

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

17 SEPTEMBER 2018

1. THE STRATEGY 2018 - 2022

Report of the Chief Fire Officer.

RECOMMENDED

- 1.1 THAT Members note the context including financial and operating conditions that has informed and shaped the current three-year strategy (The Plan 2018-2021).
- 1.2 THAT Members note the need to consider revisions to the Authority's strategic direction.

2. PURPOSE OF REPORT

Following the Executive Committee on 6 June 2018, it was recognised there would be a need to revise the Authority's strategy. This report sets out the background and context leading up to the approval of 'The Plan' 2018-2021 by the Authority in February 2018, together with the Financial Efficiency Plan (FEP) and associated budgetary arrangements.

3. BACKGROUND

- 3.1 West Midlands Fire Service (WMFS) has seen significant Service changes during the period of substantial Government core funding reductions, since The Chancellor of the Exchequer announced the Government's four year spending plans in the Comprehensive Spending Review (CSR) on 20 October 2010.
- 3.2 During the period 2011/12 to 2015/16, WMFS suffered the loss of approximately £28M Government core funding, more than any other Fire and Rescue Service (FRS) in the country. The cumulative reduction in core funding is due to reach approximately £38M by the end of the current 2016/17 to 2019/20 CSR period. The further £10M core funding reduction during the current CSR period, framed the basis of the Authority's £10M FEP approved by the Authority in September 2016.

3.3 The magnitude of the core funding reductions since 2011/12 has involved a fundamental review of the range and scale of services delivered by WMFS. Central to the process for this change has been the need to revisit the Integrated Risk Management Plan (IRMP). It is a requirement under the National Framework for Fire and Rescue Services for England, to consider all risks in its area and provide the resources and strategy to manage and reduce those risks and protect the public.

3.4 Because of the nature of the risks that the Authority is required to provide a FRS for, the level of resources provided in its FRS area to deliver its Prevention, Protection and Response strategies, will influence the ability to reduce and protect against the identified and emerging risk in the community.

3.5 **IRMP**

3.5.1 The Fire and Rescue Service Act 2004 refers to the National Fire and Rescue Framework (NFD) for England 2018, which sets out the governments high level priorities and objectives for Fire and Rescue Authorities (FRA).

3.5.2 The IRMP, as set out in the NFD, needs to cover a three-year period and be reviewed and revised as often as is necessary. It needs to consider all foreseeable fire and rescue related risks that could affect communities, whether they are local, cross-border, multi-authority and/or national in nature from fires to terrorist attacks. Regard must be had to Community Risk Registers produced by Local Resilience Forums.

3.5.3 Following on from the risk assessment, an FRA must, as set out in the NFD, put in place arrangements to prevent and mitigate these risks, either through adjusting existing provision, effective collaboration and partnership working, or building new capability.

3.5.4 As set out in the NFD, the IRMP is a term used to describe four activities that a FRS has to undertake:

- Risk analysis of all reasonably foreseeable FRS related risks;
- The development of a strategic plan to remove, reduce, control or mitigate that risk including collaboration, partnership working and building new capability;
- Evaluation or measurement of the success in the removal, reduction, control or mitigation of the risk; and
- A statement of assurance that provides assurance of the above process.

3.5.5 WMFS ensures compliance with the expectations as set out in the NFD through producing the following, which together form our IRMP:

3.5.6 **The Community Safety Strategy (CSS)** – the starting point in the development of a strategic plan has to be looking at risk without overlaying any other layers. The CSS is a publicly available and transparent presentation of risk data, enabling all members of the public to apply layers of data to understand risk, vulnerability and current control measures. This also links to ‘The Plan’.

3.5.7 **The Plan** – this is the WMFS strategy. It describes the approach being taken to reduce vulnerability and increase public safety through removing, reducing, controlling or mitigating the risk.

3.5.8 **Performance Indicators (PI)** – this is how WMFS measures its success in reducing risk and vulnerability and increasing public safety across the West Midlands delivery area.

- **The Statement of Assurance** – an annual document provided to our governance structure through an annual ‘Statement of Assurance and Report’ which is publicly available.

3.5.9 All elements of an IRMP need to be transparent and

accessible to the public and consulted upon. WMFS consult on their IRMP every three years, or when there is a material change that will impact on the services communities will receive.

3.5.10 This approach enables compliance with the NFD and leads to an evidence-based approach being taken to reducing vulnerability within the communities.

3.5.11 WMFS risk analysis process is fully integrated within its strategic and resource planning, to ensure the Service's key priorities are informed and driven by evidence. This understanding allows the Service to adopt suitable methodologies to identify, assess and profile risk and vulnerability against the population. Following this we address the risk within different sections/groups of society, by employing a range of risk reduction measures which are proportionate and tailored to the needs of the individuals/groups targeted. The level of support we offer to individuals and businesses is driven by the presence of known factors which increase vulnerability, with greater prevention and protection measures being offered to those who we can evidence are at a greater risk of fire and other emergencies.

3.6 **IRMP Considerations Prevention Function**

3.6.1 WMFS data shows a link between health status of an individual and Fire & Rescue related risks such as fire. This is supported by strong correlations between health conditions such as mental illness, physical disability or mobility issues, with both the increased risk of fire and severity of such incidents on the individual in relation to injuries. Addressing health issues through our Prevention work, along with some of the causes, can therefore contribute directly to reducing the fire related risks which WMFS would have to attend in a response function.

Research undertaken by Professor Marmot indicates that the same sections of society who are more likely to need the FRS, are the same people that will draw time and resources from other public services such as Police, Health and Social Services.

3.6.2 To deliver its core Prevention strategy in reducing the risk of fire to the most vulnerable members of its community, WMFS adopted the National Fire Chiefs Council (NFCC) principles for Safe and Well visits in November 2015. This move formalised the change in emphasis to our prevention activity, whereby the WMFS had adopted Marmot principles of tackling social and health inequalities and the approach of "Making Every Contact Count".

3.6.3 We have taken the learning identified during our serious incident review process to develop a person centred approach to our targeted prevention activities. This approach has allowed us to focus on the underlying causes behind fires. There is clear evidence that certain long term health conditions increase an individual's risk and vulnerability to having a fire, and in the worst case scenario suffering serious injury or death. The principle of "upstream activity", identifying and tackling the cause of the cause of preventable death and related injury, underpins our prevention activity across the whole life course of our communities.

3.6.4 The IRMP informs the configuration of the Service Delivery Model (SDM), including the distribution of resources to enable effective risk management through Prevention, Protection and Response activities and maintenance of attendance standards. The changes to the financial situation (refer to the 'Financial Efficiency Plan/Budget' Section of this report) results in the current strategy to deliver prevention, protection and response activities not being deliverable within a balanced budget. The Strategy, or the strategic plan to reduce risk and vulnerability needs to be reviewed.

3.6.5 At present, the SDM is supported through the use of

Voluntary Additional Shifts (VAS) and Resilience Staffing which were introduced through a local agreement to facilitate the 'staff' savings element of the Authority's FEP. It was anticipated a £4M contribution would be realised by 2019/20 through these arrangements, in conjunction with a reduction in the ridership factor and the withdrawal of late shift payments.

- 3.6.6 In addition, there has been a strong focus on reaching a broader local collective agreement through dialogue with the recognised trade unions, which would have enabled service transformation and sustainability. The need to revise the Strategy (as set out in the purpose to this report) indicates there is a low likelihood of making progress in this area for the foreseeable (background relating to this specific issue is contained within the 'Local Agreement' Section of this report).

3.7 **IRMP Considerations Protection Function**

- 3.7.1 It is a requirement under the NFD for FRS to consider all risks in their area and provide the resources and strategy to manage and reduce those risks. Staffing levels within the Protection function have seen significant reductions in the number of fire safety officers, resulting in cost savings through salary reductions. The establishment of the Protection team has seen a total reduction of 27% in the number of fire safety officers from 93 in 2006, to the current establishment of 68.

- 3.7.2 The current establishment incorporates:

- 3 Fire Engineers introduced in 2014, to support the discharge of responsibilities under the Primary Authority Scheme and Building Regulation consultations, incorporating fire engineered solutions.
- 9 Business Support Officers (BSOs) crewing 3 Business Support Vehicles (BSVs) responding to automatic fire alarms, supporting the 5-minute risk based attendance standard through maintaining other fleet availability.

- 3.7.3 The Protection function over recent years has been subject

to further staff changes. This has included the replacement of Watch Managers to provide capacity for the BSOs as a consequence of reduced staffing levels of Fire Safety Inspecting Officers. The capacity to deliver full and specific audits within high risk premises has also been significantly reduced.

- 3.7.4 In addition to reduced establishment levels, uniformed Protection Officers also support operational staffing arrangements by providing resilience to maintain the SDM. Provision of integrated resilience has the potential to equate to approximately 550 days per year, which is time Fire Safety Officers are unavailable to carry out proactive audits in high risk premises, as part of the Risk Based Inspection Programme as required by the FRS NFD.
- 3.7.5 In addition to pre-planned audits in high risk premises, there has also been an increase in the number of fire safety complaints due to heightened public awareness and fire safety referrals from partners and other regulators, due to collaborative working. The imbalance of reactive and planned protection activities reduces capacity to carry out pre-planned audits in high risk premises, to reduce risk and enforce legislation. There continues to be a high demand for planning and building regulation application consultations. This continues to be challenging for the team, to achieve statutory obligations. Demands of future large scale developments such as HS2 and the Commonwealth Games will also increase demand for already stretched resources.
- 3.7.6 Whilst identified risk within the IRMP has not changed, the consequences of the Grenfell Tower incident have resulted in enhanced national interest and heightened awareness of the risks of fire within high rise buildings. The perceptions and concerns of members of the community and building owners has necessitated the re-prioritisation of targeted Prevention and Protection activities, to ensure public safety and provide public reassurance. This re-prioritisation of resources has further reduced available capacity to conduct pre-planned risk based inspections within high risk premises.

- 3.7.7 Whilst the future impacts following Grenfell are yet to be confirmed, the recommendations of an Independent Review of Building Regulations and Fire Safety suggest there will be significant implications for FRAs.
- 3.7.8 A new regulatory framework for Higher Risk Residential Buildings (HRRB) under the regulation of a Joint Competent Authority (JCA) which incorporates the FRS, is being developed. It has been identified that there will be resource implications for FRA both in carrying out the role as part of the JCA and ensuring they have suitably qualified people.
- 3.7.9 As a key element of the JCA, FRAs will have a significantly greater role in the approval process for building HRRB. This includes being consulted at the planning stage for the building of new HRRB and when any applications are submitted in relation to other buildings in the immediate vicinity of a HRRB. FRAs will also be involved in reviewing fire safety in existing buildings, resulting in a potential increase of fire safety inspections in addition to Risk Based Inspections and statutory building regulation consultations, within already stretched resources

3.8 IRMP Considerations Response Function

- 3.8.1 WMFS Response capability is enabled through the integrated SDM, with a key focus being on achieving the risk based 5-minute attendance standard and delivering assertive, effective and safe operations.
- 3.8.2 Since the beginning of the CSR period, the Service has been able to realise improvements (performance and effectiveness and efficiency) in this area through transformational change. These changes have included:
- Different crewing arrangements for special appliances, which has enabled the capability to remain available but achieve efficiencies.
 - Commissioning evidence based research on attendance standards and utilising this empirical information to support the 'Seconds do Count' activities and achieve improved attendance times.

- The introduction of a blended fleet, moving away from a fleet of solely traditional fire appliances, to include 19 Brigade Response Vehicles and 3 BSVs.
 - Investment in technology such as the Dynamic Cover Tool and 999eye to enable effective mobilising and resourcing decisions.
 - Creation of a shared Fire Control for WMFS and Staffordshire Fire and Rescue Service that continues to realise savings for both organisations and has improve public safety.
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- Reducing the overall establishment and utilising locally agreed Voluntary Additional Shifts to achieve the highest recorded levels of fleet availability, whilst significantly reducing overall costs.

3.8.3 It is also the case that through defining the SDM in the way it is currently, enables for the discretionary capacity of Firefighters to be utilised to carry out risk based interventions, with vulnerable people and businesses through prevention and protection activities.

3.9 **Service Support review and options**

3.9.1 Since 2010, a number of reviews (e.g. the Building Upon Success (BuS) programme and the Stop, Make, Buy, Ally (SMBA) programme have taken place within Service Support functions to ensure the effective and efficient delivery of support services. This has primarily been achieved through a reduction in Service Support staff numbers and merging of functions.

3.9.2 The FEP identified a requirement for an overall £10M to be saved by 2019/20. This included Internal Restructures (£1M) and Service Reductions (£1M). These are predominantly being met from Services Support and are on target to be achieved.

3.9.3 Service Support functions are now leaner and more efficient, whilst taking on additional work streams e.g. HMICFRS inspections. In addition, recent national events, for example Grenfell, have highlighted the need to ensure

efficient processes and practices are in place to enable an effective managed response, which includes improved Firefighter and Community Safety. Dealing with the requirements following these types of incidents, requires a greater involvement and impact on Service Support staff.

- 3.9.4 Other specific Service support functions facing increasing work demand include the Organisational Learning and People Development Sections which are providing additional guidance and assurance following the introduction of the Apprenticeship Scheme in 2017.

In addition, the introduction of the National Occupational Guidance requires the ongoing gap analysis and change to policies and procedures through high levels of monitoring and management.

- 3.9.5 The revised approach to recruitment and selection of new entrants into the organisation, continues to improve the attraction rates for underrepresented groups which are amongst the highest levels across the country. Recognition of our approach and success has come from areas such as the Home Office and the Asian Fire Service Association. This has been achieved through high levels of support and engagement from staff across the organisation which in the main is run on “good will”.

- 3.9.6 With ever increasing external scrutiny and the need to provide an evidence based approach, there is a requirement to increase the organisation’s capacity to respond effectively to emerging demands whilst continuing to deliver core functionality. This is critical if the organisation is to deliver strategy and manage the risks these demands create, which potentially emerge from incidents and/or events such as:

- Grenfell Tower;
- Manchester Arena Bombing;
- Firefighter fatalities;
- National Operational Guidance (NOG) implementation;
- HSE & HMICFRS inspections;
- Prevention of future death reports - Coroner reports; and

- Increasing demands upon National Resilience and preparedness – e.g. Marauding Terrorist Firearms Attack (MTFA), ‘Brexit no deal’, Climate Change etc.

3.9.7 The WMFS has an Organisational Intelligence capability that needs to be enhanced to meet these and other new requirements. This will require additional system and resource allocation.

3.9.8 Due to the scale of change and reductions across support services since the CSR announcement in October 2010, there are indications that some functions are starting to show chronic signs of stress in being able to meet organisational expectations. In order to operate an efficient and effective front line service, it is essential for there to be appropriately resourced support service functions. Given the scale of reductions previously applied, combined with increasing demands, it is anticipated that investment will be required in this area from 2019/20 onwards. This would be considered to enable the provision of appropriately resourced service support functions, ensuring the efficient and effective delivery of front line services.

3.10 **Management Reviews**

3.10.1 Throughout the comprehensive spending review a number of management reviews and assessments of the workforce profile have been undertaken. Specifically, the most recent have been:

3.10.2 The management review of Service Delivery in 2013. This provided a realignment of resources from Station Commander to Area Commander and resulted in a cost saving of £647K, with a 22% reduction in the middle management team. The service made a very conscious decision not to include supervisory managers in the review as they were considered as “front line” services.

3.10.3 The management review of Service Support in 2014. This provided a review of management across all levels and realised a cost saving of £651K, with a reduction of 9% in management posts. In addition, to ensure alignment and the appropriate levels of support for Service Delivery, there

have been a number of subsequent reviews and restructures within Service Support functions.

- 3.10.4 The review of the Principal Management Team in 2014. This review realised a cost saving of £235K, with a reduction of 24% when compared to the previous Principal Management Team costs. The Chief Fire Officer now reviews the Strategic Enabling Team every 12 months, to ensure the team are able to respond effectively to the changing internal and external demands in the delivery of the 3 year rolling strategy.

As a result of this review in 2017/18, the Brigade Managers and Area Commanders have now moved to a self-rostering system. This has provided a greater level of flexibility and efficiency in supporting the operational requirements of the flexi duty system (FDS).

- 3.10.5 The current arrangements for Flexi duty is supported through 54 officers. This was last reviewed in 2014 when there was a reduction from 63 to 54 officers (Station Manager to Area Commander). This generated a saving of £102K.
- 3.10.6 In 2015 a decision was taken to not substantiate service delivery (grey book) staff on promotion. As a consequence, we currently have the following percentage of temporary posts, within each identified management level, held within the Service:

Crew Commander – 65% (
Watch Commander – 57%
Station Commander and Group Commander – 65%

3.11 **Local Agreement contextual journey**

- 3.11.1 New Entrant Contracts' were introduced for all new starters from July 2017. These contracts provided clarity and reflected the wider role of a Firefighter in the West Midlands. This enabled the WMFS to provide commissioned health services as part of the 'Alternative Funding Strategy'. This strategy intended to contribute £2M of the £10M reduction in funding as detailed in the FEP,

thereby enabling the sustainability of the Authority's SDM and allocation of resources to address the risks as set out in the IRMP. Part of the wider local agreement with representative bodies was also the intention to withdraw the Disturbance Allowance of circa £600k per year and the removal of the Late Shift Allowance of circa £300k per year as part of the £4M staff staffing target within the FEP.

- 3.11.2 The Fire Officers' Association and UNISON reached a local agreement to support the Service in delivering wider health related work in recognition of the financial challenge.

The Service was continuing to work to reach a local agreement with the Representative Bodies in a wider context. It is highly unlikely a local agreement could be reached with the FBU that would deliver wider health services and alternative funding through commissioned health activity as well as ongoing Service improvements. This is a significant restriction which places constraints on the ability for the Authority to meet its current FEP and SDM.

- 3.11.3 On the 11 April 2018 the Fire Brigades Union (FBU) lodged a Trade Dispute against the Authority, the details of which are set out in Appendix 1.

- 3.11.4 On the 15th June 2018 the FBU notified the Authority of the intention to commence strike action on the 30 June and 4 July 2018. To remove the possibility of industrial action the Executive Committee on the 6 June 2018 deliberated over a report which outlined the key considerations to maintaining the effective delivery of assertive, effective and safe response, protection and prevention services to local communities.

- 3.11.5 The Executive Committee were asked to consider the risks and impacts of two options provided in relation to the:

legal duty of the Authority;
alignment to the NFD;
assessment of risk as set out in the IRMP;
commitment to the agreed FEP; and
role of the Authority in consulting and approving The Plan

2018-2021.

3.11.6 Two options were provided for the Authority to consider were:

Option 1 - Maintain current delivery of The Plan 2018-21; or
Option 2 – Revise The Plan 2018-21

3.11.7 The Executive Committee resolved to implement Option 2 to enable the threat of imminent industrial action to be averted.

3.11.8 In selecting Option 2 the Authority are asked to consider the revision of strategy and supporting adjustments to the FEP as set out in the options detailed in Agenda items 9 and 10.

3.12 **Financial Efficiency Plan/Budget**

3.12.1 The Fire Authority approved the FEP in October 2016. The anticipated savings reflected within that Efficiency Plan have effectively formed the basis for the Fire Authority's Plan and associated budget arrangements since that point in time.

3.12.2 In the budget report approved by the Authority in February 2018 (despite the projected savings reflected within the FEP), in order to assist with transformational service changes, the further use of General Reserves was anticipated in each of the financial years 2018/19, 2019/20 and 2020/21. The level of General Balances was estimated to be approximately £5M by the end of 2020/21 as shown in the Table below:

| 31.3.17 £000s | 2017/18 £000s | 2018/19 £000s | 2019/20 £000s | 2020/21 £000s | Balance £000 |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------------|
| 9,236 | -850 | -1,500 | -1,100 | -750 | 5,036 |

3.12.3 General Reserves are not a sustainable funding source to

meet ongoing revenue expenditure. It was highlighted within the budget report that there would be a requirement to consider further Service changes.

This was to ensure a reduction across each of the three years on the reliance on General Reserves, or at the very least, to ensure by the end of that three-year period there was no longer a reliance on the use of General Reserves to fund the revenue budget.

3.12.4 In addition to these overall budget considerations, the need for and scale of investment required in the protection function and support services from 2019/20 onwards, will need to be addressed.

3.12.5 Specifically, within the FEP there was an 'Alternative Funding' target of £2M to be generated by 2019/20, with £1M being generated in the current financial year. Due to the change in strategic direction and subsequent withdrawal from delivering commissioned health activities, the £1M target will not be achieved in the current financial year. It is estimated that approximately £250K Alternative Funding will be generated in the current year as existing contracts allow appropriate periods for termination. This will result in a shortfall in targeted Alternative Funding of £750K in 2018/19. There will be a £2M budget gap, specifically relating to Alternative Funding, from 2019/20 onwards.

3.12.6 In addition, the total staff savings within the FEP were assumed to be £4M by 2019/2020. The budget report approved by the Authority on 19th February 2018 provided funding from reserves of £600K to maintain Disturbance Allowance payments and £300K to maintain Late Shift Allowance payments during 2018/19, with the anticipation that both Allowances would cease from 2019/20 onwards in order to achieve the £4M staff savings indicated within the FEP. The failure to remove these allowances will create further budget pressures in future years in addition to the

£2M Alternative Funding shortfall referred to above.

- 3.12.7 If the withdrawal of disturbance allowance of circa £600K and the removal of the Late Shift Allowance at circa £300K cannot be achieved in 2019/20 and beyond, the impact across both of these specific elements of the FEP will result in a budget shortfall of approximately £3M in 2019/20 and future years.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report an initial Equality Impact Assessment is not required and has not been carried out as the matters contained in this report will not relate to a policy change.

5. **LEGAL IMPLICATIONS**

Any significant change to the IRMP requires public consultation as well as consultation with stakeholders, as required under the National Fire and Rescue Framework for England. Changes to the IRMP will be cognisant of the duties placed on WMFRA within the Fire & Rescue Services Act 2004 and the National Framework Document.

6. **FINANCIAL IMPLICATIONS**

Within the FEP there is an anticipated shortfall of £750K in 2018/19 relating to Alternative Funding.

In 2019/20, there is an anticipated shortfall within the FEP of approximately £3M (£2M Alternative Funding and £1M staffing).

The need for and scale of investment required in the protection function and support services, will need to be considered as part of the Authority's 2019/20 budget process.

It is essential to identify alternative Service changes and associated efficiencies, to ensure a balanced budget is

delivered in the current financial year and that a sustainable balanced budget is set from 2019/20 onwards.

BACKGROUND PAPERS

Authority Report 19 September 2016 – Efficiency Plan 2016/2020

Authority Report 19 February 2018 – The Plan 2018-2021

Authority Report 19 February 2018 – Budget and Precept
2018/2019

Executive Report 6 June 2018 – Delivery of The Plan 2018/2021

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