

## SERVICE REDESIGN PROGRAMME PROGRESS REPORT

### SUMMARY

1. Members are reminded that the Service Redesign Programme (SRP) will review all aspects of service delivery, excluding front-line fire station based emergency response, which has been subject to a separate review via an Operational Efficiency Programme (OEP) during 2013/14. The goal of the SRP therefore is to identify opportunities to make Service support and delivery more efficient, responsive and flexible in order to help meet the challenges we face.
2. Whilst no direct financial targets have been applied, it is expected that deliverable outcomes will make a significant contribution to mitigate the risk of further reductions in external financial support. Reports updating Members on the budget position 2015/16 onwards were considered at the September, October and December 2014 and February 2015 HFA meetings.
3. Members are reminded that in broad terms the budget for 2015/16 is balanced, the deficit for 2016/17 is circa £1.7m and the deficit for 2017/18 is £3m. It is also timely to remind Members that the Authority has suffered a £7.5m or 28% reduction in support from Government over the period 2011/12 to 2015/16. It is anticipated that further reductions in support will be announced in the provisional settlement expected December 2015, for the period 2016/17 onwards. Indeed, prior to this the Chancellor's July 2015 Budget Statement may also allocate in-year 2015/16 funding reductions. No further details are known at this stage.
4. The first phase of review work undertaken by the Service Redesign Team has been to establish the optimum number of Officers to fulfil our specific requirements for incident command and other specialist emergency response functions, resourced predominantly through the Flexible Duty System (FDS). At the HFA meeting 16 February 2015 Members approved a range of options, including reductions in the number of operational managers, for incremental implementation by the Chief Fire Officer and Chief Executive.
5. Following the HFA meeting 16 February, joint CMT and middle manager planning exercises have been employed to establish an optimum Functional Management structure, based around an overall reduction in management layers and numbers. The outcome of this work is a CMT approved 'transitional structure', enabling incremental reductions of uniformed managerial posts in line with our retirement profile. This work-stream has now progressed to the implementation stage.

### RECOMMENDATIONS

6. (a) That Members note the progress that the Chief Fire Officer and Chief Executive has made in the incremental implementation of options to reduce the number of uniformed operational managers, within a new optimal functional management structure.
- (b) That Members approve that progress reports will be brought before the Authority at appropriate stages of the SRP.

## BACKGROUND

7. At the Fire Authority meeting on 16 February 2015 Members were presented with the outcomes of engagement and consultation regarding the future resourcing and delivery of Incident Command and Specialist (emergency response) Functions and a range of CMT recommended options. Members subsequently approved a range of options, to be implemented incrementally by the Chief Fire Officer and Chief Executive, at an optimum time and in line with retirement profiles (HFA Minute 4764 refers), namely:
- (a) A reduction in Group Managers from 12 to 8
  - (b) A reduction in FDS Station Managers from 20 to a minimum of 16
  - (c) Removal of a maximum of 10 Station Manager Day Duty posts
  - (d) A maximum 20 of 46 Day Duty Watch Manager posts are assimilated into Flexi Watch Manager posts.
  - (e) Change to Command Unit crewing arrangements.  
*Members are advised that a CMT decision has been taken to re-locate the Command Unit from Calvert Lane Fire Station in Hull to the new build fire station site at Brough, where it will be crewed by On-call firefighters. Plans for the new building have been adjusted accordingly. It is also anticipated that our Incident Command School instructors will utilise the Command Unit in their training delivery programme for operational officers and provide specialist emergency incident support.*
8. Having identified achievable management efficiencies for Incident Command and Specialist Functions the Service Redesign Team engaged with the Corporate Management Team (CMT), Group Managers and non-uniformed Grade 13 Managers to consider an efficient and effective functional management structure taking account of the opportunities presented from the Incident Command and Specialist Functions review to reduce managerial posts. This exercise resulted in the development of a transitional structure, which will be implemented by the end of September 2015. A schematic of the transitional structure is available to Members on request.
9. It is anticipated that cumulative salary savings will be achieved as follows:

<b>Financial Year</b>	<b>£m</b>
2016/17	1.00
2017/18	1.56
2018/19	1.70

10. A review of implementation progress and any arising issues relating to the transitional structure will take place September/October 2015, further internal engagement regarding the next stage of reductions in uniformed managerial posts will take place concurrently.
11. It is also timely to remind Members that, following a 9 month Chief Fire Officer and Chief Executive led trial, at the Fire Authority meeting 16 February 2015 Members approved a revised structure for the Area Manager/Director and Assistant Chief Fire Officer/Executive Director managerial tiers, realising further annual savings of circa £250k from the senior management pay budget. (HFA Minute 4762 refers)

## NEXT STEPS

12. The next phases of SRP activity will focus upon administrative and data management requirements to support the transitional structure. This review area is predominantly of non-uniformed/support functions that are required to support emergency response, public safety and organisational development.

13. Migration to a new organisational structure presents clear opportunities to review areas where support activity can be rationalised. An on-going but so far successful trial of a transactional activity based 'Service Support Centre' incorporating elements of HR, Finance and Resource Management activity is now a catalyst for encompassing other transactional functions currently performed in diverse geographical locations, which will offer up further opportunities for consideration around organisational structure.
14. The outcomes of the next phases of SRP activity are likely to result in options being presented to CMT which support the removal of some non-uniformed posts, within an environment where the retirement profile for these staff members is less conducive to a natural reduction in the size of the workforce, within a reasonable time period.
15. An on-going review of the Service Control Room is approaching completion and a report outlining some potential options for engagement and consultation will be made to CMT, via the Chief Fire Officer and Chief Executive in August 2015.
16. Other service delivery specific reviews of efficiency and effectiveness will also take place over the next twelve months, focusing on alternative or innovative approaches within our delivery and support directorates. It is anticipated that a number of support and delivery initiatives and updates will be reported to Members during this HFA cycle of meetings:

<b>Review Area</b>	<b>Indicative HFA Reporting Timeline</b>
Service Control resourcing and delivery options.	25 September 2015
Administrative and Data Management provision to support functional management structures, incorporating the role of the Service Support Centre.	23 October 2015
Emergency Response and Preparedness, delivery and resourcing options.	11 December 2015
Public Safety and Community Preparedness, delivery and resourcing options.	18 March 2016
Personal Development and Training, delivery and resourcing.	18 March 2016

17. Members will also be aware that, due to increasing pressure to mitigate reductions in external funding it may inevitably require further exploration of efficiency options within the emergency response arena. Further detail will be brought to the Authority when the next spending review figures are released.

#### STRATEGIC PLAN COMPATIBILITY

18. This review supports Strategic Objective 4 'Making the best use of the resources we have' within Strategic Plan 2014/17 and 2015/18.

#### FINANCIAL/RESOURCES/VALUE FOR MONEY IMPLICATIONS

19. (a) The SRP will inform the Authority whether the Service can be managed and supported more efficiently and therefore enable Members to release savings as a result.
- (b) Any savings identified will contribute to mitigating the budget deficit predicted for 2016/17 and beyond.

- (c) Once the details of the next Spending Review are known there may be a need to re-visit options that were not approved in the Operational Efficiency Programme, this will be reported to the Authority in due course.

#### LEGAL IMPLICATIONS

20. None arising directly. Suitable legal advice regarding employment law will be sought where necessary.

#### EQUALITY IMPACT ASSESSMENT/HR IMPLICATIONS

21. (a) An equality impact assessment is completed prior to commencement of any consultation. Suitable legal advice regarding employment law will be sought where necessary.
- (b) Specific HR implications arising from any potential efficiency options will be managed internally; additional professional advice will be obtained where appropriate.

#### CORPORATE RISK MANAGEMENT IMPLICATIONS

22. The Service Redesign Programme is a mitigating action for the Strategic Risk relating to reductions in external funding.

#### HEALTH AND SAFETY IMPLICATIONS

23. None arising directly. Options relating to operational spans of control have been predicated upon the National 'Incident Command System'.

#### COMMUNICATION ACTIONS ARISING

24. A communication plan is in place to deal with any media enquiries arising from this process.

#### BACKGROUND PAPERS AVAILABLE FOR ACCESS

25. Transitional organisational structure schematic.

#### RECOMMENDATIONS RESTATED

26. (a) That Members note the progress that the Chief Fire Officer and Chief Executive has made in the incremental implementation of options to reduce the number of uniformed operational managers, within a new optimal functional management structure.
- (b) That Members approve that progress reports will be brought before the Authority at appropriate stages of the SRP.

**DENE SANDERS**

Contact Officer: GM Simon Rhodes ☎ 01482 567479  
Corporate Planning and Service  
Redesign Programme Manager

Humberside Fire & Rescue Service  
Summergroves Way  
Kingston upon Hull

16 June 2015