

Merseyside Fire and Rescue Authority Response to the Consultation on Fire and Rescue Authority Transformation Funds for 2015-16 Bidding Process

Thank you for the opportunity to respond to the consultation on the Transformation Funds bidding process.

General Comments

The Government made a very strong statement on the importance of operational independence in the Fire National Framework 2012. The then Minister, stated that:

“The National Framework will continue to provide an overall strategic direction to fire and rescue authorities, but will not seek to tell them how they should serve their communities. They are free to operate in a way that enables the most efficient delivery of their services. This may include working collaboratively with other fire and rescue authorities, or with other organisations, to improve public safety and cost effectiveness. Ultimately, it is to local communities, not Government, that fire and rescue authorities are accountable”.

The principle set out in this extract is one that was developed with the sector and one that the Merseyside supports. The creation of a directional bidding fund established by top-slicing fire and rescue funding is at odds with this principle. It is the Authority's view that Fire and Rescue Authorities are best placed to make decisions on how to organise and deliver local services and that resources ought to be allocated directly to Fire and Rescue Authorities to spend based on local needs.

The monies are one off in nature and cannot be relied upon in medium term financial plans so despite claims to the contrary the cut in funding for Fire and Rescue services is 10% and this large scale cut will impact on the service currently provided to the communities of Merseyside.

Fire and Rescue Authorities no longer receive any direct capital funding. Even the level of resources set out for the transformation fund at £75m p.a would be inadequate to maintain current asset bases of core infrastructure of fire stations and appliances. Government should adequately invest in the service so that it can maintain core assets to support service delivery.

The bidding process should be light touch and transparent. Before the government decides on whether to apply a weighting system to the bidding process, it should publish the detail of such an approach for consultation.

Timescales

The timescales for development of bids is relatively short. On the other hand the timetable for the assessment and announcement of bids is too long. Fire and Rescue Authorities need to know at the earliest opportunity the funding that they can expect for 2015/16. This will be particularly important if capital asset projects that have a long lead-in and completion time are to have a positive impact on budgets in 15/16 and 16/17.

As a practical example of the difficulties: -to consult with the public, get planning permission, procure and build a new fire station or blue light centre takes at the very least two years.

Decisions in Autumn 2014 means any new arrangements are unlikely to deliver savings until perhaps 2017/18 budgets.

Mixture of Capital and Revenue

It is noted that the capital and revenue monies have been included in a single pot and this flexibility is in general terms welcome. However, CLG should assure themselves that this does not cause any practical or accounting issues for local authorities as there have been Treasury concerns in the past about mixing revenue resource bids with PFI grant resources.

The answers to specific questions are set out below.

Q1. The bidding process has been designed to support transformation in the delivery of fire and rescue services. Taking that into account, is there anything further you think should be taken into consideration to help drive transformative change and greater efficiency?

Whilst recognising the need to invest in major transformation schemes to deliver efficiency government should note that the level of resources available just to maintain core asset bases is inadequate. This will inevitably cause issues and costs for the service in the longer term.

Q2. Do you agree with the concept of a 'lot based' funding system, to ensure that projects bids get assessed on a like for like basis?

The proposals seem confused between a system which is

- a) Designed to distribute funding to a wide range of fire and rescue authorities, rather than concentrating it in a few by the use of lots.
- b) Scored on treasury green book principles encouraging projects which deliver the biggest savings

A lot-based system makes the bidding process much more complicated. If the desire is to see more areas benefit from the funding, a simple system of allocation would be the best option.

The proposals around exemptions for multi authority bids and modular bid processes are not clear and could benefit from clearer examples of which sorts of bids would fit into different categories.

Bidding processes are time-consuming and resource intensive. Government should work with fire and rescue authorities to ensure that bids are acceptable.

The Government must be clear on the upper and lower funding limits of the proposed lots at the outset of the bidding process, but should also be flexible in how these bands are applied in light of the bids that are actually received. The process should not unnecessarily distort the development of bids

Q3. Do you agree that the Government should be able to limit bids, depending on the quality and number of bids received?

The consultation document proposes a weighting system to be applied to the assessment of bids. This sounds rigorous and complex, but there is no detail on how the weighting system will be structured. The bidding process should be light touch and transparent. If the government decides to apply a weighting system to the bidding process, it should publish the detail of such an approach in advance.

Specific criteria for limiting the bids should be clearly identified in advance.

Q4. Do you think an authority should be able to identify a preferred part of a large scale bid to fund?

The scoring and grant award process should be clear, transparent and unambiguous. It does not seem unreasonable to ask Authorities to prioritise parts of a bid for funding but if funding is allocated on this sort of proportionate basis it would seem to undermine the requirement for a bidding process?

Q5. Do you agree that a fire and rescue authority (or authorities) should be able to submit an additional bid that was potentially exempt from any bid limit per fire and rescue authority if more than two fire and rescue authorities have formally signed up to the proposal?

The scoring and grant award process should be clear, transparent and unambiguous. The use of complex lots, exemptions and unpublished rules would not help achieve this.

Q6. Do you agree in principle with a weighting system that would help direct funds towards the more innovative transformative change projects?

The consultation document proposes a weighting system to be applied to the assessment of bids. This sounds rigorous, but there is no detail on how the weighting system will be structured. The bidding process should be light touch and transparent. If the government decides to apply a weighting system to the bidding process, it should publish the detail of such an approach in advance.

Q7. If you disagree with a weighting system, please outline, in no more than 500 words, what your alternative would be.

Not applicable.

Q8. Do you agree with the bidding process as set out above and on the attached draft application forms?

The bidding process should be light touch and transparent. If the government decides to apply a weighting system to the bidding process, it should publish the detail of such an approach in advance.

Q9. Do you have any suggestions to improve the draft forms/ application process?

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