



**SUBJECT: THE COALITION PROGRAMME, THE QUEEN'S SPEECH AND IN YEAR SAVINGS 2010/2011**

**REPORT OF THE CHIEF FIRE OFFICER**

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**1. INTRODUCTION**

1.1 The purpose of this report is to set out for Members the key features of the Coalition Programme as far as they are currently known with regard to their relationship to the Fire and Rescue Service.

**2. OVERVIEW**

2.1 Members will be aware that following the General Election in May 2010, a Conservative and Liberal Democrat coalition government has been established and has begun to set out a shared agenda through:

- a Coalition Programme
- the announcement of in year savings on 24<sup>th</sup> May, to be followed by an emergency budget on 22<sup>nd</sup> June and a full Spending Review in the Autumn "following consultation with all tiers of Government and the private sector"
- the announcement of a comprehensive programme of legislation in the Queen's Speech of 25<sup>th</sup> May

2.2 Whilst details of the proposals are limited at this point, the programme does put in place a policy direction with the major focus on reducing the country's economic deficit, accompanied by (and partially achieved through) a slimming down of the State and Public Sector. There is emphasis on individual responsibility and community self reliance (the Big Society to replace Big Government); and the policies of dispersal of power from Westminster to the local area continue to feature strongly in this Government's aspirations.

2.3 This paper does not attempt to summarise all elements of the policy agenda, but to focus on those particularly applicable to local government, in particular to Fire and Rescue Services (FRS's). It should be noted, however, that so far there are barely any specific references to Fire and Rescue Services and we must therefore consider any possible implications in relation to local government and partner organisations.

**3. COMMUNITIES AND LOCAL GOVERNMENT**

3.1 The focus of the Coalition Programme relating to local government is **decentralisation of power to the local authority level**, with much less emphasis on regional and other larger structures. For example, it is proposed that Regional Spatial Strategies for housing and planning should be abolished; that Government Office for London and possibly other regions should be abolished; and that plans to force the regionalisation of the fire service should be halted (this is the only overt mention of FRS in the proposals). Plans for unitary local government in Exeter and Norwich are also halted.

## PREVENTING PROTECTING RESPONDING

- 3.2 *The reference to halting the regionalisation of FRS is not clear given that the only proposals on the table are for regionalising controls, not FRS as a whole. It remains to be seen whether this reference is specific to the RCC project or not. This area of activity will continue to have major implications for the organisation regardless of the agreed way forward.*
- 3.3 *We might also to consider the potential impacts of a reduction in regional focus on activities such as Regional Management Boards, Regional Improvement and Efficiency Partnerships (which are only funded until the end of 2010/2011), resilience activities etc.*
- 3.4 Local government funding receives early consideration, with proposals to **phase out ring fenced grants and to freeze Council tax** for at least one year. The savings paper published on 24<sup>th</sup> May sets out that £1.7bn of local authority grants will be de ring fenced in 2010/11, while £1.165bn of local authority grants will be clawed back as part of the wider savings of £405m expected from the Department for Communities and Local Government (£6.2bn across all Whitehall departments) in 2010/11.
- 3.5 Since this will not be taken from formula grant (the basic Government grant to local authorities), it must be assumed that the clawed back grants will relate to specific programmes yet to be specified.
- 3.6 A full review of local government finance will be conducted under a Decentralism and Localism Act (NB the Queen's Speech also refers to a Local Government Restructuring Bill but this would appear to be confined to stopping existing proposals in Norfolk and Devon).
- 3.7 *It would seem highly likely that the Spending Review will take these proposals further with likely impacts on own levels of funding. Our IRMP processes for 2011/2012 and beyond need to be carried out in full awareness of this context.*
- 3.8 The powers of local authorities are to be strengthened through a proposal for a **General Power of Competence** which would appear to be a direct acceptance of the case made by the Local Government Association (which produced a draft Bill to this effect in March 2010) that the existing Power of Wellbeing introduced in 2000 does not provide sufficient powers.
- 3.9 A strengthening of local democratic accountability is proposed via measures such as **referenda for directly elected mayors** in 12 major cities (probably including Newcastle), as well as **directly elected commissioners replacing Police Authorities** in holding police services to account, introduced via a Police Reform and Social Responsibility Act. In a speech to the Police Federation, the Home Secretary Theresa May referred to these as "police individuals with a mandate to set local policing priorities. That mandate will have to be earned through election – and those policing priorities will have been developed with the consent of local people. This is what we mean by democratic, not bureaucratic, accountability".
- 3.10 *It is not clear whether such approaches would apply beyond some Local Authorities and all Police services; it would seem unlikely that such an approach would apply directly to FRS especially as many of them are already part of local authorities.*
- 3.11 **Greater transparency of, and involvement of communities in, local decisions** also features strongly in the programme, including powers for local communities to "save" local facilities threatened with closure; bid to take over local facilities; and have a greater say over local spending (the publication of every amount of spending over £500 is also featured).

3.12 Finally, there is a proposal to cut audit and inspection and abolish CAA. *Clearly this will have implications for our own organisation as the details of the approach emerge; there are also implications for the sector led improvement approach being developed by CFOA, and the degree to which this can be resourced by the sector in a climate of financial retrenchment.*

#### 4. CRIME AND POLICING

4.1 Given that police services, have some similarities to FRS's in terms of structure, it is useful to look at proposals relating to them.

4.2 Aside from the proposals to introduce elected commissioners (see 3.8 above) the Police Reform and Social Responsibility Bill is set to **amend health and safety laws** which "stand in the way of commonsense policing". *It is not clear in particular which health and safety legislation is felt to be particularly obstructive, but a general removal of such legislation is something which could be extended to FRS and would seem to merit further attention as proposals develop.*

4.3 The Bill will also introduce proposals to overhaul of the **Licensing Act** to give local authorities and the police much stronger powers to remove licenses from, or refuse to grant licenses to, any premises that are causing problems, as well as banning the sale of alcohol below cost price and allowing local councils to charge more for late-night licenses to pay for additional policing, giving them powers to fine or shut down shops or bars persistently selling to children.

4.4 *These measures have been widely discussed in Community Safety Partnerships and our Total Place activities, and would seem to offer us opportunities in our joint efforts to tackle anti social behaviour and carelessness caused by alcohol misuse.*

4.5 Finally this part of the Coalition programme makes provision for **better data sharing** (specifically between police and hospitals). There is also a proposed requirement **for monthly publication of crime data**, chiming with the wish for greater transparency. *Given the improvements in our own data timeliness and recent requirements to supply it more speedily to CLG, if this requirement were extended to ourselves it should not cause undue issues.*

#### 5. OTHER PROPOSALS WITH POTENTIAL IMPLICATIONS FOR FRS

5.1 In terms of **deficit reduction**, £6.2bn of in year savings were announced on 24<sup>th</sup> May, with details still to emerge from specific Whitehall departments on how these will be realised. Aside from the savings from local government outlined above, it is suggested that £95m will come from savings in IT spending, and £1.7bn will come from stopping projects and contracts, including negotiations to achieve cost reductions from major suppliers to government. *It is not clear whether this would affect projects such as NEFRA2.*

5.2 A Public Bodies Reform Bill is proposed, which will give ministers the powers to **abolish, merge or transfer quangos** back into Departments, and ensure that the functions of all public bodies be reviewed every three years, as opposed to the current practice of every 5 years. The review will comprise a test: 'Is the function technical; does it need to be politically impartial; and do facts need to be determined transparently?' *Organisations such as Firebuy appear on the Government's list of quangos and would no doubt be subject to review.*

- 5.3 An **Energy Security and Green Economy Bill** will propose increasing access for householders and businesses to energy efficiency measures that would enable them to reduce their energy bills and their carbon emissions, and measures to deliver greater levels of low carbon energy generation. *This may come with higher targets for emission reduction.*
- 5.4 A Freedom (Great Repeal) Bill, as well as removing a number of recently introduced criminal offences, will strengthen the accountability of bodies by extending the scope of the **Freedom of Information Act**.
- 5.5 Although not covered in the legislative programme, the Coalition programme contains commitment to further action on equalities, in particular speeding up activity to **narrow the gender pay gap**.

## 6. CONCLUSIONS

- 6.1 This policy briefing report is based on the limited information available to date. In the immediate short term it does not directly impact on the activities of TWFRS as we already have in place a range of efficiency related activities under the current IRMP. However it is recommended that the content of this paper, along with further details emerging through the June emergency budget and the Spending Review consultations, be used by SMT and Members to inform the next iteration of our Strategic Community Safety Plan.

## 7. RECOMMENDATIONS

- 7.1 The Committee is requested to:
- a) Consider and comment upon the content of the report;
  - b) Receive further reports as appropriate.

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## BACKGROUND PAPERS

The Coalition: our programme for Government. HM Government May 2010

Government announces £6.2bn of savings in 2010-11: HM Treasury press notice 24<sup>th</sup> May 2010

Queen's Speech 25<sup>th</sup> May 2010. Text and bills list available at <http://www.number10.gov.uk/news/topstorynews/2010/05/queens-speech-2010-3-50297>

Theresa May: Speech to Police Federation 19<sup>th</sup> May 2010 available at <http://www.info4local.gov.uk/documents/publications/1591104>

Draft Local Government (Power of General Competence) Bill. Local Government Association March 2010.