

REPORT REFERENCE NO.	DSFRA/19/8
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY (Budget Meeting)
DATE OF MEETING	19 February 2019
SUBJECT OF REPORT	SERVICE RESTRUCTURE MANAGERIAL GRADES
LEAD OFFICER	Chief Fire Officer
RECOMMENDATIONS	<p>(a) the Service Executive Board structure presented at Appendix A be approved;</p> <p>(b) that, subject to approval of (a) above:</p> <p style="padding-left: 40px;">(i) the vacancy for the post of Deputy Chief Fire Officer be ring-fenced to the two existing substantive Assistant Chief Fire Officers, with the Chief Fire Officer's Appraisals Panel delegated authority to determine the appointment;</p> <p style="padding-left: 40px;">(ii) the vacancy for the post of Director of People and Organisational Development be advertised nationally, with the Chief Fire Officer's Appraisals Panel delegated authority to determine the appointment; and</p> <p>(c) that implementation of the new Service Delivery managerial structure be approved and £0.850m of the resultant identified savings be used to deliver improvements contained in the Safer Together Programme.</p>
EXECUTIVE SUMMARY	<p>At an appraisals meeting on 1 December 2017, the Authority Chair tasked the Interim Chief Fire Officer with the development and implementation of a Fire and Rescue Plan to re-engineer the Service to meet the needs of the future. The outcomes of the Fire & Rescue Plan and the Integrated Risk Management Plan (which has assessed all foreseeable fire and rescue related risks faced by the communities of Devon and Somerset) have led to the Safer Together programme being created and the Service is now ready to begin its implementation. The Interim Chief Fire Officer was also tasked by the Chief Fire Officer's Appraisal Panel to significantly improve the Service in a number of key areas, including collaboration with other external key stakeholders and improved visibility both locally and nationally.</p> <p>In coming to a view about the senior management structure required to deliver the Safer Together Programme, the Interim Chief Fire Officer has consulted with the Authority Chair and Committee Chairs, current members of the Executive Board and the Substantive Chief Fire Officer.</p>

	<p>Following these discussions, the preferred option is to increase the size of the Executive Board by one post to include a Deputy Chief Fire Officer and a Director of People and Organisational Development and the deletion of the post of Director of Service Improvement (Assistant Chief Fire Officer).</p> <p>The alternative option of retaining the current structure, which includes two Assistant Chief Fire Officer posts, can be considered but is not the preferred option for the reasons set out within this report.</p>
<p>RESOURCE IMPLICATIONS</p>	<p>Through the budget setting process for 2019/20, savings of £1.094m have been identified arising from implementation of a Service Delivery managerial review. It is proposed that re-investment in the revised Executive Board structure will not exceed £0.150m (allowing for any changes resulting from any job evaluation) and £0.850m will be used to deliver improvements contained in the Safer Together Programme. Implications on the budget for 2019/20 are outlined in the paper elsewhere on this agenda. The remaining £0.094m can be used as revenue contribution to capital.</p>
<p>EQUALITY RISKS AND BENEFITS ANALYSIS (ERBA)</p>	<p>The contents of this report are considered compatible with existing equalities and human rights legislation.</p>
<p>APPENDICES</p>	<p>A. Executive Board Structure</p> <p>B. Service Delivery Operational Framework</p>
<p>LIST OF BACKGROUND PAPERS</p>	<p>Fire and Rescue Plan</p> <p>Integrated Risk Management Plan</p> <p>HMICFRS Fire and Rescue Service Inspections 2018/19 Summary of findings from Tranche 1</p> <p>Report DSFRA/18/19 (Arrangements for Authority Proper Financial Officer/Treasurer) to the Authority meeting on 30 July 2018 (and the Minutes of that meeting)</p>

1. BACKGROUND

- 1.1. The Interim Chief Fire Officer was tasked to develop and implement a Fire and Rescue Plan that would enable the Devon & Somerset Fire & Rescue Service (the Service) to re-engineer in order to meet current and future risks our communities face. These risks are detailed within the Integrated Risk Management Plan.
- 1.2. The Fire and Rescue Plan sets out how the Service requires a more flexible, cost effective operating model in order to meet the challenges, both now, and in the future. The first stage of implementation requires changes to managerial structures, including the most senior level. Authority approval is required for any changes to the most senior (Director) level posts.
- 1.3. Since Combination on 1 April 2007 there have been three reviews of the senior management structure. The first, in December 2009, saw a reduction from nine to seven posts. The second review, in May 2013, saw a reduction of a further two posts (the Deputy Chief Fire Officer and an Assistant Chief Fire Officer), from seven to five (one of which was the part-time outsourced Treasurer role). This second restructure left only two uniformed Principal Officers, the Chief Fire Officer and an Assistant Chief Fire officer and an agreement for sharing Principal Officer cover was put in place with Cornwall Fire and Rescue Service.
- 1.4. The arrangement for sharing Principal Officer cover with Cornwall Fire and Rescue Service was ended by Cornwall in 2017 and the third senior management review, in July 2017, reinstated the second Assistant Chief Fire Officer position and removed a non-operational director position (Director of People and Commercial Services – responsibilities for that post were realigned with the remaining Executive Board positions). The Treasurer's position was also brought back in-house in April 2017.

2. INTRODUCTION

- 2.1. The request for a senior management structural review comes at a time of significant change for the Service where external factors such as the financial pressures, Government expectations and changing community risk profiles continue to require the management team to adapt our operating models to best meet the needs of the future whilst ensuring sufficient resilience in the operational context to meet current and forecasted operational requirements. In progressing this review, a number of underpinning principles were used:
 - The focus will continue to be on improving community outcomes and effectively matching resources to risk.
 - Performance management will be at the heart of all that we do at all levels based on empowerment and accountability.
 - Our ambitious plans will shape the future of the Service and the structure will need to reflect new ways of working at all levels to facilitate the delivery of these.
 - We will review managerial functions and, where possible, offer savings or investment in improvements to the way in which we deliver front line services.

- We will ensure that our managerial structures allow for the development of our staff, improve effectiveness, provide greater resilience at all levels and deliver efficiencies.
 - We will ensure that we have the right people with the right skills and experience to help us achieve our transformational ambitions.
- 2.2. A significant number of managerial roles have been reviewed within a number of key roles at middle and strategic managerial levels. This review has considered current and future managerial requirements, particularly in relation to the Service's transformation programme (the Safer Together Programme) and the results from Her Majesty's Inspectorate of Constabulary, Fire and Rescue Services (HMICFRS) tranche one inspections.
- 2.3. The key findings from the HMICFRS tranche one inspections show that the most significant areas where fire and rescue services are failing to demonstrate good performance relate to the way in which they manage people and the way in which they deliver Fire Protection services.
- 2.4. Our Safer Together Programme has been developed with staff, representative bodies and elected members to deliver improved community outcomes. Our Integrated Risk Management Plan sets out our community risk and our Fire and Rescue Plan is the inward looking plan that provides clarity as to how we need to re-engineer the organisation to best deliver against the risks identified within the Integrated Risk Management Plan, staff expectations and both local and national expectations.

3. DEPUTY CHIEF FIRE OFFICER POST

Rationale

- 3.1. The workload associated with this ambitious change programme is expected to be significant and major change from "business as usual" activity. It is proposed to reinstate the Deputy Chief Fire Officer post that will allow the Chief Fire Officer to concentrate on key external stakeholder engagement, both locally and nationally, and ensuring that the strategic direction of the Service is aligned to national standards, best practice and the objectives of the Authority. The current Interim Chief Fire Officer has acknowledged through the Chief Fire Officer's Appraisals Panel that the externally focused elements of the role have not been discharged as effectively as Members may have wished because significant internal organisational activity continues to be the focus.
- 3.2. Under the proposed model, the Deputy Chief Fire Officer will support the Chief Fire Officer to lead the Service. They will assist in creating a vision, direction and culture of the Service that builds public and organisation trust and confidence that enables the delivery of effective services.
- 3.3. The Deputy Chief Fire Officer will be responsible for the implementation and delivery of Service plans, along with the day-to-day running of the Service in line with the agreed direction and vision, to provide a professional, effective and efficient fire and rescue service. The Deputy Chief Fire Officer will support the Chief Fire Officer in the discharge of the Authority's statutory functions.

- 3.4. The implementation of the Service plans will transform the Service to ensure that resources are effectively matched to risk. HMICFRS tranche one inspections found that the majority of fire and rescue services inspected required improvement in the way in which they discharged their statutory Protection services. The option to invest £0.85m of managerial savings in this financial year into front line delivery, particularly in relation to Protection services, will mitigate against the risk of HMICFRS finding that this Service requires improvement in this area.
- 3.5. The Deputy Chief Fire Officer role exists in the majority of fire and rescue services of a comparable size. In reviewing structures from other high performing organisations, such as the Police, a Deputy Chief Officer/Executive role is usually the preferred model.
- 3.6. The post holder will assume the responsibilities of the Chief Fire Officer when the Chief Fire Officer is absent, giving greater organisational resilience.
- 3.7. Within the revised structure, the Deputy Chief Fire Officer will be accountable for the delivery of the Safer Together Programme. There are four key elements within the Safer Together Programme where the associated projects will lead to the delivery of the Integrated Risk Management Plan, the Fire and Rescue Plan and the financial savings requirements. These four key elements are People, Fleet and Assets, Service Delivery and Digital Transformation. If the revised senior structure is agreed, the four Directors will each be responsible for the delivery of one of the four key elements. This is indicated at Appendix A.
- 3.8. Having a Deputy Chief Fire Officer in post and leading on the transformational change will afford the Chief Fire Officer more time to progress important external factors and relationships that are of strategic importance to the Authority and will shape the Service for the future.

Recruitment Process for Deputy Chief Fire Officer

- 3.9. If the Authority is minded to approve the post of Deputy Chief Fire Officer, consideration will need to be given to the recruitment process.
- 3.10. There are currently two substantive Assistant Chief Fire Officers but only one proposed Assistant Chief Fire Officer position in the revised structure. This would create a potential redundancy situation and, in these circumstances, it is usual HR practice to ring-fence any vacant positions to those at risk of redundancy. The Reorganisation, Review, Redeployment and Redundancy (4R's) Service policy supports this position. Applying this approach would ring-fence the Deputy Chief Fire Officer vacancy to the two existing substantive Assistant Chief Fire Officers (one of whom is the current Interim Chief Fire Officer).
- 3.11. An alternative approach would be to advertise the vacancy nationally. This carries the risk of neither of the existing substantive Assistant Chief Fire Officers being successful and a redundancy situation would then exist. Given the Service 4Rs Policy specifically provides for ring-fencing of vacancies to reduce the impact of redundancies, this approach would carry a risk of an unfair dismissal claim and for that reason it is recommended that this approach should not be considered.
- 3.12. Whichever approach is adopted, it is proposed that the existing Chief Fire Officer's Appraisals Panel be delegated authority to determine the appointment of the Deputy Chief Fire officer.

- 3.13. There are a number of fire and rescue services of a comparable size where the role of Deputy Chief Fire Officer is utilised. In order to expedite the process, if Members are minded to approve the post, it is proposed that a remuneration mean average is taken of three comparable fire and rescue services and that this figure is used to determine the remuneration associated with this role.

4. DIRECTOR OF PEOPLE AND ORGANISATIONAL DEVELOPMENT POST

- 4.1. The first tranche HMICFRS inspections identified significant shortcomings in relation to the people element of the inspection. This relates to how fire and rescue services support their staff. Out of the 14 services inspected, 10 services were identified as requiring improvement. The Safer Together Programme has been developed to transform the Service to meet future needs and expectations. This transformation will not be easy and there will be very complex issues to consider such as contractual, employee relations, leadership, culture, wellbeing, performance management and talent development. The role of People and Organisational Development Director will take the developmental lead for these critical areas and the post holder will need to be a specialist in transformational organisation change.
- 4.2. In the current structure, where the specialist capacity and/or capability is not available within the Service, advice on some of the most complex employment matters has been outsourced to other providers. With the clear focus on delivering change, there will be a need to provide a greater level of timely strategic professional advice to the Executive Board.
- 4.3. The Authority is amongst the largest combined fire and rescue authorities and the professional standards of its support functions need to be at the highest level if the Service is to maintain its national profile. The Authority has effectively been without a People professional at director level in this critical area for over two years and experience has shown that this is not sustainable given the changes ahead. Whilst there will always be a need to commission legal services to deal with employment claims, the addition of this position should, in time, deliver savings by reducing the reliance on legal advice to support casework.
- 4.4. If the Authority is minded to approve the post of Director of People and Organisational Development, consideration will need to be given to the recruitment process.
- 4.5. The Director of People vacancy would not require ring-fencing internally as there are no potential redundancy considerations. It is normal practice to conduct a national level recruitment for such a senior professional position. Again, it is proposed that the Chief Fire Officer's Appraisals Panel be delegated authority to determine this appointment.

5. ASSISTANT DIRECTOR (DEPUTY ASSISTANT CHIEF FIRE OFFICER)

- 5.1. The role of Assistant Director (Deputy Assistant Chief Fire Officer) will form the fourth member of the most senior operational Strategic Officer rota and will support the Deputy Chief Fire Officer in the discharge of their responsibilities. Currently, this operational Strategic Officer rota requires four Incident Command trained operational officers to attend the Strategic Coordinating Group (Multi Agency Gold) when required.

- 5.2. The Service has been using an experienced Area Manager as the fourth member of this rota, supported by the substantive Chief Fire Officer who has maintained his rota commitments during the period of his secondment. This arrangement will cease when the Chief Fire Officer returns to service in April 2019 and a more permanent arrangement will be required.
- 5.3. The 2017 review of the senior management restructure saw the reintroduction of a second Assistant Chief Fire Officer post. Principal Officer resilience and cover were key considerations but another important factor was the clear separation between management of actions which deliver the Service today and those which are focused on improving the Service for tomorrow. The position of Assistant Director (Deputy Assistant Chief Fire Officer) is key to maintaining this separation which has been a key enabler in developing our plans over the past 18 months.
- 5.4. As this post is not at Director level, it is within the Chief Fire Officers delegated powers to implement. However, due to the seniority and importance of the role, it is considered to be worthy of noting within this paper.

6. OTHER OPERATIONAL MANAGEMENT CONSIDERATIONS

- 6.1. Currently, there are nine operational Strategic Manager posts (Chief Fire Officer, 2 x Assistant Chief Fire Officer and 6 x Area Managers). The proposal is to reduce this to eight (Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officer, Deputy Assistant Chief Fire Officer and 4 x Area Manager grade B). Despite a reduction in numbers, this will bring improved operational resilience due to revised working arrangements.
- 6.2. By way of further information, during major incidents there are two main roles for strategic commanders. The first is to take command of the operational incident itself which will take place at the scene. The second is to work with multi agency partners to ensure a joined up approach is provided to the operational response and recovery phase of the incident. At larger incidents, both of these roles operate simultaneously as each requires a Strategic Commander. The latter function takes place at Police Headquarters. The Chief Fire Officer considers that the number of Strategic Managers working at Area Manager grade B level for operational purposes will need to be four and revised terms and conditions have already been negotiated where greater resilience will be achieved.

7. SERVICE DELIVERY MANAGEMENT STRUCTURE AND FINANCIAL IMPACT

- 7.1. There are several changes that will offset the costs of the proposed changes to the senior management structure in the 2019/20 financial year. Savings will be generated as a result of the wider managerial review with a proposed reduction of 25 posts (1 x Assistant Chief Fire Officer, 2 x Area Manager grade B, 3 x Group Manager grade B and 19 x Station Manager grade B posts). The changes to the Service Delivery structure are detailed within Appendix B.
- 7.2. The three non-operational Director posts in the proposed management structure will have new job descriptions and be subject to job evaluation, which will be undertaken in accordance with agreed procedures.
- 7.3. The net impact is that these proposed managerial changes will result in minimum savings of £1.094m and the investment in the revised senior management structure will be no greater than £0.150m. This figure includes provision for any changes resulting from job evaluation.

- 7.4. In moving to this revised structure, the Authority is asked to commit £0.850m of the proposed savings within 2019/20 to bringing forward proposals to increase the level of front line delivery activity as identified within our Safer Together Programme. This will bring about improved outcomes for communities as increased front line resources will be available to deliver in areas where the service is currently under resourced.

8. WIDER MANAGEMENT STRUCTURE CONSIDERATIONS

- 8.1. Once the Authority has determined the senior management structure, the Chief Fire Officer will be able to complete the review of the next level of the Service management structure. The Chief Fire Officer has delegated authority within the Authority's Scheme of Delegations (4.17) to:

- (a) effect minor variations in the establishment between uniformed and non-uniformed posts where this is in the best interests of the Service and subject to consultation with representative bodies and to there being no additional resource implications associated with the variation;
- (b) to effect changes in the establishment structure subject to any financial implications being contained from within existing resources and to compliance with the virement thresholds as contained in the Authority's Financial Regulations

- 8.2. Accordingly, any further changes to the next level of the Service management resulting from the Chief Fire Officer's review, which do not constitute a 'major restructuring' (Scheme of Delegations 4.18 (ii)) may be determined by the Chief Fire Officer. Any such changes would be reported, post-implementation, to the Human Resources Management and Development Committee for information.

- 8.3. Should any changes to the next level of the Service management structure following the Chief Fire Officer's review constitute a 'major restructuring' (e.g. significant changes to the existing pay and grading structure) but where the costs can be met from within existing budget provision, then a full report detailing the proposals would be submitted to the Human Resources Management & Development Committee for consideration and determination. Where costs cannot be met from within existing budget provision, then a full report detailing the proposals would be submitted for initial consideration by the Human Resources Management & Development and the Resources Committees for those Committees to then make an appropriate recommendation to the Authority for determination.

9. CONCLUSION

- 9.1. The transformational change that the Authority has tasked the Chief Fire Officer to deliver will require a revised managerial structure. This proposed structure (Appendix A) reflects the recommended initial changes to the most senior (Executive Board) managerial structure, together with formalising some changes to roles that have already taken place as the need has arisen to balance workloads. Further restructuring will invariably be required at a number of managerial levels as the Service embarks on its transformational journey.

- 9.2. These changes reflect the learning from the first tranche of HMICFRS inspections and the assessment of activity required to deliver the Safer Together Programme. In addition, the substantive Chief Fire Officer will return from secondment in April and has had significant involvement in the development of the proposed revised structure.
- 9.3. If agreed, these changes will bring about a significant overall reduction in managerial numbers and allow for £0.850m of additional funding to support the frontline delivery of services. It will also give a clear indication to our staff, the public and HMICFRS that change is happening and that we are committed to the prioritisation of front line delivery of services, particularly in relation to our preventative activity.
- 9.4. Through the changes that have already been informally made to manage workload and priorities, the Interim Chief Fire Officer has already seen improvements in performance due to greater clarity of role and accountability. The revised structure is therefore recommended to the Authority for approval.
- 9.5. The alternative in maintaining the existing senior management structure is an option but would not support the delivery of the Safer Together Programme and the associated changes required in order to meet the existing and future needs of our communities.

GLENN ASKEW
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LEE HOWELL
Chief Fire Officer