

The Accounts Commission for Scotland

Agenda

**Meeting on Thursday 19 January 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 13 in private.
4. **Minutes of meeting of 15 December 2011**
5. **Minutes of meeting of the Performance Audit Committee of 9 December 2011**
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 – Dumfries and Galloway Fire and Rescue:** The Commission will consider a report by the Controller of Audit.
9. **Best Value Audit – Fife Fire and Rescue:** The Commission will consider a report by the Controller of Audit.
10. **Best Value Audit – Dumfries and Galloway Fire and Rescue:** The Commission will consider the action it wishes to take on the report.
11. **Best Value Audit – Fife Fire and Rescue:** The Commission will consider the action it wishes to take on the report.
12. **How Councils Work 3 – Using cost information to inform decisions and improve performance :** The Commission will consider a draft report.
13. **Planning for the delivery of the Commonwealth Games 2014: progress report 2:** The Commission will consider a draft report.

The following papers are enclosed for this meeting:

Agenda Item	Paper number
Agenda Item 4: Minutes of the meeting of the Commission of 15 December 2011	AC.2012.1.1
Agenda Item 5: Minutes of the meeting of the Performance Audit Committee of 9 December 2011	AC.2012.1.2
Agenda Item 7: Update report by the Controller of Audit	AC.2012.1.3
Agenda Item 8: Report by the Controller of Audit	AC.2012.1.4
Agenda Item 9: Report by the Controller of Audit	AC.2012.1.5
Agenda Item 12: Report by the Director of Best Value and Scrutiny Improvement	AC.2012.1.6
Agenda Item 13: Report by the Director of Performance Audit (PRIVATE PAPER – For members only) Draft key messages (PRIVATE PAPER – For members only) Draft performance audit report (PRIVATE PAPER – For members only)	AC.2012.1.7a AC.2012.1.7b * AC.2012.1.7c

*NB This paper will be issued as a follow paper.

ACCOUNTS COMMISSION

MEETING 19 JANUARY 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, 15 December 2011, at 10am

PRESENT: John Baillie (Chair)
Douglas Sinclair (Deputy Chair)
Michael Ash
Allan Campbell
Sandy Cumming
Colin Duncan
James King
Bill McQueen
Christine May
Colin Peebles
Linda Pollock
Graham Sharp

IN ATTENDANCE: Barbara Hurst, Director of Performance Audit
Fraser McKinlay, Controller of Audit and Director of Best Value and Scrutiny Improvement (BVSİ)
Fiona Kordiak, Director of Audit Services
Paul Reilly, Secretary and Business Manager
Diane McGiffen, Chief Operating Officer
Martin Walker, Assistant Director, BVSİ [Items 8, 12 and 16]
Jim Lakie, Project Manager, BVSİ [Item 8]
Antony Clark, Assistant Director, BVSİ [Items 10, 11, 14 and 15]
Gordon Neill, Portfolio Manager, BVSİ [Items 10, 11, 14 and 15]
Mark McCabe, Project Manager, BVSİ [Items 10, 11, 14 and 15]
Fiona Mitchell-Knight, Assistant Director, Audit Services [Item 12]
David McConnell, Assistant Director, Audit Services [Item 12]
Claire Sweeney, Portfolio Manager, Performance Audit [Item 13]
Cathy McGregor, Project Manager, Performance Audit [Item 13]

<u>Item No</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of interest
3.	Decisions on taking business in private
4.	Minutes of meeting of 10 November 2011
5.	Minutes of the meeting of the Financial Audit and Assurance Committee of 1 December 2011
6.	Chair's introduction
7.	Update report by the Controller of Audit
8.	Statutory performance information – 2011 Direction

9. Audit Scotland Corporate Plan
 10. Best Value Audit – Central Scotland Fire and Rescue
 11. Best Value Audit – Tayside Fire and Rescue
 12. Shetland Islands Council
 13. Commissioning social care
 14. Best Value Audit – Central Fire and Rescue
 15. Best Value Audit – Tayside Fire and Rescue
 16. Shetland Islands Council
 17. Any other business
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1. Apologies for absence

There were no apologies.

2. Declarations of interest

The following declarations of interest were made:

- Christine May, in item 7, as a consultant in relation to waste management issues.
- Linda Pollock, in item 13, as a Director of Enable Scotland.

3. Decisions on taking business in private

The Commission agreed that the following items be taken in private:

- Item 13, as it was a draft report
- Items 14, 15 and 16 to allow deliberations on actions arising from their consideration.

4. Minutes of meetings of 13 November 2011

The minutes of the meeting of 13 November 2011 were submitted and approved.

5. Minutes of the meeting of the Financial Audit and Assurance Committee of 1 December 2011

The minutes of the meeting of the Financial Audit and Assurance Committee of 1 December 2011 were submitted and approved

6. Chair's introduction

The Chair reported that:

- He attended the Audit Scotland Board meeting on 24 November
- Along with the Deputy Chair, he met with the Convenor of the Local Government and Regeneration Committee of the Scottish Parliament, Joe Fitzpatrick MSP, on 24 November

- He recorded a podcast for the Lothian and Borders Police Best Value audit and inspection, jointly with Andrew Laing, Her Majesty's Inspector of Constabulary Scotland, on 30 November
- He and the Deputy Chair attended a meeting with the Auditor General for Scotland and Audit Scotland on 7 December
- He attended a meeting of the Performance Audit Committee on 9 December
- He and the Deputy Chair would be attending their regular meeting with COSLA following this Commission meeting on 15 December.

The Commission:

- Agreed that minutes of meetings of the Board of Audit Scotland be circulated to Commission members
(Action: Secretary and Business Manager)
- Noted advice from the Deputy Chair that he chaired a meeting with strategic scrutiny bodies on 14 December, which was a positive one, at which there had been productive discussion.

7. Update report by the Controller of Audit

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 submit a report in due course on issues arising from the annual audit of Strathclyde Fire and Rescue Service
- Advice from the Controller of Audit that the Office of the Scottish Charity Regulator had been in ongoing correspondence with the Shetland Charitable Trust over matters associated with its governance, issues arising from which were of relevance to his report on Shetland Islands Council (Item 12 on the agenda)
- Advice from the Controller of Audit that the outcome of National Fraud Initiative work would appear in the draft Local Government Overview report 2011, to be considered by the Commission at its meeting in February 2012.
- Advice from the Chair that he would seek a meeting with the new Minister for Local Government and Planning, to introduce him to the work of the Commission.

Thereafter the Commission agreed to note the report.

8. Statutory Performance Information – 2011 Direction

The Commission considered a report by the Director of BVSI proposing amendments to the existing 2008 Direction for the collection and reporting of Statutory Performance Indicators for 2011/12.

During discussion the Commission:

- Noted advice from the Chair that a workshop on the Commission's strategy in relation to statutory performance information would be held in 2012, which would include the following issues:
 - Considering ongoing work of SOLACE and Improvement Service in relation to council generated performance information
 - How to liaise with councils and other stakeholders on the future of statutory performance information
 - How to liaise with service users on proposals in relation to statutory performance information
- Noted advice from the Chair that he would be revising his covering letter to the Direction to better reflect the direction of travel of the Commission in relation to statutory performance information
- Noted advice from the Controller of Audit that he would continue to liaise with SOLACE and other stakeholders on this issue, and update the Commission as appropriate
- Noted that, in relation to paragraph 11 of the report, to note that the industry standard for invoice payment remains at 30 days, but agreed that it would be desirable to consider for the 2012 Direction the target set by the Scottish Government of 10 days.

(Action: Secretary and Business Manager)

Thereafter the Commission agreed to approve the proposed 2011 Direction.

9. Audit Scotland's Corporate Plan

The Commission considered a report by the Chief Operating Officer of Audit Scotland seeking the Commission's endorsement of Audit Scotland's three-year rolling Corporate Plan.

During discussion the Commission agreed:

- That the following points be raised for consideration in Audit Scotland strategic documentation as appropriate:
 - The need for a clearer and more accurate description of the strategic relationship between the Commission and Audit Scotland, as well as with wider stakeholders
 - The importance of emphasising the aim of securing 'improvement' in the public sector
 - Continuing attention to the need for using as appropriate plain language
 - Local authority members being reflected as stakeholders
 - The use by Audit Scotland of peer review activity

(Action: Secretary and Business Manager, in liaison with Chief Operating Officer, Audit Scotland)

- That it give further consideration at its 2012 strategy seminar to the following:
 - The articulation of the strategic relationship between the Commission and Audit Scotland
 - Sharing knowledge with other stakeholders
 - Developing external activity for Commission members, and thus improving the external profile of the Commission and its members

(Action: Secretary and Business Manager)

Thereafter the Commission agreed to endorse for its interest the Audit Scotland Corporate Plan.

10. Best Value Audit – Central Scotland Fire and Rescue

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

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

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

11. Best Value Audit – Tayside Fire and Rescue

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

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

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

12. Shetland Islands Council

The Commission considered a report by the Secretary and Business Manager introducing the Controller of Audit's report on progress made by Shetland Island Council in relation to its improvement plan.

During discussion, the Commission sought clarification and further explanation from the Controller of Audit and the audit team on a number of points in the report. In particular, the Commission:

- Agreed that the 2011 Overview Report address the issue of the local economic impact of councils reducing their workforces

(Action: Director of BVSI)

- Agreed that the Controller of Audit provide further information to Commission members on the progress of the Council's development of its Asset Management Strategy and of its financial regulations and standing orders

(Action: Controller of Audit)

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

13. Commissioning Social Care (in private)

The Commission considered a draft report by the Director of Performance Audit prepared jointly on behalf of the Accounts Commission and the Auditor General for Scotland.

During discussion, the Commission:

- Noted advice from the Director of Performance Audit that discussions were ongoing between Audit Scotland and the Care Inspectorate in relation to some of the detail of the report
- Noted advice from the Director of Performance Audit that the report would reflect very recent developments in relation to:
 - The announcement by the Scottish Government on its proposals to integrate health and social care provision
 - Ongoing issues associated with the withdrawal from the sector of a large-scale service provider

Thereafter Commission approved the draft report for publication, subject to consideration being given to a number of points raised in discussion and to further consultation with performance audit sponsors, Alan Campbell and Colin Duncan.

14. Best Value audit report: Central Fire and Rescue (in private)

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

During discussion, the Commission agreed that its report on an overview of the Best Value audit of fire and rescue services, to be considered in 2012, address the issue of retained firefighters.

(Action: Director of BVSI)

Thereafter, the Commission agreed to make findings as contained in the report to be published in early 2012.

15. Best Value Audit – Tayside Fire and Rescue (in private)

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 2012.

16. Shetland Islands Council (in private)

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 2012.

17. Any other business

The Chair paid tribute to Caroline Gardner and thanked her for her contribution to the Commission during her tenure as Controller of Audit. On behalf of the Commission he wished her every success in her future career as she leaves Audit Scotland.

ACCOUNTS COMMISSION

MEETING 19 JANUARY 2012

MINUTE OF MEETING OF PERFORMANCE AUDIT COMMITTEE

Minutes of meeting of the Performance Audit Committee of the Accounts Commission held in the offices of Audit Scotland, 18 George Street, Edinburgh on Thursday, 9 December 2011, at 10.30am.

PRESENT: Douglas Sinclair (Chair)
Mike Ash
John Baillie
Christine May
Colin Peebles

OTHER COMMISSION MEMBERS PRESENT: Graham Sharp [Item 10]

IN ATTENDANCE: Fraser McKinlay, Director, Best Value and Scrutiny Improvement (BVS)
Barbara Hurst, Director, Performance Audit Group (PAG)
Paul Reilly, Secretary and Business Manager
Angela Cullen, Assistant Director, PAG [Items 4 to 6]
Tricia Meldrum, Portfolio Manager, PAG [Item 4]
Carolyn Smith, Project Manager, PAG [Item 4]
Cathy MacGregor, Project Manager, PAG [Item 7]
Martin Walker, Assistant Director, BVS [Items 9 to 11]
Gordon Smail, Portfolio Manager, BVS [Item 9]
Lorna Skirving, Portfolio Manager, BVS [Item 10]
Lesley McGiffen, Portfolio Manager, BVS [Item 11]
Gillian Battison, Project Manager, BVS [Item 11]

<u>Item no.</u>	<u>Subject</u>
1.	Apologies for absence
2.	Declarations of interest
3.	Minutes of meeting of 1 September 2011
4.	Planning for the delivery of the Commonwealth Games 2014; progress report 2 [<i>Project sponsors – Christine May and Bill McQueen</i>]
5.	Performance audit programme and Best Value and Scrutiny Improvement Work: update
6.	Performance audit rolling programme update
7.	Impact reports: Getting it right for children in residential care; and Physical recreation services in local government
8.	Lean Review of Performance Audit Group's Project Management Framework
9.	How Councils Work series – progress
10.	How Councils Work 3 – Using cost information to support Best Value – draft report
11.	How Councils Work 4: Performance management and improvement – project scope
12.	Date of next meeting
13.	Any other business

1. Apologies for absence

Apologies for absence were received from Alan Campbell and Jim King.

2. Declarations of interest

Mike Ash declared an interest in Item 4 as a Vice-President of the Scottish Bridge Union, in that the Union is currently in liaison with the Commonwealth Games Federation in relation to receiving support.

3. Minutes of meeting of 1 September 2011

The minutes of the meeting of 1 September 2011 were submitted and approved.

4. Planning for the delivery of the Commonwealth Games 2014: progress report 2

The Committee considered a report by the Director of Performance Audit outlining the emerging messages from the audit of planning for the Commonwealth Games 2014.

During discussion, the Committee:

- Noted the challenges associated with undertaking an audit of an ongoing project
- Noted various matters associated with risks identified in relation to the project
- Noted that the annual audit of Glasgow City Council would cover as appropriate the council's involvement in the project, in relation to procurement
- Approved the emerging messages as the basis for a draft report, subject to consideration being given to points raised in the discussion
- Agreed that a draft audit report be brought to the Commission meeting on 19 January prior to publication in March 2012
- Agreed that legacy issues, including those in relation to the London 2012 Olympics, remain an issue worthy of monitoring
- Agreed that further consideration be given at a later stage to a third progress report.

(Action – Director of Performance Audit)

5. Performance audit programme and BVSJ Work: update

The Committee considered a joint report by the Directors of Performance Audit and BVSJ providing an update on progress for performance audit reports, How Councils Work reports and impact reports.

During discussion, the Committee noted that the Public Audit Committee of the Scottish Parliament would be considering evidence on the performance audit report on the role of community planning partnerships in economic development.

Thereafter the Committee noted the progress to date.

6. Performance audit rolling programme update

The Committee considered a report by the Director of Performance Audit which provided an update on the performance audit rolling programme.

During discussion the Committee agreed:

- To note the work of Performance Audit Group in developing the rolling programme of performance audits
- That regular updates on the development of the rolling programme be a standing agenda item for each meeting of the committee
- That the Accounts Commission also have an input into the development of the programme.

(Action – Director of Performance Audit)

Thereafter the Committee noted the report.

7. Impact reports: Getting it right for children in residential care; and Physical recreation services in local government

The Committee considered impact reports by the Director of Performance Audit on the performance audits on (i) getting it right for children in residential care; and (ii) physical recreation services in local government.

During discussion the Committee:

- Noted advice from the Director that the report on getting it right for children in residential care had a relatively high impact
- Noted advice from the Director in relation to how impact of reports is reported, thus:
 - The annual audit process establishes if councils have formally considered performance audit reports
 - The Director agrees which performance audits should have selective additional work to establish in more detail how councils act upon performance audit reports
 - The role of the shared risk assessment process plays a role in gauging longer term performance of councils against performance audits
- Noted that, accordingly, covering reports in relation to draft performance reports, and update reports on the performance audit programme, should propose how they are to be followed up, in line with the decision of the Committee on 17 March 2011 (paragraph 7 of the minute of meeting refers)
- Noted advice from the Chair of the Commission that he would be writing to councils to advise them of the Commission's expectation that its reports are considered formally and timeously by the council
- Noted advice from the Chair of the Commission that impact and follow-up activity in relation to all of the Commission's work features in the current strategy of the Commission, and will thus feature again at its 2012 strategy day, to be held in the Spring
- Agreed to this end that the Committee play a role in agreeing which performance audits should be subject to additional detailed follow-up work

(Action – Director of Performance Audit)

- Agreed that a paper be prepared for the Accounts Commission, setting out the approach for agreeing follow-up work, and one which recognises the capacity of Audit Scotland in supporting the work, and of audited bodies in acting upon performance audit reports.

(Action – Secretary and Business Manager)

Thereafter the Committee noted both reports.

8. Lean Review of Performance Audit Group's Project Management Framework

The Committee considered a report by the Director of Performance Audit advising of the intention to carry out a lean review of Performance Audit Group's Project Management Framework in January 2012 and inviting the Committee to contribute.

During discussion the Committee:

- Noted that two events were planned early in the New Year to identify how to streamline the performance audit process
- Agreed that such streamlining and 'lean' review activity be based upon a two-way dialogue between the Commission and the Director

(Action – Director of Performance Audit and Secretary and Business Manager)

- Agreed to this end that the Director would provide further updates on the lean review to future meetings of the Committee
- Agreed further to this end that all members of the Commission be invited to attend for their interest – on a drop-in basis - the two events on (i) the afternoon on 19 January 2012 and (ii) 24-25 January 2012
- Agreed that the Director provide further information thereon to all Commission members

(Action – Director of Performance Audit)

Thereafter the Committee noted the report.

9. How Councils Work series - progress

The Committee considered a report by the Director of BVSI giving an update on progress made in the How Councils Work series.

During discussion the Committee:

- Noted the impact of the reports in the series to date
- Agreed that the next subject to be scoped should be charging for services

(Action – Director of BVSI)

- Agreed that a proposed project in the series on workforce planning be deferred to allow it to complement the proposed performance audit on Scotland's Public Finances 3: Workforce Planning

(Action – Director of BVSI)

- Noted that potential future subject areas for the series would be reported by the Director in due course

- Agreed to recommend to the Chair of the Accounts Commission that further consideration be given at its 2012 annual strategy day to the following, as part of a wider consideration of impact of the Commission's work:
 - how best to gauge councillor and officer views of the How Councils Work series
 - the desirability of articulating and presenting different themes arising from the Commission's reports

(Action – Secretary and Business Manager)
- Noted advice from the Director that there are currently no plans to revise any of the reports already published, as the reports are intended as much as practicable to be not time specific.

Thereafter the Committee noted the report.

10. How Councils Work 3 – Using cost information to support Best Value – draft report

The Committee considered a draft report by the Director of Best Value and Scrutiny Improvement, on which they were invited to comment.

During discussion the Committee:

- Agreed to welcome the draft report
- Agreed that the study team consider the following points:
 - The overall style of the report to better reflect the role of councillors, particularly in their need for good cost-based information in making strategic decisions, and in the relationship between councillors and officers
 - The use of examples and case studies that demonstrate current good practice in action, and examples where cost considerations have contributed to reducing or stopping service activities
 - Further in this regard, to reduce the number of such examples and case studies if these are difficult to find
 - The use of a summary
 - More concise and accessible presentation of the Appendix
 - A more concise and positive introduction
 - 'Future-proofing' of the language used in the report, with less references to current ongoing events
 - More prominence in the report to issues of value for money and improved performance

(Action – Director of BVSI)
- Agreed that the team further liaise with the study sponsors (Bill McQueen and Graham Sharp) and Mike Ash and Christine May to discuss a further draft.

Thereafter the Committee agreed to note the draft report and authorised the team to update it for submission to the meeting of the Accounts Commission in January 2012.

(Action – Director of Performance Audit)

11. How Councils Work 4: Performance management and improvement – project scope

The Committee considered a report by the Director of Best Value and Scrutiny Improvement seeking its approval of the project scope for the proposed study in the How Councils Work series on performance management and improvement.

During discussion the Committee:

- Noted the areas of work to be considered by the audit team and the indicative timeline
- Agreed that the study team consider the following points:
 - consider carefully how to aim the report at both councillors and officers
 - 'performance improvement' play a more prominent role in the report, and be reflected accordingly in the report's title
 - the report include a clear definition of 'performance management'.

(Action – Director of BVS)

Thereafter the Committee noted and approved the project scope.

12. Date of next meeting

The Committee noted that its next meeting is scheduled for Thursday 2 February 2012, at 10.30am.

13. Any other business

The Chair, on behalf of the Committee, thanked Audit Scotland staff for their work with the Committee during 2011.

ACCOUNTS COMMISSION

MEETING 19 JANUARY 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. The annual round of shared risk assessment is well underway. Updates of risk assessments for each council have been considered at round table meetings of local area network (LAN) representatives. By 31st December, 28 of the 32 round table meetings had taken place and dates and the remainder will have concluded by the end of January. Following the round tables, LAN leads will arrange meetings with councils to discuss the assessments and potential scrutiny work for the period 2012/13 - 2014/15.
4. At a special council meeting on Friday 6th January the SNP group took control of Clackmannanshire Council, after a vote of no confidence in the Labour administration. The new leader is Councillor Gary Womersley.
5. The annual audit report to the Controller of Audit and elected members on Strathclyde Fires and Rescue Service Joint Board raised concerns about the retirement and re-employment of the Chief Fire Officer. I have received correspondence from the Convener of the Board in relation to aspects of the annual audit report. I met with the Convener on 12 January 2012. I propose to bring a report to the next Commission meeting on this matter.

Parliamentary news

6. On 19 December 2011 the Local Government and Regeneration Committee issued a call for evidence on an inquiry into public services reform. The three-strand inquiry will run throughout 2012 and will 'examine, reflect on and report on the current situation in relation to public sector reform as it affects local government in Scotland and its delivery partners.' The three strands are:
 - Partnerships and outcomes
 - Benchmarking and performance measurement
 - Developing new ways of delivering services

Other issues

7. In December the Audit Commission published its *Auditing the Accounts 2010/11* report. This summarises the quality and timeliness of financial reporting by councils, police authorities, fire and rescue authorities and other local public bodies. The Commission reports that auditors were able to give opinions on the accounts by 30 September 2011 at 328 out of 356 councils, 36 out of 38 police authorities, 30 out of 31 fire and rescue authorities and 28 out of 32 other local government bodies. This performance compares well with last year. Also, only one qualified opinion has been issued, it was unrelated to the implementation of IFRS.
8. Following her election as leader of the Labour Party in Scotland, Johann Lamont has appointed a new shadow cabinet. Sarah Boyack has been appointed spokesperson for Local Government and Planning.
9. Iain Gray has been nominated as Convener of the Public Audit Committee of the Scottish Parliament.

Conclusion

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

Fraser McKinlay
Controller of Audit
09 January 2012

Audit of Best Value

Dumfries & Galloway

Fire and Rescue

A report by the Controller of Audit
Prepared for the Accounts Commission
January 2012

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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Commission findings

1. Text

The Audit of Best Value

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. Subsequently in September 2011, the Scottish Government announced its commitment to deliver a single Fire and Rescue Service for Scotland and published its outline business case. Between October and November 2011 it published a further consultation paper, *Keeping Scotland Safe and Strong*, on how the future service will work in practice. The outcome of this consultation process is not yet known.
6. During 2011, audits are being carried out at each of the eight Scottish fire and rescue services and authorities. These are seeking to 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 Dumfries and Galloway Fire and Rescue (D&GFR) during July 2011. We gratefully acknowledge the co-operation and assistance provided to the audit team by the Chief Fire Officer, Colin Scott; the convener of the Police, Fire and Rescue Committee, Councillor Ian Blake, and all other elected members and staff involved.

Summary

8. Dumfries and Galloway Fire & Rescue provides an effective emergency response service. It deals with a low and reducing number of fires but also responds to significant numbers of road traffic collisions. The service has effective financial management arrangements. It has been able to achieve significant efficiency savings in recent years, without any significant reductions in the delivery of its services. Its operating costs have steadily reduced in real-terms since 2004/05 but remain a little above the Scottish average, reflecting the predominantly rural context.
9. Dumfries & Galloway Fire and Rescue has a clear vision and priorities that reflect the community safety objectives of D&G Community Planning Partnership and the council. The service needs to better align its priorities consistently through its various plans and strategies. This will assist the service to direct resources towards these priorities and demonstrate best use of resources.
10. The principles of integrated risk management are evident in some of the service's arrangements, in particular in the additional training and resources directed to retained fire fighters delivering special services, such as water rescue, in locations assessed as higher risk. The service is improving the quality and depth of risk information it is using for planning but it is early days. The service needs to progress the use of this information and integrate risk management throughout its planning framework.
11. D&G Fire & Rescue shows a strong commitment to risk focused preventative work, including providing training to council staff and voluntary organisations that can assist in identifying fire safety risks in the homes of vulnerable people and to promote community fire safety. The service has carried out a high level of home fire safety visits and is now making progress in targeting this work on areas of greatest risk. It has also promoted improved community awareness of flood resilience through a range of activities including home flood risk assessments. There is limited evidence of the service evaluating preventative work it undertakes and therefore it is unable to assess and demonstrate the value for money of these activities.
12. D&G Fire & Rescue has good relations with its partners at a strategic and operational level to address community safety issues. The service works well with other council departments and partners in relation to for example flood resilience and road safety. However, more needs to be done to progress the work of the community safety partnership which has been slow to develop its arrangements and strategy.
13. The service is improving its performance management arrangements, but further progress is needed to establish a well integrated planning and performance information system to support monitoring, management and scrutiny of planned actions, initiatives, performance and value for money. Reporting to members has improved significantly but more can be done to ensure members have access to further performance and cost information for scrutiny.
14. Overall, workforce management is good, with staff appraisals in place for all employees, linked to training needs, and a strong focus on training for retained firefighters. But significant turnover in senior manager posts, coupled with the quickening pace of change at local and national levels, has led to a lack of continuity in many key posts, placing significant pressure on managers, and increasing risks around the organisation's management capacity to deal with future challenges.
15. In previous years, D&G Fire & Rescue has not had a well developed culture of continuous improvement but this is now being addressed. The service management show a good level

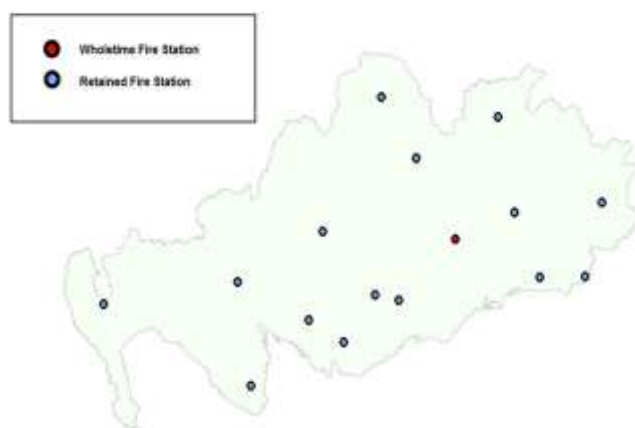
of self awareness, with a good deal of work commenced over the last 18 months to improve its arrangements for areas such as risk management, self-assessment, operational assurance arrangements and, planning and performance information systems.

16. Overall, governance of the service is improving but members of the Police & Fire Committee still need to provide a stronger lead in setting the strategic direction for the service and strengthen their scrutiny and challenge role.

Context

17. Dumfries and Galloway (D&G) Fire and Rescue serves a population of over 148,000 in a predominantly rural part of south-west of Scotland. The main settlements by population are Dumfries (31,530), Stranraer (10,440), and Annan (8,480). The relatively low population density combined with the size of the area (6,425 Km²) presents accessibility issues and related challenges for delivery of the fire and rescue service.
18. The area's population is projected to decline a little over the next twenty years but with a slightly higher increase in its over 65 population than the Scottish average. The number of dwellings in the area is increasing, as is the number of single occupancy householders that are over 65. The combination of these factors present further potential risk issues for service demand and delivery. Older people are a higher risk group and a declining younger population in a low population density area makes sustaining the recruitment of firefighters more challenging in the future.
19. D&G Fire & Rescue has an annual budget of around £9.1 million. It employs 349 staff (full time equivalent), including 99 whole-time and 212 retained firefighters ([Exhibit 1](#)). The headquarters in Dumfries is located beside its one whole-time station. There are 16 further retained stations and one auxiliary station ([Exhibit 1](#)), serving four territorial areas. It has a fleet of 28 response vehicles and specialist trailers. Twenty one of these are fire and rescue tenders, all equipped with enhanced road traffic collision rescue equipment and some with further specialist resources, such as flood rescue equipment. There are other specialist units such as those for decontamination, urban search and rescue, incident control and breathing apparatus training.

Exhibit 1: Staffing and fire stations in Dumfries and Galloway



	Dumfries & Galloway		Scotland
	No.	%	%
Wholetime	99	28	50
Retained	212	61	34
Other	38	11	16
Total	349	100	100

Source: Map - SFRAU Staffing numbers - CIPFA Statistical Returns (as at 31st March 2011)

20. D&G Fire and Rescue is one of two fire and rescue services in Scotland that are part of unitary authorities (the other being Fife). This means that it is a service of Dumfries & Galloway Council and that the full Council is the legal Fire and Rescue Authority. Responsibility for strategic decision making is delegated from the Council to the Police, Fire

and Rescue Committee. This is made up of 11 elected members from across the area and political groups in D&G council. The committee meets on a four weekly basis with business generally alternating between police and fire items at every second meeting.

21. The Chief Fire Officer (CFO) is a member of the council Corporate Management Team and reports to the Chief Executive of the council. D&G Fire and Rescue Service (FRS) operates within the strategic management, financial and budgeting policies and procedures of the council.
22. D&G Fire & Rescue is coterminous with the other council service departments and some key community planning partners including the Police and NHS.

Governance and management

Vision and Strategic Direction

Dumfries & Galloway Fire and Rescue Service has a clear vision but needs to ensure that its priorities are consistently reflected in its various plans and strategies. The principles of integrated risk management are evident in many of the service's arrangements, including a strong emphasis on preventative work, but need to be more clearly integrated into its planning framework. Members of the Police & Fire Committee need to provide a stronger lead in setting the strategic direction for the service and strengthen their scrutiny and challenge role.

Strategic Planning

23. The strategic vision for Dumfries and Galloway Fire and Rescue is set out in its Service Improvement Plan 2011/12 as a set of six priorities ([Exhibit 2](#)). These reflect the priorities of Dumfries & Galloway Council's 2007-2011 Corporate Plan, particularly those relating to improved community fire safety and improved road safety. In turn, these reflect the aims of the Dumfries & Galloway Community Planning Partnership's Single Outcome Agreement theme of 'feeling safer and respected within the community.' The priorities are not, however, consistently reflected throughout the services own range of strategies and plans.

Exhibit 2: Dumfries and Galloway Fire & Rescue's strategic priorities

- Reduce the number of fires and other special service incidents and their impact
- Reduce the number of casualties that result from fires, road traffic collisions and other special service incidents
- Utilise and deploy resources effectively
- Develop and maintain a competent, flexible, progressive and diverse workforce
- Procure and maintain assets that are fit for purpose and provide value for money
- Proactively manage risks

Source: D&G Fire & Rescue's Service Improvement Plan, 2011/12

24. D&G Fire & Rescue has responded to the change in its role required by the Fire (Scotland) Act 2005 with a balance of prevention and response activity evident within the service. The number of Home Fire Safety Visits (HFSV) undertaken by service has been high and it is now developing a more risk targeted approach to this core prevention work. It has also invested in developing skills and awareness within the community to promote fire prevention and flood resilience.
25. In 2005/06 the service produced an initial Integrated Risk Management Plan (IRMP) through a member officer working group. The IRMP has subsequently been incorporated into the annual Service Improvement Plan which is the service's main planning document. Although the SIP outlines the objectives of the service and planned activities for the year, it does not clearly articulate the local risks and community needs and how these are being managed.

26. The original IRMP and subsequent review of risk data by the service have not identified any need for any closures or relocation of stations. However, IRMP has informed investment in additional training and positioning of equipment for the provision of special services, such as mass decontamination, water rescue and line rescue which are targeted at stations where specific risks have been identified.
27. Over the past two years the service has improved its use of risk modelling information. It combines FSEC (the national Fire Service Emergency Cover modelling system) data with other information such as deprivation levels, details of road conditions and road traffic collisions, and data from other emergency and council services to plot digital risk maps for each fire station. This allows the targeting of community safety activity at those locations that are more likely to have fires and other incidents.
28. Local profile documents are also in place for all stations. These set out local factors and key risks at an operational level. However these tend to be descriptive documents rather than a management plan showing how strategies and resources are being used to meet these risks and improve service performance.
29. The service has recognised the need to both streamline and better embed the integration of risk priorities in its planning arrangements. A risk management team has been drawn together to provide a common hub for the collation and management of risk and performance information, strategic planning and monitoring of activities. Early indications are that this team is making good progress with improving the arrangements and is a good resource for the service in the development of a more robust and integrated planning, monitoring and reporting framework.

Governance

30. Member oversight of the fire and rescue service has improved over the past three years. In particular, the committee meetings alternating fire and rescue with police business now gives the service dedicated time to present issues to members and for members to discuss and provide challenge on them. The quality and range of information presented to elected members for discussion and scrutiny has also improved. However, there is scope for members to play a more active role in relation to setting the strategic agenda of the fire and rescue service. Whilst the committee approves strategic plans, including the SIP, members have limited input in the development of the service priorities contained within these strategies.
31. Area committees are another important part of the council arrangements in D&G. These have not provided an effective additional level of governance and scrutiny for the FRS. Until 2011 community safety area committees ran in parallel to wider council service area committees. The community safety area committees business predominantly related to police issues. The information provided to the committees on Fire and Rescue was very limited and of an inconsistent quality across the committees.
32. The council is restructuring its area committee arrangements to promote a more robust role for these committees across services. From April 2011 area committees were given delegated local decision making powers and a performance scrutiny role. The revised remit of area committees includes:
 - undertake area-level monitoring of service performance on a twice-yearly cycle across all services (including community safety);
 - recommend short-term actions that have no policy or resource implications;
 - recommend medium-term actions to address failure in policy implications which have policy or resource implications

- conduct themed meetings to consider performance issues as part of strengthened community engagement.
33. No evaluation of the impact of these changes has yet taken place, but they may provide a framework for elected member oversight and engagement with fire and rescue which supports the direction of travel for future governance under a single fire and rescue service model.

Partnership Working

D&G Fire & Rescue has good working relations with partners at a strategic and operational level to address community safety issues such as road safety and flooding. Progress has been slower in taking forward a strategic approach to community safety planning. Further evaluation of the impact and value for money of community safety work is needed. The service works well with other council departments to target individuals at risk but there are limited examples of joint or shared resources with other emergency services and other fire & rescue services.

34. 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.
35. The service's coterminosity with other partners and its unitary authority status provides a good platform for joint planning and partnership working across the community planning partnership area.
36. The Community Safety Partnership (CSP) is funded by and administratively supported by the council and is chaired by the convenor of the Police and Fire and Rescue committee. It has been slow to develop its strategic approach and oversight of its performance by the council is weak. It produced a draft strategic plan in the Autumn of 2011 and has not yet submitted an annual report the Council's policy and resources committee on achievements and areas for improvement within the CSP's objectives, highlighting significant policy or strategic issues and account for its use of funding allocated to it by the Council.
37. There are good examples of joint working with partners operationally to promote preventative work such as joint programmes with the education service and police on road safety awareness with target age groups. For example, the fire and rescue service is actively engaged in the D&G Community Safety Partnership and takes a lead role in the Road Safety Partnership sub group. This group has developed a Road Safety Strategy during 2011 and is delivering a range of initiatives to promote and educate improvements in road safety.
38. It is a generally accepted principle across fire services that education and awareness programmes to promote community safety are a positive contribution to improving outcomes for communities. Measuring the impact of these initiatives is difficult, particularly with many other contributing factors in wider society. At present in D&G FRS, joint working initiatives are only evaluated where funding is dependant on this. This means that there has been no evaluation of the FRS's youth projects, programme of home fire safety visits,

and contributions to wider road safety initiatives. For that reason it is difficult for the service and its partners to demonstrate the value for money and impact of this work.

39. Flooding is a significant risk in the D&G area and the service works well with other departments of the council, in particular Planning and Environmental Services, and other partner organisations, including the Scottish Flood Forum and the Scottish Environment Protection Agency (SEPA), on flood resilience activities. Since significant flooding in the area in 2009 a range of work has been taken forward:
 - Home Flood Information Visits, Subsidised Flood Product Scheme - in 2010 a Home Flood Information Visits initiative was started to provide communities with information on how to protect themselves, their possessions and their properties, including a flooding information pack. A subsidised flood products scheme, offering free flood surveys and the opportunity to purchase grant funded and discounted flood mitigating products was also launched.
 - 'Level 2' Water Response Training - Wholetime firefighters and firefighters at number of identified retained stations are provided with enhanced water response training. It is planned that a number of council staff will also be provided with water response training.
 - Flood Pod - a bespoke flood pod funded by the council was made available to D&G FRS from November 2011 for deployment to flooding incidents. The Pod contains equipment such as flood gates, flood sacks and drain covers.
 - Enhanced Flood Recovery Equipment - the council has also funded other flood recovery equipment for D&G FRS emergency response vehicles, such as submersible pumps and hoses, wading poles and throw lines.
40. The FRS plays a significant role in civil contingency planning activity through the D&G SCG. Large scale emergency exercises are regularly carried out and the learning from these exercises is shared across partners and within the service. The D&G Community Risk Register (2011 - 2012) clearly reflects major risks recognised by the FRS such as industrial explosions, forest fires and major flooding.
41. The FRS works well with other emergency services and fire and rescue services but does not have any joint or shared resources. The service responds to cross border emergencies when requested, offers its specialist services to others in times of need and carries out joint drills and exercises with others. Although the service does not have any formal shared services with other emergency services or FRAs, it does have memorandums of understanding for services such as training and HR support from larger services. Efforts were made to develop some shared resource arrangements for emergency responses with the ambulance service, however funding arrangements could not be agreed.
42. The Chief Fire Officer reports to the chief executive of the council and is a member of the council's Corporate Management Team (CMT). This direct relationship with other council departments supports the service's engagement in the wider strategic planning for the area by the council and close working relations at this corporate level. The direct relationship with the council also provides close operational working and ease of communication for the FRS with other council services that are also engaged with community safety issues, such as housing, social work and education. In particular, the FRS work with other services for referrals for HFSVs for vulnerable individuals, to support and provide advice to other services and to learn from incidents through joint case conferences.

Scrutiny, performance management and improvement

D&G fire and rescue has not had a strong culture of continuous improvement. It has, more recently, shown improved self-awareness and made progress in addressing weaknesses in performance monitoring and establishing an effective approach to

operational assurance. Scrutiny arrangements have improved but there is scope for members to provide more effective challenge.

43. In the past there has not been a strong culture of improvement within D&G Fire & Rescue. Significant weaknesses in its performance management arrangements were raised in Audit Scotland's 2006 report on D&G Fire & Rescue and, subsequently, in the 2009 Best Value report on Dumfries & Galloway Council. These are only now being addressed. The Council has introduced a performance management system and is beginning to establish this in all its departments, including the FRS. The service has made progress in improving the quality and range of the monitoring information reported to elected members and the senior management team. Gaps still remain in terms of benchmarking and areas such as costs data and the availability of retained stations, but there have been significant improvements in the presentation of reports, their timeliness and the provision of trend information.
44. Until recently, D&G Fire & Rescue has not had a systematic approach to using self-assessment or review to improve service delivery. However, in recent years, managers have shown a good awareness of areas, such as risk management, performance monitoring and operational assurance, which need to be improved and have made significant progress in addressing them. In preparation for our audit, the service also used the Public Sector Improvement Framework (PSIF) to carry out a self-assessment of its key management processes. As well as identifying a number of strengths, it showed a good understanding of areas in need of further improvement, such as monitoring the impact of partnership working, consulting with stakeholders on future service developments, and setting more measurable targets for key plans.
45. Good progress has been made in developing performance management at an operational level. While improvements still need to be made in developing operational assurance procedures and records, D&G Fire & Rescue has established the foundations of an effective quality assurance system. A programme of station inspections has been introduced, with evidence that this has improved operational standards. Managers are regularly auditing how well firefighters and crew managers deal with emergencies. Results are fed back to headquarters and evaluated, and then improvements made. This is linked to individual training plans as necessary. All major incidents receive a live audit with learning fed back into the corporate centre for appropriate dissemination.
46. Improvements have also been made in the scrutiny of D&G Fire & Rescue by elected members. Alternate meetings of the Police and Fire Committee (PFC) focus on fire & rescue matters, helping to ensure that an adequate amount of time is set aside to consider strategic plans, financial monitoring and performance reports, and national issues. Performance reports are well presented, providing members with good information about incidents and prevention activity but the depth and range of data in these reports does not provide members with a fully rounded picture of the performance of the service. Members need to have access to more performance information across the activities of the service, including cost information, comparator and trend information, in order to assess whether the service is delivering value for money. There are a small number of informed and active members serving on the PFC, providing a good level of challenge and scrutiny. However, overall member understanding of fire & rescue risk, costs and strategic issues is mixed, and scrutiny and challenge is underdeveloped.
47. Although most scrutiny is carried out by the PFC, some reports are also considered by the council's Scrutiny and Audit Committee and by the council's local area committees. Scrutiny at this local area level has been limited. Arrangements are currently being implemented by the council to enhance the role of local area committees in the decision making and scrutiny arrangements of the council. It is too early to assess the impact of these changes on the scrutiny of the FRS.

Use of resources

Dumfries and Galloway Fire and Rescue has good arrangements for managing its financial and human resources. It has been able to find efficiency savings without any significant reductions in the delivery of its services. It also has a staff appraisal system which is linked to training needs and applies to all firefighters.

Financial management

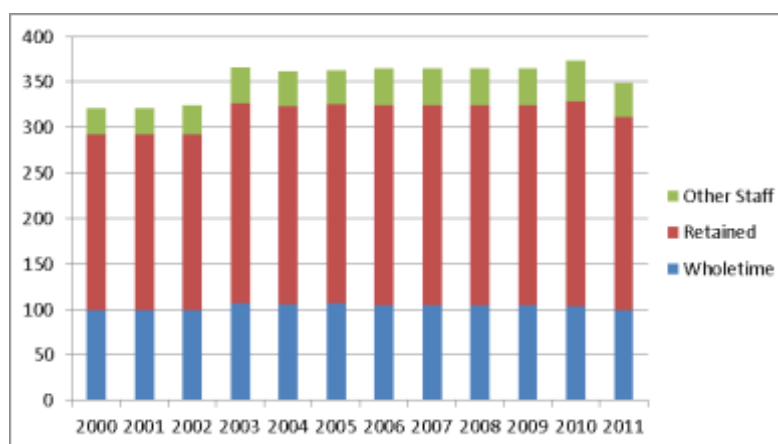
Dumfries and Galloway Fire and Rescue has a sound financial position in terms of its revenue expenditure. However, it faces significant challenges in continuing to make efficiency savings without reducing services.

48. D&G Fire & rescue currently has a reasonable financial position in terms of its revenue expenditure. Since 2008/09, it has been required, as part of Dumfries & Galloway Council to generate annual efficiency savings of two per cent. It has been able to achieve these savings without significant reductions in services. It currently has general reserves of £455K, well above its target levels. However, it has a significant backlog of £6 million in its capital programme (discussed at paragraph 61).
49. As part of Dumfries & Galloway Council, the fire & rescue budget is determined by the Council's Budget Development Group and scrutinised by its Policy Committee. This brings a corporate focus to budget proposals, matching resources to competing service priorities. However, as part of the Council's budget-setting process, members of the Police and Fire Committee are able to comment on proposals, helping to ensure that the fire & rescue service is still able to maintain its core functions.
50. D&G Fire & Rescue has effective financial management arrangements. Since 2008/09, it has been able to generate efficiency savings totalling £0.6 million, mainly through a management restructuring, early retirements, and delaying filling some posts. The service is facing increasing difficulties in finding scope for savings. As well as rising fuel and energy costs, for example, it is facing unplanned additional costs relating to its retained firefighters, who form the vast bulk of its workforce. As part of a national agreement, it faces a one-off payment of £160,000 (earmarked in current reserves) and additional annual costs of £20,000. At present, the service is not expected to achieve further savings during 2012/13.

Workforce management

D&G Fire and Rescue has good arrangements for managing its workforce. It has introduced a staff appraisal system which links performance and training needs for all firefighters. It places a particular emphasis on the training of retained firefighters, although its resources can be stretched. The high turnover of senior posts in recent years also raises some risks about the management capacity of the organisation to deal with future challenges.

51. The D&G FRS workforce profile ([Exhibit 3](#)) has remained relatively consistent over the past ten years, with little change in the numbers of staff or in the proportion of wholetime and retained firefighters. However, initiatives to make savings over the past two years are starting to impact on staff numbers. In April 2010 the total number of staff employed in the service was 373; by the end of 2010 this had reduced by 24 staff to 349.

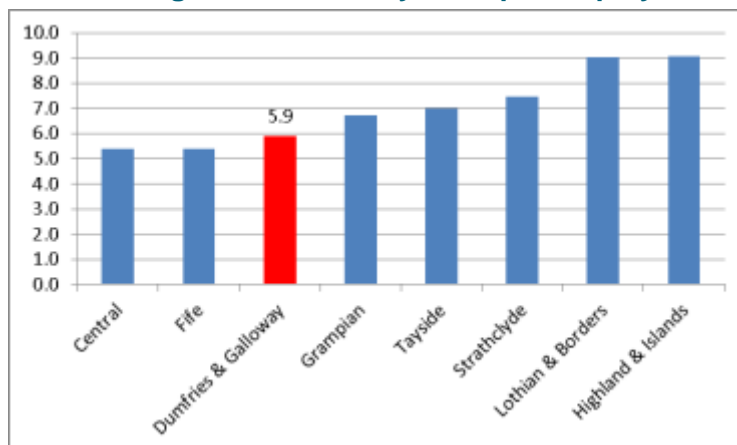
Exhibit 3: Staff numbers 2000 to 2011

Source: CIPFA

52. D&G Fire & Rescue established a staff appraisal system in 2006. It introduced a workforce strategy in 2009 which sets out a range of other priorities, including management development and staff training.
53. Managers are clear about their individual objectives, although the service faces important challenges in relation to management capacity. As a small service with a predominantly retained firefighter workforce it has a small whole-time management pool. Savings made over the past few years have predominantly been made through vacancy management and this has included some management roles.
54. The service's senior and middle management team has also seen a significant turnover of individuals in posts over the past two years. The pace of these changes, and limited management capacity within the service, has led to a lack of continuity in many key senior posts, loss of skills and knowledge, increasing remits for individuals and a lack of stability. There is a resulting sense of pressure developing amongst managers. A range of leadership and management development opportunities have been introduced for managers, including formal leadership programmes and mentoring and coaching support. However, it is not clear whether there is the capacity within this team to manage the challenges of maintaining the current level of service and manage significant change going forward.
55. D&G Fire & Rescue has good arrangements in place for staff training. During 2009/10 a 'contributions management framework' was introduced as part of the annual staff appraisal system, linking training needs with the performance of individuals. Unlike most other fire & rescue services in Scotland, this appraisal system is used for both wholetime and retained staff. There is a strong emphasis on the training of retained firefighters, who form the largest group of staff within the service. They are provided with regular and structured training to help ensure that their skills are maintained. Three hours per week are allocated for this training, related records and station drill work. Additional training is provided for retained firefighters who provide special services, such as flood response.
56. There are some challenges for D&G Fire & Rescue in relation to staff training, particularly for retained firefighters who attend relatively few major incidents and need to maintain practical skills. Training resources are stretched, with the need for sufficient time for maintenance activities, drills, training, and the completion of training records. D&G firefighters all receive 'hot fire' training, at least once each year, which compares well with some other services. However, the service has been unable to improve its training facilities for practical 'carbonaceous' fire training. It has submitted bids for capital funding to the Scottish Government but has been unsuccessful to-date.

57. D&G Fire & Rescue recognises that its systems for managing the availability of retained firefighters is weak. This is a particularly important issue, given that retained firefighters form almost 70 per cent of frontline staff in Dumfries & Galloway. All stations do not use the same system and records can sometimes not be up to date. As a result, control room staff cannot always be confident that retained firefighters are available and sometimes have to mobilise appliances from another station. Alternative systems have been piloted but a new standard system is still to be implemented. That said, actual turnout performance is strong. In 2010/11, there was sufficient crew available on around 98 per cent of occasions.
58. There is a strong focus on the health and safety of firefighters. This is a clear common theme throughout the service's revision of its standard operation procedures and policies, as well as operational assurance arrangements, including incident risk assessment.
59. There is an effective approach to managing sickness absence. The service has employed a number of approaches such as return to work interviews. In 2010/11, D&G Fire & Rescue recorded an average of 5.9 days lost per employee, well below the national average of 7.4 days for Scottish fire and rescue services in Scotland (Exhibit 4).

Exhibit 4: Average number of days lost per employee, 2010/11



Source: Audit Scotland Statutory Performance Indicators

Asset management

Dumfries & Galloway Fire & Rescue has an asset management plan which provides a prioritised programme of capital investment. In general, property and equipment is fit for purpose. A significant backlog of £6 million in upgrading some properties is now being addressed in its capital programme.

60. D&G Fire & Rescue has had an Asset Management Strategy in place since 2009, with a revised document setting out its priorities for 2011 to 2014. This sets out a prioritised programme of capital investment, based on a capital scoring system, in property, vehicles, equipment and IT.
61. Our audit found no significant concerns about the suitability of operational equipment or with the service provided by the Council for the maintenance of vehicles. However, with significant slippage in the capital investment programme, Dumfries & Galloway Fire & Rescue has a maintenance and construction backlog of over £6 million. This mainly relates to the construction of a new training centre, currently housed in temporary units, and the urgent replacement of the fire station at Thornhill. The service has both of these projects programmed into its current capital programme with work due to commence in 2012.

62. D&G Fire & Rescue has successfully used a combined aerial rescue appliance (CARP) since December 2007. This is used as part of a two-vehicle response and provides greater flexibility to the service. D&G Fire & Rescue has recently purchased a second CARP vehicle from Central Fire & Rescue for a nominal sum, which will be based at its Stranraer station.
63. Although it forms part of the Council, D&G Fire & Rescue has established its own independent ICT infrastructure which is able to support its dedicated Firewatch Fire Service Management System, covering areas such as health & safety, training records, and rota management, the Firelink command and control system, and FSEC risk management software.
64. The Scottish Government has recently announced the creation of a national fire & rescue service, merging the existing services. This will involve the transfer of assets to the new organisation as well as responsibility for currently integrated arrangements such as payroll and payment of utilities and other administrative provision. As part of a unitary authority this process is likely to be relatively complex and systems to manage this and support the decision making required on property and other assets needs to be developed.

Service performance

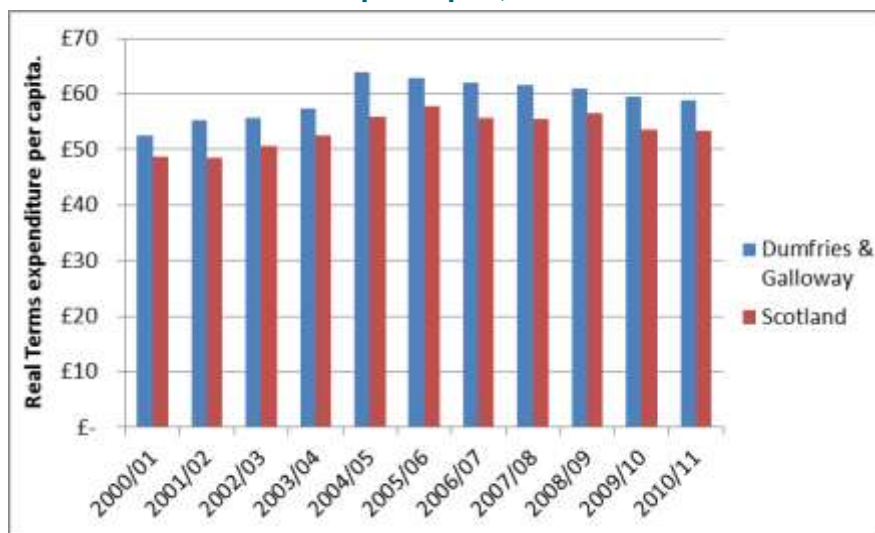
D&G Fire & Rescue provides an effective response to emergencies and a good level of preventative work which is increasingly targeted on areas of greatest risk. In line with national trends, there have been significant falls in the number of fires. Its costs are relatively high, reflecting the predominantly rural nature of the area it serves.

Service costs

D&G Fire & Rescue operating costs are above the Scottish average, reflecting the rural area it serves. Since 2005, however, its costs in real terms have fallen by around seven per cent.

65. D&G Fire & Rescue's operating costs per head of population have consistently been above the Scottish average over the past ten years (Exhibit 5). This reflects the predominantly rural and low density population of the area. In 2010/11, excluding pension costs, it spent £59 per head of population, compared to the Scottish average of £53. Since 2005/06 its costs have fallen by around seven per cent in real terms.

Exhibit 5: Real Terms Costs per capita, 2000/01 to 2010/11



Source: CIPFA data adjusted by HM Treasury GDP deflator

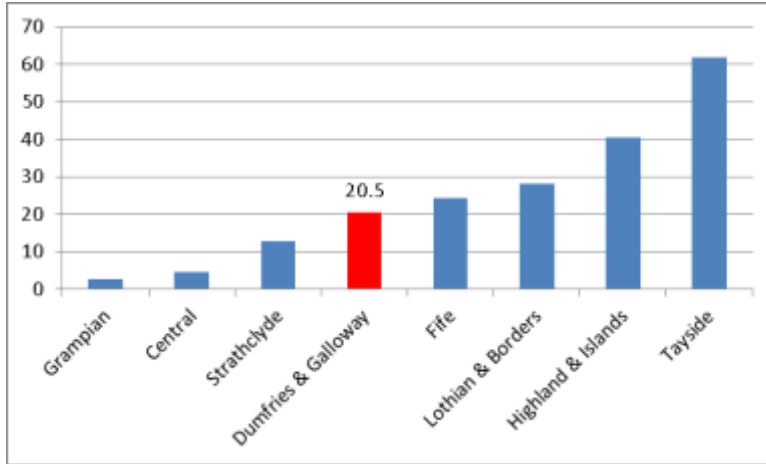
Prevention

D&G Fire & Rescue shows a good commitment to preventative work, with the level of home fire safety visits and statutory fire audits close to the national average. It has also showed an innovative approach in training and supporting other organisations to help develop fire safety in the community. This preventative work is becoming more targeted and risk based.

66. A key feature of the introduction of IRMP and the Fire (Scotland) Act 2005 was an increased emphasis on preventative work. D&G Fire & Rescue seeks to meet its responsibilities in this area by a programme of home fire safety visits, statutory fire audits and various community safety education projects.

67. D&G Fire & Rescue carried out 1,533 home fire safety visits (HFSVs) in 2009/10, equivalent to 20.5 per 1,000 dwellings ([Exhibit 6](#)). This is very close to the national average of 20.4 visits per 1,000 dwellings). These are carried out by dedicated community safety officers, whole-time firefighters and by retained firefighters.

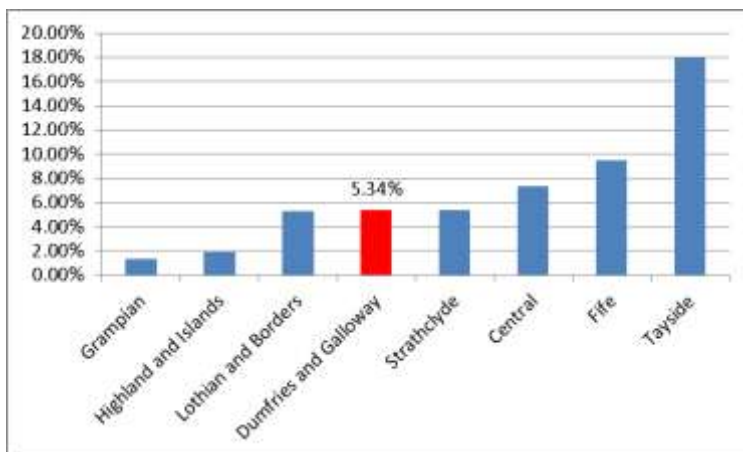
Exhibit 6: Home Fire Safety Visits per 1,000 dwellings, 2009/10



Source: CFOAS Performance Indicators 2009/10

68. Historically, D&G Fire & Rescue has not targeted its HFSVs on communities of greatest risk but has provided a large number of HFSVs across its area. The service reports that as part of its 2006 to 2009 community safety strategy it completed over 10,000 HFSVs. Increasingly, over the past two years, it has developed a more systematic approach. For example, 60 per cent of HFSVs were carried out in houses where the residents were over the age of 60. In addition, 'hot-strikes' are carried out when there has been an incident in an area, to capitalise on the public's heightened awareness of fire risks.
69. Statutory fire safety audits of non-domestic premises are another important part of D&G Fire & Rescue's preventative work. It maintains an up-to-date risk register of these premises and has an inspection framework in place to visit the highest risk properties, such as care homes, hospitals and buildings of multiple occupancy every year. In 2010/11, 180 statutory fire audits were carried out in D&G, representing 5.34 per cent of non-domestic properties in the area. This is close to the national average ([Exhibit 7](#)). The service also presents fire seminars for local businesses, to promote fire safety.

Exhibit 7 Percentage of non-domestic properties subject to fire safety audits, 2010/11



Source: Scottish Government Statistical Bulletin

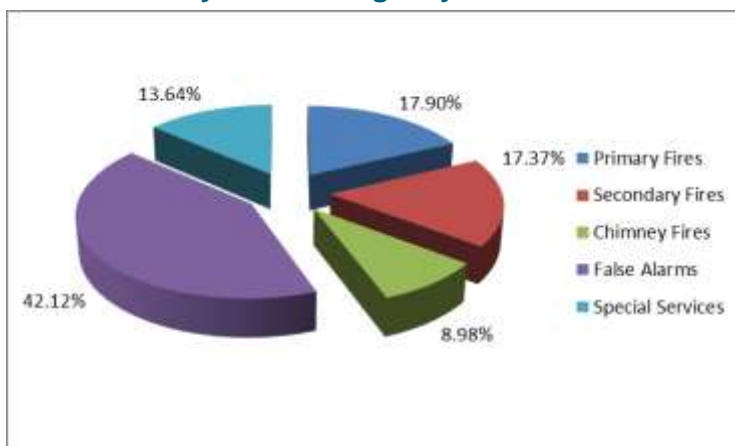
70. D&G Fire & Rescue also works with local voluntary organisations and businesses, training and supporting them to help build fire safety in the wider community. This is particularly important in a rural area such as Dumfries & Galloway, where specialist resources can be spread thinly over a large geographical area. Through its team of dedicated community fire safety officers, D&G Fire & Rescue helps train other organisations to carry out fire safety assessments. Voluntary sector groups working with the elderly are helped to identify and report fire safety risks in the homes of their vulnerable clients. Businesses, schools and hospitals are encouraged to take more responsibility for their own safety by providing them with training on the new fire safety self-assessment process and promoting sprinkler systems and other safety equipment. Staff in other departments within Dumfries & Galloway Council, such as housing, planning, and building control, also receive training and practical support from fire safety staff.
71. As part of its preventative work, D&G FRS also works closely with key partners to support the delivery of the D&G community safety strategy. This includes working with partners on road safety initiatives, anti-social behaviour programmes and providing community safety advice through educational visits to schools. Initiatives, such as 'Safe Drive, Stay Alive', are targeted at young drivers, with others targeted at other risk groups such as road traffic offenders. Initiatives are well regarded by participants and partner organisations. However, it lacks clear evidence to demonstrate which initiatives are most successful and provide best value in helping to reduce fires and other accidents.

Emergency response

Dumfries and Galloway provides an effective emergency response service across its area. It deals with a low and reducing number of fires but also responds to significant numbers of road traffic collisions. A significant proportion of all calls are false alarms but the absolute numbers involved are relatively small and reducing.

72. In 2010/11, D&G Fire & Rescue responded to 1,503 incidents. Almost a fifth of these related to primary fires (those in buildings, vehicles or involving casualties, another fifth to secondary fires (typically outdoor fires in heathland, rubbish bins or derelict buildings), and 42 per cent to false alarms ([Exhibit 8](#)). The remainder related to a range of 'special services', primarily road traffic collisions and flooding.

Exhibit 8 Analysis of emergency incidents in Dumfries & Galloway, 2010/11

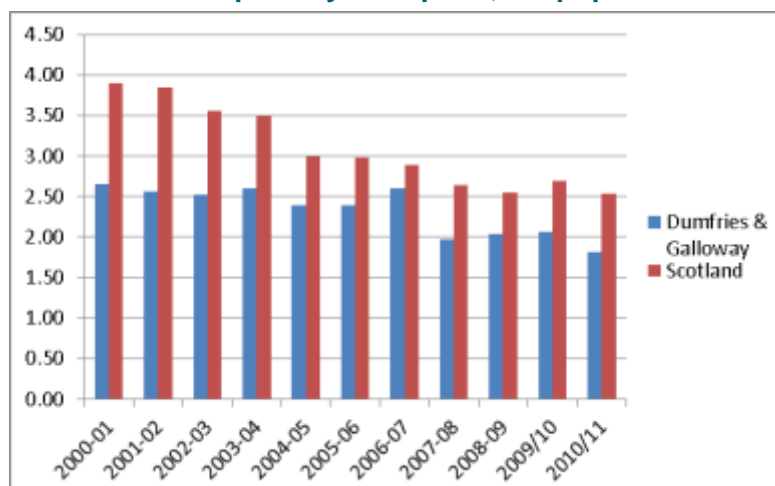


Source: Scottish Government Statistical Bulletin

Number of fires and casualties

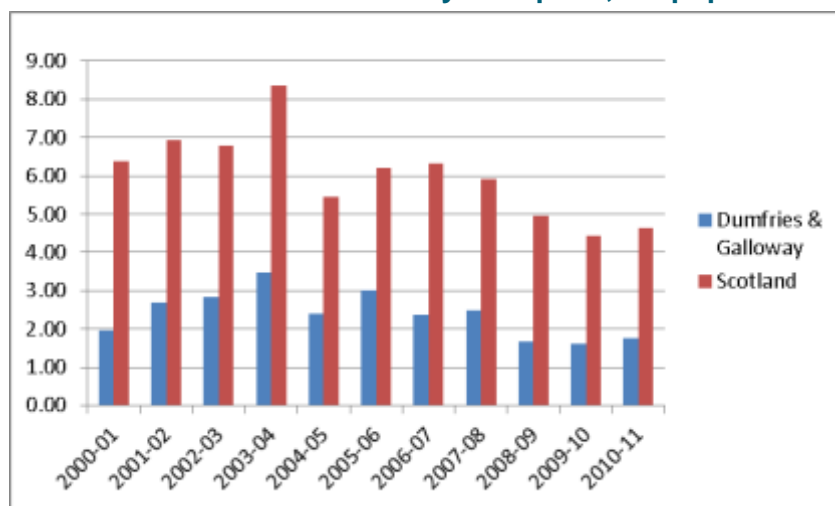
73. Historically, the level of fires and casualties within Dumfries & Galloway has been well below the Scottish average. Over the past decade, the number of primary and secondary fires has continued to fall (Exhibits 9 and 10). This can only act as an indirect indicator of D&G Fire & Rescue's performance as these trends are likely to be influenced by wider social issues, such as improvements in the housing stock or a decline in the number of people smoking, as well as the impact of its preventative work. However, local reductions in the number of primary and secondary fires are in line with national trends.

Exhibit 9 Number of primary fires per 1,000 population



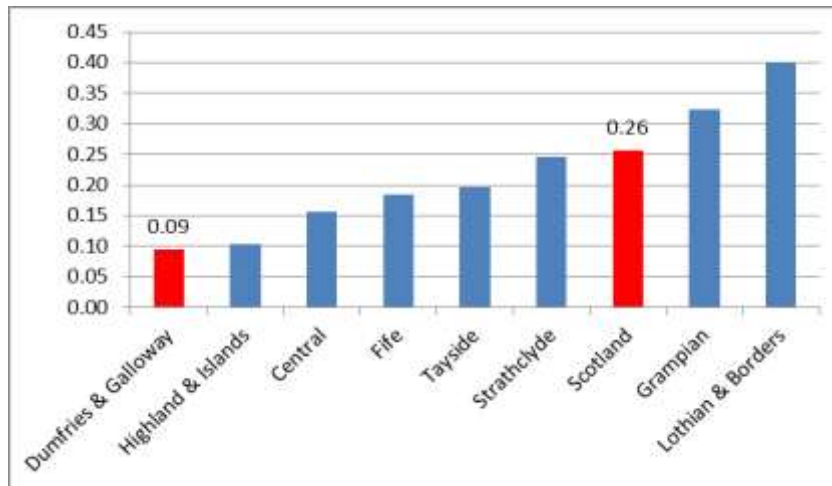
Source: Scottish Government Statistical Bulletin

Exhibit 10 Number of secondary fires per 1,000 population



Source: Scottish Government Statistical Bulletin

74. Over the last decade, casualty rates in D&G have been consistently below the national average. Since 2009/10, the Scottish Government changed the definitions used to compile casualty statistics. It is therefore difficult to compare current trends with figures from earlier years. However, Dumfries & Galloway has the lowest casualty rate in Scotland, suggesting that its preventative work has a positive impact (Exhibit 11).

Exhibit 11: Total casualties per 1,000 population – 2010/11

Source: Scottish Government Statistical Bulletin

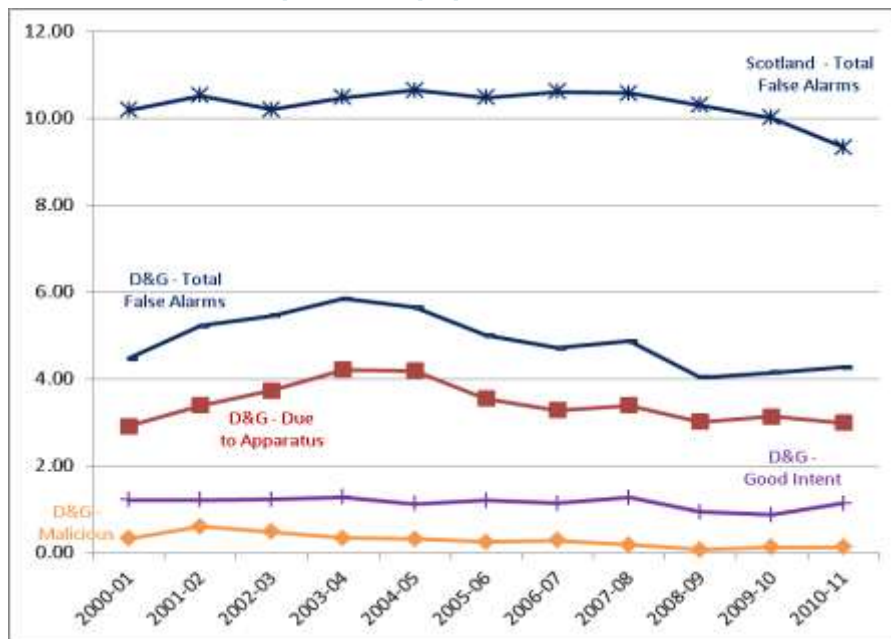
Special services

75. D&G Fire & Rescue deals with an increasing number of 'special service incidents', such as road traffic collisions and flooding. These now represent around 14 per cent of its emergency responses. There are no performance measures available locally or nationally to assess the standard of the fire and rescue service's contribution to outcomes, such as the decline in recent years in the number of road casualties.

False alarms

76. False alarms can be caused by a range of factors, such as malicious hoax calls or faulty automatic alarms. They account for 42 per cent of D&G Fire & Rescue's emergency calls. This represents a significant use of resources on non-productive work and, perhaps more importantly, means that there may be delays in responding to genuine emergencies.
77. D&G Fire & Rescue's overall level of false alarms is the lowest in Scotland and less than half the national rate (Exhibit 12). Most of these are generated by automatic false alarms (AFAs). Through a range of measures, such as fire safety seminars for local businesses, it has been successful in reducing the number of AFAs by around 10 per cent since 2006/07. It has also used a number of techniques to further reduce the low levels of malicious calls, such as call screening and agreements with mobile phone companies to assist in tackling this issue.

Exhibit 12 False alarms per 1,000 population



Source: Scottish Government Statistical Bulletin

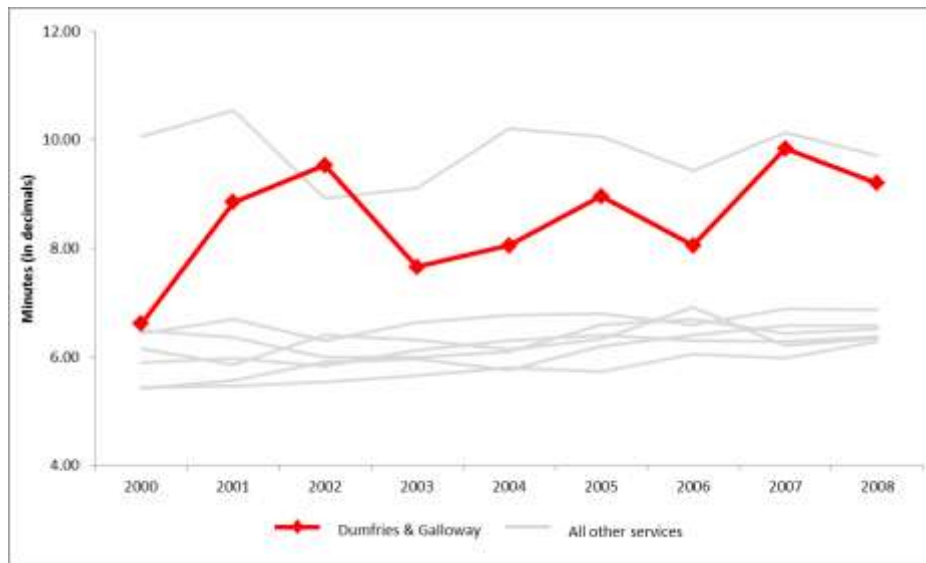
78. In line with good practice, D&G Fire & Rescue has also reviewed how it responds to AFAs. Based on a risk assessment, it has reduced the number of fire engines that would automatically be sent during daytime hours.

Emergency response standards

79. 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.

80. D&G Fire & Rescue is one of only three services in Scotland to use its own local risk-based set of response standards. In 2010/11 D&G Fire & Rescue met its local response time targets on 81 per cent of occasions.

81. As part of its 2011 report, 'Review of the Implementation and Impact of Integrated Risk Management Planning in Scottish Fire and Rescue Services', the Scottish Fire & Rescue Advisory Unit (SFRAU) tested a national sample of response times for dwelling fires. This showed that D&G Fire & Rescue's average response times for primary dwelling fires have consistently been one of the longest in Scotland (Exhibit 13). This reflects the predominantly rural nature of the area and the largely retained firefighter workforce, with response times only slightly lower than for the Highlands and Islands.

Exhibit 13: 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

- **Members of the Police & Fire Committee should adopt a stronger leadership role in identifying the priorities and driving and scrutinising value for money in the service.**
- **The Police & Fire Committee should consider the limited management capacity in the service and review how this is being addressed. Issues to be addressed include the clarity of roles and remits, balancing the increasing remits of individual managers, hand-over and mentoring processes, clarity of delegation of responsibilities and authority.**
- **Further progress needs to be made to ensure plans are effectively integrated with clear and consistent priorities and with good risk, financial, and performance information supporting effective monitoring and management of these.**
- **In developing improved performance information systems, the service should consider how elected members can access these systems to support a better range and depth of data for members to scrutinise effectively, and put in place appropriate support so they can use this effectively.**
- **In advance of the creation of a national fire & rescue service, responsibility for currently integrated arrangements, such as payroll, payment of rates and utilities, as well as ownership of assets, should be agreed between Dumfries & Galloway Council and the new organisation.**

ACCOUNTS COMMISSION

MEETING 15 DECEMBER 2011

COVER NOTE BY SECRETARY AND BUSINESS MANAGER

BEST VALUE AUDIT: DUMFRIES AND GALLOWAY FIRE AND RESCUE

Purpose

1. The purpose of this paper is to introduce the report of the Best Value audit of Dumfries and Galloway 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 Fife Fire and Rescue are the third and fourth in the audit programme. It is also being sent to the Clerk of the Police, Fire and Rescue Committee. The Clerk is required to supply a copy of the report to each member of the Committee 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 committee 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 Dumfries and Galloway Fire and Rescue; and
 - decide how it wishes to proceed.

Paul Reilly
Secretary and Business Manager
11 January 2012

Audit of Best Value

Fife Fire and Rescue

A report by the Controller of Audit
Prepared for the Accounts Commission
January 2011

Audit Scotland is a statutory body set up in April 2000 under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Auditor General for Scotland and the Accounts Commission. Together they ensure that the Scottish Government and public sector bodies in Scotland are held to account for the proper, efficient and effective use of public funds.

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Commission findings

1.

The Audit of Best Value

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. Some aspects of Best Value in fire and rescue have been covered in earlier reports by Audit Scotland, 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.
4. Following a formal consultation with stakeholders in late 2010, the Accounts Commission decided that the audit of Best Value should be extended to fire and 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. Subsequently in September 2011, the Scottish Government announced its commitment to deliver a single Fire and Rescue Service for Scotland and published its outline business case. Between October and November 2011 it published a further consultation paper, *Keeping Scotland Safe and Strong*, on how the future service will work in practice. The outcome of this consultation process is not yet known.
5. During 2011, audits are being carried out at each of the eight Scottish fire and rescue services and authorities. These are seeking to 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.

6. We carried out the Best Value audit of Fife Fire and Rescue during June 2011. We gratefully acknowledge the co-operation and assistance provided to the audit team by the Chief Fire Officer, Neil McFarlane; the chair of the Police, Fire and Safety Committee of Fife Council, Councillor George Kay, and all other elected members and staff involved.

Summary

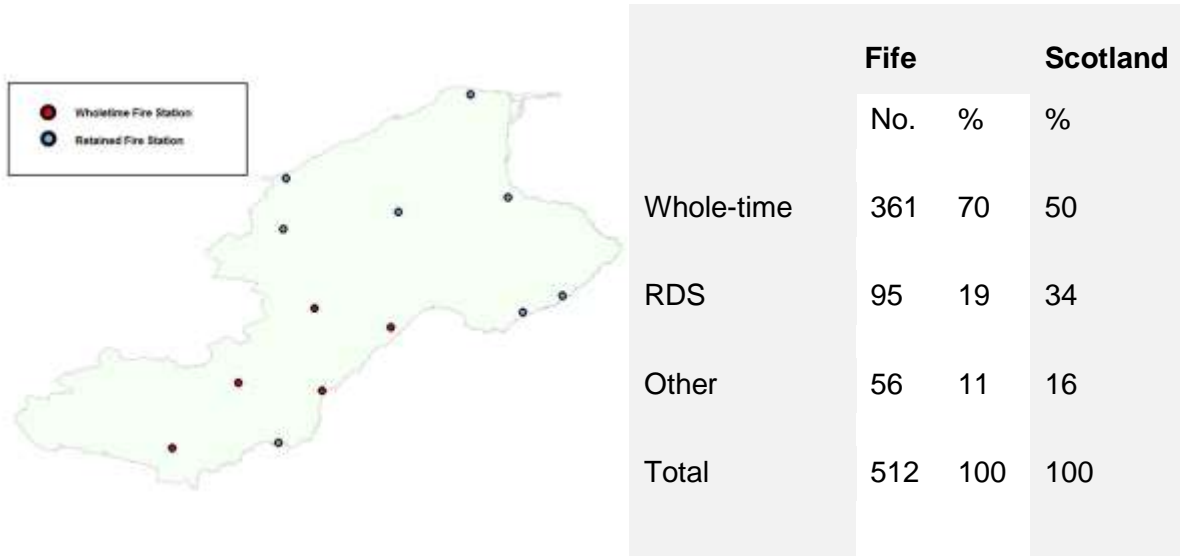
7. Fife Fire and Rescue Service (FFRS) has a strong focus on preventative work and provides an effective emergency response service. Over the past ten years there have been significant falls in the number of fires and in the number of deaths and injuries in Fife.
8. FFRS has a clear vision and priorities that reflect the community safety objectives of Fife Council. It has established the principles of Integrated Risk Management Planning (IRMP) and both officers and elected members show a good understanding of community risk. Opportunities have been taken to make some changes in the use of resources, but IRMP has not been utilised fully at a strategic level to help drive improvements in the matching of resources to community risks. The current challenging financial position has forced a more focused consideration by the service and authority of all the options for change to deliver more effective risk based use of resources.
9. FFRS has a strong record on preventative work. The level of home fire safety visits has been above the national average and is increasingly targeted on areas of greatest risk. The number of statutory fire audits of non-domestic properties is well above the Scottish average. There is also a strong emphasis on carrying out much of this preventative work in partnership with other public organisations, such as the police, social work and housing services. As part of a unitary council, there is a common framework and set of priorities promoted through a single Community Planning Partnership (CPP) and Single Outcome Agreement (SOA). There is also a good, and improving, level of data sharing between these organisations, helping to identify individuals in particular need of support.
10. There is a strong culture of improvement within FFRS, seeking to identify weaknesses in its processes and addressing them. It has twice carried out a structured self-assessment using Fife Council's Fife Excellence Model. At an operational level, it also carries out a programme of station inspections and case conferences with partner organisations to identify areas where improvements can be made.
11. As part of a unitary council, FFRS has to compete directly with other services within Fife Council for resources. In principle, this matching of resources to council priorities is sound and is a fundamental element of Best Value. In practice, however, it can mean that FFRS is facing the need to make budget reductions in advance of other fire and rescue services which are overseen by joint boards. In addition, unlike most other fire and rescue services, it has no dedicated financial reserves, to help balance its budget in the short-term.

12. Fife Fire and Rescue Service has been required to make significant financial savings over recent years and faces the need to make further budget reductions. So far, it has managed this effectively, maintaining service delivery standards at the same time as reducing the size of its workforce. However, it now faces significant challenges with the need to make further savings of 4 - 4.5 per cent in each of the following three years. It now faces a specific challenge to maintain its standard crewing levels for all emergency responses. Managers have worked creatively to help minimise the impact of this, but it is difficult to see how further savings can be achieved without the potential for some increase in community risks.
13. Governance arrangements are fundamentally sound. However, the wide remit of the Police, Fire and Safety Committee (PFSC) can mean that scrutiny by members is insufficient, with inadequate time available to fully discuss and consider fire and rescue issues.
14. FFRS has effective arrangements for workforce management. The service demonstrates a strong commitment to and effective arrangements for health and safety and training. The service recognises the need to improve systematic workforce planning arrangements, which have been focused over the past two years on handling a reduction in the workforce. This has been managed well, but the service faces increasing challenges in this area, as staff reductions continue and pressures on the workforce increase.

Context

15. Fife covers 1,325 sq. km between the Forth and Tay estuaries. The population, of around 365,000, predominantly reside in a number of large towns including Glenrothes, Dunfermline, Kirkcaldy, Lochgelly and Methil; and in the many small towns of the area, but Fife also has rural areas.
16. Fife's communities range from those of relative affluence, such as St Andrews and the surrounding area, to some pockets of significant deprivation. It also has a rising population, with increases in the number of children and the elderly predicted to be above national trends. The changing demographics of the area will increase the demands on services for the community including those of the fire and rescue services.
17. The Fife Fire and Rescue Service is delivered from its headquarters in Thornton and from five whole-time stations covering the most populated areas and eight Retained Duty System (RDS) stations ([Exhibit 1](#)). The service has a budget of £21.1M in 2011/12. FFRS employs 512 staff (full time equivalent), including 361 whole-time and 95 RDS firefighters - a higher proportion of whole-time firefighters than nationally ([Exhibit 1](#)). It has a fleet of 29 response vehicles. Twenty of these are standard fire engines, but there are other specialist vehicles such as those for aerial rescue, urban search and rescue, water rescue, line rescue and command & control.

Exhibit 1: Staffing and fire stations in Fife



Source: Map - SFRAU Staffing numbers - CIPFA Statistical Returns (as at 31st March 2011)

18. FFRS is one of two services in Scotland that are part of unitary authorities (the other being Dumfries and Galloway). This means that it is a service of Fife Council. Fife Council is the legal Fire and Rescue Authority, but its Police, Fire and Safety Committee is the decision making forum for most FRS related issues through its scheme of administration. The Chief Fire Officer is not part of the council Corporate Management Team but reports directly to the Chief Executive and is a member of the Extended Council Management Team that includes heads of service.
19. FFRS is also aligned to a single community planning partnership and has common borders with the Police and NHS partners.

Governance and management

Vision and Strategic Direction

Fife Fire and Rescue Service has established the principles of Integrated Risk Management Planning (IRMP) and both officers and elected members show a good understanding of community risk. Opportunities have been taken to make some changes in the use of resources, including the amalgamation of two whole-time stations, but IRMP has not been utilised fully at a strategic level to help drive improvements in the matching of resources to community risks.

20. 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. FFRS has responded well to this change in its role and the emphasis on risk in planning.

Exhibit 2: Fife Fire & Rescue's priorities and goals

Priorities	Goals
Prevention	Educational community safety programmes
	Home fire safety visits
	Non-domestic fire audits
	Reduce accidents and injuries
Intervention	Effective emergency response
	Effective command and control infrastructure
	Prepared to deal with major incidents
Workforce	Health and safety and well being of staff
	Culture of learning
	Fairness, equality and diversity
	Leadership that promotes professionalism

	Contribution Management
	Activities are customer focused
	Develop the organisation
Performance	Demonstrate Best Value and continuous improvement
	Demonstrate best practice and innovation
	Contribute to sustain and improve environment
	Demonstrate value through partnership working

Source: Fife Fire & Rescue Service Plan, 2009-12

- 21.** FFRS has a good and developing planning framework. Its priorities are clearly set out in its Service Plan ([Exhibit 2](#)). As part of a unitary council, there are clear links between its priorities and goals and those of the Fife community safety partnership and Fife Council's Single Outcome Agreement (SOA). It has had an Integrated Risk Management Plan (IRMP) in place since 2004. This is now being replaced by a revised IRMP, covering 2011 to 2014. Both of these plans provide a high level description of community risks in Fife. The first IRMP set out a range of reviews to be undertaken, but did not set out specific commitments to medium or long term shifts in resources. The revised IRMP does identify a number of resource areas that will be considered for change, but it does not set out a clear plan of how resources will be matched to community risks.
- 22.** Risk management forms a clear part of the organisation's culture. During our audit, officers and elected members showed a strong and informed awareness of the impact of shifts in resources on community risk. The closure of Rosyth and Dunfermline fire stations and their replacement with a single new-build station at Pitreavie, for example, was recognised as leading to a slight increase in risk in emergency response times. This was met with an increased emphasis on preventative work in the West Fife villages in order to reduce the risk of an emergency response being needed. Similarly, we found quite a sophisticated use of risk information to target home fire safety visits throughout Fife.
- 23.** However, in line with many other fire and rescue services, we did not find a strategic use of IRMP to provide an overview of risk throughout Fife which would allow a fundamental review of resource allocation. We were made aware of potential station mergers, with only marginal changes in risk, which had not been taken forward. Shifts have been made in resources as opportunities have arisen, rather than as part of a long-term strategy. There are signs that this may be starting to change with a focus on integrated risk management, evident in the recent work of the service's Emergency Response Working Group and the Risk Analysis Working Group . Fundamentally, IRMP is about moving, rather than reducing, resources. However,

the impact of budget reductions has forced FFRS to begin to reappraise how it matches risks and resources and to now consider options which may save money.

24. As a unitary authority, Fife Council is the statutory fire authority for the service. Strategic oversight of fire and rescue is delegated to the Police, Fire and Safety Committee (PFSC). Financial decisions, within normal budget parameters, are the responsibility of PFSC, however, any financial decisions outwith these are taken by the Council's Policy, Finance and Asset Management (PFAM) committee or ultimately the Full Council if appropriate. Although these arrangements are clearly defined, and no specific issues have arisen to date, members of the PFAM committee and Full Council will need to ensure that they are fully informed of the potential impact of their financial decisions on community and firefighter risks.
25. As a service of a unitary authority, FFRS has different management reporting arrangements to those of a CFO reporting to a joint board. The CFO reports directly to the Chief Executive of Fife Council, and although he is not a member of the council's Corporate Management Team, he is a member of the Extended Council Management Team. This group includes the heads of services from across the council departments. The direct relationship with the council provides a number of opportunities to the service, such as an additional level of challenge and scrutiny, the infrastructure and economies of scale of the council and close working arrangements with services that are also involved in community safety. It also introduces a number of challenges, in particular FFRS has been directly exposed, as a service of the council, to the financial challenges facing the council and the need for budgetary reductions in 2010/11, 2011/12 and also anticipated in 2012/13.

Partnership Working

Fife Fire and Rescue Service demonstrates a strong commitment to partnership working, particularly with other parts of Fife Council. There is a good level of information sharing, with referrals made between fire and rescue and other departments about vulnerable individuals. At an operational level, there are good links with neighbouring fire and rescue services.

26. Fire and rescue services work through a range of partnership arrangements. They plan for civil contingencies with public and private sector partners through Strategic Coordinating Groups (SCGs). Prevention activity is typically delivered through community safety partnerships, working with local authorities, police, health, social landlords and the voluntary sector. Sharing information on individuals at risk is key to ensuring prevention activity is most appropriately targeted. Fire and rescue services deliver their response services in conjunction with other emergency services such as police, ambulance service, and the coast guard service. 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.

27. FFRS has common boundaries with its key partners, including other Fife Council services and the NHS. These organisations work within a single Community Planning Partnership (CPP) and Single Outcome Agreement (SOA), providing a common framework and set of priorities.
28. Information sharing is good between partners and there is continuing work to progress this further. A data sharing protocol has been established and information and intelligence from partners, including the police and other council services, is being used by FFRS in strategic planning and preventative work.
29. There is a strong culture of partnership working at both a strategic and operational level. At a strategic level, there is strong engagement from members and officers in the Fife Community Safety Partnership, where it works closely with partners on community safety priorities. In particular the service has a focus on one of the four Community Safety Partnership's priorities – 'Fewer injuries and loss of life in homes and on the road.' The service is involved in sub- groups that focus on road safety and home safety and integrates this work into its planning at a strategic and operational level.
30. A particular strength of the Fife approach to community safety is a dedicated community safety task group that includes fire, police, housing, and social services. This coordinates a range of activities to support all aspects of the community safety agenda. The group includes a jointly-funded FFRS firefighter. The current focus of this individual's work is to identify overlap work with deliberate fire starting and work being undertaken around antisocial behaviour with other agencies.
31. FFRS takes a lead role in the Community Safety Partnership sub-group, the Safer Homes Task Group. This has taken forward a number of initiatives, including the promotion of sprinkler systems in new-build council housing agreed early in 2010 by the council's Housing and Communities Committee. The initial focus of this group was home fire safety but this has now been extended to a wider accident prevention agenda.
32. Within the umbrella of the community safety task group, FFRS contribute to coordinating referrals for services for vulnerable members of the community, for example to 'Fife Cares'. This integrated partnership structure provides a strong community focused approach to community safety and effective sharing of information and intelligence. FFRS community safety staff work closely with the Fife Care team and now undertake a broader approach to home safety visits. As well as fitting fire alarms and providing basic fire safety advice they also look at other risks such as electrical risks, microwave oven safety and trip hazards. Community safety

firefighters will test electrical equipment, remove faulty items and replace them where possible. Firefighters also make referrals to the Fife Care team for other services such as housing repairs, occupational therapy, home energy advice and financial advice.

33. Since November 2010, FFRS has worked in partnership with the occupational therapists of the council social work department on a project to fit smoke detection equipment for the deaf and hard of hearing. The equipment consists of a Wi-Fi smoke detector, a vibrating pad and flashing strobe light. To date over 300 alarm systems have been fitted.
34. The engagement in community safety with partners is also evident at an operational level in other areas of work. The service is working with the NHS in an effort to target high risk individuals for Home Fire Safety Visits (HFSV). For example, NHS staff consider home safety in their assessment of elderly and vulnerable people, where appropriate making referrals to FFRS. Risk information about individuals, such as individuals who are immobile or use oxygen cylinders, is recorded in a shared system. Referrals are also made from the NHS in relation to home births so that mothers receive a Home Fire Safety Risk assessment and advice on medical gases. Whole-time station facilities are used by NHS staff for delivering physiotherapy treatments and for well-being clinics where individuals are offered advice on lifestyle issues, such as weight loss and smoking cessation. Information about HFSVs is provided to these groups and in return FFRS promotes smoking cessation programmes to the community. Less progress has been made with developing arrangements with drug and alcohol support services but pilot work is being undertaken in this area in relation to repeat admissions.
35. It is difficult to demonstrate the effectiveness of the impact and value for money of partnership approaches and initiatives. Some work has been undertaken on this and the service recognises this as an area for improvement.
36. Community safety activity and performance is regularly reported in a number of forums. The Community Safety Partnership reports to the Community Planning Partnership twice per year on progress against outcomes and also quarterly to the Police, Fire and Safety Committee. Reports are also presented to members at an area level, showing a developing level of local community planning and accountability. However, discussions at this level tend to focus on policing matters, with limited consideration of fire and rescue.
37. Fife Fire and Rescue Service has a significant role in civil contingency planning with partners. It takes part in the Fife Strategic Co-ordinating Group, which carries out high-level risk planning for major incidents which could disrupt the area. This is summarised in the Fife Community Risk register, setting out the major risks facing the area and the action being taken by each partner organisation to manage these

risks. In 2009, Fife Council's emergency planning function was transferred from the direct remit of the Chief Executive to the Chief Fire Officer, strengthening the role of FFRS in strategic partnership planning for the area.

38. At an operational level, FFRS works in partnership with neighbouring fire and rescue services, particularly in providing additional resources for emergency responses. Its fire training facilities are also used by other services. At a more strategic level, however, there are no significant shared services with other fire and rescue services. This is largely due to its position within a unitary council, with its ICT systems and management arrangements aligned with those of Fife Council. Detailed assessments were carried out on a number of proposals, such as a shared human resources service with Tayside and Central Scotland fire and rescue services. Despite the significant investment of management time and resources by all parties, this work has not been implemented, largely as a result of it being overtaken by work on the national reform agenda.

Scrutiny, performance management and improvement

Fife Fire and Rescue Service has a strong culture of improvement and a developing approach to performance management. Elected members demonstrate a good level of scrutiny but there can be insufficient time set aside to focus on fire and rescue issues.

39. There is a strong culture of improvement within Fife Fire and Rescue Service, with managers seeking to identify weaknesses and addressing them. It has twice carried out a structured self-assessment, using Fife Council's Fife Excellence Model. The most recent exercise was carried out in the autumn of 2010. The findings of the assessment are a clear and good reflection of the strengths and areas for improvement within the service. The service has engaged in this exercise constructively and the actions identified through the assessment have been effectively integrated into its annual improvement plan.
40. It has also addressed the key issues raised in Audit Scotland's 2006 performance audit report. For example, improvements have been made in the training and development arrangements for elected members, partnership working has been developed to help fire prevention and community safety, and good progress has been made in reducing the number of false alarms.
41. FFRS has also made good progress in developing its performance management, an area of some criticism in the 2006 report and in Audit Scotland's 2009 best value report for Fife Council. Performance reports are provided each month to senior managers within FFRS and to the Police, Fire and Safety Committee every six months. These reports are well presented and accessible with both quantitative data and qualitative information outlining performance and progress with activities.

As part of its self-assessment, however, FFRS has identified the need to improve the range and relevance of measures that it uses and reports, to provide a better match with its priorities and the impact of the services it delivers. There is also some benchmarking with other fire and rescue services, with the annual Chief Fire Officers Association (Scotland) Primary Indicators Report being presented to the Police, Fire and Safety Committee.

42. There is a sound approach to performance management at an operational level. A programme of operational audits is carried out, with regular station inspections helping to ensure that training and local procedures meet the required standards. Where there are casualties, case conferences are held with partner organisations to consider each incident casualties and identify where improvements can be made. Debriefings are also held for all incidents, identifying the potential for local station improvements or, where appropriate, being disseminated throughout FFRS.
43. There are, however, some weaknesses in the arrangements for elected members to scrutinise fire and rescue issues. The work of FFRS is overseen by Fife Council's Police, Fire and Safety Committee (PFSC). The wide remit of the PFSC attracts engaged members, able to provide a good standard of independent challenge. It also promotes a more integrated approach to cross-service issues, such as crime prevention, criminal justice services, consumer safety, public health and emergency planning.
44. However, while there is a good standard of reporting to the PFSC and elected members can provide a good level of independent challenge and scrutiny, the wide remit of the Committee means that there is often insufficient time to discuss fire and rescue issues. There have been occasions recently where, for example, Committee discussions were taken up entirely by policing matters and there was no time remaining to consider significant papers from FFRS. This issue was commented on in Audit Scotland's 2009 best value report on Fife Council.
45. Recognising this issue, the Council has introduced supplementary arrangements, designed to provide more time to consider fire and rescue matters. A PFSC Scrutiny Group has been established, consisting of the same members of the PFSC. In practice this does not perform a formal scrutiny role but is used as an extension to the main Committee for further discussion. However, these meetings do not have the same constitutional standing as the PFSC and are not held in public, with an impact on the openness and transparency of the governance arrangements. The Council has also recently introduced arrangements for short-life working group to undertake in-depth scrutiny on defined issues. This arrangement has not yet had time to make an impact, but it does not fully resolve this on-going issue for the PFSC. Further consideration of the governance arrangements for the committee is

needed to ensure that the range of issues that should be considered by the committee for decisions and scrutiny have adequate time for debate and challenge.

Use of resources

Fife Fire and Rescue Service faces severe financial pressures. With no dedicated reserves, it has coped well in recent years with the need to make significant reductions in expenditure. It has an unusually high proportion of whole-time firefighters, but it has made some reductions in its workforce through early retirements and transfers to neighbouring services. However, faced with the need to make further cuts, there is now a specific challenge to maintain its standard crewing levels.

Financial management

Fife Fire and Rescue Service faces severe financial pressures, creating potential risks to the sustainability of the current levels of service. As part of a unitary council, it has to compete directly with other services for resources, trying to ensure that the impact of budget reductions on community risk is fully taken into account. Unlike other fire and rescue services in Scotland, it often has to reduce crewing levels below its standard levels.

46. As part of Fife Council, FFRS has delivered annual efficiency savings of two per cent between 2005/06 and 2009/10. This has been followed by a requirement for further savings of 4 - 4.5 per cent, or £0.8 million, in each of the following three years. Unlike most other fire and rescue services, it does not hold any dedicated reserves to help it balance its budget over the short term. Instead, as part of a unitary council, it needs to compete directly with other services within Fife Council for financial resources.
47. Fife Fire and Rescue Service's revenue budget is determined by Fife Council. In practice, this responsibility is delegated to its Policy, Finance and Asset Management Committee (PFAM), which has a strategic oversight of all Council revenue and capital budgets. PFAM provides an overall corporate framework for the development of service budgets, helping to match resources with service priorities. The chair of the Police, Fire and Safety Committee is a member of PFAM. However, most members of PFAM are not familiar with the fire & rescue service's IRMP and its detailed risk assessments. There is, therefore, a risk that the impact of budget

reductions on community safety may not be fully taken into account as part of the budget setting process.

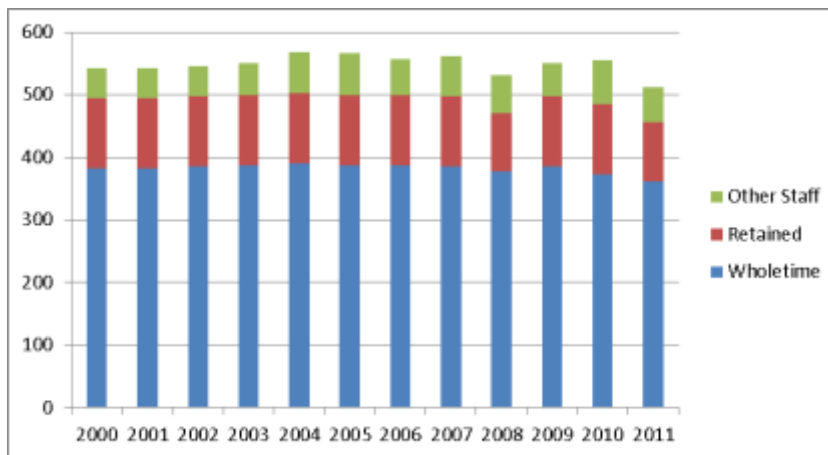
48. Senior managers within FFRS have shown a clear focus on achieving the required budget reductions without negatively impacting on the risks to the community or to firefighters. An efficiency team, involving staff from across the service and including trade union representation, has been established and provides an effective source of advice to senior managers.
49. In previous years, FFRS has made savings through a range of measures, such as a management restructure, reductions in the workforce through retirements, and restrictions on overtime. It is currently managing its 2011/12 budget reduction through a range of further measures which include: changes to the crewing arrangements for special appliances, reductions in the number of control room personnel and other support staff, and further changes to the senior management structure. It has also considered the need for voluntary or compulsory redundancies, the only Scottish fire and rescue service to have reached this stage, although this has been avoided by transferring 15 firefighters to neighbouring services.
50. It is difficult to see how FFRS will be able to make further savings without the potential for some increase in community risks. Even with its current workforce, it is a challenge to maintain its standard crewing levels on fire appliances. At times, it is forced to provide four firefighters on both the first and second vehicles attending an incident, instead of the usual five and four pattern. This can mean that, for some incidents, a third appliance will be needed to provide sufficient numbers of firefighters. It is the only Scottish fire and rescue service currently in this position. However, managers have minimised the impact on the community by, for example, anticipating the need for a third appliance and mobilising resources from neighbouring stations.
51. The difficulties of balancing the need for financial savings with community safety look to be even more challenging over next year. FFRS is now seeking to identify further savings for 2012/13, which is likely to involve further reductions in its workforce and potential changes in duty rotas.

Workforce management

In recent years, Fife Fire and Rescue Service's workforce strategy has been focused on the need to reduce its staff numbers. It has made significant reductions in its workforce, although its unusually high proportion of whole-time firefighters has remained. A staff appraisal system is established and applies to senior officers as well as other staff. It has good arrangements in place for training and health and safety.

52. With the current financial pressures, Fife Fire and Rescue Service's workforce strategy is focused on the need to reduce its staff numbers. Whole-time firefighters form an unusually high proportion of its workforce, representing around 70 per cent compared with 50 per cent for Scotland as a whole. There is no clear reason for this, although it is a key driver in the costs of the service. It also means that FFRS staffing costs are relatively high. It has made significant reductions in staff numbers, with a projected fall of 13 per cent between April 2010 and March 2012. This has been achieved by a range of measures, such as a recruitment freeze that has been in place since 2008, and the reduction of 45 posts following the replacement of Dunfermline and Rosyth stations with a single station at Pitreavie. However, this predominantly whole-time profile has remained (Exhibit 3).
53. As part of the drive to reduce workforce numbers FFRS has transferred 15 experienced firefighters to neighbouring services during 2011 in order to avoid compulsory redundancies. This has led to the loss of specialist knowledge in areas such as water rescue and the need for additional investment in training other staff. There is also a potential problem in succession planning, with six of its 11 senior officers due to retire before the end of 2012/13

Exhibit 3: Staff numbers 2000 to 2011



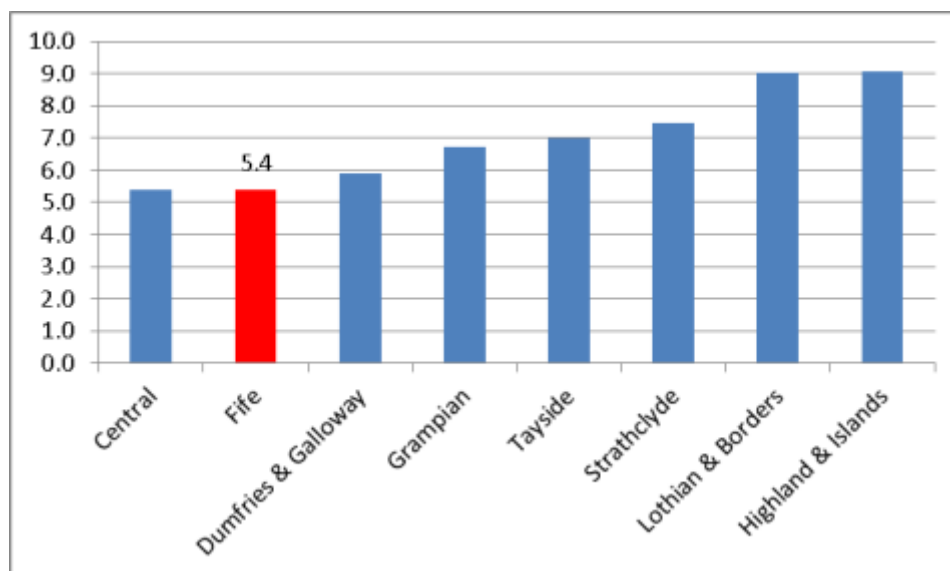
Source: CIPFA

54. Apart from RDS firefighters, all staff receive an annual appraisal of their performance. This includes senior officers and the Chief Fire Officer, who receives his appraisal from the Chief Executive of Fife Council.
55. FFRS has sound arrangements for the training and development of staff, with clear policies and arrangements for monitoring standards. All firefighters are assessed on a set of modules as part of a three year programme of training. These are prioritised

according to local risks. In addition, there are good facilities for providing practical training.

56. FFRS has a strong approach to the health and safety of its firefighters, with a dedicated Health & Safety Manager and access to an occupational health advisor. It is particularly conscious of the risks facing RDS firefighters, following an incident in 2010 where two firefighters were seriously injured. The role of RDS firefighters has now been restricted to a more limited set of core functions, allowing a greater focus on their weekly three-hour training sessions. There is a programme of station inspections, helping to ensure that individuals are able to meet the expected standards or are removed from operational duties until they receive additional training. It has also drawn up a local action plan to address the issues raised in the recent UK-wide review of fire services carried out by the Health & Safety Executive (HSE).
57. There is also an effective approach to managing sickness absence, with a clear absence management policy and an effective occupational service. In 2010/11, FFRS recorded an average of 5.4 days lost per employee, the joint lowest rate for fire and rescue services in Scotland.

Exhibit 4: Average number of days lost per employee, 2010/11



Source: Audit Scotland Statutory Performance Indicators

Asset management

Fife Fire and Rescue Service has an asset management plan which is integrated with Fife Council's strategic approach to capital investment and

maintenance programmes. It is supported by Council arrangements for areas such as fleet management, building maintenance and ICT. These provide a satisfactory approach to asset management, although they lack some flexibility in meeting the specific needs of a fire and rescue service.

58. There are satisfactory arrangements for managing assets, with the fire & rescue service drawing on Fife Council's corporate arrangements for capital investment and fleet and property maintenance. All of the property, which belongs to the Council, is subject to a condition survey every five years, helping to prioritise its maintenance programme. We found no significant concerns about the suitability of operational equipment or the condition of property, apart from Cupar fire station which is not meeting acceptable standards in terms of station facilities.
59. FFRS is part of Fife Council's ICT arrangements, bringing economies of scale and important benefits. It is, for example, able to access the Council's secure network, allowing it send and receive sensitive information from national and local partners. The Council's ICT department has also developed a range of systems which are used by all fire stations, allowing officers to access common management information, policies, forms, performance and risk data, and online recording systems.
60. However, there are some weaknesses in current ICT systems. Most of the RDS fire stations are not directly linked to the Council's network and rely on broadband connections which can be unreliable. In addition, the limited number of computers at RDS stations means that RDS firefighters tend to record their training on a paper-based system rather than PDRpro, the more efficient electronic system used by whole-time firefighters. The service is also obliged to use software which is compatible with Fife Council's arrangements, rather than with other fire and rescue services. There are, for example, some weaknesses in the in-house system for recording the availability of RDS firefighters. Staff view this system as an improvement on previous arrangements, but it can be unreliable and has some significant limitations compared with systems used by other fire and rescue services.
61. The Scottish Government has recently announced the creation of a national fire and rescue service, merging the existing services. This will involve the transfer of assets to the new organisation. In most cases, this should be relatively straightforward but it is likely to more complex for FFRS, which is part of Fife Council. As well as fire appliances and stations, decisions will need to be made on other assets such as computer equipment and software, training facilities, and any community partnership assets.

Service Performance

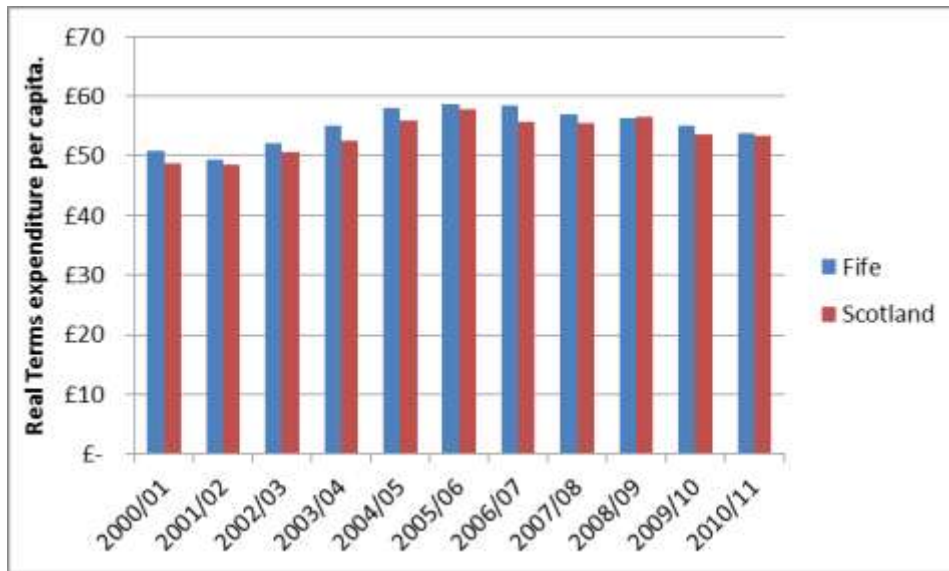
Fife Fire and Rescue Service provides an effective emergency response service. It also places a strong emphasis on its preventative responsibilities, providing targeted home fire safety visits and community safety education projects in partnership with other services within Fife Council. There is some evidence that this activity correlates closely with reductions in the number of fires within Fife.

Service costs

Fife Fire and Rescue Service costs are close to the Scottish average and, in real terms, have reduced by 5.5 per cent over the past three years.

62. Fife Fire and Rescue Service's operating costs are close to the Scottish average. In 2010/11, excluding pension costs, it spent £53.8 per head of population, marginally above the Scottish average of £53.3. Over the past four years, its costs have fallen. Reflecting the decrease in the size of its whole-time workforce, its costs have fallen by 5.5 per cent in real terms since 2007/08, compared with a fall of 3.7 per cent nationally, and are now close to the levels recorded a decade earlier (Exhibit 6).

Exhibit 6: Real-term costs per capita



Source: CIPFA data adjusted by HM Treasury GDP deflator

Prevention

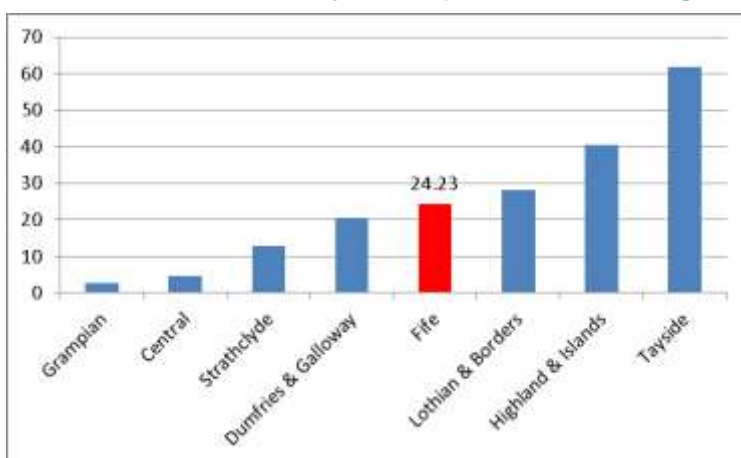
Fife Fire and Rescue Service's preventative work plays a strong role in helping to deliver Fife Council's community safety strategy. Home fire safety visits and community education projects are carried out in partnership with other Council services, helping to target this work on higher risk groups and covering a wide range of safety issues. It also carries out a high level of statutory fire audits.

63. Fife Council has a clear community safety strategy, involving a range of partners such as the police, social work and fire and rescue. FFRS's preventative work contributes to the delivery of this strategy, mainly through a mixture of home fire safety visits, statutory fire audits, and various community safety education projects.
64. Home fire safety visits form a core part of FFRS's preventative work. In 2009/10, it carried out around 24 visits per 1,000 dwellings, which is slightly above the Scottish average (Exhibit 7). However, with an increased emphasis on targeting this work towards higher risk areas, it has now halved the number of visits that it is aiming to carry out during 2011/12. As well as 'hot strikes', carried out in surrounding properties immediately after a fire has occurred, most visits carried out FFRS are now based on an annual programme. A prioritised list of visits is drawn up for each station, identifying individual streets and properties that are above average risk. The prioritisation is done using the national risk modelling tool, FSEC, Mosaic software (a tool for analysing socio-demographic profiles) and other demographic and

historic information held by FFRS and Fife council. Referrals are also routinely received from social work and housing services, highlighting individual households of particular concern.

65. Much of this work is carried out by whole-time firefighters, with relatively little carried out by RDS firefighters. In addition FFRS has a team of community safety officers who tend to carry out more comprehensive home safety visits, testing electrical equipment, fitting stair gates and covering other potential hazards. They also make referrals to other community safety partners, such as social work or the NHS, when they identify other concerns.

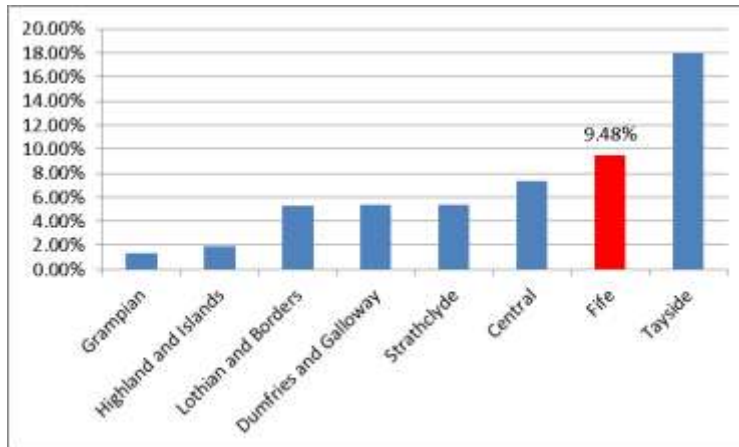
Exhibit 7: Home Fire Safety Visits per 1,000 dwellings, 2009/10



Source: CFOAS Performance Indicators 2009/10

66. FFRS has a strong record in carrying out statutory fire audits in non-domestic properties. 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 carried out to provide guidance and to help enforce fire safety standards. In 2010/11, 948 statutory fire audits were carried out in Fife, representing 9.5 per cent of non-domestic properties in the area. This is the second highest proportion in Scotland (Exhibit 8). This work was also targeted on higher risk properties such as hospitals, care homes, hotels and houses of multiple-occupation.

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



Source: Scottish Government Statistical Bulletin

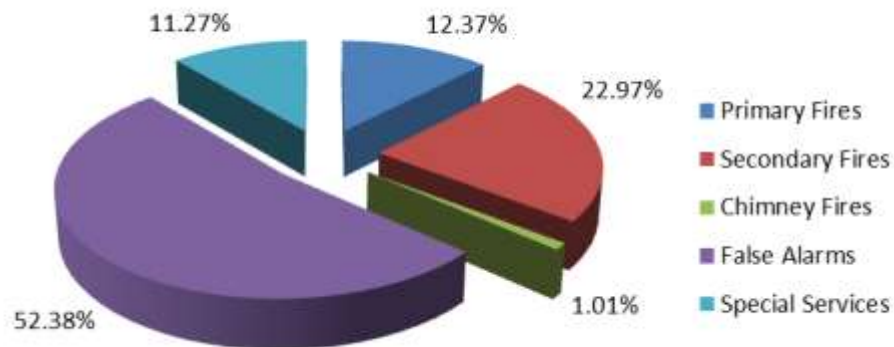
- 67. As part of its preventative work, FFRS also works with its local partners such as Fife Constabulary to provide community safety advice through a programme of school and university visits and other public events. These include initiatives such as 'Blue Light Discos', and the Junior Warden Scheme, which aim to reduce anti-social behaviour by young people. Other initiatives such as 'Safe Drive Stay Alive' are targeted at risk groups, such as 17 to 24 year olds, and are well regarded by participants and partner organisations. However, there is limited evaluation of the impact of the range of activities and the value for money they provide.

Emergency response

There has been a long-term decline in the number of fires in Fife, slightly ahead of national trends. The number of false alarms has also reduced and is below national levels. Emergency response times have remained consistent over the past decade and are in line with other fire and rescue services.

- 68. In 2010/11, Fife Fire and Rescue Service responded to around 5,000 incidents. In line with the national pattern, about an eighth of these related to primary fires (those in buildings, vehicles or involving casualties), a quarter to secondary fires (typically outdoor fires in heathland, rubbish bins or derelict buildings), and just over half to false alarms (Exhibit 9). The remainder related to a range of 'special services', primarily road traffic collisions and, to a lesser extent, flooding.

Exhibit 9 Analysis of emergency incidents in Fife, 2010/11

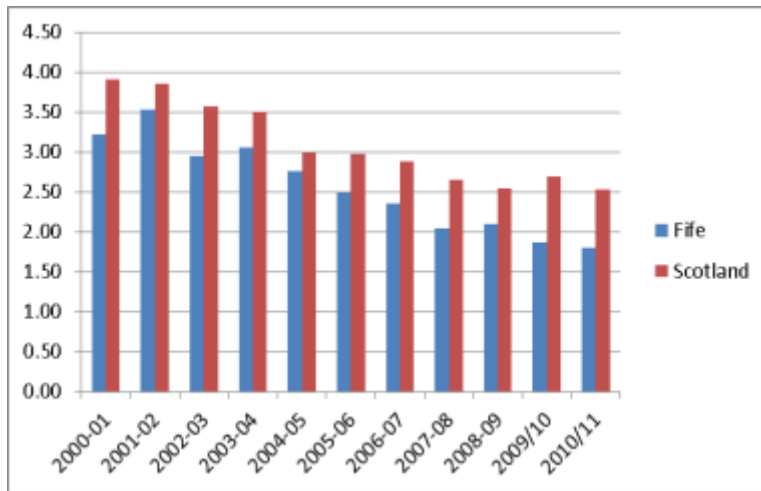


Source: Scottish Government Statistical Bulletin

Number of fires and casualties

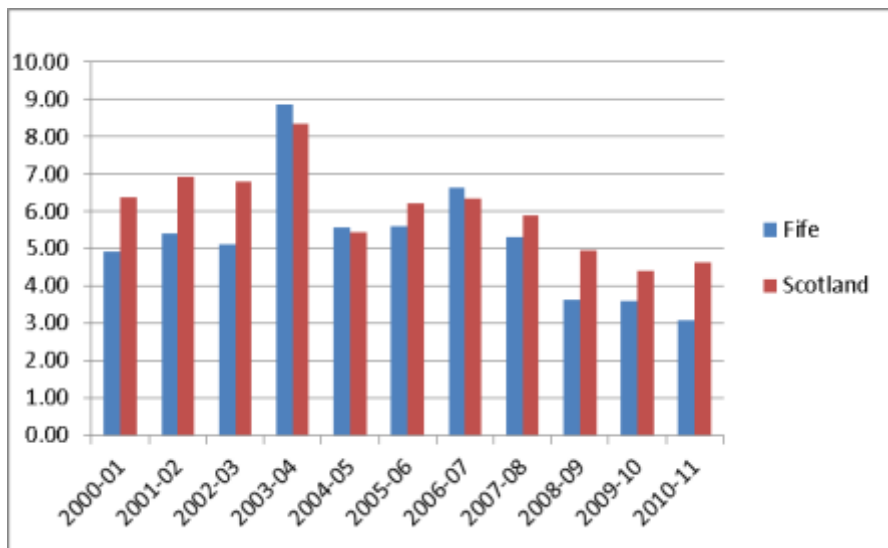
69. Historically, the level of fires and casualties within Fife has been below the Scottish average. Over the past decade, the number of primary and secondary fires within Fife has continued to fall and there is some evidence that this fall has exceeded national trends (Exhibits 10 and 11). This can only act as an indirect indicator as these trends reflect wider social issues, such as improvements in the housing stock or a decline in the number of people smoking, as well as the impact of FFRS's preventative work. The spike in secondary fires during 2003/4, for example, was due to a dry summer and an increase in grassland fires. However, the rate of decline in the number of incidents does suggest that FFRS's preventative work has had some impact in reducing the risk of fires and related casualties.

Exhibit 10 Number of primary fires per 1,000 population



Source: Scottish Government Statistical Bulletin

Exhibit 11 Number of secondary fires per 1,000 population

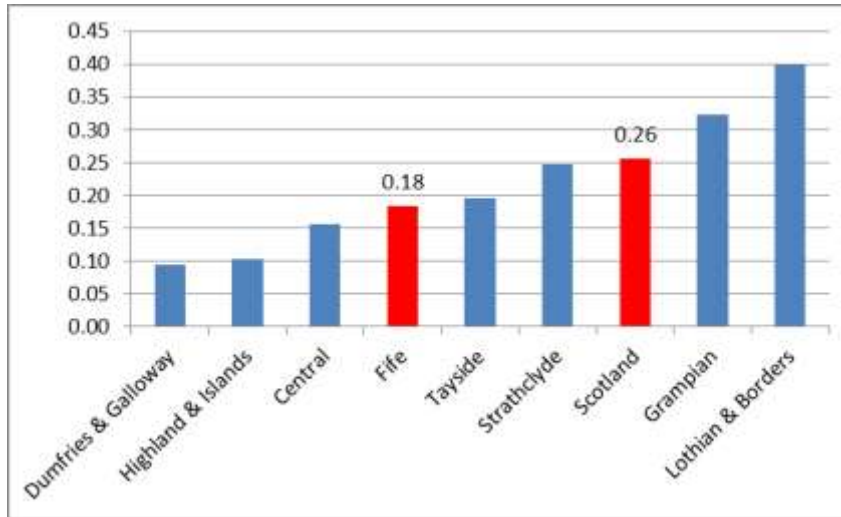


Source: Scottish Government Statistical Bulletin

70. Over the past decade casualty rates in Fife have fallen by around a third, in line with the rate of decline across Scotland. Since 2009/10, the Scottish Government changed the definitions used to compile casualty statistics. It is therefore difficult to compare current trends with figures from earlier years. In previous years, Fife has had the lowest casualty rate in Scotland. Even with the revised definitions, it still has

one of the lowest casualty rates in Scotland, suggesting that its preventative work is having a positive impact (Exhibit 12).

Exhibit 12: total casualties per 1,000 population - 2010/11



Source: Scottish Government Statistical Bulletin

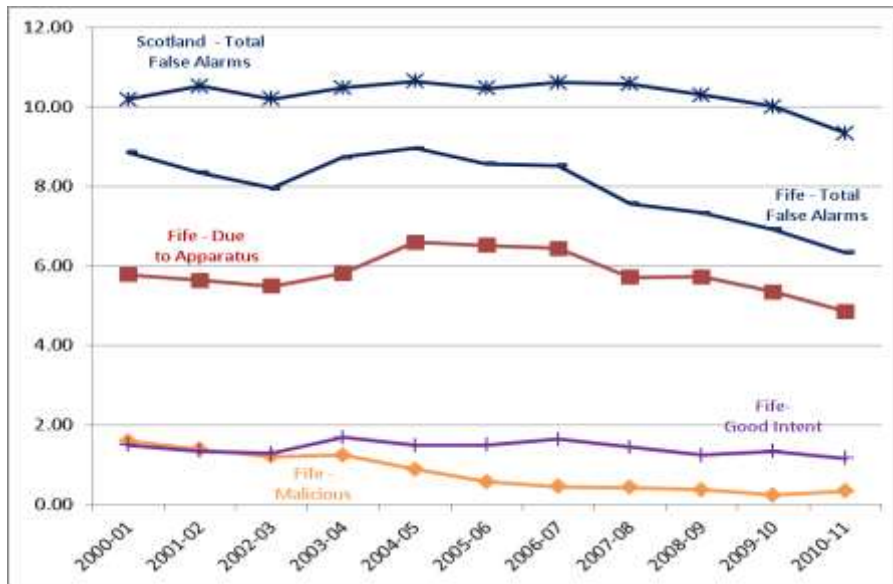
Special Services

71. FFRS responds to an increasing number of 'special service incidents', such as road traffic collisions and flooding. These now represent around 12.5 per cent of its emergency responses. However, there are no performance measures available locally or nationally to assess the standard of this work.

False alarms

72. False alarms can be caused by a range of factors, such as malicious hoax calls or faulty automatic alarms. They account for just over half of FFRS's emergency calls. This represents a significant use of resources on non-productive work and, perhaps more importantly, means that there may be delays in responding to genuine emergencies.

Exhibit 13 False alarms per 1,000 population



Source: Scottish Government Statistical Bulletin

73. FFRS's overall level of false alarms has continued to fall in recent years and remains significantly below the Scottish average (Exhibit 13). In recent years, it has been successful in helping to reduce the number of hoax calls, by methods such as call screening, education programmes and use of the criminal justice system. It has also made good progress in reducing the number of automatic fire alarms (AFAs). This has been achieved by challenging organisations producing repeat AFA calls and then working with them to develop better systems and practices.

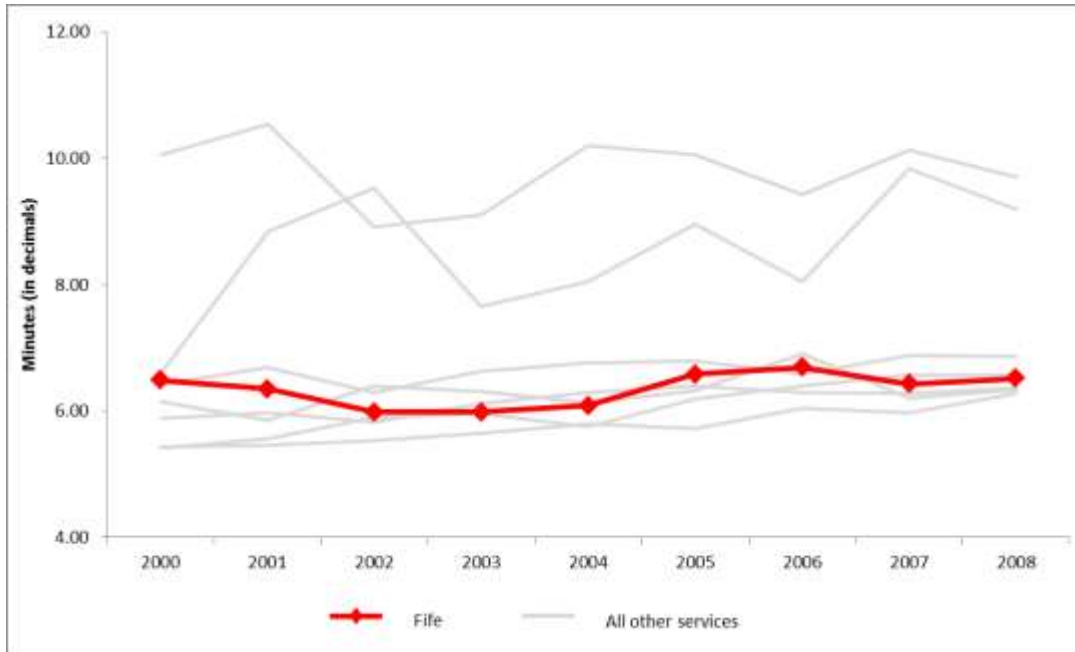
Emergency response standards

74. 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 weight of response to meet the specific level of risks identified in their IRMP.

75. FFRS is one of only three services in Scotland to use its own local risk-based set of response standards. For comparative purposes, 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 FFRS's average response times for primary dwelling fires have remained consistent over the past decade and are in line with the national pattern (Exhibit 14).

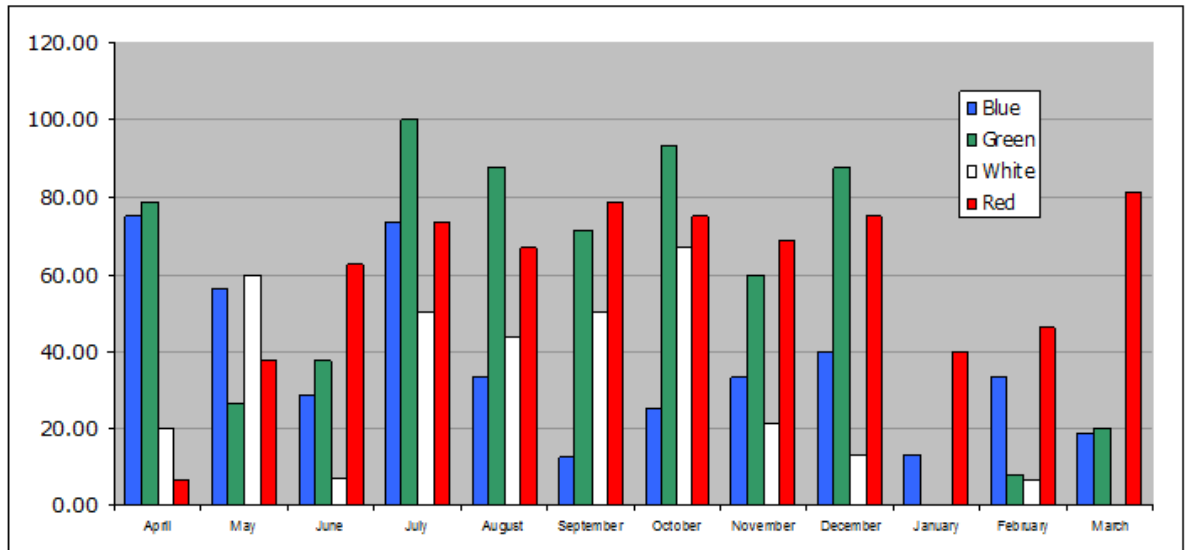
Exhibit 14: Average response times for primary dwelling fires



Source: *Review of the Implementation and Impact of Integrated Risk Management Planning in Scottish Fire and Rescue Services (SFRAU 2009)*

76. However, FFRS has recently been reducing its workforce numbers quite significantly. As mentioned earlier in this report, it is expected to have reduced its establishment by 13 per cent between April 2010 and March 2012. This has already had an impact on its emergency response, with FFRS at times unable to maintain its standard crewing level of five fire fighters on the first vehicle attending and four on the second. A significant number of shifts were understaffed during 2010/11, particularly during the summer holiday months (Exhibit 15). For example, the graph shows that 100 per cent of Green watch shifts in July 2010 were understaffed. This position will have subsequently worsened with the continuing reduction in the number of firefighters during 2011/12. So far, through careful contingency planning, managers have been able to minimise the impact on community risk.

Exhibit 15: Whole time Staffing Levels, April 2010 – March 2011 - percentage of each watch's shifts that were understaffed



Source: Fife Fire and Rescue Service

Improvement Agenda

77. The Members of the Police, Fire and Safety Committee should adopt a stronger leadership role in identifying the priorities and driving and scrutinising value for money in the service.
78. Consideration should be made of how to improve scrutiny arrangements to ensure there is sufficient time and opportunity for good quality discussion and scrutiny of fire and rescue issues that it has responsibility for.
79. Members of Fife Council and the Policy, Finance and asset Management Committee will need to ensure that they are fully informed of the potential impact of their financial decisions on community and firefighter risks.
80. The service should consider how it can evaluate the effectiveness and value for money of its preventative work.
81. The service should review the balance of its whole-time and RDS workforce.
82. The service should ensure that, despite pressures on capacity, it progresses its own improvement agenda appropriately within the context of the development of the national service.
83. Service management and elected members need to continue to ensure changes to service arrangements, such as shift and crewing levels, are undertaken with minimum impact on risk to firefighter and community safety and appropriate monitoring arrangements are established.
84. In advance of the creation of a national fire & rescue service, ownership of assets should be agreed at an early stage between Fife Council and the new organisation.

ACCOUNTS COMMISSION

MEETING 15 DECEMBER 2011

COVER NOTE BY SECRETARY AND BUSINESS MANAGER

BEST VALUE AUDIT: FIFE FIRE AND RESCUE

Purpose

1. The purpose of this paper is to introduce the report of the Best Value audit of Fife 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 Dumfries and Galloway Fire and Rescue are the third and fourth in the audit programme. It is being sent to the Clerk of the Fife Police, Fire and Safety Committee. The Clerk is required to supply a copy of the report to each member of the Committee 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 committee 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 Fife Fire and Rescue; and
 - decide how it wishes to proceed.

Paul Reilly
Secretary and Business Manager
1 December 2011