DEVON & SOMERSET FIRE & RESCUE AUTHORITY

REPORT REFERENCE NO.	**HRMDC/12/3**
MEETING	**HUMAN RESOURCES MANAGEMENT & DEVELOPMENT COMMITTEE**
DATE OF MEETING	**23 JANUARY 2012**
SUBJECT OF REPORT	**STRATEGIC WORKFORCE PLANNING**
LEAD OFFICER	**Director of People and Organisational Development**
RECOMMENDATIONS	*(a) That the Committee includes this matter as a standing agenda item for future meetings, and;* *(b) Subject to (a) above, the report be noted.*
EXECUTIVE SUMMARY	Workforce planning is essentially a way to ensure that we have the staffing capacity within the organisation to achieve our corporate objectives. It is about having the right number of people, in the right place at the right time, with the right skills and behaviours, doing the right activities. Workforce planning should include an assessment of where we are now, a forecast of where we want to be and an analysis of what will need to do to get there. We can then develop our action plans accordingly. The HRMD committee have requested further information on the current and predicted staffing levels within the Service.
RESOURCE IMPLICATIONS	There are cost implications related to our staffing levels since staffing represents 85% of our total budget.
EQUALITY RISK & BENEFITS ASSESSMENT	The figures within this report relate to the total staffing levels within staff categories. Any strategic decisions in relation to staff would need to be assessed to ensure that any one group was not more adversely affected by the decision.

APPENDICES	Appendix A – Staffing levels by Full-Time Equivalent (FTE)
	Appendix B – Wholetime Establishment Levels
	Appendix C – Wholetime Retirement Forecast
	Appendix D – Comparison of FTE from 1/4/07 to 31/12/11
	Appendix E – Staff Turnover
	Appendix F – Survival Curve for Retained Duty System
	Appendix G – Fixed-term contracts within Support Staff
LIST OF BACKGROUND PAPERS	None

1.   INTRODUCTION

1.1   Workforce planning is essentially a way to ensure that the Service has the staffing capacity within the organisation to achieve its corporate objectives. Workforce planning has been defined as "trying to predict the future demand for different types of staff and seeking to match this with supply". It is about having the right number of people, in the right place at the right time, with the right skills and behaviours, doing the right activities. Workforce planning should include an assessment for the Service of where it is now, a forecast of where it wants to be and an analysis of what it will need to do to get there. This will enable the Service to develop its action plans accordingly.

1.2   From the HR Improvement Project it has become clear that staff are generally not aware of the strategic and tactical work that is undertaken in this area and providing more information to staff on this subject would be beneficial. It should also be incorporated into an overall strategy document for Human Resources.

1.3   This report includes an update on the previous voluntary redundancy exercise, organisational development within directorates and staffing forecasts.

2.   VOLUNTEERS FOR REDUNDANY

2.1   In March 2011, following the announcement that the FiReControl, Regional Control Centre (RCC) project would be closed, there were a number of positions that were identified as potentially redundant and therefore in accordance with the 4R's policy the Service sought volunteers for redundancy. Volunteers could have provided re-deployment opportunities for staff whose position was at risk of redundancy.

2.2   These requests were on a without prejudice basis and therefore did not commit any employee to leaving the Service by voluntary redundancy. From a Service perspective it was also confirmed that there was no guarantee that such requests would be accepted.

2.3   There were 53 volunteers that came forward but there were not any positions that were suitable for staff at risk of compulsory redundancy based on the criteria set out in the 4Rs policy:

- Whether the post would be suitable for redeployment of an employee who may be risk of redundancy;

- Whether retraining and/or development would be necessary and whether this would be cost effective;

- Whether any consequent delay in filling the post would be acceptable; and

- Whether the financial consequences would be acceptable.

2.4   As a separate exercise, Directors considered whether the volunteer's positions could be removed from the establishment. At that time the Change and Improvement Programme had not commenced and it was not possible to identify positions that could be released.

2.5   Since March 2011, of the 53 volunteers, 10 have left the organisation and a further 8 are within Control and as part of the Consolidation Project their request for voluntary redundancy has been accepted. At this time there are other volunteers with an identified leave date but currently none where the position could be removed from the establishment.

2.6   As an alternative to redundancy, if an employee is over 55 years and it can be demonstrated that their release from the organisation will be beneficial to the Service on efficiency grounds then an employee can leave without a reduction in benefits or redundancy compensation. This allows the post to be retained in the organisational structure but filled in a more cost effective way. This compares to redundancy where if the employee is over 55 years they would leave without a reduction in benefits and also receive redundancy compensation. However, the post is deleted from the organisational structure and so there is not the option to replace in a more efficient manner.

3.   FLEXIBLE RETIREMENT

3.1   The Service has had a policy for Flexible retirement in place for uniformed staff since 2008 which has enabled staff to retire provided the pension criteria were met and then return to employment within the Service. In doing so, the employee could return in a lower graded position or on a part-time basis. The pension would then be abated so that the earnings and pension following retirement and re-employment were no greater than the salary level prior to retirement.

3.2   The Service has in December 2011, introduced a Pensions Discretions policy which relate to the Local Government Pension Scheme for Support staff and Control staff. This provides similar options in terms of retirement and re-employment.

3.3   For both uniformed and support staff, on re-employment it is possible to rejoin the pension scheme and make payments into a separate pension. The Flexible Retirement can help employees with the transition from full employment to retirement which can also support the Service with our organisational development.

4.   ORGANISATIONAL DEVELOPMENT WITHIN DIRECTORATES

4.1   Within each directorate there are reviews planned for organisational structures but these are generally at a fairly early stage since at this time the process improvement has not yet progressed sufficiently to result in a reduction of any posts.

Service Delivery: The aim is to introduce a staff pool from January 2013 and this will enable the current establishment levels to be reduced by 48 staff. There are a number of ways that are being used to achieve this reduction in staff through natural turnover, fixed-term contracts for RDS to WT and a reduced number of retirement/re-employment approvals. There are other options that could also be used such as compulsory transfers to ensure staff are in the right locations, career breaks with partial payment, resettlement allowances, voluntary redundancy etc. There is also the Control consolidation project which will result in a reduction of 10 posts with additional potential to reduce a number of staff on fixed-term contracts.

Service Support: The organisational structure within Estates is to be reviewed using support from external consultancy. Within Operational Assets a 'proof of concept' approach is to be used for the assembly of two Light Rescue Pumps which could offer opportunities for staff. This could lead to either further internal vehicle assembly or alternatively to an external procurement. There is also a requirement to bring a number of data teams together into a 'data hub'.

Human Resources & Management Development: The Training & Development Department is moving to a matrix structure around the Academies and will be aligned to the processes. Within HR there is a HR Improvement project underway to identify the strengths and key opportunities for improvement.

Corporate Services: Recent movement in staff leavers has created the potential for further organisational changes within Democratic Services and these are to be considered further. The change projects within Procurement will also need to be supported by a revised structure.

4. STAFFING FORECASTS

4.1 The Service has collated staff data that supports our workforce planning. The overall levels of staff are shown in Appendix A as the Full-Time Equivalents (FTE) which takes account of job-share and part-time positions.

4.2 The current Wholetime establishment levels are shown in Appendix B for the 30 November 2011 and we have a current establishment of 701.5 of which we have 700 in post. However, this is not the complete picture since we have staff that are supernumerary and we also have vacancies due to temporary positions that are created within the Service. The movement of these staff sits at the tactical level but the overall approach that we apply is a strategic decision. The crewing shortages and overtime costs are directly linked to this situation.

4.2 In Appendix C there is a forecast of the number of Wholetime retirees with approximately 22 scheduled to take place up until 2014. A further 61 staff could retire in the next 3 years but have not at this stage indicated their preferences. This information was collated in March 2010 and so would benefit from being refreshed and this will take place during Q4.

4.3 Turning to the support staff, the retirement preferences were sought in October 2011. There are 92 staff who are 55 years or over and of these 20 have indicated that they are intending to retire within the next 3 years. It should be noted that with the removal of the retirement age we can no longer assume that support staff will retire at age 65 years. The number of full-time equivalents at the time of combination on the 1 April 2007 has been compared with the current levels at 31 December 2011 as shown in Appendix D. This has resulted in an increase in FTEs of 42.94.

4.4 As part of forecasting on staffing levels, the Service should monitor the turnover rates and the HRMD members have requested regular updates on this information as well as the actual staffing numbers. The level of turnover is calculated by considering the number of staff leaving the organisation over a period (the financial year) compared with the average number of employees during this period. This calculation includes all types of leaver whether voluntary, retirement, redundancy or dismissal. Whilst a reasonable level of turnover demonstrates a degree of good organisational health if it becomes too high then it will cause organisational issues e.g. the cost of recruiting and training. The characteristic pattern of employee turnover is high for new starters, then decreasing. This pattern will vary in any single organisation and is known as the 'survival curve'. The staff turnover rates are shown in Appendix E and survival curve for the RDS are shown in Appendix F.

4.5 Turnover levels vary between sectors and with the economy. During times of economic uncertainty and higher unemployment, staff are likely to be more cautious about leaving an organisation and so turnover levels are likely to fall. From the CIPD survey on Resourcing and Talent Planning, within public services, the levels of staff turnover have dropped from 12.6% in 2009, to 8.6% in 2010 and to 8.5% in 2011.

4.6	Within Devon and Somerset Fire and Rescue Service, the turnover of support staff has reduced each year since combination from 8.5% to 7.1%. In Control, there was an increase in turnover possibly due to the increase in temporary staff and with the plan to move to the RCC. Turnover in control is now once more reducing. Turnover in the Retained had reduced in 2009/10 but has remained around 5% over the 4 year period since combination. Turnover in the Wholetime has been traditionally low and this remains the case.

5. FIXED-TERM CONTRACTS WITHIN SUPPORT STAFF

5.1   There has been an increase in the number of positions within Support staff since 2007 with the number of permanent staff increasing from 209.5 to 218. In this same period the number of staff on fixed-term contracts has risen from 14 to 45 as shown in Appendix F. This does give the Service more flexibility with staffing although it should be noted that there is employment protection for staff under the Employment Rights Act and Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations. Therefore, if the contract ends before its intended expiry the employee can claim unfair dismissal (after 1 years' service) and redundancy (after 2 year's service).

5.2   It should also be noted that the fixed-term regulations make it unlawful to treat fixed-term employees less favourably than comparable permanent employees because they are on a fixed-term contract. Therefore, employers should not select fixed-term employees for redundancy because of their fixed-term status and should include them in the pool of employees from which they will make the redundancy selection. However, in some circumstances an employer may be able to justify objectively excluding permanent employees from the pool and selecting from a group comprised only of fixed-term employees. For example, this may be the case where fixed-term employees were specifically recruited to complete a particular task or to cover a peak period and this was made known to them when they were recruited.

6. CONCLUSION

6.1   Workforce planning remains a key area to be considered by Members, SMB and the Service. It is important that our plans are set out and reviewed regularly and that we inform staff of our intentions. The inclusion of workforce planning in a HR Strategy would also help in engaging with staff as we work hard to become an excellent organisation.

JANE SHERLOCK
Director of People and Organisational Development

STAFF NUMBERS – FULL-TIME EQUIVALENTS

FTE	31/03/2007	31/03/2008	31/03/2009	31/03/2010	31/03/2011	Q2 30/09/2011
Wholetime	739	721	706	721	706	700.5
Retained	1158.5	1131	1142	1170	1147	1122.5
Control	52.5	51	48.5	60.5	53	53.5
Support	237	222.5	246	262	255	263
Total	2187	2125.5	2142.5	2213.5	2161	2139.5
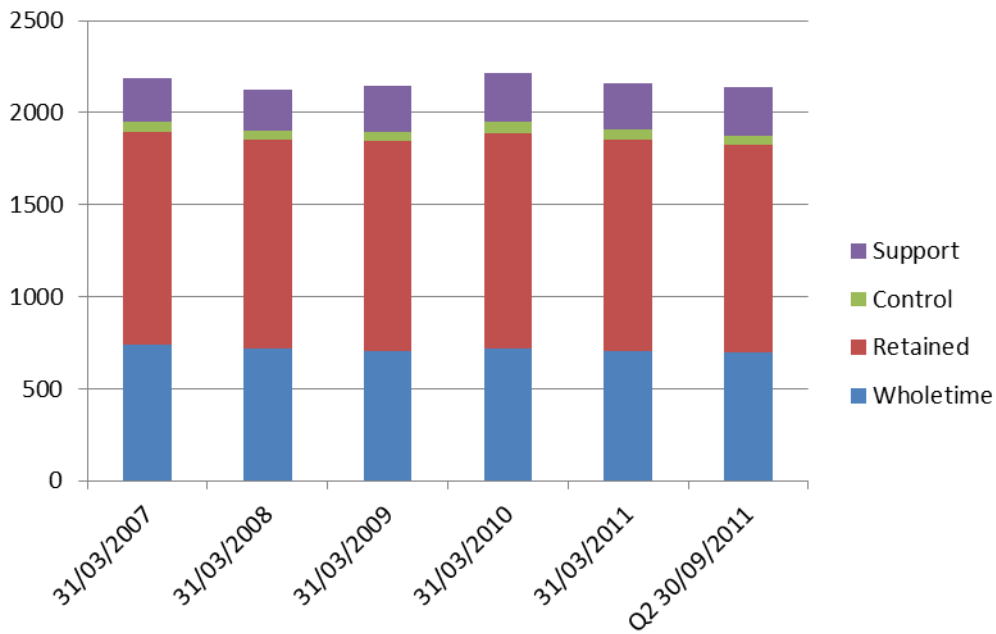
SUMMARY OF WHOLETIME ESTABLISHMENT - 30 NOVEMBER 2011

Role	Posts	Actuals	Comments
Brigade Managers	4	4	
Area Manager B	6	5	1 vacancy
Area Manager A	0	0	
Group Manager B	19	17	2 Vacancies
Group Manager A	18	17.5	1 Vacancy 1 FTE 0.5 supernumerary
Station Manager A	52.5	54	0.5 vacancies 2 supernumerary
Watch Manager B	54	59	3 vacancies 6 seconded 1 FTC in temporary post 1 supernumerary
Watch Manager A	0	1	1 WMA in CM positions
Crew Manager	13	14	2 Vacancies 1 FTC in temporary post 2 FTC in established post 1 Supernumerary
Station Based			
Watch Manager B	57	56	1 vacancy
Watch Manager A	0	1	
Crew Manager	82	74	7 CM Vacancies
Firefighters	382	384	11 Sup 15 FF Vacancies 6 FTC
		3	HPLP
SUB TOTAL	687.5	689.5	
Special Operations			
Station Manager A	1	1	
Watch Manager B	1	1	
Crew Manager	2	2	
Firefighters	10	10	
TOTAL	701.5	703.5	
PROJECTIONS			
Organisational Adjustments			
New Joiners		0.5	WM D Case 0.5 1/1
Known Leavers			
Resignation/ job share		-1	JS Ferguson/Hole
Retirement(Letters received)		-3	N Berry 4/12/11 J McElhinney 30/12 G Spears 14/3/12
Dismissal			
Unpaid Leave			
Agreed FF Vacancies			
Retirement(Letters not received)			
Projected Staffing Levels	701.5	700	
Difference		-1.5	

WHOLETIME RETIREMENT FORECAST

Role	2011	2012	2012 or 2013	2013	2013 or 2014	2014	2014 or 2015	2015	2016	2017	2022	Unknown
FF	2			3	1	2		1	1	1		22
CM		1		1			1				1	7
WM	1			2		1		2				16
SM		1							1			6
GM	1	2	1	1		1						9
AM	1											
BM								1				1
Total	5	4	1	7	1	4	1	4	2	1	1	61

**THE NUMBER OF FULL-TIME EQUIVALENTS AT THE TIME OF COMBINATION ON THE 1 APRIL 2007 COMPARED WITH THE CURRENT LEVELS AT 31 DECEMBER 2011**
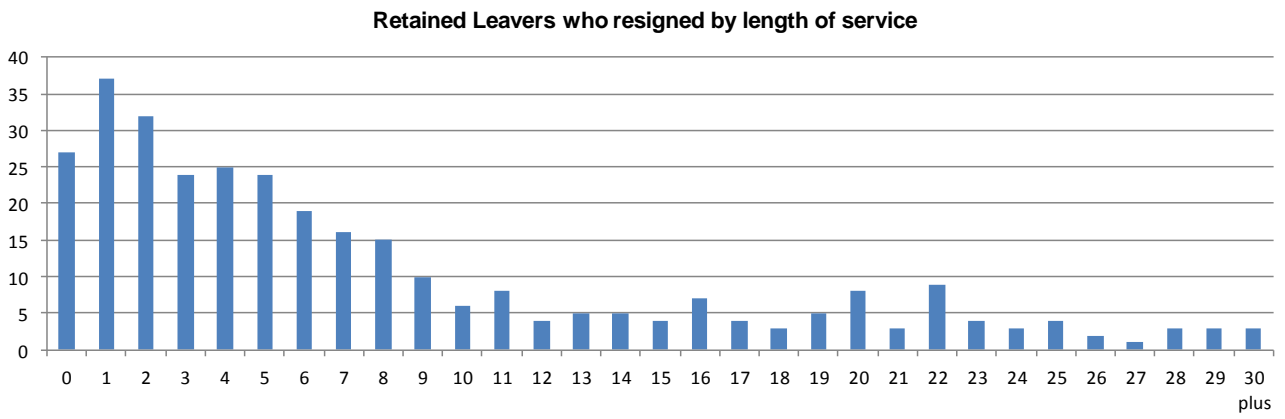
	Full-time Equivalents		
	01-Apr-07	31-Dec-11	Difference
Ops Admin	39.88	41.89	2.01
Ops Support	6	5	-1
Group Support Team	9.8	9.29	-0.51
Community Safety	8	10	2
Fleet & Equipment	11	10	-1
Vehicle Maintenance	25	27	2
Estates	9.65	13.92	4.27
ICT	17.6	22	4.4
Corporate Communications	4.8	7.8	3
Democratic Services & Corp Support	11.19	11.78	0.59
Procurement	7.49	10.61	3.12
Performance & Planning	8.7	15.26	6.56
Response & Resilience	0	1	1
Risk & Insurance	1.5	3	1.5
H&S	6	4.8	-1.2
HR	19.63	23.5	3.87
Equalities	2	1.91	-0.09
T&D	26.25	25.26	-0.99
Commercial Services	0	2	2
Production & Income Generation	0	5	5
Finance	6	8	2
Change & Improvement	0	8.41	8.41
Regional Projects	4	0	-4
	224.49	267.43	42.94

STAFF TURNOVER

	2007/08	2008/09	2009/10	2010/11	Q2 2011/12
Wholetime	2.6%	3.8%	2.3%	1.5%	1.1%
Retained	5.1%	4.8%	3.5%	5.3%	2.5%
Control	5.7%	10.9%	16.4%	11.8%	2.4%
Support	8.5%	7.1%	7.5%	7.1%	3.2%
Total	4.7%	4.9%	3.9%	4.5%	2.1%
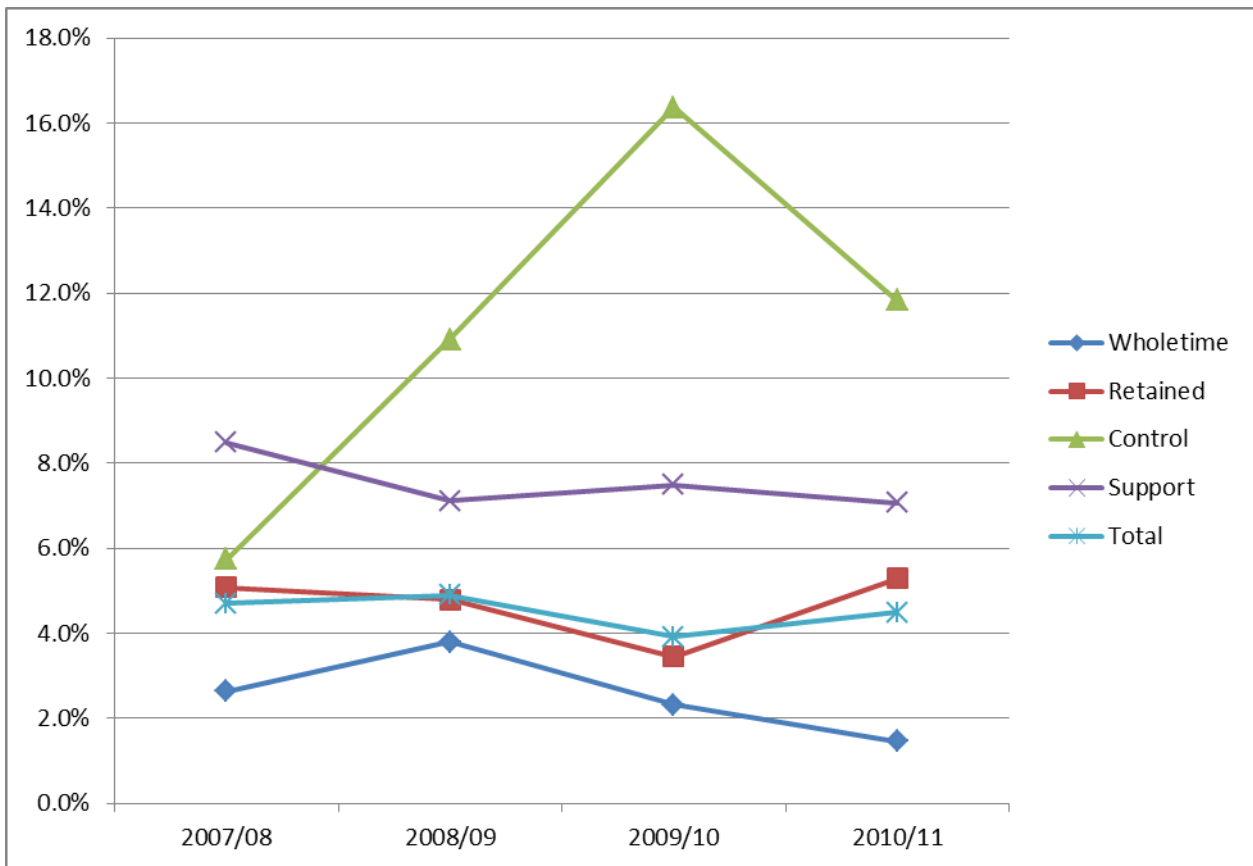
SURVIVAL CURVE FOR RETAINED DUTY SYSTEM FROM 2007 - PRESENT

Retained Leavers who resigned by length of service

FIXED-TERM CONTRACTS WITHIN SUPPORT STAFF FOR FULL-TIME EQUIVALANTS

Support Staff	01/04/07	31/03/08	31/03/09	31/03/10	31/03/11	Q2 30/09/11
Permanent	209.5	215	226.25	230	222	218
FTC	14	6	16.25	29	41	45