

Fire and rescue

National report

July 2006



Fire and rescue performance framework 2006/07

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively, to achieve high-quality local services for the public. Our remit covers around 11,000 bodies in England, which between them spend more than £180 billion of public money each year. Our work covers local government, health, housing, community safety and fire and rescue services.

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1 Introduction	2
2 Summary of consultation feedback	4
3 Performance framework 2006/07	6
4 Use of resources	10
5 Direction of travel	13
6 Service assessment	16
7 Quality assurance and review	20
8 Reporting	21

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1

Introduction

- 1 Comprehensive Performance Assessment (CPA) is a tool for improvement developed by the Audit Commission, which measures how well councils and fire authorities are delivering services for local people and communities.
- 2 Since its introduction in 2002, council services have improved significantly, and CPA is acknowledged as one of the catalysts for this. CPA was introduced for fire and rescue authorities in 2005 and has been acknowledged as a driver for improvement in the service. Eight in ten chief fire officers feel that the benefits obtained from the process were proportionate to the staff resources they applied to the process.^I
- 3 Fire and rescue CPA results were published in July and August 2005 and fire and rescue authorities (FRAs) have since been following a programme of improvement led by the Department for Communities and Local Government (DCLG) and supported by the Audit Commission. This improvement programme is continuing in 2006/07 and beyond. The Commission is committed to reviewing the improvement FRAs have made since their fire and rescue CPA in 2005 and building on the fire and rescue CPA judgements. This document sets out how we will do this in 2006/07.

Background

- 4 Fire and rescue CPA was a corporate assessment used to deliver a CPA judgement. It rated FRAs on a five-point scale from excellent to poor. It was developed by the Commission to be consistent with the Fire and Rescue National Framework. It assessed FRAs on their corporate management, their achievements, community fire safety and how they planned to respond to incidents through their Integrated Risk Management Plan (IRMP). It did not consider tactical management of emergency response. The score for each FRA set a baseline for improvement against the backdrop of the government's modernisation agenda.
- 5 Analysis of all fire and rescue CPA reports^{II} has shown that FRAs are changing. However, while there is a clear appetite for change, the pace varies substantially and improvement

^I MORI Survey for the Audit Commission, July 2005.

^{II} *Comprehensive Performance Assessment – Learning from CPA for Fire and Rescue Service in England 2005*, Audit Commission, January 2006.

has not always been achieved. Forty-seven per cent of FRAs have been categorised as good or excellent, but only a small proportion of FRAs are performing across the board at above minimum requirements. This means that there is still much scope for improvement and that improvements will take some time to be delivered.

- 6 The Commission consulted on a proposed performance framework for FRAs in the spring of 2006. An overview of the responses to the consultation can be found in section 2 of this document and at www.audit-commission.gov.uk/fire. In light of the consultation responses the Commission has amended its proposed performance framework and the final version is now contained within this document.
- 7 The framework reflects the need to:
 - promote value for money;
 - improve financial management and financial reporting;
 - encourage improvements in public services that people value, by challenging FRAs from the perspective of service users and diverse communities;
 - promote good governance, greater accountability, better decision making and the proper conduct of public business; and
 - stimulate significant improvement in the use of performance information, data quality, data analysis, information management and the public accessibility of relevant information.
- 8 This document is being issued alongside *CPA – The Harder Test Framework for 2006 for Single Tier and County Councils* available at www.audit-commission.gov.uk/cpa. For county FRAs, the two documents should be read in conjunction.

Re-categorisation

- 9 We are considering the potential for re-categorising FRAs where appropriate. We will undertake consultation in the autumn of 2006 to consider when it is appropriate to undertake a corporate assessment and how it should be delivered. We anticipate that the first corporate assessments will commence during the autumn of 2007. We expect that our priority for any corporate assessment programme will be those FRAs where there are signs of deterioration and existing poor or weak authorities showing signs of significant and sustained improvement.

2

Summary of consultation feedback

- 10 Between April and May 2006 the Commission undertook consultation on its proposals for a performance framework in 2006/07. Thirty-five written responses from FRAs and other organisations were received. Consultation with the sector also provided valuable feedback on how our original proposals could be improved.
- 11 The Commission has made changes to various elements in light of the consultation response. A detailed summary of the responses to the consultation can be found at www.audit-commission.gov.uk/fire.
- 12 Some respondents commented that the framework is being implemented too early and that FRAs will not have had the opportunity to demonstrate improvement. Fire and rescue CPA assessments were reported in July 2005, based on fieldwork undertaken between January and March 2005. By the time that the Commission makes its assessments on FRAs as part of these proposals fifteen to eighteen months will have elapsed. It is the Commission's view based on experience of this type of work that this is sufficient time for the improvement planning process to have delivered some measurable results.

Use of resources assessment

- 13 Respondents considered this work to be 'challenging and comprehensive' and queried some of the detail of the assessment. They also considered that the value for money element of the use of resources judgement should be undertaken alongside the direction of travel work. We propose to address the detailed comments by changes to the key lines of enquiry (KLOE) for the assessment and in the way we manage the work.

Direction of travel

- 14 Respondents considered that the KLOE should be more specific to the fire service and address the issue of working with fire Regional Management Boards (RMB). We propose to amend the KLOE and guidance where appropriate and place greater emphasis on RMB partnership working in our guidance to FRAs and our staff.

- 15 We will undertake the fieldwork for direction of travel and the value for money element of the use of resources assessment together in order to minimise the burden on FRAs.

Service assessment

- 16 The service assessment proposals generated comments in a number of areas, including the selection of best value performance indicators (BVPIs), their adjustment for deprivation and/or sparsity, and the method for combining them with the operational assessment of service delivery (OASD) judgements provided by DCLG. We have amended the selection of BVPIs and will adjust an additional indicator for deprivation. We have also adjusted the matrix used to combine the operational assessment score with the performance information score to provide additional opportunities to score a fire and rescue service assessment score of 4. We are confirming our intention to base the result for a number of the performance indicators (PIs), where appropriate, on the average of the data for the last three years.
- 17 The Commission is also undertaking analysis to look at what local factors, including sparsity, impact on performance. It is too early at this stage to draw any conclusions from this work, but the outcome will be considered in relation to proposals for the service assessment in future years.

3

Performance framework 2006/07

- 18 Up-to-date BVPI data is an important consideration in our judgements under this performance framework. Our framework and timelines are subject to DCLG providing the 2005/06 BVPI data in time for the various assessments and judgements to be made.

Performance framework 2006/07

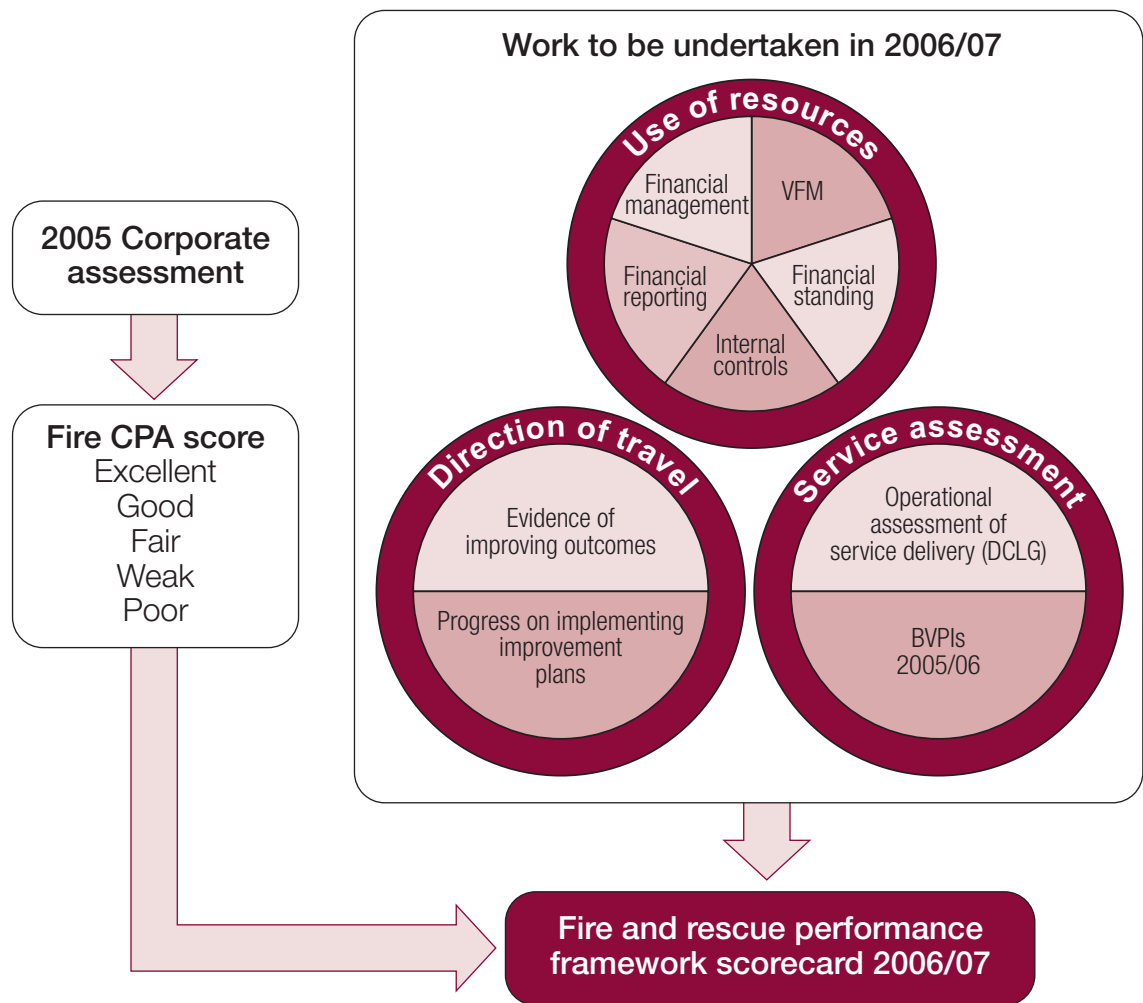
- 19 Our approach to measuring performance in 2006/07 has been influenced by the learning gained from fire and rescue CPA and the Initial Performance Assessment (IPA) of the London Fire and Emergency Planning Authority.
- 20 The fire and rescue performance framework is applicable to:
- combined FRAs;
 - county council FRAs;
 - metropolitan FRAs;
 - the Council of the Isles of Scilly; and
 - the London Fire and Emergency Planning Authority.

References in this document to county FRAs include the Council of the Isles of Scilly, the Isle of Wight Council , and all county council FRAs.

- 21 The performance framework this year will consist of three elements:
- a use of resources assessment. This will assess the authority across a broad range of financial issues and provide a scored assessment on these, including the FRA's arrangements for providing value for money;
 - an assessment of improvement or deterioration in performance, measured through a scored direction of travel assessment. The assessment will be outcome-focused and draw together other assessments on the FRA; and
 - a scored service assessment which has an emphasis on service delivery and includes a performance information element and assessment of operational service delivery (provided by DCLG).

- 22 The service assessment for county FRAs will also form part of the overall CPA framework for single tier and county councils for 2006 where relevant. Each of these areas is described more fully in the following sections.

Figure 1
Fire and rescue performance framework for 2006/07



Source: Audit Commission

- 23 Our approach for county FRAs has been tailored to ensure we only undertake sufficient work in these authorities to form a judgement that will be consistent with those for all other fire authorities.
- 24 The outcome of this work is likely to form the basis of the Commission's consideration in 2007/08 of whether a significant and sustained change in performance may indicate that a change in Fire CPA category is warranted. We will consult on the proposals relating to re-categorisation in the autumn of 2006.

Delivery of the performance framework

- 25 We plan to schedule the various elements of the performance framework throughout 2006/07 and alongside existing audit work where this is appropriate. The timing of this work is detailed in *Fire and Rescue Performance Framework 2006/07: Key Dates*, available at www.audit-commission.gov.uk/fire. The operational assessments of service delivery will be undertaken by DCLG and delivered to its timetable – for details of this work see DCLG's separate publication (www.communities.gov.uk/fire).

Self-assessments

- 26 Both the Commission and DCLG are keen to minimise the requirement for self-assessments as part of this framework. Consequently the context information will be used by both DCLG and the Commission. The Commission will request a single self-assessment from FRAs that will cover all relevant aspects of the performance framework.
- 27 We are working with the Local Services Inspectorate Forum to review our approach to self-assessments for 2007 and beyond, to improve coordination and reduce the burden of self-assessment. The timetable for this activity is contained in *Fire and Rescue Performance Framework 2006/07: Key Dates* at www.audit-commission.gov.uk/fire. Our working assumptions for a revised approach are:
- there should be a generic structure, which will allow authorities to provide information once, which can then be used for a range of assessments;
 - inspectorates should gather existing context data, rather than expect authorities to provide this information each time they submit a self-assessment;

- authorities should be able to signpost other existing information for particular assessment purposes; and
- all inspectorates should invite authorities to self-score their assessments, but not make this a formal requirement.

FRAAs categorised as excellent in Fire and Rescue CPA

- 28 FRAAs categorised as excellent by Fire and Rescue CPA have negotiated a series of freedoms and flexibilities with DCLG. One of the freedoms granted by DCLG is exemption from OASD. The Commission will not publish a fire and rescue service assessment score for FRAAs classified as excellent in 2005/06. The Commission will keep this under review in future years.

4

Use of resources

Basis of the assessment

- 29 The use of resources (UoR) assessment will provide a scored assessment across a broad range of financial issues including a judgement on the authority's arrangements for securing value for money. It focuses on the importance of having sound and strategic financial management to ensure that resources are available to support the authority's priorities and improve services. The assessment is challenging and is directly comparable with those made by the Commission for police authorities, councils and health bodies. It is based on the same structure of auditors' judgements using KLOE.

Making the assessment

- 30 The UoR assessment in 2006/07 will be made using evidence from the 2005/06 audit and take account of evidence available at the time of the assessment. In line with the Commission's wider policy on UoR assessments, in future years this date will be the end of the financial year. To assess UoR, auditors will make judgements across the following areas:
- financial reporting;
 - financial management;
 - financial standing;
 - internal control; and
 - value for money.
- 31 The full fire and rescue UoR KLOE, and supporting information, can be found in *Fire and Rescue Performance Framework 2006/07 – Guide to Use of Resources Assessments* which will be published on the Commission's website at www.audit-commission.gov.uk/fire.
- 32 The assessment will be based on the work carried out by the authority's appointed auditor to deliver the value for money conclusion required under the Code of Audit Practice. The fieldwork for the value for money part of the use of resources assessment will be combined with that for the direction of travel assessment to avoid any duplication. A single self-assessment covering both these assessments will be required by mid-October 2006. Details of the timetable can be found in *Fire and Rescue Performance Framework 2006/07: Key Dates*.

Value for money

- 33** In reaching a view on value for money (VFM), appointed auditors will take into account how well the FRA as a whole demonstrates VFM. Their assessment will consider current achievement of VFM and how the FRA strategically manages and improves VFM. A VFM Profile tool will be produced to help FRAs and auditors take an overview of spending and performance and help to target areas for attention in assessing VFM. A copy of this tool will be made available to all FRAs in advance of the self-assessment being submitted. The tool will contain data from the Institute of Public Finance (IPF) and DCLG including financial returns and establishment statistics.
- 34** The VFM assessment will encompass work completed by FRAs in producing their annual efficiency statements and avoid unnecessary duplication of effort on the part of FRAs. Auditors will not provide specific assurance on the annual efficiency statement. However, in reporting to the FRA they will report by exception where they have specific and significant concerns about the process followed by the FRA in compiling the efficiency statement or where the statement is not consistent with the auditor's knowledge of the FRA obtained through other audit work. Efficiency gains supported by appropriate evidence and any concerns will be reflected in the auditor's overall VFM assessment.
- 35** The assessment of VFM will be undertaken alongside the direction of travel work in order to minimise the burden on the FRA.

County fire and rescue authorities

- 36** County FRAs will receive their own UoR assessment. The overall county fire UoR assessment will be comparable to all other fire UoR assessments. The judgement will be carried out in a consistent way with that for the whole council, but have regard to the fire service only. Judgements for themes one to four (financial reporting, financial management, financial standing and internal control) will draw heavily on the findings for the whole council except where the appointed auditor considers that the arrangements in place are materially different. In determining if there is a material difference the appointed auditor will apply the following principles:
- statutory requirements in relation to the authority's accounts will also be applied to the fire service; and
 - material differences must relate to the fire service only.

Scoring

- 37 Each of the five themes in the fire UoR KLOE will be scored on a scale of 1 to 4 as shown below.
- 4 – well above minimum requirements – performing strongly
 - 3 – consistently above minimum requirements – performing well
 - 2 – at only minimum requirements – adequate performance
 - 1 – below minimum requirements – inadequate performance
- 38 The overall use of resources score will then be based on the scores for each theme combined using the rules shown below.

Table 1

Use of resources rules

Rules to determine a single Audit Commission score.

Scores on use of resources themes (financial reporting, financial management, financial standing, internal control and value for money)	Overall score
Two or more themes with a score of 4 None less than score of 3	4
Three or more themes with a score of 3 or more None less than score of 2	3
Three or more themes with a score of 2 or more	2
Any other combination	1

- 39 Full details of the KLOEs and scoring definitions can be found in *Fire and Rescue Performance Framework 2006/07– Guide to Use of Resources Assessments*.

5

Direction of travel

Basis of the assessment

- 40 A scored direction of travel assessment is an important element of the performance framework for FRAs from 2006/07. The purpose of this assessment will be to provide a concise statement on an authority's improvement, or deterioration, since the baseline fire and rescue CPA categorisation. The assessment will state how well the authority has performed since the original fire and rescue CPA categorisation and whether or not it is considered that it will continue to improve.

Making the assessment

- 41 The assessment will be determined by examining two areas of focus, each supported by KLOEs. The following areas of focus, and sub-questions, will be used to determine direction of travel.

Table 2

Fire and rescue direction of travel

Key areas of focus and sub-questions.

Area of focus

-
- | | |
|----------|---|
| 1 | What evidence is there of the FRA improving outcomes? <ul style="list-style-type: none">• Are services improving in areas the FRA has identified as priorities and areas the public say are important to their communities?• What contribution is the FRA making towards wider community outcomes?• To what degree is the FRA improving both access and the quality of service for all its citizens focusing on those who have been hard to reach or previously excluded?• Is value for money improving as well as quality of services? |
| 2 | How much progress is being made to implement improvement plans to sustain improvement? <ul style="list-style-type: none">• Does the FRA have robust plans for improving? (Aligned with other plans, SMART¹, detailed, resourced, agreed and widely communicated?) |
-

¹ Specific, measurable, achievable, realistic, timed.

- How well is the improvement planning being implemented – are key objectives and milestones being achieved?
- Does the FRA have the capacity to deliver its plans?
- Is the FRA working with partners and the Regional Management Board to improve its capacity to deliver its own priorities and outcomes and contribute to overall improvements across the area?
- Are there any significant weaknesses in arrangements for securing continuous improvement or failures in corporate governance that would prevent improvement levels being sustained?

Source: Audit Commission

- 42 The assessment will be made by the Relationship Manager (RM) for the FRA appointed by the Audit Commission. The FRA will have the opportunity to provide a self-assessment and supporting evidence to inform the RM of the progress made. A timetable for this activity is contained in *Fire and Rescue Performance Framework 2006/07: Key Dates* at www.audit-commission.gov.uk/fire. The self-assessment will give the FRA the opportunity to:
- demonstrate achievement against priority services and wider outcomes; and
 - provide information on the robustness of improvement planning and the extent to which improvements are delivered as planned.
- 43 The RM will use the self-assessment, along with the evidence gathered from the service assessment, use of resources assessment, 2005/06 BVPI data, the FRA's local performance data, and where appropriate, evidence from the monitoring board to come to an overall judgement.

County fire and rescue authorities

- 44 County FRAs will receive their own direction of travel assessment. This will be undertaken separately from the whole council's direction of travel assessment and have regard solely to the fire service and its service improvement.

Scoring

- 45 The direction of travel assessment is scored through the use of four levels of judgement, as follows:

Table 3
Direction of travel labels

Improving strongly
Improving well
Improving adequately
Not improving adequately or Not improving

Source: Audit Commission

- 46 Full details of the KLOEs and scoring definitions can be found in *Fire and Rescue Performance Framework 2006/07 – Guide to Direction of Travel Assessments* available at www.audit-commission.gov.uk/fire.

6

Service assessment

Basis of the assessment

- 47 The objective of the fire and rescue service assessment is to take a broad outcome-based view of the authority's performance in delivering the fire and rescue service, as defined in the Fire and Rescue Services Act 2004.¹

Making the assessment

- 48 The assessment will focus on service delivery and will look at the effectiveness of the service as experienced by recipients of the service. The service assessment for 2006/07 will be constructed from two elements:
- the OASD; and
 - the performance information element.
- 49 These two elements will be scored separately and the scores will be brought together to determine the overall fire and rescue service assessment score. Further details can be found in *Fire and Rescue Performance Framework 2006/07 – Guide to Service Assessment*.

The operational assessment of service delivery

- 50 The OASD will cover the following areas, based on the principles used in the IRMP:
- risk analysis;
 - prevention and protection;
 - operational preparedness;
 - call management and incident support; and
 - emergency response.

All emergency responses, (firefighting, fire rescue, transport accidents, specialist rescues, major incidents, terrorism, and environmental threats) will be included.

¹ The Fire and Rescue Services Act 2004 represented a comprehensive reform of the fire service and gave a statutory basis for the FRA to attend particular types of incidents and undertake specific duties.

- 51 Teams organised by DCLG, comprising practitioners from FRAs, will assess fire and rescue services on their operational service delivery. Further details of this assessment can be found in DCLG's separate publication on this assessment at www.communities.gov.uk.
- 52 DCLG will present the operational assessment of service delivery as a 1 – 4 score with a supporting narrative.

The performance information element

- 53 The Commission will bring together a range of current BVPIs to determine the performance information element score. BVPIs have been selected from those nationally available to assess the outcome of the services delivered by FRAs. The set of BVPIs we will use measure outcomes rather than inputs or processes and cover the full range of services provided so far as is possible. The BVPIs we will use in the fire and rescue service assessment in 2006/07 are set out below.

Table 4
Performance indicators to be used in the fire and rescue service assessment 2006/07

Best value performance indicators.

Audit Commission reference	Performance indicator description
F1	Primary fires per 10,000 population
F2	Accidental dwelling fires per 10,000 dwellings
F3	Deaths arising from accidental dwelling fires per 100,000 population
F4	Injuries arising from accidental dwelling fires per 100,000 population
F5	Percentage of accidental dwelling fires confined to room of origin
F6	False alarms caused by automatic fire detection per 1,000 non-domestic properties attended
F7	Number of deliberate primary fires (including vehicles) per 10,000 population

Source: Audit Commission

- 54 To distinguish between relative levels of performance the result for each BVPI will be compared against a pre-determined upper and lower threshold. The basis on which the thresholds are set and the specific thresholds and the data upon which they are based can be found in the document *Fire and Rescue Performance Framework 2006/07 – Guide to Service Assessments*.
- 55 The distribution of BVPIs around the thresholds will determine the performance information element score, given as 1 – 4 by the Commission. This approach places an emphasis on a substantial majority of the PIs being above the lower threshold. Performance on PI F3 (accidental fire deaths) is of significance and it will be subject to specific treatment so that failure to exceed the lower threshold will limit the overall performance information score to a maximum of 2. Beyond this FRAs can determine in which areas they wish to drive improvement, and achieve a higher PI score, in line with their own priorities. *Fire and Rescue Performance Framework 2006/07 – Guide to Service Assessments* shows how the performance information element score will be determined and will inform the overall service assessment score.
- 56 The results for some of these PIs are subject to significant annual variation. We will treat them in such a way as to minimise the unintended impact of this. This treatment will also include adjustments for deprivation where appropriate.

County fire and rescue authorities

- 57 For county FRAs this service assessment score will be taken into account in determining the council's overall CPA category in 2006; for further information see *CPA – the Harder Test Framework for 2006*.

Scoring

- 58 We will bring together the operational assessment of service delivery score and the performance information element score, using a matrix, to give an overall fire and rescue service assessment score.

Table 5

Matrix to determine the overall fire and rescue service assessment score

Method of combining both elements.

Overall service assessment score		Operational assessment of service delivery score			
		1	2	3	4
Performance indicator score	1	1	1	2	2
	2	1	2	2	3
	3	2	2	3	4
	4	2	3	4	4

Source: Audit Commission

59 The overall score will then be described as shown below.

Table 6

Fire and rescue service assessment

Service assessment scores and definitions.

Score	Performance descriptors
4	Performing strongly – well above minimum requirements
3	Performing well – consistently above minimum requirements
2	Adequate performance – only at minimum requirements
1	Inadequate performance – below minimum requirements

Source: Audit Commission

7

Quality assurance and review

Quality assurance

- 60 We will continue to build quality assurance (QA) arrangements into our processes for delivering the various outputs and reports from all the elements of the performance framework. Our approach to ensuring the quality of our work will also be built into our processes for selecting and training those carrying out the work. We will:
- regularly review and seek feedback from authorities on the performance of our teams; and
 - allocate teams to FRAs on the basis of their understanding of the type of authority and specific relevant issues while balancing teams to ensure that different perspectives are provided.

Scored judgement review procedure

- 61 A Scored Judgement Review Procedure applies to all of the Commission's scored judgements and is therefore applicable to:
- direction of travel assessments; and
 - use of resources assessments (a Commission assessment although the work is carried out by appointed auditors).
- 62 The Scored Judgement Review Procedure does not cover the fire and rescue service assessment score as this is generated automatically by the application of rules to underlying scored judgments or PIs. The procedure does not cover operational assessment of service delivery judgements made by DCLG, which will be subject to DCLG's own procedures. More information on the Scored Judgement Review Procedure can be found on the Commission's website.

8

Reporting

Reporting

- 63 County FRAs will have their fire and rescue service assessment score reported alongside their other service assessment scores as part of the council's CPA results when they are published in February 2007. All other FRAs will also have their fire and rescue service assessment published at this time.
- 64 Our public reporting of the 2006/07 performance framework will take place in March 2007 in the form of a scorecard that shows the CPA category and the three new assessments.

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