

Emergency services sector update

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Introduction

Welcome to RSM's latest Emergency Services sector briefing which provides a useful source of insight into recent developments and publications affecting the sector.

We look at the National Audit Office's (NAO) report on the financial sustainability of police forces, drawing attention to the Home Office's approach to overseeing police forces financial sustainability, ways in which the Home Office informs itself when making decisions related to funding allocations and the recommendations that have been set out by the NAO. In addition, we look at statistics on police complaints, the Home Office's investment on the Police Transformation Fund alongside the types of projects currently underway and the announcement of a 2 per cent pay rise for police officers following the removal of the public sector pay cap.

In looking specifically at fire and rescue services, we cover the Home Office's review of the Fire Transformation Fund projects since its introduction in April 2015, and statistics on incidents attended by fire and rescue services.

We also delve into the new Emergency Services Network expected to be implemented over the following year, including how the new approach will transform the way in which the emergency services sector operates.

We hope you find this update a useful source of insight. As ever, if you have any queries, or have any suggestions for topics for future editions, please contact either myself, or your usual RSM contact and we will be delighted to help.

Daniel Harris

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Police and fire

New strategic direction for the Emergency Services Network (ESN)

Following the Home Office's in-depth review, a new strategic direction has been announced for the 'Emergency Services Network (ESN)'. The new mobile-based communications network will save £200m in public money annually once the existing radio-based network 'Airwave' has been fully replaced. The change will allow police, fire and rescue services, ambulance services and other users to use data services over the network from early in 2019, followed by voice capabilities soon after.

The emergency services will be able to test and choose which ESN products they want as and when they become available instead of having to wait for the network to be implemented fully. The 4G network will reshape emergency services' mobile working, particularly in 'remote areas and at times of network congestion, with sim cards giving them priority over commercial users.' ESN also has the potential to allow emergency services to communicate on the London Underground.

The National Fire Chiefs Council (NFCC) welcomed the decision to roll out ESN incrementally. Roy Wilsher, Chair of the NFCC, stated 'the ESN will encourage greater information sharing and collaboration between the emergency services.'

The NAO report on the financial sustainability of police forces stated that delays in the ESN programme, which is now at least 15 months behind schedule (as at June 2018), has placed additional costs on forces. The Home Office plans to fund £1.3bn on work to replace the existing system, however, until the new ESN system is fully in place, the Home Office is having to spend £330m annually from the total police budget to run the old Airwave system. This is resulting in many forces having to make significant investments to extend the life of their Airwave equipment while they wait for the ESN system to become available. Emergency services will be hoping that when details of the strategy are provided to Parliament it will bring further clarity on the new rollout.



Police

Financial sustainability of police forces in England and Wales 2018

The National Audit Office (NAO) has published a report on the 'financial sustainability of police forces in England and Wales 2018', a follow up to the report published in June 2015. The present report examines the Home Office's progress in 'managing a clear assurance and oversight system.'

Key points from the report include:

- the NAO have stated that the Home Office should be in a position where it can get assurance that forces are not at risk of becoming 'financially unsustainable';
- the Home Office estimate that the overall funding for police in 2018/19 will be £12.3bn;
- the NAO identified that while the impact of funding on police forces varies, the forces that rely mostly on governments funds had experienced the largest cuts;
- the NAO argues that the Home Office's 'police funding formula' does not take into account the full range of demands on police time, levels of financial reserves or the proportion of funding that police forces receive from central government relative to local funding;
- between March 2011 and March 2015, reserves were found to have increased by 49 per cent; however, the NAO stated in their 2015 report that reserves are not a sign of 'financial health.' Forces have since reduced their reserves by 20 per cent by March 2017; and
- the NAO states that the Home Office does not know what levels of reserves forces should hold in order to be financially sustainable, or if the decline in reserves reflects budget pressures.

The report concludes that the way in which the Home Office distributes funding is 'ineffective' and cannot be certain that funding is directed to the right places. The NAO also stated that it cannot conclude that the Home Office's oversight of the police system is ensuring 'value for money.' The NAO further highlights that the Home Office is not clear in its 'accountability system statement' on how it gets assurance that the policing system is working. There is also not enough clarity on what information is used to monitor the financial health of police forces and ways in which it will address forces' financial or service failure. The Home Office expect commissioners to be responsible for ensuring that the local communities policing needs are met effectively and efficiently. Forces are required to undergo independent inspection by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS), however the Home Office understands that there are limitations to these inspections when identifying risks to financial sustainability of police forces. The NAO concludes that the Home Office's 'light touch' approach to the oversight of police forces means that it is unaware whether the police system is financially sustainable or not.

The NAO sets out a number of recommendations including that the Home Office agrees who is accountable for what across all levels of the policing system. The Home Office should make clear its relationship with HMICFRS in order to gain assurance that the police system is financially sustainable. The Home Office should also make this clear in their 'accounting officer system statement.' The NAO recommends that the Home Office develops a clearer understanding of whether police forces funding is enough to support them to deliver a service that is efficient and effective. They should also review the formula for police funding and take on an approach that will consider local circumstances more fairly.

Questions for committee's consideration

Have you received assurance that your own force is progressing the relevant points coming out of the report?

Police complaints: Statistics for England and Wales 2017/18

The Independent Office for Police Conduct (IOPC) has published statistics on police complaints for England and Wales in 2017/18. Police forces deal with most of the cases recorded while the IOPC only deals with the most serious and sensitive cases.

Key statistics include:

- 31,671 complaint cases were recorded by forces, a 7 per cent decline from 2016/17;
- most forces recorded over 80 per cent of their complaints within the expected 10 working days. 24 forces maintained or improved the number of complaints they recorded on time;
- 61,238 allegations were recorded, a decline of 4 per cent from 2016/17;
- 'other neglect or failure of duty' was the most common allegation accounting for 39 per cent;
- forces finalised 60,944 of the 61,238 allegations;
- 44 per cent of allegations finalised were subject to formal investigation, and took an average of 173 working days, an increase on the previous year where it took 166 days;

- 42 per cent of allegations finalised were locally resolved and took an average of 72 working days to resolve, an increase on the previous year where it took 67 days. 28 forces took longer to resolve allegations compared to the previous year;
- 6 per cent of allegations were withdrawn;
- overall, 31,524 complaints were finalised, a 4 per cent decline from 2016/17;
- on a whole complaint cases took longer to finalise. In 2017/18, the average number of days to finalise a case was 116 days with the average time ranging between 28 and 230 days across forces; and
- the total number of appeals declined by 8 per cent from 2016/17.

It is noted in the Parliaments briefing paper on the police complaints system that the current system is 'complex, and so is the legislation governing it.' It is anticipated that the Home Office reforms, which will come into effect in 2019, will simplify the complaints process. Changes include allowing police and crime commissioners to take on a greater role in the system and introducing a system of 'super-complaints'

Questions for committee's consideration

Does the committee have assurance that internal processes are being updated in line with the changes required?

£100m to police transformation projects

The Home Office has announced it is investing over £100m of the Police Transformation Fund in projects designed to prepare police forces to adapt to future challenges. Up to £70m has been approved by the Home Secretary for investment in 2018/19 in four national major police-led programmes covering forces in England and Wales, and to manage the portfolio of projects to ensure maximum benefits are shared among forces. The programmes will transform how police use technology, allow the public to easily engage with police online, and boost capacity to deal with major threats. The Home Office has also announced awards totalling £42.7m to 15 successful bids across 2018/19 and 2019/20.

The four national major police-led programmes currently underway include:

- 'the national enabling programme' – this will provide a combined IT system across policing and deliver more joined-up working within and between forces;
- 'specialist capabilities programme' – this will improve resource sharing between forces in key crime areas;
- 'the digital policing portfolio' – this aims to improve the use of technology by police; and
- 'transforming forensics' – this will improve the way in which biometric services and digital forensics are used.

Questions for committee's consideration

Is your audit committee receiving assurance that the benefits realisation identified when submitting bids are actually achieved from transformation projects?

Are you assured that an effective framework is in place which identifies risk and opportunities from transformation projects?

Police to receive 2 per cent pay increase in 2018 to 2019

Following the government's removal of the public sector pay cap, police officers will receive a pay rise of 2 per cent which will mean average pay for a Constable will now be over £38,600 per year. The increase affects all police officer ranks and dog handlers' allowance. Sajid Javid, Home Secretary, stated 'this award represents the highest consolidated pay award since 2010.' The government has delivered an increase of £460m in overall funding to policing in 2018 to 2019, including a rise of funding for local policing through 'council tax precept.' This funding will allow forces to meet the costs of the pay award.

Questions for committee's consideration

Do Medium Term Financial Plans reflect the pay award and is the committee assured that increased costs will be managed effectively?



Fire

Review of the fire transformation fund projects

The Home Office has published a report on the progress of the Fire Transformation Fund (FTF) projects since being introduced in April 2015. The Department for Communities and Local Government (now the Ministry of Housing, Communities and Local Government) had awarded a grant of £75m to fund 37 projects in 2015. The Fire Transformation Fund aims to support fire and rescue authorities (FRAs) to carry out projects to improve efficiency of public services. Projects fall under four categories: building, collaboration, prevention and workforce, with categories overlapping in some instances.

Key findings include:

- as of April 2017, 10 projects were fully completed however, only three were completed within 12 months. This demonstrated that the timescales were not sufficient for many of the projects;
- of the 10 projects completed, many had already started prior to receiving the fire transformation fund, indicating that that the early start contributed to the projects finishing within two years;
- 36 projects had spent around 55 per cent (£40.8m) of the total FTF at the end of the 24-month stage;
- The 10 projects that had been completed within the specified 12 months had spent £10.85m; and
- projects that had been delayed were a result of issues such as 'planning permission', 'tendering or procurement of contracts' and 'IT system or technology issues.'

Questions for committee's consideration

How does your fire service compare?

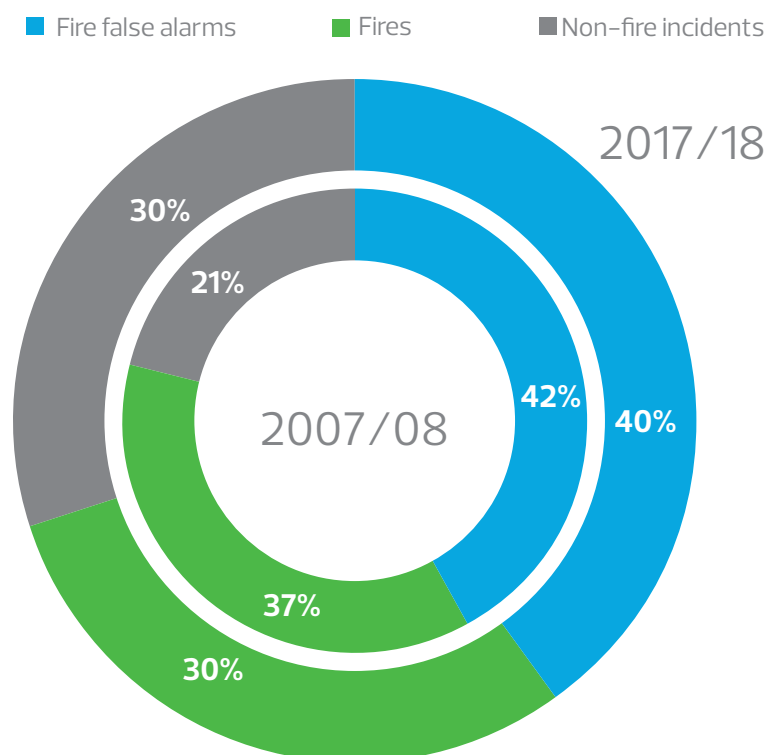
Are you receiving assurance on the progress of projects?

Fire and rescue incident statistics

The Home Office has published statistics on fire and rescue incidents in England in the year to March 2018. Key statistics include:

- fire and rescue services (FRSs) attended 564,827 incidents, an increase from 560,453 in the previous year; however, this is a 29 per cent decline compared with a decade ago (791,746 in 2007/08);
- of all incidents attended by FRSs in 2017/18, fire false alarms accounted for 40 per cent (42 per cent in 2007/08), fires accounted for 30 per cent (37 per cent in 2007/08) and non-fire incidents accounted for 30 per cent (21 per cent in 2007/08);
- FRSs attended 167,150 fires, an increase of 3 per cent compared to the previous year. This represents a decrease of 43 per cent to 2007/08 where FRSs attended 293,920 fires. Of the 167,150 fires attended, 74,118 were primary fires, 89,017 were secondary fires and 4,015 were chimney fires;
- FRSs attended 225,625 fire false alarms, a 1 per cent increase compared with the previous year (223,896) but a 32 per cent decrease compared with ten years ago (331,478);
- FRSs attended 172,052 non-fire incidents, a 27 per cent increase compared to 2012/13 where FRSs attended 135,054 non-fire incidents. Generally, there has been a decline in the number of non-fire incidents, however, in the last couple of years this has been rising due to an increase in the number of medical incidents attended by FRSs. In the 2017/18, 32,820 of the 172,052 non-fire incidents attended by FRSs were medical incident related; and
- there was in total 334 fire related fatalities, a rise of 27 per cent compared to last year (263).

Incidents attended by FRSs



Sources of further information

Home Office

'New strategic direction for the Emergency Services Network (ESN)'

<https://www.gov.uk/government/news/new-strategic-direction-for-the-emergency-services-network-esn>

National Audit Office

'Financial sustainability of police forces in England and Wales 2018'

https://www.nao.org.uk/report/financial-sustainability-of-police-forces-in-england-and-wales-2018/?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term

IOPC

'Police complaints: Statistics for England and Wales 2017/18'

https://www.policeconduct.gov.uk/sites/default/files/Documents/statistics/complaints_statistics_2017_18.pdf

Parliament

'Police complaints system in the UK'

<https://researchbriefings.parliament.uk/ResearchBriefing/Summary/SN02056>

Home Office

'£100m to police transformation projects'

<https://www.gov.uk/government/news/home-office-awards-over-100-million-to-police-transformation-projects>

Home Office

'Police to receive 2 per cent pay increase in 2018 to 2019'

<https://www.gov.uk/government/news/police-to-receive-2-pay-increase-in-2018-19>

Home Office

'Review of the Fire Transformation Fund'

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/723361/fire-transformation-fund-horr-98.pdf

Home Office

'Fire and rescue incident statistics'

<https://www.gov.uk/government/statistics/fire-and-rescue-incident-statistics-england-year-ending-march-2018>

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