

<b>Item Number</b>	Item 5 – Paper 2
<b>Title of Paper</b>	Fire Standards Delivery Progress Report
<b>Decision or Information</b>	For decision
<b>Date of Meeting</b>	31 <sup>st</sup> July 2023
<b>Presented by</b>	Fire Standards Team
<b>Attachments</b>	Appendix A – Draft Resources Fire Standards – Outcome Statements Appendix B – Activity Framework Extract Appendix C – Drivers and Scope for Resources Fire Standards

## Summary

This paper provides the Board with an update of the progress with the Fire Standards under development. In particular, the paper contains a summary of work to date, and in Appendix A, copies of the proposed outcome statements for the draft standards listed below (working titles):

- Financial Management
- Asset Management
- Internal Governance and Assurance

As a result of the outcomes of the early development stages and peer review process, the original estimation of time/work needed to produce these Fire Standards has evolved based on the feedback received from services.

In addition, specific queries have been raised by finance leads about the need for and purpose of a specific Finance Fire Standard. The NFCC Lead for Finance has been invited to this Board meeting to contribute to the discussion about this particular Fire Standard.

## Recommendations and decisions required

The Board is asked to:

- Discuss and agree whether work on a Finance Fire Standard should continue and, if so, the next steps
- Consider whether the Asset Management and Internal Governance and Assurance Fire Standards can be progressed, with peer review continuing during August to reach a version to be presented for approval for consultation by the Board in September; and
- Discuss and determine if progress on the Procurement Fire Standard may be paused until national procurement arrangements are further developed, and subject matter experts are available to support development.

## Background Information

Following a decision taken at the last Board meeting, work to progress Fire Standards for the remaining areas of activity based on the Activity Framework was agreed.

The areas prioritised were from the Enabling category of the Activity Framework (See Appendix B) and included the following proposals for drafting of Fire Standards:

Fire Standards - Working Titles		
Financial Management and Internal Governance	Asset Management	Commercial and Procurement
<ul style="list-style-type: none"> <li>• Financial management and planning</li> <li>• Managing reserves and contingency planning</li> <li>• Internal assurance / governance (decision making)</li> </ul>	<ul style="list-style-type: none"> <li>• Fleet management</li> <li>• Estates and asset management</li> <li>• <i>IT and Digital assets procurement and management*</i></li> </ul>	<ul style="list-style-type: none"> <li>• Procurement and purchasing</li> <li>• Contract management</li> <li>• Commercial activities                             <ul style="list-style-type: none"> <li>• Trading arms and income generation</li> </ul> </li> </ul>

\*It has been proposed that Digital and Information Technology (IT) should be explored in the development of these Resources Fire Standards as it represents an asset to be managed by services. Whilst the subject will be considered in this context, it is important to note that the final area outstanding for consideration for a Fire Standard is Digital and IT.

It is intended that work will start on a Digital and IT Fire Standard in early 2024 (dependant on capacity). The proposed scope for a Digital and IT Fire Standard would be to describe how services should ensure they have good IT provision in place for their organisation, and

to maximise the benefit of digital technology as well as safely managing their digital infrastructure (for example, cyber security).

Work to consider the drivers for and scope of each of the proposed Fire Standards was done following initial workshops with the respective NFCC Leads and subject matter experts (SME) from services. The Drivers and Scope for the Resources Fire Standards and their respective areas of activity can be found in Appendix C.

During April and May, work continued to develop early drafts of these Fire Standards based on the agreed scope. Through that process, several combinations of the subjects were considered. The original proposals for three Fire Standards were challenged and proposals to develop four Fire Standards were proposed as an alternative, these included:

1. Asset Management
2. Internal Governance and Assurance
3. Finance
4. Procurement

The Fire Standards Team have been working with a small group of SME's to form working drafts of these four Fire Standards.

### **Finance**

The NFCC Lead for Finance, Ben Ansell, and the Home Office Policy Lead for Finance, Emma Lawrence, have questioned whether a Finance Fire Standard is needed. Ben has been invited to the Board so that their concerns can be discussed.

The Board should note that it was agreed with Ben at one of the workshops that it may be beneficial to produce a draft of what a Finance Fire Standard may look like in order to have a more meaningful discussion. As mentioned, a draft outcome statement, just focussed on Financial Management, is attached at Appendix A.

### **Procurement**

, The NFCC has advised that due to changes taking place in relation to the provision of national procurement for services, it may be appropriate to pause work on the Procurement Fire Standard until new arrangements are in place.

## Conclusions

As mentioned previously, the Enabling category of activity is the last remaining to be considered for Fire Standards. Whilst it has never been the intention to produce standards for the sake of producing them, to not produce any Fire Standards in this area may be queried by services which feel they could add value and bring clarity.

During the development process, feedback from services was supportive of Fire Standards in this category but their content has been subject to much discussion. This has mainly been due to the potential for overlap and duplication and the fact that in smaller services many of these functions are performed by the same person or team.

However, it is important to point out that as with all Fire Standards, the intention is to describe good practice in the given areas of activity at the organisational level. If professional standards, accreditations, or guidelines exist, then the Fire Standards would appropriately signpost to those and not duplicate. We rely on the support of the NFCC Lead and SME's to help with identifying the appropriate guidance to be included on the standard.

In conclusion, the Fire Standards Team are now seeking a decision from the Board about how best to progress with these Fire Standards. The proposals are:

- Discuss and agree whether work on a Finance Fire Standard should continue and, if so, the next steps
- Consider whether the Asset Management and Internal Governance and Assurance Fire Standards can be progressed, with peer review continuing during August to reach a version to be presented for approval for consultation by the Board in September; and
- Discuss and determine if progress on the Procurement Fire Standard may be paused until national procurement arrangements are further developed and subject matter experts are available to support development.

# APPENDIX A – DRAFT FIRE STANDARDS

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This appendix contains the working drafts of the Outcome statements for the following proposed Fire Standards

- Financial Management
- Asset Management
- Internal Governance and Assurance

## APPENDIX A – DRAFT FIRE STANDARDS

<b>Title of Standard</b>	Financial Management
<b>Business Area/Capability (ref Activity Framework)</b>	Enabling (Resources)
<b>Sponsoring NFCC Committee/Lead</b>	Ben Ansell, Mark Hemming
<b>Desired Outcome</b>	
<p>A fire and rescue service that has a strategic and proactive approach to planning and managing its finances so that it remains financially sound and delivers value for money for the service and its community in an ethical, sustainable, and transparent way. The service has clear internal financial management processes and governance arrangements in place.</p> <p>Individually and collectively, its elected members, the Chief Fire Officer, the chief finance officer, and their colleagues in leadership teams ensure and provide assurance to the public that the service has the resources required to deliver its functions in response to the risks identified through its Community Risk Management Planning and the needs of its community. They uphold their responsibility to ensure the service remains compliant with legislative requirements and operates in line with any recognised professional codes of practice and guidance.</p> <p>Its leaders ensure that short, medium, and long-term plans are in place when budgets are approved in accordance with their governance arrangements.</p> <p>The service has the capacity through robust contingency planning and business continuity arrangements to operate on a day-to-day basis and in times of extreme conditions, major incidents, and emergencies. It regularly reviews its longer-term financial plans to ensure the service remains agile and can adapt to changing needs and demands placed on it and its employees.</p> <p>Its people are empowered to contribute to the efficient running of the service because they have received the relevant training in relation to financial management appropriate to their roles. They can manage their function or department spend effectively and efficiently and ensure that funds are distributed appropriately across the service. All budget holders understand their respective responsibilities and accountability in relation to financial management.</p>	

## APPENDIX A – DRAFT FIRE STANDARDS

<b>Title of Standard</b>	Asset Management
<b>Business Area/Capability (ref Activity Framework)</b>	Enabling (Resources)
<b>Sponsoring NFCC Committee or Lead</b>	Sector Resources - Jon Anderson
<b>Desired Outcome</b>	
<p>A fire and rescue service that has a strategic and sustainable approach to managing its assets. This includes, but is not limited to, estates, equipment, and digital assets. By using its assets properly, it strives to ensure its facilities are conducive to the needs of its workforce enabling them to operate safely and efficiently, always delivering the best service possible to its community.</p> <p>It optimises the value of its assets through robust and well-planned investment and longer-term financial planning and procurement requirements. It understands and considers its asset lifecycles and ongoing maintenance requirements helping it to identify where efficiencies and improvements may be made. It procures, manages, and disposes of its assets appropriately and ethically.</p> <p>Through responsible asset management, its assets are monitored and well maintained due to its effective asset management planning procedures and systems of maintenance. It works to limit its impact on the environment both when performing its core duties of operational response to incidents, prevention, and protection, as well as in its day to day running of the organisation. It has productive relationships with its suppliers, managing its contracts robustly to ensure security of supply, especially in times of emergency or when supply chains are compromised.</p> <p>It has mechanisms in place which are understood by its people to ensure any issues or complaints associated with its assets, facilities or equipment can be raised, logged, and addressed promptly to ensure its people can continue to work safely.</p> <p>When undertaking upgrading work, it engages with its suppliers to ensure any new assets are designed, constructed, and operated with sustainability in mind, supporting its ambition to achieve a carbon neutral estate.</p> <p>It maximises the value derived from collaboration with blue light partners and other stakeholders when procuring assets and utilising its assets. It explores opportunities to share estates where this can bring value and is practicable for the service and those it shares with.</p> <p>It takes a balanced approach to facilities management, one which is proportionate to its resources and budget, whilst addressing the needs of the organisation, its people, and its service providers.</p>	

## APPENDIX A – DRAFT FIRE STANDARDS

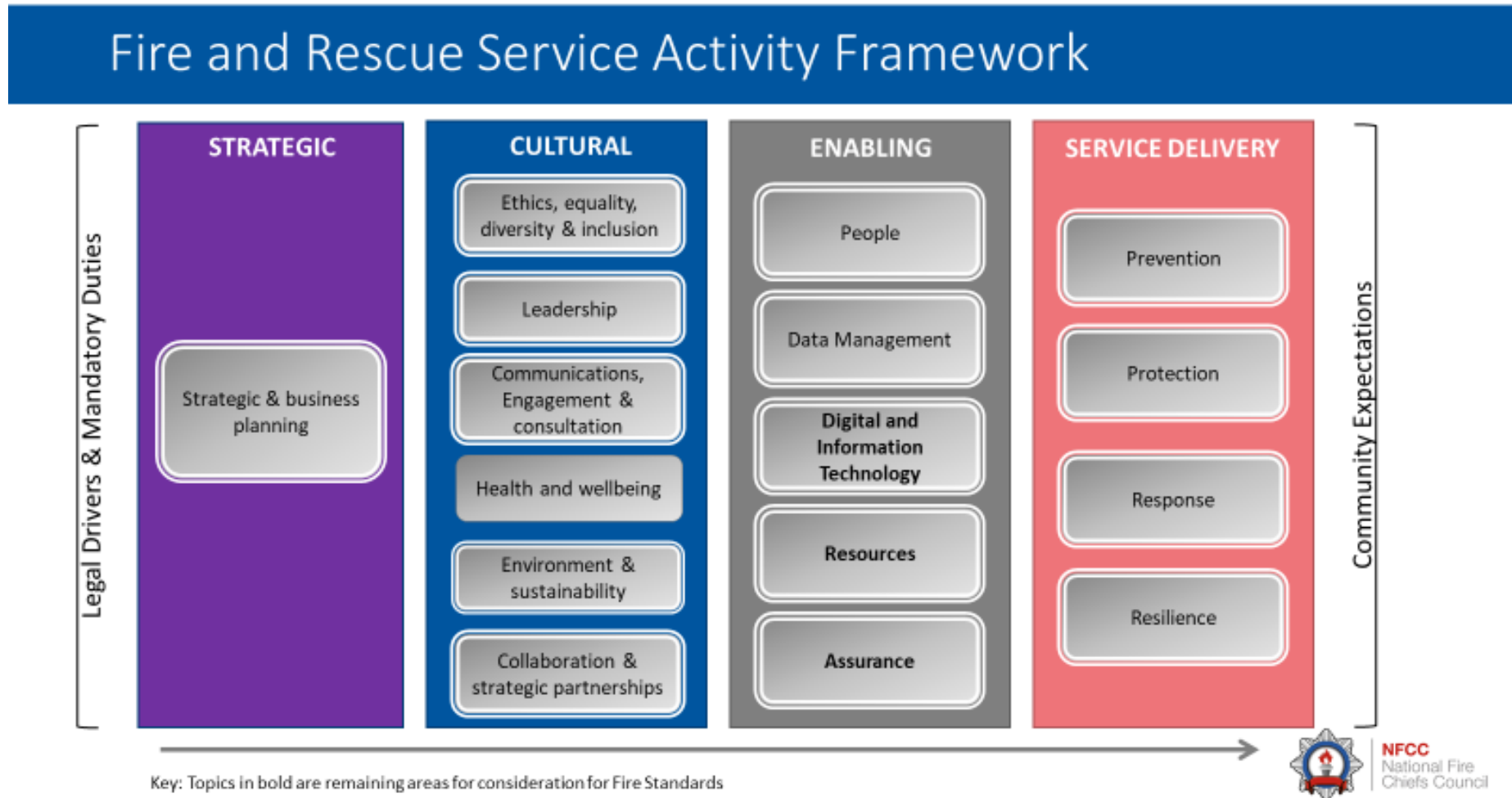
<b>Working Title of Standard</b>	Internal Governance <sup>1</sup> and Assurance
<b>Business Area/Capability (ref Activity Framework)</b>	Enabling (Resources)
<b>Sponsoring NFCC Committee/Lead</b>	To be confirmed
<b>Desired Outcome</b>	
<p>A fire and rescue service which has relevant and proportionate structures and processes in place that enable its people to perform their roles efficiently, effectively and safely.</p> <p>Operating with transparency and accountability, its leaders provide assurance to its governing body and community about the service’s performance and how it is delivering against its Community Risk Management Plan and its strategic objectives in a clear and accessible way to all audiences.</p> <p>It is an organisation with a positive working environment whose staff understand the governance processes in place. These reflect its values and are aligned to the Code of Ethics Fire Standard and the Core Code of Ethics.</p> <p>It has appropriate internal governance structures and systems of control which articulate levels of delegated authority and accountability amongst its leaders which underpin its decision-making. It has proportionate oversight of its internal activities to ensure it is compliant with appropriate legislation and standards, manages its day-to-day activities well, alongside delivering change and internal organisational development effectively.</p> <p>Its internal projects are designed to drive change and improvement to meet strategic objectives which are coordinated and successfully executed because it recognises the value of utilising specialist skills and following industry standards to lead and manage them.</p> <p>It takes a proactive approach to managing corporate risks and realises opportunities that align with stakeholder and community needs.</p> <p>It plans, reviews, and regularly evaluates what it does, enabling its people to make evidence-based decisions in a structured way at the relevant level of the organisation avoiding unnecessary internal bureaucracy.</p> <p>It has a learning culture, open to feedback and one that operates in a transparent manner.</p>	

<sup>1</sup> The term “governance” in this context does not relate to the governance applied through a governing body, but to organisational decision making and work progression that takes place at a level below a services’ governing body.



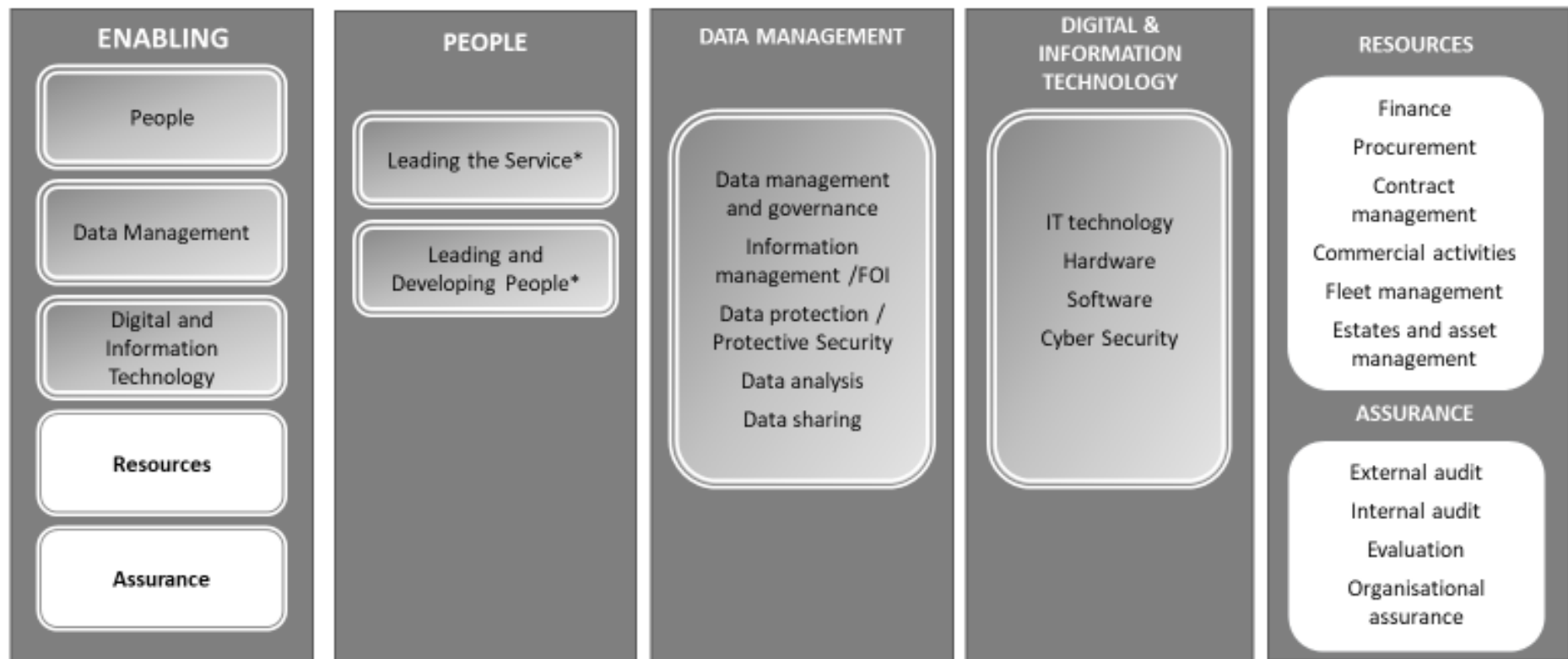
## APPENDIX B – ACTIVITY FRAMEWORK EXTRACT

Below are extracts taken from the Activity Framework as referenced in the paper.



# APPENDIX B – ACTIVITY FRAMEWORK EXTRACT

## Enabling activities - other



\*also linked to Strategic and Culture

## APPENDIX C – DRIVERS AND SCOPE

*Copied from Board Papers 30<sup>th</sup> March 2023*

### Resources Fire Standards – Drivers and Scope

At its last meeting, the Fire Standards Board agreed that work to consider the remaining areas of activity on its Activity Framework should commence. These activities fall within the “resources” category of the framework.

This document outlines the activities being considered for new Fire Standards including the intended scope of each area. The scope has been informed by early engagement with subject matter experts from services and stakeholders as part of the discovery phase of development work.

It is being shared for information with Board members and sponsoring NFCC Lead officers. It will also be shared as pre-reading and reference for our peer review group to support the next stage of development, drafting content.

There has been feedback from some stakeholders about the beneficial relationship between these activities in increasing efficiency and productivity within fire and rescue services. It is suggested that those who may be involved in drafting such Fire Standards, consider that improved efficiency and productivity may be among the outcomes of managing finance, assets, and procurement well. This will be subject to discussion as part of the development and drafting work.

### Resources – Areas of Activity and Scope for New Fire Standards

The initial scope for these new Fire Standards is summarised in the table below. The activities have currently been grouped to create three draft Fire Standards. However, as the drafting phase develops, it may be feasible to combine these into two standards or even one. We will seek to clarify this in the early drafting and peer review stages of development.

Fire Standards - Working Titles		
Financial Management and Internal Governance	Asset Management	Commercial and Procurement
<ul style="list-style-type: none"> <li>Financial management and planning</li> <li>Managing reserves and contingency planning</li> <li>Internal assurance / governance (decision making)</li> </ul>	<ul style="list-style-type: none"> <li>Fleet management</li> <li>Estates and asset management</li> <li><i>IT and Digital assets procurement and management*</i></li> </ul>	<ul style="list-style-type: none"> <li>Procurement and purchasing</li> <li>Contract management</li> <li>Commercial activities                             <ul style="list-style-type: none"> <li>Trading arms and income generation</li> </ul> </li> </ul>

## APPENDIX C – DRIVERS AND SCOPE

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*\*It has been proposed that Digital and Information Technology (IT) should be explored in the development of these Resources Fire Standards as it represents an asset to be managed by services. Whilst the subject will be considered in this context, it is important to note that the final area outstanding for consideration for a Fire Standard is Digital and IT.*

*It is intended that work will start on a Digital and IT Fire Standard in early 2024 (dependant on capacity). The proposed scope for a Digital and IT Fire Standard would be to describe how services should ensure they have good IT provision in place for their organisation, and to maximise the benefit of digital technology as well as safely managing their digital infrastructure (for example, cyber security).*

### Areas for Improvement

To help consider the need for the drafting of the proposed Fire Standards, below is a list of potential areas for improvement that are associated with “resources” activities performed by fire and rescue services. They have been gathered and collated based on feedback received through workshops with services and stakeholders to date.

This is supplemented by evaluations drawn from the NFCC Strategic Improvement Model<sup>2</sup> at page .

Challenges across all three activities:

- Limited skilled resources are available within services to support activity within services (procurement, data, asset management including fleet, IT, equipment)
- Challenges with recruiting and retaining appropriately skilled and experienced people
- Environmental and sustainability considerations and challenges cross all areas of asset management and procurement
- Services not maximising opportunities to, or benefitting from, collaboration, shared services or what a central resource could offer (such as central data hub, central procurement hub)

### Financial Management Internal Governance

- Too many meetings which are not productive because of poor internal governance, decision making processes, and internal procedures (structure and management of boards / groups below Fire Authority level)
- Insufficient internal oversight of project work and change initiatives resulting in them being delivered in silos without a broad overview for the organisation, and therefore failing to see dependencies or duplications
- Internal projects failing – often poorly scoped or managed and not achieving long term ambitions, results or improvements expected

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<sup>2</sup> NFCC Strategic Improvement Model (SIM) is used to evaluate external commentary about FRS performance to identify trends or patterns which may inform national priorities and decision making.

## APPENDIX C – DRIVERS AND SCOPE

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- Not exploring and exploiting potential funding opportunities to help address environmental requirements and targets

### Asset Management

- Poor asset management (no meaningful asset management plan)
- Upgrading of old estates (rather than investing in new estates), appliances and equipment due to limited known future funding and poor management of existing assets
- Variety of approaches adopted across services, with multiple systems used for asset management (for example, a system for estates management, one for equipment & PPE and another for ICT)
- Many systems in use are still paper based - not maximising advantages of digital systems
- Wastage and loss on equipment if not well managed
- Old and ageing estates - poor technical capabilities, not sustainable and/or environmentally friendly
- Facilities not appropriate for today's workforce (diversity challenges and equality of access to facilities)
- Potentially exposing organisation to risks due to old and ill-maintained kit and equipment, vehicles, and buildings - safety of staff and others (potential accidents and general Health and Safety concerns)

### Procurement

- Lack of skilled resources - procurement skills are marketable and services often cannot compete with competition from other sectors and organisations
- Procurement often perceived as a “dark art” and driven by fear of getting it wrong (litigation)
- Potentially current assets not meeting diverse workforce needs well due to old equipment
- Many services only just keep up with existing procurement requirements - new legislation coming which will have implications and impact
- Many services have limited or poor Supply Chain Management
- Not accounting for whole life costs of product or service
- Cheaper goods may mean unethical procurement
- Poor selection of goods may mean initial low cost, but complications or unseen costs result in higher overall cost
- Poorly managed procurement – goods purchased could be inadvertently supporting modern slavery by failure to do sufficient due diligence of supply chain
- Poor contract management – failure to establish achievements and cost savings because services fail to effectively manage contracts

## APPENDIX C – DRIVERS AND SCOPE

### NFCC Strategic Improvement Model (SIM)

Below is an extract from the NFCC SIM showing issues or areas for improvement related to “enabling” activities (sorted by the number of sources where the issue was identified).

SIM ID	SIM issue	Primary Improvement Theme	No. of sources <sup>3</sup>
SIM-006	Lack of forward financial planning and robust data	Organisational Performance Management	8
SIM-014	Lack of investment in ICT and other technologies, making services less productive less efficient	Technology and Infrastructure	6
SIM-020	Quality, quantity and timeliness of CRMPs varies significantly	Risk Management	6
SIM-038	Missed opportunity for organisations to reform working practices, more effectively deploy staff and improve the productivity of operational staff, embracing digital solutions and learning from the new ways of working during the pandemic	Organisational Performance Management	6
SIM-050	Missed opportunities to make savings and efficiencies due to services being independently led and not maximising the potential of collaborating on national products	Leadership and Governance	6
SIM-062	Inconsistent methods of analysing risk and the concept of risk being perceived differently by services leads to varying ways of identifying and prioritising risks	Risk Management	4
SIM-066	Lack of sustainable strategies and innovative approaches for managing fleet and estate assets	Organisational Performance Management	4
SIM-059	Information relevant to an incident not available or easily shared between incident commanders and Fire Control, or between services because of the variety of technology available (MDTs, command units)	Technology and Infrastructure	3
SIM-063	Outdated working practices and cultures and a lack of pace in driving reform, through good leadership in addressing this	Leadership and Governance	3

<sup>3</sup> Number of external reports or sources of information this issue was referenced in.