

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

21 JULY 2014

1. REVIEW OF THE PRINCIPAL MANAGEMENT TEAM

Report of the Chief Fire Officer and Clerk and Monitoring Officer

RECOMMENDED

- 1.1 THAT the Authority approves for implementation the proposal for the future Senior Management Team structure presented by the Chief Fire Officer as an outcome of the review of the Principal Management Team.
- 1.2 THAT the Authority notes that consultation has been undertaken and that, as a consequence of this consultation, no matters have arisen that would require significant change to be made to the preferred proposal.
- 1.3 THAT the Authority notes the methodology to undertaking the review, the evidenced approach to developing proposals and the independent validation provided in support of this review, which is in accordance with the methodology previously agreed at Fire Authority.
- 1.4 THAT the Authority notes the forecasted savings associated with the preferred proposal.
- 1.5 THAT the Authority approves the disestablishment of the post of Assistant Chief Fire Officer Technical & Operational Support (ACFO TOPS) and notes the evidence gathered to inform this decision.
- 1.6 THAT subject to approval, the Authority notes the approach to implementation of the preferred proposal.
- 1.7 THAT subject to approval, the Authority notes the requirement to amend The Constitution to ensure it is aligned to the Service's new decision making framework.

2. **PURPOSE OF REPORT**

- 2.1 This report is submitted for Authority to approve for implementation the preferred proposal as identified by the Chief Fire Officer (CFO) for the future structure of the Senior Management Team following a review of the Principal Management Team. The preferred proposal is evidenced based, has been independently evaluated and will provide value for money. Consultation has been undertaken.
- 2.2 The underlying principle of the review and subsequent proposal is to support the CFO in making more informed, evidenced based decisions in line with the delivery of the strategic priorities set out by West Midlands Fire and Rescue Authority (WMFRA) in 'The Plan 2014-17'. These decisions will be influenced and shaped through the wider involvement of senior managers from across all professional functions that provide both service delivery and service support. The CFO has reviewed the current strategic decision making framework by collecting evidence to inform this report. As a consequence of this work, the CFO has re-configured the strategic decision making framework and has proposed the implementation of a new strategic team to be called the Strategic Enabling Team ('SET'). This team, made up of 15 strategic managers, will replace the current Corporate Board arrangements in enabling effective decision-making led by the CFO on behalf of WMFRA.
- 2.3 In addition to supporting the delivery of The Plan, the preferred proposal, if implemented, will bring significant annual cost savings. Previously, the Fire Authority has stated that efficiencies delivered should aim to be in line with forecast Comprehensive Spending Review reductions of around 24% for the period 2015-18. Broadly, this review will enable that expectation to be met.

3. **BACKGROUND**

- 3.1 As a proactive, innovative and ethical leadership team, it is recognised that all opportunities should be explored in order to make efficiencies, whilst seeking to maintain or improve service delivery to the community of the West Midlands. To this end the CFO has positively responded to the request from WMFRA for a review of the Principal Management Team. This will enable, through a transparent and evidenced based approach, for assurance to be provided to the community and employees that the Service is exploring all avenues to achieve value for money and minimising the impact on service delivery.

This in turn will inspire confidence that the leadership team are responsive to challenge and scrutiny and the need to contribute towards the financial challenges presented by ongoing funding reduction. Should implementation of the preferred proposal be approved, the structural arrangements and outcomes of the review will be communicated to all WMFS employees.

- 3.2 Members will recall that at the meeting of the Fire Authority on 16th September 2013 it was approved that the CFO and the Clerk and Monitoring Officer, in consultation with the Chair of the Authority, would develop a scoping document for a review of the staffing structure and pay and conditions of service for Principal Officers namely Assistant Chief Fire Officers (ACFO), Directors, Deputy Chief Fire Officer (DCFO) and CFO and would include any direct support to these posts.
- 3.3 The scope and methodology for the review was subsequently approved by Fire Authority at its meeting on 25th November 2013. Key elements within the methodology were agreed and are set out below:-
- The review will be led by the temporarily appointed CFO.
 - The Clerk to the Authority would provide quality assurance.
 - Benchmarking with comparator organisations in the Fire Sector and beyond would be undertaken.
 - Appointed Members would provide scrutiny throughout the review.
 - Policy Planning Forums would be used to provide updates on the review.
 - The use of appropriate external validation as required, arising from analysis and recommendations for the functions of quality assurance and scrutiny. This would include consultation on the range of options considered.
 - This methodology would be supported by the professional judgement of the CFO which was required to inform the review.
- 3.4 This methodology has been fully applied enabling the CFO to identify, in session with Corporate Board (CB), a preferred proposal which, following consultation, is submitted for Authority approval. A structural chart detailing the preferred proposal is attached as Appendix 1.

Summary with Proposal

3.5 In undertaking this review it is imperative that any proposals developed are able to demonstrate cognisance with our agreed commitment to our corporate strategy as set out in 'The Plan 2014-17', including:-

- All WMFS staff are trusted and empowered to act and innovate in delivery of the strategic objectives contained within 'The Plan 2014-17'.
- To ensure this focus is maintained, a robust performance management framework will be delivered through a lean, accountable and empowered management structure.
- Our service delivery will be enabled by a compact, responsive and motivated team of support staff providing essential high quality support services.
- We will seek further efficiencies by exploring opportunities for shared services with other public sector providers.

The proposal submitted for approval will support the commitment and achievement of the expectations detailed above. To deliver the expectations of the WMFRA, consideration of key background information including Public Sector Equality Duty and Making fair financial decisions was reviewed. Various comparative data from other Fire and Rescue Services' as well as other comparators were used. Equality data was used and as part of the process was developed into a full equality impact assessment.

Consultation

3.6 Consultation has been ongoing throughout the review period of January 2014 to 2nd July 2014. The preferred proposal was presented to all those affected on 3rd and 11th June by the CFO and consultation responses were invited. The proposal was shared with the representative bodies at the Joint Consultative Committee meeting on 4th June. The Member Sounding Board for scrutiny of progress has been updated on several occasions with the preferred proposal being presented on 5th June. The CFO provided 26 personal consultation response letters during the consultation process. These were to employees potentially impacted by the preferred proposal, the Association of Principal Fire Officers and the Fire Officers Association. The Fire Brigades' Union and Unison did not submit a response.

Of the consultation responses received, there were no matters raised that required substantial change to the preferred proposal. Many colleagues agreed entirely with the preferred proposal. However, some minor amendments will be made to further enhance preferred proposal. These are:-

- Following a 12 month trial, there is substantial evidence that Gold Cover operational requirements can be provided by three Brigade Managers on a continuous cover basis. However, it is recognised that opportunity exists in the form of development for Area Commanders to provide resilience for Gold arrangements. This should be explored as part of the ongoing development of the SET.
- A number of opportunities for further efficiencies in support of the preferred proposal were identified by colleagues. The CFO agreed to further explore, with colleagues, the feasibility of the suggestions made.
- A number of colleagues identified minor amendments to job descriptions and role titles. It has been agreed that these will be made and job descriptions updated.
- Full consultation documents are available in the Principal Officer Support Team office should Members wish to see them.

3.7 The Clerk and Monitoring Officer provided invaluable assistance in shaping the report through providing guidance, direction and clarity in identifying the preferred proposal for Authority approval. Subject to approval it is intended to implement the new structure immediately.

Analysis

3.8 The consultation process alongside the review of various information sets revealed the following;

- The current Corporate Board team is lean
- There is opportunity to improve decision making by 'having the expert in the room'
- There is opportunity to re-focus strategic management on individual expertise
- There is opportunity to improve diversity (gender, race and disability) via a wider strategic leadership team approach.
- Previous changes in roles and responsibilities mean job descriptions are out of date.

- Interim arrangements are working well for the CFO.
- Interim arrangements provide a guide to expected savings.
- The Strategic Advisory Group adds value.

3.9 The current CB team considered options for a revised structure inline with the analysis. These considerations resulted in agreement that a wider team would enhance strategic leadership and decision making. Three variations of this approach were considered with the preferred option of the CFO being the one selected for consideration and approval by WMFRA (See appendix 1).

Proposal

3.10 The proposed structure is illustrated at Appendix 1. The following statements describe the proposal.

3.11 The preferred proposal will deliver an annual cost savings of £235K or 24% of the costs associated with the principal management function as set out in 3.2 above. Specifically, the savings will be made by:

	<u>£000</u>
• The disestablishment of the ACFO TOpS post -	161
• Disestablishment of a Watch Commander B post -	46
• Other salary related adjustments	28
	Total 235

3.12 The proposed salary adjustments reflect the integration of a number of posts into the wider SET arrangements as a consequence of CB being disestablished. No salary increases have been proposed or agreed as part of the review and proposal. The anticipated benefits that will be delivered as a result of this proposal are detailed below 3.17 below.

3.13 Whilst the CFO is confident that the preferred proposal will enable for more informed decision making, it will be necessary to undertake an initial review within a 12 month period.

3.14 Once SET has become embedded following its 12 month evaluation, SET review arrangements will be integrated into the Service's planning framework.

In order to ensure a flexible and responsive Strategic Management structure a three year review of SET, aligned to the Service's review cycle of The Plan will be undertaken. However an ongoing horizon scanning approach will be adopted to ensure that the diversity of SET remains attuned to the diversity of our community and continues to reflect the professionalisms demanded by an ever changing external environment.

- 3.15 The review and level of savings has been informed by the interim Principal Management team structural arrangements. Currently the team is operating without one of its four Gold Command Brigade Managers, namely ACFO TOpS. In order to facilitate this approach the CFO, DCFO and ACFO Operations have provided Gold Command operational cover on a three weekly rota providing cover on a continuous basis. The Association of Principal Fire Officers recommends four people. However, evidence gathered during the review indicates that a three person operating model is achievable. A structural realignment of the role and reports of the ACFO TOpS will be necessary to support this cost effective approach. There has also been an iterative approach taken to introducing functional managers to the interim structure as part of the evaluation process. This has resulted in the current interim arrangements emulating the proposed SET. These arrangements were evaluated at three and six months and support the proposal.
- 3.16 This structure provides absolute clarity and aligns the Service to a service delivery/service support structure which is a key enabler in terms of providing the organisational structure to facilitate the delivery of its strategic objectives set out within The Plan. Despite absorbing the roles and responsibilities of the ACFO TOpS including the redistribution of Gold Command cover an additional 33% increase per Brigade Manager plus functional responsibilities, there will not be an increase in the salary of the remaining Brigade Managers (CFO, DCFO, and ACFO Operations) as a consequence of implementing the preferred proposal.
- 3.17 This structural realignment has informed a review of the wider management team. The preferred proposal will support the CFO in making informed strategic decisions through evidence based contribution. This will be achieved by creating a new Strategic Enabling Team (SET) to replace the current existing corporate team meeting framework.

Aside from the cost savings identified earlier, this will benefit the Service through providing a more efficient and effective approach to its strategic management and decision making arrangements to enabling for value for money. Other benefits include: -

- Refocusing strategic management on individual expertise.
- A more diverse team.
- Greater challenge, different thinking and influence at a strategic level.
- A team that is more inclusive and more reflective and relevant to our community.
- Empowering senior managers to make a corporate contribution.
- Greater accountability.
- Sustainable and agile alignment to The Plan
- Enabling improved strategic performance through shared understanding, one message and clarity of purpose. This in turn will lead to:-
 - The delivery of The Plan through improved service clarity and contribution to the delivery of our Strategic Objectives.
 - Enhanced clarity and communication between the CFO and Fire Authority Members in terms of delivering the objectives set by the Authority in The Plan. This will be achieved as a consequence of a shared understanding and mutual trust generated by clarity in the Services structure, its alignment to The Plan and a joint commitment to minimising the impact of reduced finances upon Service delivery as a consequence of this shared understanding.
 - A shared evidence based belief and support of the Service's delivery model and the Service's contract to the community of the West Midlands.

3.18 Appendix 1 sets out the existing and proposed structural arrangements for the preferred proposal. Brigade Managers, shown in gold, will continue to meet on a weekly basis. They will formally meet once a month with the Service's Senior Managers (shown in blue on Appendix 1). This body will be known as the Strategic Enabling Team (SET). They will meet three times a month in an informal capacity.

3.19 As is normal with any process which reviews individual roles and responsibilities, all SET roles (Appendix 1) going forward will be evaluated as outlined at 3.13 and 3.14 and, where appropriate, job descriptions revised. For initial implementation, the independent Hay evaluation (see below) has informed the Service's own pay and grading process which is the agreed approach for determining green book employee salaries. No salary increases have been identified as a consequence of implementing the preferred proposal. The proposed job descriptions were made available to the Member Sounding Board. The main generic responsibilities of SET members are:

Generic Strategic Responsibilities

As outlined in 'The Plan', the jobholder performs a specific individual leadership role as part of an accountable, empowered and sustainable management structure, the 'Strategic Enabling Team', with personal accountability for enabling delivery of key priorities set out in 'The Plan'.

Accountability and Empowerment

Whilst reporting to their direct line manager, each member of the Strategic Enabling Team is empowered and accountable for performance in their individual areas of expertise and functional leadership, this is in addition to the following shared strategic responsibilities:

- Contributes to delivering key priority set out in 'The Plan' through a focused and collaborative approach to planning and delivering activities in Level 2 Service Delivery Plans and Supporting Strategies.
- Adds value to strategic decision making through meaningful and constructive evidence-based contributions.
- Enables and sustains responsive, supportive and effective working relationships with all members of the Strategic Enabling Team and personally demonstrates the core values.

Generic Managerial Responsibilities

Responsible and accountable for budgets and spending of sections for which they are responsible.

Proactively manages the performance and development of sections and individuals for which they are responsible, including succession planning.

Proactively manages the attendance of those individuals for which they are responsible.

Enables the sections for which they are responsible to develop and sustain responsive, supportive and effective working relationships with other sections across WMFS.

Enables the sections for which they are responsible to uphold and actively promote the equality and diversity policies of WMFS.

Enables the sections for which they are responsible to work within the Safety, Health and Environmental policies of WMFS.

Responsible and accountable for the Business Continuity Planning and appropriate implementation of plans in sections for which they are responsible.

Responsible and accountable for the management of protective security in the sections for which they are responsible, to include the application of effective and proportionate assurance and compliance arrangements in the three key areas of Personnel, Physical and Information Security.

- 3.20 An external and independent assessment of all roles proposed to be part of the SET framework has been undertaken using the 'Hay method of evaluation'. This approach, endorsed by the Clerk and Monitoring Officer, provides independent quality assurance and validates the preferred proposal. The Hays evaluation tool is recognised and used world wide job evaluation tool. It applies a consistent approach to evaluating roles and works on the principle of evaluating those aspects of a job which are universal, namely 'know how', 'problem solving' and 'accountability'.

The Constitution

- 3.22 Subject to the approval of the preferred proposal there will be a requirement to amend the constitution to ensure alignment to the new structure and role designation of SET members.

Specifically an amendment will be required to reflect that the Authority through the Executive Committee will continue to be responsible for considering and recommending to the Authority on the conditions of service and salary of the posts of CFO, DCFO and ACFO. However, the CFO will be responsible for the determination of such for all SET members. This includes the Strategic Enablers for Finance and Resources and HR, who will no longer be designated as Directors. Similarly, the Appointments Committee will continue to appoint to the posts of CFO, DCFO and ACFO however, the CFO will be responsible for the appointment of all SET members. The scheme of delegations for the CFO will be amended to reflect the changes necessitated by the new structural arrangements. It is anticipated that the amendments detailed above and any subsequent revisions (to reflect the disestablishment of CB for instance) will be submitted for Member consideration at September's Authority meeting.

4. **EQUALITY IMPACT ASSESSMENT**

A full EIA has been undertaken and has been continually refreshed throughout the Principal Management Review. The preferred proposal through the implementation of SET will increase the diversity of the strategic leadership in comparison to the current CB arrangements.

5. **LEGAL IMPLICATIONS**

The CFO has consulted with the Clerk and Monitoring Officer and will ensure that any legal implications arising from implementation are drawn to the attention of Authority Members.

6. **FINANCIAL IMPLICATIONS**

The estimated full year annual salary related savings arising from the disestablishment of one ACFO Post and one Watch Commander (B) Post and adjustment to the salaries of Director Resources and HR is £235K.

BACKGROUND PAPERS

Consultation responses to Principal Management Team Review and preferred proposal and CFOs response letters to issues highlighted are available from Principal Officer Support Team.

Principal Management Team Review, Member Sounding Board meeting, 5 June 2014.

Joint Consultative Committee minutes, Principal Management Team Review, 4 June 2014.

Chief Fire Officer presentations to employees regarding findings of Principal Management Review and the preferred proposal 3 & 11 June 2014.

Fire Authority Report Agenda Item 11, Review of Principal Management Structure, 25 November 2013

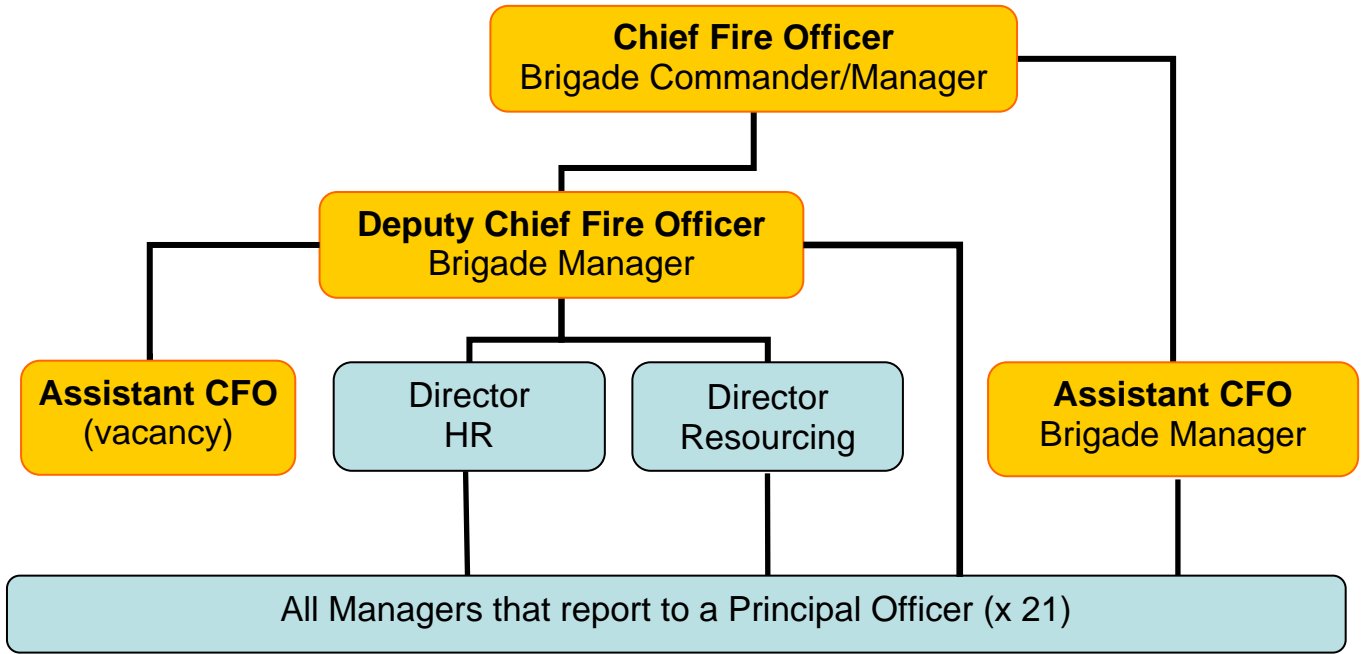
Fire Authority Report, Agenda item 6, Review of Principal Management Structure and Support Staff Reporting Directly to the Chief Fire Officer, 16 September 2013.

The contact name for this report is Jim Whittingham, 0121 380 6683.

PHIL LOACH
CHIEF FIRE OFFICER

NEERAJ SHARMA
CLERK & MONITORING OFFICER

Current structure



Proposed structure

