

Public Value Review Update

Report of the Chief Fire Officer

For further information about this report please contact John Redmond, Chief Fire Officer, on 01743 260201 or Andy Johnson, Assistant Chief Fire Officer, on 01743 260204.

1 Purpose of Report

This report provides a summary of progress against the agreed outcomes, as set out within the Fire Authority's Public Value review undertaken in 2010.

2 Recommendation

Members are recommended to note progress to date.

3 Background

At the outset of 2010 the Fire Authority commissioned a Public Value review of the Service to assess and address the impact of both the recession and the Coalition Government's austerity measures upon the Service. The Member-led review, through a structured process of staff and public engagement, sought the views, opinions and support of staff, united into a single team, to form a collective strategy to address the projected budget cuts.

4 Public Value Outcomes

The Public Value review identified a range of initiatives, which, if successfully managed and implemented, will result in an incremental and controlled 25 percent reduction of the Fire Authority's budget over a four-year period (2011 to 2015). These initiatives predominantly take advantage of natural staff turnover to secure savings, whilst maintaining, without significant reduction, frontline services to the community, as detailed within the Authority's Integrated Risk Management Plan (IRMP).

Essentially, and in accordance with earlier directions from Members, the proposals allowed for a gradual budget reduction (estimated in 2010 at £2.7m to £2.9m in cash terms), whilst to date avoiding compulsory redundancies, maintaining all fire stations and alleviating the necessity for merger with one or more other fire authorities.

Appended is a summary of the previously agreed four-year Public Value programme.

The savings achieved / earmarked through the Public Value review are independent of those additional savings identified through the more recent IRMP 2020 Strategic Planning Process.

5 Public Value Years 1 and 2 (2011/12 and 2012/13) Review

A review of the first two years of the Public Value review has been previously presented and noted by the Audit and Performance Management Committee.¹

6 Public Value Year 3 Initiatives (2013/14)

The Public Value review has sought to maximise savings through aligning, where possible, initiatives to projected staff turnover, whilst limiting the impact on the Fire Authority's IRMP.

A summary of Year 3 savings is set out in the table below. The progress with implementation and the consequent impacts, from each initiative, are discussed in the remainder of this section.

| Public Value initiatives Year 3 (2013/14) | Forecast Reduction £ | Actual Reduction £ |
|---|---------------------------------|-------------------------------|
| End to permanent crewing of rescue tender (from 1 January 2014) | £80,000 | £80,000 |
| Reduction of 2 non-uniformed posts | £50,000 | £50,000 |
| Reduction of 5 Retained Duty System posts | £30,000 | £30,000 |
| Reduction in smoke alarm budget | £75,000 | £75,000 |
| Reduction of 1 training instructor post | £43,000 | £43,000 |
| Reduction in Capital Programme | £160,000 | £160,000 |
| Reduction in building maintenance budget | £50,000 | - |
| Reduction of 1 Brigade Manager post | £100,00 | £100,00 |
| Total | £588,000 | £538,000 |

Public Value Savings Year 3

End to permanent crewing of the rescue tender (RT)

The most significant initiative for Year 3 has been the cessation of permanent crewing of the RT.

¹ <http://www.shropshirefire.gov.uk/sites/default/files/fra/13-pv-review-update.pdf>

With a gradual wholetime firefighter reduction occurring during the first three quarters of Year 3 (8 posts), the RT ceased to be crewed permanently from 2 January 2014, producing a part-year reduction of £80k. This year (Year 4) a full year's saving of £297k will be achieved. A detailed six-month review, looking at the impacts from this change, will be reported to the Audit and Performance Management Committee in September. This may include suggestions about how the change could be further improved.

Initial information shows that, since the change, the RT has been mobilised on more than 110 occasions. The change now sees the RT, with a crew of two, also responding with the remainder of the pump crew, typically three others, also attending on the Wellington pump. Staff feel that this way of mobilising is actually an improvement. Under the previous method of mobilising, the two staff on the RT were put under pressure from crews, attending from other station areas, to do everything with the equipment on the RT. Staff also feel that they use more of the equipment off the RT now, due to the fact that, with 5 staff attending the incidents, they do not have to worry about crews, who are unfamiliar with the equipment.

Although difficult to quantify, it is believed that this should be helping to deliver a better service to the public. Members are also reminded that, as part of this initiative, the Service has upgraded the rescue equipment carried on the normal pumping appliances around the County, which should help to reduce the need for the specialist equipment carried on the RT.

There are, however, also some negative impacts from this change. Because of the loss of the RT, the Wellington pump does not now tend to be used to cover reliefs for large ongoing incidents around the County. Although this rarely happens, it can increase the workload on other stations.

Furthermore, when the Wellington crew carries out normal daily work, e.g. community fire safety, there is a potential delay in RT mobilisation, as the pump has to return to station to pick up the RT. This could have a knock-on effect for the public, as there may be a delay of up to 10 minutes in mobilisation. However, to date, this has occurred only on a handful of occasions. Finally, when the RT is deployed with the supporting pump, that pump is not available to give fire cover to Wellington. The retained crew, also based at Wellington, does, however, have an excellent availability record (100% for the last 3 years), which results in any potential delay in response to other incidents being relatively minimal.

Reduction of 2 non-uniformed posts

The Service has continued to reduce the non-uniformed salary budget by reviewing vacancies as they arise and, where possible, by supporting requests from staff to reduce their working hours.

This means that technically the target has been achieved, although not necessarily by the deletion of posts alone. Moving forward, the Service intends to continue in this vein, rather than focusing on the reduction of a fixed number of posts, as it allows more flexibility within the current demanding period of Service transformation, thereby keeping any negative impact to a minimum.

Reduction of 5 Retained Duty System (RDS) posts

The reductions have been achieved within the RDS budget, with staffing remaining below the agreed establishment level for 2013/14. Throughout the past three years of similar reductions, RDS appliance availability has remained consistently high, with the main challenge being recruiting in sufficient numbers to overcome the number of leavers, i.e. trying to recruit up to, and then maintain, full establishment.

Reduction in smoke alarm budget

Last year saw the first year in the reduction of the smoke alarms budget from £50,000 to £25,000. This was a huge challenge for the Prevention Department, which has traditionally spent the £50,000 budget allocated. In order to facilitate and manage this reduction a major change was introduced in both the way in which the home fire safety visit service is promoted and how alarms are allocated.

The Department altered its approach of promoting free smoke alarms and focussed on the benefits of free home fire safety visits. Members of the public were encouraged to purchase their own alarms, if they had the means to do so. Householders were still grateful for the time that our officers had spent with them to highlight and educate them on the fire risks in their home. Free smoke alarms were issued only to people over 75 years of age, suffering a long-term illness, or who were disabled and physically unable to fit them.

Anyone not fitting these criteria was encouraged to purchase their own alarm. Members of the public in the early days were disappointed. As the economic climate and news of the difficult financial times faced by all organisations became public knowledge, however, people have tended to be more sympathetic to this approach, with members of the public appreciating that it makes sense that the free alarms are focussed on the most vulnerable.

The Service is also working alongside local authorities, housing associations and, more recently, private landlords to devolve responsibility for the supplying and installing of smoke alarms in their properties to these agencies. The Service is also working alongside hearing impairment teams to establish a match-funding solution to purchase specialist alarms, which again will reduce the amount required to be invested by the Service.

Greater focus on precision targeting has allowed the Service to continue to deliver efficient and effective preventative community engagement, ensuring that, despite the reduction in the smoke alarm budget, fire deaths and serious injuries continue to decline. In addition, the number of accidental dwelling fires, where a smoke alarm has been correctly fitted and is in working order, was over 80% in May 2014, in comparison to 52% in 2012/13.

Reduction of 1 training instructor post

The establishment level for training instructors has been reduced and £43,000 has been removed from the training budget. The number of instructors is currently being held at six through the use of ongoing 'New Dimensions' grant from Government, which is provided to maintain skills required to meet national resilience expectations, e.g. high volume pumping, urban search and rescue and mass decontamination.

A review of the current training provision will be conducted over the next 18 months, with the results informing how a planned reduction in the actual number of Instructors might be achieved, as and when the grant is withdrawn.

Reduction in Capital Programme

The Authority has used reserves successfully in recent years to fund its capital programmes. This has led to a reduction in the revenue budget of over £400,000 since 2012/13.

Reduction in building maintenance budget

The property budget has been reduced from £280,000 to £130,000 over the past few years. An early saving of £50,000 was identified as a result of previous investment in the Service's properties, leading to reduced maintenance costs. Although a further £50,000 has been taken in each of the last two years as part of the budget cuts, this was seen as a short-term measure, while other efficiencies or savings were identified. This was in recognition that it would eventually lead to deterioration of building stock and increased costs in future years.

In the past year, maintenance activities have been reduced, but it has not been possible to keep to this lower budget. It has also been reported to the Authority, through the annual Asset Stewardship Report², that buildings are deteriorating and the Services is no longer achieving the agreed standard of 'safe, legal and no further deterioration'. In particular, the lack of external painting is leading to rotten window frames and fascias at a number of sites, which will in turn result in additional future costs.

To tackle this problem the Service has introduced a 'Major Works Reserve' to assist in funding expensive one-off maintenance works, e.g. drill yard resurfacing. The Service is considering the appropriate funding level for property maintenance going forward, which should result in recommendations being included within the next Asset Stewardship Report.

Reduction of 1 Brigade Manager post

The reduction in one Brigade Manager post was delivered on time via natural staff attrition. A restructure at senior level has realigned responsibilities and workloads and has increased the span of control required for the current Assistant Chief Fire Officer (ACFO) and temporary ACFO roles. In order to maintain Gold command cover the ACFO Corporate Services is now available on the Executive Officer operational rota. The impact since the change has been an increase in the workloads at executive officer level and will require a further restructure and review of job descriptions and job sizing as part of the introduction of the newly appointed Deputy Chief Fire Officer. The full-year savings are anticipated to exceed the expected revenue savings.

7 Public Value Year 4 (2014/15)

The planned Public Value initiatives for the current year (Year 4: 2014/15, see attached Appendix) will continue as planned, with no known reason at this stage for any changes.

² <http://www.shropshirefire.gov.uk/sites/default/files/fra/07-asset-stewardship-report-2013.pdf>

Of greatest significance in those proposals is the realisation of the full-year savings from the reduction in RT crewing, as discussed in the previous section. As stated above, the Audit and Performance Management Committee will receive a full report, in September, on the full impacts from this change.

8 Financial Implications

There are no further financial implications arising from this report.

9 Legal Comment

There are no direct legal implications arising from this report.

10 Initial Impact Assessment

An Initial Impact Assessment has not been completed, as this report provides only factual information relating to the Public Value Review.

11 Appendix

Summary of Public Value Initiatives 2011/12 to 2014/15

12 Background Papers

There are no background papers associated with this report.



Summary of Public Value Initiatives 2011/12 to 2014/15

| 2011/12 Area: | Saving | 2012/13 Area: | Saving | 2013/14 Area: | Saving | 2014/15 Area: | Saving |
|---------------------------------------|-------------------|--|-------------------|--|-------------------|--|-------------------|
| Legacy inflation | £100,000 | Reduction of 2 non-uniformed posts | £50,000 | End to permanent crewing of RT (from 1 Jan 2014) | £80,000 | End to permanent crewing of RT (from 1 Jan 2014) | £217,00 |
| Insurance premium reductions | £100,000 | Reduction of 5 RDS posts | £30,000 | Reduction of 2 non-uniformed posts | £50,000 | Reduction of 2 non-uniformed posts | £50,000 |
| Reduction of 2 non-uniformed posts | £50,000 | Reduction in RDS budget | £50,000 | Reduction of 5 RDS posts | £30,000 | Reduction of 5 RDS posts | £30,000 |
| Reduction of 5 RDS Posts | £30,000 | Reduction in Capital Programme | £90,000 | Reduction in smoke alarm budget | £75,000 | Reduction in Capital Programme | £125,000 |
| Reduction of 4 planned DST officers | £148,000 | Reduction in building maintenance budget | £50,000 | Reduction of 1 training instructor post | £43,000 | | |
| Reduction of 4 WT watch managers | £172,000 | Revised relief crew policy | £30,000 | Reduction in Capital Programme | £160,000 | | |
| Reduction of 6 Incident Command posts | £372,000 | Cessation of permanent crewing of ALP | £297,000 | Reduction in building maintenance budget | £50,000 | | |
| Removal of station messing | £61,000 | | | Reduction of 1 Brigade Manager post | £100,00 | | |
| Reduction in RDS budget | £50,000 | | | | | | |
| Reduction in Capital Programme | £63,000 | | | | | | |
| Projected savings | £1,146,000 | | £597,000 | | £588,000 | | |
| Projected cumulative savings | £1,146,000 | | £1,743,000 | | £2,331,000 | | £2,753,000 |
| Actual savings to date | £1,146,000 | | £1,643,000 | | | | |

Key to abbreviations

ALP Aerial Ladder Platform
DST District Support Officers
RDS Retained Duty System personnel

RT Rescue Tender
WT Wholetime Duty personnel