The Accounts Commission for Scotland

Agenda

Meeting on Thursday 15 March 2012,
in the offices of Audit Scotland, 18 George Street, Edinburgh

The meeting will begin at 10:00 am

1. **Apologies for absence**

2. **Declarations of interest**

3. **Decisions on taking business in private:** The Commission will consider whether to take items 10 to 12 in private.

4. **Minutes of meeting of 16 February 2012**

5. **Minutes of meeting of the Financial Audit and Assurance Committee of 9 February 2012**

6. **Chair's introduction:** The Chair will report on recent activity and issues of interest to the Commission.

7. **Update report by the Controller of Audit:** The Commission will consider a report from the Controller of Audit on significant recent activity in relation to the audit of local government.

8. **Best Value Audit – Lothian and Borders Fire and Rescue:** The Commission will consider a report by the Controller of Audit.

9. **Best Value Audit – Strathclyde Fire and Rescue:** The Commission will consider a report by the Controller of Audit.

10. **Best Value Audit – Lothian and Borders Fire and Rescue:** The Commission will consider the action it wishes to take on the report.

11. **Best Value Audit – Strathclyde Fire and Rescue:** The Commission will consider the action it wishes to take on the report.

12. **The audit of community planning partnerships –** The Commission will consider a report by the Director of Best Value and Scrutiny Improvement and presentations by Caroline Gardner, ex-Deputy Auditor General, and Sally Hammond, Audit Commission.

13. **Any other business**

The following papers are enclosed for this meeting:

Agenda Item	Paper number
Agenda Item 4: Minutes of the meeting of the Commission of 16 February 2012	AC.2012.3.1
Agenda Item 5: Minutes of meeting of the Financial Audit and Assurance Committee of 9 February 2012	AC.2012.3.2
Agenda Item 7: Update report by the Controller of Audit	AC.2012.3.3
Agenda Item 8: Best Value Audit – Lothian and Borders Fire and Rescue	AC.2012.3.4
Agenda Item 9: Best Value Audit – Strathclyde Fire and Rescue	AC.2012.3.5
Agenda Item 12: The audit of community planning partnerships	AC.2012.3.6

ACCOUNTS COMMISSION

MEETING 15 MARCH 2012

MINUTES OF PREVIOUS MEETING

Minutes of the meeting of the Accounts Commission held in the offices of Audit Scotland at 18 George Street, Edinburgh, on Thursday, 16 February 2012, at 10am

PRESENT:

John Baillie (Chair)
Michael Ash
Alan Campbell
Sandy Cumming
Colin Duncan
James King
Bill McQueen
Christine May
Colin Peebles
Graham Sharp
Douglas Sinclair

IN ATTENDANCE:

Fraser McKinlay, Controller of Audit and Director of Best Value and Scrutiny Improvement (BVSI)
Paul Reilly, Secretary and Business Manager
Gordon Neil, Portfolio Manager Best Value, BVSI [Items 8, 9, 11 and 12]
Mark McCabe, Project Manager, BVSI [Items 8 and 11]
Kathrine Sibbald, Project Manager, BVSI [Items 9 and 12]
Antony Clark, Assistant Director, BVSI [Items 8, 9, 11, 12 and 14]
Martin Walker, Assistant Director, BVSI [Items 10 and 13]
Gordon Smail, Portfolio Manager, BVSI [Item 15]
Gillian Battison, Project Manager, BVSI [Item 15]

_____

1.   Apologies for absence

Apologies for absence were received from Linda Pollock.

2.   Declarations of interest

The following members declared an interest in items:

- Christine May, in item 7, as a consultant in relation to waste management issues

- Alan Campbell, in items 8 and 11, as a former employee of Aberdeenshire Council.

3.   Decisions on taking business in private

The Commission agreed to take the following items in private:

- Items 11 to 13, to allow deliberations on actions arising from the reports

- Items 14, to allow consideration of a draft paper

- Items 15, to allow consideration of a draft report.

4.   Minutes of meeting of 19 January 2012

The minutes of the meeting of 19 January 2012 were submitted and approved.

In relation to item 6, advice from the Chair was noted that developments in relation to the Scottish Government's review of community planning had been moving apace. The Scottish Government had engaged with COSLA and the Improvement Service in taking things forward, and the Commission had been contributing to the

process as appropriate. The Chair had also kept Audit Scotland and the Auditor General informed of progress, as well as the Commission's strategic scrutiny partners.

Following discussion, the Commission agreed to continue its delegation of authority to the Chair and the Deputy Chair to work on its behalf on taking the issue forward, with the Chair to update the Commission as appropriate.

5. <u>Minutes of the meeting of the Performance Audit Committee of 2 February 2012</u>

The minutes of the meeting of the Performance Audit Committee of 2 February 2012 were submitted and approved.

6. <u>Chair's introduction</u>

The Chair reported that:

- On various dates he recorded podcasts for the audits of the fire and rescue services of Central Scotland, Tayside, Fife and Dumfries and Galloway

- He attended the Audit Scotland Board meeting on 26 January

- He chaired the Accounts Commission meeting with strategic scrutiny bodies on 1 February

- He attended a meeting with the Auditor General for Scotland and Audit Scotland on 2 February

- The Deputy Chair and study sponsors attended a meeting with Stirling Council on 14 February to discuss the Best Value Audit

- Meetings had been arranged during March with the Boards of Lothian and Borders Police, Central Fire and Rescue and Tayside Fire and Rescue

- Meetings with Comhairle nan Eilean Siar and Shetland Islands Council would take place after the local government elections in May

7. <u>Update report by the Controller of Audit</u>

The Commission considered and noted a report by the Controller of Audit providing an update on significant recent activity in relation to the audit of local government.

During discussion the Commission noted advice from the Controller of Audit that:

- He would provide the Commission with information on estimates of projected savings in relation to City of Edinburgh Council's alternative business model project

- He would provide the Commission with information on the position of Shetland Islands Council's new Executive Manager – Finance in relation to the Council's senior management structure, and whether the post is designated as the statutory finance officer

(Action: Controller of Audit)

Thereafter the Commission agreed to note the report.

8.   <u>Best Value Audit: Grampian Fire and Rescue</u>

The Commission considered a report by the Secretary and Business Manager introducing the Best Value audit of Grampian Fire and Rescue, and seeking direction on how to proceed.

The Commission sought clarification and further explanation from the Controller of Audit and the audit team on a number of points in the report.

During discussion, the Commission agreed that the following issues be considered for inclusion in its report on an overview of the Best Value audit of fire and rescue services, to be published by the Commission later in 2012:

- The use and make-up of civilian staff support

- Current good practice in relation to elected member scrutiny of fire and rescue services

- Elected member skills in relation to scrutiny of a national fire and rescue service

- The type and quality of support to Board members and the possible impact thereon of the introduction of a national fire and rescue service

- Issues associated with asset management in the transition period leading to the introduction of a national fire and rescue service

- The impact on preventative work of the balance between wholetime and retained firefighters

- Issues around false alarms

- Issues around fire and rescue board reserves

(Action: Controller of Audit)

Thereafter, the Commission agreed to note the report and to consider in private its findings.

9.   <u>Best Value Audit – Highlands and Islands Fire and Rescue</u>

The Commission considered a report by the Secretary and Business Manager introducing the Best Value audit of Grampian Fire and Rescue, and seeking direction on how to proceed.

The Commission sought clarification and further explanation from the Controller of Audit and the audit team on a number of points in the report.

During discussion, the Commission agreed that the following issues be considered for inclusion in its report on an overview of the Best Value audit of fire and rescue services, to be published by the Commission later in 2012:

- The role of local government in supporting joint fire and rescue boards

- The significance of geographical remoteness and associated infrastructure investment (e.g. roads) in provision of fire and rescue services, and in how these affect other public services such as ambulance and police

(Action: Controller of Audit)

Thereafter, the Commission agreed:

- To note that the Director of BVSI would be giving further consideration to:the structure of the proposed improvement agenda in his report

- To note the report and to consider in private its findings.

10. <u>Board of Strathclyde Fire and Rescue</u>

The Commission considered a paper submitted by the Secretary and Business Manager introducing a report by the Controller of Audit, made under Section 102(1) of the Local Government (Scotland) Act 1973, highlighting an issue in the 2010/11 annual audit report on the Board of Strathclyde Fire and Rescue.

The Commission sought clarification and further explanation from the Controller of Audit and the audit team on a number of points in the report.

Thereafter, the Commission agreed to note the report and to consider in private its findings.

11. <u>Best Value Audit – Grampian Fire and Rescue (in private)</u>

The Commission agreed that this item be held in private to allow it to consider actions in relation to its findings.

Following discussion, the Commission agreed to make findings as contained in the report to be published in early course.

12. <u>Best Value Audit – Highlands and Islands Fire and Rescue (in private)</u>

The Commission agreed that this item be held in private to allow it to consider actions in relation to its findings.

Following discussion, the Commission agreed to make findings as contained in the report to be published in early course.

13. <u>Board of Strathclyde Fire and Rescue (in private)</u>

The Commission agreed that this item be held in private to allow it to consider actions in relation to its findings.

Following discussion, the Commission agreed that the Controller of Audit carry out further investigations, with a view to reporting back to the Commission in early course.

14. <u>Scottish Parliament Local Government and Regeneration Committee Inquiry into Public Sector Reform and Local Government in Scotland: draft response (in private)</u>

The Commission agreed that this item be held in private to allow it to consider a draft paper.

The Commission considered a paper by the Secretary and Business Manager proposing a joint response by the Accounts Commission, Auditor General for Scotland and Audit Scotland to the call for evidence by the Scottish Parliament's Local Government and Regeneration Committee in its inquiry into public sector reform.

Following discussion, the Commission agreed the terms of a draft response in conjunction with the Auditor General for Scotland and Audit Scotland, subject to consideration being given to a number of points raised in discussion.

15.   <u>An Overview of Local Government 2012 (in private)</u>

The Commission agreed that this item be held in private to allow it to consider a draft report.

The Commission considered a report by the Director of BVSI seeking approval of the draft local government overview report.

During discussion, the Commission agreed:

- Noted advice from the Director of BVSI with regard to publication arrangements and Parliamentary scrutiny of the report.

- Agreed a number of changes to the draft report

Thereafter the Commission agreed to approve the draft report, subject to consideration being given to a number of points raised in discussion.

ACCOUNTS COMMISSION

MEETING 15 MARCH 2012

MINUTES OF MEETING OF FINANCIAL AUDIT AND ASSURANCE COMMITTEE

Minutes of meeting of the Financial Audit and Assurance Committee of the Accounts Commission held in the offices of Audit Scotland, 18 George Street, Edinburgh on Thursday, 9 February 2012, at 10.30am.

PRESENT:	Bill McQueen (Chair)
	John Baillie
	Sandy Cumming
	Colin Duncan
	Linda Pollock
	Graham Sharp
	Douglas Sinclair
IN ATTENDANCE:	Russell Frith, Assistant Auditor General [Item 5]
	Fraser McKinlay, Controller of Audit and Director of Best Value and Scrutiny Improvement (BVSI)
	Fiona Kordiak, Director of Audit Services
	Gillian Woolman, Assistant Director, LG and Health, Audit Services (Local Government) [Item 4]
	Paul Reilly, Secretary and Business Manager
	Nick Bennett, Managing Partner, Scott Moncrieff [Item 5]
	Karen Jones, Director, Scott Moncrieff [Item 5]

1.   Apologies for absence
2.   Declarations of interest
3.   Minutes of meeting of 1 December 2011
4.   Current audit issues in councils
5.   Annual audit report in focus: a presentation by the Nick Bennett, Managing Partner, and Karen Jones, Director, Scott-Moncrieff
6.   Any other business

1.   Apologies

There were no apologies.

2.   Declarations of interest

Douglas Sinclair declared in interest in relation to Item 5, as a former employee of Fife Council.

3.   Minutes of meeting of 1 December 2011

The minutes of the meeting of 1 December 2011 were approved.

The Committee dealt with the following matters arising from the minutes:

- In relation to item 3 (second bullet point) (council management structures), advice from the Director of BVSI was noted that the Local Government Overview 2012 report would make reference – albeit at a high level – to council management structures

(Action: Director of BVSI)

- In relation to item 4 (Local Government Pension Scheme Pathfinder Project), advice from the Director of BVSI was noted that the project would be part of consideration by the Director of Performance Audit in producing a regular 12-month impact report in relation to the report *The cost of public sector pensions in Scotland*

- Further in relation to item 4 (fifth bullet point), advice from the Secretary and Business Manager was noted that he would be circulating around Accounts Commission members for their comment an indicative list of proposed speakers for meetings of the Commission. It was noted in this regard that the Commission had agreed at its previous meeting that speaker and development sessions be organised for the days of meetings of the Commission's two committees.

- In relation to item 5 (seventh bullet point) (Current audit issues in councils – staffing numbers movement), advice from the Director of BVSI was noted that he will provide Committee members with latest Joint Staffing Watch figures

(Action: Director of BVSI)

- Further in relation to item 5 (eighth bullet point) (Current audit issues in councils – PFI projects), advice from the Director of BVSI was noted that the cost of servicing debt does include PFI projects

- In relation to Item 7 (first bullet point) (Annual audit in focus – design of next year's annual audit report template), advice from the Director of BVSI was noted that the design process is currently underway, in which he would ensure the involvement of the Committee.

(Action: Director of Audit Services)

4.   Current audit issues in councils

The Committee considered a report by the Director of Audit Services outlining emerging issues, recurring themes and individual issues of interest in Scottish councils.

During discussion it was agreed:

- To note advice from the Director of Audit Services that she would circulate the Scottish Parliament Information Centre briefing on the local government settlement

  (Action: Director of Audit Services)

- To draw to the attention of the Director of Performance Audit the Committee's interest in the Tax Incremental Financing model, in relation to the ongoing audit on major capital projects in local government

  (Action: Secretary and Business Manager)

- That the Directors of BVSI and Audit Services investigate how to provide the Committee with more detailed information relating to workforce reductions, particularly in relation to numbers of senior management involved compared to other staff

  (Action: Directors of BVSI and Audit Services)

- That the Director of BVSI consider for inclusion in the *Overview of Local Government 2012* report the issue of the impact of senior manager reductions on the span of corporate management control

  (Action: Director of BVSI)

- That with regard to various ongoing issues associated with City of Edinburgh Council:

  - to note advice from the Director of BVSI that he would consider how to update the Committee with regard to various ongoing issues

    (Action: Director of BVSI)

  - that the local audit team be invited to a future meeting of the Committee

    (Action: Secretary and Business Manager)

  - to note advice from the Assistant Director of Audit Services that she recently met the Council's new Director of Corporate Services to discuss the annual audit report.

- To note advice from the Director of BVSI that he would further investigate the current position with regard to the planned integration of health and social care in Highland

  (Action: Director of BVSI)

- To note advice from the Director of BVSI that he continued to monitor the situation with Caithness Heat and Power, with a view to submitting a report to a forthcoming meeting of the Commission

- That the Director of Audit Services provide more detail at the next meeting on West Dunbartonshire Council's 'income securitisation' proposal

  (Action: Director of Audit Services)

- That the Director of BVSI provide members of the Committee with an update on the situation with regard to Shetland Islands Council, particularly regarding governance issues in relation to Shetland Charitable Trust

  (Action: Director of BVSI)

Thereafter the Committee agreed to note the report.

5.   Annual audit report in focus: a presentation by the Nick Bennett, Managing Partner, and Karen Jones, Director, Scott-Moncrieff

The Committee considered a presentation by Nick Bennett, Managing Partner, and Karen Jones, Director, Scott-Moncrieff entitled Annual Audit report in focus and the supporting annual report on the 2010/11 audit of a sample council.

During a discussion, it was agreed:

- That consideration be given in the design of next year's annual audit report template to a greater profile for partnership working and thus relevant community planning partnerships

(Action: Director of Audit Services)

- To recommend to the Accounts Commission that it give further consideration to public perceptions of the annual audit report

(Action: Secretary and Business Manager)

- To note advice from the Director of Audit Services that the introduction two years ago of financial ratios into annual audit reports – and their ongoing further development - will allow development of comparative financial information

- To note advice from the Assistant Auditor General that he was currently amidst a quality review of annual audit reports, which includes such issues as report length and content

- Further in this regard, to note advice from the Assistant Auditor General that he would report to a future meeting of the Committee on the outcome of this review

(Action: Assistant Auditor General)

- To note advice from the Assistant Auditor General that the Scottish Government is currently reviewing the Publication of Financial and Other Information by Local Authorities: Code of Practice for Scotland, and this is likely to have an impact on reporting processes

- That the Committee retain a watching brief – informed by the Director of Audit Services – on how councils consider their annual audit reports

(Action: Director of Audit Services)

- Further in this regard, that the Controller of Audit advise at a future meeting about the requirements of annual audit reports, including his own intelligence needs and the requirements of the Code of Audit Practice.

(Action: Controller of Audit)

The Committee thanked Nick Bennett and Karen Jones for their presentation and for taking part in the subsequent discussion.

6.   Any other business

There was no other business.

ACCOUNTS COMMISSION

MEETING 15 MARCH 2012

REPORT BY THE CONTROLLER OF AUDIT

UPDATE REPORT

Introduction

1. The purpose of this regular report is to provide an update to the Commission on significant recent activity in relation to the audit of local government.

2. It is intended to complement the intelligence reports to the Financial Audit and Assurance Committee, which provide a more detailed update on issues arising in local government. The most recent such report was at the Committee meeting of 1st December 2011.

Local government issues

3. All councils have agreed their budgets for 2012/13. They have all agreed to a council tax freeze with the exception of Stirling Council which has decided to go further by reducing council tax by 1%.

4. Audit Scotland staff have begun preliminary work looking into allegations made in an anonymous 'whistleblowing' letter about South Lanarkshire Council. I have been in correspondence with the council on this matter and sought appropriate legal advice.

5. Audit Scotland is also leading work to respond to the Commission's request for further audit of the regularity of the terms associated with the retirement and subsequent re-employment of the Chief Fire Officer at Strathclyde Fire and Rescue.

6. Donald Mackay, Director of Education at Midlothian Council, has retired. He is one of three directors at the council another of which is already on phased retirement. These changes are taking place as the council embarks on plans to share education services with East Lothian Council.

7. Alan Wood has been appointed as Aberdeenshire Council's head of finance . He will be responsible for the authority's finances including revenues, benefits, the council's budget, payments, treasury, council tax collection and will be the Council's Section 95 officer.

Parliamentary news

8. Antony Clark, Angela Canning and I gave a briefing to the Parliament's Local Government and Regeneration Committee on 7th March as part of its review of public sector reform.

Other

9.   The Audit Commission has announced the proposed award of five-year audit contracts to four private firms starting from 2012/13 - contracts that will contribute to an up to 40 per cent cut in the audit fees paid by local public bodies.

Conclusion

10. The Commission is invited to consider and note this report.

Fraser McKinlay
Controller of Audit
09 January 2012

ACCOUNTS COMMISSION

MEETING 15 MARCH 2012

COVER NOTE BY SECRETARY AND BUSINESS MANAGER

BEST VALUE AUDIT: LOTHIAN AND BORDERS FIRE AND RESCUE

Purpose

1.   The purpose of this paper is to introduce the report of the Best Value audit of Lothian and Borders Fire and Rescue. The Commission is invited to consider the report and decide which of the options for action it wishes to take.

Background

2.   At its meeting in April this year, the Accounts Commission approved a programme of Best Value audits to be carried out on each of the eight Scottish fire and rescue services and authorities. These reports are being prepared by the Controller of Audit in accordance with Section 102(1) of the Local Government (Scotland) Act 1973. It was agreed that these audits would be more targeted and focused than other Best Value audits, with an emphasis on local accountability. At its last meeting in November, the Commission noted an update on the progress of the audit programme, and noted a timetable for the programme of audits, including a national overview report at the end of the eight audits.

The report

3.   This report and that for Strathclyde Fire and Rescue are the final two in the audit programme that comprises of eight audits. It is also being sent to the Clerk of the Joint Fire and Rescue Board, which is comprised of elected members from the four constituent councils – City of Edinburgh, East Lothian, Midlothian and West Lothian. The Clerk of the Board is required to supply a copy of the report to each member of the Board and to make additional copies available for public inspection.

4.   The legislation provides that, on receipt of a Controller of Audit report, the Accounts Commission may do, in any order, all or any of the following, or none of them:

   (a) Direct the Controller of Audit to carry out further investigations;
   (b) Hold a hearing;
   (c) State its findings.

Consideration of the report

5.   The Controller of Audit and members of the audit team from Audit Scotland will be present at the Commission meeting to answer questions.

6.   If the Commission considers that it requires further information to proceed with its consideration of the report, it may direct the Controller of Audit to carry out further investigations. If the Commission is satisfied with the information which it has, it may wish to proceed to make findings unless members consider that a hearing is necessary.

7. The circumstances in which the Commission may wish to hold a hearing are likely to include:

- where the Commission has serious concerns about the performance of a local authority as demonstrated in the audit report; or

- where there is a strong difference of opinion between the Controller of Audit and the local authority.

8. Findings may include recommendations and the persons to whom those recommendations may be made include Scottish Ministers, who have powers to make enforcement directions requiring authorities to take such action as is specified in the Direction.

Media

9. Once the report is sent to the fire board and the fire and rescue service it is effectively in the public domain and may attract media interest. As with council Best Value audits, it is not intended that any media comment should be made by the Commission until it has deliberated on the report.

Conclusion

10. The Commission is invited to:

- consider the report by the Controller of Audit on the Best Value audit of Lothian and Borders Fire and Rescue; and

- decide how it wishes to proceed.

Paul Reilly
Secretary and Business Manager
24 February 2012

2

Audit of Best Value
Lothian and Borders
Fire and Rescue

Contents

Commission findings

text

Introduction

1. Local authorities in Scotland, including fire and rescue, have a statutory duty to deliver best value in their services. This requires them to establish management arrangements, aimed at securing continuous improvements in their performance while maintaining an appropriate balance between quality and cost.

2. Since 2004, Audit Scotland has carried out audits of Best Value in each of the 32 councils in Scotland and in most police authorities. These audits have helped to improve performance and accountability in local government and have brought unsatisfactory performance to the public's attention through the public reporting process.

3. The responsibilities of fire and rescue services have changed significantly over the past decade. In 2003, all Scottish services were required to produce Integrated Risk Management Plans (IRMP), identifying the level of local risks and determining the appropriate allocation of resources. The Fire (Scotland) Act 2005 introduced further changes, placing a strong emphasis on prevention rather than simply emergency response.

4. Some aspects of Best Value in Fire & Rescue have been covered in earlier Accounts Commission reports, particularly the 'Scottish Fire Service: verification of the progress of modernisation', published in 2004, and the 'Review of service reform in Scottish fire and rescue authorities', published in 2007. So far, however, there has not been any dedicated audit, covering all key aspects of Best Value.

5. Following a formal consultation with stakeholders in late 2010, the Accounts Commission decided that the audit of Best Value should be extended to Fire & Rescue. With the Scottish Government signalling a potential restructuring of the services, however, it was recognised that the audit needed to be proportionate, seeking to identify the key strengths which should be retained in a future structure and any significant weaknesses which needed to be resolved. The Scottish Government has subsequently announced its commitment to deliver a single Fire and Rescue Service for Scotland, with details on the Police and Fire Reform Bill (Scotland) 2012 published in January 2012.

6. During 2011, audits were carried out at each of the eight Scottish fire and rescue services and authorities. These focus on core issues, such as strategic planning, the role of members, financial management, and service performance and costs. These local reports, which will support improvement and local accountability, will be followed by the publication of a national overview report in 2012. A number of best value issues, including equalities, sustainability and procurement have not been covered directly in the scope of the local audit work. These, along with a range of other issues, will be covered in the national overview report.

7. We carried out the Best Value audit of Lothian and Borders Fire and Rescue during October 2011. We gratefully acknowledge the co-operation and assistance provided to the audit team by the Chief Fire Officer, James Campbell and now Acting Chief Fire Officer, Alex Clark; the chair of the Lothian and Borders Joint Fire Board, Councillor Michael Bridgman, and all other elected members and staff involved.

Summary

8.   Lothian and Borders Fire and Rescue (L&BFR) provides an effective and low cost emergency response service. Over the past ten years, the number of fires in the Lothian and Borders area has reduced significantly in line with the national trend, but remains higher than the national average as does the level of casualties. The cost of providing the service is the lowest per head of population in Scotland. The cost in real terms has not changed significantly over the past decade.

9.   L&BFR has clear priorities and the principles of integrated risk management are evident throughout its strategic planning. This has been used to help shift resources towards areas of greater risk, including the closure of a fire station and some changes to shift patterns to support some of the higher risk areas covered by retained stations. Other planned changes, including the location of stations in North Edinburgh and East Lothian, have not come to fruition, as a result of the economic downturn and the progress towards a national service.

10. L&BFR has a clear focus on prevention work. It engages in a range of educational and awareness raising initiatives and carries out a relatively high level of home fire safety visits which are increasingly targeted on areas of greatest risk. It also has a risk focused approach to carrying out statutory fire audits but faces a significant challenge with half of the houses of multiple-occupancy in Scotland, widely recognised as high risk properties, within the Lothian and Borders area.

11. Although the absolute numbers are not high the relative level of casualties compared to other services is high. While the high number of houses of multiple-occupancy is likely to be a factor, the service has not identified the underlying reason for this high level of casualties and has not been able to target preventative work accordingly.

12. Lothian and Borders Fire and Rescue Service has good working relations at a strategic and operational level with its partners. There are good examples of the service working well with partners on road safety and fire prevention, as well as wider community safety initiatives. There are also some examples of the service working well with council and other emergency services to make effective use of resources, such as fleet maintenance facilities.

13. There is a good level of awareness and engagement by members of the joint board but there is scope for them to provide more leadership in setting the strategic direction, as well as challenging progress with community planning and service performance. The standard of challenge and the depth of scrutiny from members are broadly good, but the range and frequency of performance information provided to members is limited, affecting the board's ability to drive improvement.

14. The service recognises that its performance information systems are inadequate and has plans in place to implement a new system but it has taken too long to address this. The lack of an effective information system to efficiently collate performance information affects the availability of good quality timeous information to not only the board but also managers and the wider staff, limiting effective monitoring and improvement. Quarterly management performance reports lack sufficient analysis of performance.

15. Leadership by the management team is good, with an effective team culture evident amongst the senior and wider management team. There is a good level of self-awareness with managers recognising where improvement is needed and with plans to address these. There are, however, potential risks to management capacity with resources drawn on for development of the national service and internal transitional work.

16. The service actively engages in improvement work at a strategic and operational level. However, there is scope to apply a number of its improvement tools more effectively, for example the service's programme of reviews is not targeted at issues of greatest need. The service uses a data base system that allows all staff to propose improvement initiatives. There is a good level of use of this
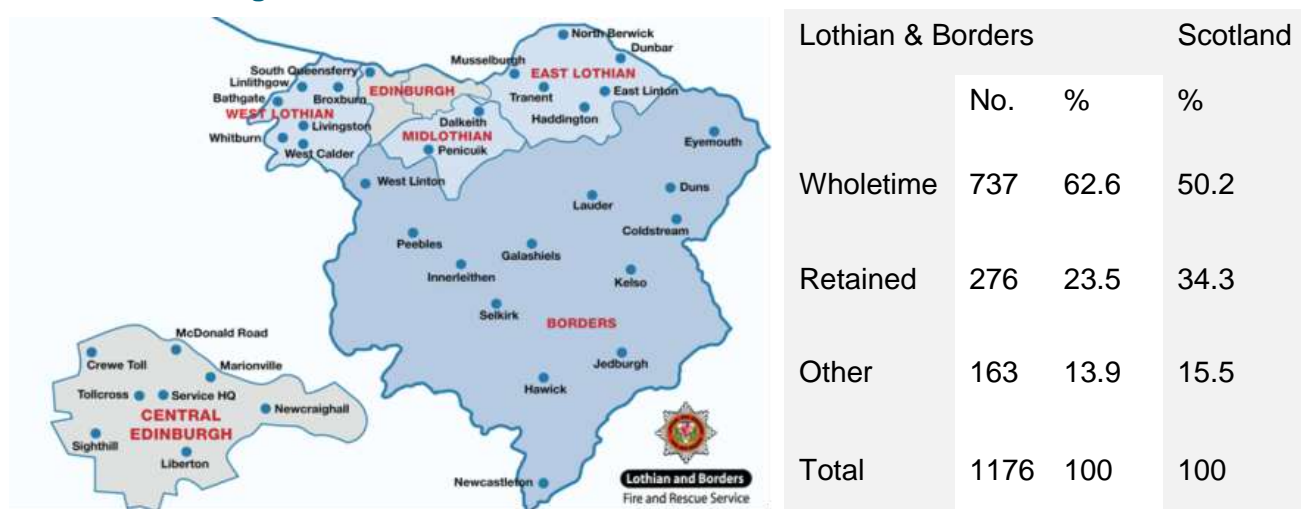
tool and it actively contributes to improvement work, but requires refinement, for example to support cross-service learning.

17. L&BFR has some good arrangements in place to make effective use of its resources but recognises there is scope to improve how it manages its assets and workforce. In particular, more robust systems need to be established for the management and monitoring of equipment. In relation to the workforce, it needs to make further progress with absence management and, appraisal, development and training arrangements for retained firefighters. It is improving information and communications technology but there are still some challenges with particularly the speed of the ICT infrastructure.

Context

18. Lothian and Borders includes the local authority areas of the City of Edinburgh, East Lothian, Midlothian, West Lothian and the Scottish Borders. It covers a region of 6,456 Km^2 that is a mix of urban as well as rural and agricultural areas, particularly in East Lothian and the Scottish Borders.

19. The population of the area is around 950,000, representing 18 per cent of the total Scottish population. There are a higher proportion of older people in the Scottish Borders than across the rest of the area. Older people are a higher risk group and particularly with the more rural nature of this area this presents potential challenges in relation to service demand and availability of individuals to provide the service.

20. Estimates indicate that the total population of Lothian and Borders will increase to over 1.1 million by 2033 and the increase will be particularly marked in Edinburgh. Over half of the area's residents live in Edinburgh. Overall, the region is relatively affluent, but with some areas of deprivation, evident particularly in the city. A number of other factors also impact on risk in Edinburgh for the fire and rescue service. These include the historic nature of many of the buildings and infrastructure of the city, the significant increase in population during international cultural events such as the annual Edinburgh Festival and Fringe, the large student population and the wide range of organisations and businesses including the Scottish Government and parliament, healthcare, bio-sciences, financial services, and a large number of hotels, bars and restaurants.

21. The Lothian and Borders Fire and Rescue Service (L&B FRS) is delivered from its head quarters at Lauriston in Edinburgh and from 35 stations across the area (Exhibit 1). Of these stations nine are whole-time stations, three stations are combined whole-time and retained stations, and one is whole-time with a day-shift duty system (DSDS) attachment. There are 19 retained stations and a further three retained stations with DSDS attachments. DSDS staff are wholetime staff that do not work in the service's shift pattern but work during the day only. These officers provide additional cover and resource during the day for emergency response and community safety activities.

Exhibit 1: Staffing and fire stations in Lothian & Borders

Lothian & Borders			Scotland
	No.	%	%
Wholetime	737	62.6	50.2
Retained	276	23.5	34.3
Other	163	13.9	15.5
Total	1176	100	100

Source: L&B FRS   *Staffing data - CIPFA Statistical Returns (as at 31st March 2011)*

22. The service's annual expenditure is around £42.3 million (2010/11net expenditure). L&B FRS employs around 1176 staff (full time equivalent), including 737 whole-time and 276 retained firefighters (Exhibit 1). It has a fleet of 60 response vehicles. Of these, 47 are standard fire and rescue engines, but there are other specialist vehicles such as those for aerial rescue, urban search and rescue, water rescue, line rescue and command & control.

23. L&BFR is governed by a Joint Fire and Rescue Board that comprises 18 councillors. Nine of the members are from City of Edinburgh Council, including the convener of the board, three members are from West Lothian Council, and there are two members from each of the other constituent councils. The Board meets five times a year with a number of sub-committees, including a scrutiny committee, also meeting regularly.

Governance and management

Vision and strategic direction

L&BFR has clear strategic priorities. It has a mature and effective planning framework. The principles of integrated risk management are evident throughout its strategic plans, and it has a strong focus on prevention work. There is a good level of awareness and engagement by members but with scope to provide more leadership in setting the strategic direction. Management leadership is good, with an effective team culture amongst the senior and wider management team. There are potential risks to the management capacity with resources drawn on for development of the national service and internal transitional work.

24. L&BFR has a clear strategic vision set out in its annual performance plan. The current plan, produced in November 2011, sets out the core vision and strategic objectives, supplemented with specific commitments that relate to preparing for the merger to a national fire and rescue service (Exhibit 2).

Exhibit 2: Lothian and Borders Fire and Rescue - Vision, strategic aims

Vision:

Through the provision of a quality service, it is our purpose to reduce the impact upon the community and the environment of fires and other emergencies and by doing so, improve community safety and engender a sense of wellbeing in the population living within its boundary.

Our vision for the service is to be...

Excelling in the provision of high quality services contributing to safer communities through being a forward-looking, professional, cost effective organisation driven by a highly motivated and empowered workforce.

Strategic aims:

1. To reduce the incidences of fire by the provision of an efficient and effective fire safety education, advice and legal enforcement service;

2. To provide an efficient and effective response to fires and other emergencies.

2011 supplement to vision and strategic aims

Our focus must now be directed towards fire reform and ensuring that the current standards which we deliver are maintained. This is a key assurance and commitment to the public and our stakeholders against the backdrop of budget cuts and major change. Consequently, our organisational energy moving forward will be focussed on three key areas:

- Service delivery;
- Our people; and
- Effective governance.

This focus will span the work relating to:

- Maintaining current standards;
- Preparing for transition; and
- Integration to the single service.

Source: Lothian & Borders Fire & Rescue

---

25. The service has a well established and integrated planning framework. At the centre of the framework is the annual performance plan. The annual cycle for development and approval of the performance plan is phased with summer and winter management workshops to consider and refine the strategic priorities and objectives for the service. This annual planning cycle is effectively integrated with the annual budgeting process and financial management. Although ultimately the board approves the plan, the cycle does not involve formal engagement or consultation with the board. However the convener of the board attends the development workshops.

---

26. The annual planning cycle also includes the development of a hierarchy of plans that flow from the priorities and objectives set in the development of the performance plan. These plans include functional plans for the divisions of the service, including community safety, operations, technical services, training and development, central services and, personnel. Service delivery, unit and personal development plans make up the rest of the internal service planning framework.

27. At a strategic level the service improvement plan is complemented effectively with a series of strategic assessment documents that set out the services contribution to the five constituent authorities' community planning partnerships' priorities. In particular, these documents outline the service's priorities in relation to community safety risk in the areas.

28. The responsibilities of fire and rescue services have changed significantly over the past decade. In 2003, all Scottish services were required to produce Integrated Risk Management Plans (IRMP), identifying the level of local risks and determining the appropriate allocation of resources. The Fire (Scotland) Act 2005 introduced further changes, placing a strong emphasis on prevention rather than simply emergency response.

29. L&BFR has responded strongly to this new role in preventative work. In September 2004 the board approved the expansion of a pilot project in West Lothian of home fire safety checks across the area. In its IRMP and its 2006 service plan L&BFR made the commitment to provide a home fire safety visit (HFSV) to every household in the area. This was a significant undertaking and high targets were set for staff. High numbers of homes have been provided with information on how to request a HFSV and high numbers have received a HFSV and had smoke detectors installed since 2004/05. However the approach taken did not target the most at risk individuals or properties. The approach has been refined. In 2009/10 a more risk based approach was deployed across the service.

30. The principles of integrated risk management are evident throughout the service's strategic planning and its IRMP processes have led to some significant changes to resources and plans for others. L&BFR board approved an IRMP in January 2006, *Making Safer Communities Service Improvement Plan 2005-2010.* The production of this plan, amongst other work, included use of the Fire Service Emergency Cover (FSEC) risk modelling tool. The process produced a picture of risks to the communities across the area and of the most effective model for the use of resources in relation to the levels of risk and provision of the service. Over more recent years, enhanced information, such as socio-demographic data software, has also been employed by the service in planning.

31. There is evidence that IRMP has led to shifts in resources to help match community risks. In 2007, the Melrose firestation was closed. This was followed by the redeployment of various fire engines throughout the area, and changes to the balance of crewing arrangements in some stations. Of particular note is the introduction of a day-shift duty system (DSDS) at selected stations, an arrangement not commonly used across the Scottish fire services. These firefighters are located in areas where the predicted fatality rate from dwelling fires indicated the need for additional resources. These DSDS wholetime firefighters provide additional capacity during the day-shift for both response and preventative work. DSDS firefighters are located at Livingston (a wholetime station), Penicuik, Whitburn and Duns (all RDS stations). During the day it is generally recognised to be more challenging to get full availability of retained firefighters because of other commitments such as being outwith the area with their primary employment. For the specific stations and adjacent retained stations, these DSDS firefighters are an important resource.

32. Other potential changes to the strategic deployment of resources have not come to fruition. This includes the development of a new training centre and the closure and relocation of new stations in the north of Edinburgh and in East Lothian. Work was progressed on these projects until recently but external factors including the tightening financial position of the public sector, housing developments not progressing as planned and then moves towards reform of the Scottish fire and

rescue services slowed then halted these plans. Although the new training centre has not been progressed, as an alternative, enhancements have been made to the current facilities.

33. The current board was established in 2007 following the local government elections in May. The board demonstrate a good understanding of the strategic issues and principles of risk. Members of the board, on the whole are engaged but could provide the service with a stronger level of challenge and scrutiny, particularly in driving performance improvement and value for money. Members do request reports on specific issues, but have not determined the scope and structure of performance monitoring reports. Instead, fire officers and managers determine the information which is routinely provided to board members.

34. Management leadership is strong. Senior managers demonstrated a good level of self awareness and understanding of the areas for improvement within the service. The senior management and wider management team work in an open and inclusive manner, with a sense of common purpose.

35. Since the current CFO took up the post in June 2010, there has been a gradual shift in the management structure. Many staff at a middle management level have moved post over the last eighteen months. This has been managed well, with the individuals predominantly seeing this as a positive opportunity.

36. The most significant challenge for the service management over the next year is its capacity. The planning and transition work for the national service will require a significant proportion of its management time and managers will need to balance this commitment with maintaining the current standard of support to staff and, maintaining the standard of service monitoring and management. The service recognises this issue and has prioritised maintaining good levels of firefighter and community safety in its recent service planning processes.

Partnership working

L&BFR has good working relations at a strategic and operational level with its partners. However, the board provides limited oversight of the service in relation to community planning. There are good examples of the service working well with partners on community safety initiatives and some examples of the service working well with councils and other emergency services to make effective use of resources.

37. Fire and rescue services work through a range of partnership arrangements. They plan for civil contingencies with public and private sector partners through Strategic Co-ordinating Groups (SCGs). Prevention activity is typically delivered through community safety partnerships, working with local authorities, police, health, social landlords and the voluntary sector and sharing information on individuals at risk is key to ensuring prevention activity is most appropriately targeted. Fire and rescue services also deliver their response services in conjunction with other emergency services such as police, ambulance service, coast guard and mountain rescue. Individual fire and rescue services also work with other fire and rescue services, typically to provide cross-border response services or contributing to national resilience for major incidents.

38. L&BFR work effectively with partners in relation to community risk and contingency planning. The service regularly participates in major joint exercises with other emergency services and partners. The service also engages with major private sector bodies in the area, participating in joint emergency exercises.

39. The service demonstrates a good level of engagement in community planning arrangements and community safety partnership work across the five council areas it spans. Relationships with partners are good, with well-established engagement at both a strategic and operational level. Managers and officers from across the organisation are involved at all levels of partnership arrangements. Senior managers are represented on community planning and community safety

partnership strategic groups and middle managers and community safety officers engage in local level groups. For example, officers are integrated into a co-located community safety team in West Lothian, representatives participate in monthly meetings in each of the six neighbourhood areas and liaise with the 12 neighbourhood partnerships in Edinburgh. Board members approve the service's strategic assessments for the constituent areas, but there is limited evidence of board members actively providing an oversight and driving the community planning agenda, through direct engagement or through challenge and scrutiny.

40. The service has Strategic Assessment documents to coordinate the services contribution to the five partnerships' priorities and single outcome agreements. These are well structured, clearly indicating the priorities for each area within the framework of the service's own risk based planning approach and, are reflected in operations and community safety plans.

41. The service works well with a number of partners in different ways to target preventative community safety work to those identified as being at risk. For example L&B FRS works with council partners on a 'stair-aware' campaign to reduce the incidence of rubbish in common stairs which creates a significant fire hazard. The service works with health and social services partners to target vulnerable individuals for home safety visits. This includes approaches such as inclusion of questions in shared risk assessments undertaken by health and other care professionals regarding fire safety and also fire and rescue officers involvement in case conferences for individuals identified as being at particular risk from fire related incidents. The service works closely with the police in a number of initiatives to support work to tackle anti social behaviour. This includes the service's involvement in initiatives to educate and engage young people known to be involved with starting fires or those at risk of becoming involved in anti-social behaviour.

42. It is difficult to evidence the impact of these initiatives in reducing community risk. The service has undertaken a broad evaluation of the economic impact of its HFSV (see paragraph 88) but has not evaluated other individual initiatives for their impact and value for money.

43. Although, like other Scottish fire and rescue services, the level of shared and joint service arrangements is limited, L&BFR does work well with other partner services to promote more efficient use of resources. For example:

- With the city of Edinburgh council CCTV unit to improve the safety of crews. Two CCTV screens in the service control centre are used to view areas covered by CCTV in the city to advise crews of any risks evident at sites they are attending.

- Lothian and Borders Police use the fire and rescue service operational support centre facilities for vehicle maintenance.

- The Scottish Ambulance service uses some fire stations as standby locations.

- L&BFR provide some garaging of vehicles for the British Red Cross, Her Majesty's Coast Guard and Scottish Ambulance Service.

- The service has a memorandum of understanding with Tweed Valley Mountain Rescue to support line recue provision in the Scottish Borders area.

44. Some progress has been made in recent years in the partnership working between fire and rescue services, particularly in relation to procurement. However, the scope of cross boundary partnership working is limited and it is disappointing that more has not been done to find efficiencies in provision through more partnership and shared activity. There are, however, a few examples in L&BFR, such as a formal arrangement with Central Scotland Fire and Rescue to provide fire investigation services and for Central Scotland Fire and Rescue Service to provide L&BFR with access to a trained accelerant detector dog. Other potential areas for shared services, such as occupational health, ICT and control room arrangements, have been considered but have not been progressed.

Scrutiny, performance management and improvement

The service recognises that its performance information systems are inadequate and has plans in place to implement a new system, but it has taken too long to address this. There is a well established culture for continuous improvement, although the application of the tools used needs to be improved. The standard of challenge and the depth of scrutiny from members is broadly good, but the range and frequency of performance information provided to members is limited, affecting the boards ability to drive improvement.

45. Performance management is an area for improvement. The service does not have an effective information system to efficiently collate performance information and make this readily available to managers or board members. Information is being collated and reported from various systems into the management reporting arrangements, but the lack of a dedicated system detracts from the robustness and flexibility of performance management. A software tool anticipated for a number of years from an external partner has not been progressed and the service has not put an alternative arrangement in place to date. The service now has plans to put in place a system during 2011/12 to address this gap.

46. Quarterly performance reports are produced for the service management team. These reports contain a range of management information, such as progress with projects, budget information and reporting of trends in activity outputs. The service recognises the need to develop these further into more useful reports, with a better emphasis on underlying performance issues rather than reporting on activity levels.

47. Improvement to the performance information systems would support better performance reporting to members. The limited performance information systems also mean that current local performance information is not readily available to staff in stations. Performance information at the front line of service delivery is useful to motivate staff and stimulate improvement.

48. There is continuous improvement work undertaken at all levels of the service, although the application of the tools used needs to be improved. Strategically, the service has undertaken PSIF (Public Sector Improvement Framework) self-assessment exercises in 2007/08 and 2009/10 but these have not been used effectively to provide internal challenge and prompt improvement. The service has undertaken a cyclical programme of best value reviews for several years. Over time, these cover all areas of activity, with the aim of identifying efficiencies and improvements in performance. Recent reviews include training and development, occupational health and fitness and, community safety. The reviews have contributed to improvements, however, there is little prioritisation of the areas that are subject to review. The board and service should consider whether any review activity planned for the coming year is effectively targeted to make best use of the resources.

49. An important contribution to the service's improvement work is its use of an 'initiatives system'. This software tool is used for monitoring progress of activities and projects in action plans at all levels of the organisation but is also actively used at all levels of the organisation to suggest improvement initiatives. There is a systematic approach to managing and approving proposed initiatives. This includes ensuring that all initiatives contribute to the services priorities. Reports from the system are provided to key management groups for monitoring. The system would benefit from more systematic arrangements to ensure cross-service learning and involvement in initiatives as currently it tends to be used as a tool within teams rather than to promote wider improvement.

50. Operational assurance is well managed. Arrangements are well developed and contribute to continuous improvement through monitoring of the efficiency and effectiveness of policies and procedures and their implementation operationally in stations and at incidents. The service should ensure that feedback mechanisms to staff from operational assurance activities are consistent and effective; our audit work indicated some variability across stations. The service could also consider how it can expand this quality assurance approach into other areas of work such as its community safety activities.

51. There has been some improvement over the last 18 months in the range of performance information members receive but more and better performance information needs to be available to members to support good scrutiny and challenge. Currently the board receives an annual report on service performance. As part of its remit, the scrutiny committee is meant to receive quarterly performance reports by the functional departments but this has not happened consistently in practice. The quality of these reports for scrutiny is inadequate. They contain a lot of information on progress with projects, budget information, activities and outputs but limited trend information, no benchmarking information or costing data. Performance on specific issues is also presented as required, such as progress reports on activities such as the HFSVs. However, this does not provide members with a clear illustration of how effectively the service is performing across its priorities and primary activities, across the constituent areas, or comparatively with other services. It is therefore difficult for members to monitor the service's overall performance and help drive improvement.

52. Scrutiny and challenge from board members tends to focus on specific issues. There is a good level of engagement and understanding of the strategic issues by members and a good standard of discussion and challenge to the service management on issues brought to the board. They can ask very pointed questions and provide strong, independent challenge.

53. Board members carry out some overview of the service's improvement agenda. They are informed by managers of the proposed cycle of BV reviews, but do little in terms of prioritising areas in need of review. They are not involved in undertaking the reviews.

Use of resources

L&BFR has some good arrangements in place to make effective use of its resources but recognises there is scope to improve how it manages its assets and workforce. It manages its financial resources well. It also manages its workforce well, with clear plans and policies in place, but it needs to make further progress with absence management and training and development arrangements for retained firefighters. Asset management of the service's property and fleet is effective, but more robust systems need to be established for the management and monitoring of equipment. It is improving information and communications technology but more progress is needed in improving some of the ICT infrastructure.

Financial management

L&BFR manages its financial resources well. It has managed reductions in the budget effectively. There is a 'zero based' approach to budget planning and members of the joint board are engaged in the annual budgeting process.

54. L&BFR demonstrates good financial management and has dealt with some reduction in its budget over the past four years without detrimental impact on service performance. Between 2007/08 and 2010/11 the service's net expenditure (excluding pensions) has reduced by around 4.6 per cent from £45.28 to £43.20 per capita. It has achieved efficiencies through vacancy management and through a move to a 'zero based' budget planning approach. This means the budget is not based on assuming spending will be on the same things and at approximately the same levels as the previous year. No assumptions were made and the budget is built up from the strategic plans and commitments for the year. This has helped focus resources on priorities. This was introduced for the 2010/11 budget planning cycle.

55. The service's net expenditure in 2010/11 was £42.3 million. In 2011/12 the budget is £41.2 million. Further reductions in the budget are anticipated for 2012/13. The service is planning for this. Its focus for achieving further reductions in the budget is to prioritise maintenance of the current standard of service and work that contributes to the transition to a national service. Other initiatives and programmes of work are being reviewed for deletion or reduction in scope and resources.

56. L&BFR's general fund balance reduced from around £3.9 million in March 2010 to £3.1million in 31 March 2011, but remains a healthy level of reserve.

57. Members of the joint board are engaged in the annual budget planning arrangements and approve and monitor the service's revenue budget and capital programme. Financial information is provided regularly to the board for scrutiny but members could take a stronger role in challenging and driving value for money.

58. The service has a devolved budgeting approach that is well structured and monitored. This contributes to the priority led budgeting approach and also devolves responsibility and accountability for budgets across managers throughout the departments of the service. Although this has developed well, continued support is needed for budget holders as there is a mixed level of ability in dealing with financial information. The system for monitoring and managing the budgets has also developed well with improved information systems producing better reporting for budget holders and a Budget Review Group of senior managers from across the departments providing an oversight of the budget management.
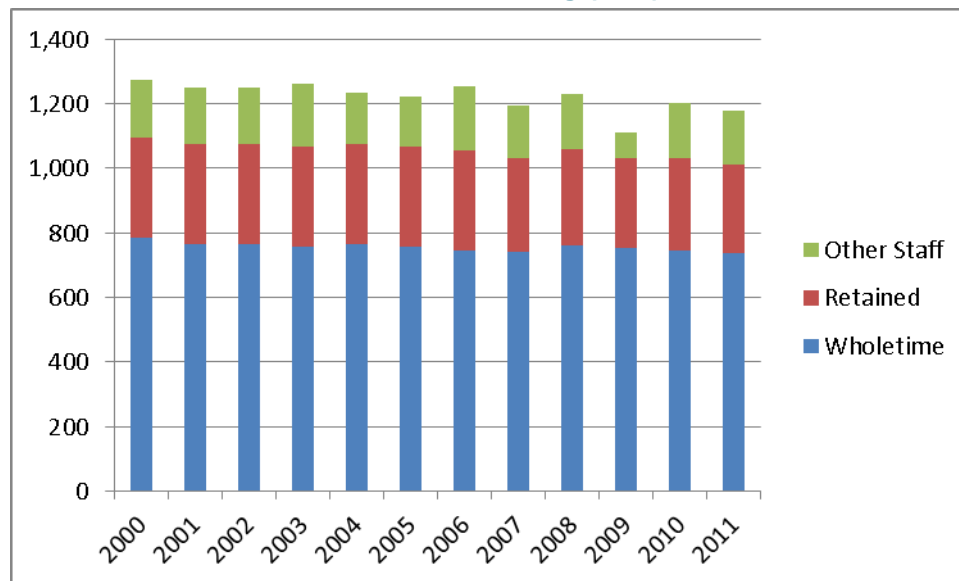
Workforce management

Workforce management is good and improving in L&BFRS. Firefighter health and safety is a clear priority for the service management. Strategic planning has developed well over the

---

last two years. Training and development arrangements are good although there is scope to improve systems for supporting retained firefighters. Although improving, the service needs to make more progress with absence management.

59. The workforce profile of L&BFRS has changed very little over the last decade (Exhibit 3). There has been a slight reduction in the total number of staff, since 2000 the full time equivalent (FTE) has reduced by 76; 45 of these have been since 2005. In 2011 the total FTE staff number is 1176, four per cent less than 2005. There are 20 less FTE whole-time firefighters, 35 less retained firefighters, but 9 more FTE of other staff.

Exhibit 3: Lothian & Borders – Total staffing (FTE)

Source: CIPFA

60. L&BFR has a documented workforce strategy laid out in its Human Resource Strategy and Personnel Workplan, produced in 2010. In general, there is a sound and structured approach to workforce management.

61. The managers monitor the workforce effectively, for example monitoring age profiles in relation to potential retirements and succession planning. There is an established vacancy management group. The service has used vacancy management as a tool to manage budget reductions. At the time of the audit, for example, 15 support staff vacancies were being held unfilled. A voluntary severance process was also implemented in 2010/11. As a result, 14 members of staff left the service under the terms of the process.

62. During 2010/11 the service put in place a new HR management information system that has enhanced access to management information and has supported the devolvement of staff management issues further to area and station level management.

63. The management of training and development is good, but with scope for further improvement. There is good evidence that the arrangements are well established and deployed across the organisation. There is also good evidence of on-going improvement and development of the training and development systems. Wholetime members of staff receive an annual appraisal of their performance and there are clear links to an assessment of training needs. There is scope for the service to improve the corporate monitoring and assurance of the arrangements at station level.

64. As with other fire and rescue services, the provision of training and development for RDS firefighters is challenging. The service allocates two hours a week for RDS training. This is a very limited amount of time to cover the range of training, recording of training and other tasks required of the RDS firefighters each week. On average a training officer attends each RDS station around half of the weekly training nights. RDS firefighters are not a part of the service's appraisal and personal development systems.

65. There has been significant additional investment over the past two years in incident command training. In addition to station-based watch exercises the service has an annual programme of officer exercises to develop and maintain incident command and decision-making skills in realistic scenarios. The scenarios and exercises are specific to the role and level of responsibility of the individual. This corporate approach supplements nationally recognised command training and assessment processes. All of the service's managers with command responsibilities have attended training and passed a national assessment at the appropriate command level.

66. There is a strong emphasis on maintaining core skills of staff and ensuring safe working practices. Breathing apparatus training has been reorganised logistically so that all firefighters receive annual training. During 2010/11, the service's carbonaceous fire training facilities was replaced. This is an important resource for the service in the provision of training for firefighters in fire behaviour.

67. Following the death of a Lothian & Borders firefighter in July 2009, there is a heightened focus on health and safety of firefighters. It is clearly a strong priority for senior management and this is evident throughout the organisation at a strategic level in planning, through to training, a strong approach to producing tactical information on properties, and, day-to-day practice, such as a revised accident reporting approach, and communications in stations. This is clearly a strength but managers need to be alert to how health and safety information is communicated to staff. Staff spoken to during the audit welcomed the focus on health and safety and the principles and systems in place to safeguard their personal safety but did not believe information was always communicated in the most effective ways.

68. Days lost due to sickness absence are high. At nine days lost per member of staff this is well above the national average for fire and rescue services nationally (Exhibit 4). A new policy for absence management was produced in 2009/10 and is starting to have an impact. In 2009/10 the absence level was 9.8 days, so although relatively high, 9.0 days in 2010/11 shows improvement. There is clear recognition that absence management needs further improvement and the service is currently reviewing further ways to improve its absence management arrangements and therefore improve performance.

Exhibit 4: Days lost per fire officer & all other staff – 2010/11
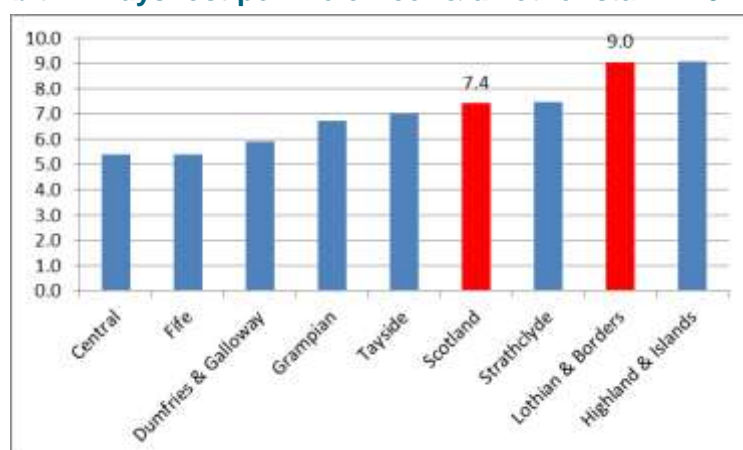
Source: Audit Scotland Statutory Performance Indicators

Asset management

L&BFR's day to day management of its property and fleet is effective with a software tool providing improved support. The service needs to make progress with producing its asset management strategy and equipment register.

69. The service recognises the need to improve asset management arrangements. It has committed, in its improvement action plan, to producing an asset management strategy and equipment register, but these have not yet been produced. However, day-to-day management of the services property and fleet is good, supported by information systems that assist effective monitoring.

70. L&BFR property is in reasonably good order and is managed and monitored effectively by the service and board. During 2010/11 a number of projects were reviewed with the current financial context and transition to a national service in mind. A new training centre, planned for development at Newbridge, and development of the station at Wallyford, for example, have been put on hold by the board.

71. In 2005/06 the previous board invested approximately £800,000 to purchase two combined aerial rescue pump (CARP) appliances. Technical difficulties have been experienced by a number of services with these vehicles. L&BFR have been unable to use these two vehicles as intended since their delivery in 2007 and now have been re-valued at £200,000 to reflect their use, after adaption, for driver training.

72. Asset management of equipment is less well managed. Although some equipment on vehicles is effectively managed and monitored via the fleet maintenance systems, this is not the case for most equipment. There is not an effective information system in place providing an equipment register. There are limited systems in place to ensure equipment is individually identified, monitored and managed. This means that for example pieces of equipment requiring testing or replacement are not readily traceable. For example ladders are tested regularly. Ladders used by two crews from different stations at an incident may be transferred between appliances in error at the end of the incident. Without clear identification of items and traceability, testing and monitoring is not reliable and therefore there are potential health and safety risks not being adequately managed.

73. There has been a long term lack of investment in the information and communications technology infrastructure. The service and board has recognised this as an area for improvement and has over the last two years made efforts to make progress. In 2010/11 a refreshed ICT strategy was produced following an extensive review. The review recognised the scale of what was required in relation to the infrastructure. The review also took into consideration the likelihood of restructuring of fire and rescue services nationally. The resulting action plan, now being progressed, reflects this, with a range of improvements that are necessary for the service in the interim but is not a long term investment plan.

Service performance

L&BFR provides a good emergency response service and a strong focus on prevention work, at a relatively low cost. The cost of the service per head of population is the lowest in Scotland. The number of both primary and secondary fires is reducing and the service responds quickly to calls. However, the level of casualties is the highest in Scotland. The service has made some progress with addressing automatic false alarm levels but the number is still high and accounts for over half of the calls the service responds to. The service provides high numbers of targeted home fire safety visits to its communities and is engaged in a wide range of community safety initiatives.

Service costs

The cost of providing the fire and rescue service in Lothian and Borders is the lowest cost across Scotland per head of population. The service's expenditure has varied very little in real terms over the past decade.

74. L&BFR's operating costs per head of population are well below the Scottish average. In 2010/11, excluding pension costs, it spent £43 per head of population, significantly below the Scottish average of £53 and is the lowest cost per head of population across the eight services (Exhibit 5).

Exhibit 5: Real terms costs per capita, 2000/01 to 2010/11
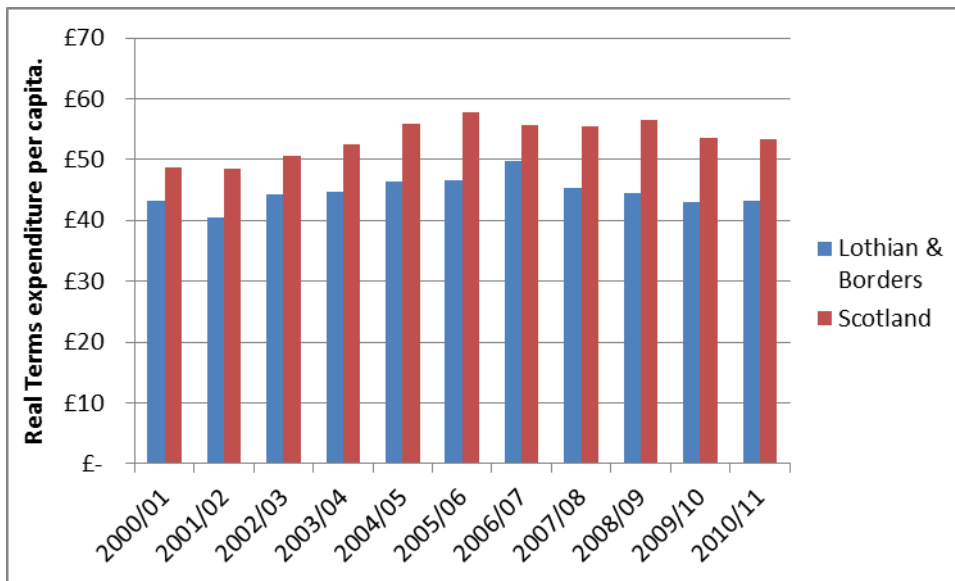
*Source: CIPFA data adjusted by HM Treasury GDP deflator (as at*

75. The service's expenditure has risen gradually over the past decade but this is off-set by a significant increase in the population in the area. Between 1999 and 2010 the estimated population across Scotland increased by just over two per cent. In Lothian and Borders the population over the same period increased by almost eight per cent, the highest increase across the eight service areas. Over the past decade cost per head of population has remained consistently lower than the national and has varied very little.

Prevention

L&BFR shows a strong level of engagement in prevention work. It carries out relatively high numbers of risk targeted home fire safety visits in its communities and engages in a range of educational initiatives. It has a risk focused approach to undertaking fire audits in non-domestic properties but faces a significant challenge with half the houses of multiple occupancy in Scotland within Lothian and Borders area.

76. A key feature of the introduction of IRMP and the Fire (Scotland) Act 2005 was an increased emphasis on preventative work. L&BFR's main approach to meeting this responsibility is through the delivery of HFSV, giving advice and installing smoke detectors.

77. L&BFRS made a strong commitment at an early stage to this work. In 2006 the previous chief fire officer and joint board committed to provide an HFSV to all dwellings in the area. Initially, the service did not take a risk-based approach to target this work, which was primarily driven by the overall numbers of homes approached, HFSVs undertaken and smoke detectors fitted. To 2010/11 the service reports that it has contacted over 397,000 of the almost 445,000 homes in Lothian and Borders and provided HFSVs to over 98,000.

78. The service now has a more targeted approach to HFSVs. Weighted scores are given to higher risk dwellings and the focus for stations and watches has shifted to targeting higher risk properties. As a result, the volume of this work has decreased in recent years. However, L&BFR still carries out a high number of HFSVs. In 2009/10, the last year for which comparative data is available, it carried out 12,337 HFSVs, equivalent to just over 28 per 1,000 dwellings (Exhibit 7). This is significantly higher than the national average of 20.4 visits per 1,000 dwellings in that year.

Exhibit 6: Home fire safety visits per 1,000 dwellings, 2009/10
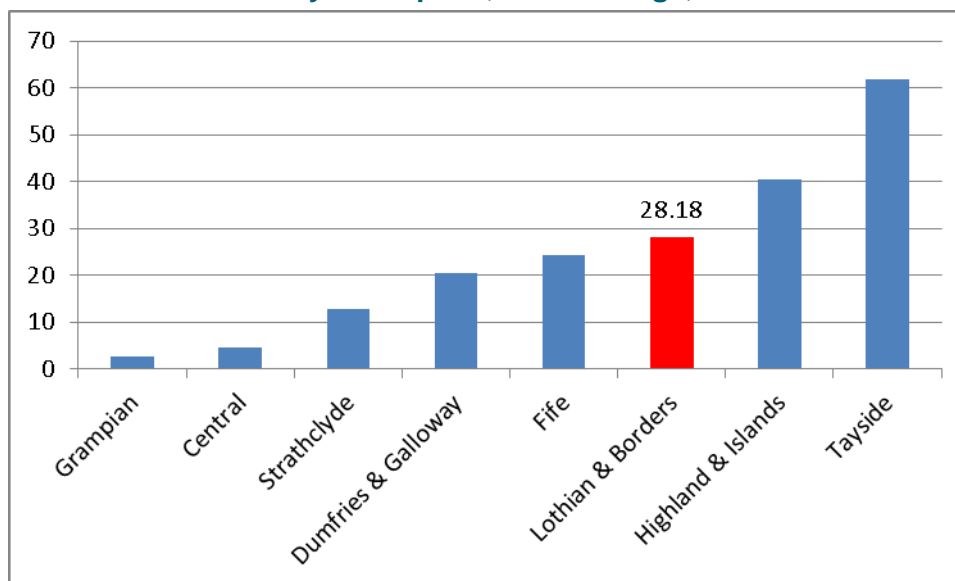
Source: CFOAS Performance Indicators 2009/10

79. There is still some scope to develop this risk-based approach. The service now uses risk and socio-demographic information to target its HFSV work. However there is no link in this system to any analysis of the casualties within the Lothian and Borders area to target HFSV at these categories of individuals and property types. There is also no evidence of quality assurance mechanisms in relation to the delivery of HFSVs and therefore the service management and board have no means of assessing the consistency or scope for improvement in delivery.

80. The available time for firefighters to do HFSVs and install smoke detectors in target properties is currently affected by a significant amount of time being used to respond to fixing detectors already installed by the service now coming to the end of their life or faulty. The service needs to consider how it can minimise the cost and impact on service delivery of this legacy issue.

81. L&BFR also uses a campaign calendar to focus educational and information campaign work across the stations. For example highlighting smoking safety around the same time as national no smoking day, around particular times of the year where there are specific risks, such as barbeque and water safety in the height of summer, bonfire & firework safety, and fire risks at Christmas. The calendar also highlights other religious celebrations for targeting educational work such as Chinese New Year.

82. There is a strong level of engagement with young people in order to raise awareness in relation to community safety issues. The service provides a range of educational programmes with schools and other partners including structured visits to primary schools and secondary schools. Visits to secondary schools are targeted prior to bonfire night and the school holidays to reduce wilful fire-raising. A road safety programme, 'Make it or Break it' aimed at 17 to 18 year olds and is delivered in partnership with Lothian and Borders Police. The service is involved with the Risk Factory (Interactive Safety Centre) in Edinburgh that brings together a range of different agencies to deliver key safety information ranging from fire safety to internet safety and safety around railways for primary school children.

83. The service also shows a strong commitment to activities that support the social inclusion of young people (Exhibit 7) to promote good citizenship.

Exhibit 7 - Youth initiatives

The Cooldown Crew

Cooldown Crew is an early intervention programme aimed at 10-14 year old children with low self esteem or recognised difficulties at school. The course consists of intensive training over a one-week period on fire safety, first aid and other community-based skills. Feedback from attendees and teachers continues to be very positive.

Evaluation of courses in West Lothian showed an immediate improvement in behaviour and school attendance of those undertaking the course. The improvement was still measureable 3-6 months following participation. In 2010/11 159 young people attended the course with 140 completing the weeks course.

Phoenix Programme

This is an evening programme for youth diversion work, aimed at building on the Cooldown Crew, offering other young people the opportunity to work with the fire and rescue service one night per week.

There are three fully established Phoenix Programmes, one in Edinburgh, one in West Lothian and one in Midlothian. Each programme involves 15 participants who attend once a week at night and learn discipline, fire safety and life skills. Attendance rates are high and feedback from parents/carers is extremely encouraging.

Fire Skills for Success

In 2008 the service introduced a new programme in Edinburgh which was partly funded through the European Structural Fund. The programme is aimed at 16-25 year-olds and fulfils the Government's requirement for the fire and rescue service to do more work with young people to improve social inclusion and attainment.

The programme is delivered in partnership with Careers Scotland, the Capital City Partnership and The Prince's Trust and students receive a nationally recognised BTEC qualification. In 2010/11 12 courses were run with 101 participants.

Source: Lothian and Borders Fire and Rescue Service

84. Statutory fire safety audits of non-domestic premises are another important approach to minimising fire risks in the community. In particular, this work should be focused on properties that pose a higher risk to life, should a fire occur, such as care homes, hospitals and other buildings of multiple occupancy.

85. In 2010/11 the service completed 1,751 fire safety audits, 5.25 per cent of known non-domestic properties (Exhibit 8), slightly less than the national average of 6.24 per cent. It has a systematic approach to prioritising and managing this work, with a clear focus on risk to life.

Exhibit 8: Percentage of non-domestic properties subject to fire safety audits, 2010/11
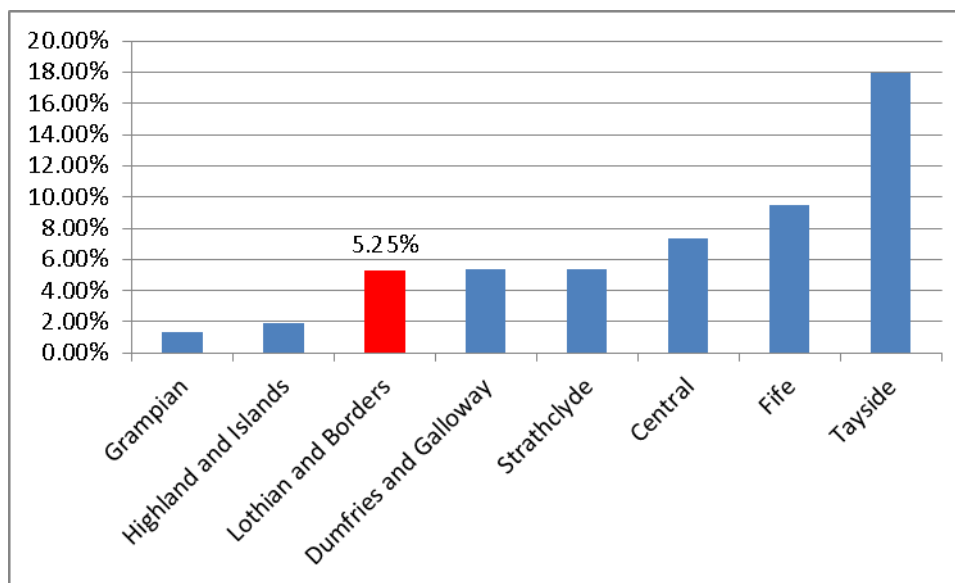
Source: Scottish Government Statistical Bulletin

86. However, the service faces a significant challenge in relation to houses of multiple-occupancy. Of the total 1,751 audits undertaken 18 formal notices were issued. Of these 18 notices, 17 were for houses of multiple-occupancy, from 63 such premises audited. The service recognises this as one of the highest risk property types. However in 2010/11 the service audited less than one per cent of the houses of multiple occupancy in the area. This reflects the scale of this issue for the service with half of the houses of multiple-occupancy in Scotland within the Lothian and Borders area. An officer is seconded to the city of Edinburgh council in a jointly funded post to work with the housing and licensing services to improve the fire safety standards in these types of premises. Given the risks associated with these properties and in light of the relatively high casualty levels across the area, the service and board need to review whether additional preventative work is required in this area.

87. During 2010/11 the community safety department was restructured to better integrate the work of community safety officers working closely with community partners and groups, with the fire safety legislative work, through area based teams. The service anticipates this will improve performance. It is too early to assess the impact of this change on the efficiency and effectiveness of the department's work.

88. L&BFRS recognise the need to evaluate the value for money of the community safety work it undertakes. Although it does not have systems in place to evaluate the impact and value for money of individual initiatives, it has used an evaluation based on the estimated economic cost of fires to review the potential impact of its HFSVs. While these estimated benefits are

open to some challenge, they do show that the service understands the importance of evaluating the impact of its work.

Emergency response

The number of primary fires in the Lothian and Borders has reduced significantly in line with the national trend but remains higher than the national average per head of population. The number of casualties is high and the service needs to do more to use information about incidents to identify common factors and use this to target preventative work.

89. In 2010/11, L&BFR responded to 18,245 incidents. In line with the national pattern, about 14 per cent of these related to primary fires (those in buildings, vehicles or involving casualties), about 20 per cent to secondary fires (typically outdoor fires in heathland, rubbish bins or derelict buildings), and well over half, 58 per cent, to false alarms (Exhibit 9) accounting for 10,599 of the recorded incidents. The remainder related to chimney fires and a range of 'special services', primarily road traffic collisions and, to a lesser extent, flooding.

**Exhibit 9:   Analysis of emergency incidents in L&B, 2010/11**
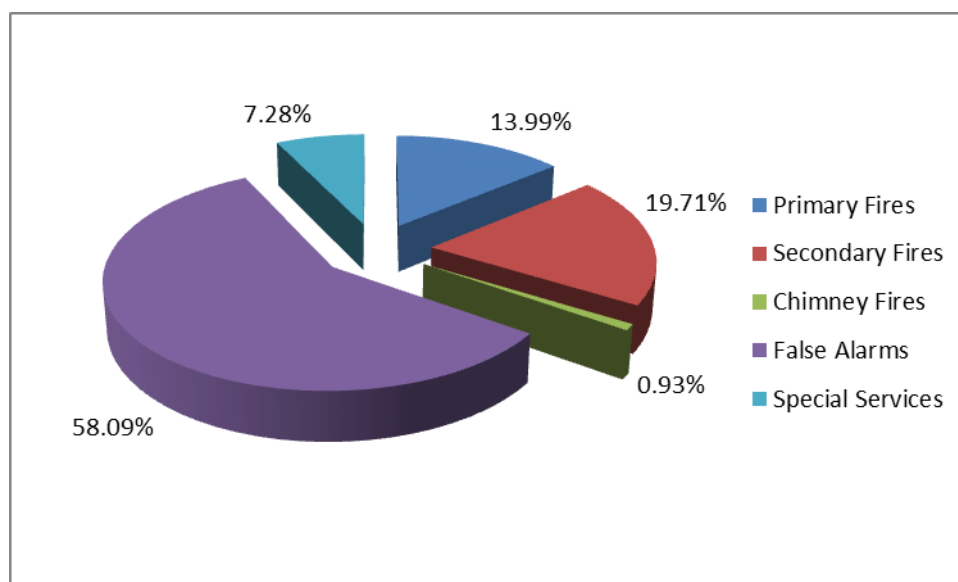
Source: Scottish Government Statistical Bulletin

Number of fires and casualties

90. Historically, the level of fires and casualties within Lothian and Borders has been relatively high in relation to the Scottish average. Over the past decade, the number of primary fires has reduced significantly in line with the national trend but has remained consistently above the Scottish average (Exhibits 10). In 2010/11 the service responded to 2552 primary fires, which equates to just over 19 per cent of all of the primary fires in Scotland. The service reports that it rescued 148 people from these fires.
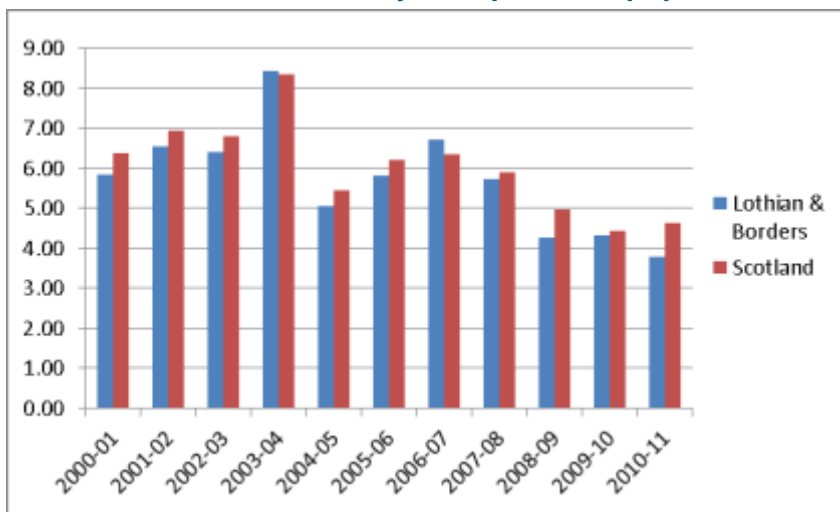
Exhibit 10: Number of primary fires per 1,000 population
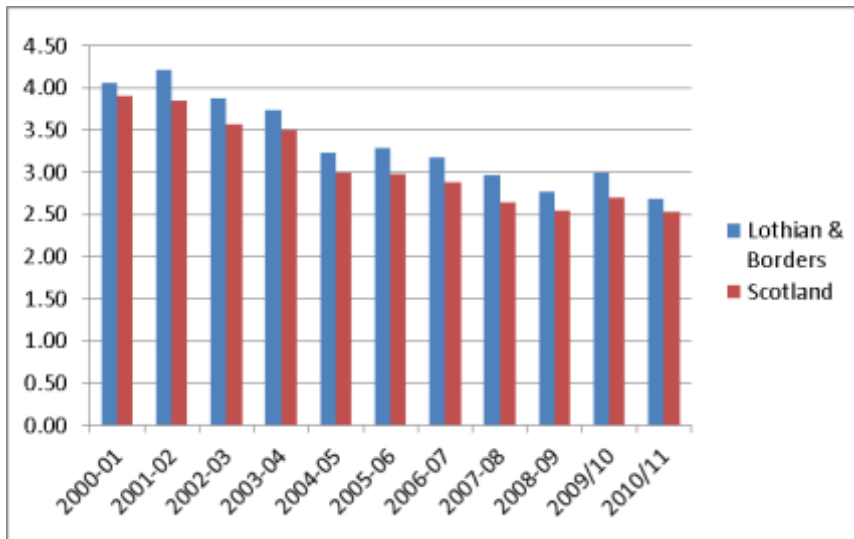
*Source: Audit Scotland (Scottish Government Statistical Bulletin)*

91. The number of secondary fires in the Lothian and Borders area has also broadly followed the national trend over the past decade and over the past four years there has been a lower incidence of secondary fires per head of population than the national average (Exhibit 11). In 2010/11 Lothian and Borders responded to 3,596 secondary fires, equivalent to 3.79 fires per 1,000 population. This is significantly lower than the national average of 4.63 fires per 1,000 people. Although there is not the evidence to draw a direct relationship, this positive progress may reflect the service's investment in educational and youth engagement initiatives over recent years.

Exhibit 11: Number of secondary fires per 1,000 population

Source: Audit Scotland (Scottish Government Statistical Bulletin)

92. However, despite this steady fall in the number of incidents, casualty rates in the Lothian and Borders area are comparatively high and have been consistently above national levels for many years. In 2010/11 the proportion of fatal and non-fatal casualties was the highest in Scotland (Exhibit 12).

Exhibit 12: Total casualties per 1,000 population – 2010/11
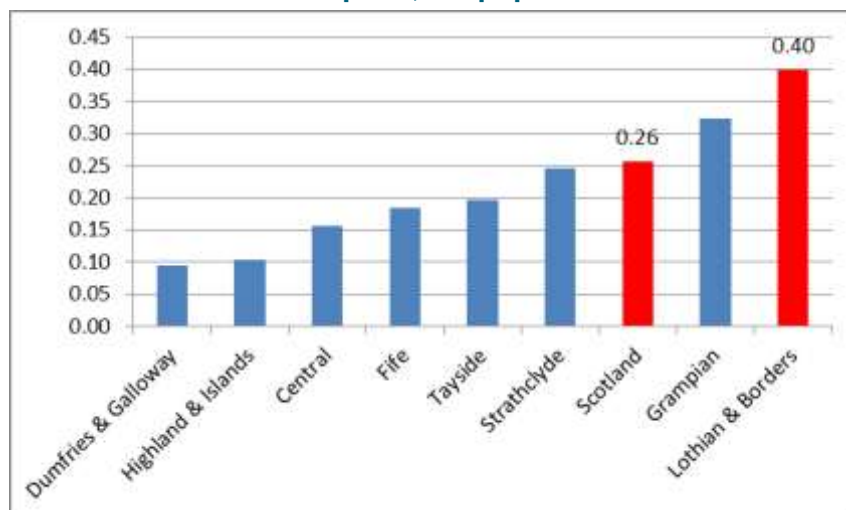
Source: Scottish Government Statistical Bulletin

93. This is a significant concern and there is no evidence that the service has analysed why the level of casualties in the area is relatively high. Members have not been provided with comparative information on this issue and have consequently not challenged the service. The service needs to consider how it can use data on incidents and casualties to identify common factors so that it can target preventative work. The service does monitor on an on-going basis the type of people who die in incidents and reports that these are people that would be considered as either 'hard-to-reach' or 'hard-to-influence' and are therefore within the service's priorities for its more targeted approach to preventative work.

Special services

94. L&BFRS deals with an increasing number of 'special service incidents', such as road traffic collisions. Special services now represent around 7 per cent of its emergency responses. In 2010/11 the service responded to 1,329 special services incidents.

95. The service attended 381 road traffic collisions in 2010/11 and rescued 105 people. Other types of incidents the service responded to during the year included 49 incidents requiring a rescue from height, 41 incidents involving hazardous substances and 13 incidents involving people trapped in water. The service reports that during 2010/11 the total number of rescues, other than from fires and road traffic collisions, was 379.

96. There are no performance measures available locally or nationally to assess the standard of special services work.

False alarms

97. False alarms can be caused by a range of factors, such as malicious hoax calls or faulty automatic alarms. They account for over half of L&BFRS's emergency calls. This is higher than the national average (Exhibit 13) and represents a significant use of resources on non-productive work. More importantly this means that there may be delays in responding to genuine emergencies.

98. The level of false alarms is a challenge, but the service has made good progress over the past three years in reducing the level of apparatus related false alarms and malicious calls. The overall number of false alarms in 2007/08 was 11,152. Of these 8,655 were fire alarms due to apparatus (AFA) failures and 1,026 were malicious false alarms, equivalent to approximately

one per 1,000 of the population. In 2010/11 the total number of false alarms was 10,599. The number of fire alarms due to apparatus failures has reduced by ten per cent to 7,789 and the number of malicious false alarms has reduced by 62 per cent to 394.

99. The service has implemented a number of approaches to reduce the impact of false alarms due to AFAs. In 2004 the service piloted an approach of reduced attendance to automatic fire alarms in West Lothian and rolled this out across the service during 2005/06 to the rest of the service area. It also targets liaison work with organisations that are frequent sources of AFAs. These include university halls of residents, hospitals, and shopping centres.

100. The service has also actively tried to address the level of malicious calls through implementing a call challenging system and engaging with the criminal justice system to target individual offenders. The call challenging system involves control staff using techniques to assess whether a caller is genuine or making a malicious call. If a control operator believes a call to be malicious, the number can be traced and passed to police. Where criminal charges have been brought against individuals the service has engaged in restorative justice approaches such as directly engaging in hard hitting educational sessions with offenders to stress the potential consequences of their actions.

101. The service is currently reviewing its policy on managing unwanted emergency calls in response to guidance issued by the Chief Fire Officers Association (UK) in 2011.

Exhibit 13 False alarms per 1,000 population
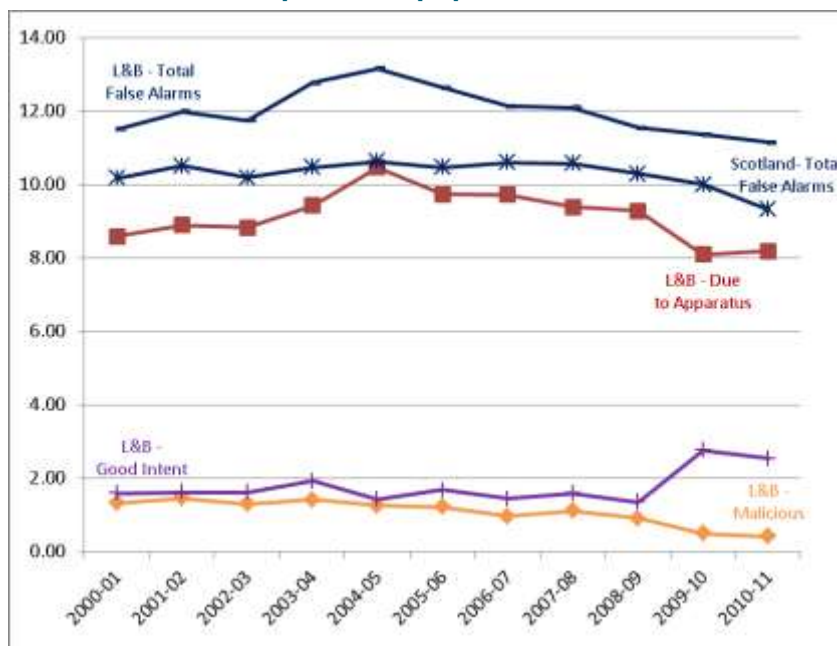
*Source: Scottish Government Statistical Bulletin*

Emergency response standards

102. The speed of emergency response and number of vehicles and firefighters mobilised can be important factors in securing positive fire and rescue outcomes. Prior to 2005, standards of emergency response were set out in the National Standards of Fire Cover, with standards varying according to risk factors associated with different types of buildings. With the introduction of IRMP, these national standards were withdrawn. This allows individual fire and rescue authorities to determine their own speed and level of response to meet the specific

level of risks identified in their IRMP. In previous years, L&BFR has reported on the time taken for the first appliance to reach an incident, based on the risk categories used in the old National Standards. This has shown a good level of performance with, for example, a first appliance attending 92 per cent of high risk incidents within five minutes in 2009/10. However, since the introduction of the national Incident Reporting System (IRS), it is no longer possible to breakdown data into these risk categories.

103. The Scottish Fire & Rescue Advisory Unit (SFRAU), as part of its 2011 report, *Review of the Implementation and Impact of Integrated Risk Management Planning in Scottish Fire and Rescue Services*, suggests that L&BFR's average response times for primary dwelling fires have increased slightly over the past decade but are still in line with those for other fire and rescue services (Exhibit 14).

Exhibit 14: Average response times for primary dwelling fires
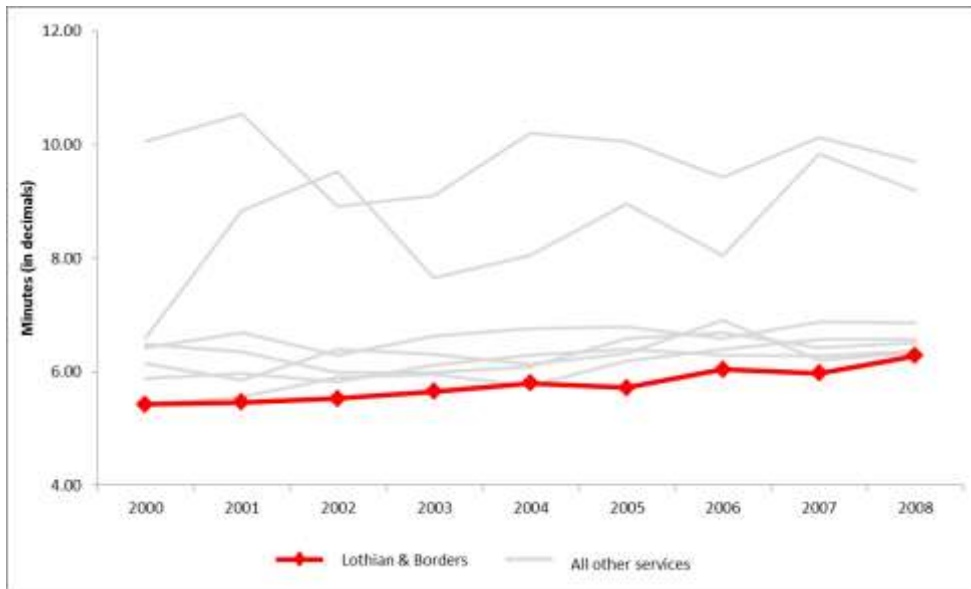
Source: Review of the Implementation and Impact of Integrated Risk Management Planning in Scottish Fire and Rescue Services (SFRAU 2009)

Improvement agenda

With the establishment of a national fire and rescue service in 2013, there is a need to prioritise improvement activities. Some issues can be addressed immediately. Other actions, however, will need to be coordinated with the emerging management arrangements for the new national service.

Leadership and strategic direction

- The service and joint board need to ensure there is adequate management capacity to maintain the current standard of service and safety, while implementing improvements, contributing to the national agenda and preparing internally for the transition to a Scottish Fire and Rescue Service.

Service delivery and performance

- Review the factors contributing to the service having a higher proportion of casualties than other services using the range of information available within the service and from partners to identify issues that can be targeted through partnership working and prevention activity.
- Review the service's approaches in addressing the particular risks associated with the high number of houses of multiple-occupancy within the area and consider whether there is additional prevention work that can be implemented to support improved outcomes.
- The service needs to consider how it can make further progress with reducing the number and impact of AFAs.

Management systems

- Systems to support effective asset management of equipment need to be put in place, particularly where this has implications for health and safety.
- Progress needs to be made rapidly with performance information systems to better support management and members to drive improvement.
- Planned review work needs to be targeted at issues identified as risk areas or requiring improvement rather than on a function and cyclical basis to make best use of available management and staff capacity.

Workforce management

- The service needs to extend its appraisal and development arrangements to include RDS firefighters.

ACCOUNTS COMMISSION

MEETING 15 MARCH 2012

COVER NOTE BY SECRETARY AND BUSINESS MANAGER

BEST VALUE AUDIT: STRATHCLYDE FIRE AND RESCUE

Purpose

1. The purpose of this paper is to introduce the report of the Best Value audit of Strathclyde Fire and Rescue. The Commission is invited to consider the report and decide which of the options for action it wishes to take.

Background

2. At its meeting in April this year, the Accounts Commission approved a programme of Best Value audits to be carried out on each of the eight Scottish fire and rescue services and authorities. These reports are being prepared by the Controller of Audit in accordance with Section 102(1) of the Local Government (Scotland) Act 1973. It was agreed that these audits would be more targeted and focused than other Best Value audits, with an emphasis on local accountability. At its last meeting in November, the Commission noted an update on the progress of the audit programme, and noted a timetable for the programme of audits, including a national overview report at the end of the eight audits.

The report

3. This report and that for Lothian and Borders Fire and Rescue are the final two in the audit programme that comprises of eight audits. It is also being sent to the Clerk of the Joint Fire and Rescue Board, which is comprised of elected members from the 12 constituent councils – Argyll and Bute, East Dunbartonshire, East Ayrshire, East Renfrewshire, Glasgow, Inverclyde, North Ayrshire, North Lanarkshire, Renfrewshire, South Ayrshire, South Lanarkshire and West Dunbartonshire councils.. The Clerk of the Board is required to supply a copy of the report to each member of the Board and to make additional copies available for public inspection.

4. The legislation provides that, on receipt of a Controller of Audit report, the Accounts Commission may do, in any order, all or any of the following, or none of them:

    (a) Direct the Controller of Audit to carry out further investigations;
    (b) Hold a hearing;
    (c) State its findings.

Consideration of the report

5. The Controller of Audit and members of the audit team from Audit Scotland will be present at the Commission meeting to answer questions.

6. If the Commission considers that it requires further information to proceed with its consideration of the report, it may direct the Controller of Audit to carry out further investigations. If the Commission is satisfied with the information which it has, it may wish to proceed to make findings unless members consider that a hearing is necessary.

7. The circumstances in which the Commission may wish to hold a hearing are likely to include:

    • where the Commission has serious concerns about the performance of a local authority as demonstrated in the audit report; or

    • where there is a strong difference of opinion between the Controller of Audit and the local authority.

8. Findings may include recommendations and the persons to whom those recommendations may be made include Scottish Ministers, who have powers to make enforcement directions requiring authorities to take such action as is specified in the Direction.

Media

9. Once the report is sent to the fire board and the fire and rescue service it is effectively in the public domain and may attract media interest. As with council Best Value audits, it is not intended that any media comment should be made by the Commission until it has deliberated on the report.

Conclusion

10. The Commission is invited to:

    • consider the report by the Controller of Audit on the Best Value audit of Strathclyde Fire and Rescue; and

    • decide how it wishes to proceed.

Paul Reilly
Secretary and Business Manager
24 February 2012

Audit of Best Value

Strathclyde Fire and Rescue

Contents

Introduction

1. Local authorities in Scotland, including fire and rescue, have a statutory duty to deliver best value in their services. This requires them to establish management arrangements, aimed at securing continuous improvements in their performance while maintaining an appropriate balance between quality and cost.

2. Since 2004, Audit Scotland has carried out audits of Best Value in each of the 32 councils in Scotland and in most police authorities. These audits have helped to improve performance and accountability in local government and have brought unsatisfactory performance to the public's attention through the public reporting process.

3. The responsibilities of fire and rescue services have changed significantly over the past decade. In 2003, all Scottish services were required to produce Integrated Risk Management Plans (IRMP), identifying the level of local risks and determining the appropriate allocation of resources. The Fire (Scotland) Act 2005 introduced further changes, placing a strong emphasis on prevention rather than simply emergency response.

4. Some aspects of Best Value in fire & rescue have been covered in earlier Accounts Commission reports, particularly the *Scottish Fire Service: verification of the progress of modernisation*, published in 2004, and *Review of Service Reform in Scottish Fire and Rescue Authorities*, published in 2007. So far, however, there has not been any dedicated audit, covering all key aspects of Best Value.

5. Following a formal consultation with stakeholders in late 2010, the Accounts Commission decided that the audit of Best Value should be extended to fire & rescue. With the Scottish Government signalling a potential restructuring of the services, however, it was recognised that the audit needed to be proportionate, seeking to identify the key strengths which should be retained in a future structure and any significant weaknesses which needed to be resolved. The Scottish Government has subsequently announced its commitment to deliver a single Fire and Rescue Service for Scotland, with details on the Police and Fire Reform Bill (Scotland) 2012 published in January 2012.

6. During 2011, audits were carried out at each of the eight Scottish fire and rescue services and authorities. These focused on core issues, such as strategic planning, the role of members, financial management, and service performance and costs. These local reports, which will support improvement and local accountability, will be followed by the publication of a national overview report in 2012. A number of best value issues, including equalities, sustainability and procurement have not been covered directly in the scope of the local audit work. These, along with a range of other issues, will be covered in the national overview report.

7. We carried out the Best Value audit of Strathclyde Fire and Rescue (SFR) during November 2011. We gratefully acknowledge the co-operation and assistance provided to

the audit team by the chief fire officer, Brian Sweeney, the convener of the joint board, Councillor Brian Wallace, and all other elected members and staff involved.

Summary

8.   SFR provides an effective emergency response service, with an increasing emphasis on preventative work. Its operating costs are above the Scottish average but, through a series of efficiency measures, these have reduced in recent years.

9.   Its Community Safety Partnership Unit, established in 2010, provides a highly effective model for working effectively with other public bodies. This has helped to increase the volume of preventative work, such as home fire safety visits, and to help target it on areas or individuals of greatest need. There is emerging evidence that this has had a positive impact, with a long-term decline in the number of fires and casualties in Strathclyde.

10.   Board members have a limited role in setting strategic direction, but officers provide strong leadership. SFR has a clear strategic direction. This is supported by a coherent corporate planning framework. Its published IRMP is relatively generic, providing little detail on specific risks within Strathclyde and the action taken to mitigate them. However, this is supported by a series of local station plans and risk maps which help target resources. There is clear evidence that IRMP has led to shifts in the use of resources to better match community risk.

11.   There is a well developed approach to performance management within the service. At a strategic level, performance reports provide a detailed range of information and allow the achievement of corporate priorities to be easily monitored. At an operational level, there is a strong emphasis on quality assurance processes, with a programme of station visits and reviews. Its 'Ticket to Ride' scheme also helps ensure that staff training and skills are maintained and health and safety standards are met.

12.   There is also a strong culture of improvement throughout the organisation. Service performance is subject to detailed monitoring by senior officers at a Corporate Performance Team and regularly scrutinised by elected members in a Performance Audit Forum. A peer review of SFR was carried out in 2010 by the London Fire Brigade, the only peer review carried out in a Scottish fire and rescue service. It has also established the Strathclyde Improvement Model, a framework for carrying out self-assessments, and a staff survey.

13.   There is evidence to show that this range of review activity is used to drive service improvements. SFR has delivered significant efficiency savings through a more effective use of its resources. It has merged some fire stations, realigned its allocation of fire appliances within Glasgow to better match identified risks, successfully introduced aerial rescue pumps, reviewed the location of all specialist vehicles on the basis of risk, and reduced its number of directorates.

14.   SFR has also introduced a new duty system for wholetime firefighters. It is the only Scottish service to use this five group duty system, replacing the traditional four group system. It is an annualised hours system that helps provide greater flexibility in matching its available

workforce to organisational needs. The service has estimated that this has resulted in significant savings and reduced the number of firefighters by 45 posts.

15. Despite these significant achievements, and reserves of £11 million, SFR continues to face financial challenges, with continuing long-term pressures on public sector funding. Its operating costs are above the Scottish average, partly due to factors of geography and levels of deprivation within the area it serves. However, it also maintains crewing levels that are higher than other Scottish and UK fire and rescue services. While it believes that its crewing levels help support firefighter and public safety, these may provide a potential area for further savings.

Context

16. SFR is the second largest fire and rescue service in the UK. It serves a population of around 2.3 million people across 5,260 square miles in 12 council areas. This represents around 42.6 per cent of Scotland's population and 17.5 per cent of its area.

17. The Strathclyde area is geographically diverse, comprising Glasgow, Scotland's largest city, large urban centres in Scotland's central belt, as well as significant rural areas and 23 inhabited islands with many remote communities. It also has around 1,760 miles of coastline. As well as containing comparatively affluent areas, it also contains more than two-thirds of the most deprived communities in Scotland, which presents increased risks of fire and greater challenges for prevention activity.

18. SFR spent £137 million on its running costs in 2010/11. It employs around 3,300 members of staff, including approximately 2,800 fire fighters. Its firefighting crews are based in 110 stations and operate a fleet of 225 emergency vehicles that include specialist units as well as 13 aerial rescue pumps (ARPs). As well as its headquarters in Hamilton, frontline services are coordinated from the Operations Support Centre in Johnstone, which deals with more than 50,000 calls per year.

19. In recent years, SFR has responded to a number of Scotland's most high profile emergency incidents, including the Stockline factory explosion, the major fire at Rosepark care home and the terrorist attack at Glasgow Airport.

Exhibit 1: Staffing and fire stations in Strathclyde
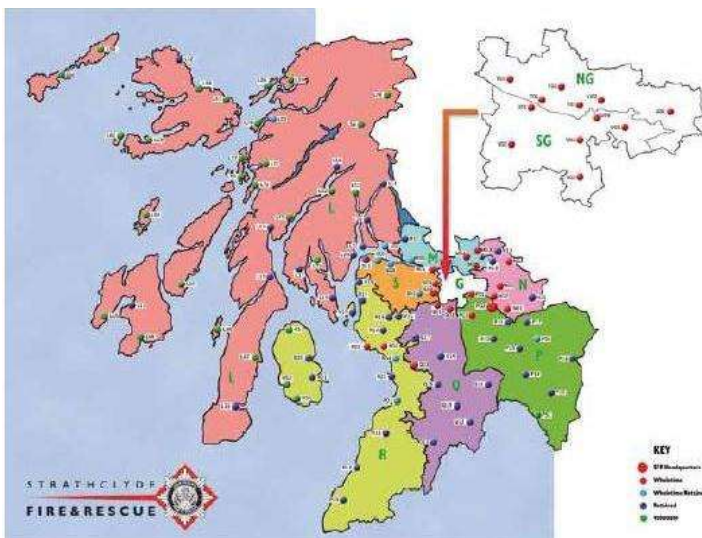
	Strathclyde		Scotland
	No.	%	%
Whole time	1,947	59	50
Retained / Volunteers	867	26	34
Other	503	15	16
Total	3,317	100	100

Source: Strathclyde Fire and Rescue

20. SFR is governed by a Joint Fire and Rescue Board that comprises 34 councillors who represent the 12 local authorities that cover the Strathclyde area - Argyll & Bute, East Dunbartonshire, East Ayrshire, East Renfrewshire, Glasgow, Inverclyde, North Ayrshire,

North Lanarkshire, Renfrewshire, South Ayrshire, South Lanarkshire and West Dunbartonshire councils. The Board meets six times per year, and is supported by a Budget Scrutiny Forum, Performance and Audit Forum, Employee and Equality Forum and Executive sub-committee.

Governance and management

Vision and strategic direction

SFR's vision is underpinned by a clear set of priorities and values. It supports delivery of its vision through a coherent corporate planning framework, in which IRMP is well integrated. The service is building on its corporate approach to IRMP, with the introduction of station plans and local ward-based assessments, although this still needs further development. The role Strathclyde Fire and Rescue Joint Board members play in influencing strategic direction and scrutinising service outcomes has been improving but needs to be stronger.

21. SFR's vision is to make the communities across its diverse area safe places to live, work and visit. It aims to deliver its vision in partnership with other organisations, by closely engaging with its communities and in recognition of its responsibilities to the environment.

22. Five corporate priorities (community, people, protection, partnership and environment) guide the work of the service in delivering its vision. These priorities are clearly reflected in all strategies and plans, with key objectives and actions directly aligned to them. It also has a clear set of values that underpin all its activities in delivering its vision.

23. SFR's strategic direction is set by its corporate management team and then agreed by the joint board. The joint board then provides on-going oversight of issues that impact on the delivery of the service's strategic direction, along with its sub-committees, namely the Budget Scrutiny Forum, Performance Audit Forum, Employee and Equality Forum and Executive sub-committee. Elected members' scrutiny of SFR's service outcomes in delivering its vision has improved over time, but can be strengthened further. In the main, the greatest level of challenge and scrutiny comes from a small core of elected members, and as such there is scope for other members to carry out their role in these committees more effectively.

24. Elected members on Strathclyde Fire and Rescue's Joint Board have limited support to carry out their role. The part-time provision of a Clerk and committee administration function is consistent with the low levels of support provided to other fire and rescue boards and committees. Board members do receive training on new operational developments, for example, a detailed two day training programme was provided by officers on the new community safety partnership unit. Given the level of expenditure that the board has responsibility for overseeing, greater support may be appropriate to help improve members' ability to help set the strategic direction and provide challenge and scrutiny of performance.

25. The responsibilities of fire & rescue services have changed significantly over the past decade. In 2003, all Scottish services were required to produce Integrated Risk Management Plans (IRMP), identifying the level of local risks and determining the

appropriate allocation of resources. The Fire (Scotland) Act 2005 introduced further changes, placing a strong emphasis on prevention rather than simply emergency response.

26. SFR has made good progress in embedding Integrated Risk Management Planning (IRMP). Plans have been produced covering three-year cycles since 2004, with its current plan covering 2010-13. Its IRMP outlines how it proposes to deliver both prevention and intervention objectives and is supported with corresponding annual action plans.

27. SFR has focused its IRMP on its delivery of prevention and intervention activity and as such has positioned it within a broad and coherent corporate planning framework developed in 2010 (Exhibit 2). The planning framework links all the relevant plans and strategies together well, with measures of success outlined in its constituent plans and strategies. Whilst SFR has defined a range of success measures and local area-based targets, its corporate planning documents do not quantify the degree of improvement to local outcomes that it is striving to deliver. This could be made clearer to allow success to be more effectively judged.

Exhibit 2: Strathclyde Fire and Rescue's corporate planning framework

Source: Strathclyde Fire and Rescue

28. SFR uses risk information effectively to plan and manage the service. In recent years, it has used IRMP to drive a number of significant initiatives that use resources more effectively and better matched resources to risk. These include; the merger of Parkhead/ Cambuslang fire stations; the redeployment of a fire appliance from Yorkhill to Knightswood; dual crewing and strategic redeployment of specialist appliances; the redeployment of height appliances (including the reintroduction of 2 additional vehicles) to provide better coverage based on risk; and the provision of water rescue on the river Clyde.

29. SFR's IRMP is fairly generic, providing little detail to the public, partners and members on risks within Strathclyde and actions to mitigate them. Importantly therefore, the corporate IRMP is supported with local risk maps and station specific plans for its wholetime stations to support targeting of resources. IRMP at a local level is also enhanced by ward-specific tactical assessments, which highlight particular local problems and provide monthly

updates for local councillors. These tactical assessments are the primary intelligence source for multi-agency joint tasking and problem-solving groups, and also complement strategic assessments for each local authority area, which assists Strathclyde Fire and Rescue in contributing to the delivery of Single Outcome Agreements (SOAs) across its 12 community planning partnerships.

30. Station plans are a positive development to SFR's IRMP framework. However, they are of variable quality and not being used consistently to connect corporate priorities to front line services or to effectively capture all local planning and performance monitoring information. In addition, as they have only been developed for wholetime stations, they need to be developed for retained stations to provide more comprehensive coverage.

Partnership working

SFR demonstrates some real strengths in partnership working. Its Community Safety Partnership Unit provides a highly effective model for integrating the work of partners. It can more consistently apply the good practice developed through the partnership unit across the whole of Strathclyde.

31. Fire and rescue services work through a range of partnership arrangements. They plan for civil contingencies with public and private sector partners through Strategic Co-ordinating Groups (SCGs). Prevention activity is typically delivered through community safety partnerships, working with local authorities, police, health, social landlords and the voluntary sector and sharing information on individuals at risk is key to ensuring prevention activity is most appropriately targeted. Fire and rescue services also deliver their response services in conjunction with other emergency services such as police, ambulance service, coast guard and mountain rescue. Individual fire and rescue services also work with other fire and rescue services, typically to provide cross-border response services or contributing to national resilience for major incidents.

32. SFR is an active participant in the Strathclyde Emergencies Coordinating Group (SECG), which carries out high level risk planning for major incidents that could potentially disrupt the area. All of the SECG's activity is summarised in six local area-based community risk registers that set out the major risks facing the area and the action taken by each partner to manage these risks. At an operational level however, there is no clear evidence that risks identified in the community risk registers inform Strathclyde Fire and Rescue's plans and strategies.

33. Resulting from the national report, *Scotland Together*[1], Strathclyde Fire and Rescue has adopted good practice in partnership working. This is particularly evident during the last two years through the development of its Community Safety Partnership Unit (CSPU). The CSPU covers all nine of SFR's command areas and includes seconded staff from key agencies across the public and voluntary sectors, including: constituent councils (Glasgow

---

[1] 'Scotland Together' (September 2009) is a Scottish Community Safety Fire Study examining fire deaths and injuries in Scotland.

City, North Lanarkshire, South Lanarkshire and Renfrewshire), Glasgow Housing Association (GHA), NHS Ayrshire & Arran, NHS Greater Glasgow and Clyde, Strathclyde Police, Strathclyde Youth, Impact Arts and the Fire Protection Association.

34. The CSPU was originally developed to reduce fire calls and now also focuses on reducing anti-social behaviour, enforcing fire safety standards across commercial and industrial premises and developing a multi-agency approach to policy development, sharing intelligence, shared risk assessments, home fire safety checks and case conferences. This integration in managing risks is fundamental to SFR's IRMP.

35. The CSPU's annual report for 2010/11 highlights its success in the short time it has been in operation. For example: 2,516 high risk Home Fire Safety Visits (HFSVs) were completed during the year, a 110 per cent increase from the previous year; and 3,637 premises that had received a fire safety enforcement audit reached an appropriate level of fire safety compliance, three times as many as in 2009/10. Also, as a result of enhanced training and the development of SFR's enforcement framework, officers spent 28,851 hours auditing premises and engaging with owners to assist them in complying with the law. This represents a dramatic increase from the previous year's total of 8,442 hours.

36. The partnership unit has also brought a number of other benefits. As well as increasing HFSV referrals being generated from partners working with high risk individuals with issues such as addictions, addiction awareness training has also been provided to a large number of firefighters across Strathclyde to facilitate reciprocal referral arrangements. Similarly, SFR officers have also been seconded into partner agencies such as Strathclyde Police and the Glasgow Housing Association, to strengthen preventative work and support better operational intelligence sharing.

37. SFR has supported developments in the partnership unit with a new electronic management information system, the Community Safety Engagement Toolkit (CSET), launched in May 2011. CSET has been designed to significantly improve its management information on HFSVs, its various partnerships and community safety evaluations and is seen as an important step in targeting community safety activity more effectively. CSET is supported by staff in an outsourced call centre, who carry out initial risk assessments over the phone and initiate a HFSV record into the system. Since its introduction it has handled an estimated 600 calls and generated about 450 HFSVs per month. The system has a range of useful features that support much more effective targeting of community safety activity. This includes: being able to identify any previous contact; recording how callers got referred to or heard about the HFSV program; an automated process of assigning HFSVs to the most appropriate local station; the ability to record information generated by the actual visit, e.g. if a smoke alarm was in place; and the calculation of a new risk rating, with the need for any follow up visit identified.

38. As part of its CSET, SFR is currently developing a partnership register centred around community planning partnerships, including locality groups, community safety partnerships and alcohol and drug partnerships. The partnership register has been developed to capture the history and structure of each partnership, to aid evaluation and to also help with

handovers between managers. The register contains: guidance notes on partnership working and use of the system; partnership details e.g. contacts, decision making, performance indicators, targets, etc; how each partnership links to SFR's objectives; and details of funding arrangements. Once the partnership register is fully populated its intention is to begin evaluating its partnerships, to aid action planning.

39. SFR has a number of partnership arrangements with other emergency services. Through a partnership agreement with the Maritime and Coastguard Agency it has become an identified resource for tidal water rescue within an agreed stretch of the river Clyde. Greenock community fire station is a shared facility with Strathclyde Police and the Maritime and Coastguard Agency and since 2007 has had a partnership Maritime Incident Response Group (MIRG), one of only 15 MIRG resources in the UK. The MIRG comprises a team of specially trained fire service personnel who can board a vessel at sea to fight fires, effect rescues or deal with incidents involving hazardous materials.

40. SFR also has some partnership arrangements with the private sector, including fleet maintenance partnerships with GlaxoSmithCline, Hunterston power station, and the Glasgow Training Group which generates around £60k in income per year.

Scrutiny, performance management and improvement

SFR has a well developed approach to performance management and improvement and is generating a stronger improvement culture across the organisation. It reports on a wide range of performance information, linked to its corporate priorities, and this is supporting improvements in scrutiny from members. More generally, public performance reporting needs to be more balanced.

41. SFR has a well developed approach to performance management and improvement. Performance reports cover all important aspects of the service and are easy to interpret, presenting information against targets, trends and five-year averages. Indicators are clearly aligned to its corporate priorities and where appropriate, broken down by division and/or directorate for comparative purposes. In addition, all of its key strategies highlight qualitative measures against which success can be judged.

42. Performance across the service is monitored on a quarterly basis, with relevant staff held effectively to account for performance through quarterly corporate performance team (CPT) meetings. CPT meetings are chaired by the deputy chief officer and bring together all relevant directors, divisional commanders and heads of service. The meetings analyse a good level of data and are an effective forum for challenging operational performance and generating a more performance focused culture across the service. There is however, an opportunity to use CPT meetings to share learning and best practice more effectively to ensure corporate learning.

43. Challenge and scrutiny of performance by board members is carried out quarterly at the Performance Audit Forum (PAF) and twice a year by the joint board. On occasions, PAF has demonstrated a good degree of challenge on key performance issues, particularly

around alcohol related incidents and the cost of staff absence. Positively, it has also recently prompted the service to include benchmark comparisons with other fire and rescue services in future reporting of sickness absence. However, including benchmark comparisons more generally with other fire and rescue services, and if applicable other public bodies, is an improvement that Strathclyde Fire and Rescue can make across its range of performance data.

44. SFR's annual public performance report provides a good range of information related to its corporate priorities. However, in common with many other organisations, its public performance reports tend to focus on successes and achievements. In meeting its public performance reporting (PPR) duties more effectively its reports need to be more balanced, highlighting where the service fell short of its goals and how it intends to address this in future.

45. SFR has a sound approach to continuous improvement. Improvement activity is driven at a senior level by the management team's corporate improvement sub-group (CISG) which identifies, prioritises and recommends new corporate improvement projects and monitors their progress. SFR's range of improvement activity is detailed in its audit strategy. This outlines how continuous improvement is driven through a range of operational audit work, such as station audits, process reviews and operational reviews, and business audit work, such as Best Value reviews and self-evaluation using the Strathclyde Improvement Model (SIM), which is based on the public sector improvement framework (PSIF). Strathclyde Fire and Rescue has completed a cycle of SIM reviews and is currently working through a second cycle of reviewing the whole service using the SIM over a three year period.

46. The audit strategy has been fully costed, so that a cost/benefit judgement of its continuous improvement activity can be made. Resulting benefits from this work are based on the economic cost of fire calculations and whilst this does not directly relate to organisational efficiency, SFR has generated a number of efficiencies using the SIM, for example downsizing its legal services, and these have contributed to the £20 million of tangible efficiencies reported since 2004.

47. In 2010, SFR invited London Fire Brigade, in conjunction with the Improvement and Development Agency for Local Government (IDeA), to carry out a corporate peer review to assess its current achievements and its capacity to change.

48. Overall, the outcome from the peer review was very positive, with the report highlighting that SFR is a well managed and run organisation. The resulting action plan SFR has formulated shows that it has responded positively to areas for improvement, including, improving communication with staff and managers and developing information management.

Use of resources

SFR manages its resources well. It has delivered significant efficiency savings through more effective use of its resources, particularly through innovative use of its emergency vehicles and its shift system for firefighters. It has substantial reserves to help meet future budget reductions. However, its crewing levels are the highest of any Scottish fire and rescue service, and these provide a potential area for further savings. Scrutiny of resources from board members is generally improving but needs to be more consistent from all members.

49. SFR is clearly focused on reducing cost and improving efficiency. Its focus on efficiency is supported by effective financial controls and well-established processes for setting and monitoring budgets. It is also complemented by a range of plans and strategies to manage its workforce and assets within the budgets available.

50. The peer review carried out by London Fire Brigade in 2010, provides a clear indication that it is using its resources to good effect. Its report highlighted that SFR "*is prepared to allocate significant resources to achieve its aims and objectives and there has been an impressive level of strategic change, particularly in recent years, and a well calculated risk to do things that are innovative.*"

51. Members of the joint board approve and monitor the service revenue budget and capital programme. The board's scrutiny of how effectively resources are being used takes place through its Budget Scrutiny Forum, Performance Audit Forum and Employee and Equality Forum. Scrutiny from members through these forums has been improving, although it is recognised by both members and officers that there is scope for better and more consistent challenge by all members. This is increasingly important as funding reduces across the public sector. During the transition period to the creation of a single fire and rescue service in 2013, it is important that there is a clear approach to managing resources and that the joint board maintains appropriate financial oversight of SFR.

Financial management

SFR has a sound financial position. It has made a range of efficiency saving to meet its financial challenges and has a high level of reserves to offset future reductions in grant funding, in line with its medium term financial strategy.

52. For 2011/12, SFR's revenue budget was £137.5 million and its capital budget was £28.3 million. Its revenue budget represents a 2.8 per cent reduction from 2010/11, broadly in line with national reduction in grant funding for local government. To help it operate most effectively with this reduced level of funding it has made savings of around £2.1 million, primarily from reducing its number of directorates and director posts, moving to a five group duty system, merging Parkhead and Cambuslang stations and realigning its services in Glasgow. These savings have contributed to its reported £20 million of efficiencies realised since 2004.

53. In October 2009, SFR approved a medium-term financial strategy for 2010-2014. This has been updated following the government's subsequent comprehensive spending reviews. The medium-term strategy is supplemented by annual budget strategies that are presented to the joint board to outline assumptions to be adopted in formulating coming year's budgets.

54. All Scottish fire and rescue services are facing significant financial pressures and uncertainties. In addition to reduced public sector funding, there will also be potentially greater demands on their services from issues such as the economic recession and an ageing population.

55. In the face of these financial challenges, SFR currently has a sound financial position. In 2010/11, it added £3.5 million to its reserves as a buffer for future reductions in grant funding. This took its reserves at the beginning of 2011/12 to £11 million, equivalent to 8.7 per cent of local authority contributions, and well above the standard threshold of five per cent. During 2011/12, it has used £1 million of these reserves to supplement a 2.6 per cent funding from its constituent authorities. Its budget for 2012/13 is the same as for 2011/12 and in line with its budget strategy, it will use a further £2 million of reserves during 2012/13 to supplement capital expenditure. It projects that its reserves will remain above the five per cent threshold until the new Scottish fire and rescue service is established in 2013.

56. SFR has also identified a range of potential efficiency savings, most significantly reducing crewing levels on aerial rescue pumps (ARPs). To meet projected cuts in previous budget considerations, the board approved reducing staffing on ARPs from six to five. So far, however, with budget reductions not as severe as initially predicted, SFR has chosen not to implement these reductions, believing this could impact on firefighter and public safety.

57. SFR also has clear arrangements for budgetary control. Each directorate has an agreed budget with Directors having responsibility for ensuring that it is aligned to the corporate objectives. Area Commanders also hold budgets for their areas and the corporate finance team provide support and challenge to the budget holders on their areas of expenditure. Its budget management arrangements are also supported by a corporate budgeting system that facilitates good budget monitoring.
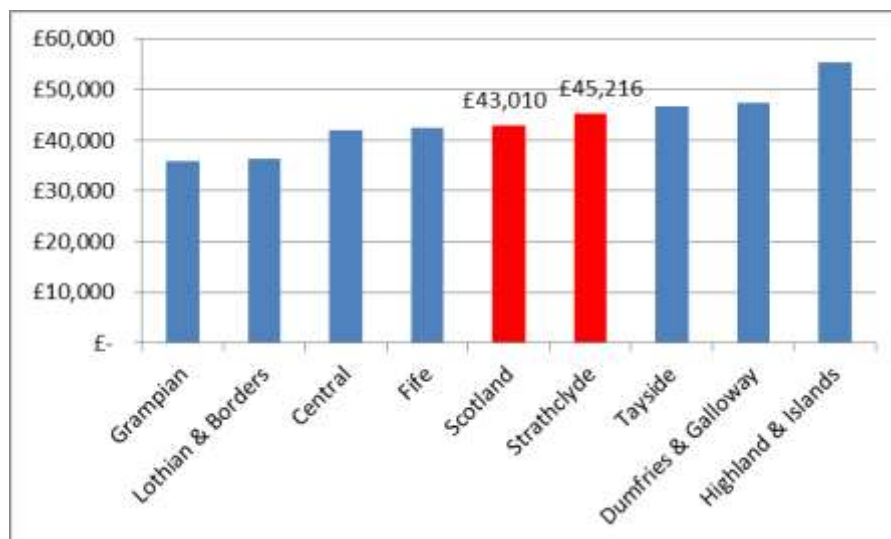
Workforce management

SFR's staffing costs are above average. It has introduced a number of changes, including new shift systems and crewing arrangements, which have delivered significant staff savings over recent years. Its crewing levels remain higher than those of other fire and rescue services and provide potential area for savings. It has a strong focus on health and safety and staff training.

58. Compared with other Scottish fire and rescue services, SFR's staffing costs are above average on a per population basis (Exhibit 3). Its staffing costs are influenced by a range of factors, including; providing services both in Glasgow and across large rural areas,

including island and remote communities; its relatively high number of support staff and its high crewing levels.

Exhibit 3: Strathclyde Fire and Rescue, staffing costs per 1,000 population

Source: CIPFA statistics 2010/11

59. Despite its above average cost per head of population, SFR has demonstrated efficiency in its workforce management over time (Exhibit 4). Its overall staffing numbers have reduced in recent years. This has been achieved through a range of measures, such as: the introduction of aerial rescue pumps (ARPs) and the dual-crewing of some specialist appliances, which have reduced the number of firefighter posts required by around 170; the introduction of a five group duty system (5GDS) saving around 45 firefighter posts; the merger of Parkhead and Cambuslang stations into the new Clydesmill station saving around 30 posts; and directorate reorganisations having reduced the number of directors from seven to four since 2004.

60. To plan its workforce requirements at a strategic level it has a workforce planning group. The role of this group is to examine staffing numbers on a quarterly basis by rank and role and plan how to address gaps and surpluses. SFR is developing a new human resource system which will allow it to better analyse skills across the organisation and subsequently allow its workforce planning to be more driven by the skills needed and those available amongst its staff.

61. Uniquely, SFR delivers its emergency response service through its five group duty system (5GDS) rather than a more traditional four group system (see Appendix 1). It reports that the 5GDS has brought significant staffing efficiencies, with the cost savings for a multi-pump station on 5GDS being around £187k or around six firefighters.

Exhibit 4: Strathclyde Fire and Rescue, staff numbers (full time equivalent)
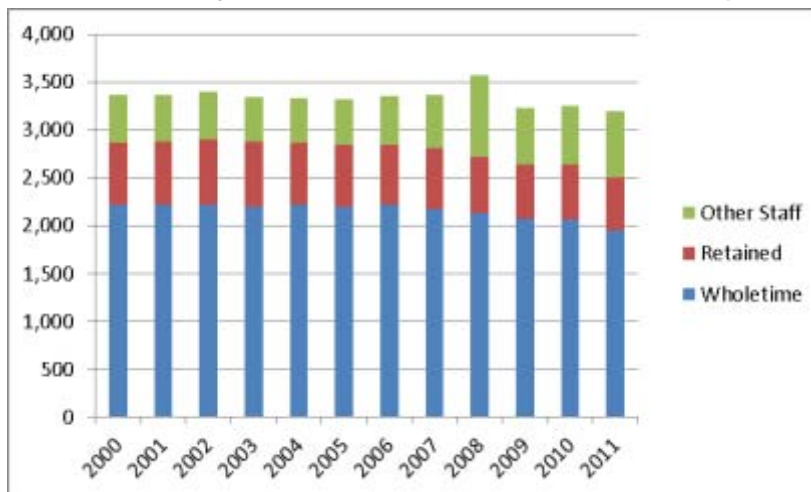
Source: CIPFA

62. Similarly, SFR operates a higher crewing level than other fire and rescue services in the UK, with five firefighters crewing both first and second appliances, rather than the more common five and four crewing. It routinely uses its second pumps to provide standby at other multi-pump stations during periods of high activity or during training events and it maintains five and five crewing to ensure that the first appliances attending an incident have sufficient resources available to them. SFR is very clear in its belief that maintaining higher crewing levels ensures that crews will not be overstretched, minimising the associated risk to firefighters and members of the public.

63. Although crewing its appliances at five and five is more costly than at five and four, SFR believes that the introduction of the 5GDS allows it to run multi-pump stations more cost effectively with its higher crewing level than running them on a four watch system with a lower crewing level. It also argues that any reduction to its current crewing levels will impact on firefighter and public safety, and lead to some increase in overtime costs. However, given that no other Scottish or UK fire and rescue services operate with crewing levels of five and five, this is an area that may potentially offer future savings.

64. SFR has a relatively high number of support staff. In part, this is due to its organisational scale, allowing it to directly employ staff to carry out a range of functions in-house that would not be viable in smaller organisations, such as: legal services, audio visual, graphics, communications, etc. In its support functions, and in others such as health and safety, fire safety education and enforcement and in civil contingencies, it has progressively moved towards employing non-uniformed posts on the basis of specialisms and cost efficiency, and to mitigate any consistency and skills problems associated with the high turnover of uniformed staff.

65. The overall level of sickness absence within SFR is broadly in line with the national average. It recorded an average of 7.5 days per employee in 2010/11, compared with a national average of 7.4 days (Exhibit 5). The Board and SFR are focused on addressing

sickness absence, have set a sickness absence target of five per cent[2] and have in place relevant policies and practices to reduce absence. This includes annual fitness tests and three-yearly medical examinations for wholetime, RDS and voluntary firefighters and absence training for managers. This focus has already demonstrated some success with average absence having fallen by around two days per employee since 2008/09.

Exhibit 5: Average number of sickness absence days per employee, 2010/11
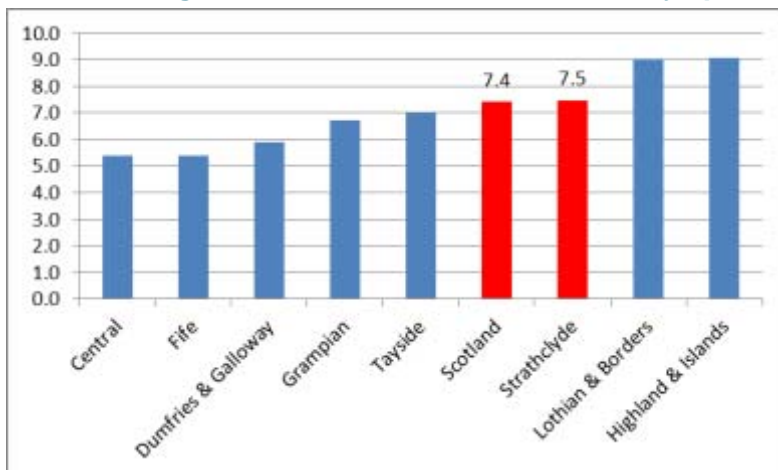
Source: Audit Scotland Statutory Performance Indicators

66. As part of its career management framework, all staff receive an annual appraisal, including the chief fire officer. This includes RDS firefighters who receive a group appraisal. At present the appraisal system is paper based system, making the analysis of organisational training and development needs quite a laborious process. However, a new electronic based system, that will allow much more effective analysis of performance and development needs, is due to be implemented later in 2012.

67. SFR has a strong focus on both staff training and development and health and safety. In 2010, it restructured its service to integrate Health and Safety, Operational Review, Process Review and Operational Tactics to form a new Operational Assurance Section within its Training and Operational Review (TOR) Directorate. The aim of its operational assurance section is to engender a stronger culture of self analysis through the application of robust, systematic internal and external evaluation of its processes and practices.

68. SFR's clear emphasis on protecting the health and safety of its staff is also reflected in its development of the 'Ticket to Ride' requirement, where fire appliances are taken off the run unless they are crewed by firefighters with appropriate and up-to-date training. Ticket to Ride has subsequently been adopted by other fire and rescue services.

69. Beyond its restructuring SFR has developed a new training strategy with key themes focused on: using a wide range of data to identify risks and ensure evidence based training needs; enabling watches to train crews in line with their identified needs; maintaining

[2] The percentage basis of its target differs from the days lost reported through statutory performance indicators and therefore performance data is not directly comparable

competencies through practical and simulated exercises; and investing in more instructors to build up training capacity. In addition, in partnership with the Scottish Government it is investing £45 million in its new training centre which will begin delivering training in 2012.

70. Its focus on Health and Safety has had a positive impact in reducing staff accidents and injuries. During 2010/11, the number of firefighter injuries that occurred whilst carrying out duties reduced by 53 per cent, support staff injuries reduced by 45 per cent and overall, the number of total injuries for all staff has reduced by 13 per cent from 186 to 161. Physical attacks on fire crews and threats of violence against staff also reduced by 31 and 16 per cent respectively. Maintaining these positive outcomes should significantly help in reducing staff absence and improving efficiency.

71. In 2011, SFR carried out an independent staff survey. 59 per cent of employees responded to the survey and the responses highlighted a number of key areas of strength, including: commitment to the organisational values; health and safety, clarity of role, line management, teamwork, working relationships and dedication to serving the public. Issues raised include the perceived need to take staff views into account when making changes, providing feedback to them before decisions are made and supporting them through change, are currently being addressed through a detailed 36 point corporate action plan.

72. Since 2009, SFR has had a succession plan in place for its corporate management team to ensure business continuity. However, SFR's annual external audit report for 2010/11 has raised some concerns in relation to the board's decision to re-employ the chief fire officer, following his early retirement in July 2011. The Accounts Commission has now asked the Controller of Audit to investigate this matter further.

Asset management

SFR demonstrates some good practice in managing its assets and is strengthening its overall approach to asset management. It has a good range of information on its property assets and has delivered significant savings from its investment in Aerial Rescue Pumps (ARPs) and in its management and use of its fleet. It manages its properties well and is using information and communications technology (ICT) effectively in supporting its services.

73. SFR manages its assets effectively and is strengthening its overall management arrangements with the recent introduction of its first medium-term, overarching asset management strategy covering the period 2011-14. The strategy provides good information on asset condition and suitability, investment and maintenance requirements, and roles and responsibilities and governance arrangements for managing its property, fleet, equipment and information and communications technology (ICT) assets. The strategy is supported effectively with detailed annual asset management plans covering each of its main assets. An asset management working group has also been established to monitor that its plans are being delivered.

74. SFR's management arrangements for its 327 properties are well established and consistent with recognised best practice. Its new property management system provides comprehensive management information and, with links being developed to its financial systems, is expected to enable an effective monitoring of running costs. Its information also helps inform spend to save initiatives and longer-term property options based on costs and risk.

75. The service has very detailed information on its properties, having tagged every space within each property and having attributed them with condition and suitability scores to allow maintenance and investment to be best targeted. It also collects a range of energy efficiency and other carbon management data to inform its environmental strategy. In addition, it carries out a five-yearly rolling programme of property condition surveys and this has helped it reduce the value of its backlog maintenance from £12 million to £9 million during the last three years. SFR has also been reducing the cost of its property management service over the last two years and benchmarks with other large multi-site public sector organisations show its costs are significantly below average.

76. SFR has improved its fleet management to deliver greater efficiency and effectiveness. In 2005, it rationalised its workshops from four to one, saving around £230k per annum. Since then, it has adopted the ISO9001 quality standard in managing its fleet and in October 2011, also achieved the ISO14001 environmental quality standard. In 2011, it also invested £40k in introducing an automatic vehicle location system (AVLS) to identify when and where people are using its vehicles. This has noticeably changed people's behaviour in using its fleet of vehicles, to the extent that it estimates that in the first year of operation it will save between £20-£30K, having reduced fuel consumption by 15-25 per cent and CO_2 emissions by nine tonnes.

77. SFR has introduced a rescue pump strategy to ensure that its fleet of pumps all carry a more versatile range of equipment than standard fire appliances. Since 2007, it has successfully introduced 13 dual purpose Aerial Rescue Pumps (ARPs) into its fleet and has introduced dual crewing amongst many specialist appliance that typically deal with high impact but low occurrence incidents. The introduction of dual crewing and ARPs has resulted in reported efficiency savings of over £5 million.

78. SFR's ICT strategy 2010-13 outlines how ICT will continue to be developed and enhanced to better support its corporate strategy and IRMP. It has a good ICT infrastructure and has awarded a contract to improve broadband connections which, when implemented, will improve connectivity and performance of broadband network links to 60 of its 110 stations, to meet the existing standard of all its other stations. It is also continuing to develop its "data warehouse". This is its most significant ICT development and that will allow it to more effectively capture and analyse performance related data.

Service performance

SFR provides an effective emergency response service. In line with national trends, there has been a long-term decline in the number of fires and casualties in Strathclyde. The number of false alarms it responds to is relatively low and decreasing. In contrast, it deals with an increasing number of non-fire related emergencies, particularly flooding incidents. Its associated cost of providing its services has been declining. It is improving its prevention work, with increasing levels of activity that are also becoming significantly better targeted towards risk.

Service costs

SFR's operating costs have been consistently above the Scottish average. However, through a series of efficiency measures, it has reduced its costs in recent years.

79. SFR has the second highest operating costs per capita in Scotland. In 2010/11, excluding pension costs, it spent over £55 per head of population, above the average of £50 for the other seven Scottish fire and rescue services (Exhibit 6). For over a decade, its costs have been consistently above average, although this is influenced by the diverse geography and the relatively high levels of deprivation throughout Strathclyde. Since the introduction of the Fire (Scotland) Act in 2005/06, its efficiency measures have achieved a reduction in its real term costs by around 6.4 per cent, slightly below the average reduction of 7.5 per cent across all fire and rescue services in Scotland. However, as highlighted above, there is scope for the service to reduce staffing costs further, particularly through changing crewing levels on second appliances.

**Exhibit 6: Real terms costs per head of population, 2000/01 to 2010/11**
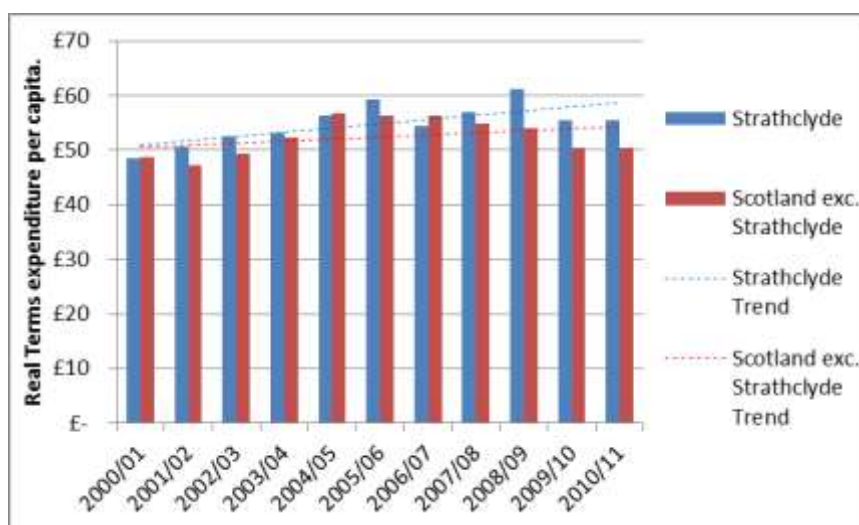
Source: CIPFA data adjusted by HM Treasury GDP deflator

Prevention

SFR has carried out a below average number of home fire safety visits (HFSVs), indicating a capacity to do more prevention work. However, it is improving the focus of its prevention work, with HFSVs increasing and becoming significantly better targeted towards risk. Similarly, it has substantially increased the number of statutory fire safety audits of non-domestic premises.

80. SFR carries out a below average number of home fire safety visits (HFSVs) compared with other Scottish fire and rescue services (Exhibit 7). In addition, during 2010/11, it missed its own ambitious HFSV target of 22,000 by almost half.

81. For 2011/12, it projects a positive increase in the number of HFSVs, with around 15,000 likely to be carried out compared to around 11,000 during 2010/11. Within this overall increase however, several of SFR's area commands are doing fewer HFSVs than last year. Based on higher numbers of HFSVs carried out by other fire and rescue services and the decline in HFSVs in some areas of Strathclyde, there appears to be capacity to carry out a greater volume of prevention activity and therefore increase impact further.

**Exhibit 7: Home Fire Safety Visits per 1,000 dwellings, 2009/10**
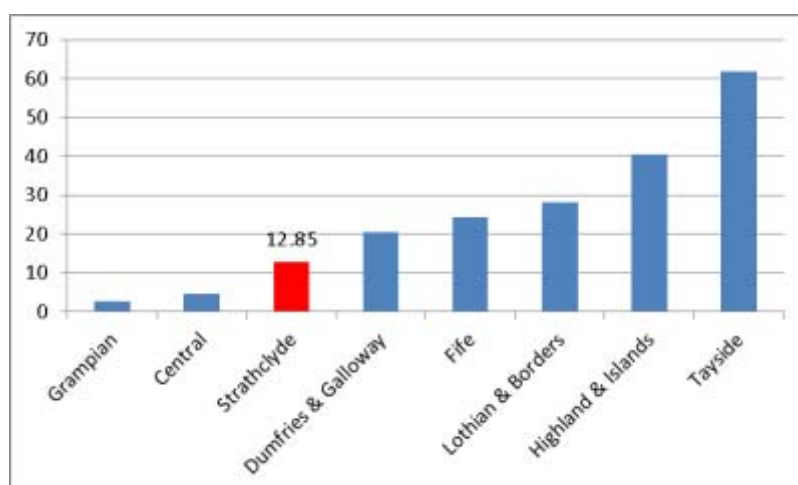
Source: CFOAS Performance Indicators 2009/10

82. In 2011, SFR revised its approach to preventative work through a new home fire safety visit (HFSV) policy, designed to better target risk. Under the new policy, different levels of points are awarded to HFSVs based on assessed risk, with a HFSV to an "at-risk" household accruing three times as many points as a visit to a low risk household. To target the more at-risk households, station targets are points based rather than based on the actual number of visits.

83. The introduction of the new prevention policy has seen a positive change in moving preventative work towards higher risk households. While this new approach still needs to

mature, with targets for individual stations needing to be fully developed, it has led to a significant improvement in the targeting of its preventative work. In 2010/11, only nine per cent of HFSVs were targeted at high risk households with 73 per cent directed at low risk households. In the first six months of 2011/12 this picture has been reversed with 77 per cent of HFSVs targeted at high and medium risk households. As a result, through better targeting, both through the points based policy and progress through the Community Safety Partnership Unit, it is clear that SFR is likely to improve the impact of its prevention activity.

84. Despite its relatively low number of HFSVs, Scottish Government's fire statistics shows that within Strathclyde, smoke alarms were present and successfully activated in half of all accidental dwelling fires. This was the third highest level in Scotland during 2010/11. Similarly, smoke alarms were not present in just over 34 per cent of all accidental dwelling fires, the second lowest level in Scotland. These factors suggest that Strathclyde Fire and Rescue's approach to prevention has had some success.

85. Statutory fire safety audits of non-domestic premises are also an important part of preventative work. Landlords and business owners are responsible for ensuring fire safety in their premises through, for example, carrying out self-assessments. However, a programme of fire audits is essential to provide guidance and to help enforce fire safety standards.

86. SFR's approach to fire safety in non-domestic premises is guided by its new risk based *Fire Safety Enforcement Framework 2011-2014*. This risk based framework outlines SFR's enabling approach to regulation, where businesses and organisations assume responsibility for compliance. SFR spends around £400k annually to deliver its enforcement framework. It does this through its fire safety enforcement team, which provides direction and support to a group of almost 100 area based enforcement officers. Staff are supported by its Fire Safety Enforcement Information System (FSEIS) that gathers data and intelligence, records activity and programmes future audits.

87. Consistent with its framework, SFR targets its fire safety audits effectively, carrying out a higher than average proportion of activity in some of the highest risk properties, such as care homes, hotels and houses in multiple-occupation.

88. SFR's performance in delivering fire safety audits has been fluctuating in recent years. Nationally comparable data shows that in 2010/11, it carried out 3,637 statutory fire audits, equivalent to 5.4 per cent of non-domestic premises (Exhibit 8). Proportionately, this is below the average of 6.2 per cent across other fire and rescue service in Scotland and less than one third of the best performing service. However, its performance represents an increase of around two thirds on its number of audits in 2009/10. Similarly, Strathclyde Fire and Rescue also more than trebled the amount of hours dedicated to audits from 8,708 hours to 28,983 hours in 2010/11, allowing staff to spend time advising and educating small to medium businesses on how to comply with part three of the Fire (Scotland) Act 2005.

Exhibit 8: Percentage of non-domestic properties subject to fire safety audits, 2010/11
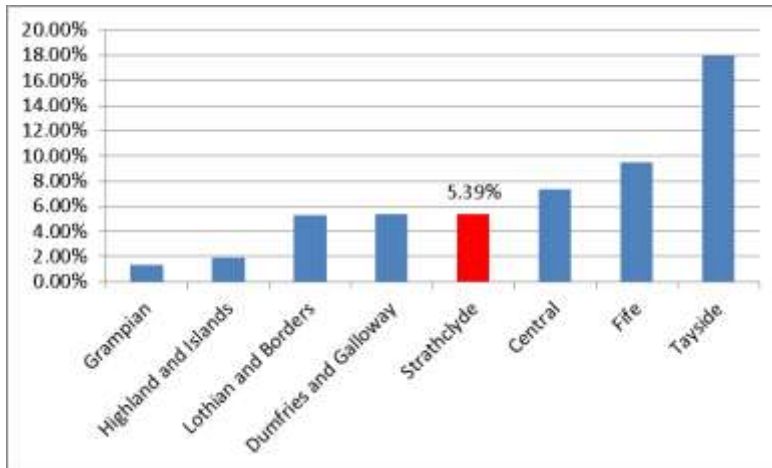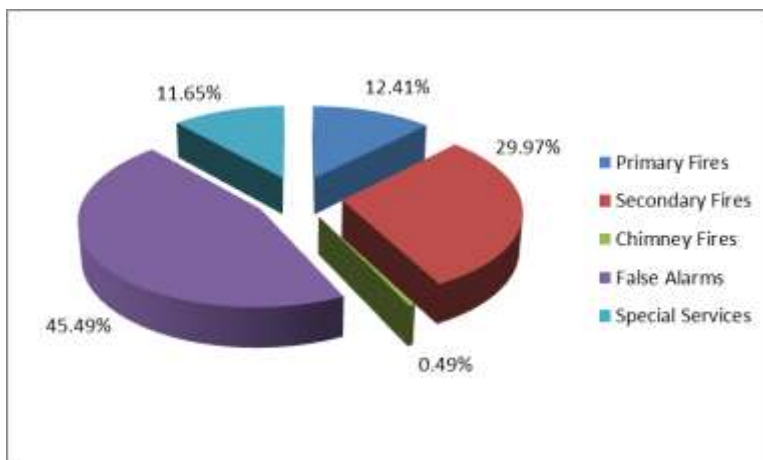

Source: Scottish Government Statistical Bulletin

Emergency response

In line with national trends, there has been a long-term decline in the number of fires and casualties in Strathclyde. SFR still experiences a relatively high level of secondary fires. The number of false alarms it responds to is relatively high, but it has made progress in reducing the number of malicious calls and automatic false alarms. The time taken to respond to emergency incidents has remained relatively constant and is in line with national averages.

89. In 2010/11, SFR responded to just over 50,000 incidents, an average of more than 137 incidents every day. In line with the national pattern, about an eighth of these related to primary fires (those in buildings, vehicles or involving casualties). Around three in ten calls were due to secondary fires (typically outdoor fires in heathland, rubbish bins or derelict buildings), the highest level in Scotland.

**Exhibit 9: Analysis of emergency responses in Strathclyde, 2010/11**

Number of fires and casualties

90. Historically, the level of fires within Strathclyde has been consistently above the Scottish average. This has been influenced by it serving a large population in and around Glasgow, relatively high levels of deprivation throughout Strathclyde and concentrations of high rise and tenement properties. In line with national trends, there have been significant falls in the number of primary and secondary fires (Exhibits 10 and 11). Within Strathclyde, primary fires have declined at a slightly faster rate than the average for other Scottish fire and rescue services, whereas secondary fires have declined at a slightly slower than rate than across Scotland as a whole.

91. These trends are influenced by a wide range of social factors, such as improvements in the housing stock and a fall in the number of people smoking. However, they also indicate that SFR's safety campaigns and preventative work has had an impact in improving community safety.

92. Within this overall decline, however, there have been occasional small increases in primary fires within Strathclyde in recent years. This may be influenced by the current economic conditions or a simply a short-term statistical anomaly and it would be difficult to draw any firm conclusions on this change. Similarly, after a five year trend of decline, there was a noticeable recent increase in secondary fires in 2010/11. It is widely recognised that numbers of secondary fires can be influenced by factors such as weather, and tackling this type of antisocial behaviour is a strategic focus for education and demand reduction initiatives for SFR. For example, it is using partnership arrangements through its community safety partnership unit, particularly with housing providers, to formulate more effective prevention of secondary fires. SFR's latest data for 2011/12 reports that numbers of secondary have significantly decreased compared with last year.

Exhibit 10: Number of primary fires per 1,000 population
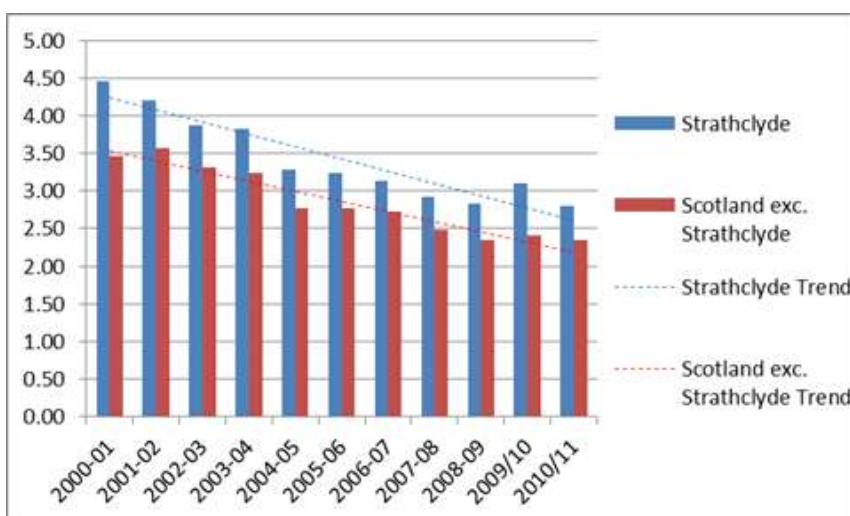
Source: Audit Scotland

Exhibit 11: Number of secondary fires per 1,000 population
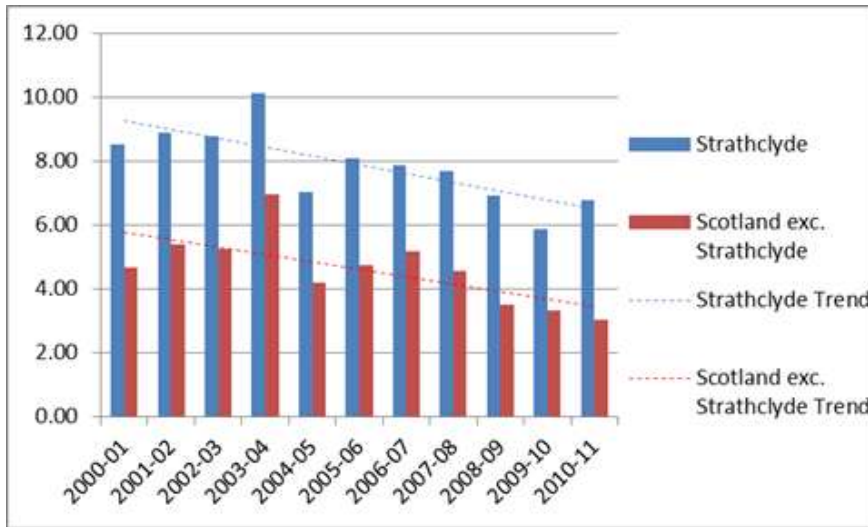
Source: Audit Scotland

93. There have been changes at a national level in the definitions of casualty statistics, making it difficult to directly compare rates with earlier years. However, it is clear that over the past decade casualty rates in Strathclyde have fallen by around a third, slightly greater than the average rate of decline across other Scottish fire and rescue services. In 2010/11, casualty rates in Strathclyde were very close to the Scottish average (Exhibit 12).

**Exhibit 12: Casualties per 1,000 population, 2010/11**
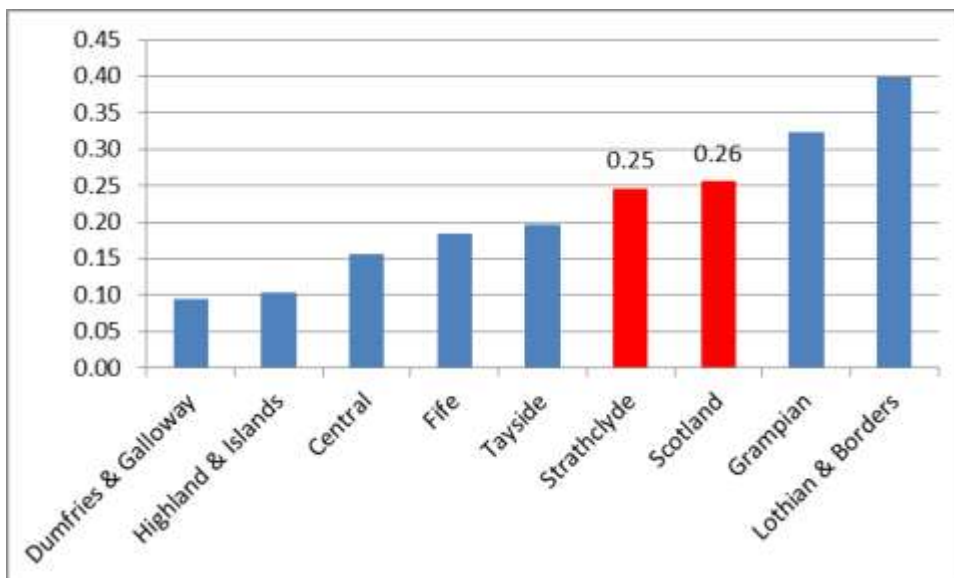
Special services

94. SFR responds to an increasing number of 'special service incidents', such as flooding and road traffic collisions. Of the 52,329 incidents it attended in 2010/11, 6,546 were specialist services and a further 1,132 were road traffic collisions (RTCs). These now represent around 11 per cent of emergency responses. However, there are no performance measures available locally or nationally to assess the standard of this work.

95. RTCs account for a lower proportion of special services than average and there is a lower level of RTC incidents per population in Strathclyde than in Scotland in general. In contrast, flooding incidents in Strathclyde account for a significantly higher proportion of special services than average (29 per cent compared with an average of 22 per cent). Strathclyde was one of only two areas to experience a growth in flooding incidents in 2010/11, with a significant growth of around 50 per cent. During 2010/11 the number of flooding incidents per 1,000 population was the highest level in Scotland and well above the Scottish average (Exhibit 13).

96. However, it is clear that SFR has increased its capacity to deal with these incidents. For example, it has introduced a new flood response programme, 15 stations have now been provided with additional training and equipment to respond to flooding emergencies, and a dedicated Flood and Environmental Response Unit has been procured. This enhanced flood response began to be rolled out throughout 2011 and will be complete in 2012.

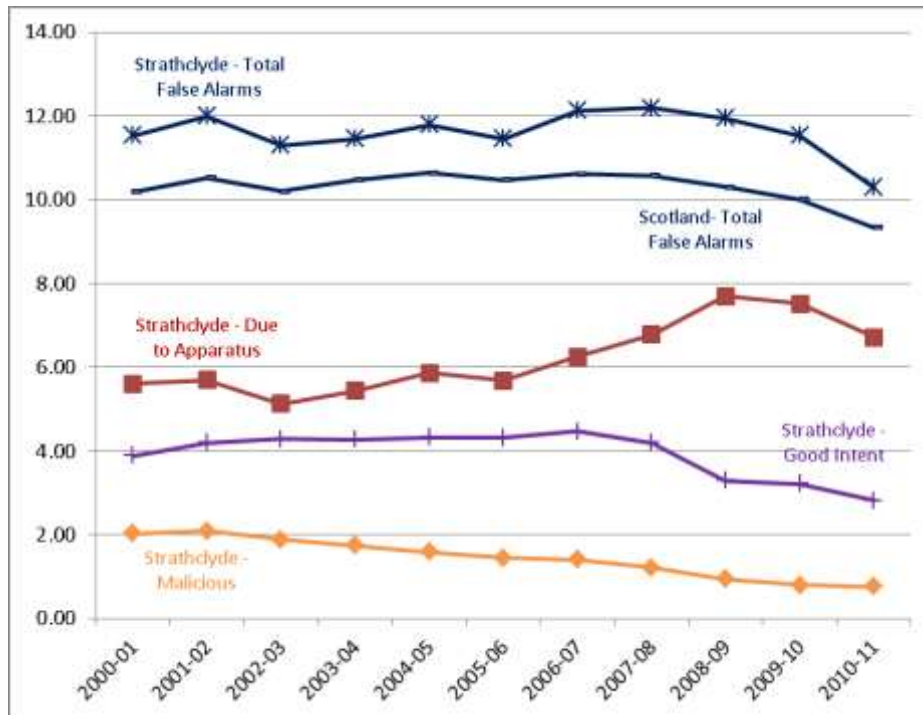**Exhibit 13: Flooding incidents per 1,000 population in 2010/11**
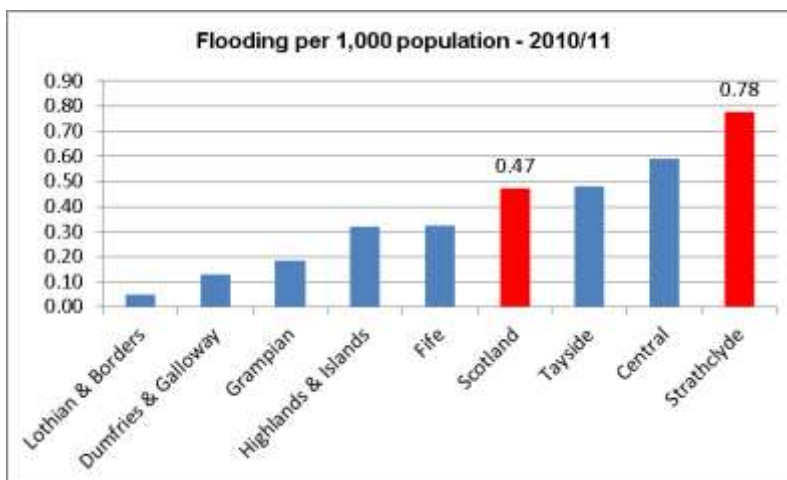
97. In addition, SFR has been recognised as a Rescue 3 Europe accredited training provider, one of only two UK fire and rescue services to attain this. As an accredited independent training provider it has facilitated and accredited swiftwater and flood rescue courses to over 800 flood first responders and 300 swiftwater rescue technicians.

False alarms

98. False alarms can be caused by a range of factors, such as malicious hoax calls or faulty automatic alarms. They account for around 45 per cent of Strathclyde Fire and Rescue's emergency calls, representing a significant use of resources on non-productive work and, perhaps more importantly, leading tom potential delays in responding to genuine emergencies.

99. SFR receives an above average number of false alarms per head of population (Exhibit 14). It has, however, made some progress in reducing these. It has, for example, consistently received the highest number of malicious calls per head of population in Scotland. However, over the last decade, it has successfully reduced the number of malicious calls by almost two thirds.

100. It has also made some progress in reducing the number of automatic false alarms (AFAs). The long term increase in AFAs has been influenced by growth in the number of premises with automated fire alarms. Noticeably however, SFR has been successful in reducing these in recent years. From a high of around 17,000 AFAs in 2008/09, its annual number had fallen by 2,000 (around 12.5 per cent) by 2010/11. This has been helped in part by closer working with the Fire Industry Association and the Association of British Insurers, although it recognises its scope to take more immediate action in following up on AFAs, to try and address nature of the problem at the point of call out.

**Exhibit 14: False alarms per 1,000 population**

101. SFR has also reviewed its predetermined response to AFAs. It now uses a risk assessment to help prioritise the mobilisation of fire appliances. As a result, despite the increase in false alarms, over the past three years it has reduced by around 24 per cent the overall number of fire appliances being called into action. As well as improving efficiency, the reduction in vehicle movements under blue light conditions also reduces SFR's own road risk.

Emergency response times

102. The speed of emergency response and number of vehicles and firefighters mobilised can be important factors in securing positive fire and rescue outcomes. Prior to 2005, standards of emergency response were set out in the National Standards of Fire Cover, with standards varying according to risk factors associated with different types of buildings. With the introduction of IRMP, these national standards were withdrawn. This allows individual fire and rescue authorities to determine their own speed and level of response to meet the specific level of risks identified in their IRMP.

103. SFR has not developed a local risk-based set of response standards, believing them to be flawed approach to managing both emergency response services and public expectations. It simply aims to attend incidents within the shortest period possible. Monitoring reports analyse response times by urban and rural calls, and by travel time and dispatch time. These show that overall response times have lengthened slightly in recent years, but much of this is attributed to poor weather conditions over recent winters and increases in travel time. The Scottish Fire & Rescue Advisory Unit (SFRAU), as part of its 2011 report, *Review*

of the Implementation and Impact of Integrated Risk Management Planning in Scottish Fire and Rescue Services, showed that Strathclyde's Fire & Rescue's average response times for primary dwelling fires have remained consistent over the past decade and are broadly in line with the national pattern (Exhibit 15).

Exhibit 15: Average emergency response times
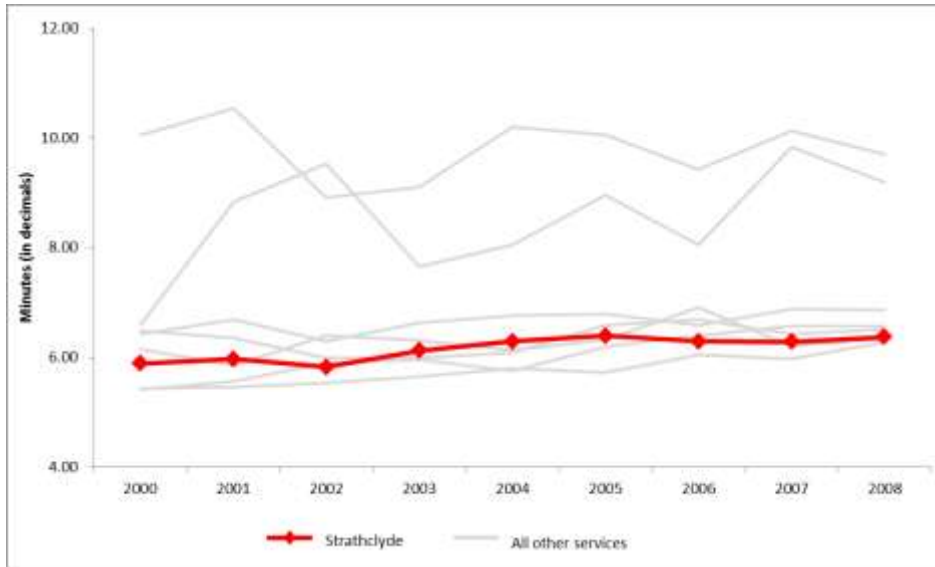
Source: Review of the Implementation and Impact of Integrated Risk Management Planning in Scottish Fire and Rescue Services (SFRAU 2011)

Improvement agenda

With the establishment of a national fire and rescue service in 2013, there is a need to prioritise improvement activities. Some issues can be addressed immediately. Other actions, however, will need to be coordinated with the emerging management arrangements for the new national service.

Strategic planning

- Enhance the strategic planning framework further by more clearly providing measurable corporate outcomes against which success can be judged.
- Roll out station plans and local integrated risk management planning to retained stations.

Role of members

- Board members need to strengthen their role in setting strategic direction for the service.
- Review the support available to assist all board members to carry out their role effectively.

Performance management

- Ensure that public performance reports provide a more balanced picture of performance.

Workforce management

- Review crewing levels on second appliances.

Service delivery

- Ensure more consistent performance in carrying out fire safety audits within non-domestic premises.

Appendix 1

Five group duty system (5GDS)

The five-group duty system (5GDS) for whole-time operational personnel was introduced within SFR on 1st January 2010. The system is based on models which have been introduced in a small number of English fire authorities. It is an annualised hours system that provides SFR with the flexibility to better align its available workforce to meet organisational needs, whilst ensuring that the needs of individual employees are met.

Traditionally firefighters work a recurring shift pattern of two 10 hour days, two 14 hour nights followed by four days off (known as the four watch system and used by all Scottish fire and rescue services other than Strathclyde). Each fire station's establishment is based on the service's crewing level policy, with resilience built in for absences and leave. In practice this means that there are occasions where there are more than the required personnel on duty and others where there are not enough. 5GDS is a means to predict as far as practicable, where those excesses and surpluses will occur, and realign resources accordingly.

SFR's 5GDS is based on a 10 week, continually repeating, shift cycle. In the 10 week cycle a typical firefighter would have seven periods of working two 10 hour days, two 14 hour nights followed by four days off. At the end of the seven periods, the 10 week cycle is completed by firefighters being rostered off duty for 18 days in a row. Therefore, every 50 weeks, firefighters will have five 18 day break periods. All annual leave is allocated within these 18 day break periods.

Within the basic 5GDS, firefighters are not able to provide their full annual quota of contractual hours and therefore can be required to work a number of additional shifts to make up their additional hours. Each Firefighter is therefore given a number of occasions (usually 12) per annum where they may be called in to cover for organisational shortfalls. There are also a few occasions (up to 4) where, due to there being surplus available, staff may be told not to report for work. Where this is the case, staff are provided with a minimum of 48 hours notice.

Due to the degree of flexibility in the way staff may be required in the system, staff have the opportunity to swap like-for-like shifts directly with colleagues or to exchange shifts through a central clearing system.

Our BV audit process has not attempted to verify the costs/benefits of the 5GDS, however, SFR's own evaluation shows an improved efficiency that has allowed a reduction of 45 posts, savings of £1.364 million in salary costs, a reduction of 75 per cent in overtime payments and a reduction of 55 per cent in detached duty costs.