



LONDON FIRE BRIGADE

Decision title

## Reduction of Unwanted Fire Signals

Recommendation by

Assistant Commissioner, Fire Safety

Decision Number

LFC-0036x-D

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### Summary

LFC-0036x seeks funding from the London Safety Plan (LSP) Implementation Fund for a dedicated team of officers to focus on automatic fire alarm (AFA) reduction work and cost recovery by the Fire Safety Regulation Team.

### Decision

The London Fire Commissioner agrees to:

1. Provide £374,296 over two years from the LSP Implementation Fund to:
  - fund four 'Fire Alarm Systems Officers'
  - temporarily change an existing FRS D post to FRS E to manage the project
  - provide related training and continued development of industry co-operative practices (including a National Fire Chiefs Council connection standard)
2. Approve the revised cost recovery process (utilising the Reduction Team)
3. Approve the introduction of extended Control filtering.

Dany Cotton QFSM  
London Fire Commissioner

Date 5-12-18

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LONDON FIRE BRIGADE

Report title

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Report to

London Fire Commissioner

Date

20 June 2018

Report by

Assistant Commissioner, Fire Safety

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### Summary

This report seeks funding from the London Safety Plan (LSP) Implementation Fund for a dedicated team of officers to focus on automatic fire alarm (AFA) reduction work and cost recovery by the Fire Safety Regulation Team.

### Recommendations

The London Fire Commissioner agrees to:

1. Provide £374,296 over two years from the LSP Implementation Fund to:
  - fund four 'Fire Alarm Systems Officers'
  - temporarily change an existing FRS D post to FRS E to manage the project
  - provide related training and continued development of industry co-operative practices (including a National Fire Chiefs Council connection standard)
2. Approve the revised cost recovery process (utilising the Reduction Team)
3. Approve the introduction of extended Control filtering.

### Background

1. In November 2016, the London Fire and Emergency Planning Committee (LFEPA) Strategy Committee agreed the proposals ([FEP 2676](#)) for future Unwanted Fire Signals (UwFS) reduction initiatives, subject to LSP 2017 consultation:
  - Call filtering by Control – review the impact that filtering has had on call handling and introduce further risk-based questioning into call handling,
  - Increase the involvement of specialist Fire Safety Officers in AFA reduction,

- The threshold at which cost recovery charging will apply be reduced to eight<sup>1</sup>,
  - As part of London Safety Plan 2017 – review the application of a quality call filtering response option for uncooperative premises generating excessive AFA calls to Brigade including an alternative or supplemented emergency response, and
  - Continue working with National Fire Chiefs Council, the fire alarm and insurance industries to develop effective cooperative practices and contribute to the development of a renewed reliability and confidence in AFA systems through a 'gold standard' connection.
2. They also agreed a revised, flexible, Cost Recovery Charging Strategy which would enable LFB to recognise improvements and commitments made by responsible occupiers, but also maintain cost recovery charging for persistent offenders. In addition, they agreed that Finance should write-off or cancel unpaid invoices that were generated by the extant cost recovery strategy.

### Establishing an UwFS Reduction Team

3. We outlined in LSP 2017 our intentions in regard to cost recovery for false alarms:

*“London Fire Brigade will change its policy on cost recovery for attendance at false alarms. The introduction of charging for attendance at 10 or more automated false alarm calls at the same premises has resulted in significant reduction in demand. However, the reduction is beginning to slow down.*

*London Fire Brigade is now considering lowering the threshold at which a charge could be applied to these calls. **The Brigade is also looking at increasing the involvement of Fire Safety Officers in dealing with persistent offenders**, more robust call filtering by control officers and involvement with the fire alarm and property insurance industries to improve standards and drive further false alarm reductions.”*

4. Referring specifically to the involvement of Fire Safety Officers, whilst we would be keen to ensure liaison and engagement, having reviewed existing workloads and the level of engagement involved, a dedicated team focused specifically in this area has been determined as our preferred approach.
5. The team is required to investigate the circumstances of an AFA event in order to determine whether cost recovery can be applied. In the course of that investigation there is opportunity for them to use that information to direct practices to support future AFA reduction.
6. To avoid further impact on existing Officers, whilst continuing to best support the department aims and objectives, a dedicated 'UwFS Reduction Team' should be established through employment from external sources. To support the collection of charging data and meet the team AFA reduction objectives, a team of four staff is recommended at this time. The opportunity might best suit either fire alarm maintainers/engineers, or others with relevant fire safety or fire alarm experience, such as ex-fire safety officers. A manager at FRS E grade will be appointed to run the team and lead on discussions with the wider service nationally about UwFS reduction initiatives and opportunities.

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<sup>1</sup> Whilst the Committee recommended '3' as the cost recovery threshold, section 2.,1 details how the LSP 2017 feedback and resource implications have resulted in a final threshold recommendation of eight.

7. Whilst there are no cashable savings to be had from this proposal, it is possible to calculate the 'cost' of time spent by crews attending UwFS and provide some indicative outcomes from future reductions in UwFSs. Assuming 30 minutes of crew time spent on a UwFS, at £333 per hour, last year's UwFS equated to an equivalent cost to LFB of over £13 million. A challenging reduction target to set the team would be 10% in two years with a stretch target of 15%. That equates to between 3,967 and 5,950 fewer UwFS with a reduced opportunity cost of £1.32 to £1.98 million and saving between 2000 and 3000 'appliance' hours attending UwFSs, time that could be better spent ensuring appliances are available to respond to other incidents, undertake training, and prevention and protection activities.
8. A reduction in AFA calls would also deliver environmental and sustainability benefits – if a 10% reduction is achieved on 2017/18 figures of 39,672 AFA calls, this would equate to 9.94 fewer tonnes of CO<sub>2</sub> emissions. This would be achieved as a result of 7,395 fewer attendances by appliances to UwFSs.
9. The team would have two main roles – to steer and direct the UwFS reduction initiatives carried out by officers in local teams and by Borough Commanders and crews, and also to support the proposed AFA cost recovery processes required for those premises deemed to be 'persistent offenders'.
10. The UwFS Reduction Team will review quarterly data reports and support local teams in focussing efforts in areas that can best achieve reductions.
11. The UwFS Reduction Team will consider means to address offenders producing medium and low rates of AFA calls. An example would be to liaise with Borough Commanders and address CEOs of large organisations to achieve results, such as the Co-op where no single outlet has 'high' rates of AFA calls, but as a collective, can be in the hundreds each year. This is similar to a pan-London approach taken by **Shut-in-Lifts (SiL) work** that has proven extremely effective.
12. The UwFS Reduction Team might also consider ways to address those premises producing less than five UwFS a year. Potentially using mailshots, working with industry, and generally developing ways to get the right AFA reduction messages across, without having to tie-up valuable resources through physical revisits of premises that do not obviously have poorly managed/ performing systems or high fire safety risk.
13. Training considerations include new exams provided by the Fire Industry Association (FIA) on fire alarm design through to management. Further in-house training will then allow UwFS reduction team staff to support local teams and crews with the intention to re-introduce watch manager training on AFA reduction.
14. In order to deliver this, Fire Safety is requesting £374,296 over two years from LSP Implementation Fund to support the recruitment of four Fire Alarm System Officers. These posts will be graded FRSC and will be offered as two-year fixed term contracts. An existing FRS D post would receive a temporary upgrade to FRS E to manage the project.

15. The total costs for the four posts/project is broken down below:

	<b>Unit Cost</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Total Cost</b>
<b>FRS C</b>	£40,101	£160,404	£160,404	£320,808
<b>Temp Upgrade to FRS E</b>	£6,699	£6,699	£6,699	£13,398
<b>Uniform Kit (see list)</b>	£648	£2,590	£1,500	£4,090
<b>Travel Costs (est.)</b>	N/A	£12,000	£12,000	£24,000
<b>Training and Qualification</b>	£1,000	£4,000	£8,000	£12,000
	<b>Total</b>	<b>£185,693</b>	<b>£188,603</b>	<b>£374,296</b>

*UwFS – Cost Recovery Charging Process*

16. Charging (cost recovery) can be applied where a premises is non-domestic and not otherwise excluded from the cost recovery process as per Sections 18A-18C of the Fire and Rescue Service Act 2004. Strategy Committee recommended that the threshold level for cost recovery should be set at three calls (to mirror the shut-in-lift charging policy). However, this did not fully consider the disproportionate increase in numbers of visits required and workload implications of reducing the charging threshold. Therefore, a phased and incremental approach to reducing the level to three calls is outlined below.
17. A phased approach would avoid the need to employ significantly more staff to manage the impact of a large amount of additional work in producing and pursuing charging that would result from moving the threshold from ten AFAs to three in one step. Other efforts to reduce the numbers of UwFSs referenced in this paper open up the possibility of reducing the threshold further when UwFS rates have reduced and thereby reducing the administrative burden associated with this change. DMB supported a phased approach proposal that the threshold for charging is reduced from ten to eight UwFS in a 12-month period, with the threshold to be kept under review.
18. The data below shows the impact of reducing the threshold from ten calls, to eight and to three, together with the impact on resources required to administer the change (2017/18):

Cost recovery Threshold	No. of Premises	Increase in premises	No. of AFAs	Increase in AFAs	No. of potential invoices	*Max recovery (reality less)	**Weeks spent @ 1 hr per UwFS
10+	437	N/A	6,947	N/A	209	£69,597	198
8-9	717	280 (164%)	9,318	2,371 (134%)	280	£93,240	266
3-7	4,057	3,620 (928%)	23,220	16,237 (334%)	696	£231,768	663

\* 'Max recovery' indicates the potential return to be viewed against the additional demand of dealing with many more premises. The reality is only 10% of possibly chargeable AFAs are likely to be chargeable and recovery is further reduced by the flexibility of cost recovery application – see 2.8.

\*\* Uses 'No of AFAs' divided by 35 hours per week to calculate a basis to account for the time spent collecting data for each UwFS, calculating whether chargeable and negotiating reduction plans.

19. If the threshold at which cost recovery is applied is dropped to eight, automatic warning letters for occupiers will be sent when they reach three AFA calls.

20. Premises occupiers must have received communication about a potential charge for persistent AFA calls. Where a charge may start to be applied after the eight calls threshold, additional information must also be collected (on all the AFA calls) to determine that an incident actually meets the new chargeability criteria, as shown below.

*Chargeability criteria – Piloting exercise and results*

21. A summary of the basic AFA causes is shown below. Based on legal advice, our ability to apply cost recovery in accordance with Section 18 A – 18 C of the Fire and Rescue Services Act 2004 will require the collection of significant additional information over and above this basic cause.

22. A pilot exercise was carried out in February 2016 using these causes and the additional information collected by Crews at these AFA Calls. This determined that we are likely to only be able to charge for false alarms in very limited circumstances. The pilot findings indicate that, based on the cause of AFA calls:

- 1% of AFAs would qualify as potentially chargeable (would need to meet the minimum quantity).
- 72% would not be chargeable, and
- around 20% could be chargeable based on the provision of more detailed information.
- A further seven percent can't be determined.

23. Based on the new chargeability criteria and this limited pilot the potential for annual cost recovery income in future years was extrapolated from annual estimates and reported to Strategy Committee as:

<b>Estimate of cost recovery application (updated to reflect latest AFA data and £333 per incident) NB: Actual Invoices will be significantly reduced through application of flexible cost recovery</b>				
0.9% UwFS are chargeable	10% of the 21.3% of possibly chargeable UwFS	70.8% not chargeable	6.9% not determinable if chargeable	Total estimated chargeable UwFS
£20,646	£48,951	£1,637,694	£159,507	£69,597

24. The very limited cost recovery potential meant that the cost benefits of maintaining the practices in policy PN848 or delaying crews further at AFA calls to gather the additional information to determine whether the chargeability criteria could apply was prohibitive.
25. Liaising with the local teams, UwFS reduction team will determine if AFA reduction plans and actions (ie investment in new fire alarm systems, detection methods, filtering on site) can be agreed with these frequent producers for flexible charging to apply. If so - these may warrant suspension of cost recovery charges for a period and these can be agreed. Where cost recovery has been suspended, the UwFS Reduction Team will submit a report to the FSR DAC informing of the basis for suspension of the cost recovery charges. In addition, the report will include details of current premises where flexibility is applied and details of their performance in respect of the agreed action plan targets.
26. The support provided by finance in AFA cost recovery will remain as under the original process.
27. FSR Admin staff will be utilised by the UwFS Reduction Team as necessary in order to upload documents recording actions to premises files. The FS13 job will continue to be used by local teams to manage UwFS issues and the UwFS Reduction Team will ensure an FS13 is in place where necessary to support any action they undertake to recover AFA costs.

*Unco-operative premises*

28. Responses to the consultation under LSP2017 recommended one further option on punitive action on premises that produced persistent UwFS. This was to openly publicise the failure of those who fail to control their excessive UwFS.
29. There was no support for alternative response to that provided currently by crews. There was considerable support for punitive fines and a low threshold of application.

*Developing a NFCC Connection Standard FSR AFA Response*

30. FSR Policy are working with the NFCC and fire alarm industry contacts to develop and introduce a guaranteed AFA response standard. This will be based on the successful and long-standing security response standards developed by ACPO (now NPCC – the National Police Chiefs' Council). The response will require specific connection standards (supported through third Party Accreditation) in system design, installation, maintenance, management and the allocation of a bespoke connection for a cost price.

## Finance comments

31. This report recommends that a UwFS Reduction Team is introduced at a total cost of £374k over a two-year period. This will be funded from the LSP Implementation reserve.
32. In 2016/17 a total of £373k in debt for charges raised in respect of call outs to automatic fire alarms (AFA) was written off (FEP 2676).
33. At paragraph 1.3, this report provides a benefit value if a dedicated team of officers were employed and a challenging reduction target set for the team. It envisaged that the expected reduction in UwFS would be between 3,967 and 5,950, which would equate to a potential reduction of between £1.32m to £1.98m in crew time. It should be noted that this demonstrates the financial value of the time saved on these activities and would not be cashable saving.
34. It should also be noted that based on the pilot exercise it is only expected that 0.9% of AFA calls will be readily chargeable and that a charge may only be possible for a further 19.4%. This could generate total annual additional cost recovery income of up to £70k, however the actual amount recovered would be less due to the application of flexible cost recovery. Any income that is generated could be used to offset part of the potential £374k reserve draw and will be reviewed as part of the regular financial monitoring process.

## Workforce comments

35. The report has been shared with and acknowledged by representative bodies, with no comment received. The Commissioner's Cultural Change team have sought confirmation that the newly-created roles could not be filled from existing Fire Safety staff groups prior to any external recruitment exercises. That confirmation was given.

## General Counsel

36. In accordance with Section 5A Fire and Rescue Services Act 2004 (FRSA 2004), the London Fire Commissioner, being a 'relevant authority,' may do 'anything it considers appropriate for the purposes of the carrying- out of any of it's functions...'
37. The statutory power to charge for attendance at AFAs is provided by Sections 18A-18C FRSA 2004. Under Section 18A, a fire and rescue authority may 'charge a person for any action taken by the authority (a) in the United Kingdom or at sea or under the sea and (b) otherwise than for a commercial purpose'. This power is subject to the provisions set out in the remainder of S18A and in S18B FRSA 2004.
38. S18B(3) FRSA 2004 provides that a fire authority may only charge for action taken in response to a report of a fire or explosion if S18C applies to the report.
39. In accordance with S18C FRSA, a fire authority can charge for action taken in response to a report of fire when:
  - The report is of fire at premises that are not domestic premises
  - The report is false
  - The report is made as a direct or indirect result of warning equipment having malfunctioned or been misinstalled and



- There is a persistent problem with false reports of fire at the premises that are made as a direct or indirect result of warning equipment under common control having malfunctioned or been misinstalled.

40. If the above criteria are met, the fire authority is empowered to charge for responding to a false report of fire. In accordance with S18A(5) FRSA 2004, when setting the amount of the charge, the LFC must 'secure that, taking one financial year with another, the authority's income from charges does not exceed the cost to the authority of taking the action for which the charges are imposed.'

### **Sustainability implications**

41. A reduction in attendance at AFAs would deliver environmental benefits, primarily in the carbon and air quality impacts of LFB fleet attending these premises. Section 8 refers a 10% reduction on 2017/18 figures of attendance to AFA calls, would equate to 9.94 fewer tonnes of CO2 emissions

### **Equalities implications**

42. The Public Sector Equality Duty – and the potential impacts of this decision on those with protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, gender, religion or belief, sexual orientation) – has been considered by the London Fire Commissioner. This proposal has a neutral impact – there is no specific data to suggest that UwFS adversely affect diverse businesses. However, this additional function will deliver increased business engagement and understanding of our role as a better regulator to encourage compliance by consent, whilst also assisting our corporate social responsibilities.