**UNCLASSIFIED** 



21 November 2012

Dear colleague,

The Government is encouraging the creation of innovative alternatives for public service delivery by making it easier and more attractive to set up public service mutuals. This is part of the commitment to hand power from state institutions back to employee led organisations. To help inform this work I am writing to invite your views on potential mutualisation in the fire sector.

Across a range of sectors, mutualisation has seen lower sick rates, higher productivity and lower costs. Improvement in employee engagement is also one of the central benefits of mutualisation for staff and that is the reason staff groups across sectors from health through to social care are choosing to mutualise.

There is already interest in mutualisation from fire and rescue authorities and we are supporting them in exploring ways that they might provide fire and rescue activities through mutualisation. Statutory responsibilities, including responding to emergencies, enforcing fire safety legislation and taking steps to reduce the number of fires and fire related deaths, would remain with the fire and rescue authority.

In order to enable fire and rescue authorities to contract out their full range of services to mutuals some legislative changes will be required. Our work in this area is in the early stages and to help inform our understanding I am keen to hear your views on mutualisation in the fire sector, including any supporting evidence about the potential benefits and/or issues which you foresee.

If you would like to contribute to the discussion in this area, please respond to Andy Ormerod-Cloke (<a href="mailto:andy.ormerod-cloke@communities.gsi.gov.uk">andy.ormerod-cloke@communities.gsi.gov.uk</a>) or telephone: 0303 444 1453, (by 15<sup>th</sup> Dec 2012). Should we proceed from this stage, there would be a full consultation next year across all interested parties.

Yours faithfully,

**NEIL O'CONNOR** 

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**Director - Fire, Resilience and Emergencies**