CFOAS has agreed to focus its written evidence on the following areas:

- Composition and skills set of the Scottish Fire and Rescue Board
- Functions of the Scottish Fire and Rescue Service
- HMI – roles and accountabilities
- National and Local structures – roles and accountabilities
- Financial Assumptions
- Employment Issues

**Composition and skills set of the Scottish Fire and Rescue Service Board**

1. The Bill provides that members of the Board will be appointed by Ministers on the basis of relevant skills and expertise. The correct blend of skills and expertise is critical in establishing the organisation’s’ strategic direction and empowering it to properly scrutinise risk and take decisions on resource allocation within tight budgetary constraints. The role of the Board is to ensure the effective delivery of Fire and Rescue Services across Scotland and the Policy Memorandum makes clear that such members are not attending meetings as representatives but to act in the best interests of the Service. CFOAS agrees with this assertion. The Existing Joint Board structure has met with some criticism in the past however, the very challenges that Joint Boards have had to deal with will continue in the context of a pan Scottish Board. As the Audit Scotland Review of the “Role of Boards” concluded – it is important that Boards demonstrate collective responsibility and ownership of decisions. “Collective responsibility is essential and will be increasingly tested as boards have to make challenging decisions about how best to implement Government priorities, how to reduce costs and what services need to change or stop being delivered”

2. The specific skills that members will need to bring include the ability to properly scrutinise Service performance, clearly ensure the management of risk within the Fire and Rescue service context, demonstrate sound financial management, lead the development of a national strategic plan for the service and hold the Chief Officer to account for its delivery. These skills can be found from across stakeholder interests including local government, business and commerce, education and research, fire and rescue sector.

**Functions of the Scottish Fire and Rescue service**

3. The functions of the Scottish Fire and Rescue service remain as set out in the Fire (Scotland) Act 2005. It is understood that additional functions e.g. CBRN response and response to serious flooding will be transferred by means of secondary legislation and a new Fire and Rescue Framework will place these statutory functions within the context of prevention, community engagement and partnership working. It is unfortunate that primacy has not been given to the prevention agenda and that the opportunity has not been taken in the context of the
primary legislation to provide a meaningful context within the areas of protection and prevention for all Fire and Rescue activity. It has been acknowledged through Community Fire Safety work and research including the study examining fire deaths and injuries in Scotland “Scotland Together” that the only demonstrative way to drive down fire death and injury and to reduce demand on already heavily burdened public services is through the adoption of a holistic, structured and joined up approach with partner agencies to focus on prevention activity and target “at risk” groups. Expanding on this theme, the now well developed role of the service in the context of road safety with the service leading the way on a number of initiatives (particularly aimed at young drivers) across the Country is not reflected in the Bill. The opportunity to clarify the role of the service in co-ordinating water rescue activity across Scotland has also been missed.

4. CFOAS has also consistently raised a number of issues that affect the legality of our Services’ cross border operational activity in England. We have been advised that these matters would be clarified in the Bill, however, the opportunity to do so does not appear to have been taken.

**HMI role and accountabilities**

5. The Bill establishes the role of Chief Inspector and Inspectors of the Fire and Rescue service as non-Ministerial office holders within the Scottish Administration. The Inspectorate may independently initiate inquiries as well as inspect on direction by Scottish Ministers. This clearly presents a potential conflict of interest in relation to determining inspections that remain risk based, proportionate and complimentary. Primacy will clearly rest with a Ministerial request for any one off inspection that may not be seen in the context of broader audit and inspection criteria or indeed will pull resource away from planned work programmes. Depending on the direction given by Ministers, this could also potentially place undue political pressure on Inspectors in terms of timescale and conclusions.

**National and local structures – roles and accountabilities**

6. In addition to establishing the single national service governed by the Scottish Fire and Rescue Board, the Bill seeks to establish a formal statutory relationship between the service and each of the 32 local authorities. The Bill provides for a local senior officer to be designated for each local authority area and he/ she will be the first point of contact for the local authority and other partners locally and the lead officer for the services in community planning. The relationship will be built around the development of a local plan setting out the shared priorities and outcomes to which fire and rescue services are to be directed.

7. After approval of the national strategic plan, the SFRS must prepare and submit a plan for approval to the local authority for the area to which the plan relates.

8. In the context of the development of a 3 year national strategic plan prepared on the basis of a national integrated risk management plan and developed in the context of a national budget set for the SFRS, it is entirely possible that conflict could arise if any given local authority does not feel that the local plan is sufficient for its
purposes in terms of resource allocation, engagement in local initiatives or indeed the role of the local senior officer.

9. There is a broad duty on the SFRS to ensure adequate local service provision but national and local views on the extent and detailed application of that provision could differ. The Bill states that the SFRS must submit a plan prepared for approval to the local authority and if approved the SFRS must publish it. As it stands, the Bill offers no recourse for any dispute arising between the national service and the local authority, which could seriously hamper the ability of the service to engage effectively at a local level. We need to be clear on whether the service is a national service delivered locally or 32 local services delivered within the context of a national framework. It cannot be both.

10. This point is also critical in terms of the role of the Local Senior Officer (LSO). In order for the LSO to work effectively, it must be clear that the development of local plans stem from agreed local priorities sitting within the context of the national strategic plan and that the LSO’s accountability for delivery is to the Chief Officer. The LSO is carrying out delegated functions on behalf of the SFRS and although the relationship with the local authority is crucial in terms of the joint development of the local plan, reporting lines and accountabilities must be clear.

11. Local scrutiny and engagement arrangements are currently being piloted to test a range of mechanisms e.g. blue light committees through which elected members may play a direct and formal role in shaping local priorities and scrutinising performance however we need to guard against drawing the FRS away from the multi-agency approach which has been proven to work. In terms of Community Planning and Engagement there is a need to remove duplication, build capacity and integrate services; this is best achieved through CPP arrangements. It seems that a number of reform strands now exist and there must be a connection between reform of Police and Fire and Rescue Services and the refresh of the SOA, CPP and SCG arrangements. If this were to provide a more robust legal duty and partners were bound by joint plans and performance as a result, then the need for separate police and fire committees would be obsolete.

12. The development of local plans influenced by the National Fire Strategy but driven by local priorities would seem an appropriate process for guiding and setting local arrangements. The SOA would allow this and could also present a means to challenge performance and measure outcomes. However, as referenced in paragraphs 6 and 7 there needs to be a clear understanding of the parameters within which local plans are developed and agreed.

Financial Assumptions

13. The Financial Memorandum attached to the Police and Fire Reform (Scotland) Bill highlights that ongoing net savings of £25.1m per annum could be achieved by the Scottish Fire and Rescue Service following a period of transition during which time one-off set up costs of £27.475m and one-off savings of £15m could arise.
14. It should be noted that these ongoing savings are net of increased costs resulting from expenditure such as VAT (£4m), Publicity (£0.33m), Remuneration of the Board (£0.242m) and Pay harmonisation (£1m). The most significant areas where savings have been identified are Corporate Services (£8.03m) and Response (£13.5m).

15. In presenting evidence to the Finance Committee, CFOAS has highlighted concerns in relation to the level of costs and savings to be achieved and the time frame for delivery, albeit that we agree that the removal of duplication will result in a level of efficiencies being generated over time. In particular, CFOAS has questioned the assumptions that significant reductions in the number of senior uniformed officers across all areas of service delivery can be achieved whilst at the same time ensuring that effective Incident Command management systems can be delivered. In relation to reductions in support staff and Control Room staff, CFOAS would question the assumption that these can be achieved through natural turnover rather than significant numbers of staff being made redundant, albeit on a voluntary basis. Costs for redundancy have been assumed to be £4m within the Financial Memorandum whilst the equivalent figure for Police is some £80m and we therefore contend that this is significantly under estimated.

16. CFOAS would wish to highlight that since the Business Case has been prepared, expenditure levels within the Service have already reduced by some £10m and therefore some of the savings highlighted are now being delivered across Scotland. The Business Case was prepared from a baseline set in 2010/11 and these savings need to be credited to the service as part of the Government’s financial projections for reform.

17. Finally, the legal status of the new Scottish Fire and Rescue Service results in the potential loss of VAT recovery, which CFOAS estimates to be £10m per annum and not £4m as, outlined. Additionally, the new Service is not permitted to hold Reserves, something which is recognised as sound financial management practice. These detrimental impacts on the Service when compared to current practices are matters which we would ask Scottish Government to consider when reviewing the proposed legislation and legal standing of the new single Service.

**Employment Issues**

18. The Policy Memorandum attached to the Bill reflects that there are no plans to change national negotiating arrangements during transition to a single service. Whilst the memorandum also explains that future arrangements will be a matter for the new Fire and Rescue Service we assume it is intended that current arrangements will continue. It should be noted however that COSLA may continue to represent Employer interests in the negotiating framework until 31 March 2013 but as the Service will cease to be a local government service on 1 April 2013 (if that is indeed the date on which the new legal entity is established) there could potentially be a void thereafter until any new negotiating structure is established. CFOAS is urging Scottish Government to hold talks with the Employers Secretariat in London and COSLA to ensure a smooth transition.
19. The absence of any shadow arrangements and definitive commencement date for the new service as a legal entity (as existed during local government reorganisation) does mean that many transfer issues cannot be planned definitively prior to vesting date and must therefore be for the new service to resolve. Although there is a commitment that all staff will transfer and terms and conditions will be protected at the point of transfer, the lack of proper shadow arrangements will undoubtedly have an effect on employee morale and hampers the ability of current employers to provide meaningful information to staff on their future. CFOAS has urged Scottish Government to bring forward some aspects of the Bill in relation to the appointment of the CFO to at least allow for a degree of critical decision making in advance of 1 April.

Chief Fire Officers Association Scotland
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