

GWYNEDD COUNCIL CABINET

Report to a meeting of Gwynedd Council Cabinet

Date of meeting:	22 November, 2016
Cabinet Member:	Councillors Dyfrig Siencyn and Peredur Jenkins
Liaison Officers:	Arwel E Jones (Senior Corporate Support Manager) and Dafydd Edwards (Head of Finance Department)
Contact Telephone Number:	01286 679324
Title of Item:	Consultation on the Future of the Fire Service

1 THE DECISION SOUGHT

To propose the observations noted in section 4 of the report in response to the Fire Service consultation.

2 THE REASON FOR THE NEED FOR A DECISION

The Council is invited, as any other public body or citizen in north Wales, to submit their observations on the consultation document which is attached as an appendix to this report.

Of course, the Council nominates representatives to serve as members of the Fire Authority and those representatives have been invited to this meeting. As members of the Fire Authority, their main commitment is to the interests of the Authority but it is important that they hear observations on behalf of Gwynedd taxpayers as they form their opinion, in due course, as members of the Authority.

3 INTRODUCTION

The consultation document is fairly concise and is attached to this report. Four objectives are addressed in the document:-

Objective 1 - Continuing to keep people safe from fire in their homes.

Objective 2 - Taking a new approach to meeting the Authority's costs.

Objective 3 - Protecting all our communities with better planning of fire-fighting crews.

Objective 4 - Exploring how we can do more things for our communities.

4 THE REASONING AND JUSTIFICATION FOR RECOMMENDING THE DECISION

Clearly, there is a link between the individual objectives and the implications of each one on the others, particularly the objective of how it is proposed to meet the Authority's costs. However, the following draft observations are noted for consideration:-

Objective 1 - Continuing to keep people safe from fire in their homes

It is clear that this will be the main focus of the work of the Service and it is good to see that there has been a regular reduction in accidental fires in homes since 2001/02. The report does not go into much detail on how this will be undertaken but it is clear that the main focus will be preventative work. It is suggested that contact between the Fire Service and Council services needs to be improved further so that it is possible to target this work even more in order to address those living in vulnerable households.

Objective 2 - Taking a new approach to meeting the Authority's costs

The document notes three possibilities to address the anticipated financial gap of £2.3m, namely:-

- a) the North Wales county councils could together contribute an additional £2.3million to the Fire and Rescue Authority every year, so increasing their combined annual contributions to £34.2million by 2019/20; OR
- b) the Fire and Rescue Authority could make large cuts to its emergency and prevention services to maintain the current level of county council contributions until at least 2019/20; OR
- c) a mix of both, with the county councils contributing more money and the Fire and Rescue Authority cutting its own running costs.

The second objective of the Fire Authority aims to "ensure that it has enough money to cover its running costs in the next few years". The Fire Authority's consultation document notes that there have been cuts since 2011/12 with very little discernible change to the level of service (without fire station closures and compulsory redundancies of fire-fighters). Looking ahead, we know that every public body in Wales has a "funding gap" and choices become more difficult.

The Fire Authority's revenue budget comes from financial contributions (levy) that are payable by the six county councils in North Wales, in proportion to their population. Therefore, any adjustment to the budget of the Fire Authority will have a direct impact on individual county councils' decisions to impose taxes, and their ability to spend on their own county services.

The Fire Authority's consultation document proposes option 'c', which would involve increasing the budget by 4%, i.e. increasing the amount they receive from county councils by approximately £1.4million from 2017/18 onwards, as well as using the Fire Authority's contingency funds in 2018/19.

Information from the Fire Authority's accountant was received on 04/11/2016 confirming that the increase in the Fire Authority's levy would then involve an

additional cost of £253,859 (+4.45%) for Gwynedd Council for 2017/18 (the levy would increase from £5,598,221 to £5,852,079). The +4.45% increase for Gwynedd Council would be above the average +4% increase across north Wales due to the impact of updating population figures.

Should there be a need to include an additional levy of £253,859 in Gwynedd Council's estimates for 2017/18, this would be tantamount to an increase of +0.44% in council tax payable by Gwynedd residents, or add £253,859 to the amount to be found by cutting services for Gwynedd residents (e.g. this could be the equivalent of closing 3 leisure centres £99k, + closing Neuadd Dwyfor £98k, + closing one recycling centre £50k).

The way the Fire Service deals with this is difficult to accept and the starting point is that the Fire Authority's levy should not increase more than the average financial settlement for local government in Wales. That is, by 2017/18, it would be unreasonable to consider an increase of more than +0.1% in the levy. However, any arguments for an increase must be weighed up against the question of whether we are convinced that there are no more efficiencies to be found and what would be the implications of any cuts over and above that for our residents so that we can weigh that up against the need to increase Council Tax or find further savings ourselves.

Furthermore, in subsequent years, Welsh Government budgets will be more challenging, and as a result, local government settlements are likely to be stricter. Therefore, the Fire Service should start reviewing the cost of their services now, in order to implement further transformation / efficiency savings during 2017/18 - 2019/20.

It is unacceptable that the Fire Service proposes an increase of +4% in expenditure in 2017/18 and are going to avoid transformation / efficiency savings until 2019/20. It is not totally clear, but I understand that some members of the Fire Authority have noted their intention to use contingency funds in the first year, 2017/18. If it is possible for them to do this while maintaining a prudent level of contingency funds, then it would be more effective than increasing the levy. However, this should be coupled with the intention to accelerate work for the Fire Service to find transformation / efficiency savings by 2018/19, and not to delay increasing the levy. Gwynedd Council itself has implemented a 'bridging' budget of this type in the past two years.

As the Fire Authority's consultation document states, if "the obvious choice is therefore to remove one of the whole-time fire engines from Wrexham, and cutting 24 whole-time fire-fighter posts", then plans should be made to achieve this before April 2018. Undoubtedly, Gwynedd Council will be eager to encourage Council representatives serving as members of the Fire Authority to continue with the work of challenging they have been doing thus far on behalf of Gwynedd residents.

Objective 3 - Protecting all our communities with better planning of fire-fighting crews

As with all public bodies, the Fire Service is required to review their staffing arrangements and the RDS (Retained Duty System) arrangement is key to this end. It

is clear that the only thing proposed for this year is to continue reviewing RDS arrangements but the Authority appears to have withdrawn from reviewing the conditions of whole-time fire-fighters. As a Council, we believe that it is good practice to hold a regular dialogue regarding work conditions with workforce representatives to try to protect front line services. We would encourage the Authority to do the same.

Every public body has to closely monitor its work arrangements in order to wring out anything that does not add value from the system and to provide a service that is as effective as possible from the available resources. The Cabinet will undoubtedly question representatives serving as members of the Fire Authority about the Authority's arrangements to ensure that this takes place either internally or by learning from innovative work in other areas.

Objective 4 - Exploring how we can do more things for our communities

The willingness of the Fire Service to broaden the horizon of its staff to meet wider needs is to be welcomed. It is also good to see recognition that public sector bodies have seen more reductions in their budgets.

This is relevant, possibly, to the discussion on Objective 2 but what is suggested is that the resilience is needed to respond to emergencies as they arise but that there is room to be flexible in the use of resources outside those busier instances. This is to be welcomed. Once again, we will suggest that there is room for direct local discussions to see what type of opportunities that may arise. However, this is a timely and wise objective as the public response to the suggestion in the consultation last year suggested.

6 NEXT STEPS AND TIMETABLE

The closing date for the consultation is 12 December and the Fire Authority will consider it thereafter. Clearly, the impact of any budgetary decision will then feed through to a decision by this Council on the Council Tax level for residents of the county in March, 2017.

7 CONSULTATIONS UNDERTAKEN PRIOR TO RECOMMENDING THE DECISION

Here are the Statutory Officers' observations

Chief Executive:- The opportunity to submit observations on the document is to be welcomed. It is clear that the Fire Authority, as every other public body, is faced with difficult decisions. However, as the proposed response in Objective 2 notes, those decisions must be considered in the wider context of their impact on residents and taxpayers across North Wales in general.

Head of Finance Department:- Co-author of the report

Monitoring Officer:- The report recommends a response by Gwynedd Council to the

consultation by the North Wales Fire and Rescue Authority that is, of course, a local authority itself. Paragraph 2 of the report notes that the Council has appointed members to the authority and their responsibilities towards it. It is proper that they are aware of this Council's view but it must be borne in mind that they are subject to the requirements of their different function regarding taking decisions and considering advice.