

Agenda

**Meeting: Corporate and Partnerships
Overview & Scrutiny Committee**

**Venue: Brierley Room, County Hall,
Northallerton DL7 8AD
(see location plan overleaf)**

Date: Monday 3 December 2018 at 10.30 am

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Please note that all members of the public should report to reception at the North Block (Health and Adult Services) on the day of the meeting.

Business

- 1. Minutes of the meeting held on 3 September 2018** **(Pages 6 to 11)**
- 2. Declarations of Interest**
- 3. Public Questions or Statements**

Members of the public may ask questions or make statements at this meeting if they have given notice to Daniel Harry of Policy & Partnerships (*contact details below*) no later than midday on Wednesday 28 November 2018. Each speaker should limit themselves to 3 minutes on any item. Members of the public who have given notice will be invited to speak:-

- at this point in the meeting if their questions/statements relate to matters which are not otherwise on the Agenda (subject to an overall time limit of 30 minutes);
- when the relevant Agenda item is being considered if they wish to speak on a matter which is on the Agenda for this meeting.

4. **Chairman's Announcements - Any correspondence, communication or other business brought forward by the direction of the Chairman of the Committee. (FOR INFORMATION ONLY)**

5. **Attendance of the Police & Crime Commissioner**
Purpose of the Attendance – To provide an update on the implementation of plans for formal collaboration between North Yorkshire Police and North Yorkshire Fire & Rescue

(Pages 12 to 39)

6. **North Yorkshire County Council Investment Strategy** – Karen Iveson, AD Strategic Resources, NYCC

(Pages 40 to 52)

Purpose of Report – To provide an overview of the County council's investment strategy and an update on investments.

7. **Parish Portal Update** – Nigel Smith, Highway Operations, BES, NYCC

(Pages 53 to 60)

Purpose of the Report – To provide an update on the operation of the Parish Portal and Parish Council engagement.

8. **Bank & Post Office Closures Review** - Melanie Carr, Principal Democratic Services and Scrutiny Officer, NYCC

Purpose of the Report – To present a revised draft final report for Members' consideration – **REPORT TO FOLLOW**

9. **Work Programme** – Melanie Carr, Principal Democratic Services and Scrutiny Officer, NYCC

(Pages 61 to 65)

Purpose of the Report – To provide a work programme for the Committee to consider, develop and adopt.

10. **Other business which the Chairman agrees should be considered as a matter of urgency because of special circumstances.**

Barry Khan
Assistant Chief Executive (Legal and Democratic Services)
County Hall
Northallerton

Date: 23 November 2018

NOTES:

- (a) Members are reminded of the need to consider whether they have any interests to declare on any of the items on this agenda and, if so, of the need to explain the reason(s) why they have any interest when making a declaration.

The relevant Corporate Development Officer or Monitoring Officer will be pleased to advise on interest issues. Ideally their views should be sought as soon as possible and preferably prior to the day of the meeting, so that time is available to explore adequately any issues that might arise.

(b) **Emergency Procedures For Meetings**
Fire

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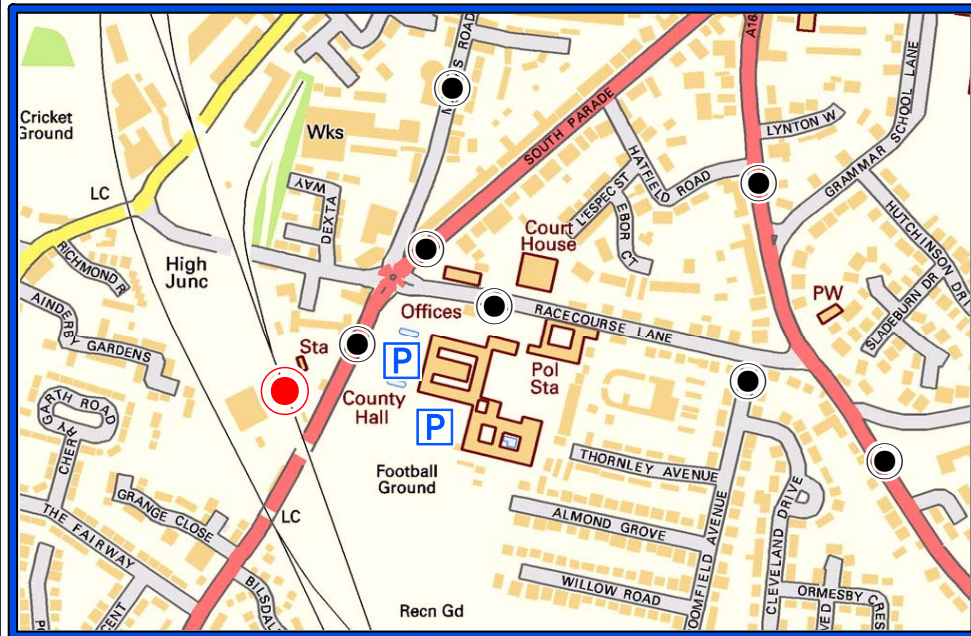
Corporate and Partnerships Overview and Scrutiny Committee

1. Membership

County Councillors (13)					
	<i>Councillors Name</i>	<i>Chairman/Vice Chairman</i>	<i>Political Group</i>	<i>Electoral Division</i>	
1	ARNOLD, Val		Conservative	Kirkbymoorside	
2	ATKINSON, Margaret		Conservative	Masham and Fountains	
3	BASTIMAN, Derek	Chairman	Conservative	Scalby and the Coast	
4	GOODRICK, Caroline		Conservative	Hovingham and Sheriff Hutton	
5	GRIFFITHS, Bryn	Vice-Chairman	Liberal Democrat	Stokesley	
6	HASLAM, Paul		Conservative	Harrogate Bilton and Nidd Gorge	
7	JORDAN, Mike		Yorkshire Party	South Selby	
7	MUSGRAVE, Richard		Conservative	Escrick	
8	PARASKOS, Andy		Conservative	Ainsty	
9	PARSONS, Stuart		NY Independents	Richmond	
10	RANDERSON, Tony		Labour	Eastfield and Osgodby	
11	TROTTER, Cliff		Conservative	Pannal and Lower Wharfedale	
12	WILKINSON, Annabel		Conservative	Swale	
Total Membership – (13)				Quorum – (4)	
Con	Lib Dem	NY Ind	Labour	Ind	Total
9	1	1	1	1	13

2. Substitute Members

Conservative		Liberal Democrat	
	<i>Councillors Names</i>		<i>Councillors Names</i>
1	CHAMBERS, Mike MBE	1	WEBBER, Geoff
2	ENNIS, John	2	
3	PATMORE, Caroline	3	
4	LUNN, Cliff	4	
5	JENKINSON, Andrew	5	
NY Independents		Labour	
	<i>Councillors Names</i>		<i>Councillors Names</i>
1		1	DUCKETT, Stephanie
2		2	
3		3	
4		4	
5		5	



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County Hall

Northallerton
North Yorkshire
DL7 8AD



North Yorkshire County Council

Tel : 0845 8 72 73 74

North Yorkshire County Council
Corporate and Partnership Overview and Scrutiny
Committee

Minutes of the meeting held at County Hall, Northallerton on 3 September 2018 at 10.30 am.

Present:-

County Councillor Bryn Griffiths in the Chair.

County Councillors Val Arnold, Margaret Atkinson, Caroline Goodrick, Andy Paraskos, Tony Randerson, Angus Thompson, Cliff Trotter, Annabel Wilkinson.

Also in Attendance

Officers: Odette Robson, Head of Safer Communities, North Yorkshire County Council; Dr Justin Ives, Chairman of North Yorkshire Community Safety Partnership; Julie Firth, Partners in Practice Manager, Children and Families Service, North Yorkshire County Council; and Daniel Harry, Democratic Services and Scrutiny Manager, North Yorkshire County Council.

Apologies for absence were received from County Councillors Derek Bastiman, Richard Musgrave and Stuart Parsons. There were no substitutes.

Stuart Minting, Local Democracy Reporter attended.

Copies of all documents considered are in the Minute Book

58. Minutes

Resolved –

That the Minutes of the meeting held on 18 June 2018, having been printed and circulated, be taken as read and be confirmed and signed by the Chairman as a correct record.

59. Declarations of Interest

There were no declarations of interest.

60. Public Questions or Statements

There were no public questions or statements.

61. Chairman's Announcements - Any correspondence, communication or other business brought forward by the direction of the Chairman of the Committee

In the absence of the Chairman, County Councillor Derek Bastiman, there were no Chairman's Announcements.

62. Update on North Yorkshire Community Safety Partnership

Considered -

An update on North Yorkshire Community Safety Partnership that was provided by Odette Robson, Head of Community Safety, North Yorkshire County Council and Dr Justin Ives, Chair of the Community Safety Partnership

Odette Robson introduced the report and the key issues referred to are summarised as below:

- Legislation placed a statutory duty on Community Safety Partnerships to develop a strategic plan which addresses multi-agency issues affecting communities and residents
- The North Yorkshire Strategic Plan will be signed off in September 2018, drafts of that plan having previously been circulated to partners for comment
- The Strategic Plan will be reviewed on an annual basis, to help ensure that it is still relevant to the local area
- The Strategic Plan has the following priorities: NYCSP development; Community Safety Hubs; Domestic Abuse (including scoping around Sexual Violence and Trauma); Serious and Organised Crime (early intervention and prevention); Hate Crime and Community Cohesion
- An inter board network in North Yorkshire has been established to help ensure that the work of a number of key partnerships is better co-ordinated (CSP, safeguarding adults board, safeguarding children board).

Odette Robson said that organisations in North Yorkshire were working together well to reduce crime and disorder and to promote community safety but that it was important not be complacent.

Dr Justin Ives said that the Community Safety Hubs were working well and demonstrated what could be achieved when people worked together, sharing resources and intelligence.

Cllr Caroline Goodrick queried whether stalking and the heightened risk to victims of stalking of physical or sexual violence, was included in the strategy?

In response, Odette Robson noted that stalking was linked to domestic abuse and that a specific Domestic Abuse Strategy was currently being written, which it would be included in.

Cllr Val Arnold asked what the role of the Partnership was regarding homicide reviews.

In response, Odette Robson said that the recommendations of such reviews were considered by the Partnership to see whether there were any changes that needed to be made to how the partner organisations worked.

Cllr Bryn Griffiths asked how many Serious and Organised Crime Groups there were in the county and what level of threat they presented.

Odette Robson confirmed that problem profiles were produced both nationally and locally that detailed the level of development of Serious and Organised Crime Groups and what risk they presented. Work was also done with the Home Office, as part of the national response to this form of crime.

Cllr Bryn Griffiths queried whether internet-based crime fell under this heading.

Odette Robson said that it did.

Dr Justin Ives emphasised that cross-border work was well established and that data, NYCC Corporate and Partnerships O&S Committee – Minutes of 3 September 2018

Item 1

information and intelligence was shared between the Police and others to ensure that there was an effective response in place.

Daniel Harry asked what the 'Prevent' element of the Serious and Organised Crime National Strategy involved.

Odette Robson said that the work was targeted at young people who had been identified as being at risk of being drawn into serious and organised crime. Young people who were considered to be at risk could be referred to a multi-agency 'Disruption Panel' to see what help they needed.

Cllr Annabel Wilkinson asked whether schools and other educational bodies that worked with children and young people who were not in mainstream school were involved.

Odette Robson confirmed that all educational providers were well placed to identify children and young people at risk of involvement in serious and organised crime.

Daniel Harry questioned whether the changes to the governance of the Fire and Rescue Service and the increasing role and remit of the Police and Crime Commissioner would have an impact upon the work of the Partnership.

Dr Justine Ives said no, not at this time.

Resolved -

- 1) Thank Odette Robson and Dr Justin Ives for attending
- 2) A bi-annual update on the work of the NYCSP to be received by the committee, scheduled to commence as of March 2019.

63. Update on Youth Justice Strategic Plan & Implementation of New Practice Model

Considered -

An update by Julie Firth, Partners in Practice Manager, Children and Families Service, North Yorkshire County Council on the implementation of the new practice model in the Youth Justice Service (YJS), the current performance of the service against national indicators and the priorities in the Youth Justice Strategic Plan for 2018 -2020.

Julie Firth introduced the report and made the following comments:

- The revised YJS structure and delivery model became operational from 1 September 2017
- The reconfigured YJS is now managed under the Prevention Service and adopts a tiered approach
- The YJS restructuring delivered savings of £324,442, which were necessary, as a result of a reduction in the Youth Justice Board annual grant
- The latest official reoffending data relates to the April to June 2016 cohort, which predates the changes in the delivery model
- Locally, a cohort of 21 young people is used to track reoffending rates
- A review of re-offenses committed over the 12 months ending 31 March 2018 by the cohort suggests a reduction in reoffending of 44% compared to the baseline year
- A Youth Outcomes Panel was introduced in May 2017 as a result of the new model of practice. This Panel considers the most appropriate disposal for young people who have committed a criminal offence for the first time. The Youth Justice Board have cited this approach as best practice
- There has been a reduction in the number of first time entrants into the Criminal Justice System in North Yorkshire, bringing it into more into line with performance across the

family group.

Julie Firth said that a formal review of the first year of operation of the new service model was being undertaken, the outcome of which would be available soon. She said that the Youth Outcomes Panel had marked a significant change in practice as it now enabled a full assessment of a young person's offending and circumstances to be considered as part of the charging process.

Julie Firth told the committee that in North Yorkshire there were a number of privately run care homes that provided services to Looked After Children from neighbouring local authorities. Some of these young people had a history of offending and when they reoffended the Youth Justice Board included their offences in the data for North Yorkshire. This then distorted the data, inflating the number of offences attributable to young people from North Yorkshire.

Julie Firth said that significant time and effort had been spent looking at how the YJS did its work and the systems and processes that were used. This had revealed that caseworkers spent a disproportionate amount of time completing the ASSET Plus assessment tool, which was a mandatory requirement of the Youth Justice Board. Following successful negotiations with the Youth Justice Board, and with support from the DfE, North Yorkshire is going to run a pilot of a slimmed down and simpler, locally developed assessment tool. It is anticipated that this new assessment tool will go live from January 2019, freeing up caseworker time to do face to face work with young people and their families. In turn, this should reduce reoffending rates.

Cllr Annabel Wilkinson queried how many Looked After Children were placed in North Yorkshire by other local authorities.

In response, Julie Firth said that she would need to check but it was around 270. She emphasised that young people are often victims of crime themselves and could be exploited by organised criminal gangs, particularly around the supply of illegal drugs. There were some indications that this may be an issue in Ripon, Harrogate and Scarborough.

Cllr Cliff Trotter asked whether North Yorkshire County Council was paid any funding by those local authorities that placed Looked After Children in the county.

Julie Firth said that no funding was provided, as the contractual relationship was between the private care home and the local authority placing the child.

Cllr Caroline Goodrick expressed her concerns that a number of public services were facing increasing pressures due to the number of Looked After Children placed in the county and that there did not appear to be anyway in which to seek some form of reimbursement for this.

Resolved -

- 1) Thank Julie Firth for attending
- 2) Julie Firth to confirm the number of looked after children placed in North Yorkshire by other authorities
- 3) Check with the Young People's Overview and Scrutiny Committee what are the obligations of local authorities regarding the care and support provided to children and young people who are Looked After and placed in private care homes in North Yorkshire
- 4) Request a further update in 12 months, with a focus upon reoffending rates and first time entrants.

Considered -

The findings from the scrutiny review, written by Melanie Carr of North Yorkshire County Council, of cash-based, over the counter banking and Post Office services in rural areas of the county, and agree the recommendations arising from the review.

Daniel Harry introduced the report, noting the following:

- In January 2018, Members met with a Natwest Bank representative responsible for Yorkshire and the Humber, and for managing the engagement process for closure of NatWest branch banks
- In April 2018, Members met with the Post Office Externals Affairs Lead for Scotland and Northern Ireland (previously the External Affairs Manager for the National Post Office Company)
- Information provided by Age UK and the Rural Services Network had also been reviewed and the Local Enterprise Partnership for North Yorkshire, York and East Riding had been asked to comment about the impact upon local businesses
- The issue remained that local communities and businesses were impacted by commercial decisions made by banks and to a lesser extent post offices, which made assumptions about how people managed their finances which in many cases were flawed
- Whilst corporate and social responsibility was a key issue, it was unclear how far Government was able to enforce this as part of the regulation of financial services providers.

Cllr Bryn Griffiths said that those committee members who had been involved with this piece of in-depth scrutiny felt that they were hitting a brick wall. He asked the committee to consider the report and suggest some further lines of enquiry that could be pursued.

Cllr Bryn Griffiths also asked that the appended list of 'Banks and Building Society Branches, LINK ATMs and Post Offices in North Yorkshire Market Towns and Large Settlements' be checked as he noted that in Stokesley the Barclays bank, HSBC bank and Natwest bank branches had all closed.

Cllr Margaret Atkinson expressed her frustration that access to over the counter cash banking services was seemingly governed solely by commercial decisions and not by corporate social responsibility.

Cllr Val Arnold raised her concerns about the impact of bank and post office closures upon older people, particularly those who do not have access to the internet and/or on-line banking.

Cllr Caroline Goodrick queried why it was not possible for the banking sector to work together to provide a mobile bank that could handle transactions for all the major banks through one, vehicle-based, access point. The Post Office continued to offer mobile services, as did a number of public sector organisations.

Cllr Annabel Wilkinson noted that the lack of public transport in some areas meant that it was increasingly difficult for people to access their bank when local branches closed and they then had greater distances to travel.

Cllr Angus Thompson said that it was important that post offices were supported locally.

Cllr Annabel Wilkinson suggested that the community post office model that had been a success in East Cowton could be applied elsewhere.

Resolved -

- 1) The Chair to write to both the Secretary of State for Business, Energy and Industrial Strategy and to the Secretary of State for Environment, Food and Rural Affairs, and to North Yorkshire MPs to raise the Committee's concerns about the impact on rural communities and small businesses and the need for banks, in particular, to conform with social responsibility norms.
- 2) That prior to going to Executive with recommendations, further work is done to ascertain the following:
 - a. What more can be done to enable community's to setup and run their own 'community Post Office'?
 - b. Whether Post Offices are adequately funded (and so staffed) to take on the additional work associated with cash transactions when bank branches locally close?
 - c. Whether libraries (static and mobile) could host banks or banking transactions?
 - d. What role does the Council's Stronger Communities programme have to play?
 - e. Whether banks would be able to run a joint mobile banking service?
- 3) To come back to the committee for the meeting on 3 December 2018, possibly with a draft report for Executive.

65. Work Programme

Considered -

The report of Melanie Carr, Principal Democratic Services and Scrutiny Officer, providing Members with a copy of the Committee's Work Programme for review and comment.

Daniel Harry asked Members to consider the Work Programme and get back to either himself or Melanie Carr outside of the meeting if there were any areas of work that people felt needed to be included.

Resolved -

- 1) 3 December 2018 – add in the follow up to the questions raised regarding banks and Post Offices, possibly the draft report to go to Executive.
- 2) 4 March – ensure that the item on the CRC and Probation includes details of what work is done with offenders both in prison and in the community to enable them to access the education and skills training that they need to help them gain employment.
- 3) Follow up on the outstanding issues that arose from the recent prison visit, in particular clarify whether we actively seek to employ ex-offenders.

66. Other business which the Chairman agrees should be considered as a matter of urgency because of special circumstances

There was no other business.

The meeting concluded at 11:40 pm.

DH



15th November 2018

Baseline Assessment Report of North Yorkshire Fire and Rescue Service

Background

The Policing and Crime Act¹ was given royal assent in January 2017. The Act placed a high-level duty to collaborate on the emergency services (Police, Fire and Rescue and Ambulance). It also made provision for local assessments by Police and Crime Commissioners (PCCs) as to the most effective governance model for Fire and Rescue Services (FRS), giving them the ability to present a Local Business Case (LBC) to the Home Office where they perceived that a different governance model would generate improvements in economy, efficiency and effectiveness, and/or public safety.

After a full and independent assessment of the different governance models, including robust and extensive consultation with the public and workforce, the PCC for North Yorkshire submitted her LBC to the Home Office proposing the Governance Model:

- PCC takes on legal and overarching responsibility for the provision of the fire and rescue service in their area.
- The individual services of North Yorkshire Police (NYP) and that of North Yorkshire Fire and Rescue Service (NYFRS) retain their operational independence, budgets, their chief officers and, their own staff. The two services will continue to have distinct roles, identities and finances – one service's savings will not fund the other.

The Home Secretary approved the LBC in June 2018, recognising the benefits that joint oversight of the police and fire service would bring to the residents and businesses of North Yorkshire. From 15th November 2018, the PCC will take on all statutory responsibilities of the North Yorkshire Fire and Rescue Authority, becoming the elected Police, Fire & Crime Commissioner (PFCC) for North Yorkshire.

Context

At the time of writing the LBC, the financial challenges were significant; budgets continued to fall, both in policing and fire and rescue services, as well as for health, social care and local government. To maintain the current levels of service, of which the public rightly have an expectation, NYFRS would have needed to make savings of around £2.2m recurring from 2019/20. The scale of savings increased to £2.5m recurring, as a consequence of a service delivery decision taken by North Yorkshire Fire and Rescue Authority in December 2017. The Authority chose to use reserves to fund the budget shortfall between 2018/19 and 2020/21. However, their continued use would have depleted reserves by 2022/23, in turn losing the ability of the service to have funds available for unplanned emergency spending. The financial position has since worsened with the Treasury stipulating an extra £4.7bn nationally from the budget for schools, hospitals, the police, fire service and armed forces to cover a shortfall in public sector pensions. The anticipated rise in employer pension contributions for NYFRS could potentially equate to an *additional* shortfall of almost £1.5m, increasing the scale of recurring savings to £4m. There has been continued engagement with key partners in government to ensure that the funding and resource needs of the fire and

¹ Policing and Crime Act 2017, further reforms policing and enables changes to governance of the fire and rescue services and the police complaints and disciplinary systems
<http://www.legislation.gov.uk/ukpga/2017/3/contents/enacted>

rescue service are evidence-based and well understood, and those discussions continue, but the financial situation is unlikely to improve in the short to medium term.

Action plan

North Yorkshire Fire and Rescue Service is going through a period of change with a new governance model, changes to the senior management team, including the recent retirement of its Chief Fire Officer, and significant savings to make. The PFCC therefore commissioned a full-service review of NYFRS which commenced in August 2018 and now forms part of a larger transformation programme (Transform 2020) across both the police and fire services in North Yorkshire.

Additional expertise was brought in to specifically review NYFRS. Dave Etheridge OBE, former Chief Officer of Oxfordshire Fire and Rescue Service conducted the review. The initial phase of the review is now complete and provides the now PFCC with a baseline assessment of the service, providing a set of strengths, weaknesses, opportunities and threats along with a range of recommendations. The full report is appended (Appendix A).

This baseline assessment confirms that NYFRS is delivering its statutory functions and is making a positive difference to the lives of people who live, work and travel in North Yorkshire. These statutory functions encompass the prevention of fires, fire safety buildings and responding to incidents, and there are many examples of exemplary practice. The staff of NYFRS are proud to be part of the service. Dave has also set out the challenges facing the service, which are many and varied.

The PFCC and NYFRS will now jointly consider the recommendations, assess and prioritise them, setting out a clear road map for the years ahead. The immediate priorities for the PFCC and Corporate Management Team of NYFRS will be to:

1. establish a Finance Working Group and 'emergency budget' to identify one-off as well as recurring, deliverable savings and to enable the service to live within its means. This Group will be chaired by a senior member of NYFRS and will ensure an inclusive approach with staff;
2. specifically, create a robust Reserves Strategy to halt the unsustainable use of reserves to prop up day-to-day costs;
3. prepare a fundamental review of how the service operates and start to develop a new service delivery model, as well as a strategic Integrated Risk Management Plan, covering a minimum of three years. This should include a new performance framework, such as agreed response times to incidents, which is not currently in place;
4. receive and consider, at the start of the new year, business cases for the redesign of enabling support services across both organisations;
5. assess the outcomes of the current Craven pilot where a "Public Safety Service" model brings all partners together to tackle local community safety issues, building on the experience from the established Community Safety Hubs and capitalising on the collaborative opportunities presented by the Policing and Crime Act 2017 and the PFCC's LBC to improve community resilience and public safety.

Strategic approach

The next phase of Transform 2020 will seek to identify, across all aspects of the fire service, opportunities for deep and meaningful strategic and tactical collaboration with NYP, health and local authorities to develop and extend existing work on understanding and preventing vulnerability. It will ensure that clear and separate roles of policing and fire are retained, with their distinct and identifiable 'brands', that sufficient fire cover is provided, and that links with wider community partners are maintained or enhanced. This stage of the review will also seek to determine an appropriate principal officer structure to carry out this reform.

The outcomes from this phase will clearly set out the strategic priorities for the years ahead and will provide the guiding principles for how the service develops. This will form the basis of the PFCC's Fire and Rescue Plan, which will set out the strategic vision, priorities and objectives for NYFRS to the end of 2020

financial year. In developing this plan, the PFCC commits to obtaining the views of the community as she currently does in preparing her Police and Crime Plan. The Fire and Rescue Plan, together with the Integrated Risk Management Plan, will form the 'blueprint' for the direction of the NYFRS.

The staff of NYFRS have contributed to this review openly, honestly and passionately. Their feedback has been critical to forming this baseline assessment. Thanks also goes to Dave Etheridge for undertaking this first phase of the review and for the expertise and insight he has brought to it.

Since August 2018, The PFCC, alongside the interim Chief Fire Officer, has visited two-thirds of the thirty-eight fire stations across North Yorkshire, with the remaining visits scheduled over the next three months. These roadshows have provided a welcome and valuable opportunity for the PFCC to listen to staff views on the future of their service and the feedback will be used to inform the next phase of the review. A summary of the feedback is provided as Appendix B.



Baseline Assessment Report of North Yorkshire Fire and Rescue Service

Overall Summary

Introduction

The Police and Crime Act 2017 introduced a range of potential new governance structures to enable greater collaboration between emergency services, including enabling a Police and Crime Commissioner (PCC) to take on the governance of Fire and Rescue Services where a local case is made. The Home Secretary approved the business case put forward by the North Yorkshire PCC to take responsibility for the North Yorkshire Fire and Rescue Service (NYFRS). This change of governance means that North Yorkshire Fire and Rescue Authority (NYFRA) will be dissolved as from 15th November 2018, and the PCC will take on full responsibility, becoming Police, Fire and Crime Commissioner (PFCC). This enables NYFRS to pursue wider opportunities around community safety and collaborative partnerships with other bodies such as North Yorkshire Police.

This report was commissioned by the Office of the PCC to provide a baseline assessment of NYFRS at the point of transfer and to make recommendations to be taken forward by the PFCC. The report was produced by Dave Etheridge OBE, of Greston Associates, in partnership with PwC.

Partly because NYFRS is proactive in preventing incidents, it now attends fewer fires and incidents than ten years ago. However, the number of fire stations, fire engines and operational personnel who attend incidents has remained broadly the same.

The service is facing significant financial challenges. If nothing changes, between now and 2022/23, the service will spend at least £3.5m more than it receives in income. This is not sustainable. Her Majesty's Treasury are currently reviewing the cost of various public sector pension schemes including those effecting firefighters. Early indications from the Government led review (which are yet to be confirmed), estimate the potential increase in pension costs to NYFRS to be within the region of additional £1.5m a year. The year in which this fully comes in is also unknown.

Key Findings

NYFRS is delivering its statutory functions and is making a positive difference to the lives of people who live, work and travel in North Yorkshire. These statutory functions encompass the prevention of fires, fire safety in buildings and responding to incidents.

North Yorkshire is the largest authority area in England, covering over 3000 square miles and including seven districts and boroughs and the City of York. The population of 819,800 is spread across isolated rural settlements and farms, market towns and larger urban areas such as York, Harrogate and Scarborough. The geography and sparsity of the county brings challenges to the way NYFRS delivers its services to the public. Serving a population of 819,800, in 2017/18 NYFRS attended 6,475 emergency incidents. This compares with 110,107 incidents attended by North Yorkshire Police. NYFRS staff work hard and have an impressive track record of reducing not only the number of incidents they attend, but also deaths and injuries from fires and on the county's roads. The service also works well with businesses, enforcing the legislation which keeps people safe from fire at work and successfully prosecuting business that break the law.

The public expect NYFRS to attend incidents as quickly as possible. However, the service does not have a publicly prescribed and published Response Standard – that is, a promise to the public concerning the total time taken to reach an incident after a 999 call is received. Virtually every other fire and rescue service has a response standard against which it is measured.

Steps need to be taken to address the funding shortfall. These include a fundamental review of NYFRS and the development and adoption of a strategic Integrated Risk Management Plan (IRMP). These will ensure that, within the available resources, NYFRS has the right people, in the right place, at the right time and with the right equipment and skills, to deliver the best service, leading to a safer North Yorkshire.

Strengths, Weaknesses, Opportunities and Threats (SWOT) Analysis:

Strengths	Weaknesses
<ul style="list-style-type: none"> • Impressive record of reduction in fires and other emergencies over many years. • Effective partnership working and a good external reputation. • Firefighters and operational crews conduct Fire Safety Audits in businesses. • Strong track record of successful prosecutions of business who place employees/public at risk. • Effective approach to Fire Investigation, especially in relation to fatal fires. • All house and business visits are recorded on a software system which provides a clear audit trail. • Effective training framework, especially concerning operational competencies. • Effective Health and Safety framework. • Effective Incident Command training. • Effective fitness policy for all operational staff. • Fire Cover Review has produced a large volume of data for the service to use in future. • NYFRS has many dedicated staff who 'go the extra mile'. 	<ul style="list-style-type: none"> • Unsustainable financial position. • Reliance on reserves to 'plug' the financial gap. • IRMP approach is not looking far enough into the future. • No comprehensive Emergency Response Strategy. • No Response Standard which tells the public the time the service will take to attend a 999 call. • Industrial relations are challenging due to the complexity of various projects and initiatives and the lack of process. • Buildings/furnishings need replacement or refurbishment. • Service could make better use of data and intelligence from other organisations to target higher risk businesses and vulnerable people. • The service should celebrate success more concerning the positive impacts achieved around community safety. • There is minimal evaluation of the effectiveness of prevention and protection activities.
Opportunities	Threats
<ul style="list-style-type: none"> • Timely to conduct a fundamental review of the service in all the following areas: <ol style="list-style-type: none"> 1. Understanding where, why and when previous incidents occurred. 2. Assessing future risks from housing and business growth and an ageing population and likely future incidents. 3. Reviewing the number and location of fire stations. 4. Reviewing the future equipment on fire engines and other vehicles. 5. Assessing how fire engines should be crewed at different times during the day and night. 6. A management review to create a flatter structure. • There are also opportunities to: <ul style="list-style-type: none"> • strengthen industrial relations through greater transparency and consultation; • place greater emphasis on public safety/risk reduction; • put the service on a firm financial footing; • collaborate further with Police, Ambulance and other public services; • fully engage workforce in the future design and service delivery of NYFRS; • opportunities to broaden partnership working and community safety to become more 'relevant' and add further value to residents and business; • reassess the Tactical Response Vehicles project; • develop a longer-term workforce development strategy; and • ensure future establishment of enabling services jointly with the Police provides greater resilience in the supporting functions (Enabling Services) 	<ul style="list-style-type: none"> • Loss of corporate knowledge and strategic experience due to high number of senior managerial retirements. • Service could receive a poor outcome from the forthcoming baseline review by HM Inspectorate of Constabulary and Fire and Rescue Services. • Worsening of financial position due to the potential reduction in government grant. • The potential pensions burden of £1.5m by the next financial year. • NYFRS will have insufficient or no reserves by 2022, leading to a vulnerable position and the inability to use reserves for other programmes. • Service could be open to criticism concerning the lack of equality and diversity within the workforce, especially concerning the employment of women and members of ethnic minorities. • Inflexible working patterns could lead to a less effective service to the public. • Several important projects will run concurrently, putting pressure on capacity and resource allocation.

Finance

The Fire Authority has known about the funding problem for some time. It decided to use reserves, between 2018/19 and 2020/21, to bridge the funding shortfall. This decision limits the use of reserves for other purposes and is not common in other Fire and Rescue Services. It is not a sustainable approach. We recommend that NYFRS should immediately create a Finance Working Group to identify opportunities for savings, to enable the service to live within its means. The Corporate Management Board is accountable for the delivery of the savings identified and for ensuring that enabling service opportunities are aligned to the wider transformation programme being progressed by the PFCC and North Yorkshire Police.

The table below provides a snapshot of the total budget for NYFRS compared to other fire and rescue services who have similar characteristics, whole-time and retained staffing, industrial, urban and rural areas. It demonstrates that expenditure is rising in North Yorkshire, despite a drop in demand, and that expenditure per head of population is higher than in 2 comparator FRAs.

Table 1. Budget and expenditure per head of population:

Authority	17/18 Budget	17/18 Expenditure	17/18 Expenditure per head of population
North Yorkshire	£29.90m	£29.85m	£36.41
Cumbria*	-	£16.79m	£33.69
East Sussex	£37.40m	£37.44m	£44.55
Kent	£68.64m	£67.99m	£37.11
Oxfordshire*	-	£31.88m	£46.72
Staffordshire	£39.9m	£39.9m	£35.43

**Cumbria and Oxfordshire are county council run Fire Authorities so budget comes from central council Information taken from respective Statement of Accounts for each authority / county council as appropriate. Population estimates taken from ONS.*

Integrated Risk Management Planning

NYFRS has published a Community Safety Plan which covers the period 2016/17 to 2020/21. This acts as its Integrated Risk Management Plan (IRMP).

NYFRS is required by law to publish an IRMP which considers risks such as fires, road traffic accidents and flooding. It must show how the service will work with others to reduce incidents involving these risks and respond to them when they happen. We recommend the service creates a more strategic and longer-term IRMP covering a minimum of 3 years but considers changes in risk covering the next 10 years.

Leading up to the creation of the Strategic IRMP, the service needs to conduct a fundamental review of how it operates. The number of fires has fallen over recent years, so the demand on the service has reduced. The review should examine the incidents the service has attended over many years, where they occurred and at what time. Once this evidence is clear, the service can decide on how best to respond to likely future incidents. This will include the speed with which it attends, the number and type of fire engines and how those fire engines are crewed with firefighters at different times of the day and night. Fire Stations should also be reviewed to make sure they are in the right place and that they are used by other organisations to save tax payers' money. There should also be a managerial review to ensure the service operates with a flatter structure.

Emergency Response

NYFRS has 38 fire stations and 46 front-line fire engines. When compared to the services in table 1 NYFRS has the second highest number of fire stations per 100,000 residents. This number is partly due to the population sparsity over a large rural area and the two national parks.

NYFRS needs to introduce a Response Standard and to implement a dedicated Response Strategy. A Response Strategy states how the service will respond to 999 calls, including the number and type of fire engines and firefighters. The service acknowledges that a Response Strategy is required.

To end of September 2018, Retained Duty System (RDS) stations were available for 999 calls around 79.59% of the time. In 2017/18 the figure was 83.02% and in 2016/17 it was 86.36%. Most other services in the UK are also finding availability of RDS stations a challenge.

Emergency Call Control Room (Fire Control)

The service has an agreement with Cornwall County Council Fire and Rescue Service concerning how the two services work together to create a connected 'virtual' Fire Control function. This means that in spate conditions (such as flooding or snow) each of the two services can take 999 calls and mobilise resources for the other.

Prevention (Risk Reduction)

NYFRS is a trusted organisation which has the ability to be welcomed across nearly every threshold in the county. NYFRS encourages people and home owners to have Home Fire Safety Visits (HFSVs). The visits may include recommendations about smoke alarm fitting and can provide smoke alarms free of charge.

When compared to the services in table 1, NYFRS delivers far fewer HFSVs than others in the group.

Protection

NYFRS is the designated inspecting and enforcement body for The Regulatory Reform (Fire Safety) Order 2005 (the 'RRO' or 'FSO') in the County of North Yorkshire. NFRS is responsible for enforcing the RRO and carrying out audits of fire safety arrangements in premises the service considers present the greatest risk. When compared to the services in table 1, NYFRS delivers far more Fire Safety Audits than others. This is achieved partly through firefighters on fire engines completing audits as well as Fire Safety Officers.

Training and Development, Health, Safety and Welfare

The service has a good training framework to make sure firefighters stay as safe as possible when they are dealing with dangerous situations. It also has health and safety policies which encourage firefighters to stay fit, make life safer for all staff groups and offer support to them when they are injured or unwell. The service has a low sickness record when compared with other fire services except for Fire Control Staff.

Estates and Fleet Management

The service has 41 buildings. Because of budget restraints, there is little preventative and planned maintenance. As a result, the buildings and furnishings are tired and in need of investment.

The service has a fleet consisting of 190 vehicles which cover all aspects of the service. There appears to be a comprehensive approach to the preventative servicing and maintenance regime.

Recommendations

The following 13 recommendations are in priority order, with suggested timescales for delivery;

Report Section	Recommendation Description	Priority
3	Finance Working Group (FWG): NYFRS should immediately create an FWG to identify deliverable savings (both one-off and recurring). This is in preparation for the MTFP.	1
4	Fundamental Review of North Yorkshire Fire and Rescue Service: A fundamental review of NYFRS should take place which covers all strategic aspects of the service.	2

3	Medium Term Financial Plan: This should be fully reviewed, to include detailed funding and spending plans for revenue and capital.	3
3	Reserves Strategy: NYFRS should publish a Reserves Strategy on its website or as part of its Medium-Term Financial Plan.	4
4	Create an Integrated Risk Management Plan: Following the outcome of the Fundamental Review, the service should create a strategic and 'guiding' IRMP which covers a minimum of three years.	5
6	Emergency Response Strategy and Response Standard: The service should create a clear Response Strategy, aligned with the IRMP and including a Response Standard.	6
8	Prevention and Risk Reduction Strategy: NYFRS should review its Risk Reduction and Prevention Strategy.	7
9	Protection Strategy: NYFRS should review its Protection (Technical Fire Safety) Strategy.	8
2	Statement of Assurance (SOA): The service should review how this statement is constructed.	9
10	Talent Management Strategy: The service should create a comprehensive Talent (or People) Management Strategy.	10
10	Incident Command: NYFRS should extend the current command assessment arrangements which cover Bronze (Operational) and Silver (Tactical) Commanders to also include Gold (Strategic).	11
11	Employee Welfare: The service should consider the use of external agencies to provide an independent report on the service's arrangements. Review long term, high sickness levels within the Control Room.	12
7	Options Review of Emergency Call Control Room: The service should create a working group with North Yorkshire Police to conduct a market analysis and consider options.	13

Professional Judgement Closing Statement

NYFRS is delivering its statutory functions. North Yorkshire is a safer county as a result of the actions taken by the service to reduce risks to the public and businesses. We understand that the vast majority of staff are proud to be part of the service.

The service will need to become more efficient if it is to meet the current funding shortfall and provide services which are both sustainable and of high quality. To this end, the three most important projects that the service must undertake are:

- The establishment of a Finance Working Group to identify savings and enable the service to live within its means.
- The fundamental service review, covering all strategic aspects of the service.
- The development of a strategic Integrated Risk Management Plan.

Contents – Full Baseline Report

1. Introduction to North Yorkshire Fire and Rescue Service
2. Legislative Framework
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5. Preparedness and Capability for National Incidents
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8. Prevention (Risk Reduction)
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12. Estates and Fleet Management
13. Appendix A – Fire Station 999 Call Utilisation

1. Introduction to North Yorkshire Fire and Rescue Service

North Yorkshire has the largest geographical area of any local authority in England, covering more than 3,000 square miles and including seven districts and boroughs and the City of York. The population of 819,800 is spread across isolated rural settlements and farms, market towns and larger urban areas such as York, Harrogate and Scarborough.

North Yorkshire Fire and Rescue Service (NYFRS) services the authority via 38 fire stations:



These are as follows:

- Five whole-time shift stations which are crewed 24 hours a day- Acomb, Harrogate, Huntington, Scarborough and York.
- Seven 7 whole-time day crewed stations (crewed 0800-1800 every day by firefighters who carry an alerter, and are on call outside these hours) - Malton, Northallerton, Richmond, Ripon, Selby, Tadcaster and Whitby.
- 24 retained stations (crewed by firefighters who provide on-call cover from home or their place of work). The following stations are retained: Bedale, Bentham, Boroughbridge, Colburn, Danby, Easingwold, Filey, Grassington, Hawes, Helmsley, Kirkbymoorside, Knaresborough, Leyburn, Lythe, Masham, Pickering, Reeth, Robin Hood's Bay, Settle, Sherburn, Skipton, Stokesley, Summerbridge and Thirsk.
- The following stations have a whole-time and a retained crew: Acomb, Huntington, Malton, Northallerton, Ripon, Selby and Tadcaster
- Two volunteer stations (crewed by volunteers) at Lofthouse and Goathland.

The service also has a Headquarters and 999 control room in Northallerton, a Training Centre in Easingwold and a joint Transport and Logistics Hub with North Yorkshire Police in Thirsk. Plans are in place to move the Fire HQ into Police HQ, so the current NYFRS HQ building will be handed back to the landlord once the lease comes to an end.

2. The Legislative Framework

The Fire and Rescue Services Act 2004

The 2004 Act provides the legal basis establishing fire and rescue authorities (FRAs) - the political bodies responsible for overseeing the work of Fire and Rescue Services (FRSs). It also describes FRAs' community safety duties. These are referred to as 'core functions' and can be summarised as follows:

- promoting fire safety,

- extinguishing fires, and protecting life and property when fires do occur,
- minimising damage to property arising from firefighting operations,
- rescuing people involved in road traffic collisions,
- ensuring necessary training for firefighters,
- ensuring that 999 calls for assistance are dealt with effectively,
- obtaining information needed to respond safely and effectively to emergencies,
- ensuring the provision of the resources necessary to meet all normal requirements (the 2004 Act does not define what constitutes 'normal', it is a matter for local determination),
- dealing with other types of emergencies, as specified by the Secretary of State in Statutory Instruments or Orders.

National Framework 2018

The 2018 National Framework seeks to embed the Home Office fire reform programme which includes the following reforms:

- enabling Mayors and PCCs to take responsibility for their FRS;
- establishing Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) as an independent inspection regime for FRSs;
- developing professional standards to drive sector improvement;
- supporting services to transform through more efficient procurement and collaboration;
- increasing transparency by publishing performance data and creating a new national fire website; and
- workforce reform, which includes: enhancing professionalism, management and leadership; training and development; equality and diversity; culture; and options for flexible working.

There are two mechanisms in the National Framework to assist FRAs in addressing these priorities: integrated risk management planning (IRMP) and the preparation of an annual Statement of Assurance.

Integrated Risk Management Planning (IRMP)

The term 'integrated' is used to reflect the fact that community risk is managed by balancing service delivery interventions across three disciplines:

- Prevention – trying to prevent emergencies from happening in the first place;
- Protection – ensuring that fire safety standards in buildings are appropriate;
- Response – minimising the impact of emergencies through well-trained, well-equipped firefighters who respond quickly and effectively.

Statements of Assurance

A Statement of Assurance (to be known as a Fire and Rescue Statement for PFCC Governance) is required to be produced annually by each FRA, and published after scrutiny. For a PFCC, scrutiny is carried out by the Police, Fire and Crime Panel (PFCCP) in addition to audit.

The Regulatory Reform (Fire Safety) Order 2005

The Regulatory Reform (Fire Safety) Order 2005 (the 'RRO') is the legislation under which fire safety standards in almost all buildings are controlled. Single private dwellings are specifically excluded, although the common areas (access corridors, staircases, etc.) in blocks of flats do fall within the scope of the RRO.

The Policing and Crime Act 2017

The Policing and Crime Act 2017 created a statutory duty on FRAs, police forces and ambulance trusts to:

- keep collaboration opportunities under review;

- notify other emergency services of proposed collaborations that could be in the interests of their mutual efficiency or effectiveness; and
- give effect to a proposed collaboration where the proposed parties agree that it would be in the interests of their efficiency or effectiveness and that it does not have an adverse effect on public safety.

The Crime and Disorder Act 1998 (CDA)

Fire and rescue authorities are designated as ‘responsible authorities’ under the CDA. This means that they are required to work alongside other responsible authorities (police, local authorities, the probation service and clinical commissioning groups) on community safety partnerships (CSPs).

The Civil Contingencies Act 2004 (CCA)

The CCA was introduced to establish a coherent framework within which organisations would work together to plan for dealing effectively with major emergencies. Under the CCA, fire and rescue authorities are designated as ‘category 1 responders’.

Key Findings

3. Finance

The service is facing significant financial challenges. The Medium-Term Financial Plan (MTFP) identified a shortfall up to and including 2022/23. The elected members of the Fire Authority took the decision to use reserves.

The table below identifies that the authority is facing a total recurring shortfall of £2,510k, starting with £1,210k in the current financial year (2018/19). This gap is currently funded by use of one-off revenue reserves which is not sustainable.

	Baseline	Incremental Position				
	2018/19	2019/20	2020/21	2021/22	2022/23	Total
	£000	£000	£000	£000	£000	
Net Spending	31,180.1	+718.5	+808.2	+871.5	+1,108.7	
Funding	(29,970.1)	(722.5)	(384.2)	(531.5)	(568.7)	
Recurring Shortfall	1,210	-4	+424	+340	+540	2,510

The Section 151 Finance Officer has proactively overseen a review of the budget assumptions, covering areas such as the assumed increase in Council Tax, pay awards and business rate receipts. This exercise identified a likely further ongoing financial pressure of approaching £1m per annum. When added to the original £2.5m gap, this means that the total shortfall is in the region of £3.5m.

To start to address the financial shortfall the service has been working to identify savings. The savings approach has identified approximately £1m of savings to date, resulting in a net shortfall of £2.5m. These include areas such as collaboration, and a review of senior management, the capital programme and the service’s insurance contract. Other areas where there are plans to deliver savings include smarter procurement and a management challenge on various budget lines.

The final Financial Paper was presented to the Fire Authority on 28th September 2018. This showed that the financial position is broadly similar to the position set out in June 2018 with the final reported shortfall of £2.5k. The current MTFP assumes that reserves are to be used as a significant part of plan for this year and the next two financial years.

The cost of pensions is a major issue. On 6th September 2018, HM Treasury published its draft Directions for the 2016 valuation for comment. These include amendments to financial and demographic assumptions to be used by the Government Actuary’s Department (GAD). Such

assumptions are used to produce valuation results for the firefighter pension schemes in England and are expected to apply from 1st April 2019, increasing employer's contributions. GAD is currently working on the financial impact. Although still not confirmed, for NYFRS, this could equate to a potential annual increase in employer costs of £1.5m in years to come. If that proves to be the case, adding the £1.5m to the net £2.5m identified above would take the total of savings required to approximately £4m. The service would be wise to plan on this assumption as failure to do so may create further financial challenges in later years.

The current use of reserves is not sustainable. It will be a major task to identify the necessary savings over the life of the MTFP. Further work is required to improve the accuracy of the estimates and also to identify the year in which the savings can be delivered.

Our recommendations are as follows:

Finance Working Group

- *NYFRS should immediately create a dedicated Finance Working Group (FWG) which is tasked with clear terms of reference, to identify deliverable savings (both one-off and recurring). The FWG should consider the potential savings which will be delivered as part of the T2020 work on the creation of Enabling Services (supporting functions such as HR, Finance etc) across NYFRS and North Yorkshire Police. It would be appropriate for the Chief Fire Officer to chair FWG. Membership should be drawn from the service as well as from external bodies and potentiality other Fire and Rescue Services. This will bring experience and lessons learned from similar challenges faced elsewhere in the UK, where services have been transformed to deliver within the available resources. The FWG should consider the total of savings required to be approx. £2.5m but should be minded of the potential pension impact of a further 1.5m.*
- *The FWG should also examine 'invest to save' opportunities to ensure NYFRS can demonstrate it is more efficient and effective. The FWG should also examine income generating opportunities such as using its buildings better, renting out space plus establishing a separate FRS Trading Company.*
- *The FWG should also identify ways to ensure NYFRS can demonstrate it is more efficient and effective. For example, application of £1m of reserves to suppress capital debt can yield £100k of reduced capital financing costs (revenue spend). This would equate to a simple 10% return on investment.*
- *In additional to the financial element within the Statement of Assurance, NYFRS and the PFCC should consider if they would benefit from an external operational scrutiny peer review, which could be reciprocal. The findings of a peer review, and NYFRS's response to them, should be considered by the PFCC during the process of preparing and signing-off Statements of Assurance for public scrutiny.*

Medium Term Financial Plan

The current financial position concerning the use of reserves is unsustainable and places the service in a weakening position. NYFRS therefore needs a new drive and focus on the management of its budget. It will need to pursue all feasible opportunities to keep costs down while continuing to discharge its core duties effectively.

- *The Medium-Term Financial Plan should be fully reviewed to include detailed funding and spending plans for revenue and capital. The plan should take into account multiple years and link revenue budgets and capital investments, the role of reserves and the consideration of risks. The plan should be aligned with the new Integrated Risk Management Plan and, if appropriate, the PFCC Fire and Rescue Plan (when published).*

Reserves Strategy

- *NYFRS should publish its Reserves Strategy on its website, either as part of its Medium-Term Financial Plan (MTFP) or in a separate Reserves Strategy document. The reserves strategy should include details of current and future planned reserve levels, setting out a total amount of reserves and the amount of each specific reserve that is held for each year. The reserves*

strategy should cover resource and capital reserves and provide information for the period of the MTFP (plus an additional 2 years beyond).

- *General reserves of around 5% should be held by the authority and managed to balance 'one-off' funding and spending priorities as well as to manage risks.*

4. Integrated Risk Management Planning

NYFRS has published a Community Safety Plan (CSP) which covers the period 2016/17-2020/21. This acts as its Integrated Risk Management Plan (IRMP).

The use of risk information is increasing within the service to identify areas of priority and apply appropriate resource allocation. A Fire Cover Review was completed by the service a few years ago. This is a really strong example of where significant and robust analysis was conducted into understanding the 'demand' on the service, and then weighted scores placed against each fire station.

Industrial relations have been challenging within the service over recent years. Through a refreshed IRMP, where all stakeholders understand the risks and the future role of the service, an opportunity exists to work better together and take the service forward. The outcome of a shared vision should be to create a modern, flexible, responsive service that puts the public first and creates a safer society.

NYFRS has an understanding of performance and a clear approach to making improvements. An example of this is the way that emergency operational response is supported through the use of the Operational Staffing Reserve (OSR) to ensure that fire station availability is maximised.

Our recommendations are as follows:

A Fundamental Review of North Yorkshire Fire and Rescue Service is completed

- *A fundamental review of NYFRS should take place which covers all strategic aspects of the service. This includes looking at number, type, location, date and time of previous 999 incidents in recent years. NYFRS should take the opportunity to revisit and examine the level of current specialist skills around response to water related incidents. This may identify whether a rationalisation programme could be implemented to reduce the costs associated with the standing resources.*
- *The review process should use the latest and longer-term information from others. This should include data from other sources such as Health, Clinical Commissioning Groups, the Local Resilience Forum Risk Register and local authorities. This will gather information such as social deprivation, future house planning, transport and future industrial areas. By considering this information and evidence, the service will be able to assess the potential change in community risk and change how it delivers services to the public.*
- *Once this evidence is clear, the service can evidence how it best responds to likely future incidents. This will include the speed with which it attends, the number and location of fire engines and how those fire engines are crewed with firefighters during the day and at night.*
- *A full review of the fleet should be included in the fundamental review. The outcome should be a single and fully integrated approach to the identification, procurement, equipment and positioning of fleet covering both NYFRS and North Yorkshire Police. As part of the fleet review, consideration should be given to examining the potential arrangements for discharge of functions by others through neighbouring authorities under Section 16 of the Fire and Rescue Services Act. Non-emergency fleet, such as logistics vans, should also be reviewed, as there may be opportunities for rationalisation and standardisation.*
- *The fundamental review should also include a joint review of the estates (buildings) with the police resulting in a single estates strategy. All Fire Stations should be reviewed to make sure they are in the right place and used by other organisations to save tax payers money.*
- *A managerial review should also take place to ensure the service is lean and operates with a flatter structure.*
- *From a strategic level, the above information should directly contribute into the IRMP in preparation for public consultation in 2019.*

Integrated Risk Management Plan

- *Following the outcomes of the Fundamental Review, the service should create a Strategic and 'Guiding' IRMP which covers a minimum of 3 years. The document should use the information from the review and include up-to-date information from sources such as the Local Resilience Forum Risk Register. It should also include an assessment of all foreseeable fire and rescue related risks that could affect the area of North Yorkshire. Foreseeable risks include matters such as environmental risks, weather related incidents, transport, urban, rural and societal demographic information. This will evidence what and where the services thinks will be the future demand for emergencies and why.*
- *The Strategic IRMP will then set out how it will address those risks through the following approaches and strategies;*
 - *Really focussing on working with others to prevent fires, accidents or incidents from happening. It will do this through publishing a new Risk Reduction and Prevention Strategy.*
 - *Prioritise how to work with businesses in North Yorkshire to keep employees and the public safer when they use or stay in those buildings. It will do this through a publishing a new Protection (Technical Fire Safety) Strategy.*
 - *Set out how the service will respond to likely future incidents when a 999 is received. It will do this by publishing a new Response Strategy which includes a Response Standard.*

5. Preparedness and Capability for National Incidents

NYFRS is required to prepare and respond to emergencies through requirements of The Fire and Rescue Services Act 2004. Response is one of the 'core functions', it specifically concerns fire and road traffic accidents. The Secretary of State has issued an additional Order under the Act, requiring fire authorities to make provision to attend the following types of incident:

- chemical, biological, radiological or nuclear emergencies
- emergencies involving the collapse of a building or other structure
- emergencies involving trains, trams or aircraft

NYFRS houses several national resilience assets, namely two High Volume Pump Units, (which move large quantities of water), a Mass Public Decontamination Unit and a Module 4 Powerboat & Type B Swift Water Rescue Team. In the last five years, these assets have only been mobilised out of North Yorkshire on 3 occasions:

- Cumbria – Flooding: HVP and Boat Crew
- Royal Berkshire and Surrey – Flooding: HVP
- Manchester – National Exercise: HVP

In summary, NYFRS is audited regularly and has a very strong record of skills compliance and availability for deployment. NYFRS has resilient arrangements in place which are capable of providing support to significant regional and national incidents and which meet the requirements of national co-ordination. The service has established arrangements to maintain the readiness of National Resilience assets.

6. Emergency Response

NYFRS has 46 front-line fire engines and the table below provides a snapshot of how that compares to other services as well as the number of fire stations per 100,000 residents. The table shows the service has the second highest number of fire stations per 100,000 residents when compared to the others. This is partly due to geography of the county, the population sparsity over a large rural area and the two national parks.

Authority	No. Fire Stations	No. Stations per 100,000 residents	No. Fire Engines*
North Yorkshire	38	4.6	46
Cumbria	38	7.6	45

East Sussex	24	2.9	41
Kent	58	3.2	75
Oxfordshire	24	3.7	34
Staffordshire	33	2.9	<i>Info not available</i>

*Refers to number of traditional pumping appliances and does not include specialist equipment / appliances
Information collated from respective authority websites, corporate plans, performance reports, etc.

NYFRS does not have a Response Standard (which is the promise to the public of the total time the service says it will take to reach an incident after the 999 call is received), The service also needs a current, comprehensive and dedicated Response Strategy. A Response Strategy states how it will respond to 999 calls such as the number and type of fire engines or firefighters.

The service acknowledges that a review and refresh of a Response Strategy is required. Clearly both a Response Standard and a Response Strategy are inextricably linked and should be driven by the outcome of the assessment of risk within the IRMP.

The table below provides a snapshot of the Response Standards and Emergency Response Commitments set by the FRA of other FRSs.

Authority	Response Target No. 1	Response Target No. 2	Response Target No. 3
Cumbria	80% of all primary fires in 10 minutes	80% of all other incidents in 15 minutes	N/A
East Sussex*	70% of on-station responses within 10 minutes	70% of on-call responses within 15 minutes	N/A
Kent	80% of life-threatening incidents within 10 minutes	89% of life-threatening incidents within 12 minutes	N/A
Oxfordshire	80% of emergency incidents within 10 minutes	95% of emergency incidents within 14 minutes	N/A
Staffordshire	100% high risk incidents within 8 minutes	100% medium risk incidents within 10 minutes	100% low risk incidents within 18 minutes

*East Sussex are currently reviewing these targets

As can be seen in the table in Annex 1 on page 24, some fire stations in NYFRS have very few 999 calls a year. The cost of a single wholetime fire engine a year is £907,774. For day-crewed it is £549,059 and for a retained station it is £78,825. These are all indicative staffing costs only so exclude the cost of the vehicles and fire-kit etc.

The table below shows there is a spend per head of population of £36.41, funding a high number of stations (4.6 per 100,000 residents). It also shows those stations attend a low number of incidents (790 per 100,000 residents), with a slower response time (11.2 minutes), compared to the national average and benchmarking group:

Authority	17/18 Expenditure per head of population	No. Incidents per 100,000 residents (17/18)	No. Stations per 100,000 residents	Incident Response Time 17/18 (mins)
North Yorkshire	£36.41	790	4.6	11.2
Cumbria	£33.69	797	7.6	11.1
East Sussex	£44.55	1,097	2.9	8.3
Kent	£37.11	1,034	3.2	9.5
Oxfordshire	£46.72	944	3.7	10.3
Staffordshire	£35.43	748	2.9	10.5
England (average)	<i>Not available</i>	1,016	2.5	8.7

Group chosen for similar combinations to NYP such as coastline, wholetime and retained staffing, industrial, urban and rural areas

The service is a lead key player in the Local Resilience Forum which it required to be involved with by law. Through their involvement, working together with the police, ambulance and local authorities, North

Yorkshire is more resilient when emergencies occur such as flooding, snowfall or large fires. This is really good news for people who live and work in the county.

To the end of September, Retained Duty System stations (RDSs) were available for 999 calls around 79.59% of the time. In 2017/18 it was 83.02% and in 2016/17 RDS fire engines were available for 86.36%. Most services in the UK are also finding availability of RDS stations a challenge. This 79.59% is supported by the deployment of firefighters not required elsewhere, as well as the use of the Operational Staffing Reserve (OSR). The OSR is a pool of staff who move around the county to help get Retained Fire Stations back 'on the run' where they have staff shortages. The OSR team demonstrate flexibility and often 'go the extra mile' for the service. Current estimates indicate that in excess of 8,000 hours of appliance availability will result from the OSR deployments this year. The use of the OSR is delivering value for money.

The service has had a significant recruitment drive within the RDS and has recruited at a faster rate than staff are leaving. This is worthy of note and is because of a real team effort. Previously, the service has invested in additional District based Watch Managers (one per District) who are employed to attract, recruit, help train and support retention of RDS staff. This is working well.

The knock-on effect of this 'churn' is that currently 45% of RDS staff are in development. This is higher than most other FRS in the UK. Therefore, balancing the competencies on fire engines to maintain a crew is very time consuming. One hundred of the three hundred RDS staff have been recruited in the last twelve months. Increased numbers are not currently translating to increased availability of fire engines. However, as staff acquire more skills, such as emergency response driving and become more competent, the service should see the benefits of its recruitment drive and efforts.

The District Watch Managers, Retained Crew and Watch Managers, plus other staff associated with the running of the RDS service, all rely heavily on the HR function of the Central Administration Office based at Headquarters. To ensure current recruitment success is maintained and improved, early consideration and engagement of this function should be considered in respect of the transfer into any future single Enabling Services providing supporting functions to the Police and NYFRS.

The service has invested heavily in water rescue capability over the last few years. There are now five water rescue teams, with associated equipment, which are on five of the of the Day Crewing stations. One of the teams is a national resilience flooding and swift water capability asset. This appears to be a high level of standing resources when compared to other services. This needs to be reviewed.

NYFRS has implemented suitable arrangements for the command, management and supervision of operational incidents. An analysis of its incident command requirements at all levels within the organisation has been conducted and an appropriate model implemented.

Effective arrangements are in place for gathering risk information about buildings and their contents. This helps keep firefighters safe. It is readily available to operational crews via a Site-Specific Risk Information (SSRI) card for the premises in question.

As detailed above, interaction and participation in the North Yorkshire Local Resilience Forum ensures that the multi-agency response is coordinated and effective. Similarly, the Yorkshire and Humber Operational Response Group provides a means to ensure that, regionally, the four services are aligned and able to work effectively together through the sharing of policies, procedures and learning. In terms of NYFRS crossing the border to assist neighbouring FRS's, the Watch Manager Operational Assurance ensures risk information for very high-risk premises are maintained for 10km over the border range. This is a commendable practice and ensures fire-fighter safety remains a priority.

Our recommendations are as follows:

Emergency Response Strategy and Response Standard

- *The service should create a clear Response Strategy aligned with the IRMP. It should detail how it will respond to incidents, and include a Response Standard, detailing a publicly declared attendance time which resources will arrive at a 999 incident. The Response Strategy should articulate how NYFRS will have the right people, in the right*

place and at the right time, with the right equipment, to deliver the best service within the available financial envelope. This will include the type and number of fire engines it will send. It will also indicate how those fire engines are potentially crewed with firefighters at different time of the day and night.

- *The Response Strategy and Standard should include an assessment of the availability of resources within local, regional and national boundaries.*
- *Adoption of a Response Standard would enable the service to understand where there is any under or over provision of resource which could be redistributed or create savings.*
- *Once a Response Standard is adopted, response performance information should be effectively evaluated at all levels to drive improvement. Results should be shared with personnel and partners. Success and improvement should be acknowledged and celebrated.*

7. Emergency Call Control Room (Fire Control)

All FRSs are required to ensure they are able to receive 999 calls.

NYFRS Fire Control call receipt and mobilising facility, based at Northallerton, is currently receiving investment in the form of additional members of staff. Previous reductions had led room function to be vulnerable. The Control Room is now nearly up to full strength. Out of the 17 people employed within the Fire Control Function, 8 are still in development. This has placed a training burden on other staff members and they should be congratulated on how they have assisted in developing new members of staff. Once these additional Fire Control Operators are in place and are deemed competent, the call receipt and mobilisation functions of NYFRS will become more resilient.

The self-rostering approach is still being embedded and staff are seeking to ensure cover is maintained.

NYFRS's call challenge scheme aims to challenge potential malicious calls and false alarms to reduce the number of these attended by fire engines. The table below also outlines the calls received in 2017/18 and the trend in attendance because of the above scheme.

2017 / 2018	No. Calls	% change compared to 5 Year Average
Administrative Calls Received	77,236	-
Emergency Calls Received	12,148	-
Mobilisations to Calls	8,366	-
No. Malicious Calls	104	24.4% decrease
No. Malicious Calls challenged	30	-
No. False Alarms Attended (from Automatic Alarms)	2095	16% decrease
No. False Alarms Not Attended (from Automatic Alarms)	858	21.6% increase

As you can see from the table above, effective implementation of NYFRS Unwanted Fire Alarms policy and call challenge has already reduced mobilisations and is working well. In 2017/18 NYFRS attended 24.4% less malicious calls and there was an increase of 21.6% of times that a fire engine was not mobilised to a building where the alarm was sounding. NYFRS is only one of a handful of services which has adopted this approach. Staff should be congratulated.

The service has an agreement with Cornwall County Council Fire and Rescue Service in terms of how the two services work together and create a connected 'virtual' Fire Control Function. This includes the ability for Cornwall to take 999 calls and mobilise NYFRS resources in spate conditions (like flooding or snow) and at times of high call volume. The arrangement is reciprocal to Cornwall. Such arrangements have enabled NYFRS to drop from three Control Staff to two at night.

Our recommendations are as follows:

Emergency Call Control Room (Fire Control) Working Group

- *As the current mobilisation and software platform is due for replacement, or contract extension, in 2023, the service should create a Working Group (WG). This should include colleagues from North Yorkshire Police. The WG should have a clear scope and terms of reference created to conduct a market analysis and consider options. This should include an assessment of the possibility of a single call receipt and mobilisation function across the two organisations (Police and Fire).*
- *The WG should also consider arrangements and locations to ensure adequate fall-back and resilience matters are implemented to deliver improvements against existing arrangements. It must carefully consider the current agreement with Cornwall County Council FRS in relation mutual supporting arrangements including the ‘virtual’ connectivity and fall-back processes and procedures.*
- *When compared to other services, emergency call numbers and incidents attended by NYFRS are falling. If the service decides to retain its own Control Room, it should direct the WG to consider other societal benefits, such as the ability to monitor alarms, and offer this to other organisations who provide 24-hour callout. This could also be ‘scaled up’ at a later stage to consider such activities as triaging 111 calls on behalf of the ambulance service, or creating a true ‘Integrated Blue Light Control’. This will create an income stream for the new entity.*

8. Prevention (Risk Reduction)

NYFRS is required to deliver preventative and risk reduction activities under The Fire and Rescue Services Act 2004. Promoting fire safety through prevention is defined as a core function in the 2004 Act. NYFRS are discharging this function and are also involved in wider activities such as road safety. NYFRS is also active within Community Safety Partnerships through its statutory membership of such groups.

NYFRS has a Fire Prevention Strategy which was published in April 2016, covering 2016/17 to 2018/19. The strategy is set around the three core areas according to the ‘risks and concerns’ in North Yorkshire and the City of York alongside statutory responsibilities. These are:

- Home Fire Safety
- Road Safety
- Other Risks

NYFRS is a trusted organisation which has the ability to be openly welcomed across nearly every threshold in the county. NYFRS encourage people and home owners to have Home Fire Safety Visits (HFSVs) and attends any domestic premises on request. The visits look at the likely risk factors of the people who live there and may include recommendations about fitting a smoke alarm. NYFRS can provide smoke alarms free of charge. HFSVs are instigated immediately after an incident.

The table below is the latest available from the Home Office and shows a snapshot of the levels of Home Fire Safety completed by FRS’s and in England. It shows NYFRS deliver far fewer HFSV when compared to others in the group and they carry out a low number of Home Fire Risk Checks (309 per 100,000 residents)

Authority	No. Home Fire Risk Checks 16/17	5 Year Average	No. Home Fire Risk Checks 16/17 (per 100,000 residents)
North Yorkshire	2,536	2,997.2	309
Cumbria	8,777	11,625.4	1,761
East Sussex	9,240	9,845.2	1099

Kent	9,000	9,467	491
Oxfordshire	3,245	3,120	476
Staffordshire	27,745	27,775	2,464
England	590,198	621,830	1,061

Information collated from Home Office website

Green / red indicates improvement / deterioration versus 5-year average.

NYFRS acknowledges it can improve the way that it targets resources allocated to HFSV. It should do this by becoming more intelligence and evidence led using its own and to data from other sources.

The service records all activities (job allocation and output) via the Community Fire Risk Management Information System (CFRMIS). CFRMIS is a comprehensive fire safety management software/system used by the majority of UK FRs.

Clarity in defining responsibility for implementation of prevention activity is being increased through a Group Manager who is responsible for this function. There is a developing approach to prioritising prevention to meet the perceived needs of the local community. As well as operational crews investing time in preventative activities, there are also district-based resources which are utilised effectively.

Although it is not a statutory requirement, NYFRS is actively involved with the York and North Yorkshire Road Safety Partnership and helps to deliver road safety awareness campaigns. Seven times as many people are killed and seriously injured on the roads of North Yorkshire (21 in 2017/18) than in fires (3 in 2017/18). Because of partnership working there has also been a reduction in the number of deaths and injuries on the county's roads. This is to be commended.

Our recommendations are as follows:

Prevention (Risk Reduction) Strategy

- *NYFRS should review its Risk Reduction and Prevention Strategy. It should consider if, over the longer-term, there would be benefit in creating of a joint NYFRS/NYP Crime, Fire and Community Safety Plan overseen and delivered through a single team across the two organisations.*
- *The review should demonstrate real understanding of the risk and vulnerability index. The future Risk Reduction and Prevention Strategy should fully take account of the needs of the local community and will be clearly linked to the 'risks' identified through the IRMP.*
- *The service should ensure that its Risk Reduction and Prevention Strategy sets out the priorities for community safety, placing its importance as an integral part of the risk mitigation element of the IRMP.*
- *The Strategy should include seeking to create stronger links with voluntary groups, such as Age UK, who work with people who are vulnerable to fire. The service should also consider creating NYFRS Community Volunteers. These help to deliver preventative activities in communities, especially those in rural areas.*
- *To improve the level of evaluation of risk reduction and prevention activities, a systematic approach to the arrangements for auditing and reviewing prevention should be implemented.*

9. Protection

NYFRS is the designated inspecting and enforcement body for The Regulatory Reform (Fire Safety) Order 2005 (the 'RRO' or 'FSO') in the County of North Yorkshire. It is responsible for enforcing the RRO and is required to undertake risk-based inspection programmes. These involve carrying out audits of fire safety arrangements in premises that the service or fire officers consider present the greatest risk.

The table below is the latest available from the Home Office and shows a snapshot of the levels of Technical Fire Safety Audits completed by FRs and in England. It shows NYFRS deliver far more Fire Safety Audits than others partly through firefighters on fire engines completing them as well as Fire Safety Officers.

Authority	No. Fire Safety Audits 16/17	5 Year Average
North Yorkshire	2,010	1,998
Cumbria	1,003	598.2
East Sussex	299	412.8
Kent	723	1,063.6
Oxfordshire	455	399.6
Staffordshire	317	946.8
<i>England</i>	<i>54,247</i>	<i>63,816.8</i>

NYFRS has a published Protection (Technical Fire Safety) Strategy which was published in April 2016 and covers the period 2016/17 – 2018/19. The service has structured the delivery of its Technical Fire Safety responsibilities through three geographical areas which centre around the three main areas of population – York, Scarborough and Harrogate. These three areas are not reflective of the service’s approach to operations which is structured in to four areas, each of which contains two local authority districts (or one in the case of the City of York).

As with Prevention and Risk Reduction, the service records all activities (job allocation and output) via the CFRMIS.

Clear responsibility for implementation of the strategy is assigned and NYFRS has defined levels of competence and qualifications associated with its Protection Strategy. Inspections are completed by dedicated specialist Technical Fire Safety Officers who deal with complex issues or complaints. Operational Crews complete less complicated and lower risk audits.

NYFRS has been very successful in ensuring prosecutions against organisations who are failing to discharge their fire safety duties and therefore placing the public and employees at risk. NYFRS has a very good track record of cost recovery associated with the prosecutions.

Our recommendations are as follows:

Review of Protection (technical fire safety strategy)

- *NYFRS should review its Protection (Technical Fire Safety) Strategy. A new strategy will provide an intelligence and evidence-based effective risk-based approach to the fire safety audit programme to target its protection work at areas of priority in the business community.*
- *The service should ensure their Protection (Technical Fire Safety) Strategy sets out the high-risk priorities for audit, placing its importance as an integral part of the risk mitigation element of the IRMP.*
- *Future fire safety and protection performance information should be evaluated, through a performance measurement and management matrix,*

10. Training and Development

NYFRS has put in place a framework which seeks to ensure that all staff are competent to deliver the responsibilities of their role. Training accounts for 4.17% of the annual budget. There is a published Training and Development Strategy which was last reviewed in January 2018. This is aligned to the CSP and considers many of the foreseeable risks at local and national level. Clearly defined responsibilities and effective structures are in place for promotion of training, development and assessment within the organisation.

The Training and Development Strategy identifies three key elements for planning, training and development of all staff across NYFRS namely:

- Training Needs Analysis
- Training and Development Programme
- Personal Development and Performance Review

The annual Operational Training Programme is created centrally through the TNA process and is clearly linked to operational competence. Other bespoke development programmes or training requirements are designed for specific roles.

Competencies are present for all operational and technical roles and staff are aware of the qualifications they need to maintain to fulfil their role. Managers are also aware of the skills and qualification requirements through the role profiles associated with different levels. The requirements are considered annually through the Personal Development & Performance Review (PDPR).

Operational courses are generally designed and delivered by Training Centre staff. Some operational courses are subject to assessment and all training (delivered internally or externally) is recorded on FireWatch. The recording of training on the FireWatch system is used locally to provide the mechanism to plan station-based training. NYFRS has a systematic approach to ensuring that training course content remains accurate and in line with good practice information.

NYFRS has invested in Learn Pro which is used in many other Fire and Rescue Services in the UK. It is a software-based e-learning platform and in NYFRS is a key element of training delivery that specifically allows acquisition of knowledge in a flexible manner.

There is clear evidence of training, development and maintenance of competency for staff who may be required to operate at Tactical and Operational Levels (Silver and Bronze). However, whilst the Service provides the acquisition of skills associated with the role of a Gold (Strategic) Commander through the attending the national Multi-agency Gold Incident Command Course (MAGIC), there is currently no formal ongoing assessment process where competency is confirmed. Table-top and large-scale exercises are carried out but there is no formal competency assurance process applied.

Performance management systems for training and development activities are being established to identify strengths and areas for improvement. Extended arrangements for auditing and reviewing, training and development activities are being introduced and becoming embedded. The service has a Group Manager Operational Assurance who is responsible for auditing the quality of District and Station operational training delivery, along with identifying training needs from operations and exercise debriefs.

Our recommendations are as follows:

Incident Command

- *NYFRS should extend the current assessment arrangements which cover Bronze (Operational) and Silver (Tactical) Commanders to also include Gold (Strategic). The process should be formally constructed with clear areas of competencies, decision making, and behaviours identified to enable a structured debrief session to take place. The process could be a reciprocal arrangement with a neighbouring FRS's.*

Talent Management Strategy

- *NYFRS should develop a contemporary Talent Management Strategy (TMS) setting out the career pathways for progression in all roles, both uniformed and non-uniformed. The TMS should include the principles set out in the National Fire Chiefs Council People Strategy, The Fire and Rescue National Framework and also the following areas:*
 - *seek to continuously improve the diversity of the workforce to ensure NYFRS represents the community of North Yorkshire;*
 - *support equality, cultural values and behaviours;*
 - *tackle bullying, harassment and discrimination;*
 - *identify the various routes available in terms of recruitment, retention and progression;*
 - *enable flexible working;*
 - *set out to promote professionalism, skills and leadership;*
 - *set out training opportunities;*
 - *clearly link to health and safety, wellbeing, disabilities and support (e.g. mental health and physical support);*
 - *set out standards for fire-fighter fitness (the service already has a policy covering this in this area which is currently being embedded).*

11. Health, Safety and Welfare

NYFRS has a comprehensive Health and Safety framework which has been regularly reviewed, most recently in April 2018. There is a positive and embedded approach with clearly defined health, safety and welfare (HSW) policies which are communicated effectively to all staff to support the delivery of organisational plans and strategies. The leadership of NYFRS demonstrates a clear commitment to consult with representative bodies on all aspects of HSW.

E-learning is a key element of training delivery that specifically allows acquisition of HSW knowledge in a flexible manner. The Learn Pro system provides a full suite of modules based on the generic risk assessments designed to manage staff risk when attending incidents. Complywise is used to deliver health and safety training. These systems also contain a variety of assessments so that the knowledge of staff can be monitored and reported.

Competent staff investigate and report safety events which results in a reduction of risk. Health, Safety and Welfare (HSW) appears to be embedded within all functions throughout the organisation.

There is clear evidence of Active Monitoring. An example being that every Fire Station is inspected on a regular basis, six-monthly for whole-time and annually for RDS and volunteer. These inspections are carried out in conjunction with Trade Unions and in line with an agreed set of criteria. Local managers are responsible in following up any issues raised through estates and the Health and Safety Dept.

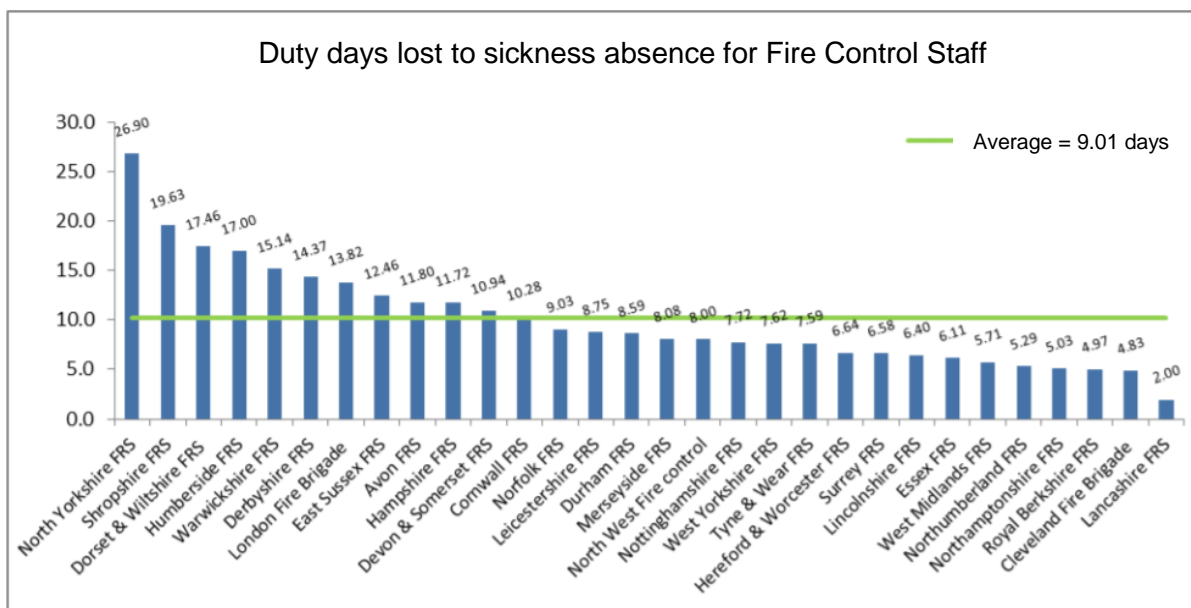
Occupational Health arrangements appear to be working with a framework in place to provide support to individuals across the organisation in relation to their health, welfare and wellbeing.

The table below provides a snapshot of the levels of days lost due to sickness in NYFRS across the RDS and all other staff groups. Across all staff, the number of working days lost due to sickness is increasing relative to the 5 Year Average:

Timescale	No. working days lost due to sickness for staff excluding RDS (17/18)		No. working days lost due to sickness for RDS staff	
	Total	5 Yr Avg.	Total	5 Yr Avg.
Short Term	1,187	1,113.3	1,103	941.2
Long term	1,398	1,815.5	2,649	2,464.6

Green / red indicates improvement / deterioration versus 5-year average

Comparison data below (compiled by Cleveland FRS) shows the number of duty days / shifts lost to sickness absence Control Room staff. The table below shows that NYFRS Fire Control Staff lost the most working days to sickness absence out of any authority in England (26.9 in 17/18):



Our recommendations are as follows:

Employee Welfare

- *The increase in days lost to long-term sickness needs to be understood. We would recommend working with HR to conduct a wellness to work evaluation, looking at reason why people go off, when they go off and how many people have repeat periods of absence.*
- *Concerning HSW arrangements, the service should consider the use of external agencies, organisations and/or peers to conduct or assist in the audit process to bring a valuable ‘check and challenge’. This will include the ability to provide an independent report to the service’s leadership providing assurance on arrangements. This could be a reciprocal arrangement with a neighbouring authority.*

12. Estates and Fleet Management

NYFRS has 41 buildings which are a blend of owned, leased and Private Finance Initiative property. The majority are owned by NYFRS. Due to budget restraints there is little preventative and planned maintenance and as a result the estate is tired and in need of attention. Although any renewal programme is on hold until 2023 to provide financial support to the current budget situation, the service is striving to ensure that facilities for female firefighters are programmed and implemented.

Geography plays a significant role in the number of fire stations. The service has 38 fire stations partly due to the population sparsity over a large rural area and the two national parks.

The service is active in the One Public Estate arena and there is evidence of the service being open to sharing space with other agencies. Examples of this are the North Yorkshire Police which uses Bedale, North Yorkshire Ambulance which uses Knaresborough and the National Blood Transfusion Service which uses Harrogate Fire Station.

The service has a fleet consisting of 190 vehicles which cover all aspects of the service. Management of the fleet sits with the joint NYFRS and NYP Transport and Logistics Hub.

There would appear to be a comprehensive approach to the preventative servicing and maintenance regime. This has enabled the service to adopt a policy around the life of the fire engines being in the service for 15 years. This is a common position in most services. Fifteen years is at the higher end but is reflective of the improved build quality and likely life of modern fire engines.

With the exception of the Tactical Response Vehicles which are currently being reassessed, feedback from staff indicates a high confidence in the fleet and equipment which is evidenced through pride in the fleet.

In terms of the Joint Transport and Logistics Hub, plans are being developed to consider the full integration of the team. The Fire Police Collaboration Programme Board are supportive of the option for a single integrated section, with all staff being employed by either NYFRS or NYP.

The table below shows that compared to the national average and comparative authorities, NYFRS hold a high number of operational and non-operational appliances (8.5 and 15.6 per 100,000 residents respectively) but attend a low number of incidents (790 per 100,000 residents):

Authority	No. Stations per 100,000 residents	No. Operational Appliances per 100,000	No. Non-Operational Appliances per 100,000	No. Incidents per 100,000 residents (17/18)
North Yorkshire	4.6	8.5	15.6	790
Cumbria	7.6	10.6	22.1	797
East Sussex	2.9	6.8	15.2	1,097
Kent	3.1	6.9	15.7	1,034
Oxfordshire	3.5	6.0	16.7	944
Staffordshire	2.9	5.4	11.1	748
England	2.5	5.8	10.5	1,016

Our recommendation is as follows:

- *As described within the section above under IRMP and the Fundamental Review, the service should include fleet and estate (buildings) within the process applied.*

Annex 1 - Table below shows how many incidents each fire station attended during the year April 2017 to March 2018.

Station Crew Type	Station	No. Incidents attended 17/18
24 hr whole time station	Scarborough (2 Fire Engines)	1185
	Acomb (Plus 1 RDS Fire Engine)	782
	York	1026
	Harrogate(2 Fire Engines)	1089
	Huntington (Plus 1 RDS Fire Engine)	430
Day – whole time Night – on call	Northallerton (Plus 1 RDS Fire Engine)	335
	Malton (Plus 1 RDS Fire Engine)	312
	Selby (Plus 1 RDS Fire Engine)	485
	Tadcaster (Plus 1 RDS Fire Engine)	264
	Ripon (Plus 1 RDS Fire Engine)	396
	Whitby	197
	Richmond	217
Retained Duty System (RDS) On call	Bedale	83
	Easingwold	76
	Stokesley	83
	Thirsk	161
	Helmsley	62
	Kirkbymoorside	73
	Pickering	118
	Sherburn	34
	Danby	35
	Filey	144
	Lythe	69
	Robin Hoods Bay	39
	Bentham	44
	Grassington	18
	Settle	73
	Boroughbridge	138
	Knaresborough	242
	Masham	45
	Summerbridge	30
	Colburn	76
	Hawes	26
	Leyburn	80
	Reeth	25
Skipton	351	
Volunteer	Goathland	14
	Lofthouse	N/A
Total		8857

Feedback from the Police, Fire & Crime Commissioner Fire Station Roadshows

Since August, the Police, Fire and Crime Commissioner, together with the interim Chief Fire Officer, visited two-thirds of the fire stations across North Yorkshire with the aim of completing visits to all stations by the end of 2018. The feedback and suggestions from the visits to date are summarised below and will be considered as part of the next phase of the review.

Savings and income generation

- Regulatory Reform (Fire Safety) Orders are a legal requirement of business properties. Could the service charge for undertaking them?
- Consider advertising on appliances.
- Fit solar panels to fire station roofs for housing the appliances, which when installed could power the running of the stations, power any electrical vehicles, cars and even electric fire engines in the future. Green is the way forward and with government grants and incentives this could be achieved a lot cheaper than just buying equipment outright. These areas are so large you could even sell back to the grid to earn money, especially the retained stations as they require hardly any electrical running, it would be mostly just profit from these stations.
- There are thirty-eight fire stations in North Yorkshire and each has a tower. The top of the tower is hardly ever used. Could this space be rented out to mobile phone providers to house a mast to give better coverage where, in most fire station areas, the tower is the highest structure in the area.
- Look at using our training centre as a resource to provide external training to companies to raise revenue.
- Consider streamlining senior and middle management structure. Could a station be run between watch managers with any problems sorted out by an area manager.

Staffing and resources

- Drive equality, inclusion and positive action so that residents of North Yorkshire have a fire service that is truly representative of the community which we protect. Employees of North Yorkshire Fire and Rescue Service deserve to work in an environment that supports and celebrates diversity.
- Significant concerns around any possibility of cuts to the frontline.
- Would like certainty around when the service would next look to recruit wholetime firefighters.
- Work with partners to assist in medical emergencies. Views range from strong support to no support.
- Concern around the brand of the Fire and Rescue Service diluting if associated too closely with police.

Internal communication

- Internal communication improvements needed in terms of transparency between senior management and staff. Focus on engaging with staff.
- Provide regular updates to staff on key decisions and issues around ongoing disputes/issues e.g. Tactical Response Vehicles.

IT

- Ordering process for acquiring new kit from stores needs to be automated and more efficient.
- Concerns around technical issues with the Mobile Data Terminals used in the appliances.

**North Yorkshire County Council
Corporate and Partnerships Overview and Scrutiny Committee
3 December 2018**

Alternative Investments – Year 1 Review

Purpose of Report

The purpose of this report is to provide an update on progress with the delivery of the alternative investment framework, which was approved by the Executive in August 2017.

1. INTRODUCTION AND BACKGROUND

- 1.1 In August 2017 the Executive approved an alternative investment framework with £50m earmarked for longer term, more commercial investment. This was in response to the financial environment and low Bank Base Rate (BRR) which meant that the Council was (and still is) getting incredibly low returns on traditional investment of the Council's cash balances.
- 1.2 The approved strategic approach to managing cash resources was in accordance with the Council's Treasury Management Strategy and aimed to improve treasury returns, achieve revenue savings and potentially support the Council's wider objectives – for example driving additional income to support the Council's savings plans which in turn helps to ease pressure on front-line services.
- 1.3 The aim through this approach is to identify, assess and implement longer term (5 years plus) investment decisions including an element that targets commercial returns whilst ensuring the Council has access to sufficient cash to manage its day to day operations.
- 1.4 This report reviews the progress made over the last year, identifies lessons learned and the intended direction for the year ahead. It is intended that Scrutiny Committee have opportunity to comment on this report before it is considered by the Executive.

2. OPTIONS CONSIDERED

- 2.1 The opportunities for investment fall into 3 broad categories:
- Internal Financing Adjustments – these opportunities are concerned with the use of resources within the Council, allowing resources to be earmarked or set aside to achieve revenue savings. They may not include the actual transfer of cash and as such can provide flexible opportunities.
 - Treasury Management – these opportunities involve extension of the institutions and/or cash investment vehicles available to the Council through its traditional treasury management function.
 - Alternative investments – these opportunities are associated with the potential to invest in physical assets and projects delivered either directly by the Council or by/with partners in order to achieve a payback of the investment and an added return.

3. THE FRAMEWORK

3.1 The options available to the Council are varied and individual investments are subject to business case. However limits on the sums invested and targets for investment returns ensure an appropriate balance between risk and reward, a diverse portfolio to help manage risk, and churn of cash to take advantage of future opportunities down the line.

3.2 In order to establish a high level decision framework the following limits and target returns were approved:

Type of investment	Risk	Maximum Exposure £000	Maximum Term Years	Target Rate (above BBR) %
Alternative treasury instruments - note already covered in Treasury Strategy	Low	20,000	1 - 5	> 0.1
Alternative Investments (overall Max):		50,000		
Spend to Save	Low	5,000	7	4.0
Loans to Council Companies	Low - Medium	15,000	10	4.0
Loans to Housing Associations	Medium	10,000	20	3.0
Projects which deliver local economic growth	Medium	15,000	5	5.0
Solar Farm (or similar)	Medium	5,000	20	7.0
Commercial investments	High	10,000	10	8.0

3.3 It should be noted that the overall maximum exposure for these alternative investments is £50m but the maximums for each individual investment category total £60m which provides a degree of flex within the framework whilst working within the overall £50m.

3.4 Consideration of individual investment opportunities are subject to detailed business cases with their risks and rewards assessed.

3.5 Given the technical nature of such investments and strong linkages to the Council's Treasury Management function, appropriate governance and decision making arrangements are needed to ensure robust due diligence and the necessary agility to act. A Commercial Investment Board has been established to consider the identified opportunities and oversee the arrangements.

3.6 The Executive delegated authority to enter into individual investments up to £1m within an overall total of £5m p.a. The Board's approved terms of reference are attached at **Appendix A**.

3.7 The Board meet routinely every 2 months but more frequently when opportunities are actively being considered. This flexible approach enables a degree of agility for lower

value opportunities, with investments in excess of £1m requiring Executive approval and therefore a longer lead in time.

4. ONE YEAR ON – A REVIEW OF ACHIEVEMENTS

- 4.1 The investment framework approved by the Executive in August 2017 identified a range of potential investment options. In the last year, each of the investments identified under the framework has been explored, with significant progress made in the following areas.

Internal Financing Adjustments

Additional Minimum Revenue Provision (MRP)

- 4.2 When the Council increases its capital financing requirement (i.e. by the amount of capital expenditure not financed from revenue and/or grants) it must set aside an amount to repay borrowing (internal or external), even if actual external borrowing is not taken. The amount of MRP is determined by the Council's Minimum Revenue Provision Policy but typically this is the equivalent of the 'unfinanced' capital expenditure divided by the life of the asset concerned.

Example

The Council purchases a new office building for £1m with an expected life of 25 years

The cost is funded through internal borrowing (i.e. the Council borrows the money from itself)

An MRP charge of £40k is charged against the Council's revenue budget (£1m/25 years) to pay back the money borrowed.

- 4.3 This MRP is a charge against the Council's revenue budget and hence Council Tax each year and is set aside in a ring-fenced unusable reserve. The physical cash remains within the Council's accounts and forms part of the investment balances placed with the various banks and institutions on the Council's lending list, until such time as it is needed to repay borrowing.
- 4.4 The option to repay an additional MRP Payment presents low risk in that the cash stays with the Council and it produces a guaranteed annual revenue saving (setting aside lump sums up front rather than annual revenue contributions). However, whilst it reduces the amount of usable reserves, it is still available for other investment allowing the actual cash held to be invested and deliver an added return until it is needed to repay borrowing.
- 4.5 To date £15m voluntary MRP contributions have been made - £5m financed from in-year underspends and the £10m sum earmarked for alternative investment. Together, these contributions have saved £600k p.a. from the revenue budget.

Alternative Treasury Management Instruments

- 4.6 A number of alternative instruments are potentially available to the Council – some already covered by the approved Treasury Management Strategy but not yet used. Typically higher credited rated instruments offer lower rates of return and therefore some of these types of investment have limited impact on overall returns. However

they do provide alternatives to the investment we currently use and as such allow us to diversify our portfolio. Options currently used are:

- i) Money Market Funds
- ii) Certificates of Deposit (CDs)
- iii) Property Funds

4.7 A review of the Council's Treasury Management Strategy was undertaken in 2017/18 and a £20m limit was included for these opportunities. The infrastructure for the alternative Treasury Management instrument investment options identified is now in place.

Money Market Funds

4.8 Following a selection process supported by the Councils Treasury Management advisers the following Money Market Funds were selected for investment:

- BlackRock Money Market Fund
- State Street Global GBP Liquidity Fund

Accounts have been opened with both funds, however, while investment opportunities have been continually monitored since access was obtained, the rates available have only now reached a competitive level. An initial investment was placed with the State Street Global Fund in October 2018.

Certificates of Deposit (CDs)

4.9 The Council has now established a custodian account to enable investment in a wider range of treasury instruments, including Certificates of Deposit (CDs). The Council has invested in the following CDs:

- Nat West Bank (£5m)
- Credit et Industriel Bank (£5m)

Both of these investments were actioned in July for a 6 month duration. Further potential investments continue to be monitored.

Property Funds

4.10 A detailed selection process was undertaken, supported by the County Councils Treasury Management advisers and, two Property Funds have been selected for immediate investment:

- BlackRock UK Property Fund
- Threadneedle Property Unit Trust

Accounts have now been opened with both funds and a £3m investment in each fund has been agreed with transactions completed at the end of October 2018.

Loans and Projects

Loans to LA Companies

4.11 The Council currently owns (in whole or part) a number of companies which have been established to deliver a variety of objectives.

- 4.12 The Council provides cash flow support to these companies and has £7.6m loans (at 31 March 2018) on its balance sheet at a variety of terms (duration and interest rates).
- 4.13 Given the nature of the companies and the Council's direct involvement in their operation, relative to other types of investment these are considered lower risk and are currently offered at a rate of bank base rate plus 4%.
- 4.14 Loans are classed as capital expenditure and financed through internal borrowing in accordance with the Council's Treasury Management Strategy. Current Loans to Limited Companies:

Company Loan	Total Loan Approved £k	Interest Rate %	First Drawdown Date	Total Loan 31/03/2018 £k	Interest 2017/18 £k
NYNet*	10,000	Base + 3.0	01/04/2006	0	18
Yorwaste I	3,700	Base + 4.0	23/05/2012	3,700	161
Yorwaste II**	3,850	Base + 4.0	19/06/2017	3,498	120
Brierley Homes***	25,000	Base + 4.0	12/05/2017	327	5
Align Property Partners	500	Base + 4.0	N/A	0	0
First North Law	250	Base + 4.0	09/05/2017	60	1
	43,300			7,585	305

* The NYNet Loan is an overdraft facility and the average balance in 2017/18 was £548k - this is expected to rise to £6,113k in 2018/19

** The Yorwaste II balance was £3,148k as at 30/09/18

*** The Brierley Homes loan was £2,014k as at 30/09/18 and is expected to rise to £6,885k in 2018/19

- 4.15 As shown in the table above, there is an increasing demand for loans from the Councils limited companies, particularly from Brierley Homes. Consequently, consideration will need to be given as to whether to flex the limits on this investment category within the overall £50m investment or whether an increase on the overall £50m limit is required given projected demand.

Local Economic Growth/'Commercial' Property

- 4.16 Direct investment in commercial property can be aligned to the Council's Economic Development Strategy and/or can be undertaken on a purely commercial basis. Returns can vary significantly and each opportunity has to be considered on its merits having due regard to risk and reward. To date the Council has shortlisted 44 potential property investments; taken 14 to business case stage; five bids have been formally submitted; and two of these properties have been successfully acquired. Details of property investments to date are as follows:

Bank Unit in Stafford Town Centre

- 4.17 The acquisition of a freehold bank unit and lease in Stafford Town Centre, Staffordshire. The property is currently let to Bank of Scotland plc trading as Halifax and is held on a lease that runs to November 2031. The property was purchased for £850k with purchase of costs of £33k. The current rent is £53k p.a. providing a Net Initial Yield of 6.0%.

Harrogate Royal Baths

- 4.18 The acquisition of a leasehold restaurant / leisure investment in Harrogate Town Centre. The property comprises of four commercial units, all of which are currently let with expiry periods ranging from 2027 – 2038. The lease was purchased for £9,050k with purchase of costs of £546k. The current rent is £501k p.a. providing a Net Initial Yield of 5.2%.

5. ESTIMATED RETURNS

- 5.1 **Appendix B** sets out a summary of the estimated returns from the investments made to date. In total MRP savings of £600k have been achieved, returns on treasury investments are estimated to be £383k and returns on the alternative investments in place are estimated at £859k p.a. The total projected annual gross income/savings generated from the alternative investments to date is £1,842k – this is a margin of £1,510k over traditional treasury management returns.
- 5.2 The report which set out the proposed framework indicated that annual revenue savings/returns of in excess of £1.7m could be reasonably achieved (subject to projects being identified and approval of business cases).
- 5.3 Internal administration of the investment ‘pool’ is required and the current Finance savings plan includes an assumption of £20k from this work. Given the proposals to extend the scale of this work an indicative 2% top-slice was approved, which based on returns of £1,842k estimated to date would result in a top-slice of £37k. This will be kept under review as further investments are made.

6. LESSONS LEARNED

- 6.1 Whilst significant returns are expected from these investments the resource input required from within and external to the Council is also significant. Each proposition requires careful assessment of the market, the legal issues, and the risks and the returns expected in order to inform a robust business case.
- 6.2 The competitive nature of the market for these investments means that a degree of failure to secure investments is to be expected and indeed some business case work will be abortive as some investments will not be considered appropriate for investment. Where possible early sifting of proposals aims to focus efforts on opportunities worth pursuing but inevitably not all business cases will result in a successful acquisition.
- 6.3 Appropriate due diligence is crucial in order to take decisions for investment and it is important that timely expert advice is sought when necessary, in order to adequately assess the potential risks and rewards from such opportunities.
- 6.4 The target returns from these alternative investments ranged from 4% to 8% above the Bank Base Rate however experience of the market over the last year has shown that returns are substantially below the upper end target and consequently it would be prudent to scale back our expectations and for the purposes of future guidance a return of 3-4% above Bank Base Rate would be more realistic.
- 6.5 In addition, consideration will need to be given to investment limits within the current overall £50m limit. Investments to date within Commercial Property and future projections for loans to Limited Companies, for example, suggest upper limits could be met in the next 12 months. In light of the progress with some of the investments,

the overall £50m limit could also be reviewed. The initial report on alternative investments suggested that the Council's cash balances are forecast to drop to £83m over the 4 years to 2020/21 and then rise to £100m over a 20 year period and therefore it is proposed that the total amount available for alternative investment (excluding the treasury instruments) be increased to £60m. This will ensure that sufficient short term cash balances remain available to manage day to day requirements.

- 6.6 Acknowledging the requirements for the Council's limited companies it is proposed to increase the loan limit to £25m over the next 12 months although this will need to be kept under review.
- 6.7 Experience also shows that the timescales for turning around the necessary due diligence requires a degree of agility regarding decision making and consequently the Commercial Investment Board propose to request that the Executive extend the current delegations to approve individual investments to a limit of £2.5m (from £1m) per investment and up to a total of £10m (from £5m) in any one financial year.

7. NEXT STEPS

- 7.1 Over the coming 12 months opportunities will continue to be sought but our efforts will be focused on the following:

Commercial Investment

- 7.2 Further opportunities for commercial investment will be sought over the coming year building on the experience gained to date. The aim will be to maximise the investments within the approved framework. It is proposed that a single commercial investment limit of £20m be applied to direct commercial property acquisition (rather than the current separate limits for local growth and commercial investments). Subject to Executive approval this would leave £9,521k available for commercial investment.

Solar Farm (or similar)

- 7.3 A feasibility study into the potential for a council owned solar farm has been carried out. Investment of circa £5m could deliver a 5mw land based solar farm. The Council has a number of land holdings which could be suitable for a land based solar scheme (including former land fill sites and county farms sites) although government cuts to the subsidy regime means that costs need to reduce in order to deliver a viable scheme. 'Grid parity' is the point at which it is no more expensive to deliver a solar scheme v other non-renewable methods negating the need for subsidy. A scheme could enable the Council to generate electricity for its own consumption thereby reducing the volume procured and providing corresponding protection from future price rises or it could generate power for sale either back to the grid or direct to commercial or domestic clients (the latter required through a separate electricity supply company).
- 7.4 Typically it is expected that for an investment of between £4m - £5m a target rate of return of 5% should be set (subject to grid parity) which would give a margin of say 4% and generate an additional return of at least £160k - £200k. The decision to invest in such a scheme would be subject to a separate detailed business case.

- 7.5 Due to the Government cuts to the subsidy arrangements, a number of authorities have had to revisit their business plans around solar energy projects and put their plans on hold. A small number of solar projects have recently been built with subsidy, however, these are largely projects where there is a local demand for the energy they will produce. Although the price of solar equipment has reduced, the costs are not yet at 'grid parity' but there are examples of some larger projects which are being taken forward (for example Warrington's recent acquisition of 'off-plan' solar farm developments near York and Hull). Given the potential land the Council has available for such development, the business case will be revisited over the next 12 months.

Loans to Housing Associations

- 7.6 Soft market testing suggests that there is opportunity to provide loans to housing associations for delivery of affordable housing which could also work alongside our market housing investment through Brierley Homes. A number of associations and charities operate with the County and may be interested in borrowing from the Council. Consideration would need to be given to an appropriate rate, term, loan type (interest only or annuity) and security, which would be part of the due diligence for such loans and would be included within the legal agreement that would be required. Assuming a term of up to 20 years and loans of £5m at a margin of 3%, interest of £150k could be achieved.

Debt Repayment

- 7.7 This follows on from the MRP option above. The Council currently has external borrowing of £288m as at 31 March 2018 with varying terms and interest rates. Repayment of borrowing would reduce the Council's Capital Financing Requirement and hence it's MRP charge and would save external interest payments however there may be penalties for loans repaid early.
- 7.8 Link, the Council's treasury management advisors regularly review the Council's debt portfolio and current interest rates and future forecasts suggest that it is not beneficial to repay debt at this time as there would be little opportunity for early repayment without the Council incurring substantial premium charges. This will continue to be monitored as part of the Council's on-going treasury management activity.

Payment to North Yorkshire Pension Fund

- 7.9 The Council has the option to pay one-off sums to reduce the historic deficit on its pension fund. The opportunity arises every 3 years when the results of the latest triennial valuation are factored into the coming 3 years' contribution rates. The next triennial valuation is due in 2019 and this will be kept under review.

8. CONCLUSIONS

- 8.1 Good progress has been made on alternative investments and together this new approach has secured estimated annual revenue savings/income of £1,842k a margin of £1,510k over traditional treasury management returns.
- 8.2 Experience has shown that the commercial investment market is highly competitive and accordingly our guideline returns should be scaled back – accordingly a target return of 5% is proposed.
- 8.3 Of the £50m earmarked for investment £31m remains available but some changes to the approved thresholds and delegations are proposed:

- The total amount for alternative investment be increased to £60m;
- The local growth and commercial investment limits be combined into a single limit of £20m;
- The target return for commercial investment be set at 5%;
- The limit for loans to NYCC companies be increased to a total of £25m;
- The delegations to the Commercial Investment Board (formally through the Corporate Director Strategic Resources) be extended to a limit of £2.5m (from £1m) per investment and up to a total of £10m (from £5m) in any one financial year.

8.4 Further work to pursue the options within the approved framework will be undertaken over the next 12 months with a focus on: commercial property acquisition, affordable housing loans, and exploration of investment in solar energy.

9. RECOMMENDATIONS

9.1 It is recommended that Scrutiny Committee:

- i) review the progress to date and provide comments on the future actions proposed.

Appendix A

Commercial Investment Board

Purpose

The Board will not be a constituted body and will therefore not have formal decision making powers. However, it will be the chief means of identifying, reviewing and recommending schemes for investment decisions. Such formal decisions will be taken within the existing delegations namely through delegated authority to the Corporate Director, Strategic Resources and further decisions as made by the Executive.

To consider and recommend detailed business cases for alternative investments within the framework approved by Executive.

To approve individual investments to a limit of £1m per investment and up to a total of £5m in any one financial year.

To consider appropriate due diligence proportionate to the investment/risk/reward proposed.

Notwithstanding the Corporate Director, Strategic Resources authority to terminate investments should concerns be raised - to consider and recommend cases for early termination of alternative investments.

To monitor returns against approved performance targets.

To report performance of alternative investments to the Executive on a quarterly basis

To make recommendations to Executive on any proposed changes to the framework.

Membership

Lead Member for Finance (Chair)

Lead Member for Growth

Corporate Director Strategic Resources

Corporate Director Business and Environmental Services

Assistant Director Strategic Resources – LBP to CFO

Assistant Director BES - Growth, Planning and Trading Standards

Frequency of meetings

Board meetings likely to be held quarterly however the nature of investment opportunities will require agility and meetings will be arranged as required outside of the quarterly schedule.

Approved 15 August 2017

APPENDIX B

Investment/Returns at 30 September 2018

Alternative Investment Options	Priority	Actual Investment	Actual rate of return %	Term	Actual Yield/ Saving p.a. £	Comments/Notes
Additional MRP (non-cash movement)¹	1	15,000	4%	N/A	600	
Treasury instruments	2					
Property Funds		6,000	4.86%	5 -10 years	291	Investment to commence Oct 18 – Indicative Return based on historic average of funds
Certificates of Deposit		10,000	0.79%	6 Months	79	Weighted Rate of Return
Money Market Funds		2,000	0.66%	Instant Access	13	Investment to commence Oct 18
		18,000	2.13%		383	
Alternative Investments						
Loans to LA owned companies	2	7,585	Base + 4%	Various	305	Balance and Return as at 31/03/18
Local economic growth	3	0	N/A	N/A	0	
Commercial property – investment only	2	10,479	5.29%	10 years	554	Harrogate Royal Baths purchase expected to complete October 2018
Loans to housing associations	3	0	N/A	N/A	0	
Total Alternative Investments (subject to risk appetite)		18,064	4.76%		859	
Total annual saving/income ²		51,064	3.61%		1,842	
Treasury Management Return			0.65%		332	
Total annual margin over standard returns			2.96%		1,510	

APPENDIX C

Proposed Revised Thresholds

Type of investment	Risk	Maximum Exposure £000	Maximum Term Years	Target Rate (above BBR) %
Alternative treasury instruments - note already covered in Treasury Strategy	Low	20,000 Per category	1 - 5	> 0.1
Alternative Investments (overall Max):		60,000		
Spend to Save	Low	5,000	7	4.0
Loans to Council Companies	Low - Medium	25,000	10	4.0
Loans to Housing Associations	Medium	10,000	20	3.0
Solar Farm (or similar)	Medium	5,000	20	7.0
Commercial investments	High	20,000	10	5.0

Subject to Executive approval

North Yorkshire County Council

Corporate and Partnerships Overview and Scrutiny Committee

3 December 2018

Parish Portal Update

1.0 Purpose of Report

- 1.1 The purpose of this report is to provide a further update to Members on progress / achievements relating to the Parish Portal.

2.0 Background

- 2.1 Members will recall the '100 Day Report' presented to this Committee in December 2017, which outlined progress to date following the portal's go live date of June 2017. From the onset, it was intended that the project was to be truly interactive. As such, even during the developmental stages of this initiative, engagement sessions were held with Parish Councils who actively assisted in the portal's design, taking a 'they said – we did' approach. 'Sound-bites' evidencing this interactive approach are shown in Appendix 1 to this report.

3.0 What has gone well?

- 3.1 There are 731 Parish councils/meetings in North Yorkshire. At the time of writing, 366 accounts were registered and requests for accounts are still being received. The target was 355 by the end of January 2019 and this has already been exceeded. If 'dormant' Parish Councils / Parish Meetings are also taken into account then this figure is likely to be further in excess of that quoted.
- 3.2 2,807 Service requests have been made since the launch. The target set for activity is 11,000 service requests annually on an on-going basis. Whilst currently short of the target, volumes are expected to increase over the winter period with overall numbers increasing as parish clerks become even more familiar (and confident) with using the portal.
- 3.3 The parish portal includes functionality which allows parishes to access updates added by Highway Officers as opposed to the system-generated updates in the customer portal. Feedback from parish councils about these comments/updates is positive. Training is ongoing with Highway Operations Staff to continue to develop good practice and, as an aside, the customer portal functionality is to be adjusted to also allow such comments to also be seen via that portal.
- 3.4 Positive feedback has been received from those parish councils who are using the parish portal. Feedback is constantly reviewed to continually improve the look, feel and functionality of the portal. An example of this was Parish Councils' comments on email updates, which were causing confusion; this feedback resulted in the removal of all unnecessary notifications and an improved clarity of message being achieved.
- 3.5 Since the last report, parish 'workshops' were held at Area Offices (during the summer of 2018) and were very well attended. These workshops included demonstrations of the portal and how parish councils could get the most from this

system. Feedback from the workshops was very encouraging and these also resulted in many applications for new parish portal accounts.

- 3.6 Members will be delighted to note that the parish portal won an internal 'Innovation Award' and the County Council have also received LGA funding to further develop the "user experience" testing that was employed to involve parishes in the initial design process.
- 3.7 A presentation on the Parish Portal was given at a recent Members' Seminar. Members were impressed with how easy the portal is to use and have subsequently been proactively canvassing / encouraging their parish councils to register and use the portal.
- 3.8 Representatives of the Parish Portal Project Team were also invited to give a presentation at the LGA National conference in July 2018, which was attended by both the Chief Executive and Leader of the County Council. Feedback on the presentation, both at the event and afterwards, was deemed to be 'excellent'.

4.0 Where/How Could We Improve Further?

- 4.1 Consideration has been given to increasing the list of services that can be requested via the Portal to make the portal more attractive to Parishes. Currently we have 5 highway services in the portal that are 'integrated' with the County Council's Highway Asset Management System, Symology. These are Roads, Pavements, Drainage, Vegetation and Street Lighting. This means that we have the mechanism to provide direct feedback to the Parish on any cases they may raise in these specific categories.
- 4.2 However, there is a list of 'Other' services that are not integrated. These include:
 - Boundary fences and walls
 - Bridges and structures
 - Concern about roadworks
 - Kerbs
 - Obstructions, deposits and spillages on the highway
 - Pedestrian crossings
 - Road markings
 - Road safety and speeding issues
 - Signs including illuminated signs
 - Street furniture
 - Surfacing works
 - Traffic signals
 - Unauthorised activity
 - Winter maintenance
- 4.3 Currently there is no mechanism for highways to provide direct feedback on any of the above fault types, but we can further develop the functionality of the portal to include the above. As an organisation we need to work with Parishes to understand what other services they would like to see accessed in the portal and work with services areas to deliver these.

5.0 Benefits Realised

5.1 Ultimately, the portal provides a better experience for the parish and allows for more self-reliance. Some of the most recent feedback received includes the following comments:

- *'It is easy to use and straightforward if you had a standard reporting issue'* - Shipton-by-Beninbrough/Linton on Ouse Parish Council
- *'Getting help was easy and it was dealt with very quickly'* – Warlaby Parish Council
- *'The map where you can pinpoint the exact location of the complaint and see other reported items'* – Hustwaite Parish Council

5.2 Appendix 2 to this report shows some of the hard and soft benefits being realised. These include notable potential financial savings as well as reduced time in responding to defects raised. This is in addition to the improved operational effectiveness, customer experience and customer satisfaction which the existence of the portal brings.

6.0 Next Steps

6.1 It is proposed to continue engagement with parishes in order to maintain use of / ensure increasing numbers sign up to the portal, but also consider further developing the portal based around the following subject areas:

- Extend the number of services available through the portal.
- Reduce the number of non-integrated services.
- Review parish feedback and continually refine the product
- Work with Members to understand how they can benefit from the information in the parish portal (and the customer portal) to understand reported and resolved issues in their divisions
- Work with Members to further increase the number of parishes registered and the number of service requests received through the portal.
- Potential development of a Members' Dashboard, which would allow vision of all parish portals registered in their Division without the need for Members to register for every individual parish.

7.0 Financial Implications

7.1 Consideration has been given to the potential for any financial implications arising from the recommendation. It is the view of officers that the recommendation will not have any financial implications, indeed there is a financial benefit to be derived from the increasing success of this initiative - see Appendix 2. However, this will involve further application of the principle of 'invest to save' if the steps outlined in Para 6 are progressed.

8.0 Legal Implications

8.1 Consideration has been given to the potential for any legal implications arising from the recommendation. It is the view of officers that the recommendation will not have any legal implications in respect of the County Council's role as both highway and road traffic authority for North Yorkshire

9.0 Equalities Implications

- 9.1 Consideration has been given to the potential for any equalities implications arising from the recommendation. It is the view of officers that the recommendation will not have any equalities implications, therefore an Equalities Impact Assessment is not required and a copy of the EIA screening form is attached as Appendix 3.

<h2>10.0 Recommendation(s)</h2>
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- | |
|--|
| <p>10.1 It is recommended Members note the content of this report.</p> |
|--|

DAVID BOWE

Corporate Director – Business and Environmental Services

Author of Report:

Nigel Smith – Head of Highway Operations

Deborah Flowers – Highways Customer Communications Officer

Sarah Foley - Customer Service Centre / Customer Programme Manager

Background Documents:

Parish Portal '100 Day Report', December 2017

Our customers help build features

Parishes wanted did not want to use their email as their login name.

We created users the ability to create their own user name to login with.

Parishes told us that they often submitted lots of cases, but were struggling to tell them apart in the back end.

We gave Parishes the ability to create their own case reference numbers, so that they can identify cases in their own way.

Parishes needed to know the outcome of the reports they submit so that they can tell their citizens.

We developed integration directly into the highways system, so that Parish Clerks can see the highways officer reports.

Parishes told us that they need to be able to report back at meetings on progress of submissions, but that they do not always have an internet connection.

We created an export functionality on the reports, Parishes can now create reports and export them to take to Parish Council meetings.

Benefits in detail

Hard Benefits

- **Reduction of emails into the Highways Area Office teams releasing capacity due to the reduction in need to follow up emails.**

Based on current data and projected trends, the estimated annual savings for admin upload are:

2018-19: £5,765.76
 2019-20: £9,118.56
 2020-21: £12,439.08

- **Reduction in the number of inspections needing to be carried out following a report, because of photo upload.**

Based on current data and projected trends, the estimated annual savings for photo upload are:

2018-19: £7,496.80
 2019-20: £17,450.18
 2020-21: £62,703.71

- **Reduction in response time to defects for customers.**

Previous to the Parish Portal, response time from a Highways Officer following an inspection took up to 20 working days on average from the submission of a defect. Now, the average response from the submission of a defect is 5 working days following an inspection from a Highways Officer, whose report directly feeds into the Portal.

Soft Benefits

- Improved customer satisfaction from Parish Clerks through the ability to serve the public with relevant information at parish meetings.
- Improved operational effectiveness as photographs of potholes allow officers to locate potholes in the street effectively when out on inspection.
- Improved customer satisfaction through the ability to read highways officer notes through the Portal to better understand the reason of follow-on action taken.
- Improved Internal experience through the ability to deal with issues through the use of photos and ability to pin point location on map through photo.
- Improved reputation of the council through provision of solutions requested by the customer.
- Assisting the local authority to achieve in positive engagement with customers to meet the requirements for grants provided by DfT.



APPENDIX 3 – EIA SCREENING FORM

Record of decision that Equality Impact Assessment is not required		
Directorate and service area	BES, H&T, Highway Operations	
Name and contact of officer(s) taking decision that EIA not required		
Nigel Smith, Head of Highway Operations		
What are you proposing to do?		
Update Members on progress with Parish Portal		
Why are you proposing this?		
To provide information on the successes achieved to date and further developments		
Does the proposal involve a significant commitment or removal of resources?		
No, short term further time investment required. Long term should improve self-service		
Will this proposal change anything for customers or staff? What will change?		
Improved opportunity for self service		
Will the proposal make things worse for people with protected characteristics (age, disability, sex, disability, gender reassignment, religion or belief, pregnancy or maternity, marriage or civil partnership)? No (Customers, staff etc). No		
How do you know? Do you have any evidence to support your assessment?		
N/A		
If there might be a negative impact on people with protected characteristics can this impact be reduced? How?		
N/A		
Could the proposal have a significant negative impact on some people with protected characteristics or a less severe negative impact on a lot of people with protected characteristics? If “Yes” more detailed analysis should be undertaken and an EIA completed.		
No		
Does the proposal relate to an area where there are known inequalities (e.g. disabled people’s access to public transport)?		
No		
Could the proposal have a greater negative impact on people in rural areas?		
No		
Could the proposal have a worse impact on people with less money?		
No		
Will the proposal have a significant effect on how other organisations operate (e.g. partners, funding criteria, etc). Do any of these organisations support people with protected characteristics?		
No		
Do the answers to the previous questions make it reasonable to conclude that there will be no or very limited adverse impacts on people with protected characteristics?	Yes	
Will there be no or limited adverse impacts on people in rural areas?	Yes	
Will there be no or limited adverse impacts on people in rural areas?	Yes	
		No

Further analysis and full EIA Required		
Decision not to undertake EIA approved by (Assistant Director or equivalent)	<i>Barrie Mason</i>	
Date: 13 November 2018	14/11/18	

**North Yorkshire County Council
Corporate and Partnerships Overview and Scrutiny Committee
3 December 2018
Work Programme**

Purpose of Report

That Members review the Committee's work programme, taking into account the outcome of discussions on previous agenda items and any other developments taking place across the County.

Work Programme

The Work Programme is attached at **Appendix 1** and Members are asked to consider, amend and add to the Committee's Work Programme, as required.

Remit of the committee

The Corporate and Partnerships overview and scrutiny committee scrutinises the Council's corporate organisation and structure, resource allocation, asset management, procurement policy, people strategy, equality and diversity, performance management, communications, partnership working, community development and engagement and community safety (as the designated Crime and Disorder Committee).

The Corporate and Partnerships overview and scrutiny committee has a specific legal duty, under the Police and Justice Act 2006, to act as the crime and disorder overview and scrutiny committee. This means that the committee has the power to:

- Review or scrutinise decisions made, or action taken, in connection with the discharge by the responsible authorities of their crime and disorder functions
- Make reports or recommendations to the local authority with respect to the discharge of those functions.

Scheduled committee dates and mid-cycle briefing dates in 2018/19

Forthcoming committee dates are:

- 10.30am on 4 March 2019

Forthcoming mid-cycle briefing dates are:

- 10:30am on 21 January 2019

Recommendation

Members are asked to consider, amend and add to the Committee's Work Programme.

Melanie Carr
Principal Democratic Services & Scrutiny Officer
North Yorkshire County Council
Tel: (01609) 533849
Email: melnaie.carr1@northyorks.gov.uk
19 November 2018

Corporate & Partnerships Overview and Scrutiny Committee – Work Programme

Scope

- The Council's corporate organisation and structure, resource allocation, asset management, procurement policy, people strategy, equality and diversity, performance management, communication and access to services.
- Partnership working, community development, community engagement, community strategies and community safety.
- This Committee is the Crime & Disorder Committee for the purposes of Part 3 of the Police and Justice Act 2006.

Meeting dates

Scheduled Committee Meetings	3 December 2018 10.30am	4 March 2019 10.30am
Scheduled Mid Cycle Briefings Attended by Group Spokespersons only	21 January 2019 10.30am	15 April 2019 10.30am

Agenda Briefings (Attended by Group Spokespersons only) - will be held at 9.30am on the day of the committee meeting.

*NOTE – this meeting was changed from a mid-cycle briefing to a full committee meeting.

Corporate and Partnerships Overview and Scrutiny Committee

Work Programme Schedule

Reports

22 January 2018 – Mid Cycle Briefing	
Access to services	Branch bank closures and access to face to face banking and ATMs, particularly in rural areas
12 March 2018 - Committee	
Community Safety – Adult Reoffending	Changes to the Probation Service – Louise Johnson, National Probation Service, North Yorkshire and Martin Weblin, CRC
Customer access	Progress against the 2020 target of 70% of contact being managed by customers using digital self-service channels – update - Julie Blaisdale and Sarah Foley, Customer Programme Manager
Community Safety - Justice	Response to the consultation on the proposed closure of Northallerton Magistrates Court
2020 Council – Data Protection	General Data Protection Regulation (GDPR) – Jason Geldard-Phillips, NYCC
23 April 2018 – Mid Cycle Briefing	
Stronger Communities	Recruitment and retention of volunteers through the Stronger Programme and across the Council as a whole – Marie-Ann Jackson
Access to Services	Post Office closures – exploratory discussion to determine lines of enquiry for scrutiny – linked to Bank branch closures – Mark Gibson, External Affairs Manager, Post Office
18 June 2018 - Committee	
Access to services	Branch bank and Post Office closures and access to face to face over the counter banking and ATMs, particularly in rural areas
Locality Budgets	Update on Future Delivery – Neil Irving
2020 Council – Community Libraries	Review of first 12 months of operation – Julie Blaisdale, Marie-Ann Jackson and Chrys Mellor
2020 Council – Partnerships and Traded services	Overview of partnership arrangements and traded services – Annual Report of the Brierley Group – Gary Fielding and Barry Khan
Community Safety – Youth Justice	Youth Justice Strategic Plan – implementation of the new model of practice and the impact this has had upon reoffending rates – Julie Firth
Community safety	Follow up to visit adult C-category prison
23 July 2018 – Mid Cycle Briefing	
Equality and Diversity	Overview of progress with achievement of the Council’s Equality and Diversity objectives – Deb Hugill

North Yorkshire Syrian Refugee Settlement Programme	Update on progress - follow up to presentation at 3 October 2016 committee meeting – Jonathan Spencer
3 September 2018 - Committee	
Community Safety - NYCSP	Update on the North Yorkshire Community Safety Partnership. To include: Overview of the refresh of the CSP Plan and its priority areas; partnership working; and other areas of focus. – Odette Robson and Dr Justin Ives (CSP Chair).
Community Safety – Youth Justice	Youth Justice Strategic Plan – implementation of the new model of practice and the impact this has had upon reoffending rates – Julie Firth
Bank & Post Office Closures Review	Draft Final Report arising from review of cash-based, over the counter banking and Post Office services in rural areas of the county – Daniel Harry
29 October 2018 – Mid Cycle Briefing	
Community Safety – PREVENT Update	Progress to date and future plans – Neil Irving and Odette Robson
Bank & Post Office Closures Review	Interim Update Report – Melanie Carr
3 December 2018 - Committee	
Community Safety – PCC	Formal collaboration of Blue Light Services - review of progress made with the implementation of plans for collaboration between North Yorkshire Police and North Yorkshire Fire & Rescue Service – Julia Mulligan, Police and Crime Commissioner
Investment Strategy	An overview of NYCC’s Investment Strategy and an update on investments – Karen Iveson
Property Rationalisation	An overview of NYCC’s Property Portfolio – Jon Holden & Howard Emmett
Customer Access	Update on the operation of the Parish Portal and Parish Council engagement – Nigel Smith
Bank & Post Office Closures Review	Revised Draft Final Report – Melanie Carr
21 January 2019 – Mid Cycle Briefing	
Equality & Diversity	Progress Update on Embedding of the County Council’s Equality & Diversity Objectives – Deb Hugill
Corporate Risk Register	Review of Corporate Risk Register – Gary Fielding and Fiona Sowerby
Insurance	Update on Insurance Claims, Risk Exposure & Management – Fiona Sowerby
County Council Plan 2017/21	Year One Implementation Update - Neil Irving and Louise Rideout
Customer Access	Update on the Operation of the Customer Portal - Sarah Foley
Annual Workforce Plan	Review of Annual Plan – Justine Brooksbank
4 March 2019 - Committee	
Community Safety	Bi-annual Update on Community Safety Plan Delivery & Partnership Working – Odette Robson

Community Safety – Adult Reoffending	Update on how effective rehabilitation interventions and work programmes are changing adult offenders' offending behaviour in the county (<i>to include details of work with offenders both in prison and in the community to enable them to access the education and skills training that they need to help them gain employment</i>) – Louise Johnson, National Probation Service, North Yorkshire and Martin Weblin, CRC
2020 Council – Community Libraries	Review of first 18 months of operation – Marie-Ann Jackson and Chrys Mellor
15 April 2019 – Mid Cycle Briefing	

Areas of overview and scrutiny that do not yet have a confirmed date for committee:

- Devolution – proposals and progress to date
- NYCC Budget Setting Process
- Investment Strategy – possibly Dec 2018

Melanie Carr
19 November 2018