MASH) in child protection, vulnerable adult and domestic abuse cases.

11. Greater Manchester FRS commissioned a report by New Economy which quantified impressive savings from fire and ambulance collaboration. It stated:

This analysis finds that the return on investment for this initiative over five years is likely to create a gross fiscal saving to the public purse of £5.2 million over five years. This represents a cost-to-benefit ratio of approximately 1:6. It is projected that:

86% of this benefit will be experienced by CCGs. In large part this is due to improved secondary care outcomes as the result of faster response times, but is also the result of prevented fatalities. It is estimated that gross fiscal benefits

***for CCGs will amount to approximately £892,000 per annum over five years;
and***

14% of this benefit will be experienced by NWS. This benefit is experienced in the form of a 'per call-out' demand reduction in the duration of total on-scene time. This benefit sees early response and extra capacity from GMFRS support NWS to complete on-scene work more quickly. It is estimated that gross fiscal benefits for NWS will amount to approximately £146,000 per annum over five years.

12. The above example shows that collaboration across services, not just police and fire, are key to better delivery of services and to large scale and sustainable cost savings.
13. The LBC is made almost exclusively on estate collaboration between police and fire, which CPFA recognises is a real opportunity, but not at the expense of wider collaboration that could yield better efficiencies. Collaboration on police and fire estate is already underway, under the leadership of the CFO and the Chief Constable. Collaboration on estate is largely determined by operational requirements, not changes to governance.
14. The Strategic Inter-Operability Board is criticised in the LBC for slow pace and delivery. This is an unreasonable criticism. This Board was set up and driven by the CFO; in 10 months it has identified and developed its plan and is now implementing change. On any fair assessment, it is a highly effective mechanism and indeed it is the mechanism that the LBC suggests should drive collaboration going forward. It can meet no more regularly than it currently does and it can assess projects no faster than it currently does. The LBC does not set out how the Board will work better, faster, or more efficiently in a changed governance model.
15. The LBC implies that its preferred governance model will somehow create additional 'capacity' to progress and implement beneficial collaboration on estates matters, without defining what 'capacity' is or explaining why this 'capacity' is apparently lacking under the present arrangements but can be assumed to emerge if the PCC's

preferred arrangements are implemented. Any properly assembled business case would set out its definition of 'capacity' here, set out how and explain why the current apparently impaired 'capacity' is impeding the delivery of sensible collaboration, narrate its assessment of the existing 'capacity', make out a case for its assertion that additional and more suitable capacity will emerge as a consequence of revised governance arrangements and demonstrate in at least some detail the character and sustainability of this new capacity by projecting its financing in the context of the services' budgets and combined capital assets. In the absence of any of this work, the LBC simply asserts that its preference would be better and allocates itself a Green marker instead of a Red one.

16. If a sound business case can be made for a collaborative estates project, that business case will have demonstrated the affordability of the project. It is commonplace in public estates collaboration projects, which is a mature area of work, for the more efficient use of land and/or buildings to be financed by the disposal of or exit from redundant assets belonging to one or more of the collaborating parties. Now that the currently-elected PCC is in favour of such projects, the capacity to establish and deliver them can readily be achieved and this process has successfully commenced; the services need to generate options, commission appraisals of the options from suitable professional firms, select the optimum options once advised and procure project delivery arrangements. **These steps will apply to projects regardless of the governance arrangements for the services collaborating.**

17. It is worth noting that many local authorities in Cambridgeshire, including the two upper-tier authorities whose Members sit on the CPFA, have led successful and sizeable infrastructure projects involving public/public and public/private estates collaboration. We have publicly-funded delivery capability on our own doorstep, and funded within our partners' budgets, which we could draw on if we chose. Projects which are benefitting from existing capability include the collaboration at Cambridgeshire County Council's Shire Hall. The new estates possibilities between fire and police are of course welcomed, but these must be assessed against

opportunities for collaboration more widely and opportunities lost, as demonstrated by the pause instigated by the PCC to the scheme for a co-located Fire Headquarters with other emergency services.

18. The LBC assigns its preferred model a 75% probability of delivering successful capital projects, and the current model a 30% probability. **These figures are arbitrary and are not based on evidence.** The tables in the LBC do not set out the impact of these assumptions on their formulae. In the absence of a full explanation of the assumptions, the evidence base for them and a demonstration of their application to plausible worked examples of capital projects that might be undertaken, these tables cannot be taken seriously as evidence and must be set aside.

Scoring methodology of LBC

19. The LBC scoring methodology is inconsistent, subjective and is not based in evidence.
20. By way of small sample, some of the assessments made in the LBC are compared below. The assessment for 'single employer' has not been considered here, as the LBC does not advocate that as an option.
21. The Secretary of State is urged to undertake a detailed review of the scoring in the LBC. The scoring is instrumental in determining the final - and CPFA says deeply flawed - scores that determine the 'case' for change.

	Do nothing	Representation	Governance	Commentary
Utilisation of assets rating	Red	Amber	Green	No credible narrative to support the difference in rating.
Management of capital assets	Amber	Amber	Green	No credible narrative to support any difference in scores, and LBC itself states ' <i>change in governance is unlikely to uncover entirely new potential areas for collaboration....</i> '; it asserts that a PCC would drive 'more joined up and innovative solution' without evidencing why or how.
Public safety and vulnerability protection	Red	Amber	Green	No credible basis for these different ratings. The PCC's co-opted seat on the Combined Authority is given as the rationale for a 'Green' rating, with no evidence being provided as to why this makes a Red marker turn Green.
Effectiveness and resilience	Red	Amber	Green	Despite acknowledging ' <i>limited gains over the do nothing option</i> ', the representation rating is Amber, not Red. The narrative to support a Green rating is unfathomable: ' <i>...it would facilitate the alignment of strategic objectives...and place greater focus and accountability for collective rather than individual outcomes</i> ' – there is no evidence from either the Chief Constable or CFO that strategic objectives of two very different services could be aligned in the way suggested, let alone it achieve positive outcomes for both.
National research of PCC v Authority models	Red	Amber	Green	The narrative does not rely on research. No assessment has been made in the LBC of the effectiveness or efficiency of decision making by CPFA. This renders the rating inherently flawed, not being based on any local evidence. Police and Crime Panels were not set up for the scrutiny and accountability role envisaged by the LBC; indeed they do not perform such a function.

	Do nothing	Representation	Governance	Commentary
Loss of public trust	Amber	Amber	Amber	The narrative fails on any level to be fair in this judgement. Public confidence in Fire is very high. Public confidence in police is considerably lower. Yet the ratings remain the same on the basis that the two services would continue to operate separately – even though in other passages, the LBC advocates operational collaboration and in fact uses this as a reason to give its preferred model a Green marker.

Stated benefits are unsupported by evidence

22. The summary states key benefits of change:

- a. Savings of £110k in member allowances have been cited but after offsetting costs, the actual saving in the LBC, on a best case scenario, is **£14k**. The £110k figure is overstated; in fact including all conferences, travel and subsistence, the Fire Authority costs for 2016 were in the region of £96k. No like for like comparison is made of the costs of an enhanced PCC function that includes salary costs of the PCC, a Deputy PCC, all on costs, or Office of PCC costs. The comparable cost of expanded Police, Crime and Fire Panels has not been accounted for. The LBC acknowledges that the PCC would require additional officer support and potentially a deputy - yet these costs are absent from all consideration in the LBC. The costs savings are therefore misleading and in any case offset within the LBC by its own estimate of £96k additional costs of running meetings on its preferred model.
- b. The LBC claims for its preferred model an £83k annual saving as a consequence of sharing the Head of Finance across the two services, which has already taken place and should also be shown in the 'Do Nothing' table.
- c. Estate savings of varying values are predicted in the LBC. The PCC's preferred model is simply stated to be more than twice as likely to deliver an effective capital project – a 75% probability compared to a 30% probability, (these assignments of probability are not explained) – which in turn boosts the "Net Present Value" (NPV) of the LBC's preferred option.
- d. The LBC does not explain why it believes that CPFA would fail to deliver seven out of ten capital projects, nor indeed why a PCC-governed combination of the services would fail to deliver five such projects out of every twenty it embarked upon. The LBC's preferred case is simply assigned the better NPV calculation without setting out the assumptions it is based on.

- e. In any event, beneficial capital projects are deliverable through collaboration within the current arrangements.
- f. Finally, and although the LBC is peppered with many different estimates of financial gain, the actual amounts are largely unevidenced and contradicts the strong evidence of collaboration (see para 10) with public sector partners. It is easy to overestimate benefits from capital projects, even without manipulating 'success probabilities' in the way the LBC does, and contrarily the CPFA has a strong record of delivering projects that benefit the public purse as a whole, not one of the services at the expense of the other, are pursued and delivered. The CPFA can evidence examples of how this has been done. This casts significant doubt on the probabilities assigned to the 'Do Nothing' option in the Fire Authority's ability to deliver projects in the future,

Improvements to accountability and scrutiny?

23. The LBC refers throughout to 'independent scrutiny' without any definition or qualitative assessment of its effectiveness. The PCC's diary is already extremely busy; militating against the ability to replicate more efficiently or effectively the evidently efficient work of a body of cross-party members, with wide ranging skills and experience. The detailed scrutiny work of the CPFA is not mentioned in the LBC; the detailed work into policy and resource allocation and the in-depth analysis, face to face with the CFO, of key strategic issues is not analysed. In recent years, CPFA has rationalised budgets; modernised; delivered lean management; and maintained and improved public confidence and performance to high levels which CPFA has evidenced throughout this paper. These important factors have not fairly or properly been assessed in the LBC on the issues of delivering economy, efficiency or effectiveness.
24. The current model involves a body of members, democratically elected to public office and then appointed onto a Fire Authority. The current model does not rely on

one elected person, with a finite term of office. The Fire Authority is made up of members with fire expertise, developed over many years' service and it therefore benefits from a collective memory. The Members bring county wide knowledge and experience from many different walks of life. They sit in a room with chief officers directly. This will be watered down as the CFO will not attend Police and Crime Panels, these are bodies at which only the PCC will attend, and in turn the PCC will meet privately with the CFO, as is the model with the Chief Constable. The PCC is the interface at these Panels. The Panels will be made up of between 11-13 members, from the same pool of members as currently sit on the CPFA. The proposed model adds a layer (arguably a buffer to accountability) between the CFO and Councillors.

25. The level of scrutiny/ input to the Fire Service by Members is understated in the LBC. Members sit on specialist Committees and Working Groups and this involvement has without doubt contributed to the savings achieved, whilst continuing to operationally offer the same level of service. The membership is from across Cambridgeshire and Peterborough, and representative of specific communities, both urban and rural. The current model is rooted in 'localism', with local councillors speaking for their local communities. The proposal is a more 'centralist' approach and relies on one individual to speak for all the diverse communities of Cambridgeshire and Peterborough.
26. The PCC's model relies on Police and Crime Panels effectively becoming substitute bodies for the Fire Authority. The Police and Crime Panels are not bodies that directly scrutinise strategic, financial decision making. Whilst they are open to the public, they are not established as a forum for accountability, governance or scrutiny. The PCC holds private meetings with the Chief Constable, not public ones. There are 6 Police and Crime Panels each year, and fire issues would be an add-on to these. The Panels cannot - and are not designed to - get to the heart of fire governance, unlike Fire Authorities, which have the specific statutory responsibility for oversight and scrutiny of the fire service. The detail, understanding and influence that members currently have on the CFO, will be lost. This weakens governance, it

does not strengthen it. These concerns were expressed by the Police and Crime Panel itself on 9 November 2016, when its members raised the following concerns:

“it was noted that already in Peterborough there were ambulances parking up in fire stations and using the facilities to enable them to be nearer to any calls and this was working well. The Commissioner agreed....”

“the Panel noted that the Fire service were now dealing with some ambulance calls and this had huge merit. The public perception of the Fire Service was good and therefore there would be huge operational and attitudinal benefit in keeping the Fire Service visibly separate from the Police on a day to day basis....”

“any move to unify the arrangements such that the Chief Fire Officer could only be asked questions through the Commissioner and not include operational matters would be considered deeply prejudicial.....”

27. The Fire Authority enjoys a positive working relationship with the various unions, notably the Fire Brigades Union, the Retained Firefighters’ Union and UNISON. This relationship has enabled constructive dialogue, leading to important negotiations being concluded amicably. The LBC does not set out how the PCC will find time to amass the complexity of knowledge, for such discussions to continue as positively. This issue is not reflected in the Red, Amber, Green scoring matrix.

A more concentrated, louder voice?

28. The LBC argues that a PCC who speaks for both police and fire would possess a stronger and louder voice. This premise is stated as fact, lacking any evidence or argument. The LBC does not address the counter proposition: that two voices (and two co-opted seats on a Combined Authority) are better than one. CPFA submits that two voices, (and two seats at the table) speaking in a collaboratively-focused way, are indeed better than one.

29. The Local Resilience Forum (“LRF”) is given as an example of a forum in which a combined voice for police and fire would be better, but there is no supporting evidence for this. The strength of the LRF lies in its ability to hear and consider the different voices of its partners, to provide critical challenge to one another and in doing so, arrive at a resilient, multi-agency approach to local issues. The LBC fails to consider any downside that a combined police/ fire voice may have, not least the distinct and separate legal obligations each service has under the Civil Contingencies Act. This lack of balanced assessment manifests throughout the LBC, and it is greatly diminished as a credible case for change as a result.
30. The LBC gives an example of how it is perceived that a ‘stronger voice’ would be of value on the Combined Authority – it suggests that s17 Crime and Disorder Act issues will be better served. This very example illustrates the dangers of a combined voice: the overall aim of fire is not to reduce crime and disorder, but to save life. The fear however that is the smaller fire voice becomes lost in the bigger demand led voice of police. Both aims need a voice. CPFA contends that in this particular case, two voices are better than one.
31. Recent tragic events make the case themselves for the importance of fire expertise to be present at the highest levels of decision-making in public services.

Officer support – analysis is flawed

32. The LBC suggests that the PCC would be able to utilise a host of technical expertise currently available to him from within the Office of the PCC. The OPCC currently has no expertise in fire and the LBC acknowledges that such expertise would need to grow - at cost which has not been accounted for in the savings figures. The lean model of officer support at CPFA is criticised rather than applauded and the LBC asserts that a Monitoring Officer and a Support Officer presents a deficient level of support. It crucially fails to set out why or in what respects it is deficient nor does it test the contrary hypothesis that it is in fact a very efficient model of support,

working well as it does because it does not face the same constitutional tensions present in the tripartite police model.

Public confidence/ engagement assumptions are flawed

33. The LBC is correct when it says that the number of hits on the police website is greater than that on the fire website. Police, being demand led, are bound to have a greater number of calls for service. There is considerable evidence of the very high levels of the positive public perception of fire. In any event, the LBC suggests that the level of engagement by the public, as evidenced by the number of calls for service, is indicative of a positive engagement by the public with the PCC. That link is simply unevicenced. The level of engagement is readily explained as a reflection of the demand for policing rather than any link to a particular model of governance.

Conclusions

- I. CPFA welcomes and supports the aims of the legislation and would be supportive of any model that made a positive difference. CPFA thrives on change and has a track record to evidence this through collaboration. CPFA accepts that there are challenges ahead for emergency services, and will continue to address these through collaboration. The LBC fails to demonstrate that the changed model of governance will be in the interests of economy, efficiency, effectiveness or public safety.
- II. The LBC relies on rhetorical assertions not evidence.
- III. The LBC fails to give due credit for the collaboration that is happening. Crucially, the LBC fails to set out how governance change will drive better collaboration.
- IV. The LBC proposes financial savings both through Members allowances and estate management. However the Members allowances savings is overstated and the collaboration on estates is already underway and its pace determined by project assessment, not a change in governance.

- V. The scoring for each option is based on a Red, Amber or Green rating, but these ratings are applied inconsistently and the basis of the ratings is a narrative that fails to explain the resulting rating. The “net present values” are bolstered by an unevidenced application of crude probability ratings. Any decision to accept the LBC based on the scoring assessments would, if submitted, be susceptible to challenge by way of a judicial review.
- VI. The LBC fails to ask “what is the problem (if any) with current governance” but instead starts with the premise “current governance requires change”. It therefore fails to assess, on any fair or objective basis, what the current baseline position is for driving collaboration. This has resulted in a skewed, single-interest outcome.
- VII. CPFA respectfully urges the Secretary of State to reject the LBC, due to lack of any evidence base. CPFA considers that the Secretary of State could consider any of the alternative models, in the event she is presented with a LBC that evidences such a local need; and which would result in tangible and sustainable improvements to the residents of Cambridgeshire and Peterborough.

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