

Division(s):

CABINET – 20 SEPTEMBER 2011

FUTURE ARRANGMENTS FOR CALL RECEIPT, MOBILISING AND INCIDENT MANAGEMENT FOR THE OXFORDSHIRE COUNTY COUNCIL FIRE AND RESCUE SERVICE

Report by Chief Fire Officer

Introduction

1. On the 24th May 2011 Cabinet endorsed the progression of the collaborative scoping study concerning arrangements for Fire and Rescue Service 999 call receipt, mobilising and incident management, commonly referred to as “Control Room” functions. This is being facilitated by the creation of a Strategic Outline (business) Case. The partners involved are Oxfordshire County Council, Buckinghamshire and Milton Keynes Fire Authority and Royal Berkshire Fire and Rescue Authority. All parties act via their respective Fire and Rescue Services, collectively known in this document as Thames Valley Fire and Rescue Services.
2. This report updates cabinet on the progress of the Strategic Outline Case (SOC) and considers this approach against a wider options appraisal. The full SOC is available in the members Resource Centre.
3. Cabinet should note that a Fire and Rescue Authority (FRA) remains fully responsible for its statutory obligations under the Fire & Rescue Services Act 2004 for call receipt and mobilising even if it were to move to an outsourced or collaborative arrangement. Therefore it is essential that any chosen option is critically examined to ensure that statutory responsibilities are being discharged effectively.

DCLG Consultation and future funding arrangements

4. The Department for Communities and Local Government (DCLG) undertook a consultation exercise to determine what, if any, Government involvement there should be in the future solution for the provision of control room services. DCLG published its response to the FRS submissions on the 12th July 2011 summarising the points of consensus emerging from the consultation. These included:
 - (a) The next steps in updating FRS Control Rooms should be sector led and no local solution imposed by central government
 - (b) Improved resilience, efficiency and technology were at least as important at this time as they were when the project was first initiated in 2003/4

- (c) Funding for the completion of Firelink (the digital radio system), for enhanced voice and data services, was the top priority for central government funding
- (d) The best approach would be created and endorsed locally, with some Government support.

Overall the response reflected much of the contents of the OCC, South East Fire Improvement Partnership and Joint Thames Valley consultation submissions. Oxfordshire Fire and Rescue Service contributed to all of these returns.

- 5. The DCLG response also included information about the funding scheme for future Control Room services. DCLG will make available total funding of £81 Million for improving resilience and efficiency. Fire and Rescue Authorities have been given opportunity to bid for up to £1.8M each. Authorities may bid for more than this in cases where exceptional resilience benefits can be shown, but the total sum cannot exceed £81M.
- 6. Bids are required by 4 November 2011 and will be assessed by the Department and its Fire and Rescue Service experts for value for money and resilience improvements. Where further clarification is required, or the plans submitted could be strengthened through expert advice, the Department will consult a panel with representatives from the Chief Fire Officers' Association and Local Government Group. These two organisations will also be part of the programme oversight process. Overall the DCLG strategy is to attempt to build national resilience through local, interoperable, resilient solutions. DCLG will be monitoring national resilience outcomes from the improvements made.
- 7. From the guidance received it appears that only those bids that demonstrate improved resilience, greater interoperability and overall cost effectiveness are likely to receive significant funding. It should also be noted that the completion of the Firelink system will also be funded from this sum. Airwave Solutions Ltd., the contract holder, currently is not able to give full details of the costs that could be incurred. However, it is currently thought, but cannot be confirmed, that this would cost between £0.5M and £0.75M capital and £0.15M revenue p.a.
- 8. DCLG indicate that they will announce the results of the bidding process in January 2012. Meanwhile, Thames Valley Officers have arranged to meet DCLG staff to clarify the arrangements.

Strategic Outline (business) Case

- 9. The SOC is intended to provide information in a format that enables the partner Fire and Rescue Authorities to assess the scope of the programme and the necessary investments in service improvement. It is a combined SOC for a multi-authority scheme but it has considered, as far as it is able to, the programme's overall impact as well as the impact and implications for the individual authorities.

10. The SOC, after examining a range of options, sets out a proposal for the three Fire and Rescue Services to work together on a phased programme that will eventually lead to establishing a single, joint, co-located Control Room facility for the area covered by the Thames Valley fire and rescue services. The phased approach is intended to minimise risk to the public, the partner organisations and the programme and secure early resilience benefits by bringing forward shared capabilities to an early part of the programme without incurring significant expenditure.
11. Throughout the work to progress the SOC, the overarching principal has been that maintaining or enhancing “service to the public” remains paramount. All three fire services commit that operational efficiency of the current control rooms will not be adversely affected during the transitional period and that future arrangements will be resilient as well as operationally effective for all parties.
12. It is recognised that the costs and savings identified in the SOC are predominantly based on budgetary estimates with a number of significant financial uncertainties which will only become clear as the programme progresses. Equally, the costs and savings associated with most other options, such as outsourcing, are also unclear at this time. However, the joint production of the SOC has allowed an explanation of all three parties’ positions and has identified not only the joint options but clarified individual alternative options. Further detailed work is proposed to allow the creation of a Full Business Case by February 2012.
13. The SOC identifies a range of wider benefits to be derived from this option and, the potential to utilise the investment in infrastructure and technology to enable further collaboration on ICT that will in time, produce further long term efficiencies as and when partners “buy in” to these options. This option specifically includes the ability to offset ongoing costs through income generated from the provision of critical services to other fire and rescue service partners in the future and the provision of other non-critical services to third parties, including local authorities.
14. It is also clear that current government funding for enhancing Control Room resilience would be most effectively justified by a joint programme. Therefore the financial consequences of this approach are anticipated to be largely underwritten to the extent of the available funding.
15. The financial provisions in the SOC are further complicated as it is not yet possible to determine a building strategy for the fully converged solution. This is due to the fact that Royal Berkshire FRA is yet to make a formal decision on relocating their Headquarters. This decision will be tabled at their FRA meeting on the 25th September 2011. When this decision is known it will then be possible to compare two alternative options which include the provision of a new joint facility in Oxfordshire and the use of the current or future Royal Berkshire Headquarters’ site.

16. Subject to the decisions of the individual Fire and Rescue Authorities, the SOC concludes with an Officer recommendation to :
- (a) Proceed with Phase 1 of the programme
 - (b) Undertake further detailed work to move towards phase 2 and 3 by the appointment of expert staff to deliver phase 1 and prepare the full business case following clarification of the building strategy
 - (c) Seek further FRA approvals in February 2012 meetings aligned with the availability of the full business case and building strategy.

Phase 1 will enhance the current resilience of our Control Room and would potentially be required whatever future option was chosen. Phases 2 and 3 move progressively to a single joint facility for Control Room functions.

Other FRA positions

17. Royal Berkshire and Buckinghamshire and Milton Keynes FRA's are considering papers similar to this report at their Authority meetings on the 28 September 2011. At the time of writing it is not fully known what other options they will be considering. However, in addition to the Thames Valley joint approach each is thought likely to examine other options including the status quo, collaborations with other Fire and Rescue Authorities, and outsourcing to the London Fire and Civil Defence Authority (LFCDA). It should be noted that both Authorities are named parties in a LFCDA tender published in August the Official Journal of the European Union. The invitation to tender notice also includes the potential outsourcing of the LFCDA service provision, including staffing, to a third party.
18. The SOC, which has been endorsed by the three FRS lead officers, identifies that the joint Thames Valley approach is not only desirable but more importantly it is deliverable.

Oxfordshire's requirements

19. Defined outcomes for comparative measurement purposes were set out in the previous OCC Cabinet paper. In addition, assessment of alternative options has been made against a broader range of considerations measured by a Political, Economic, Social, Technological, Environmental and Legal (PESTEL) framework. These have been combined to create an overall assessment.

20. The table below identifies how this has been achieved:

Heading	Details
Staffing	The ongoing provision / utilisation of competent, experienced and professional staff, including the potential effects on OFRS Control Room staff
Local benefits	Improved efficiency in day to day operations including fall back arrangements and interoperability with other partners such as Thames Valley Police, South Central Ambulance Service and other Category 1 responders under the Civil Contingencies Act 2004 (CCA 2004) Opportunities for exploiting future developments including expansion of activities such as wider OCC Emergency Planning functions and out of hours arrangements for urgent calls to the OCC Customer Service Centre
Resilience	Increased ability to deal with peaks in demand such as those encountered in the July 2007 Oxfordshire flooding event and improved resilience against significant disruptions, such as pandemic flu or malicious attack
Political	This includes local and national political considerations
Economic	This includes capital and revenue expenditure and cost effectiveness measured by overall costs and by cost per incident dealt with. It also covers opportunities for exploiting future developments in providing services to third parties including other Fire and Rescue Services
Social	Concerns assessment of wider public implications
Technology	The provision and use of modern technology such as: <ul style="list-style-type: none"> • Competence/asset based mobilising • Automatic vehicle location and optimum resource mobilising • Enhanced information service for fixed line and mobile emergency calls. • An improved and nationally standardised Gazetteer • Integrated Command & Control System making full use of the functionality offered by Airwave (the digital radio system)
Environmental	Including consideration of carbon emissions
Legal	Legal constraints and challenges
Remarks	Miscellaneous comments as necessary

Options appraisal

21. The options covered in this report are to:
1. Maintain our existing Fire Control room (including the necessary technical upgrade of existing systems) this is the 'do minimum' approach
 2. Maintain our existing Fire Control room (including the necessary technical upgrade of existing systems) but increase its range of activities to encompass wider organisational areas of responsibility e.g. out of hours OCC Customer Services demands. This is titled the OCC integration model in the appraisal
 3. Maintain our existing Fire Control room (including the necessary technical upgrade of existing systems) but integrate in a "virtual control" with other (most probably not Thames Valley) FRSs to enhance resilience and reduce procurement and operating costs. This approach would include a partner at a greater physical distance than Berkshire and Buckinghamshire to minimise the potential impact of weather related spate conditions
 4. A combination of items 2 and 3 above
 5. Enter a collaboration with other emergency services
 - a. Fire and other emergency services
 - b. Fire / Fire collaboration as a Thames Valley joint approach
 6. Outsource function to a 3rd party.
22. Option 5a has been considered by way of individual and joint Thames Valley approaches and site visits to South Central Ambulance Service and Thames Valley Police. There are a number of wider considerations concerned with both of these options, including the creation of the National Health Service 111 telephone number designed for access to urgent but non life-threatening medical assistance. Both Services are undergoing significant changes at this time and discussions identified only limited benefits against a background of significant challenges. The outcome of the discussion and assessments is that collaboration with either Service is not considered viable at this time. Therefore option 5a is not included in the assessment.
23. Option 5b has been broken down into the joint Thames Valley three phased programme approach. The stages, explained in detail in the SOC, are increased resilience (5b(1)), phased approach (5b(2)) and full convergence(5b(3)). Cabinet should note that entry into this three phased approach is assumed to be on the basis that, subject to the creation of the full Business Case and its endorsement by the three FRAs, it will result in the fully converged outcome.

Ranking of alternative options

24. The extended PESTEL is combined with the above options to create the assessment framework and is attached as Annex 1. The three phase

CA9

Thames Valley approach is shown as individual options. However, as noted above, the expectation is that entry into phase one, whilst not binding at this stage, implies commitment to progress to the fully converged solution.

25. Options have been scored numerically on the following basis.

Potential outcome	Scoring
Significant detriment to OFRS / service to the public	-2
Slight detriment to OFRS / service to the public	-1
No / minimal impact	0
Slight enhancement to ODRS / service to the public	+1
Significant enhancement to OFRS / service to the public	+2

The outcome is summarised as:

Option	Staff	Benefit	Resilience	Political	Economic	Social	Technical	Environmental	Legal	Total
1	0	0	-2	-1	0	0	0	0	-1	-4
2	0	+2	-1	-1	0	0	0	0	-1	-1
3	0	0	+1	0	0	0	+1	0	0	+2
4	0	+2	+1	+2	+1	+1	+1	0	+1	+9
5b(1)	0	+1	+1	+1	0	0	+1	0	0	+4
5b(2)	0	+1	+1	+2	+1	+1	+2	0	+1	+9
5b(3)	-1	+2	+2	+2	+2	+1	+2	+1	0	+11
6	-2	-2	+2	-1	+1	-2	+1	+1	0	-2

26. The following table ranks the options.

Rank	Option	Score
1	5b(3) Full Convergence (Thames Valley option)	+11
= 2	4 OCC Integration & Virtual Control	+9
= 2	5b(2) Phased Approach	+9
4	5b(1) Increased Resilience	+4
5	3 FRS integration / virtual Control	+2
6	2 Maintain Existing / OCC integration	-1
7	6 Outsource	-2
8	1 Status Quo / Do Minimum	-4

27. At this stage the above is considered indicative and further work, including the determination of the Thames Valley joint programme building strategy, will identify the final position. However, the above is considered adequate to clearly discount a number of options. The first 5 options all remain credible and could be considered further. At this time no further work is envisaged on the three remaining options.

Financial details of the Thames Valley programme

28. The SOC gives some indication of financial commitments for the three phased approach. The Oxfordshire investment and potential consequential revenue benefits are not available at this time as this information will only become available after the creation of the Full Business Case, the announcement of DCLG funding and a determination of the benefits realisation model. A headline efficiency figure of 50% revenue cost reduction is contained within the SOC. However there are a significant number of unknowns at this time e.g. costs for networking to a geographically remote “buddy” FRS for resilience purposes. Without an agreed benefits realisation model, and recognising that Oxfordshire’s Control room function is currently the most cost effective, it is not possible to identify if any financial efficiency will be forthcoming.
29. An additional complicating factor in determining future costs and their treatment is the extent of cost avoidance due to the use of shared access to the Airwave Solutions LTD data gateway.
30. As indicated in the SOC, Oxfordshire’s prime motives for collaborative working are based on increasing resilience, creating increased capacity for spate conditions and gaining wider collaborative benefits including co-terminosity with the Local Resilience Forum. Overall cost effectiveness of the Control function remains a significant but secondary consideration.
31. The estimated financial commitment for Oxfordshire to enter stage 1 of the Thames Valley programme, thereby allowing the creation of a Full Business Case whilst securing increased resilience is approximately £100k. Funding is available from the FiReControl reserve for this, in year, activity.

Risk Management

32. The SOC contains a comprehensive risk assessment based on the collaborative approach. It identifies that the highest risk relates to partnership issues due to the number and complexity of the authorising environments. Measures have been taken to mitigate this as far as is possible. Chief Fire Officers have jointly met with Portfolio Holder / FRA Chairmen, a joint FRS Strategic Leadership meeting has been held and a strategic partnership assessment toolkit has been used to identify actions that can be taken to strengthen our collective approach. However, this risk remains significant and cannot be underestimated.

33. Risk assessments of the remaining options have been undertaken and still identify some partnership risk due to the requirement to work with an external partner for resilience purposes. However, this is similar to the current situation and can be managed adequately. The most significant risk to the OFRS of pursuing a non Thames Valley collaboration is potential inability to draw down the full DCLG resilience grant and the medium to long term revenue implications of continued provision of our own Control Room facility.

Legal risks

34. Detailed work on the collaborative approach has identified potential complexity in determining an effective governance arrangement. The governance proposal in the SOC is in part designed to address procurement and contractual requirements relating to redeploying current equipment and systems and allowing effective mechanisms for future procurement should this be necessary. Further work will be required by all three FRA legal advisors before any final governance arrangement were to be proposed.
35. Irrespective of the governance arrangements, OCC acting as the FRA remain fully responsible for the discharge the statutory obligations contained in the Fire & Rescue Services Act 2004.

Financial and Staff Implications

36. Financial and staff implications for delivery of Phase 1 and the production of the Full Business Case can be met from existing project resources. Should all three FRAs approve Phase 1 of the programme, the Full Business Case will be finalised.
37. At this stage it is considered highly likely that successful application and receipt of the DCLG resilience grant will allow all programme capital and revenue expenditure for Phase 2 and 3 to be met, subject to the agreement of a building strategy.

RECOMMENDATION

38. **The Cabinet is RECOMMENDED subject to the approval by Buckinghamshire and Milton Keynes and Royal Berkshire Fire and Rescue Authorities of the further progression of the Joint Thames Valley Approach to:**
- (a) endorse the progression of phase 1 of the joint Thames Valley programme (Improved Resilience)**
 - (b) approve the necessary expenditure to create the Full Business Case which will be subject to further approval by the Cabinet in February 2012**

- (c) require the CFO to report back to the Cabinet Member for Safer and Stronger Communities on a regular basis concerning:
- (1) progress with the joint DCLG bid for the resilience grant funding
 - (2) progress with Thames Valley partnership working arrangements
 - (3) progress on the creation of a suitable governance structure

If either Buckinghamshire and Milton Keynes or Royal Berkshire Fire and Rescue Authorities fail to approve the further progression of the Joint Thames Valley Approach Cabinet in RECOMMENDED to:

- (d) require the Chief Fire Officer to instigate appropriate actions to progress an alternative contingency plan, based on options 3 or 4 as identified in paragraph 22 above, subject to the approval of the Cabinet Member for Safer & Stronger Communities.

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Background papers: Strategic Outline (business) case
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