

## APPENDIX A

### SPECIFICATION FOR THE SUPPLY OF CONSULTANCY SERVICES FOR PHASE 2 OF THE ECONOMIC & SOCIAL VALUE OF THE UKFRS PROJECT

<b>1. Introduction</b>	<p>The NFCC has committed to producing a range of national products to enable fire and rescue services to assess, plan and mitigate community risk which is delivered through the Community Risk Programme. The programme has created the Economic &amp; Social Value of the UKFRS project to provide a national set of tools for FRSs to use to determine the economic and social value of its prevention, protection, and response activities.</p> <p>This enables FRSs to understand where its activities will deliver the greatest value and benefit and provides a nationally endorsed NFCC product that can be used when engaging stakeholders and informing national processes such as inspection programmes or comprehensive spending reviews.</p>
<b>2. Background</b>	<p>The ESVoUKFRS Project was commissioned to deliver a methodology that could be used in the CRP toolkit which would enable services to understand the economic and social value of FRS activities. More importantly, it would incorporate prevention, protection, and response activities to ensure the wide range of work undertaken by the UKFRS was considered. The Project will deliver an evidence base which can be used to inform funding and investment decisions at not just an individual Service level but also a national level too. Underpinning the evidence base will be a robust set of metrics and methodologies to understand the value of the UKFRS that will support stakeholder engagement and processes undertaken with FRSs and the NFCC.</p> <p>The Project has been working with Home Office Economists to prevent the duplication of work, taking into account the work of the Home Office in producing the Economic &amp; Social Cost of Fire Report. In addition to this, the Project has commissioned subject matter experts to develop possible approaches to examine the costs and benefits of the UKFRS based on social value or social impact of its activities.</p> <p>The project has completed phase 1, This specification is for Phase 2 which will develop the final toolkit and an initial report, building on the outputs from Phase 1.</p>
<b>3. Scope of the work</b>	<p><b>Methodology for measuring the economic value of emergency responses to fire and non-fire incidents. This must include:</b></p> <ul style="list-style-type: none"><li>• A detailed methodology to quantify the value of the FRS responses to fire and non-fire incidents, based on data from preceding years. These incidents will include but not be limited to:<ul style="list-style-type: none"><li>○ Dwelling Fires (House, Flat, High Rise)</li><li>○ Non-Dwelling (In line with the FSEC categories)</li><li>○ Road Traffic Collisions</li><li>○ Water Rescue</li><li>○ Hazardous Material Incidents</li></ul></li></ul>

	<ul style="list-style-type: none"> <li>• Methodology must be scalable so that it can be used at a local level (individual Fire Service), regionally and nationally.</li> <li>• Technical descriptions of the econometric and other properties of the methodology.</li> <li>• Understanding the value of response times against incident outcomes (Consequence – Saved Property, Saved Lives, Severity of Injury).</li> <li>• Identification of the data sets (including sharing arrangements or licensing required for external sources) required to run the methodology.</li> <li>• Explanations on how to correctly interpret the economic benefits that are estimated with the approach.</li> <li>• Clear explanation as to any limitations of using the approach.</li> <li>• Any necessary weightings required to be applied to the methodology i.e. urban, semi urban, and rural.</li> <li>• Comprehensive guidance for end users detailing how the methodology should be applied.</li> </ul> <p><b>Methodology for estimating the economic and social value of Protection and Prevention activities: This must include:</b></p> <ul style="list-style-type: none"> <li>• A detailed methodology for estimating the factors by which the inputs of prevention and protection work should be multiplied for an estimation of the economic and social value of these activities (Based on Social Return on Investment Model). These activities will include but not be limited to: <ul style="list-style-type: none"> <li>○ Prevention – Safe &amp; Well</li> <li>○ Prevention – Road Traffic Collision</li> <li>○ Prevention – Water Safety</li> <li>○ Prevention – Falls Response</li> <li>○ Protection – Inspections</li> <li>○ Protection - Audits</li> <li>○ Protection – Site-Specific Risk Information</li> </ul> </li> <li>• Economically relevant definitions/taxonomies of the inputs and outputs of prevention and protection work of the FRS.</li> <li>• Methodology must be scalable so that it can be used at a local level (individual Fire Service), regionally and nationally.</li> <li>• A list of required data sets (including sharing arrangement or licensing) that are required to run any of the proposed methodologies. <ul style="list-style-type: none"> <li>○ Where data does not exist, propose research required to generate the data requirements.</li> </ul> </li> <li>• Comprehensive guidance for end users detailing how the methodology should be applied.</li> <li>• Clear explanation as to any limitations of the approach.</li> </ul> <p>The products delivered in Phase 2 should be compliant with national:</p> <ul style="list-style-type: none"> <li>• FRS legislation across the UK.</li> <li>• FRS Frameworks across the UK.</li> <li>• Existing nationally agreed terms and definitions (both single and multi-agency).</li> </ul>
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	<ul style="list-style-type: none"> <li>NFCC Position Statements / Guidance.</li> </ul> <p>To support achieving this, support will be provided by the Programmes Technical Working Group who are Fire &amp; Rescue Service employees with knowledge of the statutory and framework expectations placed on UKFRSs.</p> <p><b>Deliver an initial Economic and Social Value of the UK Fire and Rescue Services report</b></p> <ul style="list-style-type: none"> <li><b>The report must show separate values by activity for UK, England, Scotland, Wales, and Northern Ireland</b></li> </ul> <p>The final product is intended to be used by:</p> <ul style="list-style-type: none"> <li>those responsible for implementing risk management within FRSs e.g.: Community Risk Managers.</li> <li>those responsible for evaluating the cost benefit or value of activities within FRSs.</li> <li>those who need to manage risk for the FRS e.g.: Community Fire Officers</li> <li>those needing to evaluate the FRSs practices in managing risk e.g.: HMICFRS, HSE, Home Office</li> </ul>
<b>4. Objectives</b>	<p>To develop methodologies which can be utilised by local fire and rescue services, the NFCC and stakeholders to indicate the economic and social value of the UK Fire &amp; Rescue Service.</p> <ul style="list-style-type: none"> <li>The methodologies should cover activities undertaken by the UK FRS across prevention, protection, and response (See section 3 of specification for specific activities).</li> <li>Provide detailed explanations to support end users in the application of the methodologies when determining economic and social value.</li> </ul>
<b>5. Detailed requirements</b>	<p>The contractor will assist the CRP with the delivery of the ESVoFUKFRS project by using their experience, knowledge, and skills to perform the following tasks, the project delivery should take no longer than 6 months</p> <p><b><u>Planning</u></b></p> <ul style="list-style-type: none"> <li>Production of a proposal detailing Phase 2 work.</li> <li>Site visits to three fire and rescue services (Familiarisation visits).</li> <li>Produce a detailed work plan of the work to be carried out to enable the project manager to develop the project plan and arrange engagement activities accordingly.</li> <li>To engage with the Technical Working Group to support the development of the work plan and proposal.</li> </ul> <p><b><u>Data and Research</u></b></p> <ul style="list-style-type: none"> <li>Detailed list of data sets required which will be procured by the project.</li> <li>Identification of any necessary research required.</li> <li>Identification of any further resource requirements.</li> </ul> <p><b><u>Initial Development</u></b></p> <ul style="list-style-type: none"> <li>Completion of the development of the methodologies</li> <li>Research proposals completed</li> </ul>

	<ul style="list-style-type: none"> <li>• Demonstration of the methodology (proof of concept) utilising some key data and provided to the Project board for consideration.</li> </ul> <p>Tollgate 1: Once initial development is complete the project board will determine if the deliverable meets the requirements and make go/no go decision to proceed with full development. If the board decides not to continue the contract will be terminated at this point.</p> <p><b><u>Development</u></b></p> <ul style="list-style-type: none"> <li>• Completion of the development of methodologies which have required research to be undertaken</li> <li>• Initial development of templates or tools</li> <li>• User Acceptance Testing of toolset</li> <li>• Pilot report utilising minimum 3 FRSs from differing economic/social areas (e.g. rural, urban, mixed)</li> <li>• Review feedback received from all the strategic boards and carry out any amendments in consultation with the Technical Working Group to address requirements and obtain approval from the project board</li> <li>• Assist the project team in developing a Quality Management System to ensure currency of the glossary.</li> </ul> <p>Tollgate 2: Project board will review the output of the pilot and the User acceptance testing. Decision will be made if further development/refinement is required or if project can proceed to full delivery.</p> <p><b><u>Final delivery</u></b></p> <ul style="list-style-type: none"> <li>• All products delivered as per this specification, including. <ul style="list-style-type: none"> <li>○ All methodologies and toolset</li> <li>○ Project will have completed Peer Review and Consultation.</li> <li>○ All supporting documentation</li> <li>○ Comprehensive guidance for end-users detailing how the methodology should be applied</li> <li>○ Clear explanation as to any limitations of the approach</li> <li>○ Full report</li> <li>○ Project to be signed off by Project &amp; Programme board</li> <li>○ Products to be signed off and adopted by NFCC project board.</li> </ul> </li> </ul> <p><b><u>Implementation support requirements</u></b></p> <ul style="list-style-type: none"> <li>• The project output should support delivery against the NFCC strategic commitment 'Assessing Community Risk' and 'Finance'.</li> <li>• The product should be able to be implemented in all UK FRS and agnostic of administration, geography, workforce etc.</li> <li>• The product should be scalable and useable at a national level</li> <li>• Actively signpost the project team to any other guidance, legislation, best practice, etc. they might not be aware of.</li> <li>• Weekly meetings with the project manager to discuss progress and resource requirements.</li> </ul>
6. Deliverables	1. Methodology for measuring the economic value of emergency responses to fire and non-fire incidents.

	<ul style="list-style-type: none"> <li>• Understand the value based on consequence i.e. saved property and lives etc.</li> <li>• Should provide the ability to understand value utilising different service delivery models i.e. Crewing Levels.</li> <li>• The data required to use the methodology.</li> </ul> <p><b>2. Methodology for estimating the economic and social value of Protection and Prevention activities.</b></p> <ul style="list-style-type: none"> <li>• Adopting the Social Return on Investment Model</li> <li>• The data required to use the methodology.</li> </ul> <p>As a caveat, it is recognised that in the process of econometric work, problems may appear that cannot be foreseen prior to starting the analysis. There are various econometric quality tests, and it may be the case that the originally envisaged econometric model in Phase 1 fails according to one or multiple of those criteria. If this turns out to be the case, the model would need to be adjusted and as a result the final model will include different explanatory and control variables. It may also be the case that other data is found to have a higher predictive potential than the explanatory and control variables identified in Phase 1, this may lead to a modification of the econometric model in Phase 2. It is therefore important that all assumptions are tested as the econometric model proposed by the Phase 1 report is based upon a number of assumptions/intuitions that must be tested. Where this is found, a meeting will be convened at the earliest opportunity to agree the way forward.</p> <p><b>3. Identification of suitable software to implement methodologies</b> Recommendation and delivery of recognised, accessible software e.g. spreadsheet solution to UK-wide FRSs and wider public sector (Home Office/HMICFRS) to apply methodologies with datasets provided. Where possible, templates to be generated to reduce errors in implementing methodologies.</p> <p><b>4. An initial report using the methodology/toolset to show the economic and social value of the UK Fire and Rescue Services</b> This report must cover whole of UK FRS and be able to show individual detail for England, Scotland, Wales, and Northern Ireland</p>
<p><b>7. Deliverables Acceptance Criteria</b></p>	<ul style="list-style-type: none"> <li>• Methodology must meet requirements as agreed during planning stage</li> <li>• Methodology must include all protect, prevent, and respond activities identified as key activities</li> <li>• Methodology must be scalable from individual FRS up to national organisation levels</li> <li>• Methodology must take into consideration economic and social variables and allow for regional differences (e.g. able to adjust for differences in property valuation, location weightings for inner city areas)</li> <li>• Approval by all strategic boards following evaluation by UK FRS staff</li> <li>• Any solution enabling FRS users to create reports must pass user acceptance testing, success criteria to be agreed during UAT planning stage</li> <li>• Guidance must be in easy-to-understand language and contain examples where required to assist comprehension. Guidance must include how to</li> </ul>

	<p>interpret the results, any limitations to the methodology and instructions on how to utilise any toolset</p> <ul style="list-style-type: none"> <li>• Methodology must be validated by external experts (NFCC to select external validator)</li> <li>• The project board must be satisfied that the methodologies support all UK FRS in understanding the economic and social value of their prevention, protection, and response activities.</li> <li>• The project executive for the ESVoFUKFRS will be responsible for the acceptance of deliverable</li> </ul> <p>Delivery acceptance criteria may be reviewed and amended and agreed as required following initial planning stage, tollgate 1 and tollgate 2.</p>
<b>8. Intellectual Property rights (IPR) and Disclosure</b>	NFCC will retain ownership of any Intellectual property rights relating to methodology and any other output of the project
<b>9. Contract Management</b>	<p>The project manager will be responsible for service delivery monitoring and will be the principal liaison with the contractor. Service delivery assurance will be provided to the Authority as appropriate. All other contract management elements reside with the Authority, including change requests and dispute management. Regular updates will be required by the contractor at the project board. The Board meets monthly at mutually convenient locations and as required by the Project Manager.</p> <p>Any changes on the supplier's management of the project must be communicated in writing to the project manager to be included in the ACCRID log.</p> <p>Payment will be made in tranches following successful completion of the following stages:</p> <p>Tollgate 1 (Initial development, planning and research complete)</p> <p>Tollgate 2 (development complete)</p> <p>Project completion</p>
<b>10.Contract Termination</b>	The contract will terminate once products are delivered following user acceptance on agreement with project executive.