

**REQUEST FOR MAYORAL DECISION – MD1516**

**Title: LFEPA 2016-17 budget options**

**Executive summary**

The London Fire and Emergency Planning Authority (LFEPA) is charged with overseeing the work of the London Fire Brigade (LFB) and currently needs to find in the order of £11m in financial savings to balance its budget for 2016-17. For the last two years, 13 of the LFB's appliances have been held back from day-to-day deployment as a contingency in the event of strike action arising from the national dispute on fire service pension arrangements and related issues. The performance of the LFB has been strong in the period in which those 13 appliances have not been available. This has led the Mayor to raise the prospect of the £11m in financial savings being achieved by decommissioning the 13 appliances.

This decision form directs LFEPA to commission a full paper on LFEPA budget options for 2016-17 from the London Fire Commissioner by the end of October 2015 and, in the meantime, to retain the status quo in relation to the 13 appliances by not redeploying those appliances while the different options are being considered.

**Decision**

That the Mayor directs LFEPA in relation to the LFEPA budget options for 2016-17 and to LFEPA's contingency arrangements as at Appendix B to this decision form.

**Mayor of London**

I confirm that I do not have any disclosable pecuniary interests in the proposed decision, and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

**Signature:**

**Date:**

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR**

### **Decision required – supporting report**

#### **1. LFEPA 2016-17 Budget Options**

##### Background / summary

- 1.1 The London Fire and Emergency Planning Authority (LFEPA) is charged with overseeing the work of the London Fire Brigade (LFB) and currently needs to find in the order of £11m in financial savings to balance its budget for 2016-17. For the last two years, 13 of the LFB's appliances have been held back from day-to-day deployment as a contingency in the event of strike action arising from the national dispute on fire service pension arrangements and related issues. The performance of the LFB has been strong in the period in which those 13 appliances have not been available. This has led the Mayor to raise the prospect of the £11m in financial savings being achieved by decommissioning the 13 appliances.
- 1.2 This decision form directs LFEPA to commission a full paper on LFEPA budget options for 2016-17 from the London Fire Commissioner by the end of October 2015 and, in the meantime, to retain the status quo in relation to the 13 appliances by not redeploying those appliances while the different options are being considered.

##### LFB performance

- 1.3 The Mayor has welcomed the recently released LFB performance statistics for 2014-15 showing that:
  - Fire deaths in the capital have been cut in half over the last five years;
  - There were fewer than 20,000 fires in a year for the first time since records began; and
  - First and second engine response times remain well within the target response times set.
- 1.4 Given that this level of performance has been achieved without access to the 13 appliances which have been set aside for use in the event of strike action, the question has arisen as to whether the 13 appliances are in fact required by the LFB.
- 1.5 The Mayor has also noted that there is a strong argument to say that the removal of the 13 appliances would represent maintenance of the current level of available frontline resources rather than any diminution of those resources.

##### LFEPA budget for 2016-17

- 1.6 Another relevant factor is the requirement for LFEPA to set a balanced budget for 2016-17 and the current need to find in the order of £11m in further financial savings to achieve that requirement. The removal of the 13 appliances would meet that financial savings requirement in full.
- 1.7 The Mayor's Chief of Staff wrote on behalf of the Mayor to LFEPA Members on 1 June 2015 to seek their views on this matter, asking that the following issues are specifically addressed in their response, should Members be arguing for retention of the 13 appliances:
  - What gaps in performance would be addressed by retaining the 13 appliances; and
  - What alternative plans LFEPA Members have to meet the £11m financial savings target, noting that the options available to LFEPA for making savings would appear to be very limited.
- 1.8 The Mayor may consider issuing a direction to LFEPA, ensuring that it met its obligations and responsibilities in setting a balanced budget, should it become apparent that it was unable to do so.

- 1.9 A further relevant factor is the efficiencies to the LFB which are identified in the Commissioner's report to the Appointments and Urgency Committee on 28 October 2014. The Commissioner advises that with the 13 appliances temporarily withdrawn from stations, there has been an average of 50 extra staff available at fire stations per shift. This surplus of staff has enabled the Brigade to grant more time off to firefighters and station based managers than would normally be the case. It has also allowed the Brigade to allocate more staff to training activities.
- 1.10 LFEPA Members responded on 12 June and confirmed that it is already actively working on options to close the size of the budget gap for 2016-17. LFEPA Members refer to an outline proposal regarding alternate crewing arrangements which would deliver the required savings without causing significant industrial relations difficulties and without depleting frontline resources. As such, the Members feel that the 13 appliances should now be returned to service, subject to reaching final agreement with the Fire Brigades Union (FBU). LFEPA will then undertake a full review of all available options regarding next year's budget, which would include the option of a permanent removal of the 13 appliances that are currently taken out of active service. That review would be based upon officer advice. The Members also consider that one year's performance data is not sufficient to draw robust conclusions about long-term trends at a local level.
- 1.11 The Fire Commissioner has been asked for his views with respect to this matter. The Fire Commissioner has explained that based upon the performance outcomes delivered by the LFB during the 22 months that these fire appliances have been removed from service, there would be little or no impact on public safety if they were not returned to service.
- 1.12 As for the impact of the Fire and Rescue Service National Framework (FRS NF) on any Direction by the Mayor to keep these appliances out of operational service, the Fire Commissioner considers that any direction by the Mayor to keep the 13 appliances temporarily removed from service while detailed impacts of their removal is properly considered, in the light of the budget savings required to be achieved by LFEPA, is unlikely to be contrary to the FRS NF. The Fire Commissioner pointed out that a direction to remove the 13 appliances from service on a permanent basis would probably need, as part of the direction, appropriate public consultation.

#### Way forward

- 1.13 In the light of LFEPA's response, the Mayor is being asked to direct the LFEPA to:
- Commission a full paper on LFEPA budget options for 2016-17 from the London Fire Commissioner by the end of October 2015; and
  - Retain the status quo in relation to the 13 appliances by not redeploying those appliances while the different options are being considered.
- 1.14 The rationale for the latter part of the direction is that:
- Performance has been good in the period when those 13 appliances have not been available and there is no immediate need for their redeployment;
  - The surplus of staff as a result of the temporary withdrawal of the appliances from stations has enabled more staff to be allocated to training activities and enabled leave to be granted to firefighters and station based managers. Therefore, there would be little purpose in redeploying the appliances at this stage, and it could lead to leave already approved being cancelled;
  - In light of the above, it is unclear as to what the immediate operational need is for the redeployment of the 13 appliances prior to considering the budget options and prior to the provision of professional officer advice as to the permanent removal of those appliances; and

- The long-term future of the fire service would appear to revolve around making better use of fewer frontline resources, noting the further grant reductions likely to come the way of the fire service, and thus the discipline of managing without the 13 appliances, at least in the short term, would be beneficial to LFEPA and LFB.

## **2. Equality comments**

- 2.1 The London Fire Commissioner will highlight any equality issues arising in the paper he presents to LFEPA Members on LFEPA budget options for 2016-17.

## **3. Financial comments**

- 3.1 Financial issues are integral to the options open to LFEPA in setting out the options for its 2016-17 budget.

## **4. Legal comments**

- 4.1 Under section 328(1) of the Greater London Authority Act 1999 (the GLA Act) the Mayor may issue general and specific directions to LFEPA as to the exercise of its functions.
- 4.2 Section 328A (5) provides that in exercising the power of direction, the Mayor must have regard to each of the following:
- a. The Fire and Rescue National Framework prepared under section 21 of the Fire and Rescue Services Act 2004; and
  - b. The fire safety enforcement guidance under article 26 of the Regulatory Reform (Fire Safety) Order 2005.
- 4.3 Section 328 (4) provides that the Mayor must send a copy of the direction to the Fire Commissioner.

## **5. Investment & Performance Board**

- 5.1 This approval falls outside the terms of reference of the Investment & Performance Board.

### **Appendices and supporting papers:**

Appendix A: Covering letter from the Mayor

Appendix B: Direction to LFEPA

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

**Part 1 Deferral:**

**Is the publication of Part 1 of this approval to be deferred? NO**

Until what date:

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Tom Middleton has drafted this report in accordance with GLA procedures and confirms the following have been consulted on the final decision.

✓

**Assistant Director/Head of Service:**

Tom Middleton has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**Sponsoring Director:**

Martin Clarke has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

**Mayoral Adviser:**

Sir Edward Lister has been consulted about the proposal and agrees the recommendations.

✓

**Advice:**

The Finance and Legal teams have commented on this proposal.

✓

**EXECUTIVE DIRECTOR, RESOURCES:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

**Signature**

**Date**

**CHIEF OF STAFF:**

I am satisfied that this is an appropriate request to be submitted to the Mayor

**Signature**

**Date**