

Fire and rescue

National report

June 2007



Fire and rescue performance assessment 2007 and 2008

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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Introduction

- 1 Fire Comprehensive Performance Assessment (CPA) is a tool for improvement developed by the Audit Commission. It assesses how well fire and rescue authorities (FRAs), the local bodies responsible for the fire service, are modernising and delivering services for local people and communities.
- 2 This document sets out the Commission's approach for assessing how FRAs are modernising in 2007 and 2008. We will report our results in early 2008 and then again in early 2009. This document does not address how the Commission will seek to recategorise FRAs that are showing signs of significant and sustainable improvement. The Commission will publish its arrangements for recategorising FRAs, through a corporate assessment, in August 2007.

Background

- 3 Fire CPA in 2005 assessed how well fire services are delivering fire and rescue services for local people and communities. The Commission gave each FRA a corporate assessment rating of either excellent, good, fair, weak or poor. FRAs were assessed against local and national priorities in the context of the challenges faced by the service in meeting the needs of their communities. Fire CPA results were published in July 2005.
- 4 In May 2007 the Commission published an overall assessment of how the fire service had improved during 2006 in *Fire and Rescue Performance Assessment: Scores and Analysis of Performance in Fire and Rescue Authorities 2006*. This showed that fire and rescue services are continuing to respond positively to the challenges of fire modernisation and improvement. Greater emphasis is now placed on fire prevention and community safety. However, the rate of improvement is variable with the gap between the strongest and weakest performers widening. For many services the results of improved fire prevention activity have yet to result in a sustained reduction in fires.

- 5 Most fire services are slowly improving their approach to equality and diversity, but from a low base. Current performance remains poor when compared with other public organisations. While there is evidence that fire services are starting to embrace the equality agenda, more remains to be done.
- 6 The Commission consulted on its proposals for the 2007 performance assessment earlier this year. A summary of consultation responses can be found at section 2. The Commission has carefully considered those responses and amended its original proposals in light of them. The overall approach to performance assessment that the Commission will adopt in 2007 and 2008 is now set out in this document.
- 7 The performance assessment will continue to reflect the need to:
 - promote value for money;
 - promote better financial management and improved 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 Fire and rescue performance assessment is applicable to:
 - combined fire and rescue authorities;
 - county council fire and rescue authorities;
 - metropolitan fire and rescue authorities;
 - the Council of the Isles of Scilly; and
 - the London Fire and Emergency Planning Authority.
- 9 Our assessments of the Council of the Isles of Scilly will be proportionate to their circumstances. The Commission will not report a service assessment for this service. The assessments for the new Devon and Somerset Combined FRA will be adjusted to reflect the fact that the service came into existence on 1 April 2007. We will agree with the services concerned how we will undertake this work.

- 10 Merseyside and Kent and Medway Towns FRAs are exempt from the service assessment because of their excellent CPA rating achieved in 2005.

Future assessment

- 11 The Local Government White Paper and the resulting Local Government and Public Involvement in Health Bill (the Bill) set out a new performance framework for local services, including fire and rescue services. The new performance framework replaces CPA with a Comprehensive Area Assessment (CAA). CAA will focus on outcomes for local people, assessing how well those local bodies work in partnership to deliver a reduced set of national targets and local priorities. The new CAA will be in place from April 2009.
- 12 Meanwhile, it is important that a focus remains on continuing to improve services. We will seek to ensure that Fire CPA continues to support this improvement in fire and rescue services in the period leading up to the implementation of CAA.

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Summary of consultation

- 13 Between November 2006 and February 2007 the Commission consulted the sector on its proposals for a performance assessment in 2007 in *Performance Assessment Framework 2007/08 and Proposals for Re-categorisation*. Forty-five written responses from FRAs and other organisations were received. They provided valuable feedback on how our original proposals could be improved.

General comments

- 14 The Commission does not plan to alter significantly the proposed performance assessment, but will make some changes in light of the consultation responses.
- 15 Responses indicated the fire service favoured stability in the Commission's assessment before introducing CAA. In light of this, the overall assessment in 2007 and 2008 will be the same, but we will make some changes to the use of resources and direction of travel methodologies. We will consult on these changes before their introduction in 2008.

Direction of travel

- 16 We did not propose any changes to the direction of travel assessment in 2007. Consultation responses supported this. We will not make any changes in the 2007 performance assessment. However, we propose to include an assessment of improvement in operational preparedness from 2008. We will consult the sector on specific changes later in the year.

Use of resources assessment

- 17 Fire use of resources assessments started in 2006 and the methodology was based on that already in use for local government. Our consultation proposed some minor changes to the methodology, plus a more significant change in moving the cut-off date for evidence to the end of the financial year, as already applies in local government. We signalled this change when fire use of resources began in 2006.
- 18 Consultation responses, while broadly supportive of the minor changes to the methodology, did not support the change to the evidence cut-off date. FRAs were

concerned about the short period for implementing actions arising from the previous use of resources assessment. Balancing these concerns with the need to achieve a consistent approach in use of resources assessments across sectors before CAA starts in 2009, we propose to make the change to the evidence cut-off date. Further changes to the fire use of resources methodology are envisaged for 2008, mirroring those already in place for local government. We will consult the sector on these specific changes later in the year.

Service assessment

- 19 The service assessment consists of two judgements. The first is an analysis of performance indicators (PIs) and the second is an assessment of a fire service's preparedness to respond to emergency incidents, known as the Operational Assessment of Service Delivery (OASD). The assessment was made by the Department for Communities and Local Government (CLG) in 2006. CLG have now confirmed that they have no plans to update this assessment and it will be valid until 2009.
- 20 Our proposed changes to the service assessment element related only to changes to the current basket of fire service PIs used to calculate the performance information element score. In our consultation we proposed supplementing the original basket of PIs, with up to seven further indicators. This proposal attracted the most varied responses from the consultees. Responses ranged from satisfaction with the original basket, to suggested problems with the extra PIs and requests for the assessment to be removed in its entirety. Following the close of the consultation we have worked with representatives of fire and rescue services, selected through the Chief Fire Officers' Association, to refine and select the PIs for use in the 2007 and 2008 performance assessment.
- 21 We now propose to continue with the six of the existing fire and rescue service PIs and add a further four indicators to better reflect fire prevention work. In 2007 we will calculate the service assessment using the new basket of PIs plus the existing assessment on readiness to respond to emergencies (OASD) undertaken by CLG. We will undertake a final consultation on the thresholds we will use in the service assessment PIs in June 2007.

Reducing the workload

- 22** Our proposals to reduce the workload were well received. They will be introduced from 2007 and include removing the need to provide self-assessment in certain circumstances and introducing more proportionate and risk-based fieldwork.

Data quality

- 23** We consulted on proposals for assessing an FRA's arrangement for data quality. The response from FRAs was positive. We now propose to develop an approach to data quality for the service that we will introduce following further scoping and consultation with the sector.

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Main proposals

24 Our approach to assessing performance in 2007 and 2008 has been influenced by the learning gained from our work in 2006 and the consultation responses.

Performance assessment 2007 and 2008

25 The performance assessment will consist of three elements:

- an assessment of improvement, or deterioration, in performance measured through a scored **direction of travel assessment**. The assessment will be outcome focused and will draw together other assessments on the FRA;
- a **use of resources assessment**. This will assess the authority across a broad range of financial issues and provide a scored assessment including whether the FRA is providing value for money; and
- a scored **service assessment** which has an emphasis on service delivery. It comprises an analysis of PIs and the OASD. The service assessment for county FRAs will also form part of the overall CPA for single tier and county councils for 2007.

26 Each of these areas is described more fully in the following sections of this document.

27 Our approach for county council FRAs is tailored to ensure that we only undertake sufficient work in these authorities to form a judgement that will be consistent with those for all other fire authorities.

28 Section 6 of this document sets out the key dates for our performance assessment work in 2007. Where possible we will schedule the work to coincide with our existing audit work to reduce the impact on FRAs.

Self-assessments

- 29 The Commission is committed to reducing requests for self-assessments. Only FRAs that scored at level 1 (inadequate performance) in their 2006 use of resources value for money assessment and/or Not improving adequately/Not improving for their 2006 direction of travel assessment are required to provide a self-assessment in 2007.
- 30 An FRA can voluntarily submit a self-assessment if it believes significant changes have occurred since its last self-assessment.
- 31 Section 6 of this document sets out the timetable for self-assessments for those services that are required to submit one. Should an FRA choose to submit a self-assessment voluntarily then it should do so by the dates shown.

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Direction of travel

Basis of the assessment

- 32 A scored direction of travel assessment is an important element of the performance assessment 2007 and 2008. The purpose of this assessment is to provide a concise statement on an authority's improvement, or deterioration. The assessment will state how well the authority has performed since its last assessment and whether it is considered that it will continue to improve.
- 33 The assessment is outcome focused. Emphasis will be given to how the service has improved outcomes for the public since the last assessment. It will assess how the FRA has addressed modernisation and the requirements of the national framework. As far as possible the Commission will rely on a desk-top update of the previous assessment with minimal fieldwork.

Making the assessment

- 34 The assessment will be determined by examining two areas of focus, each supported by key lines of enquiry (KLOEs). The following areas of focus, and sub-questions, will be used to decide direction of travel (**Table 1**).

Table 1
Fire and rescue direction of travel

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, SMART*, detailed, resourced, agreed and widely communicated?) • 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

County fire and rescue authorities

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

* Specific, measurable, achievable, realistic and timed.

Scoring

- 36 The direction of travel assessment is scored through the use of four levels of judgement (Table 2).

Table 2
Direction of travel

Improving strongly
Improving well
Improving adequately
Not improving adequately / No improvement

Source: Audit Commission

- 37 Full details of the KLOEs and scoring definitions can be found on the Audit Commission's website at www.audit-commission.gov.uk/fire.

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Use of resources

Basis of the assessment

- 38 The use of resources (UoR) assessment will again provide a scored assessment across a broad range of financial management 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 comparable with those previously made by the Commission for police authorities, councils and health bodies.

The assessment

- 39 The UoR assessment in 2007 will be made using evidence from the 2006/07 audit and will take account of evidence available at 31 March 2007. To assess UoR, auditors will form assessments across the following areas:
- financial reporting;
 - financial management;
 - financial standing;
 - internal control; and
 - value for money.
- 40 Much of the work needed to make this assessment is routinely undertaken by appointed auditors as part of their annual audit of the FRA. The assessment will be based on this work carried out by the authority's appointed auditor under the Code of Audit Practice. An FRA's annual efficiency statements will be considered as part of the evidence base for this assessment.

Value for money

- 41 In reaching a view on value for money (VFM), appointed auditors will consider 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 PI profile tool will be produced to help auditors take an overview of spending and

performance and help to target areas for attention in assessing VFM. The tool will contain data from the FRA's best value performance plan, Institute of Public Finance and CLG including financial returns and establishment statistics. The Commission will undertake a data collection and verification exercise with FRAs to assemble information from best value performance plans for use in the PI profile tool.

- 42 The VFM assessment will encompass work completed by FRAs in producing their annual efficiency statements and avoid unnecessary duplication of effort by FRAs. Auditors will not provide specific assurance on the annual efficiency statement. However, in reporting to the FRA they will report by exception to the Commission 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 gained through other audit work. Where exceptions are reported, the Commission will report these to CLG. Efficiency gains supported by proper evidence and any concerns will be reflected in the auditor's overall VFM assessment.
- 43 Assessing VFM will be undertaken alongside the direction of travel work to lessen the burden on the FRA.

County fire and rescue authorities

- 44 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 the arrangements in place are materially different. In deciding if there is a material difference the appointed auditor will apply the following principles:
- statutory requirements about the authority's accounts will also be applied to the fire service; and
 - material differences must relate to the fire service only.

Scoring

- 45 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
- 46 The overall use of resources score will then be based on the scores for each theme combined using the rules in **Table 3**.

Table 3

Overall use of resources scoring rules and descriptors

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
At least two 4s and no score below 3 on any heading	4
At least three 3s, no score below 2	3
At least three 2s	2
Any other combination	1

Source: Audit Commission

Table 4
Fire and rescue service assessment

Use of resources score 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

- 47 Full details of the KLOEs and scoring definitions can be found on the Audit Commission's website at www.audit-commission.gov.uk/fire.

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Service assessment

Basis of the assessment

- 48 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

- 49 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 2007 and 2008 will comprise two elements:
- the OASD; and
 - the performance information element.
- 50 These two will be scored separately and the scores will be brought together to determine the overall fire and rescue service assessment score.

Operational assessment of service delivery

- 51 The OASD was undertaken by CLG in 2006. Each FRA, excluding Merseyside and Kent and Medway Towns FRA, was assessed in the following areas, based on the principles used in the integrated risk management plan:
- risk analysis;
 - prevention and protection;
 - operational preparedness;
 - call management and incident support; and
 - emergency response.

All emergency responses (fire-fighting, fire rescue, transport accidents, specialist rescues, major incidents, terrorism, and environmental threats) were 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.

52 The FRAs 2006 OASD score will be used in the service assessments for 2007 and 2008.

The performance information element

53 The Commission will bring together PIs to determine the PI score for each FRA. PIs have been selected from those available nationally. As far as possible, the set of PIs selected cover the full range of services provided. The PIs to be used in the fire and rescue service assessment in 2007 and 2008 are set out in **Table 5**. The latest available data will be used in the service assessment. In 2007 these will be the 2006/07 data.

Table 5

Performance indicators to be used in the 2007 and 2008 fire and rescue service assessment

Audit Commission reference	Performance indicator description
F1	Primary fires per 10,000 population
F2	Accidental dwelling fires per 10,000 population
F3	Deaths arising from accidental dwelling fires per 100,000 population
F4	Injuries arising from accidental fires per 100,000 population
F5	Percentage of accidental dwelling fires confined to room of origin
F7	Deliberate primary fires, including vehicles, per 10,000 population
F8	False alarms caused by automatic fire detection per 1,000 non-domestic properties; and the percentage attended with more than 1 attendance
F9	The number of calls to malicious false alarms per 1,000 population; and percentage of malicious false alarms attended
F11	Fires in non-domestic properties per 1,000 non-domestic properties
F13	The percentage of fires attended in dwellings in which no smoke alarm was fitted

Source: Audit Commission

- 54 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. PIs will also be adjusted for deprivation where it is appropriate to do so.
- 55 To distinguish between relative levels of performance, the result for each best value PI will be compared against a predetermined upper and lower threshold. The distribution of PIs around the thresholds will decide the performance information element score, as set out in **Table 6**. This approach places an emphasis on a substantial majority of the PIs being above the lower threshold. The Commission will consult separately on these thresholds and any specific treatment we will apply to each PI. This consultation will start at the end of June 2007.
- 56 Performance on PI F3 (accidental fire deaths) is of significance and it will be subject to specific treatment. Failure to exceed the lower threshold will limit the overall performance information score to a maximum of 2. Beyond this FRAs can decide in which areas they wish to drive improvement, and achieve a higher PI score, in line with their own priorities.

Table 6

Approach to scoring the performance information element for the fire and rescue service assessment

Performance information element score	Distribution of best value performance indicators
4	No PIs at or below the lower threshold and 35% or more PIs at or above the upper threshold
3	No more than 15% of the PIs (except F3) at or below the lower threshold and 25% or more PIs at or above the upper threshold
2	Any other combination
1	35% or more PIs at or below the lower threshold

Source: Audit Commission

Scoring

- 57 The Commission will bring together the OASD score and the performance information element score, using a matrix, to give an overall fire and rescue service assessment score.

Table 7

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			
		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

- 58 The overall score will then be described as shown below.

Table 8

Fire and rescue service assessment

Service assessment score 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

- 59 The Commission will use the service assessment again in 2008. We will not make any changes to the methodology but will use the latest PIs to calculate the score. Service assessment technical guidance and scoring definitions can be found on the Audit Commission's website at www.audit-commission.gov.uk/fire.

County fire and rescue authorities

- 60 For county FRAs this service assessment score will be taken into account in deciding the council's overall CPA category in 2007. However, the application of level 2 services in the CPA to CAA transition year of 2008 is subject to consultation in *The Transition from CPA to CAA*, April 2007. For further information see www.audit-commission.gov.uk/cpa.

7

Key dates for performance assessment 2007

61 **Table 9** below shows key dates in the fire and rescue performance assessment for 2007.

Table 9
Key dates in fire and rescue performance assessment 2007

Key activities, dates and deadlines.

Date	Activity/key stage
From June 2007	Auditors begin work on use of resources (themes 1 to 4 – financial reporting; financial management; financial standing; and internal control) alongside audit code conclusion work
2 July 2007	FRA's publish best value performance plans (BVPP)
July 2007	Audit Commission collect and verify data for PI profile tool from FRA's BVPP
Mid-August 2007	PI profile tool available
10 September 2007	Deadline for submission of direction of travel / use of resources self-assessments if applicable
From 10 September 2007	Begin work on fire direction of travel and use of resources (theme 5 – value for money)
28 September 2007	Audit code conclusion
November/December 2007	Data verification for service assessment
Early 2008	Report performance assessment results for 2007

Source: Audit Commission

62 Date for performance assessment 2008 will be published in mid-2008.

8

Review and reporting

Quality assurance

- 63 We will continue to build quality assurance arrangements into our processes for delivering the performance assessment. Our approach to ensuring the quality of our work will also be built into our procedures 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 based on 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

- 64 A Scored Judgement Review Procedure applies to all 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).
- 65 The Scored Judgement Review Procedure does not cover the fire and rescue service assessment score as this is produced automatically by the application of rules to underlying scored judgments or PIs. The review procedure does not apply to OASD judgements made by CLG. More information on the Scored Judgement Review Procedure can be found on the Commission's website.

9

Reporting

- 66 Public reporting of the 2007 performance assessment will take place in early 2008. The 2008 performance assessment will be published in early 2009. Both will be in the form of a scorecard that shows the CPA category and the three annual assessments. 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 published in early 2008.

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Audit Commission
1st Floor, Millbank Tower,
Millbank, London SW1P 4HQ
Tel: 020 7828 1212 Fax: 020 7976 6187
Textphone (minicom): 020 7630 0421
www.audit-commission.gov.uk