

Norfolk Police and Crime Panel



Extraordinary meeting

Date: **19 July 2018**

Time: **10am**

Venue: **Edwards Room, County Hall, Norwich**

Panel Members are invited to a pre-meeting at 9:15am in the Colman Room, County Hall, Norwich.

Persons attending the meeting are requested to turn off mobile phones.

Membership

Main Member	Substitute Member	Representing
Mr Frank Sharpe	Mr Mark Robinson	Breckland District Council
Mr Fran Whymark	Mr Roger Foulger	Broadland District Council
Mr Mike Smith-Clare	Ms Jade Martin	Great Yarmouth Borough Council
Mr Colin Manning	Mr Brian Long	King's Lynn and West Norfolk Council
Mr William Richmond	Michael Chenery of Horsbrugh	Norfolk County Council
Mr Martin Storey	Mr Phillip Duigan	Norfolk County Council
Mrs Sarah Bütikofer	Mr Tim Adams	Norfolk County Council

Mr Richard Shepherd	Mr Nigel Dixon	North Norfolk District Council
Mr Kevin Maguire	Mr Paul Kendrick	Norwich City Council
Dr Christopher Kemp	Mr Robert Savage	South Norfolk Council
Air Commodore Kevin Pellatt FCMI RAF	(no substitute member)	Co-opted Independent Member
Mr Peter Hill	(no substitute member)	Co-opted Independent Member

For further details and general enquiries about this agenda please contact the Committee Officer:

Nicola LeDain on 01603 223053
or email committees@norfolk.gov.uk

A g e n d a

1. **To receive apologies and details of any substitute members attending**
2. **Declarations of Interest**

Norfolk County Council and Independent Co-opted Members

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is on your Register of Interests you must not speak or vote on the matter. It is recommended that you declare that interest but it is not a legal requirement.

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is not on your Register of Interests you must declare that interest at the meeting and not speak or vote on the matter

In either case you may remain in the room where the meeting is taking place. If you consider that it would be inappropriate in the circumstances to remain in the room, you may leave the room while the matter is dealt with.

If you do not have a **Disclosable Pecuniary Interest** you may nevertheless have an **Other Interest** in a matter to be discussed if it affects:

- your well being or financial position
- that of your family or close friends
- that of a club or society in which you have a management role
- that of another public body of which you are a member to a greater

extent than others in your ward.

If that is the case then you must declare such an interest but can speak and vote on the matter.

District Council representatives will be bound by their own District Council Code of Conduct.

3. **To receive any items of business which the Chairman decides should be considered as a matter of urgency**

4. **Police and Fire Collaboration – Local Business Case Update**

(Page **4**)

To consider the PCC's decision to launch a public consultation on his full business case.

Date Agenda Published: Wednesday 11 July 2018

Under the Council's protocol on the use of media equipment at meetings held in public, this meeting may be filmed, recorded or photographed. Anyone who wishes to do so must inform the Chairman and ensure that it is done in a manner clearly visible to anyone present. The wishes of any individual not to be recorded or filmed must be appropriately respected.

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Police and Fire Collaboration – Local Business Case Update

Suggested approach from Jo Martin, Democratic Support and Scrutiny Team Manager

The Panel is asked to consider the PCC's decision to launch a public consultation on his full business case.

1. Background

- 1.1 The Government is committed to closer collaboration between emergency services, and views their joint working as a means of delivering better local accountability, an improved service for communities and significant savings for taxpayers.
- 1.2 The Policing and Crime Act 2017 ("the Act") places a new statutory duty on emergency service organisations to collaborate with one another where it is in the interests of efficiency or effectiveness. The Act also includes provisions that enable Police and Crime Commissioners (PCCs), where a local case is made in the interest of economy, efficiency and effectiveness, or public safety, to take on responsibility for the governance of fire and rescue services.

2. Police and Crime Commissioner for Norfolk's response

- 2.1 In response to this new legislation, the Office of the Police and Crime Commissioner for Norfolk (OPCCN) appointed Grant Thornton, following a competitive tender process, to carry out an independent review and appraisal of the options which the legislation enables. That project was split into two phases:
 - Phase 1 – An options appraisal and the development of an outline business case.And then if, at the options appraisal and outline business case stage, a case for change could be made:
 - Phase 2 – Development of a full business case.
- 2.2 Having considered the evidence gathered by Grant Thornton and feedback from a range of stakeholders on their findings, the PCC took the decision in February 2018 to progress to Phase 2 – full exploration of the potential benefits of a change to fire governance and development of a draft local business case.

2.3 The PCC has decided to launch a public consultation on his draft local business case, giving the Norfolk public the opportunity to have a direct say. The document includes an assessment of how a change of fire governance would be in the interests of either:

- Economy, efficiency and effectiveness; or
- Public safety.

2.4 Having considered the consultation responses, the PCC will then decide whether he wishes to proceed with his proposal and, if so, submit a final business case to the Secretary of State. Should the process reach this stage, it is anticipated that submission would happen in the Autumn 2018.

2.5 The Secretary of State will then consider whether the case made is in the interests of economy, efficiency and effectiveness, or public safety, and, if satisfied the statutory tests have been met, make an order for the PCC to take on Fire and Rescue Service governance in Norfolk.

3. Purpose of today's meeting

3.1 Today's meeting provides an opportunity for the Panel to question the PCC about his decision to launch a public consultation on his full business case.

3.2 A copy of OPCCN's press release, outlining the PCC's decision, is attached at **Annex 1** of this report.

3.3 A copy of the PCC's full business case is attached at **Annex 2** of this report.

4. Suggested approach


4.1 After the PCC has presented the reasons for his decision, the Panel may wish to ask questions on the following areas:

- a) How the statutory tests were assessed (e.g. process, methodology).
- b) Whether the evidence demonstrates that the statutory tests would be met by a change of governance.
- c) The implications for public safety.
- d) The financial implications of a change of governance, including: the assumptions made in reaching final figures, implementation and transition costs.
- e) The operational benefits and risks, including implications for decision-making, accountability and the workforce.
- f) Any elements of the case that the PCC has been unable to form a view on, and why.
- g) Whether the PCC considers that the evidence indicates a robust case for change.
- h) The PCC's response to early local reaction.

- i) The challenges and risks associated with implementing a change of governance, and how they might be mitigated.
- j) The consultation process and timetable.

5. Action

- 5.1 The Panel is asked to consider the PCC's decision to launch a public consultation on his full business case.

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OFFICE OF THE POLICE & CRIME COMMISSIONER FOR NORFOLK

PCC makes 'A Case for Change' at launch of public consultation on fire governance

Norfolk's Police and Crime Commissioner (PCC), Lorne Green, has launched a consultation to seek public views on whether he should assume the governance of the county's fire and rescue service.

Norfolk Fire & Rescue Service (NFRS) is currently governed by Norfolk County Council's Communities Committee which also oversees libraries, museums, archives and arts.

Under the PCC's proposal, Lorne would become the Police, Fire and Crime Commissioner (PFCC) with a pledge to give the NFRS operational and financial independence while ensuring it retains its cultural identity.

Speaking today, as he launched the eight-week consultation, Lorne said: "People say that duplication of time, effort and resources makes no sense at all – and I agree.

"Some say if it ain't broke, don't fix it, to which my reply is that holding on to something that is good for now, may be the reason you don't have something better.

"There are some great examples of joint working between Norfolk Constabulary and Norfolk Fire & Rescue Service already underway but, if we are honest, successes have too often been slow, patchy and complicated."

In 2017, a new legal duty for the three main emergency services to collaborate was enacted by Parliament.

"This new legislation has presented an opportunity for PCCs to look at whether collaboration between the two services could be made simpler, faster and better", added Lorne.

"Can we cut duplication and bureaucracy, reinvigorate collaboration and move joint working further and faster for the greater effectiveness, efficiency and economy of our emergency services and, most importantly, the communities they serve? The answer from independent experts is yes.

"Having given careful consideration to all of the evidence provided to me in a thoroughly researched business case, I have today launched a public consultation to seek the views of the Norfolk public on whether I should assume the governance of the county's fire and rescue service.

"As your PCC, I hold the police to account for joint working, whilst the fire and rescue service is overseen by a committee at Norfolk County Council - which means twice the governance.

"I believe the governance of the fire service sits better alongside a fellow emergency service, rather than with a council committee which also oversees libraries, museums, archives and arts.

"One of the real benefits of the role of PCCs is that it is not hamstrung or delayed by a complex structure of committees, sub-committees and immovable meetings. PCCs can make informed, evidence-based decisions in a sharper, quicker and more effective manner."

Under a Police, Fire and Crime Commissioner (PFCC):

- Joint working between fire & rescue and police will be simpler, faster and better.
- Better joint working will mean more efficient services.
- Improved efficiency can release £10 million over 10 years.
- Financial benefits will be reinvested in frontline services to improve public safety in our communities.
- The fire & rescue service will retain its cultural identity and gain operational and financial independence.
- Independence will mean greater transparency and accountability over where your money is spent.

The PCC believes this is a much better way of working for a safer Norfolk and is keen to know what the Norfolk public, key stakeholders and partner agencies think.

"Let me be 100% clear - I'm not interested in merger," he said.

"We are talking about two distinct services with distinct cultures, histories and traditions. That would not change. But a change of governance would allow us to do even more to make our communities even safer.

"It is important that I now hear the views of the people of Norfolk and key partners before I make any final decisions. I await their views with interest."

The 'A Case for Change' consultation will run until Wednesday 5 September 2018.

People can have their say by taking the online survey at www.norfolk-pcc.gov.uk or by sharing their views with the PCC by phone on 01953 424455, email to TellLorne@norfolk.pnn.police.uk or letter addressed to PCC Lorne Green, OPCCN, Building 8, Jubilee House, Falconers Chase, Wymondham, Norfolk, NR18 0WW.

The PCC will also be spending time in locations around the county over the next eight weeks speaking to local communities and gathering feedback on the proposal.

A Case for Change

A better way of working for a safer Norfolk

Business case for changing the governance of
the Norfolk Fire and Rescue service

Published July 2018



OFFICE OF THE POLICE & CRIME
COMMISSIONER FOR NORFOLK

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Glossary of key terms

APACE	Association of Police and Crime Commissioner Chief Executives
CFOA	The Chief Fire Officers Association
CIPFA	Chartered Institute of Public Finance and Accountancy
IRMP	Integrated Risk Management Plan (for NFRS)
NFCC	National Fire Chiefs Council
NFRA	Norfolk Fire and Rescue Authority
NFRS	Norfolk Fire and Rescue Service
OPCC	Office of the Police and Crime Commissioner
PCC	Police and Crime Commissioner
PFCC	Police, Fire and Crime Commissioner
VFM	Value for Money

The Case for Change

Executive summary

My vision

Foreword

The future of fire governance in Norfolk

One of the most rewarding things about being Police and Crime Commissioner for Norfolk is travelling our great county and getting to hear people's views and opinions on all things relating to policing and criminal justice. One of the clear themes to emerge from my public engagements over the past two years has been a wish to see more joint working among public authorities and services. People say that duplication of time, effort and resources often makes little sense at all – I agree.

There are some great examples of joint working already underway across Norfolk. My own #Impact campaign, aimed at making younger drivers safer on our roads, is unique in that it is delivered by Norfolk Fire and Rescue Service, Norfolk Constabulary and the East of England Ambulance Trust. Funded and co-ordinated through my office #Impact has educated thousands of young drivers at schools and colleges across Norfolk; an example of partnership working at its best. We have mental health nurses based in the police control room, making a genuine difference and changing lives every day. There are examples of some buildings being shared by our blue light services. I was delighted to be able to provide land and assets to make a new fire station at Downham Market a reality, further enhancing collaboration between our police force and fire and rescue service. However, whilst there are examples of some good work, if we are honest the successes in terms of collaboration have too often been slow, patchy and complicated. Currently we have a PCC holding the police to account, whilst the fire and rescue service is part of Norfolk County Council - meaning twice the governance. Two lots of governance frankly does not make sense, certainly not when it comes to quick and effective decision making. One of the real benefits of the role of PCCs is that it is not hampered and delayed by a complex structure of committees, sub committees and immovable meetings. PCCs can make informed, evidence-based decisions in a sharper, quicker and more effective manner.

In January 2017 a new legal duty for the three main emergency services to collaborate was enacted by Parliament. This legislation provides PCCs with the opportunity to explore whether collaboration could be made simpler, faster and better, with specific reference to police and fire and rescue.

For me this was the catalyst for change.

For me the choice was clear.

As a public servant why wouldn't one explore every possibility of delivering public services in the most effective, most efficient and most economical way? That is why I commissioned an initial report into whether a change in how our county's fire and rescue service was governed could deliver genuine benefits for the people of Norfolk and for our emergency services. Could we cut duplication and bureaucracy, reinvigorate collaboration and move joint-working further and faster? The answer from the independent experts was yes. They concluded it was worth carrying out a more detailed analysis in the form of a Full Business Case – and here it is.

The conclusion of the Full Business Case is clear – there makes a powerful case for change. A change of governance would allow collaboration between our fire and rescue service and police force to go much further and at a faster pace. Bureaucracy would be cut, duplication of governance would be cut and efficiency would be improved. Efficiencies gained over time would be ploughed straight back into frontline services. There would be greater transparency, greater dedicated focus and greater access for the public to hold their fire and rescue service to account. If we seriously want to bring about real change to achieve better outcomes for the people of Norfolk then we must be prepared to do things differently. To my mind the governance of fire and rescue sits better alongside the governance of a fellow emergency service, rather than alongside libraries, museums, archives, arts and events as at present. Such a move would not adversely affect the positive and valuable working relationships the fire and rescue service enjoys with key departments at Norfolk County Council – why would it? Norfolk Constabulary manages to maintain such relationships perfectly successfully as a separate body, as do many other partners.

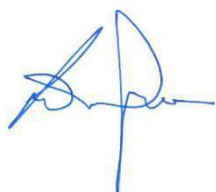
A huge amount of work has gone into preparing this business case. My thanks go to all those who have worked on making this, such a thorough analysis; including officers at Norfolk Fire and Rescue Service and their colleagues at Norfolk County Council, those at Norfolk Constabulary and within my small but dedicated office. Their work has highlighted serious opportunities for more effective and efficient working which would allow us to release money over time and allow us to do more to boost the safety and resilience in communities across Norfolk.

There are a couple of areas where I want to be crystal clear however. Firstly I do not, and never have, seen fire governance as a political issue. This is about getting the very best for the people of Norfolk and our emergency services and should not be about political point scoring; it is far too important for that. That is why I have always said I would be guided by the evidence and the evidence alone.

I also want to be 100% clear that I'm not interested in merger. Even with a change of governance, firefighters would remain firefighters and police officers would remain police officers. We are talking about two distinct services with distinct cultures, histories and traditions; both are rightfully proud to serve. That would not change and the two services would continue to retain their unique identities, roles and finances - one service's savings would not fund the other for example. However, I do believe that by sharing oversight and making the lines of governance much simpler and clearer, both services can work better together and achieve and deliver much more for the people of Norfolk.

My message is clear; a change of governance would allow us to do even more to protect the vulnerable and make our communities even safer. However, it is important to me to hear the views of the people of Norfolk, key partners and stakeholders and those within our emergency services. I will be holding an extensive consultation over the coming weeks to gather opinions and feedback and this will help me decide whether, ultimately, to submit a case for change to the Home Secretary. I await your views with interest.

Thank you



Lorne Green, Police and Crime Commissioner for Norfolk

The case for change

Executive Summary

1.1 The proposal

It is proposed that Norfolk should adopt a new Governance Model for Norfolk Fire and Rescue Service (NFRS). There are significant benefits in terms of improving public safety and making efficient use of resources.

It will also provide a new level of financial and strategic independence for NFRS, by moving it out of the control of Norfolk County Council and giving the service control of its own finances. Closer collaboration has the potential to unlock over £10m worth of financial efficiencies over the next 10 years. The intention is to enable the Chief Officers to re-invest in the service, people, training and development, as well as offering financial resilience for the future and covering any costs of transition.

The importance of NFRS unique identity, its history and its reputation in the community is fully appreciated and recognised. This is a key asset on which the success of this change will be built. The proposal will seek to further empower NFRS by giving it control over its funding and making the development of the service a key priority. The core roles of fire and police will remain distinct and separate; it is fundamental to this proposal that it also serves to break down cultural barriers and make sure that the community benefits from closer collaboration between the services, in those areas where it can make a real difference.

The PCC would become Norfolk Police, Fire and Crime Commissioner (PFCC) and take over the governance responsibilities of the Fire and Rescue Authority from Norfolk County Council – a role that would remain distinct and separate from the duties of the Police and Crime Commissioner. The Norfolk Fire and Rescue Authority (NFRA) would still remain, that does not change, but the PFCC would oversee both the Fire and Police service. The PFCC would then delegate strategic, financial and operational management responsibilities to the Chief Fire Officer. In many ways, the new organisation will more closely resemble a stand-alone ‘Combined Fire Authority’ model that has been used elsewhere in the country for many years.

The PFCC will be able to work directly with the Chief Fire Officer and the Chief Constable to set common strategic goals for collaboration and investment in emergency services. Both Chiefs will be held to account in making sure that benefits to the Community are realised as planned and in the shortest possible timetable. A unified strategic approach, with clear lines of responsibility and decision making, will make it easier to work with other partners, including other blue light services. This will enable a truly unified approach to providing emergency services in Norfolk in the future, directly accountable to the electorate improving accountability compared to existing structures.

1.2 The status of this document

This draft business case sets out the details of the proposal to adopt the new Governance Model for the Fire and Rescue Service and explains why this is the best option for Norfolk. The proposal is based on the Government’s statutory test of being in the interest of improving economy, efficiency and effectiveness, while maintaining and where possible improving public safety.

This case has been prepared for the PCC in the first instance, to enable him to make a decision on whether to proceed with the proposed option for the development of the Norfolk Fire and Rescue Service. This follows on from an initial options appraisal that was carried out in the summer and autumn of 2017, and reported in January 2018, which indicated that the adoption of the Governance Model could offer additional benefits to the people of Norfolk.

If the PCC decided to proceed to the next stage, the draft business case will be issued for formal public consultation in Norfolk, to gather the views of local public sector partners. The business case will be updated to reflect any queries or amendments that arise from the local consultation.

The updated document will then be reviewed again by the PCC, alongside the views of local people and other partners. The PCC will then make a final decision on whether or not to proceed with the proposal. If the decision is positive, the business case will be submitted to the Home Office for review and approval.

At the request of the PCC, this business case has been prepared by the Office of the Police and Crime Commissioner for Norfolk with support on the preparation of the document provided by Grant Thornton UK LLP. The information and analysis contained within this document has been prepared and validated by senior officers and representatives from the Norfolk Fire and Rescue Service, Norfolk County Council and Norfolk Constabulary. As part of the challenge process, an expert panel (which included Sir Ken Knight alongside senior police and fire sector leads for Grant Thornton UKLLP) reviewed the document and provided feedback.

1.3 The opportunities presented by the Policing and Crime Act 2017

The Policing and Crime Act 2017 includes provisions that enable Police and Crime Commissioners to take on responsibility for the governance of local fire and rescue services, where a local case is made. This local case needs to appear to the Secretary of State to be in the interest of economy, efficiency and effectiveness, or public safety – these are statutory tests set out in the legislation. The legislation also puts in place a statutory duty to collaborate for police, fire and rescue and ambulance services.

As a result of this new legislation the Office of the Police and Crime Commissioner (OPCC) for Norfolk worked with Grant Thornton UK LLP to explore the options and evaluate the potential benefits of a change in the governance. After due consideration of this assessment, further work was undertaken to explore the viability of a proposed business case for Option 3, the 'Governance Model'. The outcome of that work has resulted in the development of this document.

The Policing and Crime Act 2017 enables the following options:

- **Option 1 (Enhanced Voluntary Collaboration)** - Continue with the Fire and Rescue Authority as part of the County Council and continue to try to drive additional benefits from voluntary collaboration.
- **Option 2 (PCC Representation Model)** - Continue with Norfolk Fire and Rescue Authority as Norfolk County Council, but with the PCC becoming a member of the Fire and Rescue Authority as embodied by the Council's Communities Committee. The Act permits voting rights where the NFRA agrees.
- **Option 3 (PCC Governance Model)** - Disaggregate the Norfolk Fire and Rescue Authority and NFRS from Norfolk County Council and set it up as an independent entity under the Police, Fire and Crime Commissioner, alongside the OPCC. Norfolk Constabulary would remain in its current form under the Chief Constable.
- **Option 4 (Single Employer Model)** - Disaggregate Norfolk Fire and Rescue Authority from Norfolk County Council and set it up as a separable operational unit within Norfolk Constabulary under the Chief Constable. Governance and strategic direction for the new organisation will be undertaken by the Police, Fire and Crime Commissioner at arms-length.

1.4 How Norfolk will benefit from the change

The evidence, including the strength and weaknesses of each option has been assessed against each of the critical success factors of improving economy, efficiency and effectiveness. The conclusion is that by transferring NFRS from the County Council, so that it sits directly under the governance of the PCC, in the new role of Police, Fire and Crime Commissioner offers the best balance of benefits and value for money, while also being practical and deliverable. This is referred to in this business case as the Governance Model.

The new Governance Model is expected to deliver a number of meaningful operational and financial benefits to the community, over and above what can be achieved through voluntary collaboration, or through PCC membership on the Fire and Rescue Authority alone.

Benefit to the service and to the public	Where to find out more?
<p>1 <i>Better collaboration between NFRS and Norfolk Constabulary, means more efficient services. This in turn will free up resources that can be reinvested where they are most needed – to the front line, protecting the community and helping prevent emergencies.</i></p> <p>The analysis shows that there are many opportunities for NFRS and Norfolk Constabulary to work together on operational priorities where there is common ground, such as protection, prevention and community safety, and how the response to emergencies is coordinated.</p> <p>The Fire and Police Collaboration Board last met in early 2017 and prior to this it had worked to identify a range of potential collaboration ideas, including in regard to the control room and co-location at a number of sites. Voluntary collaboration under current arrangements has made some good progress. However opportunities can be developed further and faster under the proposed new Governance Model, while continuing to work closely with Norfolk County Council.</p>	<p>The Public Safety Case (p59-67) sets out the opportunities to collaborate and how resources can be released for re-investment.</p>

	Benefit to the service and to the public	Where to find out more?
2	<p><i>There are significant financial as well as operational benefits that can be achieved through better collaboration under the new model.</i></p> <p>Since the original options appraisal, further detailed work has identified significant additional financial benefits. These potential benefits arise from being able to go further and faster in developing opportunities for efficiency, than is possible under voluntary arrangements.</p> <p>Under this proposal it is estimated that over £10m worth of efficiencies can be generated over the next 10 years, primarily from accelerating the programme of co-location and collaborative solutions to the operational response.</p> <p>The financial resources that are identified can then be reinvested in services and focused on priority areas, to help provide protection from future financial pressures and cover the cost of transition to the new arrangements. This can all be achieved from making better use of assets and other resources, and therefore no need for compulsory redundancies as a direct result of this business case. The benefit comes in part, from deploying more people to the front line where they are most needed and taking the opportunity to reduce a limited number of posts through vacancies or through retirement if and when these opportunities arise.</p>	<p>The Economic Case for the new Governance Model (p33-58) sets out the potential value of financial efficiencies, with further details provided in the Public Safety Case (p59-67).</p>
3	<p><i>Better collaboration takes determination and focus to achieve, and the new Governance Model will put collaboration between Norfolk Fire and Rescue and Norfolk Constabulary at the centre of a new Police, Fire and Crime Plan that incorporates the strategic aims of both services.</i></p> <p>It will also create a single strategic link between fire and police services, making collaboration easier across the full range of blue light services. Collaboration will not be constrained by the Norfolk boundary, and where it makes sense to do so, the strategy will be to continue to look for opportunities across county boundaries.</p> <p>Progress under the current model, has not developed as far and as fast as it could have done, as fire and police have had to find common ground between two different strategies and sets of governance arrangements. As one of many Council services the NFRS has also had to align to the overarching strategy of Norfolk County Council.</p>	<p>The Strategic Case sets out why Strategic alignment could be a ‘game changer’ (p31) and this is explored further in the Economic Case under Effectiveness, (p48).</p>

	Benefit to the service and to the public	Where to find out more?
4	<p><i>The Police, Fire and Crime Commissioner will be able to hold both the Chief Fire Officer and Chief Constable to account for making sure that collaboration opportunities are fully explored under a common agenda.</i></p> <p>This will help ensure that the public get the maximum impact from the services they fund. The PFCC would in turn be directly accountable to the public for NFRS performance, and Norfolk Police and Crime Panel would expand its remit to include the Fire and Rescue service and provide scrutiny to the PFCC's role.</p> <p>Under current arrangements, it is difficult for the Chief Officers to be held to account for driving collaboration as there is no common strategy and they are held to account by different governance structures.</p>	<p>Accountability is a key feature of the Economic Case under Effectiveness, (p48).</p>
5	<p><i>The PFCC will also have ultimate control over the assets of both organisations, in addition to being able to help shape strategic priorities. Therefore strategic decisions can be made faster, more cost effectively with only one governance process.</i></p> <p>Faster decisions mean that efficiency benefits can be delivered earlier, increasing the total benefit that can be generated over the next 10 years and beyond.</p> <p>Currently, major collaboration decisions pass through at least two sets of governance and review, and require at least two decision makers to agree.</p>	<p>Streamlined decision making is also a key feature of the Economic Case under Effectiveness, (p48).</p>
6	<p><i>The new Governance Model will protect and enhance the distinct identity and traditions of NFRS. The reputation of Norfolk Fire and Rescue is a key asset for the community and under this proposal the profile of the service will be raised and financial independence secured.</i></p> <p>Collaboration does not mean integration and there are important cultural and operational differences between Fire and Rescue and police that are integral to their different roles in the community.</p> <p>NFRS would be reconstituted as a separate organisation under the new model, providing genuine operational autonomy and strategic empowerment to NFRS through financial independence and a new HQ location for NFRS on the Wymondham site. The Chief Fire Officer would be given formal delegated authority for NFRS operations and budget.</p>	<p>The identity of NFRS, is seen as a key part of the Economic Case under Effectiveness (p48)</p>

	Benefit to the service and to the public	Where to find out more?
7	<p><i>Under the new Governance Model NFRS would gain full control over its budget which, for the first time, will be ring-fenced to fund FRS services only.</i></p> <p><i>The analysis suggests that based on current government funding projections and potential risk of having to make savings to cross subsidise other Council services, NFRS will be able to secure its financial position for the medium term. This will also allow greater transparency over how your money is spent on NFRS.</i></p> <p>Funding will be through government grant and a share of business rates and the PFCC will also raise funding for NFRS through an FRS precept, through the Council tax collection process. The precept can be increased each year, subject to a case being made by the Chief Fire Officer. The PCC will also have discretion to supplement funding from the Commissioning Budget for specific projects.</p> <p>As part of the new arrangements under the new governance option, the PFCC will, from the 1st April 2020, commit to set up a grant fund of £100k per annum. This will be to support NFRS to develop and deliver collaborative community safety projects to address the root causes of demand for fire and rescue services and improve public safety. The fund would be available to locality leads to develop initiatives in partnership to address local issues and respond quickly and effectively to concerns.</p> <p>Under the current model, NFRS is funded from within Norfolk County Council budget, but has no ring-fenced funding stream of its own. Norfolk County Council, along with many other public sector bodies, is having to work hard to maintain its financial position and will inevitably have some difficult decisions to make – specifically in continuing to protect the NFRS budget, while it faces increasing demands to divert funding to other priority services.</p>	<p>Financial control and resilience are key features of the Economic Case, under Economy and Efficiency (p40) and are explained further in the Financial Case (p77-85).</p>

1.5 The sections within this business case

This business case comprises a number of sections which together provide detailed information on all aspects that need to be considered in developing the proposal to adopt the Governance Model. The following summary sets out the purpose of each section and the key messages.

Section 2 - Strategic Case: Why things need to change

This section sets out the outline strategic case in order to determine if there is enough evidence to justify a change in governance arrangements for NFRS in regard to the wider strategic environment.

- **Drivers for change** - Public finances are under pressure across the country and, at the same time demand for services is growing, and Norfolk faces the same challenges. Public services, including fire, are ultimately paid for through taxation on a local or national basis, but there is a limit to what the public is willing or able to pay. It is therefore vital that public services in Norfolk are run in a way that maximises the value from each pound spent, while at the same time delivers the level of service that people need now and in the future.
- **There is a national agenda to reform fire and rescue services** - The National Fire Chiefs Council (NFCC) and its predecessor the Chief Fire Officers Association (CFOA) and other leaders within fire and rescue, have long recognised the need for reform within the sector and the process has been gathering momentum for a number of years, in the context of continuing pressure on public finances.
- **The Policing and Crime Act 2017 presents an opportunity** - The Policing and Crime Act 2017, reflects the government's commitment to reforming fire and rescue services. It received royal assent on 31st January 2017. The Association of Policing and Crime Chief Executives (APACE) has issued guidance on how the Act should be interpreted and applied locally.
- **New governance models are already emerging** - Norfolk would not be alone in adopting a change in governance as the first wave of reform has already taken place. Since the Policing and Crime Act 2017 came in to force at the start of the current year, a number of PCCs have started to implement the new Governance Model for fire and police services.
- **Norfolk is a dynamic place with its own challenges** - Norfolk has a complex public sector landscape which makes effective collaboration and the alignment of strategy particularly challenging which in turn has an impact on the potential for financial efficiencies and the speed of decision making. In addition, the County is large in terms of geographic area and primarily rural, outside of the major towns and the City of Norwich. Emergency services have to be organised so that all areas can be reached within a reasonable response time. It is therefore key that any future model of governance should address the need for a common strategic approach to deploying resources.
- **Norfolk County Council has its own strategic priorities** - Norfolk County Council delivers a wide range of services and NFRS is a comparatively small component of Council operations and its wider strategy. NFRS is funded from within Norfolk County Council budget, but has no ring-fenced funding stream of its own. Norfolk County Council, along with many other public sector bodies, has to work hard to maintain its financial position.
- **Norfolk Fire and Rescue recognises the value of collaboration** - NFRS has recognised the need to drive efficiency, economy and effectiveness through collaboration with other partners, including police. FRS leaders recognise that demand continues to shift away from a conventional fire-fighting role, but is increasing in areas such as road traffic collisions and community safety, which tend to involve a multi-agency response. Therefore working more closely with police, alongside all public sector services, has become much more important and relevant to the modern service in recent years.
- **Under the PCC, Norfolk Constabulary is modernising its service** - Norfolk Constabulary has delivered change at a notably fast pace. At the same time, its effectiveness at keeping people safe has been judged as 'good' and its efficiency in doing so is 'outstanding', by Her Majesty's

Inspectorate of Constabularies and Fire and Rescue Services (HMICFRS). This shows that ambitious service development has already been delivered efficiently and effectively under a PCC style governance arrangement in Norfolk; a similar approach could be adopted for the development of NFRS. New inspection arrangements (HMICFRS) are a key driver to change; the PCC has current experience and a governance structure in place to oversee performance improvement after inspections to support the Fire and Rescue service.

- **Current collaboration arrangements provide a good starting point** - Norfolk Constabulary and Norfolk Fire and Rescue have already made progress with voluntary collaboration in areas such as co-locating the control rooms and developing shared estates. NFRS and Norfolk Constabulary also currently have significant collaboration arrangements with other partners, which could benefit both. There is therefore a strong platform to build further collaboration benefits. As a subscriber to the APCC, Norfolk has representation on the National Emergency Services Collaboration Working Group and is therefore able to seek support and assistance at a national level. This group also has representation from the Health Sector, providing increased scope to drive learning from emergency services in Norfolk.
- **There are more potential collaboration benefits but they are getting harder to realise under the current model** - There is a feeling from some fire and police stakeholders that some of the flagship examples of collaboration mentioned above have taken time to develop and have not yet led to the significant interoperability or joint working benefits that could have been achieved. More could be achieved but it has been challenging to drive the local collaboration agenda further forward under current arrangements.
- **Better strategic alignment could be a game changer** - Fire and Rescue and Police have similar characteristics in terms of local strategic priorities and a focus on delivering emergency services. This has significant advantages in terms of enabling the public to hold the organisations to account for delivering against one strategy. The ability of a single governance arrangement to focus time and effort on service delivery will help improve the efficiency and effectiveness of both services.

Section 3 – Economic Case: Why a change in governance is the best option

The purpose of this section is to demonstrate that any proposed change in fire governance optimises value to the public. These qualities are evaluated in the form of an options appraisal.

In order to assess the four options (see section 1.3 above) in a structured and fair way, they have been articulated in the form of Critical Success Factors (CSFs), which reconcile to the methodology set out in the APACE guidance as follows:

- **CSF 1 Economy and efficiency** – the estimated net financial impact of the option against the baseline of current arrangements and the extent of cost savings. Because both of these elements are closely interrelated, they have been combined for the purposes of this evaluation.
- **CSF 2 Effectiveness** – the impact the option could have on operational outcomes for both fire and rescue and police services.
- **CSF 3 Public safety** – In the APACE guidance this is defined in binary terms as to whether or not there are overriding public safety consideration that could require a governance change in its own right (it may not be necessary to demonstrate an economic case if the case is being made on public safety grounds). This has been augmented with consideration of the extent to which public safety can be maintained.
- **CSF 4 Deliverability** – ‘ease of delivery’ is also included as a Critical Success Factor in the APACE Guidance, but the exact definition has been left open. For the purposes of this evaluation, it has been taken to mean the level of risk involved in effecting change.

Having assessed the evidence and the strength and weaknesses of each option against each of the Critical Success Factors, this business case takes the view that transferring NFRS from the County Council to sit directly under the PCC (Option 3) – the Governance Model - offers the best balance of benefits and risks.

Option 3 will deliver a number of meaningful operational and financial benefits to both the organisations involved and the communities they serve, while still being practical and cost efficient to deliver.

Figure 1 – Summary of the Options Appraisal

CSF	Option 1 Enhanced Voluntary Collaboration	Option 2 Representation model	Option 3 Governance Model	Option 4 Single employer model
Economy & Efficiency	Moderate additional financial benefit	Moderate additional financial benefit	Significant additional financial benefit	Optimum financial benefit
Effectiveness (Improving Public Safety)	Moderate improvement in effectiveness	Moderate improvement in effectiveness	Optimum improvement in effectiveness	Significant improvement in effectiveness
Maintaining Public Safety	No threat to public safety	No threat to public safety	No threat to public safety	Some risk to public safety from disruption
Deliverability	Minimal change proposed	Minimal change proposed	Straight forward to deliver under an effective transition plan	High risk of failure to deliver
Overall assessment	Moderate additional benefit over current model	Moderate additional benefit over current model, but with more complex governance	Strongest option offering the best balance of additional benefits while minimising risk	Significant financial benefit but effectiveness and public safety affected by difficulty of delivery
Ranking	2nd	3rd	1st	4th
Total financial benefit	£5.3m	£5.3m	£10.0m	£14m
Net Present Value of benefit	£4.7m	£4.7m	£8.6m	£11.8m

Section 4 – Public Safety Case: How public safety will be improved

In this section a range of potential collaboration benefits are set out that offer a real opportunity to improve the depth and scope of emergency services provided. These are areas that have been suggested by NFRS and Norfolk Constabulary stakeholders, however the potential benefits have taken time to be realised or have not been fully explored under existing collaboration arrangements.

The new Governance Model will enable the optimum benefit of the potential collaboration opportunities to be realised for the benefit of the people of Norfolk – with the Chief Officers held to account by the PFCC for delivery under a new Police Fire and Crime Plan and scrutinised by the Police Fire and Crime Panel. In addition to the financial benefits and the overall effectiveness of the governance structure, it is also important to consider the operational benefits that a change in governance could offer to both front line operations and to supporting services.

The analysis suggests that there is significant scope to drive further benefit from FRS-police-collaboration, but this is not fully explored in current strategic plans. This reflects the difficulty under the existing structure, of having to align two or more competing sets of strategic priorities and the challenge of moving on from the purely collaborative opportunities already realised, towards closer interoperability between police and FRS teams, where this is possible and would drive greater public benefit.

The decision to change the model of governance acknowledges the wider opportunities for collaboration that exist with other partners. This includes current initiatives undertaken by the National Fire Chiefs Council to look at a national procurement and workforce planning. There are other significant local opportunities, notably with other FRS services (e.g. Suffolk) and East of England Ambulance Service, but current plans are in the early stages of development.

Effective collaboration with Norfolk County Council is also not dependent on the current structure, and the assumption is that service contributions to social care, and other Council priorities would continue under the new Governance Model, as business as usual.

There are a broad range of collaboration opportunities, centred around the theme of Community Safety which includes the prevention and protection agendas. There is also significant scope to collaborate around the way that fire and police organise and develop their resources and respond to emergencies. The following reflect key areas for development based on the analysis so far:

- Protection, Prevention and Community Safety.
- Control Room.
- Co-location and joint responding.
- Resource planning.
- Commercial revenue and training.
- Support services.

Section 5 – Commercial Case: How people and resources will be transferred

This section of the business case looks at some of the practical considerations that will form part of the transition to the new Governance Model.

Overall, while there are many commercial aspects that will need to be carefully planned and managed for the transition to the new model is both deliverable within a relatively short timescale, and will cause minimum disruption to front line services. Significant work is planned for the implementation stage, which would follow Home Office approval for the new Governance Model. This includes obtaining legal and other specialist advice required to transfer the following areas of operations to the new NFRS organisation (in terms of budget, function and/or personnel). A key aspect will be the transfer of staff which will be done under TUPE regulations. TUPE refers to the "Transfer of Undertakings (Protection of Employment) Regulations 2006" as amended by the "Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014":

- Estates transfer, ownership and valuation.
- Human Resources and TUPE transfer.
- Information technology.
- Finance.
- Procurement and transfer of commercial contracts.

Section 6 – Financial Case: How the new arrangements will be funded

This section sets out how the new organisation will be funded and with a high level financial plan.

Overall, analysis of the financial case indicates that the new organisation will be affordable and sustainable in the medium to long term, based on current government funding projections and the projected share of council tax to be transferred. There are several areas where the view taken in this business case, differs from that of the financial solution put forward by Norfolk County Council, including the imposition of a share of savings allocated to the NFRS budget in their financial planning assumptions to help address the County Council's projected funding deficit.

The position taken in this business case is that the funding transferred should reflect the current cost of running NFRS, based on the current budget, and a share of back office support costs that are not included in the budget. At the same time, it is recognised that there is a need for a fair funding solution. These aspects will need to be addressed during the consultation and approval stages, should the decision be taken to proceed.

It is proposed that buildings and other assets that are deemed to be in operational use by NFRS will transfer to the PFCC as the FRA. This will include lease arrangements where applicable. These assets will continue to belong to the new FRA, and cannot be merged with those of the police, except where the PFCC and both Chiefs agree to proceed with co-location projects. The future capital programme will also be transferred and as is currently the case will be funded primarily through borrowing.

Section 7 – Management Case: How the change will be successfully delivered

This section sets out how the transition process will be managed to ensure that the move to set up the new Governance Model and the new NFRS entity is delivered to plan and on time.

Governance arrangements are being developed to deliver the new model to be overseen by the PFCC. The transition process and change programme will be managed through a Transfer Governance Board, and structured through a series of work streams. A project team would be developed by the OPCC to manage and implement the change programme. Fire officers will be integral to this process.

The PCC recognises the importance of an inclusive approach to the development of the business case and has engaged with key stakeholders throughout the process, to share progress and validate the information at each stage. The public consultation is part of the ongoing engagement with stakeholders that will continue throughout the process.

The transition programme will be governed by the PFCC and managed by the PFCC's CEO with support from the OPCC, and in close liaison between NFRS, NFRA, Norfolk County Council and Norfolk Constabulary. A Project Manager will be assigned to the programme, with additional business change support as required.

The likely timescales for implementation of the Governance model is approximately 14 months. This timeline is dependent on meeting Home Office deadlines for decision making. Subject to the Secretary of State making the Order, the ambition is to transfer on the 1st April, 2019, but it is recognised that this may need to take place later in 2019 in order to accommodate all the preparatory work and due diligence necessary to deliver the programme.

Following transfer, work will commence to realise the opportunities set out in this business case and a Police, Fire and Crime Plan will be developed that would set out how economy, efficiency and effectiveness could be improved in order to protect frontline services. Implementation of the changes will be underpinned by proactive benefits management arrangements to ensure that the identified benefits are realised

The equalities impact assessment found that the proposed governance changes will not affect – directly or indirectly – any particular group or sector of the community differentially.



Why things need to change

The strategic case

Why things need to change

The Strategic Case

2.1 The purpose of this section

This section sets out the outline strategic case in order to determine if there is enough evidence to justify a change in governance arrangements for the Norfolk Fire and Rescue Service.

2.2 There are many drivers for change

Public finances are under pressure across the country and at the same time demand for services is growing, and Norfolk faces these same challenges. Public services, including fire, are ultimately paid for through taxation on a local or national basis, but there is a limit to what the public is willing or able to pay. It is therefore vital that public services in Norfolk are run in a way that maximises the value from each pound spent, while at the same time delivers the level of service that people need now and in the future. Therefore the need to achieve better value for money underpins the need to change the way that emergency services are delivered in Norfolk.

The following drivers for change apply across the public sector and reflect the need for public bodies to constantly strive for better value for money in delivering services. These drivers apply directly to the provision of emergency services in Norfolk, where there is a need to:

(Efficiency and Economy)

- Minimise the cost of delivering Fire and Rescue and Police services to taxpayers, by improving efficiency.
- Increase the speed and depth of reform in order to stay ahead of demand and to ensure that the benefits of reform are achieved as early as possible.

(Effectiveness)

- Adapt to changing demands providing services that meet the present and future needs of the public, rather than those of the past.
- Provide the level and quality of service the public expects and needs, and engage with the public to make sure there is mutual understanding at local level.

(Public Safety)

- Maintain public safety while making best use of resources, by finding new and more efficient and effective ways of working rather than through cutting back services.
- Improve transparency and accountability, so that the public can hold officers and politicians to account for delivering services.

2.3 There is a national agenda to reform fire and rescue services

The National Fire Chiefs Council (NFCC) and its predecessor the Chief Fire Officers Association (CFOA), and other leaders within fire and rescue, have long recognised the need for reform within the sector and the process has been gathering momentum for a number of years in the context of continuing pressure on public finances.

Former Chief Fire Officer and government advisor Sir Ken Knight published his influential review 'Facing the Future' in May 2013. In particular, this review highlighted the potential barriers to reform posed by reliance on local political consensus rather than centrally, as this consensus can be influenced by a sentimental attachment to the FRS sometimes held by the public. There were a number of other observations, highlighting the need for reform:

- Differences in cost efficiency between different fire and rescue services
- Opportunities to improve efficiencies in deployment
- The benefits of streamlining governance structures
- Undue focus on the cost budget instead of focusing on service priorities
- The opportunities around 'interoperability' between emergency services

As part of the development of this business case, Sir Ken Knight was engaged to review and comment on this business case as part of an independent Expert Panel.

The Adrian Thomas Independent Review, on conditions of service for Fire and Rescue staff, published in November 2016, followed up some of the issues raised by Sir Ken Knight. This report also highlighted the inefficiency of current governance arrangements for fire and rescue, and the overly severe level of scrutiny faced by Chief Fire Officers attempting to reform their services. In addition, the report also drew out further opportunities for efficiency in workforce management.

In 2016 the Government set out its fire reform programme around the pillars of efficiency and collaboration, accountability, transparency, and workforce reform. A key development underpinning this programme was for the Home Office to take on responsibility for fire and rescue services, in addition to its existing oversight of police. In parallel with this, the former police regulatory body was transformed into Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (formerly HMIC now HMICFRS).

For their part, the Chief Fire Officers Association (CFOA) recognised a need for change and welcomed the government's announcement of the reform programme, with its focus on the prevention agenda and closer working between emergency services.

The Government has also announced a new Professional Standards body for the Fire and Rescue service. The PCC has valuable experience in working with Chief Officers to enable similar changes to professional standards in policing.

2.4 The Policing and Crime Act 2017 presents an opportunity

The Policing and Crime Act 2017, reflects the government's commitment to reforming fire and rescue services. It received royal assent on 31st January 2017. The Association of Policing and Crime Chief Executives (APACE) has issued guidance on how the Act should be interpreted and applied locally, and set out the rationale:

Closer collaboration between the police, fire and rescue and emergency ambulance services can bring real benefits to the public and help each service better meet the demands and challenges they face. Whilst there are a number of good examples of collaboration between the emergency services locally, as set out within the Emergency Services Collaboration Working Group's National Overview of Collaboration, there is a clear expectation from Government that more needs to be done by the services to ensure collaborative working becomes the norm.

Building on the Government's manifesto commitment to "enable fire and police services to work more closely together and develop the role of our elected and accountable Police and Crime Commissioners", the Policing and Crime Act 2017 ("the Act") introduces a number of measures to enable the emergency services to meet this ambition. These include:

- A new statutory duty on the police, fire and rescue and emergency ambulance services to keep opportunities to collaborate under review and to collaborate with one another where it is in the interests of either their efficiency or effectiveness.
- Enabling PCCs to be represented on their local fire and rescue authority(s) (FRA or their committees) with full voting rights, subject to the consent of the FRA.
- Enabling PCCs to take responsibility for the governance of their local fire and rescue service, where a local case is made, setting out how the transfer is in the interests of economy, efficiency and effectiveness, or public safety. This will provide more direct accountability to the public and accelerate local collaboration (the Governance Model).
- Additionally, providing for PCCs to delegate their fire and rescue functions and employment of fire and rescue staff to a single chief officer for both policing and fire to maximise the benefits of collaboration between the two services (the single employer model). Again, this would require a PCC to prepare a local case setting out how operating the single employer model will be in the interests of economy, efficiency and effectiveness or public safety.

The provisions in the Act are locally enabling, recognising that local leaders are best placed to identify what would work best in their areas. At the same time, the Government fully expects local areas to have carefully considered all opportunities for driving further collaboration between the Fire and Rescue services and Police. The options appraisal carried out in the next section of this business case, sets out how this has been considered in Norfolk.

Should a PCC wish to pursue governance of fire and rescue under either the governance or the single employer model, they are required to prepare a business case, consult locally on their proposals and submit their case to the Secretary of State. Where the Secretary of State is satisfied that the proposal is in the interests of economy, efficiency and effectiveness, or public safety, an order will be laid before Parliament giving effect to the chosen model of governance.

2.5 New governance models are already emerging

Norfolk would not be alone in adopting a change in governance as the first wave of reform has already taken place. Since the Policing and Crime Act 2017 came in to force at the start of the current year, a number of PCCs in other regions have started to implement the new Governance Model.

Essex Police and Crime Commissioner was the first to gain government approval for his business case to adopt the 'Governance Model'. The PCC took over the duties of Essex County Fire and Rescue Authority, from a committee made up of local authority elected members in October 2017.

Northamptonshire was close behind Essex and its business case was approved by the Home Office in April 2018. Like Norfolk, Northamptonshire FRS was part of the County Council and they faced very similar challenges to that of Norfolk County Council in terms of their concerns about asset transfer and the financial impact that a transfer to the PCC might entail. However, Northamptonshire FRS was highly supportive of the move to a new Governance Model under the PFCC and this was a key factor driving local consensus. Northamptonshire County Council then lent its support for the move as being in the best interests of the public.

A number of other Counties have also received approval to change the governance structure, including Cambridgeshire, Staffordshire, West Mercia approved in March 2018, and North Yorkshire, which received approval in June 2018.

2.6 Norfolk is a dynamic place with its own challenges

Norfolk has a complex public sector landscape which makes effective collaboration and the alignment of strategy particularly challenging which in turn has an impact on the potential for financial efficiencies and the speed of decision making. In addition, the County is large in terms of geographic area and primarily rural outside of the major towns and the City of Norwich. Emergency services have to be organised so that all areas can be reached within a reasonable response time. These two aspects need to be considered in parallel when it comes to the question of how to deliver emergency services efficiently, while still being able to provide the required effectiveness of response. It is therefore key that any future model of governance should address the need for a common strategic approach to deploying resources.

The public sector landscape in Norfolk is summarised as follows:

- Norfolk is governed under a two tier local government arrangement with Norfolk County Council working with seven local councils: Breckland Council; Broadland District Council; Great Yarmouth Borough Council; King's Lynn and West Norfolk Borough Council; North Norfolk District Council; Norwich City Council, and South Norfolk Council. All of these organisations have their own strategic priorities, decision making processes and need to work with fire and police.
- The FRS is a service within the County Council which falls within Norfolk County Council's strategy and financial plans, while also delivering its own Integrated Risk Management Plan.
- Policing in Norfolk is governed by the Police and Crime Commissioner and delivered by the Chief Constable. Policing and other crime related strategy is determined by the PCC's Police and Crime Plan.
- Ambulance services are provided by the East of England Ambulance Service which covers Norfolk, Suffolk, Cambridge, Essex, Hertfordshire and Bedfordshire, that adheres to the national NHS planning framework and local planning. The service covers a large geographical area covering 5.8 million people.
- Norfolk borders Lincolnshire, Cambridgeshire and Suffolk. Whilst Norfolk services only have responsibility for Norfolk, emergency services can and are provided better when collaboration between jurisdictions occurs.

Norfolk County Council provided an analysis of Norfolk across a wide range of measures through 'Norfolk's Story'. Some of the challenges for providing an emergency service in Norfolk relating to this analysis:

- Norfolk is a large rural county; covering over 2,000 square miles of which 93% is rural land.
- The population (est. as 892,900) is split between rural (49%) and urban (51%) fairly evenly.
- In urban areas there tends to be higher levels of demand, whereas in rural locations accessibility and distance can pose challenges. Striking the right balance of resource provision and how it is allocated is key to providing an efficient service.
- Norfolk has a large tourism industry. It is a crucial for supporting employment in Norfolk, particularly in Norwich, along the North Norfolk Coast, on the Broads and Great Yarmouth. For emergency services this can lead to increased demand in peak seasons for tourism.

2.7 Norfolk County Council has its own strategic priorities

Norfolk County Council delivers a wide range of services and NFRS is a comparatively small component of Council operations and its wider strategy. NFRS is funded from within Norfolk County Council budget, but has no ring-fenced funding stream of its own. Norfolk County Council, along with many other public sector bodies, is having to work hard to maintain its financial position.

In February 2018, Norfolk County Council published its Vision for Norfolk in 2021 and 'Norfolk Futures' Norfolk County Council's strategy for 2018-21. These documents set out a vision as follows:

- Building communities we can be proud of.
- Installing infrastructure first.
- Building new homes to help young people get on the housing ladder.
- Developing the skills of our people through training and apprenticeships.
- Nurturing our growing digital economy.
- Making the most of our heritage, culture and environment.

NFRS does not feature specifically among these strategic priorities.

It should be noted however, that Norfolk County Council's current leadership was elected in May 2017, and had a manifesto commitment of 'Protecting the front line (including Norfolk's fire and rescue service)'. This document pledged that the resources will be found to ensure that Norfolk Fire and Rescue Service is protected. The form this protection would take was not defined. The manifesto document also stated that Norfolk County Council will work with the Police and Police and Crime Commissioner to make Norfolk even safer.

Norfolk County Council's Budget Book for 2018/19 states that the County Council continues to spend just under £1.4 billion (gross) delivering vital services to Norfolk residents (with just under £400m allocated to schools). The Council has had to manage additional funding pressures of £386m from 2011/12 up to 2018/19. Within this overall spending level, in the coming year Norfolk County Council is investing in the budgets of adult social care and Children's services.

Norfolk County Council plans to deliver £79m over the period 2018-19 to 2021-22. This includes £30m of savings for 2018-19. The Council has identified further savings totalling £49m for the period 2019-20 to 2021-22. The Council's budget sets out a remaining shortfall of £95m, which will need to be addressed in the period 2019-22. It is acknowledged that this will require very significant engagement across the organisation to achieve.

In recent years, Norfolk County Council has protected NFRS from the full impact of savings requirements placed on other services, a policy that would be tested over the next 4 years under the current model. If NFRS was required to 'take its fair share' of this saving, Norfolk County Council has provided figures to suggest that a further £874k would need to be taken from NFRS budget in 2018/19 alone with the possibility of further savings in subsequent years. The FRS is already a comparatively low cost service and opportunities for further savings from budget reductions are likely to be limited, without developing the service model.

Norfolk County Council's priorities are reflected in its medium-term financial Strategy, which provides an indicator of where resources are focused. By this measure, Norfolk County Council has a total gross budget of just under £1.4 billion in 2018-19, 70% of which is spent on Adults and Childrens Social Care and Education, 21% on Communities and Environmental Services and the remaining 9% on corporate services. NFRS is included in the Communities and Environmental Services budget and accounts for approximately 2% of total Norfolk County Council's gross revenue spend.

The current NFRS budget reflects the significant savings and efficiencies Norfolk County Council has made since 2011/12 and is one of many Council services that have had to take a share of the significant reductions in central government settlement funding over this period. The County Council's future financial health will be tied to the county's prosperity and economic growth, making it ever more important for the County Council to build the infrastructure and generate the jobs that enable people to be more independent, with the support of the Norfolk and Suffolk Local Enterprise Partnership (LEP). Norfolk County Council asserted that it has sufficient financial resilience to be able to divert funds to NFRS if it decided to do so, as part of its ongoing responsibility to balance resource commitments to support its priorities.

2.8 Norfolk Fire and Rescue Service recognises the value of collaboration

NFRS have recognised the need to drive efficiency, economy and effectiveness through collaboration with other partners, including police. The service has been under pressure to make further savings to support Norfolk County Council's financial plans, but so far members have resisted major change, reflecting public fears about perceived cuts to the service. NFRS leaders recognise that demand continues to shift away from a conventional fire-fighting role, but is increasing in areas such as road traffic collisions and community safety, which tend to involve a multi-agency response. Therefore working more closely with police, alongside the other public sector organisations, has become much more important and relevant to the modern service in recent years.

Norfolk Fire and Rescue Authority's service plan and the overarching Integrated Risk Management Plan (IRMP) 2016-20 provides an overview of the challenges facing Fire and Rescue services in the County. In 2017 NFRS dealt with 8,000 incidents and the operational service was made up of approximately 288 whole-time fire fighters and 520 retained personnel, 42 fire and rescue stations, 53 pumping appliances (fire engines) and a range of specialist vehicles. The IRMP uses benchmarking evidence from 2014/15 to show that they are one of the lowest cost fire and rescue authorities in England, after a decade of efficiency savings. In the three year period 2011-14, they delivered budget cuts of £3.96 million (13%). Service performance is in the middle range. It is understood that the IRMP is currently under review.

Within the current IRMP, in response to Norfolk County Council's request to deliver further savings opportunities, the Fire and Rescue Service carried out a strategic review of NFRS's operations in 2016. Proposals were developed to reform the service, delivering savings of £2.35m over three years. But following public consultation on the budget proposals, Norfolk County Council decided not to proceed with £1.15m of service re-design options which would have resulted in safety standards continuing to be met but with fewer firefighters, fire appliances and fire stations. Fire also reduced proposed savings from support services from £1.2m to £0.9m, with the £0.3m re-invested in its service priorities. Funding from Council tax was increased so that services could continue to be provided without these reforms. The £0.9m revenue savings to be delivered in the current MTFP will come from purchasing assets to reduce the revenue cost of leasing, with other savings derived from sharing estates with Norfolk Constabulary. This illustrates the difficulty that the Fire and Rescue Authority will face, in whatever form it takes, in attempting to transform FRS and the importance of making a case that is acceptable to the general public.

In 2016 the Communities Committee set out a strategic vision for NFRS in 2020, which is referenced in the current IRMP. This recognises that public safety needs in Norfolk are changing, and their role is becoming more about preventing emergencies from occurring in the first place, through education, engagement with the public and collaboration with other services and the voluntary sector. Emergency response is more likely to be to road traffic collisions and other rescues, rather than fires, and resources need to adapt to these changing demands. Public consultation is in favour of a flood response capability, but there is a challenge to fund this non-statutory service.

The NFRS leadership recognises the value of collaboration in furthering this vision, and sees police collaboration as part of a wider network of collaboration across various public sector bodies. FRS - Police-collaboration is already underway in areas such as operational response, road safety and shared estate. The NFRS also works closely on co-responding and co-location with the East of England Ambulance Service. It also supports the County Council across a range of areas such as response to falls and other emergency calls for older people, prevention and community engagement. Collaboration within the wider FRS sector is also seen as an important area for future development, including opportunities for efficiency savings from consolidating support and other services on a national basis. The East Coast and Herts control collaboration between Humberside, Hertfordshire, Lincolnshire and NFRS also provides significant opportunities.

It is noted that the regulatory inspection for fire and rescue services is likely to become significantly more onerous as responsibility passes to the HMICFRS. This is expected to have potential resource implications for most FRS services nationally as it is the first time NFRS sector has been subjected to this level of review.

2.9 Under the PCC, Norfolk Constabulary is modernising its service

Norfolk Constabulary is recognised as one of the best performing forces in the country, and has delivered change at a notably fast pace. The Constabulary's effectiveness at keeping people safe has been judged as 'good' by Her Majesty's Inspectorate of Constabularies and Fire and Rescue Services (HMICFRS), and its efficiency in doing so is 'outstanding'. Maintaining a high quality police force and striving for improvement in preventing and responding to crime in the face of policing challenges and shrinking resources is a key objective for the Police service.

The Police and Crime Commissioner for Norfolk currently has a mandate to provide governance over police and related community services, holding the Chief Constable of Norfolk Constabulary to account – not least for delivering a high quality service and good value for money. The PCC is himself held to account by the Norfolk Police and Crime Panel comprising elected members from a cross section of local authorities across the County.

Norfolk's rurality creates particular policing challenges, including isolation, the theft of farm equipment, wildlife and heritage crime, managing the impact of large-scale tourism in the summer months and providing a service which efficiently and effectively meets the needs of rural communities as well as those in urban areas.

Norfolk Constabulary, as with many other police forces, is having to respond to major increases in domestic abuse and sexual abuse reports, drugs and supply offences and mental health emergencies.

The Chief Constable commissioned a review - known as Norfolk 2020. A detailed programme of work resulting in the announcement in October, 2017 of a new policing model which fundamentally changes the way policing is delivered in the County. It takes account of the shift in crime types, changes in policing demand and continuing financial pressures, as well as taking on the challenge of increasing policing visibility in response to public demands. This incorporates some elements of fire and police collaboration.

Norfolk Constabulary already collaborates effectively with Suffolk Constabulary, and there is a well-established shared back office that has driven considerable efficiencies. Further opportunities are being considered in regard to operational policing. In October 2015, the Chief Constables and PCCs of Bedfordshire, Cambridgeshire, Essex, Hertfordshire, Kent, Norfolk and Suffolk initiated the Seven Force Strategic Collaboration Programme (7F) with the aim of providing enhanced public service, value for money, efficiency, effectiveness and savings. The 7F Programme team is in the early stages of developing voluntary collaboration to deliver further benefits, revisiting areas where smaller scale collaborations have already delivered considerable savings.

2.10 Current collaboration provides a starting point

Norfolk Constabulary and Norfolk Fire and Rescue service have already made some good progress in driving out benefits from voluntary collaboration. Fire and police collaboration in Norfolk is advanced in regard to areas such as co-locating the Control Room and shared estates, with an effective working relationship between the two bodies. NFRS and Norfolk Constabulary currently have significant collaboration arrangements with other partners, which could benefit both. There is a feeling from fire and police stakeholders that some of the flagship examples of collaboration to date have been based on sharing estates and co-locating, but that this has not yet led to significant interoperability or joint working. There is nevertheless a strong platform to build further collaboration benefits.

As part of the analysis undertaken for the strategic case, the strengths and weaknesses of current collaboration arrangements, and opportunities and threats for the future of collaboration were assessed, drawing on the thoughts of leaders from both NFRS and Norfolk Constabulary via interviews and workshops. Their feedback is summarised below:

Figure 2 – SWOT Analysis

CURRENT STRENGTHS	CURRENT WEAKNESSES
<ul style="list-style-type: none"> Significant collaboration benefits already realised. Good relationships between stakeholders. FRS identity is protected. FRS budget cuts limited by Norfolk County Council in the last few years. Co-location of control room and some joint stations. Co-ordinated response on RTC and other areas. Supports Council Communities agenda. 	<ul style="list-style-type: none"> Further police/ FRS collaboration could be harder to realise. Limited forward programme for police/FRS collaboration. Police/Fire Collaboration Board no longer meets. Differing stakeholder risks and priorities can limit collaboration. Duplicating governance can slow joint decisions. Opportunities for trimming budgets now limited. Lack of synergy between current policing plan and IRMP.
FUTURE OPPORTUNITIES	FUTURE THREATS
<ul style="list-style-type: none"> Alignment of vision and joint strategy. Push collaboration further towards closer operational integration in selected areas. Closer operational and resource planning. Reduced duplication of effort to free up resource. Improve transparency and accountability. Opportunity to add impetus to service development. Better chance of managing financial pressures. 	<ul style="list-style-type: none"> Financial pressures continue to increase. Police and FRS look to own sector for collaboration, rather than joining a local cross-sector solution. Uncoordinated take up of multiple collaborations could be a barrier to local efficiency and agility. Service provision is cut, if efficiencies cannot be made. HMICFRS* inspection could add to financial pressure. Stakeholder relations could deteriorate and voluntary collaboration could unwind. Identity and reputation of NFRS put at risk.

**Note that Fire and Rescue are now subject to a formal inspection programme by the newly formed HM Inspectorate of Constabulary and Fire and Rescue (HMICFRS) – formerly HMIC, who have carried out inspections of police for many years.*

Shared estate

The FRS HQ has already relocated to Wymondham with a joint Police/FRS control room planned for autumn 2018, alongside the Norfolk Constabulary and the OPCCN, has been subject to some delay. There are two combined service response stations at Downham Market and Sheringham, accommodating Fire, Ambulance, Police and HM coastguard. There are also three shared operational stations at Holt, Attleborough and Reepham ready for planning submission with further opportunities identified.

Operational support

Closer working with the on scene management of emergency incidents, focused on having an agile response (e.g. to Road Traffic Collisions). A key objective of the joint control room is to improve the joint mobilisation of resources to individual incidents.

Specialist operations support

Collaboration between NFRS and Norfolk Police over areas such as Hazardous Materials (HAZMAT) identification, marauding terrorist firearms attack (MTFA) and confined space searches.

Community safety

There is ongoing collaboration between NFRS and Norfolk Constabulary on mental health awareness and referrals to healthcare professionals where vulnerability has been identified. A joint community safety strategy is under development between the respective services. A NFRS team member is being co-located with the Norfolk Police team.

Support services

Kings Lynn North Fire Station shares accommodation and services to maintain police vehicles, with police technicians on site to provide support.

Training and development

National initiatives, such as Joint Emergency Services Interoperability Programme (JESIP) training, MTFA training and shared use of the Bowthorpe fire training centre has been effective.

Police/Fire Collaboration Board

The fire and police Collaboration Board last met in early 2017. Stakeholders noted that this had lapsed partly due to falling attendance and a lack of prioritisation among some senior officers, and difficulties in reconciling differing strategic aims and outlook. Prior to this it worked to identify a wide range of potential collaboration ideas including:

- Shared estate.
- Community Safety.
- Operational support.
- Specialist operations support.
- Support services.
- Training and development.

2.11 There are further collaboration benefits but these are getting harder to realise under the current model

There have been some significant achievements in Norfolk, in regard to fire and police collaboration. However, there is a feeling among many stakeholders that a lot more could be achieved. It is clear that deeper collaboration requires closer strategic alignment between the partners and that the current voluntary governance arrangements have made this harder to drive forward.

This is in part due to having to accommodate different strategic aims and financial priorities. There is also some difference in the approach to collaboration of partners – for example, whether the main emphasis of collaboration should be national and sector focused (e.g. fire and fire), local and cross sector focused (e.g. fire and police), or whether a blended approach should be adopted. The lack of a single strategic vision for collaboration, and the resulting lack of impetus have contributed to ambitious flagship projects such as estates rationalisation and control room co-location being slow to progress.

As part of the work undertaken to support the business case a number of interviews took place with stakeholders from Norfolk County Council, Norfolk Constabulary, and Norfolk Fire & Rescue. Workshops were held to discuss support service collaboration, from the point of view of Norfolk County Council, and Norfolk Constabulary, and opportunities for further collaboration on frontline services. A key area that was addressed during these interviews and workshops was the current success of collaboration to date between the two organisations and how this could look in the future.

There was agreement across Police, and some FRS and Council stakeholders, that further police-FRS collaboration opportunities existed but that realising the benefit was getting harder. Voluntary collaboration arrangements had delivered much, but did have limitations that might be addressed by a change in governance:

- There is no single vision between the two organisations so resources are not always directed in the most efficient manner.
- There are pockets of good practice in Norfolk of fire and police collaboration but this is not necessarily being optimised.
- There is a lack of resources directed towards supporting collaboration. This is illustrated by the Fire and Police Collaboration Board no longer driving the agenda.
- Under current arrangements there must be a will to collaborate and resources are not always prioritised to support collaboration.
- There are further opportunities for greater collaboration but current pace of change is slow
- Co-location is an easy win but it should not represent the end goal for collaboration. It does not necessarily lead to co-working.

However, some other FRS and Council interviewees, expressed doubt that further significant FRS- police collaboration benefit would be facilitated by a change in governance, and it could distract from core FRS operations – in their view:

- Collaboration between police and NFRS in Norfolk is already very mature and they should be focusing on a wider range of collaboration, including with other FRS organisations nationally, not just locally in regard to police.
- Most of the main opportunities for police collaboration already taken or being developed and there was a risk of diminishing returns from expending undue effort and resources on areas on the fringes of core operational priorities for NFRS.

2.12 Better strategic alignment could be a game changer

Fire and police have similar characteristics in terms of local strategic priorities and a focus on delivering emergency services to the Communities of Norfolk. This allows the published public strategy to be much closer to the operational reality of the service being delivered. This has significant advantages in terms of enabling the public to hold the NFRS to account for delivering against the strategy.

Norfolk Fire and Rescue's Integrated Risk Management Plan (IRMP), sets out how NFRS protects businesses and jobs through fire safety and its operational response. It also protects infrastructure through safer communities and by supporting vulnerable people. The Police and Crime Plan, operates in similar territory and at a similar level of operational detail to the IRMP when setting out local priorities.

Wider County Council priorities could benefit from a more integrated and co-ordinated response from both NFRS and Norfolk Constabulary. For example, currently NFRS has a role in social care in providing fire safety checks to vulnerable residents. However, the effectiveness of this service could be enhanced, with limited additional resources needed, if it also included advice on crime protection and prevention within the same package.

Figure 3 – Analysis of Strategic Alignment

Priorities of the Police and Crime Plan	Vision and objectives of the NFRS Integrated Risk Management Plan	How they link together
Increase visible policing Increasing the number of volunteers; increasing opportunities for the public to engage; develop more positive relationships with community, including young people; give people opportunity to influence priorities, and increase public confidence and reduce fear of crime.	In 2020, Norfolk Fire and Rescue Service will be at the heart of community protection for Norfolk. To be trusted by the people of Norfolk.	In both cases this is driven by the public wanting to feel safe and secure in their communities, confident that the emergency services have the resources to be a visible and accessible presence. This includes volunteers, and community and youth engagement. A visible uniformed presence of either kind can make an important contribution to the public perception of their safety in their communities.
Support rural communities Prioritising rural crime and commitment to new ideas and joined-up approaches; increasing confidence of rural communities, and; increasing crime reporting in rural communities.	Deliver an all hazard emergency response, collaborate with other emergency services. "Our challenge is how we continue to provide a fire and rescue service in a large rural county with reduced resources...we need to make changes to improve the service we provide in rural areas..."	This is about making sure that resources are in the right place, in the context of a rural community spread over a wide geography. This level of coverage can be better managed if NFRS and Norfolk Constabulary complement rather than duplicate wherever possible, in terms of stations, vehicles and personnel.
Improve road safety Tackling dangerous driving through education and enforcement; reducing speeding in rural villages and communities, and; reducing killed and serious injury collisions.	Respond effectively and efficiently, reduce the impact of fires and other emergencies through advice, guidance and enforcement, multi-agency management of emergency incidents. "In planning for the future we must take account of the changing demands placed on the service with less calls for us to attend fires, but an increasing need for us to respond to road traffic collisions..."	This is a key area of current collaboration and an area of growing demand for service for both NFRS and Norfolk Constabulary, with both services emphasising education, guidance and enforcement.

Priorities of the Police and Crime Plan	Vision and objectives of the NFRS Integrated Risk Management Plan	How they link together
Prevent offending Tackling all forms of violence and abuse; reducing the number of domestic abuse incidents; work with partners to tackle anti-social behaviour; reduce reoffending by addressing underlying causes via collaboration and innovation, and reduce first offences and reoffending by supporting vulnerable young people.	Prevent fires and other emergencies happening through data analysis and planning to reach those most at risk in our communities. Our people will be respected as professional, able to operate independently, competently, and flexibly. "...our role is becoming much more about preventing emergencies from occurring in the first place, through education, engagement with the public and collaboration with other services and the voluntary sector".	<p>Prevention activity for fire and crime is different in terms of subject matter. But the methods used, such as use of intelligence and community engagement, are all common themes.</p> <p>In both cases, prevention is key to managing demand for services in future, and hence the cost of the resources needed. Wider collaboration is important for this work to be effective. Alongside ambulance services, as emergency responders with a strong local profile, NFRS and Norfolk Constabulary are best placed to get these messages across in the community.</p>
Support victims and reduce vulnerability Working to improve the overall experiences and outcomes for victims and witnesses; working in partnership to make those at risk less vulnerable to victimisation; working in partnership to deliver the appropriate response to those in mental health crisis; working in partnership to reduce the impact of drugs and alcohol on communities, and; supporting victims and witnesses to come forward for under-reported crimes	Reduce the impact of fires and other emergencies through advice and guidance and enforcement. "Working with partners - to improve the safety of vulnerable people and enabling them to remain in their homes including Mental Health, Social Care, Public Health and the Police.... We work with partners including Mental Health, Adult Social Care, Police, Age UK and Public Health to identify vulnerable people and receive referrals for those most vulnerable".	For NFRS there is arguably less distinction between perpetrators, vulnerable people and victims than there is with police activity. However, supporting victims and the vulnerable is an important part of improving outcomes for both NFRS and Norfolk Constabulary, and there is particular synergy in regard to mental health and other areas. As with prevention, this requires wider collaboration to be effective, including with Norfolk County Council. Both services have a common role as first responders and there is value in a common approach to subsequent community support.
Deliver a modern and innovative service Supporting the Police by giving them the tools they need to fight and reduce crime; improving information technology network connectivity and investing in new technologies, and; improving information-sharing across partner agencies.	We will collaborate with other emergency services and partners to find better ways to keep Norfolk safe. Councillors and officers have worked together on a strategic review of our Fire and Rescue Service to examine what services we should provide in the future and how best to do that... Operational delivery will be joined up seamlessly with the partners we work with on the ground..."	The Police and Crime Plan sets the agenda for a police force that recognises the need to innovate and modernise in order to meet future challenges. The same drivers for change are recognised in the vision for NFRS, with notable emphasis on needing to work ever closer with partner organisations. The focus on innovation and investment in new technologies is an area that both services will need to draw on.
Good stewardship of taxpayers' money. Delivering an efficient policing service, achieving value for money for all Norfolk residents; joining up emergency services and identifying opportunities for further collaboration, and; developing robust accountability frameworks and governance arrangements	"Our budget continues to reduce and we need to re-evaluate how we manage our resources to best effect within diminishing finances...We are one of the lowest cost fire and rescue authorities in England...Norfolk Fire and Rescue Service is a relatively well performing, low cost organisation...Wider collaboration is an area we expect to become more prevalent in future years. Norfolk Fire and Rescue Service will, in the interest of effectiveness and efficiency, continue to identify and develop partnership opportunities"	Both Norfolk Constabulary and the NFRS face significant financial challenges and will have to find a way to continue to deliver quality services and to meet local priorities, with less resource. Both organisations place major emphasis on collaboration in order to manage this. The ability of the public to hold both organisations to account will be an increasingly important feature. Without effective accountability, transformation in the public sector and the delivery of public priorities cannot be achieved. Without transparency, there can be no effective dialogue between the public and those in control of their public services, which can lead to misunderstanding and undermine support for change.

2.13 Conclusion – there is a strategic case for change

There is a clear strategic case to change the way that Norfolk Fire and Rescue Service is governed, providing it can be demonstrated that one or more of the available options could improve the ability of NFRS to collaborate with Norfolk Police to deliver services in future. This will be explored further in the following section.

Why a change in governance
is the best option

The economic case

Why a change in governance is the best option for Norfolk

The Economic Case

3.1 The options that were considered

3.1.1 The purpose of this section

The purpose of this section is to evaluate the different options open to the PCC under the Policing and Crime Act 2017. This has been completed in the form of an options appraisal. This section therefore provides an update to the initial options appraisal developed by the PCC and published in January 2018.

The previous section has shown that there is a strategic case to change the way that the Norfolk Fire and Rescue Service is governed. This potential improvement must then be measured in terms of the additional benefits over and above that which could be achieved under the current arrangements.

This section of the report looks at the specific options available under the Policing and Crime Act 2017. Each option will be evaluated to consider the extent to which it offers the best platform to drive better economy, efficiency and effectiveness for the benefit of Norfolk communities, while also protecting public safety.

In addition to delivering a net benefit, any preferred option must also be deliverable within a reasonable timeframe and cost, risk must be understood and able to be managed. The effort and investment required to implement the option must be proportionate to the additional benefits it offers.

3.1.2 The options

There are four options open to the Norfolk PCC are evaluated in this section – in each case the basic models outlined in the APACE guidance have been followed:

- **Option 1 (Enhanced Voluntary Collaboration)** - Continue with the Fire and Rescue Authority as part of the County Council and continue to try to drive additional benefits from voluntary collaboration.
- **Option 2 (PCC Representation Model)** - Continue with Norfolk Fire and Rescue Authority as Norfolk County Council, but with the PCC becoming a member of the Fire and Rescue Authority as embodied by the Council's Communities Committee.
- **Option 3 (PCC Governance Model)** - Disaggregate the Norfolk Fire and Rescue Authority and NFRS from Norfolk County Council and set it up as an independent entity under the Police, Fire and Crime Commissioner. Norfolk Constabulary would remain in its current form under the Chief Constable.
- **Option 4 (Single Employer Model)** - Disaggregate Norfolk Fire and Rescue Authority from Norfolk County Council and set it up as a separable operational unit alongside Norfolk Constabulary under a new a Chief Officer. Governance and strategic direction for the new organisation will be undertaken by the Police, Fire and Crime Commissioner at arms-length.

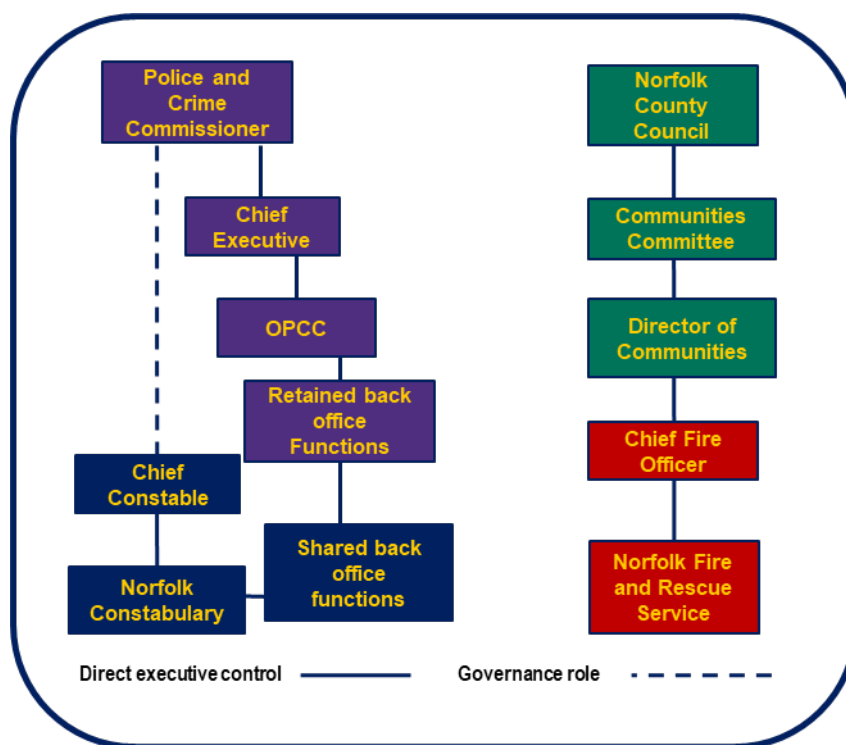
These options are discussed in more detail on the following pages.

3.1.3 Option 1 – Enhanced Voluntary Collaboration

In Norfolk, voluntary collaboration between police, fire and rescue, and ambulance services has made progress, particularly in areas such as co-location of support services and HQ. This is helped by co-terminal boundaries and good local relationships.

Option 1 would retain the current governance structure but collaboration arrangements could be refreshed and strengthened to enable further development of police-FRS collaboration opportunities.

Figure 4



The Policing and Crime Act 2017 (the Act) recognises the current diverse landscape of collaboration between Fire and Rescue and police across the country. In most regions, some degree of collaboration has evolved organically, founded on a variety of factors including:

- Good local relationships and dialogue between service leaders.
- Recognition of the opportunities to deliver better local services.
- Attempting to address funding reductions across public services.
- Recognition of the national agenda and best practice.

The Act formalises these arrangements by establishing a statutory duty to collaborate for police, fire and rescue and ambulance services. The specific requirements are for these bodies to:

- Keep collaboration opportunities under review.
- Notify other emergency services of proposed collaborations that could be in the interests of their mutual efficiency or effectiveness.
- Give effect to a proposed collaboration where the proposed parties agree that it would be in the interests of their efficiency or effectiveness.

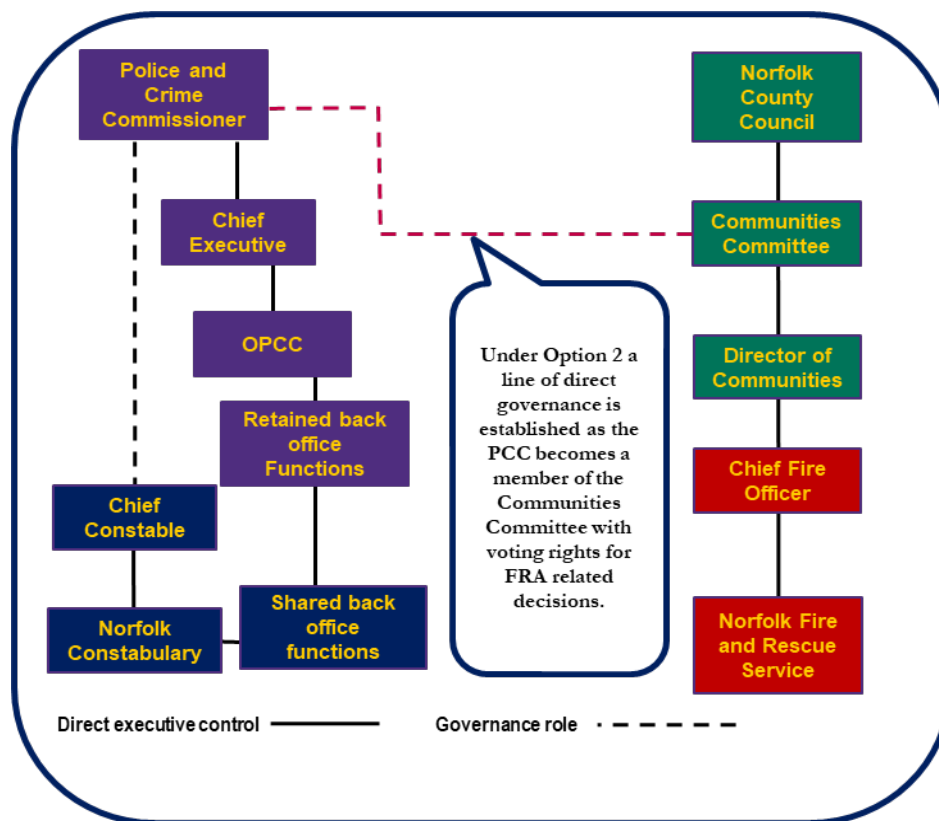
The collaboration envisaged by the statutory duty remains voluntary in the sense that its exact nature and extent is left as a matter of local discretion.

The duty is broad to allow for flexibility in how it is implemented and recognises that local emergency services are best placed to determine how to collaborate for the benefit of their communities. However, it sets a clear expectation that collaboration opportunities should be pursued. The new duty does not preclude wider collaboration with other local partners, such as local authorities and wider health bodies. To reflect their wider role, ambulance trusts are required to consider the impact of the proposed collaboration on their wider non-emergency functions and the NHS when determining if it would be in the interests of their efficiency or effectiveness.

3.1.4 Option 2 – PCC Representation Model

Where a PCC has not taken on responsibility for fire but wishes to enhance collaboration between policing and fire, the Act will enable them to be represented on their local FRA (or its committees) subject to the consent of the FRA. In the case of Norfolk, the FRA is delegated to the County Council's Communities Committee.

Figure 5



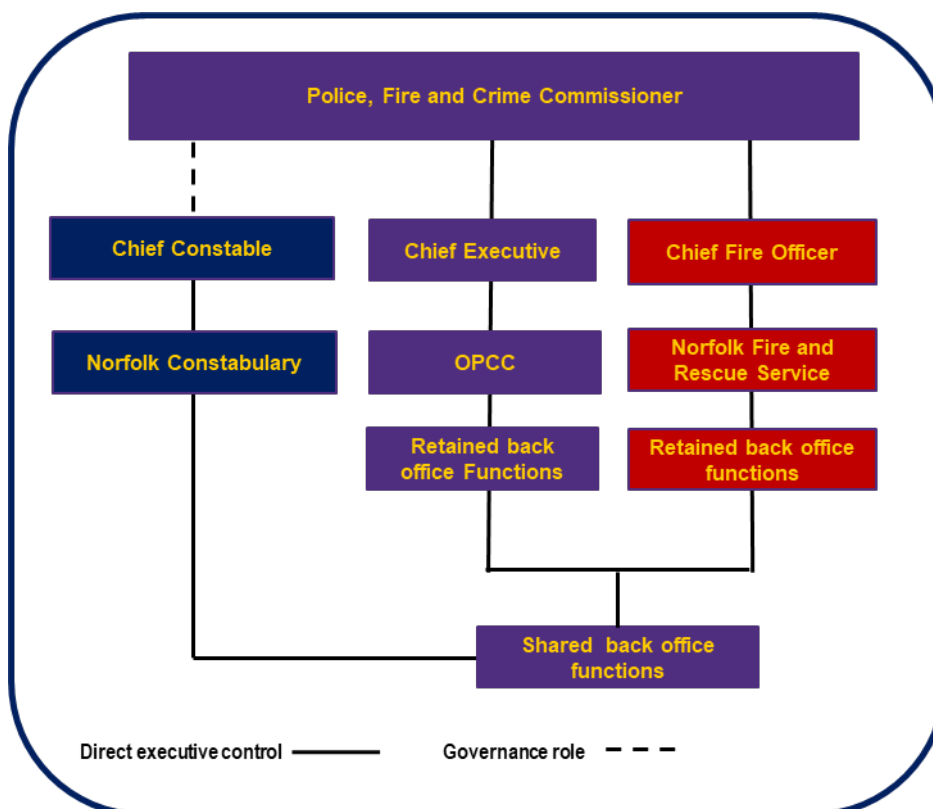
The PCC is not required to submit a business case to the Secretary of State in order to be represented on their local FRA, but should make the request to the FRA locally. This could involve, for example the PCC writing to the FRA setting out the reasons for wishing to be represented on the FRA. A FRA will be required to consider any request from a PCC and publish the reasons for its decision to either agree or refuse the PCC's request. Where the FRA is a county council as in the case of Norfolk, Section 7 of the Policing and Crime Act 2017 has made amendments to local government legislation to enable this procedure to be followed.

The PCC would be a voting member of the Communities Committee for decisions relating to the FRA and could speak and vote on these matters. The FRA will have the ability to adjust membership for political balance where necessary and government ministers were clear during passage of the Act that they do not consider this a reason to refuse a request. There is no general mechanism that applies to all FRAs to adjust their membership for political balance but, it may be possible to re-adjust the balance by appointing an extra member or changing the member for a constituent authority by agreement.

3.1.5 Option 3 – Governance Model

Under this model, the existing FRA currently embodied in Norfolk County Council and delegated to the Communities Committee, will be abolished and its functions transferred to the PFCC. Fire and rescue personnel, property, rights and liabilities will also be transferred. Following the model set out in the APACE guidance, The individual is known as a PFCC, but they hold two offices (two corporation soles) the FRA and the PCC. Reporting to the FRA is the Chief Fire Officer (an employee of the FRA). Reporting to the PCC is the Chief Constable (a corporation sole).

Figure 6



The PCC will retain his existing functions, but will additionally become the FRA for Norfolk – referred to as the PFCC Governance Model or PCC-style FRA. It is important to note that the two roles will not be merged into one. The PFCC will therefore be the ultimate employer of all fire and rescue staff, but in practice would be expected to put in place a Chief Fire Officer with delegated operational responsibility for NFRS.

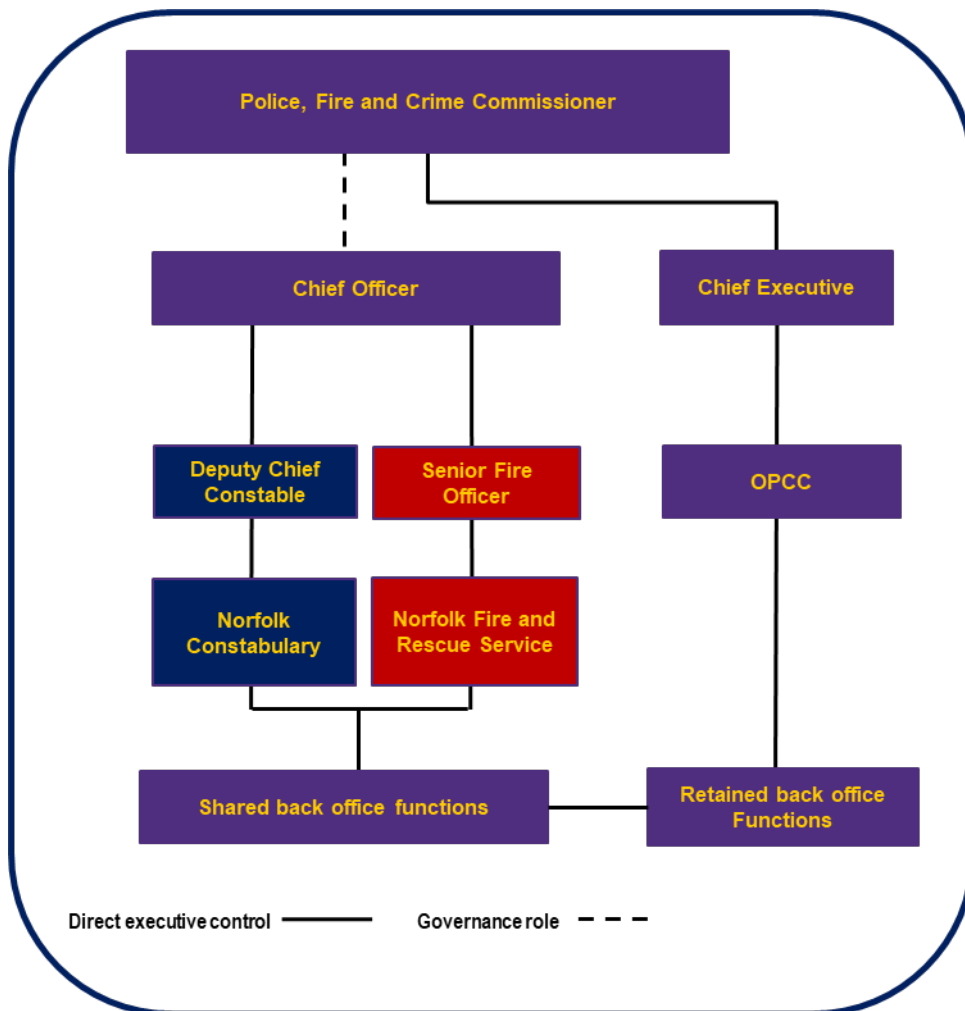
The Chief Constable of Norfolk Constabulary will continue to be corporation sole in his own right and employ all police staff. The distinction between operational policing and fire-fighting will be maintained with the law preventing a full-time police officer from acting in the role of a fire-fighter remaining in place.

The PFCC will be required to prepare a Police and Crime Plan in respect of their policing functions and under the Fire and Rescue National Framework will be required to prepare a strategic fire and rescue plan in respect of their fire and rescue functions. The PFCC will have to have regard to both plans when discharging their functions, and may decide locally to combine these plans. If the PFCC prepares a joint Police, Fire and Crime Plan, as is proposed for Norfolk, the document must set out the FRA's specific priorities and objectives in connection with the discharge of the authority's functions. The PFCC will also be required to prepare an operational Integrated Risk Management Plan, but would be expected to delegate this to the Chief Fire officer.

3.1.6 Option 4 – The Single Employer Model

The APACE guidance sets out that under this model, the PFCC would appoint a Chief Officer, who may be referred to as the “Chief Officer” operationally, as the head of a combined Police and Fire and Rescue Service for Norfolk. The Chief Officer would employ both fire and police personnel.

Figure 7



In practice, the Chief Officer may appoint a senior fire officer to lead fire operations and a deputy chief constable to lead police operations, under their command. The Chief Officer would be accountable to the PFCC for both fire and policing.

The requirement for the role of Chief Officer to have previously held the office of chief constable will be removed so that both senior police officers and senior fire officers will be eligible to apply for the post of chief officer. However in practice, it will be difficult to establish a workable model whereby a former Chief Fire Officer could be in command of a Police Force under current legislation.

The Chief Officer will be able to decide locally whether to designate certain police powers to fire and rescue personnel. In doing so, a Chief Officer will have to bear in mind that as with the Governance model, the operational distinction between policing and fire-fighting will be maintained with the law preventing a full-time police officer from being a fire-fighter remaining in place. However, under this option there would be considerable opportunity to re-design the new organisation to optimise the blending of resources to deliver common aims.

3.2 How the options were evaluated

3.2.1 Critical Success Factors

As noted previously, the APACE guidance sets out the basis on which the options should be assessed. In order to assess these factors in a structured and fair way, they have been articulated in the form of Critical Success Factors (CSFs), which reconcile to the methodology set out in the APACE guidance.

CSF 1 Economy and efficiency – is the estimated net financial impact of the option against the baseline of current arrangements and the extent of cost savings. Because both of these elements are closely interrelated, they have been combined for the purposes of this evaluation.

Note that financial benefits of each Option have only been monetised where there is strong evidence to support the values presented. There are likely to be other indirect financial benefits to improving public safety. For example a more co-ordinated approach to road safety and prevention activity, could potentially reduce the cost to the NHS and the cost of responding for fire and police. However, as it is not possible to monetise this benefit, it has been excluded from the financial benefits calculation.

CSF 2 Effectiveness – the impact the option could have on operational outcomes for both fire and rescue and police services.

CSF 3 Public safety – In the APACE guidance this is defined in binary terms as to whether or not there is an overriding public safety consideration that could require a governance change in its own right (it may not be necessary to demonstrate an economic case if the case is being made on public safety grounds). This has been augmented with consideration of the extent to which public safety can be maintained.

CSF 4 Deliverability – ‘ease of delivery’ is also included as a Critical Success Factor in the APACE Guidance, but the exact definition has been left open. For the purposes of this evaluation, it has been taken to mean the level of risk involved in effecting change.

3.2.2 Scoring methodology

Within the Critical Success Factors across each of the four options, each CSF criteria has been scored using a basic 4 point scoring system. Under this system, a score of 4 will reflect the most favourable option, working through to the least favourable option scored at 1. Where it is not possible to draw a distinction between two or more options, equal ranking will be awarded. The scores have been updated since the initial options appraisal carried out by the PCC and published in January 2018.

The scores have been assessed by independent advisors Grant Thornton, reviewed by members of the expert review panel and approved by senior officers of the OPCC who have led the development of the business case. The scores reflect a blend of qualitative and quantitative judgements based on the balance between benefits and risks and are defined against the CSF categories as follows:

Figure 8 – Scoring of options against CSFs

CSF/ Score	1	2	3	4
Economy & Efficiency	Will cost more to deliver	Moderate additional financial benefit	Significant additional financial benefit	Optimum additional financial benefit
Effectiveness & (Improving Public Safety)	Will reduce effectiveness	Moderate improvement in effectiveness	Significant improvement in effectiveness	Optimum improvement in effectiveness
Maintaining Public Safety	High risk to public safety from disruption	Moderate risk to public safety from disruption	Some risk to public safety from disruption	No threat to public safety
Deliverability	High risk of failure to deliver	Moderate risk of failure to deliver	Straight forward to deliver under an effective transition plan	Minimal change proposed

3.3 Economy and Efficiency

3.3.1 Overview

Option 4 emerges as the best option for financial efficiency due to the scale of change envisaged and the merging of control room and other support services early in the process, but it brings with it a significant degree of risk to the delivery of savings due to potential resistance from stakeholders.

Option 3 offers relatively good levels of financial benefit, with lower transitional costs. Options 1 and 2 both offer the possibility of further financial benefit from the existing estates co-location programme and a more flexible response. The speed and extent to which these projects can be delivered within a 10 year timeframe is assumed to be similar to that of business cases delivered or in the pipeline over the past 3 years in related areas (such as co-location).

Figure 9 – Summary scores for Economy and Efficiency:

CSF	Option 1 Enhanced Voluntary Collaboration	Option 2 Representation model	Option 3 Governance Model	Option 4 Single employer model
Economy & Efficiency	Moderate additional financial benefit	Moderate additional financial benefit	Significant additional financial benefit	Optimum additional financial benefit

3.3.2 Options 1&2 Enhanced Voluntary Collaboration & PCC Representation Model

Projected revenue and capital savings from collaboration

Options 1 and 2 both offer the possibility of further financial benefit derived from an enhanced voluntary collaboration model setting ambitious targets. This would come primarily from the existing estates co-location programme and other initiatives, at a similar speed of delivery to that projected from similar schemes currently in progress. However, as analysed in the financial benefits table below, these will be moderate, in comparison to those offered by Options 3 and 4.

Options 1 and 2 are expected to deliver the same level of benefit above the baseline. Option 2, the Representation Model, remains reliant on voluntary collaboration arrangements and from a financial perspective, there would be no additional benefit generated over Option 1, and any additional costs are deemed to be immaterial to the business case.

The analysis for Options 1 and 2 projects that there is an additional total financial benefit of £5.3m over 10 years that would be available for re-investment in services. The assumption is that there would be no transitional cost as both these Options would be delivered within existing resources. The Net Present Value (NPV) of benefits would be £4.7m over 10 years.

Figure 10 – NPV of benefits for Options 1 and 2

Option 1/2	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Total
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	
Transition Costs	0	0	0	0	0	0	0	0	0	0	0
Governance Costs	0	0	0	0	0	0	0	0	0	0	0
Investment in scale and capacity	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
Joint Estates Strategy											
Net capital receipts (net of building works)	435	-200	0	0	650	0	0	120	0	-105	900
Recurrent Revenue Savings	0	50	50	50	54	54	54	54	54	80	500
Maintenance and other one-off costs avoided	0	339	60	0	140	0	0	60	0	29	628
	435	189	110	50	844	54	54	234	54	4	2,028
Control Room											
MAIT Rollout	0	0	0	0	-25	-5	-5	-5	-5	-5	-50
Operational efficiencies	0	0	0	0	28	85	126	166	166	166	737
	0	0	0	0	3	80	121	161	161	161	687
Joint Fleet Strategy											
One off savings	850	0	0	0	0	0	0	0	0	0	850
Recurrent revenue savings	0	196	196	196	196	196	196	196	196	196	1,764
	850	196	196	196	196	196	196	196	196	196	2,614
Support Services											
Optimising Systems & Processes	0	0	0	0	0	0	0	0	0	0	0
Purchasing Economies of Scale	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
Total	1,285	385	306	246	1,043	330	371	591	411	361	5,329
Discount factors based on 3.5% Treasury Rate	1.0000	0.9662	0.9335	0.9019	0.8714	0.8420	0.8135	0.7860	0.7594	0.7337	
Net present value of Options 1 and 2	1,285	372	286	222	909	278	302	465	312	265	4,696

Detailed Financial Assumptions are set out in **Appendix A**.

Financial benefits under Options 1 and 2

The existing estates work stream has already delivered a shared HQ, a shared workshop site, a combined response station (Sheringham), and a co-located Control Room in 2018. The delivery of three further front line combined fire and police stations (Breckland-Attleborough, Broadland - Reepham, North Norfolk – Holt) has experienced significant delays, partly due to resource constraints and diverging organisational and leadership priorities.

There is clear financial benefit to the continuation of fire-police estates, yet only a change in governance and accountability can unlock the full financial and non-financial benefits. Any delays from managing dual approval processes for individual schemes should be minimised as transferring NFRS to the PFCC will improve the ease and speed of decision making on collaborative initiatives that impact both NFRS and Norfolk Constabulary.

Financial resilience under Options 1 and 2

Transitional costs would be minimal as there would be no transfer of governance arrangements. The affordability risk would also be minimised due to the level of financial flexibility open to Norfolk County Council, but they would continue to have to make difficult decisions to divert revenue and capital resources to protect NFRS over the next few years, in the context of other service demands. There are a number of financial considerations under Options 1 and 2:

- Following the May 2017 elections and the appointment of a new Chief Fire Officer in 2017, Norfolk County Council has yet to set out a revised vision for developing NFRS. The FRS is working to the current IRMP which predates the changes, although senior management roles are being reviewed. Norfolk County Council has committed capital and revenue resources to NFRS over the life of the current medium term financial plan.
- Norfolk County Council has significant experience of delivering service transformation that can be applied to NFRS.
- Like many public sector organisations, including Norfolk Constabulary, the County Council faces significant financial challenges. However, it has developed a medium term financial strategy that sets out how services will be funded.
- The Norfolk Futures programme is a key part of Norfolk County Councils plan to address the deficit and at present there has been no public announcement on plans to reduce the fire budget.
- Norfolk County Council has significant financial resources that can be allocated to priorities on a discretionary basis. This provides significant financial flexibility, but must also achieve a balance between many competing service priorities.

Significant savings from NFRS have been made in recent years (c.£5m since 2011) and opportunities for further savings in NFRS without changing the service delivery model are likely to be limited, other than through continuation of current schemes such as the co-location programme. FRS stakeholders expressed some concern that further budget reductions under the current model could start to impact front line capability.

3.3.3 Option 3 – PCC Governance Model

Option 3 offers significant additional net savings potential to options 1 and 2, while also funding transitional costs. The majority of financial benefit is again expected to come from an acceleration of the co-location programme enabled by more streamlined decision making process with unified governance and asset ownership under the PFCC.

Option 3 would generate total financial benefits of £10.0m over 10 years that would be available to reinvest in services or cover financial risks. This comprises £11.5m of benefits and £1.5m of additional cost. The Net Present Value of these benefits would be £8.6m over 10 years.

Figure 11 – NPV of benefits for Option 3

Option 3	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Total
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	
Initial Transition Costs	-315	0	0	0	0	0	0	0	0	0	-315
Governance Costs	0	-16	-16	-16	-16	-16	-16	-16	-16	-16	-144
Investment in scale and capacity	-244	-182	-182	-182	-78	-78	-32	-32	-32	-32	-1,074
Total investment	-559	-198	-198	-198	-94	-94	-48	-48	-48	-48	-1,533
Discount factors based on 3.5% Treasury Rate	1.0000	0.9662	0.9335	0.9019	0.8714	0.8420	0.8135	0.7860	0.7594	0.7337	
Net present value of investment	-559	-191	-185	-179	-82	-79	-39	-38	-36	-35	-1,423
Joint Estates Strategy											
Net capital receipts (net of building works)	235	540	230	60	-165	25	0	0	145	0	1,070
Recurrent Revenue Savings	108	111	136	139	138	138	180	180	180	201	1,511
Maintenance and other one-off costs avoided	419	115	110	20	24	455	0	0	60	0	1,203
	762	766	476	219	-3	618	180	180	385	201	3,784
Control Room											
MAIT Rollout under joint plan	0	0	-25	-5	-5	-5	-5	-5	-5	-5	-60
Operational efficiencies under joint plan	0	28	28	126	166	207	247	247	247	247	1,543
	0	28	3	121	161	202	242	242	242	242	1,483
Joint Fleet Strategy											
One off savings	850	510	0	0	0	0	0	0	0	0	1,360
Recurrent revenue savings	0	196	314	314	314	314	314	314	314	314	2,708
Joint fleet and transport management	59	69	69	69	69	69	69	69	69	69	680
	909	775	383	383	383	383	383	383	383	383	4,748
Support Services											
Optimising Systems & Processes	0	0	44	44	44	44	44	44	44	44	352
Purchasing Economies of Scale	0	0	140	140	140	140	140	140	140	140	1,120
	0	0	184	184	184	184	184	184	184	184	1,472
Total benefits	1,671	1,569	1,046	907	725	1,387	989	989	1,194	1,010	11,487
Discount factors based on 3.5% Treasury Rate	1.0000	0.9662	0.9335	0.9019	0.8714	0.8420	0.8135	0.7860	0.7594	0.7337	
Net present value of benefits	1,671	1,516	976	818	632	1,168	805	777	907	741	10,011
Net present value of Option 3	1,112	1,325	791	639	550	1,089	766	739	871	706	8,588

Detailed Financial Assumptions are set out in **Appendix A**.

Financial benefit under Option 3

Under Option 3, the Governance Model, significant financial benefits could be derived from faster decision making around investment and assets, a co-ordinated strategy to collaborate and a collective drive and ambition to develop in the following areas:

- Estates co-location
- Fleet management
- Control Room

Further information on the opportunities to drive financial benefit in these areas is set out in the following Section (Section 4 – Public Safety Case). Transitional costs and the investment required to drive the delivery of benefits would be higher, but the margin of benefit generated would cover this, while also releasing significant budget to be redeployed in delivering front line services to the public.

Financial resilience under Option 3

Overall affordability, in terms of the future funding and the expectation of reducing central government grant levels, would be assisted by the option to increase FRS precept income over time. Funding of the capital programme would be challenging but would be balanced by a significant increase in the value of the balance sheet due to the transfer of assets. The projected financial position is explored in depth under the Financial Case (Section 6). There are a number of advantages to consider under Option 3:

- Under this option, NFRS would gain full control over its funding and budget rather than be allocated funding by Norfolk County Council from its annual funding settlement. NFRS funding will be made up of government grant and council tax, which will be ring-fenced to fund NFRS services and the level of funding transferred will be subject to negotiation with Norfolk County Council. The PFCC would not have the same level of discretionary financial resources as Norfolk County Council and therefore the locally agreed funding settlement and savings benefits from Option 3, together with increases in Norfolk County Council tax precept over time, would need to be sufficient to fund the projected reduction in central government grant.
- The PFCC would have the power to raise funding for NFRS through an FRS precept (a separate line on the Council tax bill). This could be increased each year by up to 2% (or more following agreement via public referendum), subject to a case for investment being made by the Chief Fire Officer. Importantly, the revenue raised from the precept can only be spent on FRS activity. While Norfolk County Council can invest the equivalent amount of council tax revenue into NFRS, it needs to be able to justify the decision in the face of demands from other key priorities.
- As part of the new arrangements under this option, the PFCC will commit from 1 April 2020, to set up a grant fund of £100k per annum to support NFRS to develop and deliver collaborative Community projects to address the root causes of demand for fire and rescue services and improve public safety. The fund would be available to locality leads to develop initiatives in partnership to address local issues and respond quickly and effectively to concerns.

3.3.4 Option 4 - The Single Employer Model

Option 4 emerges as the best option for financial efficiency and economy as unified leadership of NFRS and Norfolk Constabulary is expected to accelerate the co-location and estates rationalisation and drive revenue benefit in the longer term from integrating selected front line and support services. This will be at the expense of a higher transitional cost. This option would provide all the benefits noted under Option 3 but could further accelerate delivery of the co-location agenda and fleet roll-out, as it would remove the distinction between police and FRS assets. It would also open up the possibility of efficiencies in management roles and enable comprehensive data sharing between NFRS and Norfolk Constabulary and an integrated control room. This level of change would be highly challenging to deliver successfully and maintain the support of stakeholders, but would deliver significant benefit.

Option 4 would generate total financial benefits of £14.0m over 10 years that would be available to reinvest in services or cover financial risks. This comprises £15.9m of benefits and £1.9m of additional cost. The Net Present Value of these benefits would be £11.8m over 10 years.

Figure 12 – NPV of benefits for Option 4

Option 4	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Total
	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	
Transition Costs	-450	0	0	0	0	0	0	0	0	0	-450
Governance Costs	0	-3	-3	-3	-3	-3	-3	-3	-3	-3	-27
Investment in scale and capacity	-222	-160	-160	-214	-214	-214	-81	-81	-55	-55	-1,456
	-672	-163	-163	-217	-217	-217	-84	-84	-58	-58	-1,933
Discount factors based on 3.5% Treasury Rate	1.0000	0.9662	0.9335	0.9019	0.8714	0.8420	0.8135	0.7860	0.7594	0.7337	
Net present value of investment	-672	-157	-152	-196	-189	-183	-68	-66	-44	-43	-1,770
Joint Estates Strategy											
Net capital receipts (net of building works)	235	770	-105	25	15	-900	0	0	0	0	40
Recurrent Revenue Savings	186	219	211	253	274	282	277	277	277	277	2,533
Maintenance and other one-off costs avoided	399	200	29	440	53	231	0	0	0	0	1,352
	820	1,189	135	718	342	-387	277	277	277	277	3,925
Control Room											
MAIT Rollout	0	-25	-5	-5	-5	-5	-5	-5	-5	-5	-65
Operational efficiencies	0	28	126	166	207	247	247	247	247	247	1,762
ICT and telephony integration	0	0	0	-1,300	441	441	441	441	441	441	1,346
	0	3	121	-1,139	643	683	683	683	683	683	3,043
Fleet Management											
One off savings	850	510	0	0	0	340	0	0	0	0	1,700
Recurrent revenue savings	0	196	314	314	314	314	393	393	393	393	3,024
Joint fleet and transport management	59	69	69	69	69	69	69	69	69	69	680
	909	775	383	383	383	723	462	462	462	462	5,404
Support and Frontline Services											
Optimising Processes & Systems	0	0	92	92	92	92	92	92	92	92	736
Frontline Efficiencies	0	0	0	0	190	190	190	190	190	190	1,140
Purchasing Economies of Scale	0	0	140	140	140	140	140	330	330	330	1,690
	0	0	232	232	422	422	422	612	612	612	3,566
Total	1,729	1,967	871	194	1,790	1,441	1,844	2,034	2,034	2,034	15,938
Discount factors based on 3.5% Treasury Rate	1.0000	0.9662	0.9335	0.9019	0.8714	0.8420	0.8135	0.7860	0.7594	0.7337	
Net present value of benefits	1,729	1,901	813	175	1,560	1,213	1,500	1,599	1,545	1,492	13,527
Net present value of Option 4	1,057	1,744	661	-21	1,371	1,030	1,432	1,533	1,501	1,450	11,757

Detailed Financial Assumptions are set out in **Appendix A**.

Financial benefits under Option 4

Option 4 delivers greater financial benefits in the area of Control Room ICT infrastructure. A programme of joint investment and alignment of technologies is needed across NFRS and Norfolk Constabulary to fully optimise the Control room function, however recent investment in new platforms and commitment to a Vision 4 service for eastern region Fire and Rescue Services means this is likely to be a longer term aspiration. However, there is some overlap in management posts across the two organisations in the areas of Road Traffic, Community Safety, and Prevention and there are opportunities for sharing coordinator roles across these areas.

The single employer model would enable these posts to be rationalised, reducing the need for middle and senior management posts by 3-4 FTEs over a 10-year period. There would be a more extensive roll out of a scheme to rationalise response vehicles, including the development of jointly badged appliances and multi-role response vehicles. There would also be further significant opportunities to rationalise support services. Full integration with police under this option would be more expensive in terms of transition costs due to the greater need for the integration of systems and culture, and a more complex and extended process. However, as it delivers greater benefits it could remain affordable.

Financial resilience under Option 4

Option 4 would offer similar financial resilience benefits to those outlined for Option 3, but with a single budget for police and the FRS the NFRS budget would not be ring-fenced.

3.3.5 Optimism bias, risk scoring and sensitivity analysis

Optimism bias analysis attempts to account for the inherent optimism that is present in many business cases, in regard to the calculation of financial benefits, and the level of risk to their successful delivery. In line with Treasury Green Book Guidance, we have reviewed the levels of risk associated with the financial benefits projected under each Option. We have reduced the levels of optimism bias in areas such as the size of the revenue and capital benefits as part of a joint Estates Strategy by obtaining accurate estimates, based on existing projects and current data, for each proposed scheme. However, residual optimism bias remains in areas such as the speed of completion of these works.

The project types discussed in the Green Book (based on the study by Mott MacDonald) do not correspond to the type of estates co-location schemes and the fleet replacement programme explored in this Business Case. The Optimism Bias estimates below are therefore based on discussion with police and fire stakeholders, with reference to the Green Book Guidance in regard to capital elements of the schemes. The composite bias levels applied to each scheme heading are set out below. Values are presented for both Lower and Upper levels of bias and the expectation is that the detailed work performed to develop the schemes will enable Optimism bias to be managed down to the lower threshold.

Figure 13 – Calculation of Optimism Bias

Scheme	Bias level (summarised)	
	Lower	Upper
Estates	1%	22%
Fleet	0%	20%
Control Room	10%	54%
Other Efficiencies	0%	20%
Option 3 NPV (Base Case)	8,588	8,588
Option 3 Potential impact of bias	-149	-2,486
Option 3 - Revised NPV	8,439	6,102

In addition to the analysis of Optimism Bias, we have also calculated an alternative approach to assessing risk of delivery across the four options. For the key headings of financial benefit we have performed additional risk scoring to identify the 'risk premium' of implementing each of the Options, using high and low risk scenarios. The 'risk premium' reflects the amount by which the value of benefits could reduce, in the event that risks are not mitigated (e.g. in the event that the speed of delivering benefits is slower than anticipated). Under this analysis, Option 4 is associated with greatest risk across both high and low risk scenarios, carrying a risk premium of between £1.0m-£1.1m. Option 3 carries a risk premium of £0.4 to £0.7m.

Sensitivity analysis shows that for Option 3 to be superseded by Option 1 in terms of the level of financial benefit delivered, NPV benefits realised would have to be 45% lower than projected.

Figure 14 – Sensitivity Analysis

Total Value of Benefits	Option 3 £000	Option 1 £000	Option 4 £000	% change Option 3 to 1	% change Option 3 to 4	% change Option 1 to 4
Joint Estates Strategy	3,389	1,818	3,571	-46%	5%	49%
Control Room	1,198	535	2,336	-55%	49%	77%
Joint Fleet Strategy	4,201	2,341	4,732	-44%	11%	51%
Support Services	1,222	0	2,887	100%	58%	100%
Total Value of Benefits	10,011	4,695	13,527	-53%	26%	65%
Transitional Cost and Upfront Investment	-1,423	-	-1,770	100%	20%	100%
Net financial benefits	8,588	4,695	11,756	-45%	27%	60%

3.4 Effectiveness (Improving Public Safety)

3.4.1 Overview

Option 3 emerges as the best option for improving effectiveness. Option 4 offers significant potential benefits, but this would be reduced by the difficulty of delivering the new service in the short term.

Options 3 and 4 both involve the new PFCC providing governance and oversight for both services. The main benefit to be derived from a change in NFRS governance would be the opportunity to drive operational benefits to the community, beyond what is likely to be achieved under voluntary collaboration arrangements. This would mean moving beyond basic collaboration, towards greater interoperability between selected services that deliver common objectives and exploring future opportunities for service interoperability, and integrated services in selected areas.

The ability to drive further collaboration benefits at a faster pace would come from implementing a joint strategy and joint operational planning and leadership for specific areas of activity. The ability of the PFCC to set the agenda for collaboration through the Police Fire and Crime Plan and the ability to hold both the Chief Fire Officer and the Chief Constable to account for delivery would be a key driver for optimising the benefits.

Options 1 and 2 could also offer additional operational benefits beyond what has been achieved under current arrangements, but these are likely to be more incremental and delivered at a slower pace. This would require refreshed and strengthened arrangements to be developed and implemented – including a new collaboration plan and effective joint governance, to ensure progress was made. In both cases, the benefit of a less radical programme would be to protect the service and keep collaboration options open, in an uncertain strategic environment. Option 2 is marginally less preferable as the new governance arrangements would require an investment of time and resource to deliver, but it is not clear that it would deliver sufficient additional benefit over Option 1 to justify the change.

Figure 15 – Summary scores for Effectiveness (Improving Public Safety)

CSF	Option 1 Enhanced Voluntary Collaboration	Option 2 Representation model	Option 3 Governance Model	Option 4 Single employer model
Effectiveness (Improving Public Safety)	Moderate improvement in effectiveness	Moderate improvement in effectiveness	Optimum improvement in effectiveness	Significant improvement in effectiveness

3.4.2 Option 1 – Enhanced Voluntary Collaboration

Option 1 will be based around a refreshed and strengthened variant of the current voluntary collaboration model. This model has proved that it is able to facilitate collaboration, particularly in regard to the co-location of HQ, control room and elements of support services at Wymondham, in addition to the roll out of joint fire and police stations around the county.

Even under refreshed voluntary arrangements, due to the continuing need to reconcile the interests of all key stakeholders before decisions can be made, progress is likely to be slower and less likely to be optimised. This is because there would be limits to how far some of these initiatives could be developed towards interoperability and the integration of services. Fire and police stakeholders have expressed the view that Norfolk has already achieved what is possible under voluntary arrangements. This would represent a lower risk option in the short term, while enabling the minimum expectations of the statutory duty to collaborate to be met. There is a risk that this model will not optimise the potential financial and operational benefits that could benefit the service and the public over the medium to long

term, specifically in regard to protecting NFRS service provision and freeing up resources that can be used to manage risk and invest in priority service areas.

NFRS will soon be facing review by HMICFRS under new inspection arrangements. While not directly familiar with the style of inspection delivered by HMIC in the recent past, Norfolk County Council does have experience of similarly robust inspection regimes including Ofsted and CQC. There was no direct evidence of deficiencies in the current NFRS service arising from the research gathered during the options appraisal, that indicate there would be an adverse outcome from inspection. However, all FRS organisations face a degree of risk that adverse findings could emerge.

There is an opportunity to set up a refreshed governance structure to develop a new collaboration strategy. For illustration this could comprise:

- A joint oversight committee that could include the PCC, the Chair of the Communities Committee, the Chief Constable and the Chief Fire Officer – tasked with setting a collaboration strategy and overseeing delivery.
- A collaboration operational board or steering group, with a rotating or joint chair drawn from the senior management of the Constabulary and NFRS with operational responsibility for delivering the strategy.
- Various jointly resourced task groups to deliver specific projects.

But there are a number of challenges that would be difficult to overcome:

- A number of further potential collaboration business cases have been identified under current arrangements but were not pursued. Attendees at the operational workshops supporting this review pointed to the work of the Fire and Police Collaboration Board which no longer meets. This was seen to be a positive forum for developing opportunities but has fallen into disuse, partly due to the lack of capacity to push the agenda and the lack of progress in pursuing opportunities.
- Dilution of strategic priorities across a broad range of services is also an issue. There are significant differences in the way that resources are prioritised in the Police and Crime Plan, the Council's Norfolk Futures strategy and the NFRS IRMP. This could be partly addressed by developing an overarching collaboration strategy. It would require significant work to develop a coherent strategy that reconciled the existing strategies.
- Collaboration is limited to areas of strategic overlap. Norfolk County Council can only sanction collaboration where the diversion of resources to NFRS will not be to the detriment of other priority services, such as economic growth. While there has been a lot of progress in regard to collaborating on shared accommodation, some stakeholders think that this process has been slowed down by the need for Norfolk County Council to make sure that its interests are protected. The election cycle can also be a cause of delay. It could be possible to address these concerns through the joint strategy and new governance arrangements outlined above, however some elements of this would remain problematic.
- Over emphasis on cost saving from the perspective of current service configuration. Because of Norfolk County Council's need to manage its resources across a broad range of priorities, NFRS's Integrated Risk Management Plan 2016-20 focused heavily on service budget constraints rather than starting with the development of the service to meet future demands and community outcomes, and then considering the required resource envelope. Under Option 1 the new IRMP will be the key strategic document for FRS development and will therefore need to be ambitious and focused on how NFRS will develop its service model over the medium to long term.

Taking into account the need to build a local consensus in order to deliver successful collaboration benefits, Options 1 and 2 remain viable options in regard to driving a degree of additional benefit at minimal additional risk.

3.4.3 Option 2 – PCC Representation Model

This option is very similar to Option 1 in most respects, but includes the opportunity for the PCC to be a member of the Fire and Rescue Authority, as part of Norfolk County Council's Communities Committee. The general theme drawn from our interviews with police, fire and council stakeholders was that this could complicate governance and offer little discernible benefit.

The Police and Crime Commissioner would have voting rights for the Fire and Rescue Authority, as a member of the Communities Committee. However, this would be a single vote amongst 13 other Council members, and therefore the PCC's ability to shape strategy and influence decisions would be limited.

Although there may be some benefit from being involved in the approval process for NFRS Integrated Risk Management Plan, thereby exercising some influence on its content, there would remain an inherent division of priorities between the Police and Crime Plan and Norfolk County Council's strategy, the primary difference being the prioritisation of financial and other resources. These benefits are counterbalanced by the risk that attempting to serve different strategic priorities within the same Committee could lead to frustration and deterioration in relationships between the key partners. It is not clear that Option 2 would offer sufficient additional benefit over Option 1 to justify the change in arrangements.

3.4.4 Option 3 – PCC Governance Model

Option 3 offers a more effective platform for developing services for the future than Options 1 and 2, if it is accepted that greater police and FRS service interoperability and integration, delivered at a fast pace, is likely to be the most effective means of addressing future challenges. Option 3 provides a good balance between the opportunities to drive collaboration forward, while also retaining a good level of flexibility to incorporate future developments in the wider public sector.

There is a growing body of evidence to suggest that police and fire governance needs to change in order for the emergency services to make the best use of their resources in providing services to the public:

- A Peer Review of Norfolk Fire and Rescue Service undertaken by the LGA in 2014 emphasised the need for all opportunities to enhance efficiency and effectiveness through collaboration should continue to be explored and taken forward to a conclusion. There was a need for a strategic vision that takes the Service beyond the horizon set by the budget plans for the next three years and establishing such a vision would provide a clear framework within which to develop thinking and planning. A vision was included in the NFRS Integrated Risk Plan developed in 2016 but the plan itself was operational in nature and focused on savings, rather than transformational.
- The HM Inspectorate of Constabulary report 'Policing in Austerity – Meeting the Challenge 2014' identified that collaboration between police forces, as well as with wider partners, remains complex and fragmented.
- Sir Ken Knight, in his review of Fire and Rescue Authorities Facing the Future in 2013, advised that shared governance and closer working and sharing of teams would unlock further savings, and observed that a similar model to PCCs could enhance public accountability. The Thomas Report on Fire and Rescue Service staff in 2016, supported this view, saying that the greatest opportunity to drive economies to reinvest in frontline services would be to bring together support functions collaboratively across services.
- In their Police Accountability: Landscape Review in 2014, The NAO found that PCCs are able to make decisions faster and are more transparent than the committees they replaced, with significantly greater public engagement. They also increase innovation, respond better to local priorities, and achieve better value for money for the taxpayer.

The Emergency Services Collaboration Working Group, with the support of The National Fire Chiefs Council, recently published guidance on the duty to collaborate (The Duty to Collaborate – an

Information and Support Document). This emphasises the continuing importance placed on driving collaboration forward by Chief Officers.

The PCC taking over the role of the Fire and Rescue Authority from Norfolk County Council offers the opportunity to streamline decision making and accountability in regard to collaboration in the following ways:

- The PFCC would have the opportunity to drive collaboration further and faster, acting as the single point of governance for strategic and budgetary decisions aligned to a unified strategy set out in a new Police, Fire and Crime Plan.
- Strategic objectives will be co-ordinated under a Police, Fire and Crime Plan that could drive further collaboration, beyond what has been possible to date. The current Police and Crime Plan demonstrate a level of synergy with NFRS priorities in the IRMP, in areas such as community safety, prevention and victim support.
- The NFRS will have greater influence in working with the PFCC to set strategic priorities in the Police Fire and Crime Plan than it does operating within Norfolk County Council's much wider and deeper strategic priorities. The NFRS would reflect at least 16% of the PFCC budget compared to only 2% of Norfolk County Council budget.
- The Chief Fire Officer can be given a greater level of delegated authority to make operational, financial and strategic decisions for NFRS than is possible under Options 1 or 2. This would lead to much greater equality between the Chief Fire Officer and the Chief Constable in terms of the executive power to make decisions, as it would remove the need for the former to report through additional tiers of management, within Norfolk County Council structure.
- The PFCC will be able to hold both Chief Officers to account to make sure that collaboration initiatives are adequately resourced and delivered to plan. Currently, lines of accountability are divided and driven by differing priorities.
- The benefits of existing voluntary arrangements are reliant on good personal relations between current senior leaders and could be vulnerable should this change in the future. For example, in response to financial pressures. These benefits can be secured for the long term under a single point of governance.
- The PFCC will be directly accountable for developing NFRS and for optimising the collaboration agenda.

The benefits for governance, decision making and accountability outlined above, could unlock further operational collaboration in a number of areas, beyond the level possible under the enhanced collaboration envisaged under Options 1 and 2. In this respect, Option 3 is the better model to drive benefits from collaboration.

The following areas, suitable for the closer interoperability and integration of services have been identified as more likely to be optimised under Option 3. This assessment is based on our conversations with both Norfolk Police and NFRS stakeholders and consideration of developments across the country. All these areas would benefit from streamlined governance and decision making under the PFCC, joint strategy and joint operational planning, facilitated by combined resourcing models, training, intelligence and procurement:

- Protection, Prevention and Community Safety.
- Control Room.
- Co-location and joint responding (Estates and Fleet).
- Resource planning.
- Commercial Revenue and training.
- Support services.

These areas are explored further in the Community Safety Case which follows this section.

The extent to which roles and responsibilities can be shared between police and FRS employees is controlled to some extent by statute and by nationally agreed terms and conditions agreed by the Fire Brigades Union (FBU). Ongoing work by the National Joint Council of the FBU will be fundamental in determining the extent to which firefighters can be asked to perform additional duties, beyond what has traditionally been agreed. New opportunities for collaboration arising from these discussions will be best addressed through a joint strategic approach.

There will be opportunities to integrate support functions into the existing police shared service under Option 3, but there will be limited net additional benefit, at least in the short term. Under current arrangements, some support services used by Fire and Rescue, such as facilities and estates, fleet, finance processing, communications and ICT networks, are part of the larger County Council operation and enjoy economies of scale similar to any that could be delivered through sharing services with police. There are, however, some aspects of support services that are separable or not fully integrated into Norfolk County Council – notably the separate HR system, and some elements of ICT support and management accounting. There may be some opportunity to gain operational benefits from merging these into the Police shared service in the medium to long term, particularly if new integrated systems are procured over time.

An additional advantage of Option 3 is that, as with Options 1 and 2, it should not inhibit future collaboration models that may become viable in the longer term. While there would be additional transitional costs in this ‘two-step’ approach, it has the advantage of providing the opportunity for NFRS to decide whether or not it can support further integration, before a commitment is made.

3.4.5 Option 4 - The Single Employer Model

This option offers very similar governance benefits to Option 3, all of which would continue to apply. Additional benefits could be as follows:

- Operational decision making on collaboration between Fire and Rescue and Police would no longer require agreement between the Chief Constable and the Chief Fire Officer, as the new Chief Officer would hold the executive decision making powers of both.
- Potential delays to decision making as a result of the local democratic process would be further mitigated as the Chief Officer is not a publically elected position and would exercise greater executive autonomy compared to the Chief Fire Officer under Option 3. The PFCC would continue to scrutinise decisions and hold the Chief Officer to account, but would be one step further removed from influencing operational decisions.
- This could open the way for more radical service re-organisation to take place, moving the organisation more rapidly from collaboration and interoperability towards genuine service integration – provided that it served the purpose of delivering Police, Fire and Crime Plan priorities.

Over time, significant further efficiencies could come from reconfiguring Fire and Rescue and Police services to match operational requirements rather than adhering to traditional service identities. Again this will be heavily dependent on the extent to which the FBU’s National Joint Committee is prepared to widen the role of firefighters. It is possible that many of these benefits could in theory be achieved under Option 3, or even under Options 1 and 2 in some cases. However, in our view it would be more difficult to achieve, without the additional operational discretion enabled under Option 4. These areas could include:

- Comprehensive information sharing facilitated under a single organisation.
- Fully integrated services aligned to activity.
- Develop a new type of flexible emergency responder.
- Development of combined service leaders and command.

3.5 Maintaining Public Safety

3.5.1 Overview

This section looks at the likelihood that public safety will be maintained during transition to the new model.

Changing the governance structure may carry some additional risk to service continuity in the short to medium term that would have to be mitigated. However, this needs to be balanced against the longer term risk to the service if NFRS fails to develop and drive further efficiencies through transforming its services, which may be more challenging under current arrangements. There were no immediate public safety concerns that could justify a change of governance in their own right, based on the information available for this review.

Options 1, 2 and 3 emerge as the joint best options for public safety with an equal score. None of these options would impact significantly on the ability to deliver an effective operational response to emergencies in the short, medium or long term. Option 3 could adversely affect the operational response in the short term, if implementation was attempted without a local consensus for change.

Option 4 is more unpredictable and is unlikely to carry local consensus. Therefore, there is a higher risk of service disruption in both the short and longer terms. However, if this is adequately managed this need not present a significant risk to public safety.

Figure 16 – Summary scores for maintaining Public Safety:

CSF	Option 1 Enhanced Voluntary Collaboration	Option 2 Representation model	Option 3 Governance Model	Option 4 Single employer model
Maintaining Public Safety	No threat to public safety	No threat to public safety	No threat to public safety	Some risk to public safety from disruption

3.5.2 The Public Safety Override

The APACE guidance for police-fire business cases outlines the legislative requirement that a business case based on Economy, Efficiency and Effectiveness would not be considered by the Secretary of State, if they are of the view that there would be an adverse effect on public safety.

Having developed an understanding of current arrangements there is no evidence of any immediate public safety concerns sufficient to justify the transition of governance of NFRS to the PCC on these grounds.

3.5.3 Option 1 & Option 2

Options 1 and 2 will not involve significant changes to current arrangements and therefore present no additional risk to public safety in the short to medium term. Voluntary collaboration under Option 1 has a proven track record over many years in terms of successfully managing the financial and service demand pressures of NFRS. The inherent risk to service delivery is therefore relatively low.

There is a possibility that over time, financial pressures and a failure to transform services could result in increased risk to public safety, particularly if Norfolk County Council is forced to impose further budget reductions that will cut current provision, in order to fund other key priorities.

3.5.4 Option 3 – PCC Governance Model

This option would involve significant change to the current configuration of the PCC and his office, and NFRS - both in terms of governance and in regard to its disaggregation from the County Council. However, the operational activity of NFRS would remain relatively unaffected during transition - NFRS operational budget and team will remain in their current configuration on transfer, and there will be no major staff relocation.

There could be moderate short term risk associated with a decision to proceed with a transfer of governance in the face of opposition from Norfolk County Council or NFRS. These circumstances could make it difficult to deliver the transfer smoothly and within a reasonable timeframe. The risk of union action could further exacerbate the logistical difficulties and lead directly to the disruption of fire and rescue service provision, with a potential knock on effect on demand for police resource. However, any decision to proceed with Option 3 would seek to mitigate this risk through consultation and negotiation with these stakeholders, in order to preserve service continuity.

Option 3 is also a sound model to protect public safety in the longer term because it offers the opportunity to ensure that in future, FRS services continue to be delivered in a way that meets public needs. Under this option Norfolk County Council will continue to benefit from a close relationship with NFRS and Norfolk Constabulary through voluntary collaboration. Local politicians will continue to exercise governance through the new Police, Crime and Fire Panel.

3.5.5 Option 4 - The Single Employer Model

Under this option, the complexity of the logistical transfer is much greater, and will take longer to implement. The risk of significant opposition from key stakeholders, including NFRS, unions is considered to be high due to the extent of the change and the implications for FRS identity, independence and implied changes in working practices. Disruption to NFRS service delivery in the short term and delays to implementing the changes could result from this. Option 4 therefore presents a proportionally higher risk to public safety in the short to medium term that could be difficult to mitigate effectively.

Option 4 offers similar benefits to Option 3 in terms of protecting public safety in the longer term by providing a stronger platform for developing the service. However, there is a proportionally higher risk to public safety in the short term that could impact on the longer term if not resolved. This creates additional uncertainty about the long term viability of the option, which increases the level of risk to public safety.

3.6 Deliverability

3.6.1 Overview

It is important that any option for change can be implemented within a reasonable timeframe and that the practical requirements are understood and can be managed. A change in governance structure will carry risk in this regard, but this should not pose a barrier to change as long as the risks can be managed through effective planning and robust implementation.

Option 1 emerges as the option with the least risk to delivery as it reflects a refresh and strengthening of the current approach. Option 2, was marginally less favoured by stakeholders than Option 1.

Option 3 carries slightly higher risks to successful implementation across sub criteria due to the significant level of change that would need to be delivered. In most cases these risks should be able to be mitigated through robust planning and the deployment of adequate resources. There is an additional risk arising from stakeholder feedback from NFRS and County Council management, which could impact on being able to achieve local consensus. There are no assumptions made in this evaluation regarding the views of the elected members of Norfolk County Council, NFRS, the PCC or the public, on the basis that this report will be an aid to a local political dialogue on the decision to proceed to full business case or not, there is no intention to pre-judge the results of this local discussion.

Option 4 is significantly more complex and may not be deliverable in the short term. Over time it may become viable, particularly if Option 3 is delivered and proves to be successful, providing a foundation around which stakeholder consensus for further integration under Option 4 could be built.

Figure 17 – Summary scores for Deliverability

CSF	Option 1 Enhanced Voluntary Collaboration	Option 2 Representation model	Option 3 Governance Model	Option 4 Single employer model
Deliverability	Minimal change proposed	Minimal change proposed	Straight forward to deliver under an effective transition plan	High risk of failure to deliver

3.6.2 Option 1 – Enhanced Voluntary Collaboration

Option 1 will not have an extended timetable for delivery as it reflects the continuation of current arrangements. Enhanced arrangements could be relatively quick to implement.

This option will not involve the transfer of staff or affect the current configuration of NFRS, and therefore there will be no human resource implications. This would enable the NFRS and Norfolk Constabulary senior management teams to focus on current priorities.

Option 1 will not involve the transfer of commercial obligations are therefore is of equally low risk and complexity in this sub-criteria.

Option 1 will not have significant management implications, although resource will need to be set aside to facilitate a refreshed and strengthened collaboration process.

3.6.3 Option 2 – PCC Representation Model

Option 2 can also be implemented in a relatively short timeframe and could be tied into Norfolk County Council's annual appointments cycle. Alterations to Norfolk County Council's Constitution to facilitate the change will require a Council decision and approval. A target implementation date would be April to June 2019.

This option will not involve the transfer of staff or affect the current configuration of NFRS, and therefore there will be no human resource implications. This would enable the fire and police senior management teams to focus on current priorities.

Option 2 will not involve the transfer of commercial obligations and are therefore of equally low risk and complexity in this sub-criteria.

Option 2 will not have significant management implications, although resource will need to be set aside to facilitate a refreshed and strengthened collaboration process.

3.6.4 Option 3 – PCC Governance Model

Option 3 should be able to move to implementation by the summer of 2019, provided that significant barriers did not arise – e.g. that local consensus was not secured, or issues arose from the consultation process or financial and legal due diligence.

This option would require the transfer of the staff establishment of the NFRA and would need to be carefully managed. The NFRS is not closely integrated with other Council services in terms of support services or having direct responsibility for other Council services. This will reduce the relative complexity of a transfer to the PFCC.

Options 3 and 4 will involve the transfer of a significant number of commercial contracts – in both cases the risks are similar. There are a number of potentially complex transactions that will need to be examined in detail as part of the implementation phase and subject to legal due diligence as to their correct treatment:

- Existing NFRS commercial contracts that require transfer, novation or cancellation to the new organisation.
- Existing Norfolk County Council commercial contracts in areas such as fleet and ICT, which NFRS currently benefits from, where the terms may have to be split between two organisations, sub-let by the PCC or Norfolk Constabulary or cancelled and renegotiated, potentially damaging the commercial advantage enjoyed by Norfolk County Council.
- The impact on collaboration arrangements, specifically the current shared service between Norfolk and Suffolk PCCs and police forces. This will be affected by the incorporation of NFRS as a third party (Option 3), or as an increase in headcount on the part of Norfolk Constabulary (Option 4).

Additional support to management will be sourced in order to oversee implementation and this had been included as a transitional cost for Options 3 and 4. Norfolk Constabulary is relatively well configured and organised to support and help implement the change as it is in the process of transformation under the Norfolk 2020 plan and the forthcoming 7 Force collaboration.

Additional support and specialist advice has been included in the schedule of transitional costs, within the NPV benefit calculation. This does present the risk that adding NFRS collaboration would need to be carefully managed to avoid change fatigue and the incompatibility between change initiatives. However, the risk is expected to be relatively low as management time would focus primarily on collaborating support functions that had previously been carried out by Norfolk County Council, and this could be developed alongside existing commitments to develop plans for the 7 Force project.

Further details about how Option 3 would be delivered are provided in the Commercial Case and the Management Case sections of this business case.

3.6.5 Option 4 - The Single Employer Model

Option 4 would require a significantly more complex delivery plan and would almost certainly require independent review in the absence of local consensus. It is likely that Norfolk would be the first to implement this Option, so there is a lot of uncertainty around whether the current legislative framework is sufficient to enable practical implementation. It is possible that additional supporting legislation might be required (e.g. in regard to the statutory role of the Chief Constable).

Full integration would see NFRS merge with Norfolk Constabulary, under the command of a Chief Officer. Initially Fire would probably sit as a separate team under a Senior Fire Officer at Deputy Chief Constable Grade.

Option 4 would carry the same risks as Option 3 but there would be a number of additional challenges, including:

- The impact on NFRS as an independent service and loss of its unique identity would be a major source of discontent on the part of NFRS who carry a significant amount of pride in their service and their reputation in the community, which is distinctly different to that of the police.
- The credibility of police leaders as leaders of fire is a significant issue from a FRS perspective. It would not be possible to develop combined service leaders in the short to medium term, and therefore the Chief Officer of the new organisation would almost certainly be drawn from the police, as it is a statutory requirement that they have passed the College of Policing Strategic Command Course.
- It would be difficult to integrate the distinctly different employment terms and conditions of the Police and FRS. It is likely that in the short to medium term, both cohorts will remain on different terms and conditions, which could create administrative difficulties and potential conflict. However, it should be feasible to run an organisation with staff on different terms and conditions where this is related to distinct job roles, and to harmonise over time where the distinction is not fundamental.
- There will be a need to manage potential concerns of the public, local politicians and employee organisations including unions, who are likely to oppose the loss of the distinct operational identity of NFRS.

As noted above, Options 3 and 4 will involve the transfer of a significant number of commercial contracts – in both cases the risks are similar.

Option 4 will require a considerable investment of management time from all parties involved and, in particular, from NFRS and Norfolk Constabulary, due to the additional complexity. This support would have to be supplemented by external support and expert advice, which will be greater in extent than that required for Option 3. This is reflected in a higher transitional cost in the NPV benefits calculation.

3.7 The preferred option

Having assessed the evidence and the strength and weaknesses of each option against each of the critical success factors, transferring NFRS from the County Council to sit directly under the PFCC (Option 3) – the Governance Model - offers the best balance of benefits and risks.

While not offering the full range of operational and financial benefits offered by a fully integrated police/fire emergency service under the single employer model (Option 4), Option 3 should deliver a number of operational and financial benefits to both the organisations involved and the communities they serve.

Options 1 and 2 are both viable and would be simple to deliver but would offer only marginal benefits to Economy and Efficiency. Option 4 would be highly problematic to deliver, which would have an impact on the extent of improvements to an effective service, and could present an increased risk to public safety in the short term.

Figure 18 – Summary of the Options Appraisal

CSF	Option 1 Enhanced Voluntary Collaboration	Option 2 Representation model	Option 3 Governance Model	Option 4 Single employer model
Economy & Efficiency	Moderate additional financial benefit	Moderate additional financial benefit	Significant additional financial benefit	Optimum financial benefit
Effectiveness (Improving Public Safety)	Moderate improvement in effectiveness	Moderate improvement in effectiveness	Optimum improvement in effectiveness	Significant improvement in effectiveness
Maintaining Public Safety	No threat to public safety	No threat to public safety	No threat to public safety	Some risk to public safety from disruption
Deliverability	Minimal change proposed	Minimal change proposed	Straight forward to deliver under an effective transition plan	High risk of failure to deliver
Overall assessment	Moderate additional benefit over current model	Moderate additional benefit over current model, but with more complex governance	Strongest option offering the best balance of additional benefits while minimising risk	Significant financial benefit but effectiveness and public safety affected by difficulty of delivery
Ranking	2nd	3rd	1st	4th

How public safety will be improved

The public safety case

How public safety will be improved

The Public Safety Case

4.1 The purpose of this section

In this section a range of potential collaboration benefits are set out that offer a real opportunity to improve the depth and scope of Fire and Rescue and Police services. These are areas that have been suggested by NFRS and Norfolk Constabulary stakeholders, however the potential benefits have taken time to be realised or have not been fully explored under existing collaboration arrangements.

4.2 Overview

The new Governance Model will enable the optimum benefit of the potential collaboration opportunities to be realised for the benefit of the people of Norfolk – with the Chief Officers held to account by the PFCC for delivery under a new Police Crime and Fire Plan. In addition to the financial benefits and the overall effectiveness of the governance structure, it is also important to consider the operational benefits that a change in governance could offer to both front line operations and to supporting services.

The analysis identifies that there is significant scope to drive further benefit from FRS-police-collaboration. However, this is not fully captured in terms of firm commitments under the Norfolk Constabulary 2020 Plan or the current NFRS IRMP. This reflects the difficulty of having to align two or more competing sets of strategic priorities and the challenge of moving on from the purely collaborative opportunities already realised, towards closer interoperability between police and FRS teams and the integration of services, where this is possible and would drive greater public benefit.

There is the additional challenge of being able to devote resources to collaboration in a situation where any spare management capacity has been removed by budgetary reductions and demand pressures. Management on all sides must be confident that the benefits of further police-FRS collaboration are proportional to the work required to achieve them.

The decision to change the model of governance for police-FRS collaboration acknowledges the wider opportunities for collaboration that exist with other partners. This includes current initiatives undertaken by the National Fire Chiefs Council to look at a national procurement and workforce planning.

In assessing the potential for police-FRS operational benefits the assumption is that opportunities to collaborate with other agencies could be pursued equally well under alternative governance structures. However, it is likely that a joined up strategic approach for fire and police will make it easier to align with the Ambulance Service, on the basis that there will be two rather than three approaches to consider. Effective collaboration with Norfolk County Council is also not dependent on the current structure, and the assumption is that service contributions to social care, and other Council priorities would continue under the new Governance Model.

There are a broad range of collaboration opportunities, centred around the theme of Community Safety; this includes the prevention and protection agendas. There is also significant scope to collaborate around the way that fire and police organise and develop their resources and respond to emergencies.

All of these areas need to be explored further and business cases developed as part of the development of the joint Police Fire and Crime Plan for Norfolk under the new governance structure. The following reflect key areas for development based on the analysis done to date.

4.3 Protection, Prevention and Community Safety

4.3.1 Community Safety Hub

Norfolk Constabulary's Community Safety Department incorporates a number of specialist teams that work closely with statutory and third sector partners to support and protect the communities of Norfolk. In recent months the team has relocated to new premises that have presented the opportunity to develop a hub with key partners to enhance this collaborative work.

The first phase has been with Norfolk's Fire and Rescue Community Safety Team. With strong synergies across a number of work streams, the two departments have started co-locating in a shared office with respective teams working together. The aim is to foster and strengthen partnership working arrangements at a strategic and operational level in order to meet County Community Safety objectives, with a particular focus on promoting early intervention and prevention to improve public safety.

This approach will enhance the level of knowledge and experience within the hub and provide greater capacity and flexibility to be able to allocate resources to meet the demands of the County. With early help at the heart of both Fire and Police Community Safety Teams, there is an opportunity to move towards fully integrated teams with a shared vision, strategy and single resource function that becomes a centre of excellence for preventative activity.

4.3.2 Community Safety Task Force.

Protecting and enhancing frontline services is a key priority for all public sector organisations and the collaboration of Norfolk's fire and police Community Safety Teams presents a unique opportunity to extend beyond the office based work and provide a joint task force of staff that are capable of being deployed to support spontaneous incidents or pre-planned events with specialised skills.

The depth of expertise within each Community Safety Team could be accessed through a tasking or referral process by managers and staff from fire and police who require assistance at specific events to complement frontline resources. This will ensure there is a coordinated deployment of specialist roles to reduce risk, avoid duplication of work across both organisations and promote the most efficient and effective means of ensuring that public safety is achieved.

Some of the areas of expertise include:

- Licensed Premises enforcement and safety.
- Crime and Fire prevention.
- Children and Young Persons.
- Mental Health and Learning Disabilities.
- Gypsy, Roma and Traveller Liaison.
- Drones.
- Fire Safety.
- Water and Drowning safety.
- Volunteers.
- Cadets.
- Road Safety.
- Community Engagement.

To complement this activity, there is the opportunity to develop a coordinated joint agency prevention calendar that targets risk in line with the needs of Norfolk communities and in response to local, regional and national trends. Efficient use of these shared resources will have a real impact on improving public safety.

4.3.3 Volunteers

Volunteering in Policing and Fire provides an opportunity for members of the community to get involved in their spare time, providing a positive impact on each organisation and the communities that they serve. Volunteers learn new skills and have the opportunity to share and enhance those that they already have.

Norfolk Constabulary has a large number of volunteers across the County who perform a variety of roles that support communities and front line policing. The Community Speed Watch Scheme has in excess of 800 volunteers who perform speeding checks in villages and towns across the County and are supported by the Safety Camera Partnership Team. There are a further 120 volunteers in additional roles ranging from Cadet Leaders to the daily running of the Gorleston CCTV Camera Scheme.

Norfolk Fire Service manages approximately 40 volunteers across the County and they perform a number of tasks that include Home Fire Risk Checks (HFRCs), mainly in rural areas and prioritising vulnerable and elderly residents, while supporting a wide range of other community events (road, home & water safety) and also deliver school visits/events.

There are clear synergies across the role in both organisations with potential benefits to be gained by having a joint coordinated delivery that can provide a simplified structure with access to enhanced numbers and improved capability beyond the current references of the individual organisations. It offers the opportunity for greater levels of engagement with communities in urban and rural settings and an improved understanding of community concerns, needs and tensions.

4.3.4 Safe and Well visits

Increasing amounts of police time is being directed towards public protection work, such as managing high risk offenders and protecting vulnerable individuals. Similarly, Fire and Rescue are targeting prevention through their work with vulnerable people as fire incidents have also reduced.

In 2017, Norfolk Fire and Rescue volunteers completed 3800 HFRC's across the County of which approximately 400 included a safe and well visit, while Norfolk Constabulary is also targeting similar groups as part of its community safety work.

HFRC's deal with all matters relating to Fire in the home - causes, risk and prevention, including fitting and working smoke alarm and knowing what to do when discovering a fire and what action to take. The Safe and Well visits have been piloted in two areas and include 3 additional matters that focus on reducing vulnerability, Smoking, Slips & Falls, and general well-being. There is scope to increase the areas covered with home security being considered and the opportunity to include other preventative measures.

Bringing together fire and police community safety volunteers and sharing knowledge across both teams will create a larger, more diverse pool of individuals who are equipped to support the vulnerable across Norfolk.

4.3.5 Investing in Children and Young People

Norfolk Fire and Rescue Service and Norfolk Constabulary recognise the importance of supporting and investing in children and young people, and understand it is essential that all agencies work towards early intervention, prevention from harm, and reducing vulnerability to make sure they grow up safely and help them to achieve their full potential.

Both organisations have implemented a number of teams and services that strive to achieve these goals but are generally done in isolation of one another. There are clear opportunities for improved partnership and joined up working to deliver greater outcomes and a more efficient service. *Working with Schools* - Norfolk Constabulary's Safer Schools Partnership has been delivering support and key messaging to young people across the County for a number of years. They have a regular presence in 14 High Schools that present the greatest risk, and deliver key safeguarding messages to

the remaining high schools. Norfolk Fire and Rescue Service is the lead agency for 'Crucial Crew', which is a multi-agency project that provides safety skills to approximately 6000 Year 6 Primary School children. This is currently supported by the Safer Schools Team. By bringing together the two teams dedicated to safeguarding in schools, there are excellent opportunities to:

- Expand and diversify the preventative messaging.
- Provide improved learning and Safeguarding for Young People.
- Avoid duplication of work.
- Offer resilience and capability across a broader spectrum of ages.

The Prince's Trust – this is a youth charity that helps young people aged 11 to 30 get into jobs, education and training. Norfolk Fire and Rescue Service has embedded the programme into its organisation and currently has 4 units working across the County, with 10 members of staff and 120 young people on the course each year. The referral pathway for young people could benefit significantly through closer working with the Constabulary, enabling targeted profiling from a greater pool of young people to identify those at greatest risk and need of interventions.

Cadets - The interest and benefits of uniformed youth groups has grown in recent years as they offer young people from all backgrounds the opportunity to meet new people, support their community and develop skills whilst adopting the principles of a uniformed service. Norfolk Fire and Rescue Service and Norfolk Constabulary actively run a number of cadet groups across the county that provide such opportunities for young people. This includes 60 Fire Cadets at 5 locations and 111 Police Cadets at 8 locations. A shared youth engagement structure would lead to more efficient use of volunteer hours and the ability to introduce joint activities such as training, leisure and community engagement events.

4.3.6 Water Safety

There are nearly 200 miles of inland waterways and 90 miles of coastline in Norfolk and during the summer months the numbers of people visiting the County significantly increases. Norfolk Fire and Rescue Service is the lead agency for Water Safety/Drowning and its Community Safety Team leads on a number of preventative and education events throughout the year to promote public safety. This is complemented by the work of the County Drowning and Prevention Group.

Norfolk Constabulary's Broads Beat team provides a visible presence on the Broads and all other waterways within Norfolk, with a focus on crime prevention, public safety, education and public engagement. The team operates through 1.5 dedicated Police Officer posts with additional support from other officers to manage the seasonal demand. By bringing together the Community Safety Teams, there are opportunities to formalise a coordinated partnership and improve preventative messaging and support to the public. This will also introduce enablers for the inclusion of a Firefighter/volunteer on the Broads Beat Team to enhance water safety/drowning support and provide greater resilience within the workforce to be able to meet the demand of the peak summer months.

4.4 Control Room

A project to co-locate the control rooms has been underway for over two years, and current plans will maintain two separate teams working in parallel. There is potential to look at options to drive efficiency through closer collaboration, but there are significant barriers – such as the need to integrate ICT systems and different terms and conditions for the respective control room teams.

Due to these challenges, the new Governance model does not anticipate merging the control room teams. However, a joint project will be developed to improve interoperability of the control room and make limited savings, through redeployment and reducing vacant posts over an extended period of time. This will be facilitated through the application of smarter technologies, and specifically a faster, jointly managed and co-ordinated roll out of the MAIT (multi agency incident transfer) system. This will also help improve response times by ensuring that the right decisions are made, so that the right multi-agency or sole agency response is deployed as efficiently as possible. It will also provide a catalyst for

developing 'blended skillsets' with the capability for the control rooms to share resource, providing a more flexible/agile workforce and providing additional resilience.

NFRS has collaborated with Humberside, Lincolnshire and Hertfordshire as part of an Eastern Region Fire and Rescue group to share operational cost and improve resilience through sharing functions, including communication and control. This Business Case proposal assumes that these arrangements will remain in place, subject to a review of effectiveness at a later date.

Norfolk Constabulary handle on average 366,000 incident related calls per annum; circa 27% of these (99,000) are 999 calls, while Norfolk Fire and Rescue handle on average 8,000 calls per annum. By nature, calls to police are more complex and require handlers to access multiple new and legacy systems to complete their task and leads to average call times being lengthy. By contrast, smarter call handling and despatch technologies are used within NFRS, handling fewer and less complex calls.

4.5 Co-location and joint responding

Co-location of fire and police has been on the agenda for some years. The existing joint station at Sheringham is being joined by several additional joint sites at various stages of development. However, it has taken a long time to make progress on this agenda and while there are savings to be made, the potential for using these as a platform for a genuinely joint response to emergencies has not been fully explored.

Fire stations across Norfolk were located during war time, based on demand for fighting fires and protecting property. Firefighter crew was made up of full time and retained system firefighters. The latter principally drawn from local communities (particularly in the more rural communities) to provide operational response as required. Movement of business to the towns and to central Norwich has led to a reduction in resource availability for the retained duty system.

Over time, the demographic and environment of Norfolk has changed and this is set to continue. Forecasters predict more weather extremes - heavy flooding and tidal surges during winter, while dry summers are expected to lead to water shortages and increased risk of grass and forest fires. In addition, Norfolk's population is set to rise and many people will be living longer. Across urban areas and inner cities, introduction of smaller vehicles carrying basic firefighting equipment and defibrillators can provide fast response to small incidents such as bin fires and garden fires. These can also provide support to Police and to paramedics providing initial first aid, 'trapped behind locked doors' and assisting with mental health related incidents.

Under the proposed new Governance Model, Police and NFRS assets would remain separately assigned to their respective organisations. But the PFCC would ultimately control the assets for both, and would therefore be in a position to progress the programme of joint stations more quickly, through an ambitious unified estates strategy, releasing additional financial benefit. Through agile deployment and a revised tactical approach the new locations would provide opportunities to pilot more agile and effective types of emergency response, creating financial benefit by freeing up resources and reducing the cost of responding. It improves public safety as valuable resources are deployed more effectively.

In the event of an incident, NFRS require minimum number firefighters to crew its large appliances (which is currently under review). In peak periods 'dead spots' arise where there are problems in sustaining sufficient crew members (primarily retained firefighters). Smaller 4x4 appliances can reach an incident in a fraction of the time taken to deploy larger appliances, allowing the larger vehicles to remain in key areas to provide support to the 4x4 teams and to lead response when major incidents and RTCs occur.

Under the new Governance model there is an opportunity, to build on NFRS's existing plans to roll out more versatile 4x4 vehicles to replace some larger fire appliances. Subject to agreement with the FRS managers and due consideration of the IRMP, the proposal could see the implementation of an

extended pilot project to further explore these developments. A more streamlined Governance Model and an added strategic focus on collaboration and innovation rather than just cost saving, would support and encourage NFRS managers who are already advocating new solutions of this kind. It will also enable these developments to be implemented more quickly as a result of streamlined decision making, offering greater impact and financial benefit within the 10 year window.

There will be an additional emphasis on collaboration, providing a platform for exploring the benefits of a joint response. This would look to exploit the operational benefits of colocation. For example, new smaller more agile vehicles in selected pilot locations will enable a more proportionate response when firefighters are needed to support police. Alternatively, for some incidents, the pilot would offer the opportunity to experiment. For example, a police officer joins the 4x4 fire crew to attend selected type of RTC incidents, in order to provide mutual support – facilitated by police and firefighters being co-located at the same station. This is relatively new and uncertain territory, but by introducing a pilot project on a small scale, Norfolk would be in a position to test how benefits could be derived from collaboration of this type, delivering some significant financial benefit, but without risking the effectiveness of the core ability to respond. In doing so Norfolk could join other innovative regions in helping to set the national agenda for developing a new ways of working to deliver a more effective and efficient emergency response in their communities.

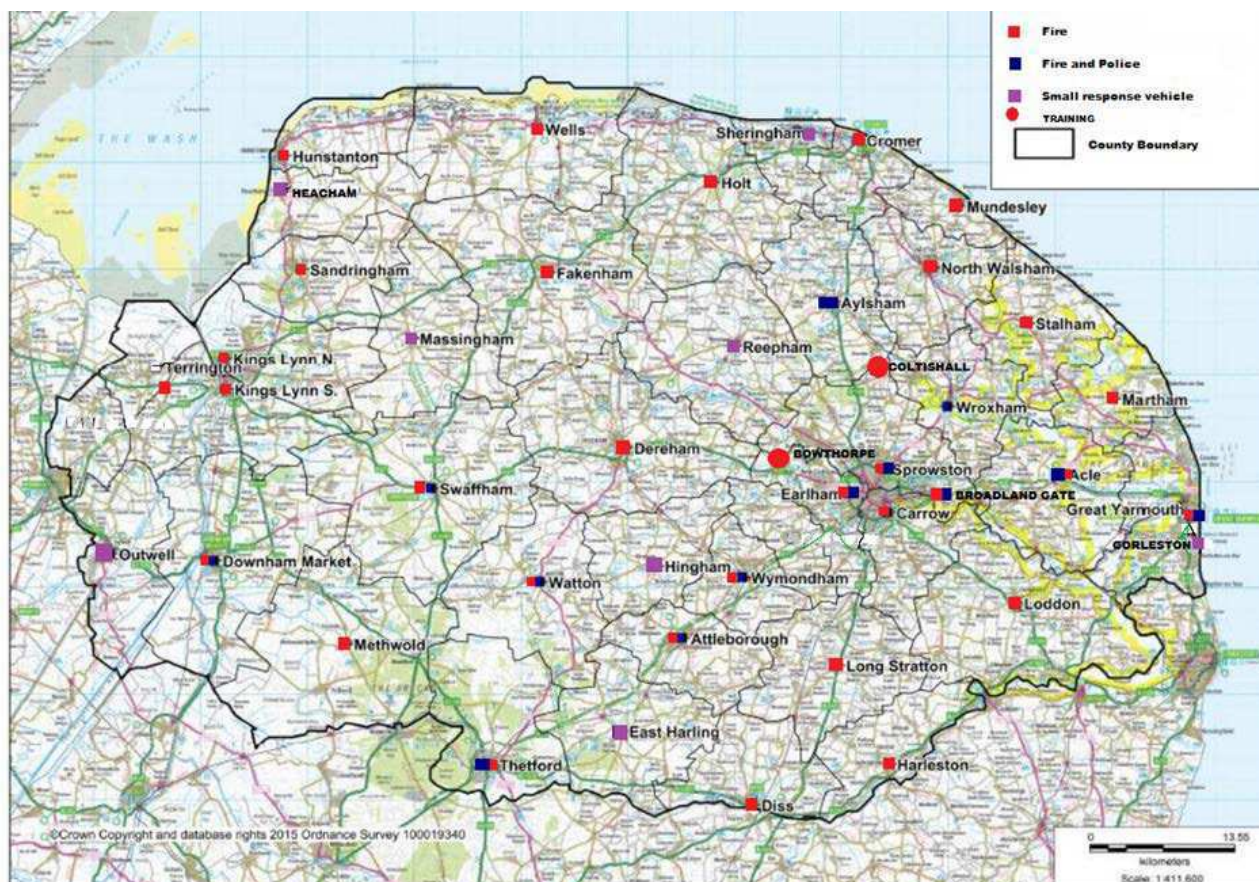
This more flexible model could also help facilitate a 'floating resource' of full time and retained firefighters that would be available to cover any shortages over peak times while also making a contribution to public safety activity, as has been implemented by other fire and rescue services. For example, this model could provide additional coverage along the north Norfolk coast when holiday season peaks drive demand for greater coverage. During down time, home safety checks could be scheduled in these areas, where the retired population is in any case higher, but enabling the crew to remain in the locality for fast deployment if the need arises. There would be opportunities to deploy non-specialist vehicles (such as pool cars) to support this and these could be jointly badged for use by police officers or fire fighters, again facilitated by co-location at joint stations.

The pilot scheme would also help explore solutions to resourcing a response in areas where 'dead spots' have already been identified. The intention would be to help alleviate existing recruitment problems for full time and retained firefighters, while enabling the current full time establishment to be deployed more efficiently. There is no intention to reduce full time firefighter establishment as a result, but it could help reduce demand for retained fire fighters over time.

Co-location of fire and police resource at shared stations will generally involve moving police into existing fire stations, so there will be no intention to close existing fire stations beyond what has already been proposed in regard to the new purpose built Hubs under the Norfolk Police 2020 plan. It will also ensure greater visibility, particularly in rural communities, providing benefit to the public.

Under current arrangements, NFRS HQ is accommodated on the Police HQ in Wymondham and at present is not recharged for rent (estimated to be £63k per annum). Under this option, the accommodation of the HQ will continue, with NFRS provided with its own distinct location on the site to reinforce its separate identity and heritage.

Figure 19 – Potential future landscape of fire and joint fire and police stations.



4.6 Resource Planning

The balance between managing demand and reducing budgets continues to prove challenging for both fire and police. Over time, the squeeze has resulted in lower numbers of fire and police Officers who strive to deliver service excellence to their communities. In particular, stakeholders tell us that NFRS has sometimes struggled to recruit sufficient numbers of retained firefighters in all areas, and the pressure this places on crews can be an inhibitor to exploring more agile ways of working. Under the governance of the PFCC there will be a greater focus on improving coverage across the county through more profitable links with Norfolk's communities.

Sharing tasks across fire and police, through closer collaboration and blending of skillsets will provide the scope to innovate, respond better to local priorities, and through better engagement, achieve value for money.

There is an opportunity to bolster the front line and plug gaps in the establishment of fire and police, where recruitment has been difficult. For example, ways to harness the expertise of retiring officers firefighters, and make better use of those on restricted duties will be explored. This could provide an excellent opportunity to re-engage officers who are keen to utilise their expertise in different ways across their communities. These roles could help free up front line firefighters to work where they are needed, crewing fire appliances and engaging with the public to prevent fires and other emergencies and create capacity for more flexible response models to be explored. The focus provided by the new Governance Model will play a major role in enabling this and contributing towards improving the effectiveness of the two organisations in these ways.

4.7 Commercial revenue and training

A Fire and Rescue Authority has the legal power to charge for certain services (subject to limitations) and to generate surpluses on a commercial basis through a company. Generally the traded services are closely linked to the core statutory functions of an FRA under Fire and Rescue Services Act 2004. Norfolk County Council currently owns a Community Interest Company (CIC) on behalf of NFRS called Norfolk Safety CIC. This company delivers fire safety training and assessment to private companies, amongst other activity. The company currently covers its costs and makes a small surplus that is reinvested in NFRS services. Within the stakeholder meetings and workshops, it was identified that there is significant further potential, this has not to date been fully exploited under current arrangements due to competing priorities and capacity.

There is a good opportunity to build on the commercial revenue generation from training by the Norfolk Community Interest Company to external organisations. While PCC's do not currently have a legal power to establish a company, under the dual role of PFCC Norfolk could lead the way in looking at ways in which Community Safety activity that is currently jointly delivered by fire and police, could be commercialised under existing legislation, in order to broaden the range of traded services and therefore the opportunity to re-invest more into Community Safety activity as well as furthering strategic priorities in this arena.

The initial research and discussion with stakeholders indicates that with more strategic focus and resource put into business development under the PFCC, there are significant opportunities to grow this business, to provide a much higher level of income for reinvestment in FRS services. There is a considerable market advantage over the competition, in the fact that in addition to receiving a high quality service, local firms will also be making a contribution to local public services demonstrating their corporate social responsibility. This aspect should be more heavily promoted than is currently the case.

In addition to commercial activity with local firms, there may be further opportunities around fire and police collaboration in regard to training. Investment in modern training techniques and technology could be used to create a 'training centre of excellence' that could cover both fire and police and joint working with Ambulance and other agencies. This could be offered not just locally, but also in regard to neighbouring forces generating additional opportunity to attract funding.

Currently located on the edge of Norwich, the NFRS Bowthorpe training facility is perfectly placed for easy access from across the county. This large, multi-function site is well equipped with office space, classrooms, training facilities, and outside space, where fire and safety training is already provided. Harnessing the knowledge of current and retiring firefighters and police officers, a centre of excellence could provide first class training delivered by experts covering all aspects of emergency response and Community safety.

4.8 Other potential benefits in support services

Other potential benefits include recruitment and promoting diversity in the workforce. NFRS and Norfolk Constabulary both face challenges with recruitment and could benefit from a shared approach to recruitment and workforce/succession planning. Both could benefit from a joint focus on equality, diversity and inclusivity issues in recruitment.

Multi-skilling and enhanced skilling where police and FRS personnel learn enhanced and different skills to support the other organisation - for example, FRS personnel trained in fire prevention also trained in crime prevention.

Professional development could be delivered as a shared service geared towards providing credible future leaders for joint services. NFRS could benefit from mirroring some of the development practices undertaken by police through the College of Policing and other means.

The following list of further collaboration opportunities is not exhaustive, and other areas where collaboration could create a more effective response in addition to freeing up resource could include:

- Strategic planning.
- Community engagement/ Media and communications.
- Business Intelligence.
- HMICFRS preparedness and response.
- Performance management and analytical support.
- A joint transformation team.
- Developing the drone programme through joining resources.
- Joint contribution to the Fire/Perpetrator programme.
- TRiM.

Trim is a good example of where Norfolk Constabulary and Norfolk Police can benefit further from closer collaboration. Trauma Risk Management (TRiM) is a service that has evolved from the Royal Marines' Stress Trauma Project. This has been adopted within Norfolk Constabulary and is based on the principles of education, risk assessment and mentoring. The programme is delivered by non-medical members of the Force – Police Officers and Staff – who have undertaken specific trauma training and is aimed at supporting people who have experienced a traumatic event and identifies the need for early interventions to support health and welfare.

Norfolk Fire and Rescue Service currently have a limited number of officers trained in group TRiM's only. Police practitioners are predominantly trained to complete one to one sessions. The concept of TRiM requires that a group or individual are not assessed for at least 72 hours after an incident. Owing to the operational commitments of practitioners and affected officers, the time that the assessment is completed can be delayed beyond the optimum time. Increasing the numbers trained across both organisations will improve the resilience of the programme and the likelihood of staff being seen within timescales to reduce stress, anxiety and promote positive welfare. This in turn will deliver greater workforce efficiency through reduced levels of sickness.

How people and resources
will be transferred

The commercial case

How people and resources will be transferred

The Commercial Case

5.1 The purpose of this section

This section of the business case looks at some of the practical considerations that will form part of the transition to the new Governance Model.

5.2 Overview

Overall, while there are many things that will need to be planned for, the transition to the new model is both deliverable within a relatively short timescale, and will cause minimum disruption to front line services. Significant work is planned for the implementation stage that would follow Home Office approval for the new Governance Model. This work includes specific activity required to transfer the following areas:

- Estates.
- Human Resources.
- Information Technology.
- Finance team.
- Procurement and commercial contracts.

5.3 Estates

In order to implement the transfer of the Norfolk County Council (Norfolk County Council) estate to the Police, Fire and Crime Commissioner for Norfolk (PFCC) the following key areas of preparatory work will be undertaken:

5.3.1 The legal transfer of the estate

The Norfolk County Council Corporate Property Department will be asked to identify all those Norfolk County Council assets over which the Norfolk Fire & Rescue Service will have sole or joint use at the time of transfer. An estates key information template will be devised to help identify and capture the main property information needed in each case and from this four property types will be identified:

- **Simple:** For simple or free standing properties, such as stand-alone small retained fire stations.
- **Shared:** For sites with an element of formal site sharing and / or lease implications.
- **Complex:** For sites where there are more complex legal issues identified to be reviewed and / or future practical site separation works to be undertaken.
- **Surplus:** Those Norfolk County Council sites which are or shortly to be no longer used by the Norfolk Fire & Rescue Service and will not transfer to the PCC.

Any areas of dispute in assessing the estate assets would need to be escalated to the respective Norfolk County Council (Fire & Rescue) and PCC (Norfolk Constabulary) Executives for a decision.

Once the background review has taken place the extent of the estate transfer would be reported by each estates department to the respective Norfolk County Council and PCC estates committee / board for final approval. Both parties solicitors will then have the authority to draft and agree a 'Property

Transfer Agreement' to outline the background to the statutory transfer powers and list in an **Appendix F** the estate assets to be transferred as of the agreed 'date of transfer'. The agreement shall also cover other issues such as the apportionment of any rent or sums (when dealing with the assignment of leasehold properties) or the novation or assignment of existing contracts.

Following completion of the transfer this agreement will then be presented to the Land Registry to register the legal transfer of the assets. The transfers in title may be made en-bloc and the Land Registry may nominate one of their staff to deal with the whole transaction, rather than in a piecemeal site by site basis.

5.3.2 Reviewing estates service contracts

The existing Fire & Rescue Service estates consultancy, building maintenance and facilities management contracts will transfer to the PFCC, subject to compliance with the Public Contracts Regulations 2015 and consent of the contractor (depending on the contract terms). The main areas of contract review will be:

- Architectural and Building Consultancy.
- Valuation, Planning and Rating Consultancy.
- Building Maintenance (hard) Services.
- Facilities Management (soft) Services.

5.3.3 Maintenance of buildings and other assets

In readiness for estate transfer work and before the transfer takes place, further work will be carried out to understand the extent of Fire & Rescue premises planned maintenance liabilities.

The PCC's Estates Department will inspect all fire sites and record all assets to be routinely inspected. The PCC will allocate a member of the Estates Department to be directly responsible for mechanical and electrical servicing and planned statutory maintenance. The management of premises furniture and equipment will be centralised to the PCC's Estates Department.

The management of all furniture and equipment will be covered in a PCC / Fire policy so all parties are clear on their responsibilities.

Demand for reactive maintenance is relatively low across the Fire and Rescue estate and can be undertaken within existing PCC Estates Department. Future works and projects will be subject to other existing contract terms and conditions, but be managed by the PCC Estates Department.

5.3.4 Synchronization of estates policies

In advance of the 'date of transfer' the respective estates policies will be reviewed for both Norfolk County Council and the PCC, with the aim of having one live and consistent policy in place by the date of transfer of the estate assets. This will be important to ensure all staff and managers are aware of their responsibilities to manage the estate assets. This will be important to ensure all staff and managers are aware of their responsibilities to manage the estate assets

5.3.5 Creation of an Integrated Estates Team

It is proposed to undertake the management of the PCC and Fire & Rescue Service estate in an integrated manner, subject to separate budget/cost allocation and variation to the shared service agreement for joint Estates Department services together with Suffolk Constabulary.

5.4 Human resources

The transfer should not require a significant logistical exercise in regard to the physical transfer of people. FRS senior management and many FRS support staff are already co-located with police at Wymondham, with relatively few support staff relocating from Council accommodation.

The staff establishment that would be in scope for transfer is approximately:

- 288 fire and rescue professionals - 'Grey Book' staff who would transfer on their existing terms and conditions.
- 520 retained fire fighters – also 'Grey Book' staff who would transfer on their existing terms and conditions.
- 80 local government employees - 'Green Book' staff who would transfer on their Local Government terms and conditions in line with TUPE legislation).

5.4.1 Employment terms

The legal entity that will directly employ the staff will be set up as soon as possible following home office approval. This will allow time for the process of the new legal entity to become an admitted body (or equivalent) to the Norfolk Pension Fund (a scheme in the Local Government Pension Scheme), and The Firefighters' Pension Scheme 2015. Under the LGPS Regulations and the Firefighters Regulations, the employees would have a right to continue as active members of the LGPS and Firefighters Scheme, as appropriate.

The transfer of Green book staff (i.e. non firefighter staff) is expected to take several months depending on the actuarial work required and will be a key part of the implementation plan.

NFRS are currently working with West Yorkshire (WY) with a view to WY delivering administering the Firefighters Pension Scheme 2015 for them. This is scheduled for formal agreement by July 2018 and the assumption is that this arrangement will continue. .

At the point of transfer uniform Fire Fighters and Officers would continue on their Grey Book (and Gold Book if applicable) terms and conditions. There would be no difference to current arrangements.

Non-uniform staff would transfer on the Local Government Green Book terms and conditions. They would be on different terms and conditions to Police Staff who are governed by the Police Staff Council Handbook.

The implementation phase will factor in sufficient time for trade union consultation. The PFCC will formally recognise the membership of the FBU, RFU, FOA and Unison for the NFRS staff.

NFRS service will bring with it its own HR, Finance and IT personnel and the assumption is that these teams will remain part of NFRS for the purposes of this business case. This will reduce the relative complexity of a transfer to the PFCC.

5.4.2 TUPE Transfer

The transfer of staff under through TUPE arrangements will be carefully managed and communicated to ensure continued resourcing and to avoid claims of constructive dismissal or other costly legal challenges.

Under this proposal no compulsory redundancies are proposed. The PFCC is aware that there is a need to carefully consider whether it is likely that redundancies could take place as a direct result of the change in governance, and should they occur at a later date, that it will need to be clear that this is a result of subsequent decisions. These will not be determined until a later date and would require a separate review and business case.

As the transferor employer, Norfolk County Council is legally obliged to run the formal information and consultation process, prior to the transfer to transfer staff to the PCC. Constabulary HR would support the OPCC in conjunction with Norfolk County Council HR staff. Formal consultation would be undertaken following the Cabinet Office Statement of Practice and TUPE legislation. Appropriate terms of any applicable recognition agreement will be followed. There is no minimum consultation period with TUPE legislation but it is proposed to allow for a 'reasonable' 12 week formal consultation period prior to formal transfer date. It is recognised that the logistics of consulting with a large and geographically scattered workforce, whilst also maintaining operational delivery capability, will require careful management. It will also be important to keep Norfolk Constabulary officers and staff up to date and engaged with the transfer via a communications strategy.

TUPE Employee terms and conditions will transfer under TUPE for the duration of the employment but alternative terms of equal benefit can be agreed as part of the staff consultation process. Alternative terms may be introduced in certain circumstances including where agreed by employees.

Detailed legal advice on the implications of integrating the teams under TUPE will be obtained during the implementation phase.

5.4.3 Occupational Health

Occupational Health provision is significant for the Fire Service as all operational staff are subject to 3 yearly medicals alongside the day to day provision. Norfolk County Council currently manages the provision (People Asset Management), physiotherapy and the Employee Assistance Programme (Validium). For the short term, the potential to contract via Norfolk County Council (subject to compliance with the Public Contracts Regulations 2015) for this provision will be explored alongside an option to develop a new contract with the provider (subject to compliance with the Public Contracts Regulations 2015) during the transition phase. Medium to long term options will be considered in regard to the Constabularies Workplace Health, Safety & Wellbeing department although it is not envisaged that this would be able to provide a service to NFRS without considerable expansion which is unlikely to be achieved in the short term.

5.4.4 Culture and Identity

There are cultural and operational differences between Norfolk Fire & Rescue Service and Norfolk Constabulary. The proposed Governance Model will strengthen the existing collaborative relationship whilst preserving the identity of NFRS as a separate organisation. This business case regards the unique identity of NFRS as a key attribute and will empower the fire service through financial independence and a new HQ location on the Wymondham site. Preservation of the distinct identity of NFRS will be a priority in the transition and will reflect the different relationship and role they have with the community to that of police.

5.4.5 Transition

HR support for the PCC during formal staff consultation would focus on confirming to staff continuation of existing terms and conditions, and practical arrangements in terms of branding (e.g. email addresses), and other on-boarding considerations such as set up on day one (e.g. ID, email, access cards).

All employees would need to be set up on the shared service HR systems and letters issued confirming a change of employer. HR would work with IT, Finance and Property to ensure all other relevant practical issues for staff were complete.

From day one there will be a need to update role descriptions for some existing OPCC or Constabulary support staff, where functions formerly undertaken by the County Council are taken up by existing support services, and where there will be no direct transfer of staff.

These will constitute "measures" during the TUPE information and consultation process.

5.5 Information and Communications Technology (ICT)

The independent nature of systems within Norfolk County Council means that it will not be difficult to separate, with the caveat that a number of services will need to be continued in the short/medium term to maintain current services.

The Fire and Rescue Service (FRS) infrastructure is run independent of Norfolk County Council (Norfolk County Council) with ICT services provided by Norfolk County Council when it makes sense for financial, security or efficiency reasons. Current ICT services provided by Norfolk County Council include:

- Finance system.
- Payroll systems.
- Wide Area Networks connecting 42 sites.
- Mobile Sims that can roam across networks.
- Printing solution.

It is anticipated that during the transition phase, detailed planning will take place to either continue Council provided services at least for the short term, or to replace this with the equivalent provision from the Norfolk and Suffolk Constabulary Shared Service.

In regard to the finance system, in the longer term it is anticipated that the Enterprise Resource Planning (ERP) financial system used by the OPCC and Constabulary will be extended to include NFRS requirements. This joint solution with Suffolk OPCC and Constabulary and is provided by Capgemini and is referred to as t-police (an Oracle platform).

The NFRS Control Room is provided through collaboration with Humberside, Lincolnshire and Hertfordshire. Therefore command and control (including call taking resilience) is provisioned by Humberside with fall-back provided by Hertfordshire – it is anticipated that this arrangement will continue under the new model.

Fire ICT staff are Security Cleared (SC) and have Non-Police Personnel Vetting Level 3 (NPPV3).

5.6 Finance team

There are a number of issues that would be identified in respect of a transfer from a finance team point of view:

- Establishing governance documents in respect of the PFCC Governance Model (e.g. Schemes of Delegations and Consent, Financial Regulations and Contract Standing Orders) as well as resolving other Corporate Governance issues in respect of Audit Committee arrangements, Internal and External Audit contracts etc.
- A new statement of accounts will be required to be prepared.
- Transfer of debt, assets, liabilities and reserves etc. need to be finalised and agreed.
- Appropriate banking arrangements will need to be put in place.
- Contract novation needs to be completed for contracts that will transfer to the PFCC Governance Model.
- Specialist issues such as VAT and PAYE registration need to be considered along with Pension, Treasury Management and Insurance arrangements etc.

From a planning perspective it is proposed that a phased transition plan constructed as follows:

- PFCC Governance Model established from an agreed date. At this point all related staff are employed solely by the PFCC as FRA, and have access to existing accommodation and systems including payroll, within the former set up of Norfolk County Council with payments made to Norfolk County Council for those services.
- During a second stage of this initial transition period, complete relevant accommodation moves and, where necessary, move to ICT systems and processes under the PFCC Governance Model.
- As a third stage of transition, changes to Shared Services model (i.e. sharing with PCC and Constabulary) to be put in place including changes to line management.

5.7 Procurement & commercial contracts

5.7.1 Contracts

A significant piece of work will take place during the implementation phase to review the contracts used by Norfolk Fire and Rescue Service (NFRS), the contract owner and the values / volumes of those contracts. This will include legal advice on the options available to terminate, sub-contract or novate these contracts. It is anticipated that while some contracts will specifically apply to NFRS only, whereas there will be others that NFRS uses as part of a wider County Council arrangement. In both cases, Norfolk County Council is likely to be the contract owner. A provisional list of these contracts is as follows:

The preliminary review highlighted 938 suppliers on the financial system related to NFRS activity. 78% of NFRS expenditure in 2016/17 was with 50 main suppliers, the top 10 of these accounting for 44%. Further work will be required to identify the full list. Analysis of non-pay spend indicated that 78% of expenditure in 2016/17 was related to construction and facilities management, fleet, and ICT.

The 10 largest contracts were with the following suppliers:

- Lusher Contracts Ltd.
- ALLSTAR BUSINESS SOLUTIONS LTD.
- BT (British Telecoms).
- CAPITA PLC.
- EMERGENCY ONE.
- Southern Electric.
- Bristol uniforms.
- HENDERSON TRUST.
- SIMULATION FTS LTD.
- Weber Rescue UK Ltd.

NFRS has access to Norfolk County Council (Norfolk County Council) contracts for a range of goods and services. Many Norfolk County Council contracts are likely to be available to all public sector organisations in Norfolk and therefore should still be accessible to a PCC Style-FRA, should this present the most commercially viable option (on the assumption that the contract notices in OJEU were sufficiently broad).

There are expected to be a number of contracts where NFRS use the same framework agreement or call off arrangement as currently used by the Police and Crime Commissioner (PCC) for Norfolk and therefore the PCC Style-FRA would probably be able to continue to use these depending on the terms and parameters of the previous procurement.

The vast majority of PCC/ Constabulary contracts are “joint” contracts with Suffolk PCC / Constabulary and although some of these contracts will be in the name of the Suffolk PCC, Norfolk PCC is a named beneficiary. Subject to seeking advice on a case by case basis, unless there is fundamental change to those contracts then the PCC Style-FRA, as part of the Norfolk PCC group, should be able to use those contracts where appropriate.

The value and material change of requirement rules would need to be assessed but generally fire service volumes are unlikely to have an impact.

Some contracts specifically in the name of NFRS would need to be novated to the PCC Style-FRA.

5.7.2 Shared Services

The OPCC and Norfolk Constabulary are part of a shared service arrangement for back office services. It is anticipated that following transfer, elements of transactional activity for HR, Finance and ICT will be carried out by the shared service.

In addition, elements of facilities and fleet related activity for NFRS are currently carried out by NORSE, (a Norfolk County Council owned service company) through an existing Service Level Agreement.

In both cases it is anticipated that planning will take place during the transitional phase to continuing these arrangements in the short term, pending review of the best commercial option in the medium to long term.

How the new arrangements
will be funded

The financial case

How the new arrangements will be funded

The Financial Case

6.1 The purpose of this section

This section sets out how the new organisation will be funded and sets out a high level financial plan.

6.2 Overview

Overall, analysis of the financial case indicates that the new organisation will be affordable and sustainable in the medium to long term, based on current government funding projections and the share of council tax to be transferred. There are several areas where the view taken in this business case differs from that of the financial solution put forward by Norfolk County Council, including the imposition of a share of savings allocated to the NFRS budget to help address Norfolk County Council's projected funding deficit. The position taken in this business case is that the funding transferred should reflect the current cost of running NFRS, based on the current budget, and a share of back office support costs that are not included in the NFRS budget. At the same time a solution must be found which recognises the financial position of the Council. These aspects will need to be addressed during the consultation and approval stages, should the decision be taken to proceed.

In regard to the transfer of assets, it is proposed that buildings and other assets that are deemed to be in operational use by NFRS will transfer to the PFCC. This will include lease arrangements where applicable. These assets will continue to belong to the new NFRS organisation, and cannot be merged with those of the police, except where the PFCC and both Chiefs agree to proceed with co-location projects. The future capital programme will also be transferred and as is currently the case will be funded primarily through borrowing.

6.3 Funding NFRS

6.3.1 The Methodology

This analysis uses the methodology set out in the CIPFA draft document "The Development of Guiding Principles on how to Fund the Transfer of a Fire and Rescue Service from a County Council to a PCC".

Section 4 of that document considers 3 options to calculating the proportion of general funding (Revenue Support Grant, Baseline Funding Level, Rural Support Delivery Grant and Council Tax Precept) that should be allocated to the PCC-style Fire and Rescue Service.

CIPFA recommend "Option 3: An individual transfer for each county council calculated as a proportion of the net revenue budget allocated to the fire and rescue service". CIPFA goes on to say "we recommend option 3 as the only option which would be fair to county councils and to PCC-style FRAs".

This is the basis for the funding allocation model used in this section. More detail follows in the following pages.

6.3.2 Establishing the NFRS Budget

An important part of this process is establishing and separating out NFRS budget from the rest of the revenue budget of Norfolk County Council (Norfolk County Council).

Budget information was provided by Norfolk County Council in respect of Fire and Rescue and a series of meetings was held to gain an increased understanding of the information including any assumptions that formed part of those figures.

6.3.3 Key differences

A key principle for the PCC is for funding to be identified on the basis of “affordability” i.e. that is equal to the underlying costs of the services that would transfer. This is the only way to ensure that an adequate amount of funding is transferred to the PCC –style FRA.

The Norfolk County Council proposal for funding is to transfer the level of budget that is allocated to NFRS.

These contrasting approaches lead to three key differences in the view of the 2019/20 budget as the proposed level of budget does not match the underlying costs.

6.3.4 Minimum Revenue Provision (MRP) holiday

As part of a review of its Minimum Revenue Provision (MRP), Norfolk County Council has chosen to take an “MRP holiday” from making full provision against their post 2008 unfunded assets. This assumes it has technically “over provided” for MRP in prior years, and has a short term temporary reduction in the charge against council tax. The “holiday” unwinds over the period of the Norfolk County Council MTFP meaning that by 2021/22 the full provision will be required.

The PCC view is that MRP is a statutory charge to fund historical capital spends over the remaining life of the associated assets, and is an unavoidable charge based on historic capital funding decisions made by Norfolk County Council. The “MRP holiday” is a temporary mechanism to reduce the overall charge against the Norfolk County Council budget in the short term and is not a true permanent service saving that can be set against NFRS.

The PCC view is therefore that full funding for the underlying MRP requirement should form part of the funding transfer to reflect the permanent charge over the remaining lives of the associated assets ensuring that the new organisation under the PFCC Governance Model is not disadvantaged on a permanent basis as the result of a technical funding decision made by Norfolk County Council.

The Norfolk County Council view is that the full MRP budget cannot be provided.

6.3.5 Savings

The current figures presented by Norfolk County Council indicate that if the NFRS were to take a share of the savings programme in proportion to its share of the Council budget, it would represent a saving to the NFRS budget of £0.874m in 2019/20.

However, the PCC view is that from the date of transfer (in this financial model assumed to be 01/04/2019) savings decisions should be those of the PCC and not Norfolk County Council. Therefore, for the baseline funding transfer, the PCC-style FRA should not be allocated a share of the overall Norfolk County Council budget saving requirement.

The Net Present Value (NPV) section in the Economic Case puts forward future savings and efficiencies which may be available to the new organisation under the PFCC Governance Model, post transfer.

6.3.6 Cost Pressures

The Fire and Rescue Service has existing cost pressures. According to figures supplied by Norfolk County Council, the outturn for 2017/18 showed a £75k overspend. However, the underlying cost pressures are more significant than this, as there were other offsetting underspending items that will not be available in 2019/20.

Two areas in particular are unfunded. Community Safety has traditionally overspent. The service is making efforts to reduce this overspend but even with a more efficient approach the underlying overspend is in the region of £50k.

Water rescue will also be an unfunded budget pressure and this runs to approximately £70k of spend each year. This is not funded through settlement grant as it is not a statutory service.

Together these equate to a minimum underlying pressure of £120k. There will be additional cost pressures should some other underlying overspends not be addressed by service redesign as is the current intention.

6.3.7 Revenue budget of NFRS

Following consideration of the issues outlined above a summary of the areas where the PCC view and Norfolk County Council view are consistent, are set out in the table below:

Figure 20 – Budget Summary

FIRE AND RESCUE NET BUDGET SUMMARY 2019/20	
	£m
Employee Costs - Pay	16.224
Other Employee Costs	6.670
Premises Related Costs	1.461
Transport Related Costs	1.813
Supplies and Services Costs	2.760
Agency and Contract Services	0.011
Exp Departmental Recharges	0.653
Capital Financing Total	0.526
Income	-2.144
Fire and Rescue Net Budget (agreed items)	27.973

The items where there is a difference between the view of the PCC and that of Norfolk County Council for the 2019/20 budget is set out in the following table, along with a view of the total budget:

Figure 21 – Differences in the financial analysis

Differences between NCC proposed and PCC view:	NCC Proposed	PCC Proposed	Variance between NCC and PCC
	£m	£m	£m
Unfunded Cost Pressures	0.000	0.120	-0.120
Share of MRP cost	0.423	0.423	0.000
Effect of NCC policy / MRP holiday	-0.347	0.000	-0.347
Existing savings target	-0.874		-0.874
Sub-total of contested budget	-0.798	0.543	-1.341
Grand-total Fire and Rescue Budget 19/20	27.175	28.516	-1.341

From an affordability point of view, the PCC view is that the funding that should transfer to the new organisation under the PFCC Governance Model is over £1.3m more than Norfolk County Council is proposing.

As part of any transfer process these figures would be subject to a due diligence process.

6.3.8 Funding allocation

The funding allocation model being used is the recommended CIPFA option as set out in the Methodology section above.

The allocations across the general funding streams are set out in the table below and reconciles to the PCC view of the net revenue budget requirement (NRB - £28.516m).

Figure 22 – Funding allocation

	2019/20 Norfolk County Council and FRS general funding	2019/20 funding allocation for FRS based on NRB % of 4.83%	2019/20 funding allocation remaining for Norfolk County Council
General Funding Sources	£m	£m	£m
Revenue Support Grant	-38.810	-1.873	-36.937
Business Rates	-152.361	-7.352	-145.009
Council tax income	-396.569	-19.137	-377.432
Rural Services Delivery Grant	-3.195	-0.154	-3.041
Total Funding / Net Revenue Budget	-590.935	-28.516	-562.419
FRS Net Revenue Budget	-28.516		
FRS Net Revenue Budget as a % of total NCC Net Revenue Budget	4.83%		

6.3.9 Future Funding Risks for the PCC

By 2020/21 the government has indicated that it may allow councils to retain a larger proportion of business rates, while at the same time reducing the amount of grant that it gives to councils. In addition the Ministry of Housing, Communities and Local Government has recently been consulting on a fair funding review for local government.

Clearly, this presents a financial risk to Councils, as potentially larger metropolitan councils would see greater returns from business rates than rural councils. In terms of business rates not all councils are starting from the same position, and hence the fair funding review is required to run alongside the changes to business rates.

The same risk will apply to the new organisation under the PFCC Governance Models as long as the funding basis is maintained in terms of continuing to receive business rates.

Currently the assumptions used in the MTFP section that follows are based on the current funding model and are that business rates increase by 2% each year, Revenue Support Grant remains static, and that the Rural Services Delivery Grant is maintained and is also static. In light of the above reviews on business rates and fair funding, these assumptions will change and will be kept under constant review.

6.4 High level Medium Term Financial Plan (Income and Expenditure)

Having established a PCC view of NFRSs revenue budget, it is then possible to put together a high level Medium Term Financial Plan for the service.

The table below shows the funding position as set out above, and the budget as set out in Figure 20.

Figure 23 – Medium Term Financial Plan

MEDIUM TERM FINANCIAL PLAN - 4 YEAR OVERVIEW - NORFOLK FIRE PCC CALC (4.83% of NRB)					
		Budget	Forecast	Forecast	Forecast
		2019/20	2020/21	2021/22	2022/2023
		£000	£000	£000	£000
REVENUE FUNDING					
Business Rates		-7.352	-7.499	-7.649	-7.802
RSG		-1.873	-1.873	-1.873	-1.873
Rural Services Delivery Grant		-0.154	-0.154	-0.154	-0.154
Precept Income		-19.137	-19.807	-20.500	-21.217
TOTAL FUNDING		-28.516	-29.333	-30.176	-31.047
BASE REVENUE BUDGET INCLUDING INFLATION:					
Net Revenue Expenditure before savings		27.973	29.017	29.833	30.685
Unfunded Cost Pressures		0.120	0.000	0.000	0.000
Share of MRP cost		0.423	0.000	0.000	0.000
Effect of NCC policy / MRP holiday		0.000	0.000	0.000	0.000
Investment		0.000	0.315	0.343	0.361
NET REVENUE BUDGET		28.516	29.332	30.176	31.046
DEFICIT / (SURPLUS)		0.000	0.000	0.000	0.000
ABOVE BASED ON FOLLOWING ASSUMPTIONS					
Pay awards		2.00%	2.00%	2.00%	2.00%
Price Inflation		2.00%	2.00%	2.00%	2.00%
Business Rates		2.00%	2.00%	2.00%	2.00%
RSG		0.00%	0.00%	0.00%	0.00%
Rural Services Delivery Grant		0.00%	0.00%	0.00%	0.00%
Precept - Tax base increase		1.50%	1.50%	1.50%	1.50%
Precept - Bill increase		2.00%	2.00%	2.00%	2.00%

Providing the revenue budget and funding is on an affordability basis for 2019/20, and given the assumptions made in regard to future funding there may be scope for additional investment in the service in later years of the Medium Term Financial Planning period. The investment could help meet the workforce planning recruitment profile caused by retiring firefighters, or to support capital spending on short-life assets currently supported by borrowing.

Subsequent opportunities for additional increased efficiencies are described in the NPV section within the Economic Case. Clearly there are risks already described in terms of any funding review, and changes to business rates and grant funding and these will impact on the figures included above.

6.5 High level Medium Term Financial Plan (Capital Programme)

The information below was provided by Norfolk County Council in terms of a capital programme for NFRS.

Figure 24 – NFRA Capital Programme

FIRE CAPITAL PROGRAMME - 2019-2023				
	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Fire Red Fleet replacement	1.250	2.000	0.000	0.000
Fire Critical Equipment replacements 0.150 Extension to existing programme	0.200	0.150	0.000	0.000
East Harling, Mundesley, Wells & Methwold Fire Stations - training tower replacement	0.414	0.000	0.000	0.000
Cromer, Swaffham, Acle & Wroxham Fire Stations - training tower replacement	0.000	0.414	0.000	0.000
Essential maintenance to various fire station premises, including external redecorations, fascia, soffit & barge board replacement, external resurfacing & replacement of roof finishes.	0.080	0.080	0.000	0.000
Total Fire Capital Programme	1.944	2.644	0.000	0.000

Under current Norfolk County Council proposals, the funding of this spend would be predominately from borrowing, although there are earmarked reserves allocated to NFRS that could be used to contribute to the programme.

Following any transfer to a PFCC Governance Model, this capital programme would need to be reviewed in more detail together with proposals in the NPV section, and a revised funding model.

Currently, the PCC adopts a prudent policy to capital funding for the constabulary. That is, for revenue resources (grant, revenue budget or revenue reserves) to be used to fund short life assets, and borrowing to support the funding of longer life assets (e.g. land and buildings).

6.6 Balance Sheet

The table below is illustrative of the values of assets and liabilities that would transfer with NFRS. The figures are based on information provided by Norfolk County Council, but are subject to more detailed discussion and due diligence and therefore all figures are subject to change.

Figure 25 – Balance Sheet

Illustrative Fire and Rescue Service balance sheet (to be confirmed with NCC in due course)	
	£m
Non-current assets	39.645
Current assets	2.140
Pension Liabilities	TBC
Transferred Debt Liability	-10.586
Net Assets	31.199
General and Earmarked Reserves	2.140
Capital Adjustment Account	29.059
Pension Reserve	TBC
Total Reserves	31.199

The non-current assets figure is based on a Net Book Value held currently within the Norfolk County Council asset register and within the Norfolk County Council balance sheet. The asset values relate to Land and Buildings, Vehicles and Equipment. The current asset value is equal to that of the value of general and earmarked reserves, and represents the amount of cash that would transfer to support these reserves.

The liability in respect of Transfer Debt relates to the borrowing taken out by Norfolk County Council and the apportioned share of this debt that remains in respect of Fire assets, and that would transfer and need to be met in future by the new organisation under the PFCC Governance Model.

The level of General Reserve is based on and Net Revenue Budget proportion share (estimated at 4.83%) of the Norfolk County Council general balances. This equates to approximately £0.923m. Earmarked reserves for Fire and Rescue amount to just over £1.2m and are committed to be used for funding items such as ICT equipment refresh programmes, operational equipment purchases, additional training, and spend supporting resilience. The Capital Adjustment Account is a non-usable “technical accounting” reserve and supports the net position for the net book value of non-current assets and the transfer debt liability.

The issue around the transfer of pension liabilities is complex and is under review.

How the change will be delivered

The management case

How the change will be successfully delivered

The Management Case

7.1 The purpose of this section

This section sets out how the transition process will be managed to ensure that the move to set up the new Governance Model and the new NFRS entity is delivered to plan and on time.

7.2 Overview

Governance arrangements have been put in place to deliver the new model to be overseen by the PCC. The transition process and change programme will be managed through a Transfer Governance Board, and structured through a series of work streams. A project team will be developed by the OPCC to manage and implement the change programme.

The PCC recognises the importance of an inclusive approach to the development of the business case and has engaged with key stakeholders throughout the process, to share progress and validate the information at each stage contained within. The public consultation is part of the ongoing engagement with stakeholders that will continue throughout the process.

The transition programme will be governed by the PCC and managed by the PCC's CEO with support from the OPCC, and in close liaison with the NFRS, NFRA and Norfolk County Council. A Project Manager is assigned to the programme, with additional business change support as required.

The timescales for implementation of the Governance model is approximately 14 months. This timeline is dependent on the timelines indicated by the Home Office being met at each stage. Subject to the Secretary of State making the order, the ambition is to transfer on the 1st April, 2019, but it is recognised that a later start may be required in order to accommodate all the preparatory work necessary to deliver the programme.

Following transfer, work will begin to realise the ideas set out in this business case and a Police, Fire and Crime Plan will be developed that will set out how economy, efficiency and effectiveness could be improved in order to protect frontline services. Implementation of the changes will be underpinned by proactive management arrangements to ensure that the identified benefits are realised as soon as possible.

7.3 Governance and project management arrangements

The implementation of the governance changes will be overseen by the PCC and led by the CEO of the OPCC who will manage the change process internally.

The OPCC commissioned Grant Thornton to support the development of the Local Business Case, and public consultation arrangements will be managed within the resources of the OPCCN.

The transition process and change programme will be managed through a Transfer Governance Board, and structured through a series of work streams. A project team would be developed by the OPCC to manage and implement the change programme. This team will work closely with teams within NFRS and Norfolk County Council to progress the necessary work, and will align this work with other transformation and collaboration work currently ongoing.

Prior to implementation the PFCC oversight structure will be developed. On transfer NFRS will be incorporated into the PCC's governance structure, whilst remaining independent of the Constabulary with the Chief Fire Officer having operational independence.

Senior staff would join a Strategic Governance Board; the exact membership is to be determined. A public accountability meeting will be developed to scrutinise performance and service development.

7.4 Business Case development process

To work with partners as early as possible in the process, the OPCCN has set up an engagement structure to assist in developing the LBC outside of statutory necessity.

The PCC recognises the importance of an inclusive approach to the development of the business case, engaging with all key stakeholders throughout the process, to share progress and validate the information at each stage. A series of meetings, ideas sessions, and exchanges of information have taken place between Fire and Rescue and Norfolk Constabulary representatives to inform the LBC. This consisted of three groups supported by the business partner, Grant Thornton:

- A Strategic Reference Group (SRG) consisting of the OPCCN CEO, Chief Fire Officer and Project Manager. The SRG is in place to ensure that the LBC is fully informed, adequately resourced and could make the very best recommendation in the interests of economy, efficiency and effectiveness, and public safety.
- A Business Case Development Group, chaired by the OPCCN CEO consisting of senior personnel, supported by work stream leads, providing assistance to Grant Thornton, giving access to data and staff as necessary.
- Expert Advisory Panel consisting of experienced professionals working with 'blue light' services, including Sir Ken Knight (former Chief Fire & Rescue Advisor to the UK Government). The Panel is further supported by professionals in the field of accounting, legal advice, human resources and communications.

The Terms of Reference for each of these groups can be found under **Appendix B**.

7.5 Transition management

The transition programme will be governed by the PCC and managed by the PCC's CEO with support from the OPCCN, and in close liaison between the OPCC, NFRS, NFRA and Norfolk County Council. A Project Manager is assigned to the programme, with additional business change support as required.

The purpose of the transition programme is to scope and deliver all proposed aspects of the preferred option within the Local Business Case for the PCC to take on legal and overarching responsibility for the provision of NFRS in Norfolk.

The structure and management of the transition programme will work to ensure that the transition is:

- Thorough – using the Local Business Case and learning from national good practice will ensure a comprehensive analysis is carried out and requirements are translated into the necessary changes in a timely and sequential manner.
- Timely – the necessary work will be carried out to meet the deadlines. Dates will be set out for delivery using the most accurate assessment prior to further clarification being provided by the Secretary of State following consideration of the Local Business Case and an independent assessment being made.

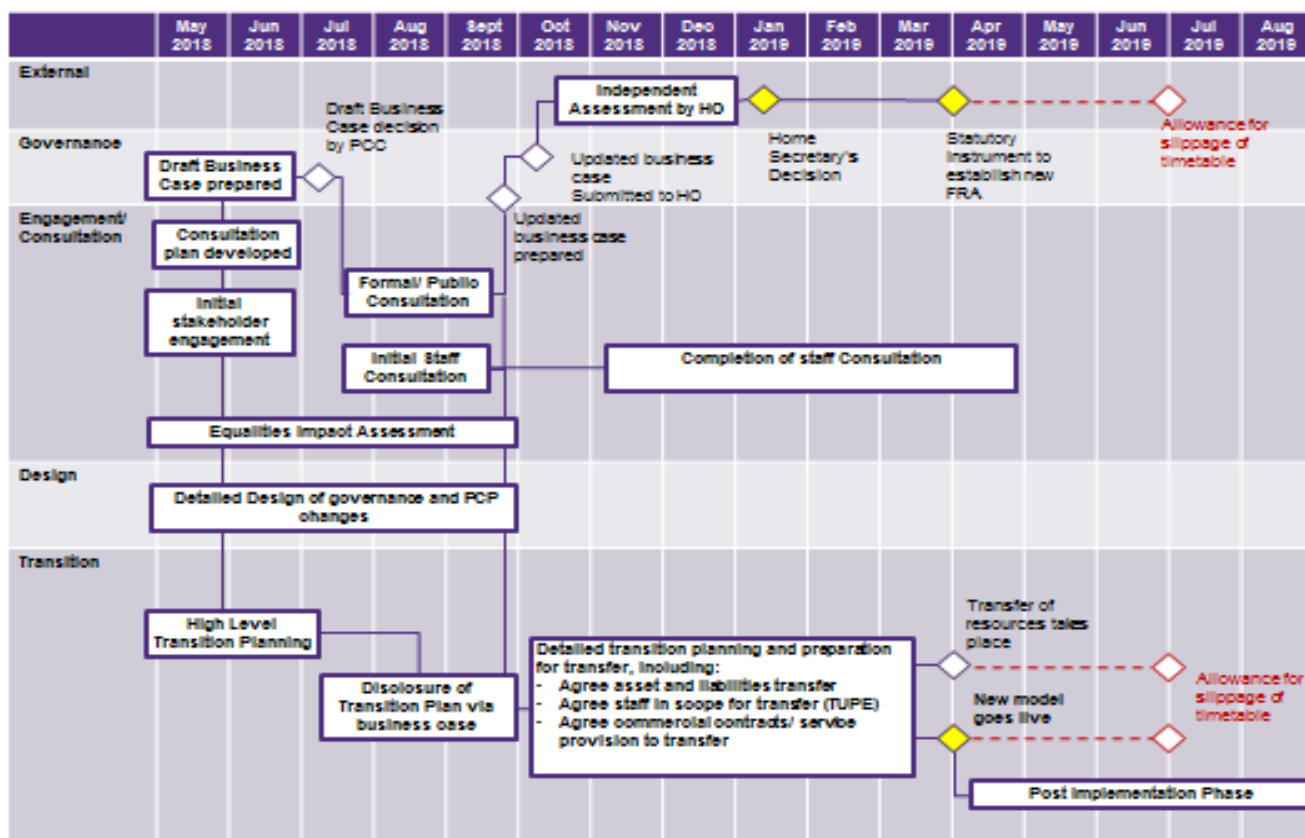
- Cost Effective – work will be conducted to prepare the PCC, Norfolk Fire and Rescue Service, Norfolk Fire and Rescue Authority, Norfolk Constabulary and all other partners impacted by the changes for transition by the set date. The Programme will be pragmatic with no more bureaucracy than necessary. Manageable work streams will drive specific activities and report to a Project Board.
- Inclusive – each work stream will incorporate key stakeholders to help drive and deliver the necessary activities to ensure a smooth transition. The transition will be in close liaison and consultation with relevant partners and where practicable with the public.

The Transition Programme will be divided into three management levels included in **Appendix C**.

7.6 Implementation timeline

The diagram below shows the likely timescales for implementation of the Governance model of approximately 14 months. This timeline is dependent on the timelines indicated by the Home Office being met at each stage. Subject to the Secretary of State making the order, the ambition is to transfer on the 1st April, 2019.

Figure 26 - Governance model high level implementation plan



7.7 Transition planning assumptions

This plan is based on the following assumptions:

- The PCC engaged with NFRA and Norfolk County Council through the (Period of engagement) on the emerging proposals alongside the further development of proposals and plan, including consultation documents, in order to be ready for formal consultation at the earliest opportunity.
- Satisfactory feedback from the HO will be received in respect of the Norfolk proposals.
- The PCC went out to consultation, with staff, the local authorities, other stakeholders and members of the public across Norfolk for a period of 8 weeks from 11th July, 2018.
- Following the completion of the consultation period and appropriate consideration of the feedback received, a revised business case taking account of the matters raised will be submitted to the Home Office for the Home Secretary's consideration and requested approval no later than October 2018.
- Independent Assessment will take no longer than eight weeks.
- Home Office consideration of the LBC following the Independent Assessment could require more time.
- That the Home Secretary makes an order under S.4A of NFRSs Act 2004 (as amended).
- Implementation of the Governance model will require the creation of a new Fire and Rescue Authority by statutory instrument. The Fire and Rescue Services Act 2004 gives the Secretary of State the power to make an order which makes the PCC the FRA for the area covered by the order. The order will also provide "for the creation of a corporation sole" as the FRA for the area specified in the order (s.4A). Finalisation of the Order will take two to three months.
- A statutory transfer scheme will be required to move staff, contracts and assets to the new FRA. This business case assumes a staff consultation process of three months. The timing of this will be subject to discussion between the PCC and NFRA.
- Current assumptions based on the timings specified by the Home Office, and factoring in Independent Assessment, the earliest target implementation date for the new governance arrangements is 1st April, 2019.
- Any further delay will see transfer take place in June 2019. It may be that the Independent Assessment and Home Office process is quicker, in which case the earliest manageable transfer would be April 2019.
- Transfer during the financial year is possible through defined CIPFA procedures and so does not constrain this timetable.

7.8 Implementation post transfer

Following transfer, work will begin to realise the ideas set out in this business case.

- A Police, Fire and Crime Plan will be developed that would set out how economy, efficiency and effectiveness could be improved in order to protect frontline services.
- The estates strategies of both organisations will be reviewed to develop a single 'community safety estate' strategy that would seek to bring in other partners as well.
- Data analysis and the implementation of data sharing structures will be put in place to strengthen collaborative working.

At the point of transfer a new corporate governance scheme will be implemented.

7.9 Stakeholder engagement

Implementation of the changes will rely on ongoing engagement with stakeholders, staff and trade unions. For the proposal to move forward, it will require further engagement with:

- Local authorities – a formal response has been received from Norfolk County Council indicating their objection to the proposal at Options Appraisal Stage; this has been followed by a Council motion on the 16th April, 2018 to produce an alternative business case and communications strategy to retain NFRS within the authority.
- District Councils have also been consulted through the consultation process.
- NFRA – senior representatives of NFRA have been consulted during the development of this LBC and continuing engagement will be required during implementation.
- NFRS – senior representatives of NFRS have also been consulted during the development of this LBC and additional engagement will be required during implementation, as well as support in helping to manage engagement and communication with FRS staff.
- Trade unions – Fire Brigade Union (FBU), Retained Firefighters Union (RFU) and UNISON.
- Staff – All staff working for NFRS/NFRA will be affected by any change in governance. Whilst some of the knock-on effects may be in perception alone this should not be underestimated and so engagement (and therein consultation) with this key group and representative bodies will be vital.
- Police and Crime Panel – discussion will be needed on the extended role and remit of the Police and Crime Panel and how this will work and potentially be funded in practice.
- Home Secretary – If a decision is taken to proceed with the Governance model, following scrutiny of the LBC by the Home Office, it will be for the Home Secretary to consider and, if appropriate, approve the proposed change and enact the associated statutory instrument to give effect to the change.

The development of more detailed proposals on transfer for the collaboration opportunities will benefit from input from a wide range of stakeholders, including: the public, county, city and district councils, local members of parliament and other local and regional partners. This will be achieved through the public consultation exercise.

7.10 Public Consultation

There is a statutory requirement for the PCC to consult on the preferred option. The legislation specifies that the PCC must:

- Consult each relevant local authority about the proposal.
- Consult people in the PCC's police area about the proposal.
- Consult people appearing to the PCC to represent employees who may be affected by the proposal.
- Consult people appearing to the PCC to represent members of a police force who may be so affected.

Furthermore, a PCC must “publish, in such manner as the PCC thinks appropriate, a response to the representations made or views expressed in response to those consultations.”

A consultation strategy was developed once the PCC's preferred option was clear, this was shared with the Strategic Reference Group prior to detailed planning to ensure they were satisfied with the proposed methodology. The consultation strategy is included in **Appendix D**.

A full consultation will be launched on 11th July 2018 running for 8 weeks. The above listed consultees will be notified. The LBC will be published along with consultation materials and a supporting video via the PCC's website www.norfolk-pcc.gov.uk.

A series of public events will be held across Norfolk. The consultation will include an open survey and a series of public events in each district across the county. Information leaflets will be available in public buildings across the County; the OPCCN website has dedicated pages providing the full details of the original Options Appraisal, local business case and FAQ's. The PCC will hold a range of engagement activities including local surgeries, focus groups and formal meeting structures to provide qualitative insight.

There is also a statutory duty on Norfolk County Council to consult:

- Representatives of persons liable to pay any tax, precept or levy to or in respect of the authority.
- Representatives of persons liable to pay non-domestic rates in respect of any area within which the authority carries out functions.
- Representatives of persons who use or are likely to use services provided by the authority.
- Representatives of persons appearing to the authority to have an interest in any area within which the authority carries out functions.

7.11 Risk Management

Proactive risk management will form part of the transition to the Governance model, this means:

- Establishing and maintaining a risk log.
- Ensuring that each risk is owned by a named responsible individual.
- Carrying out regular risk reviews and setting target dates for mitigation.
- Providing strategic oversight of risks and mitigation by appropriate governance bodies based on clear thresholds and pathways for escalation.

It should be noted that any plans will maintain as a minimum the existing Fire IRMP requirements, and there will be no change to the NFRS IRMP on transfer.

The Register also includes risks identified during the development of the case and through public consultation. The register will be managed through the PCC's corporate governance structure.

A risk register for implementing the Governance model is included at **Appendix E**.

7.12 Benefits management

Implementation of the changes will also need to be underpinned by proactive benefits management arrangements to ensure that the identified benefits are realised as soon as possible. They will be subject to external scrutiny and may eventually be scrutinised nationally; Oversight will have regard to the two types of benefit detailed in the Economic Case above:

- Governance benefits (i.e. those benefits directly associated with improvements in the governance of NFRS).
- Collaboration benefits (i.e. those benefits that flow from collaboration between the two services, which are enabled and more likely to be realised as a result of the governance changes).

The approach to benefits realisation includes:

- Establishing a benefits register.
- Identifying clear owners with responsibility for benefits realisation.
- Developing common benefits realisation plans.
- Regularly reviewing processes and challenge arrangements.

7.13 Equality impact assessment

The Equality Impact Assessment (EIA) is concerned with anticipating and identifying the equality consequences of a particular policy / service initiative and ensuring that as far as possible any negative consequences for a particular group or sector of the community are eliminated, minimised or counterbalanced by other measures. It also ensures compliance with the public sector equality duty contained within section 149 of the Equality Act 2010. The public sector equality duty applies to the nine protected characteristics of:

- Age.
- Disability.
- Gender reassignment.
- Pregnancy and maternity.
- Race.
- Religion or belief.
- Sex.
- Sexual orientation.
- Marriage and civil partnership.

Throughout the development of the business case, consideration has been afforded to ensuring there would be no negative impact on equality if the proposed new Governance Model was introduced. The process of an EIA has begun and initial findings, based on the content of the business case and EIAs on similar governance changes, suggest there are no negative impacts. The full EIA relies on feedback from the public consultation of the business case and will therefore be submitted to the Home Office alongside the full business case and published on the OPCC's website.

The intention of the new Governance Model is to increase the level of public visibility and accountability in the new governance of NFRS through the revised operation of the Norfolk Constabulary, Fire and Crime Panel and the forms of public accountability that are associated with the office of PCC. Therefore, the PCC will be able to monitor compliance with the public sector equality duty and hold the Chief Fire Officer to account over it. Further, the change will increase effectiveness, efficiency and economy of the services to the benefit of public safety, therefore all sectors of society benefit.

Each collaboration opportunity would be subject to its own business case before a decision is made to proceed. Each of these will need to incorporate an EIA to ensure the impact of any change to the service is fully understood.

7.14 Legal review

This business case has been subject to high level professional legal review under the following areas:

- Enabling power to facilitate collaboration and commercialisation and related duties.
- Other common law principles to bear in mind.
- Key legal issues concerning contract transfer/ novation.
- Transfer of employment including TUPE, secondment and joint employment and pensions.
- Assets and disputes - key legal issues on transfer of real property assets and intellectual property assets.
- Key issues to address in relation to a new delegation of powers e.g. PFCC to Chief Fire Officer.
- Future legislation where ascertainable from desktop research.

Full legal due diligence is planned to take place as part of the implementation phase and has been included as a transition cost in the financial NPV analysis.



Appendices

Appendix A - NPV Assumptions

Note that in this table – costs are represented in brackets (e.g. £x) and benefits do not have brackets.

Transition Costs	Option 3	Option 4	Basis of estimate
Business Case Professional Advice	40,000	40,000	Based on estimated consultancy fee or general advice.
Specialist HR Advice (Staff transfer, TUPE, Culture)	25,000	60,000	Estimate based on similar business cases.
Employee communications, induction and culture change	35,000	80,000	Spread over OPCC Communications teams and Constabulary. Communications teams absorbing some of the cost but due to limited capacity, external resource will be needed.
Programme/ Project management	70,000	120,000	One full time Head of Project Management support from a contractor/ professional firm. Under Option 4, the cost of 1 FTE will be spread over 2 years.
Assets Transfer (Legal and Accounting Advice)	10,000	10,000	Assuming contribution from Estates teams. Estimate provided by existing advisers.
Legal due diligence	60,000	50,000	Estimate based on similar business cases.
Consultation costs (Stakeholders)	5,000	10,000	£5k based on 8 week consultation; majority of the cost absorbed by PCC; additional support on top of sunk costs.
Actuarial advice (Pensions, IAS19)	20,000	20,000	Based on a quote from current actuary.
ICT Systems Migration (Accounting, Payroll systems)	50,000	60,000	Estimate based on costs incurred during similar ICT programmes.
Total Estimated Transition Cost	315,000	450,000	Non-recurrent revenue cost of transition

Governance Costs

Option	Area	Value over 10 years £000	Assumption
Option 1 & 2	Governance Costs	0	There will be no additional governance costs as the FRS remains with the County Council. As Options 1 and 2 entail no organisational or governance change, they do not offer any additional advisory costs. A refresh and strengthening of current voluntary collaboration arrangements is expected to have minimal financial implications, other than the opportunity cost of the management time involved.
Option 3	Governance Costs	(144)	There will be an increase in governance costs on the part of the PCC which is estimated at 0.5 FTE (c. £16k). This reflects the expanded scrutiny remit of the PFCC and the Police, Fire and Crime Panel.
Option 4	Governance Costs Savings from Member support Combined senior management	(27)	The same assumptions have been applied as for Option 3. However, changes in management structure offer a compensating saving between senior management salaries.

Investment in Scale and Capacity

Option	Area	Value over 10 years £000	Assumption
Option 1 & 2	Increasing scale and capacity	None	None
Option 3	Investment in scale and capacity	(1,074)	<p>Several functions will require additional resources to implement the change in the initial years of the project, and deal with increased capacity in their teams.</p> <ul style="list-style-type: none"> • Finance - additional accountants to support the Financial Accounting work during implementation. • Expansion of the Estates team: Additional resource to support the accelerated Estates programme. • One additional HR/ Payroll post – to support back office processing. • External Audit costs of the stand-alone FRS Due to the size of the FRS we estimate an audit fee of £32k.
Option 4	Increasing scale and capacity	(1,456)	<p>Costs the same as Option 3. Additional ICT technical manager required for Years 3 to 5 to implement the integration of ICT systems and telephony. We expect a reduction in the audit fee as only one entity will be audited.</p>

Estates Consolidation

Option	Area	Value over 10 years £000	Assumption
Option 1 & 2	Co-location Programme	2,028	<p>By year 5 (2023/24), under Options 1 & 2 a total of 4 co-location schemes would have been completed. We assume that within a 10-year period, the Joint Estates Strategy would have resulted in the completion of 12 schemes.</p> <p>We assume that the status quo will persist and there will be no joint estates team and both the PCC and the FRS will procure facilities management services separately.</p>
Option 3	Co-location Programme	3,784	<p>Options 3 and 4 would also eliminate the need for fire and police performing their own due diligence and contracting as well as procurement of professional advice (such as using two separate valuation experts, transfer of legal title, etc.).</p> <p>Key benefits include:</p> <ul style="list-style-type: none"> - Timescales: Delivery of projects will be much quicker with one decision maker (the PFCC) and no advance terms negotiations and legal work required. - Resources: There will be less administration for service charge costs and re-charging. No formal invoices will be required. The PCC's Finance Department will be able to undertake simple internal recharges. <p>As a result of more streamlined decision-making, by year 5 (2023/24), a total of 12 co-location schemes would have been completed.</p> <p>By year 10 (2028/29), a total of 17 co-location schemes would have been completed.</p> <p>Under joint governance arrangements the key financial benefit to deliver</p>

Estates Consolidation

Option	Area	Value over 10 years £000	Assumption
			<p>joint premises will be:</p> <ul style="list-style-type: none"> - One-time capital receipt. This is based on consultant estimates provided to the Acting Head of Estates. However, there are a number of police stations which are leased and vacating the property would not result in capital receipts, thus reducing the average benefit. Some stations also require significant capital works, which also reduces the size of the capital benefit. - Non-recurring revenue savings. These savings result from avoided planned maintenance liabilities. - Recurring annual savings, mainly from reduction in running costs. Other recurring annual savings result from more efficient processes within the combined Estates Department, such as: - Legal Fees (£5k per project): No formal leases or contracts will be required. Sharing can be documented via an inter-departmental license template provided by the Head of Estates. <p>Renegotiation of the facilities management contract with external providers yields an estimated recurring annual benefit of £58k.</p> <p>Difference in levels of service for facilities management and running costs (i.e. bronze and gold across fire and police) will be eliminated. With the proposed retendering of the PCC's FM contract and with joint fire sites, a circa 5% saving on combined spend (£1.2m) could be made reflecting the reduction in contract overhead in dealing with one FM contract in the future. Savings will be achieved from 2021-22 to allow time to make the required contract changes.</p>
Option 4	Co-location Programme	3,925	<p>By year 5 (2023/24), under Option 4 a total of 18 co-location schemes would have been completed.</p> <p>During the second half of the 10-year period, Option 4 assumes the completion of more complex schemes such as the move to a joint new site in Fakenham. This affects the NPV over a 10-year period, which is lower than Option 3 due to the significant capital outlay required. This initial investment (£900k), however, is recouped within the next 5 years (£900k less one-off maintenance cost saving £131k and 361k recurrent annual saving gives a payback period of 4.7 years).</p> <p>This scheme requires significant planning and capital outlay, which can be best implemented under a Single Employer Model. Integrated ICT systems will also remove the need for additional infrastructure expenditure.</p> <p>Estates Management saving as for Option 3. The following could also be eliminated due to being a part of one organisation:</p> <ul style="list-style-type: none"> - Professional fees to arrange leases (surveyor and solicitor) as well as to manage construction works on the new site; <p>Avoiding two separate stamp duty land tax payments for new lease acquired.</p>

Fleet Strategy and Management

Option	Area	Value over 10 years £000	Assumption
Option 1 & 2	Fleet replacement programme	2,614	<p>The FRS' 2018/19 Strategic delivery plan outlines the purchase of 5 lightweight vehicles (for 2 pump stations). We assume that this will be rolled out in 2019/20 as the pilot is already under way. This will be a roaming 4x4 responder vehicle based in the community with support from other sites.</p> <p>The programme is associated with the following financial costs and benefits:</p> <ul style="list-style-type: none"> - Net capital benefit (5 vehicles): £850k total capital inflow resulting from the replacement of 5 appliances. Assumes a £200k capital receipt from the sale of older appliances and a capital outlay of £30k for the smaller 4x4 appliances. - Net revenue benefits (5 vehicles): Recurring annual savings, mainly from reduction in running costs from the use of the more efficient 4x4 appliances. Annual savings calculated as the difference between running costs for a larger fire engine (£146k p.a.) and a 4x4 vehicle (£107k). These include retained staffing costs. <p>Indicative costs have been provided by NFRS.</p>
Option 3	Fleet replacement programme	1,360 2,708	<p>Option 3 will accelerate the pace of delivery of the new response model outlined under option 3 using lightweight vehicles in retained fire stations, which are currently experiencing delays in attendance times.</p> <p>The modelling is based on the roll-out of 3 additional lightweight vehicle in 2021/22 on top of the 5 originally planned by the FRS.</p> <p>This will result in the following financial benefits:</p> <ul style="list-style-type: none"> - One-time capital receipt (8 vehicles from 2021/22 onwards). £1,360k total capital inflow resulting from the replacement of 8 larger appliances over 10 years. Assumes a £200k capital receipt from the sale of older appliances and a capital outlay of £30k for the smaller 4x4 appliances. The estimated net capital benefit per appliance is £170k. - Recurring annual savings receipt (8 vehicles from 2021/22 onwards). Net revenue benefits over 10 years total £2.7m.
Option 3	Management and servicing of fleet	680	<p>Pulling together Norfolk Police and Fire fleet management under a single structure is expected to reduce duplication in roles, resulting in the gradual merging of the role of Fleet Manager. Assumed annual saving of £59k, with additional savings in mail delivery costs of 10k per annum from year 2.</p>
Option 4	Fleet replacement programme Management and servicing of fleet	5,404	<p>Option 4 is associated with a faster implementation of the response model based on the use of lightweight vehicles.</p> <p>The modelling is based on the roll-out of 2 additional lightweight vehicles in 2024/25 across co-located police and fire stations in areas where 'dead spots' in response occur.</p>

IT and Control Room

Option	Area	Value over 10 years £000	Assumption
Option 1 & 2	MAIT (Multi-Agency Incidence Transfer) Roll-out	687	Assumes MAIT is to be rolled out in Year 5. <ul style="list-style-type: none"> - Upfront investment of £25k to cover implementation costs of the MAIT system. Both fire and police have acquired the license already. Subsequent annual running costs of £5k. - Efficiency savings resulting from interoperability would allow for a gradual redeployment of staff, reducing duplication in roles, and changing the skills mix over time.
Option 3	MAIT (Multi-Agency Incidence Transfer) Roll-out	1,483	Assumes the roll-out of MAIT is accelerated due to faster and more streamlined decision-making processes. The value of upfront investment remains the same as Option 1 but MAIT will launch in Year 3. Efficiency savings resulting from interoperability will be realised earlier. This would bring forward the reconfiguration of senior management roles through vacancy management and redeployment. Partly nets off against cost of MAIT rollout of 60k.
Option 4	MAIT (Multi-Agency Incidence Transfer) Roll-out	1,762 (65)	Assumes the roll-out of MAIT is accelerated by one additional year, launching in Yr2, thus bringing forward the reconfiguration of joint Control Room senior management. Partly nets off against cost of MAIT rollout of 65K.
Option 4	Integration of IT Infrastructure	1,346	Upfront capital outlay (£1.3m) in Yr3 to cover the time and licensing costs associated with integrating command and control systems and hardware upgrades. Covers Airwave, telephony and network connectivity. Revenue savings estimated at 10% of current combined ICT and telephony spend, or £440k pa.

Support Services

Option	Area	Value over 10 years £000	Assumption
Option 1 & 2	Support Services <i>Optimising Systems & Processes</i> <i>Purchasing Economies of Scale</i>	0	We expect both organisations will continue to procure separately.
Option 3	<i>Purchasing Economies of Scale</i>	1,120	<p>The County Council is a large organisation and as a result is able to negotiate significant economies of scale in its contracts, for those areas that are common to both Council and FRS. Similar advantages apply to Norfolk Constabulary and PCC, it is therefore assumed that there is no marginal advantage from economies of scale for the majority of general procurement.</p> <p>Stakeholders identified a few areas of category spend where there may be an additional marginal opportunity from linking with police procurement:</p> <ul style="list-style-type: none"> - Protective clothing (combined spend of £356k). - Professional services (combined spend of £2,982k) - Training due to potential for co-location of several training facilities (combined spend £1,314k) <p>We have assumed a modest 3% saving on combined annual category spend for the areas mentioned above to reflect the limited potential saving.</p>

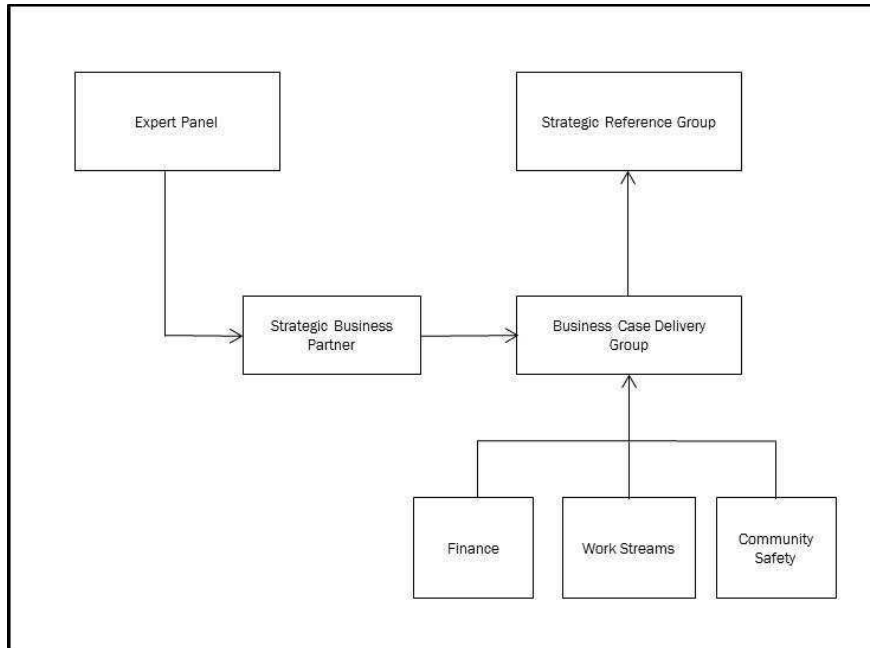
Support Services

Option	Area	Value over 10 years £000	Assumption
Option 3	<i>Optimising Systems & Processes</i>	352	We expect an improvement in processing such as joint payroll runs and pensions administration due to learning and knowledge transfer. Quantified as a reduction in the administrative requirement by 2 FTEs from Yr 3 onwards (£22k per Business Support Administrator).
Option 4	<i>Purchasing Economies of Scale</i>	1,690	As for Option 3 it is assumed that the direct marginal benefit to driving out economies of scale as a result of Option 3 will be limited. However, we have assumed that relevant saving on category spend would be higher than under Option 3 at 5%, due to equalisation of contracts specifications.
Option 4	<i>Optimising Systems & Processes</i>	736	Additional to Option 3, optimising processes will also lead the reduction of the requirement for 1x Procurement officer over time (£48k incl. on costs).
Option 4	<i>Frontline Efficiencies</i>	1,140	The overlap in management posts has been analysed across the two organisations in the areas of Road Traffic, Community Safety, and Prevention and we can see opportunities for sharing coordinator roles across these areas. This could potentially lead to reducing the need for middle and senior management posts by 3-4 FTEs over a 10-year period. The savings will not be driven by redundancies as over time we expect staff to be redeployed across a number of joint fire/police operational areas, thus reducing recruitment requirement over time.

Appendix B – Terms of Reference

The business case development process has been supported by the following structure.

Business case development structure



Strategic Reference Group terms of reference

- **Membership:** OPCC CEO, Chief Fire Officer, Project Manager.
- **Meets:** Fortnightly or at presentation of options assessments and local business case.
- **Purpose:** To ensure that the local business case (under the provisions of S.6 Policing & Crime Act 2017) is fully informed, adequately resourced and can make the very best recommendation in the interests of economy, efficiency and effectiveness, and public safety.
- **Aims:**
 - To ensure that all necessary information to inform the business case is provided.
 - To ensure that the business case is developed in compliance with the national guidance on Police and Fire Business Cases, and any other emerging best practice.
 - To ensure the Business Case Delivery Group co-ordinates the work needed to enable and inform the development of the business case in a timely and efficient manner.
 - To help ensure that communications on the development and progress of the business case are clear, factual and accurate.
 - To be cognisant of learning emerging from both the APCC Working Group and the development of other similar business cases being prepared nationally.
 - To identify and mitigate any risks in relation to the development of the business case.

Expert Panel

- **Membership:** Sir Ken Knight (former Chief Fire & Rescue Advisor to the UK Government), Paul Grady (Grant Thornton Head of Police), Robin Baker (Grant Thornton Head of Fire and Rescue), The Panel is further supported by professionals in the field of accounting, legal advice, human resources and communications.
- **Meets:** Prior to presentation of Local Business case.
- **Purpose:** The Expert Panel will draw on each member's knowledge, skill and experience to check proposals are realistic and operationally manageable.
- **Aims:**
 - Provide expert and objective scrutiny of the project's thinking and findings
 - Act as a critical friend providing insightful and invaluable feedback to help shape the very best business case for the public of Norfolk.

Business Case Delivery Group terms of reference

- **Membership:** The following individuals or their deputies as appointed on a meeting-by-meeting basis: PCC CEO, DCC, 151 Officer, Work Stream leads
- **Meets:** Fortnightly
- **Purpose:** To facilitate the development of the local business case with the strategic business partner in response to the provisions made under S.6 Policing & Crime Act 2017, working to the timescales specified.
- **Aims:**
 - To act as points of contacts for the strategic business partner and to facilitate the business partner having access to all necessary information from members respective organisations to ensure the business case is as best informed as possible
 - To act as points of contacts for the individual interested parties and ensure that the appropriate lines of communication are provided to and from each parties respective governance structure
 - To identify with the business partner potential risks and issues
 - To ensure that legal due diligence takes place from completion to implementation
 - To ensure that communications by interested parties on the development and progress of the business case are clear, factual and accurate
 - To use any best practice and learning available from the group members

Appendix C – Transition Programme

Level One - Project Board:

- Chaired by the PCC's CEO. Attendance to be confirmed as necessary, but with core attendees of the Chief Fire Officer, PCC's CFO, NFRS Treasurer, and Project Manager. The board will undertake the following:
 - Agree Transition Programme objectives, key products, timetabling, staffing, reporting on work streams and functional arrangements
 - Set communications strategy
 - Receive high level, overarching progress reports, and risk management by exception
 - Review reports/ documents from other stakeholders or seek their attendance at Board
 - Agree extraordinary resources, resolve issues
 - Report to the Strategic Governance Board Chaired by the PCC
 - Invite representatives from other bodies to provide additional information and assistance
 - Liaison with APCC on monthly basis sharing Best Practice and guidance
 - Meet on a frequency agreed by the Board

Level Two – Work streams:

- All work streams will involve Norfolk OPCC, Norfolk Fire and Rescue Service and any other parties deemed relevant to progress the activities within the specific work stream
- Each work stream will have a nominated lead
- All Work streams will develop milestones, actions, timescales and appoint owners
- Resources will be committed from respective organisation(s) to specific areas of work
- A meeting/engagement timetable will be prepared for each work stream to progress the work in a timely fashion
- All work streams will report to the Project Board and will highlight any significant risk, exception or resource demand to the Board requiring immediate action
- Work streams will set up an appropriate meeting structure to suit all parties involved

Level Three – Specific Projects to support Work stream Development (*ad hoc*):

- Where specific and detailed work is required to support the work stream development, individual projects will be set up with relevant stakeholders to progress the work
- Each specific project will have a lead officer and will report updates to the Work stream
- The work stream lead will assist in the development and delivery of any specific project

High level assumptions have been made about this work:

- OPCCN in liaison with NFRS will develop Project Board / Work streams.
- Resource and capacity will be found to assist in the delivery of the transition work and where necessary, additional resources will be brought in to support this work.
- Administration to be supported and all documentation to be stored by the OPCCN.
- Lead Officers will be assigned to each Work stream.
- Work streams will identify key projects to be developed.
- Meetings will have agreed Terms of Reference.
- A risk register will be set up and updated accordingly as work progresses.

The programme will be split into 7 work streams, key activities to include the following:

- The new Scheme of Governance and Consent, setting out Board structure and the flow of business, identifying how the FRS will be managed, with appropriate delegations.
- Staff consultation and transfer – consultation process.
- Communication strategy and plan.

Fire Governance Transition Management Structure is included in **Appendix F**.

Appendix D - Consultation Strategy

Fire Governance Consultation Strategy

This strategy outlines how the Office of the Police and Crime Commissioner (OPCCN) would support the Police and Crime Commissioner (PCC) in consulting on a Full Business Case on the future governance of Norfolk Fire and Rescue Service.

The strategy covers the requirements of the consultation and the approach proposed to ensure consultation meets both legal requirements and best practice principles.

The OPCCN has received national recognition for its openness and transparency three years running and is experienced at developing and delivering public consultations.

Contents:

1. Background
 - National context
 - Options
2. Approach
 - Process
 - Objectives
 - Legal requirements
3. Consultation principles
 - Government consultation principles 2018
 - Gunning principles
 - OPCCN principles for consulting online
 - General Data Protection Regulation (GDPR)
4. Stakeholders
5. Methodology
 - Methods and channels
 - Equality considerations
 - Timetable
6. Publication of results

1. Background

National context

The Policing and Crime Act, which came into effect in January 2017, places a statutory duty on emergency services (Police, Fire and Ambulance) to collaborate. The Act also makes provision for PCCs to carry out local assessments of the most effective model for fire and rescue services. PCCs have the option to present a local business case to the Home Office where they believe a change in governance would lead to improvements in economy, efficiency and effectiveness and/or public safety.

The Association of Policing and Crime Chief Executives (APACE) in conjunction with the Home Office issued guidance on how the Act should be interpreted and applied locally, and set out the rationale for the new legislation as follows:

Closer collaboration between the police, fire and rescue and emergency ambulance services can bring real benefits to the public and help each service better meet the demands and challenges they face.

Whilst there are a number of good examples of collaboration between the emergency services locally, as set out within the Emergency Services Collaboration Working Group's National Overview of Collaboration, there is a clear expectation from Government that more needs to be done by the services to ensure collaborative working becomes the norm.

Building on the Government's manifesto commitment to "enable fire and police services to work more closely together and develop the role of our elected and accountable Police and Crime Commissioners", the Policing and Crime Act 2017 introduced a raft of measures to enable the emergency services to meet this ambition.

The Government has also been clear that continuing with the status quo is not enough and that improvement is expected.

When outlining the detail within the Policing and Crime Act Brandon Lewis, the then Minister for Policing and Fire, said: "by overseeing both police and fire services, I am clear that PCCs can drive the pace of reform, maximise the benefits of collaboration and ensure best practice is shared." (Brandon Lewis, 2017)

Options

The following options for change are enabled under the Policing and Crime Act 2017:

1. Continue with the Fire and Rescue Authority as part of the County Council and continue with collaboration where appropriate.
2. Continue with the Fire and Rescue Authority as part of the County Council but give the Police and Crime Commissioner (PCC) a position on the Fire and Rescue Authority, which is embodied by a Council Committee.
3. Move the Fire and Rescue Service under the governance of the PCC but keep it independent of the existing OPCC and its Chief Executive.
4. Move the Fire and Rescue Authority under the governance of the PCC by creating a single organisation that includes both police and fire under the command and control of a new Chief Officer.

2. Approach to consultation

Process

The Policing and Crime Act lays down a process where PCCs assess the case for change and, if they believe a case exists to move to the governance or single employer model, they prepare a local business case demonstrating how the change is in the interests of economy, efficiency and effectiveness and/or public safety.

If this is done then a public consultation must be held on the proposal. Once the consultation is complete the PCC then makes a final decision as to whether to submit the local business case to the Home Office. If so, the Home Secretary would then review the case and take a final decision on whether to approve, or not. If approved secondary legislation is laid before Parliament to put in place the statutory instrument to make the transfer possible.

Objectives

- Clearly explain to the public what the options for change set out in the Policing and Crime Act are and the reasons why the PCC has put forward the option he has.
- Set out to the public the background, the context and the case for change to allow for informed decisions to be made.
- Effectively obtain the views and opinions of the public and key stakeholders across Norfolk.
- The PCC is informed of the collated consultation results, allowing him to take the results and feedback into account when making a final decision.
- Ensure the PCC discharges his duties to consult in an effective manner as set out in the Policing and Crime Act, in line with legal requirements and in line with public consultation best practice.

Legal requirements

Clear guidance on consultation methodology has been issued by the Association of Police and Crime Chief Executives, based on the requirements of the Policing and Crime Act.

That guidance says that, prior to submitting a business case to the Secretary of State; a PCC is required to meet a number of consultation duties set out in the Act. These are:

- Consulting each relevant local authority about the business case.
- Consulting people in their local police force area about the business case.
- Consulting those who the PCC considers represent the views of employees who may be affected by the PCC's proposal, including fire and rescue personnel and police staff.
- Consulting those who the PCC considers represent the views of members of the police force who may be affected by the PCC's proposal.
- Publishing a summary of the PCC's response to the representations and views expressed in response to the consultation.

The Act does not prescribe how PCCs should go about meeting these requirements. This reflects the principle that PCCs are best placed to determine locally how to consult their local communities based on the nature of their case and its complexity. There is, however, related case law and best practice (outlined below in Consultation principles) in this area that PCCs may wish to draw on when considering how to discharge their consultation duties.

3. Consultation principles

The OPCCN is experienced at carrying out public consultations, including the annual budget/precept consultation and public consultations on the Police and Crime Plan and Community Remedy. The office strives to adhere to the following principles and consultation best practice to deliver the highest quality public consultations possible.

Government Consultation Principles 2018

The Government has published a list of consultation principles. While it has been developed to improve its approach to consultation, many of those principles are relevant for non-government organisations, including:

Consultations should be clear and concise:

- Use plain English and avoid acronyms. Be clear what questions you are asking and limit the number of questions to those that are necessary. Make them easy to understand and easy to answer. Avoid lengthy documents when possible and consider merging those on related topics.

Consultations should have a purpose:

- Do not consult for the sake of it. Ask departmental lawyers whether you have a legal duty to consult. Take consultation responses into account when taking policy forward. Consult about policies or implementation plans when the development of the policies or plans is at a formative stage. Do not ask questions about issues on which you already have a final view.

Consultations should be informative

- Give enough information to ensure that those consulted understand the issues and can give informed responses. Include validated impact assessments of the costs and benefits of the options being considered when possible; this might be required where proposals have an impact on business or the voluntary sector.

Consultations are only part of a process of engagement:

- Consider whether informal iterative consultation is appropriate, using new digital tools and open, collaborative approaches. Consultation is not just about formal documents and responses. It is an on-going process.

Consultations should last for a proportionate amount of time:

- Judge the length of the consultation on the basis of legal advice and taking into account the nature and impact of the proposal. Consulting for too long will unnecessarily delay policy development. Consulting too quickly will not give enough time for consideration and will reduce the quality of responses.

Consultations should be targeted:

- Consider the full range of people, business and voluntary bodies affected by the policy, and whether representative groups exist. Consider targeting specific groups if appropriate. Ensure they are aware of the consultation and can access it. Consider how to tailor consultation to the needs and preferences of particular groups, such as older people, younger people or people with disabilities that may not respond to traditional consultation methods.

Consultations should take account of the groups being consulted:

- Consult stakeholders in a way that suits them. Charities may need more time to respond than businesses, for example. When the consultation spans all or part of a holiday period, consider how this may affect consultation and take appropriate mitigating action, such as prior discussion with key interested parties or extension of the consultation deadline beyond the holiday period.

Gunning Principles:

The ‘Sedley’ criteria, suggested by Stephen Sedley QC, broadly set out the requirements for good consultation. In the case, the judge said:

“...these basic requirements are essential if the consultation process is to have a sensible content. First, that consultation must be at a time when proposals are still at a formative stage. Second, that the proposer must give sufficient reasons for any proposal to permit of intelligent consideration and response. Third ... that adequate time must be given for consideration and response and, finally, fourth, that the product of consultation must be conscientiously taken into account in finalising any statutory proposals.”

These four points are often referred to as the Gunning Principles of good consultation.

OPCCN principles for consulting on-line

In addition to the more general consultation principles set out above, the OPCCN has some particular guiding principles when it comes to using online consultation methods:

- We are all about digital inclusion, not digital exclusion.
- If you restrict to one response from one url you are excluding members of same family or a couple from using the same computer.
- This is also prohibitive for people without direct access. We urge people to use a library computer for example which would not work if restricted to one response, one url.
- There is also nothing to stop people filling in more than one hard copy form, or having more than one e-mail address.
- Asking for an e-mail address may also exclude some potential responders– some people are unwilling to leave one, especially if the consultation is relating to the police.
- Data analysis to spot any repeats/unusual patterns is we believe satisfactory.
- Overall we believe access issues out-weigh any potential fraud.

General Data Protection Regulation (GDPR)

This strategy has been prepared in full recognition of General Data Protection Regulation (GDPR) and the duties of the OPCCN and PCC under the relevant legislation.

4. Stakeholders

As with all consultations undertaken by the OPCCN the clear aim is to reach the widest and broadest audience possible. As outlined above in **Legal requirements**, before submitting a business case to the Secretary of State, a PCC is required to consult with:

- Each relevant local authority about the business case.
- People in their local police force area about the business case.
- Those who the PCC considers represent the views of employees who may be affected by the PCC’s proposal, including fire and rescue personnel and police staff.
- Those who the PCC considers represent the views of members of the police force who may be affected by the PCC’s proposal.

With this in mind, the main stakeholders (not exhaustive) will be as follows:

The public

- Norfolk public at large
- Community groups and organisations
- Business community
- Independent Advisory Group
- Youth commission
- Norfolk's business community

Emergency services

- Fire and rescue officers, staff and volunteers
- Fire and rescue staff representative bodies (Unions)
- Police officers and staff
- Police staff representative bodies (Unions)

Local authorities

- Norfolk County Council
- MPs
- District and Borough Councils
- Town and Parish Councils
- Norfolk Association of Local Councils (NALC)
- Safeguarding Boards
- County Community Safety Partnership (and member organisations)

Media

- Local media (newspapers, radio, television)
- Social media
- Local publications (newsletters, parish circulations etc)
- Community websites
- Emergency services professional publications

5. Methodology

Methods and channels

The OPCCN consultation will include the following consultation methods and channels (not exhaustive):

Survey:

- Online survey run through the OPCCN website; a dedicated area of the website will host the consultation information
- The online survey is made accessible via fire and rescue and police intranets
- Hard copy versions of the survey

Video:

- Video outlining the process and details and explain how to take part in the consultation

Leaflet:

- An information leaflet to outline the process and details and explain how to take part in the consultation

Information poster:

- Information posters to be distributed at key public locations
- Information posters distributed to fire and rescue premises and police premises

Public engagement:

- Public meetings or engagement events across Norfolk (well-advertised in advance)
- PCC engagement with local authorities and local authority meetings where possible
- Community groups

Media

- Press releases to local and trade/industry media
- Media interviews as and when required and appropriate

Social Media:

- A social media campaign will target social media users to outline the process, collect feedback and keep people up-to-date with the consultation process

Direct communication:

- PCC's monthly round-up newsletter
- OPCCN e-mail signatures
- Full list of Frequently Asked Questions to be compiled and developed on OPCCN website
- Other direct communication mediums (Your Voice/Police Connect) as appropriate

Equality considerations

An Equality Impact Assessment will be carried out on the Full Business Case.

The nine protected characteristics covered by the Equality Act 2010 have been taken into account when developing this strategy and will be taken into account during delivery of the consultation and development of associated materials.

In line with the Government Consultation Principles 2018 outlined above, the OPCCN will make sure all consultation documents are clear and concise, written in plain, accessible language. Jargon will be avoided and technical terms explained. Alternative formats will be available on request.

Timetable

The public consultation will be held from for a minimum of eight week and is scheduled to begin in July 2018.

6. Results of the public consultation

The results of the public consultation and comments received will be published on the OPCCN website.

The Commissioner's response to the results of the public consultation will also be published on the OPCCN website.

Appendix E - Risk Register

Key:

Risk Rating			Accountable Owner	
No.	Likelihood	Impact	OPCC	Office of PCC: PCC's CEO accountable
1	Highly improbable	Negligible	CC	Chief Constable
2	Unlikely	Minor	CFO	Chief Fire Officer
3	Probable	Significant	PCP	Police and Crime Panel
4	Highly Probable	Severe	HO	Home Office

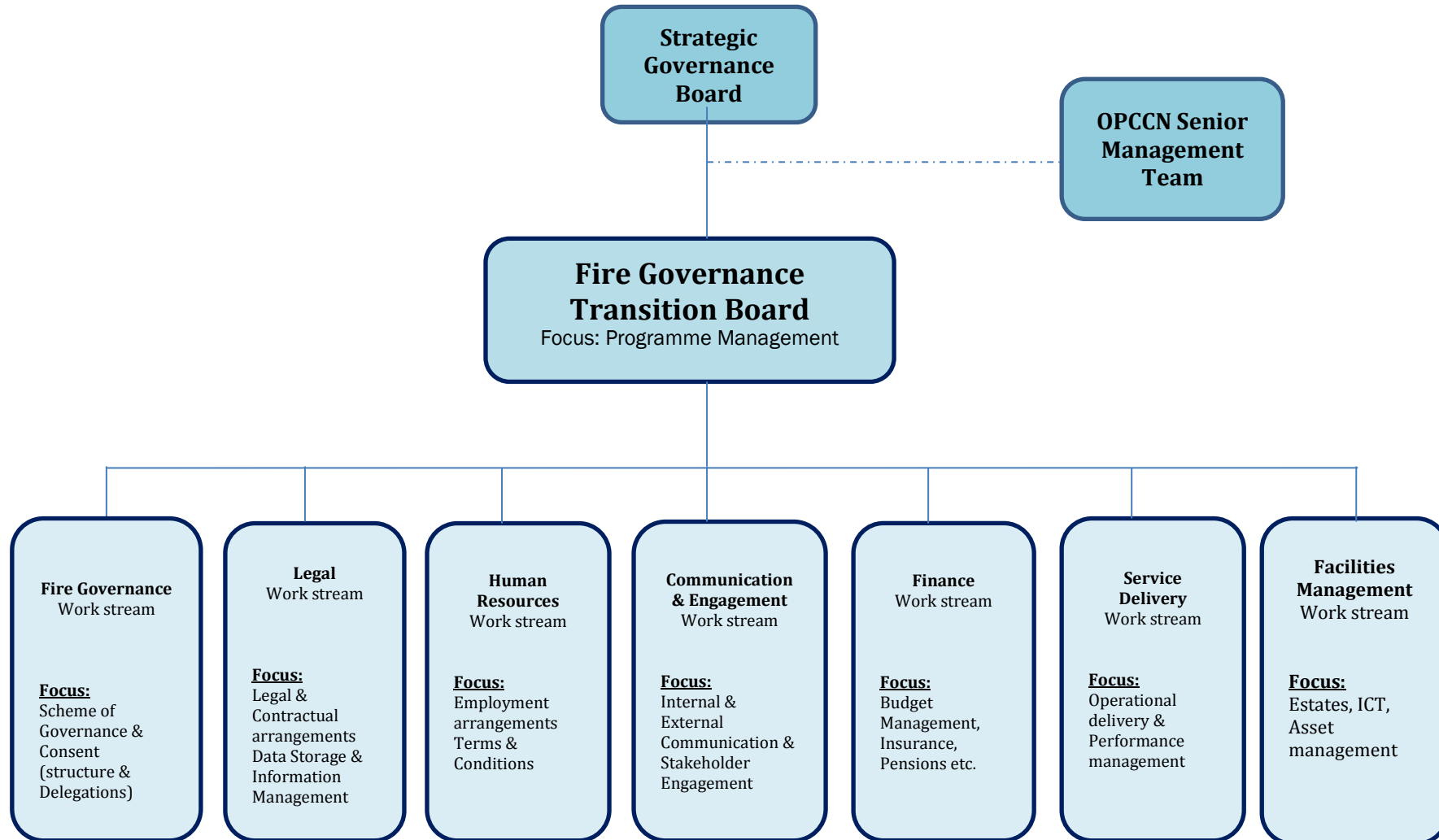
Owner	No.	Risk	Cause	Consequence	Inherent Risk		Control	Mitigation	Residual Risk	
OPCC	1	Challenge to PCC Business Case Public Consultation	Alternative NCC 'Business Case' and media strategy to retain service ownership	Public confusion, lack of clarity, consultation results affected, adverse media	4	3	Clear and transparent communication plan, open communication channels with key stakeholders to ensure consistent messages. Weekly analysis of results to SMT	Weekly consultation with HO, for feedback and guidance on approach and legal status throughout Consultation period.	3	3

OPCC/ CC/C FO	2	SMT distraction during implementation of changes	The PCC or OPCCN has insufficient capacity	Police & Crime Plan Delivery affected and ability to effectively scrutinise NFRS and Police	3	3	Transition management Board will oversee workload and allow SMT to operational delivery plan OPCC work plan monitored and staff roles clear to ensure capacity Police accountability meetings, maintained.	Transition governance board will manage resources required to maintain a focus on to ensure capacity is available. Governance Boards and engagement activities being planned in advance to ensure business as usual.	2	2
OPCC/ CFO	3	Transfer of employees to new FRA via statutory transfer causes industrial problems	Unions are dissatisfied with process and/or terms	Industrial action affects service	2	3	Engagement with staff and representative bodies started and planned	Regular communications about details of transfer	1	3
OPCC	4	Unforeseen costs or delays arise from not understanding nature of contracts, assets or liabilities	Lack of transparency or speed of providing information by NFRS	Delays or costs impede transfer and the realisation of business case	2	2	Due diligence on key contracts undertaken. Full disclosure accepted and in process with further due diligence planned	Engagement between Monitoring Officers to resolve disputes. Legal advice on contracts, assets and liabilities can be commissioned	1	2
OPCC	5	Oversight of FRS overshadowed by oversight demand of police	Nature of business and demand on organisations being unbalanced	Development of FRS and services impeded; FRS feels neglected	1	3	Dedicated resource within OPFCC; dedicated accountability meetings and independent corporate governance structure	Monitoring Officer to ensure balance	1	2
PCP	6	Insufficient scrutiny of PFCC's fire decisions by PFC Panel	Lack of time and resource	Public scrutiny of the PFCC's decisions on Fire is reduced	3	3	Discussions planned with PCP Chair and supporting officers to understand position and plan Panel's development	Assist PFCCP in discussions with Home Office regarding resourcing	2	2

OPCC	7	Costs of change are higher than estimated	Unforeseen circumstances or delayed process	Public confidence in process shaken; realisation of business case benefits impeded	2	2	Costs and benefits reviewed and updated in light of known position of Tier-one Authorities	Communication about process and impact	1	2
OPCC	8	Local Authorities and other partners feel that collaboration with FRS may diminish, risking planned benefits	Misunderstanding that transfer will mean exclusive relationship between FRS and Police	Mistrust and backing away from collaboration	2	3	Planned communication and engagement to ensure clear message and understanding of scope and alignment. Active engagement on projects planned	Ensure partnership offers are attractive and 'business as usual'	1	2
OPCC	9	Judicial review of process	Mistrust in consultation process or Home Secretary's decision process	Delayed process impeding realisation of business case benefits	1	3	Continued communication between Monitoring Officers	Ensure Business Case is strong, regularly reviewed and evidenced based.	1	2
OPCC	10	Benefits stated in business case are overstated	Assumptions in business case are not justified or robust	Benefits would need to be reassessed damaging public confidence, or sought from elsewhere	1	3	Benefits and assumptions are conservatively stated to minimise risk, and have been robustly scrutinised; regular oversight of benefit realisation and management	Regular communication on progress	1	2
OPCC	11	Local Authorities do not agree with the case for change, triggering the independent assessment process	Poor communication of rationale, misunderstanding, fear of change	Delay in transfer hinders realisation of benefits	3	3	Close collaboration during development of LBC to engage Local Authorities in case for change; close engagement with LAs during consultation; preparation for having to go through independent assessment	Engagement with Home Office to understand impact; realignment of benefits assumptions	3	2

OPCC/ HO	12	Tight timescales mean transfer in first half of financial year is not possible	HO process is delayed	Realisation of business case benefits impeded	3	3	Advanced engagement with HO and clear indication of impact if risk realised	Regular communication on progress	2	2
OPCC/ CFO	13	Collaboration initiatives do not make expected progress	Staff do not buy into the changes	Morale and performance is affected in the service	3	3	The Transition team will develop a process to actively engage with staff to develop learning, understanding and buy in.	Regular meetings, information sharing, regular and programmed communication	2	2
OPCC/CF O/CC	14	Staff morale in either Police or Fire Service affected	Behaviour and cultural differences, and/ or Fire staff feeling like a Police takeover	Collaboration benefits slow down or sub optimal, staff retention and recruitment affected.	3	3	Chief Officers responsible for effective Communication strategy, on boarding Sessions, promoting benefits and active Support structures.	Information sharing, regular meetings, large scale and localised. Visibility and reassurance.	2	2
CFO/CC	15	Police and Fire diverted from other major work streams / core business	Change of governance, collaboration projects absorbs too much time, resources and attention	Delivery of projects slow down, stall, HMIFRS inspections affected, benefits not realised	3	3	Collaboration must be positioned as part of the overall work programme, clear policies, project plans and priorities within the PFCC	A full work programme identified, prioritised and planned, all staff understanding roles and responsibilities	2	2
OPCC/ CC	16	Oversight of the Police performance reduced due to new focus on transition and fire performance	The PCC and OPCC have insufficient capacity	Public confidence in process affected, PFCC challenge, performance monitoring of project outcomes affected.	3	3	A resource planning exercise undertaken, identifying roles, responsibilities and resource requirements.	Resource plan and funding identified.	1	2
OPCC/ CFO/CC	17	Existing Partnerships / projects affected with new focus	Insufficient partner engagement / understanding	Project delivery affected, Partner withdrawal and loss of support / buy in.	3	3	Communication strategy to reassure existing partners, develop understanding, reaffirm priorities.	Early communication with partners, updating progress at key phases in implementation Plan.	1	1

Appendix F – Fire Governance Transition Board Structure



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