

Public Value Outcomes 2010

Report of the Chief Fire Officer

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1 Purpose of Report

This report sets out the summary financial and service planning outcomes arising from the 2010 Public Value review, particularly in respect the scheduling and nature of proposed budget cuts during the period 2011-2015. The outcomes and proposals set out herein have been considered and accepted by the Fire Authority's Strategic Risk and Planning Working Group (STRaP).

2 Recommendations

Members are recommended to:

- a) Note the contents of this report and agree to the recommendations of the STRaP (as detailed in section 5); and
- b) Endorse the recommendations of STRaP to the next meeting of the Fire Authority (15th December 2010).

3 Background

To address the impact of the recession upon Shropshire Fire and Rescue Service a Public Value review was introduced at the outset of 2010. The Member led review, through a structured process of staff engagement, has sought to solicit the views, opinions and moreover support of staff to unite into a single team to form a collective strategy to address likely budget cuts.

In total 40 Public Value staff engagement sessions have taken place with approximately 95 percent of the Service's 650 staff participating. In addition, a number of Local Joint Committees have also been engaged.

4 Public Value Outcomes

Staff have identified a range of initiatives, which if successfully managed and implemented, will result in an incremental 25 percent reduction of Service's budget over a four year period. The initiatives predominantly take advantage of natural staff attrition to secure savings whilst maintaining, without significant reduction, frontline services to the community. Essentially, and in accordance with earlier directions from Members, the proposals allow for a gradual budget reduction (currently estimated at £2.7m – £2.9m in cash terms) whilst – avoiding compulsory redundancies, maintaining all fire stations and alleviating the necessity for merger with one or more other fire authorities. The summarised proposals are appended.

Full details regarding these proposals have been circulated to the representative bodies and moreover have been considered and accepted by members of STRaP. A tabular summary of the proposals is appended.

The proposals amount to approximately **£2.7m** over a four-year period. In addition to the savings identified, officers remain confident that additional savings will be achievable over the same period from the continuing challenge of all contract renewals. Officers estimate that, over a four-year period, an additional £150,000 of savings may be realizable through more rigorous contract challenges (including changes to current lease car provision which over four years should release at least £20k savings).

As a consequence, it is anticipated that approximately **£2.9m** of savings through budget cuts may be realised over the four-year period.

5 Comments of the Strategic Risk and Planning Working Group

Members of STRaP met on 12th November to consider the outcomes of the Public Value review and agreed:

- a) That in their opinion the outcomes reflect a fair and accurate representation of the feedback provided by staff through the Public Value review process.
- b) That Members were satisfied that the proposals (summarised in Table 1 above) provide a pragmatic but moreover integrated four-year strategy to address budget reductions.
- c) That Members recommend the endorsement of the proposals to the Authority's Strategy and Resources Committee.

6 Next Steps

The outcomes of the Public Value process are currently being consulted upon with the representative bodies and the public through three public consultation sessions.

Matters arising from these consultations, together with the observations and recommendations of the Strategy & Resources Committee will be presented by way of a comprehensive Public Value Review Report to the Fire Authority at its 15th December 2010 meeting for ratification.

7 Financial Implications

There are no financial implications arising from this report.

8 Legal Comment

There are no legal implications arising from this report.

9 Equality Impact Assessment

Officers have considered the Service's Brigade Order on Equality Impact Assessments (Personnel 5 Part 2) and have determined that there are no discriminatory practices or differential impacts upon specific groups arising from this report. An Initial Equality Impact Assessment has not, therefore, been completed.

10 Appendix

Summary of Proposed Budget Reductions 2011/12 – 14/15

Implications of all of the following have been considered and, where they are significant (i.e. marked with an asterisk); the implications are detailed within the report itself.

Balance Score Card		Integrated Risk Management Planning	*
Business Continuity Planning	*	Legal	*
Capacity	*	Member Involvement	*
Civil Contingencies Act		National Framework	
Comprehensive Performance Assessment		Operational Assurance	
Equality and Diversity		Retained	
Efficiency Savings	*	Risk and Insurance	
Environmental		Staff	*
Financial	*	Strategic Planning	*
Fire Control/Fire Link		West Midlands Regional Management Board	

Summary of Proposed Budget Reductions 2011/12 – 14/15

2011/12 Area:	Saving	2012/13 Area:	Saving	2013/14 Area:	Saving	2014/15 Area:	Saving
Legacy Inflation	£100,000	Reduction of 2 Non-Uniform Posts	£50,000	End to permanent crewing of RT (from 01/01/2014)	£80,000	End to permanent crewing of RT (from 01/04/2014)	£217,000
Insurance Premium Reductions	£100,000	Reduction of 5 RDS Posts	£30,000	Reduction of 2 Non-Uniform Posts	£50,000	Reduction of 2 Non-Uniform Posts	£50,000
Reduction of 2 Non-Uniform 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	£100,000		
Reduction in RDS budget	£50,000			Reduction in Building Maintenance Budget	£50,000		
Reduction in Capital Programme	£63,000						
Saving:	£1,146,000		£597,000		£588,000		£422,000
Accumulative Savings:	£1,146,000		£1,743,000		£2,331,000		£2,753,000

Key to abbreviations:

RDS – Retained Duty System personnel, **WT** – Wholetime Duty personnel, **DST** – District Support Officers, **ALP** – Aerial Ladder Platform, **RT** – Rescue Tender