

**Hampshire Fire and Rescue Authority**

**Human Resources Committee**

**Item 11**

**19th January 2011**

**Retained Duty System Strategy Project Progress Report**

**Report of the Chief Officer**

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**1 Summary**

- 1.1 The purpose of this report is to provide an update on the progress to date within the Retained Duty System (RDS) Strategy Project.

**2 Recommendation**

- 2.1 That the Human Resources (HR) Committee support the continued delivery of the RDS Strategy Project objectives.

**3 Introduction and background**

- 3.1 Responding nationally to increasing concerns relayed from Fire and Rescue Services throughout the country, the then Office of the Deputy Prime Minister (ODPM) established a national review to examine RDS issues in England and Wales. Under the direction of ODPM, the national Retained Review Team (RRT) was established, producing its final report in February 2005.
- 3.2 The report made 51 recommendations of which 35 were considered to fall within the remit of Local Authority Fire and Rescue Services. As a result an RDS Review Project was completed, reporting to the Service Management Team (SMT) in June 2007 with 6 recommendations. These are reproduced at Appendix A. These were carried forward to the RDS Strategy Project to implement and with regard to recommendation 1 (Appendix A) to make proposals for change to SMT.
- 3.3 The overall strategy was to introduce agreed changes and improvements to maximise support to and efficiency of the current system. The project was divided into four interlinked phases, with the developments in each feeding into the next. Phase one revisited the earlier Review Project recommendations and developed the six high level recommendations (appendix A).
- 3.4 Phase two initiated the procurement and implementation of an electronic management system, support for the RDS and research into and initial development of an annualised salary scheme.

- 3.5 Phrases three and four were combined to progress the proposals for an annual remuneration scheme and the introduction of improved contracts.

#### **4 Progress to Date**

- 4.1 A key aspect of the project was to introduce an electronic management system (recommendation 4) for the RDS. The project board considered 4 proposals, eventually opting for an Retained Management System (RMS) provide by Gartan Fsi UK
- 4.2 The Gartan system was introduced as an interim solution for 2 years with the option for a third year, if required. The third year option has now been taken up. It is expected that the new FireWatch system will take over from the Gartan system and this is being managed through the FireWatch Project in conjunction with Service Delivery.
- 4.3 The RMS is designed to support both managers and firefighters alike. Firefighters now have more flexibility with how they can book 'on and off call' by use of text, mobile phone, landline, via the internet and by making a station visit. Previously the only option to change availability was to visit the station. The system provides an up to the minute account of individual and collective availability of the respective retained section. When attending the station for a call firefighters can immediately see at a glance who is available and the skills that they possess.
- 4.4 Managers now have a greatly improved tool with which to monitor and manage performance of both stations and individuals through a number of reports that can be generated within the system.
- 4.5 The Fire Control staff can access an up to the minute picture, via a real time map, of appliance availability throughout the county. This has enabled more efficient appliance movement and facilitates the effective use of 'Personnel Reserve' (PR) firefighters.
- 4.6 An interim payroll module is also attached to the system that has negated the required for paper based forms. However, this is not linked to current payroll system, which is SAP. Future interfaces between SAP and FireWatch is expected to enable an efficiency saving of £32,000 as data will be entered at source. This is currently not possible with the existing system infrastructure.
- 4.7 The RMS system has also been able to provide valuable data for other aspects of the RDS and other associated projects affecting the Retained Duty System.
- 4.8 An effective support mechanism for the RDS was also amongst the six high level recommendations (recommendation 5). This support has been established by changes to the Support Officer and Group Training Instructor (GTI) roles.
- 4.9 Support Officers now form part of a Group Management team and have effective line management support within the Group.

#### **5 Contracts and Annualised Salary Proposals**

- 5.1 Recommendations 35 and 38 of the Retained Review Team document suggested

that FRS reviewed contractual provisions and remuneration systems.

- 5.2 The RDS system has always been viewed as a flexible and efficient system. There is no doubt that it is flexible, however it is not as efficient as it could be.
- 5.3 There are a number of areas that we are looking to improve upon within the RDS:
- HFRS currently have 770 RDS firefighters in post, which equates to 618.75 full time equivalents. This is 92% of the 'established' number. This is the highest number of RDS firefighters employed by HFRS. However, most days there are an average of 10 appliances showing 'unavailable' in control.
  - Within the 'Grey Book' terms and conditions of service, there are currently 2 types of RDS contract. 'Full' for those offering 120 – 144 hours cover per week, and 'Partial', with a 25% reduction for those offering 119 or less. Research of the data held on RMS has highlighted that of the 177 employees that are paid a full retaining fee, 70 are providing less than 120 hours cover.
  - Data obtained from the RMS has identified that the average number of hours that RDS firefighters are available per week is between 80 and 100. The range is between 20 and 160.
- 5.4 It is clear that we have sufficient firefighters, however they are not consistently providing cover at the times of day that we require them.
- 5.5 The project managers have researched a number of pay models utilised by FRS's across the country and although interesting and useful models, they have all proved to more expensive in the long term than the current system. A requirement within the project for this aspect was that the solution was to be cost neutral.
- 5.6 As a result of this research a pay model was developed using some of the most innovative and effective elements of these pay schemes.
- 5.7 Negotiations were undertaken with the RB's, led by ACO Butcher to progress the HFRS Salary model. Briefing sessions were also held with staff across the county to explain the new system proposals.
- 5.8 Following feedback from the briefing sessions and as a result of the negotiations with our representative bodies, the Service moved away from the salary scheme option towards a banded retaining fee, similar to those used in some other FRS's such as Derbyshire and Humberside.
- 5.9 There were differential levels of acceptance and agreement with our Representative Bodies (RB's). All RDS staff were informed of the revised proposal and their acceptance sought via an individual letter. We have sent out 730 letters which require a response from individuals either accepting or declining the change. The response to date is approximately 60% in favour of the proposal, although there remain approximately 150 returns still outstanding at the time of writing.
- 5.10 The revised proposal of a banded retaining fee is based on the HFRS salary model, rewarding employees for the cover that they provide. The variable aspects of pay have been retained, which are the individual payments for 'turn-outs' and 'attendances'. The proposal was constructed on the basis that it would be cost neutral and this was a key requirement placed on the Project Board by the Senior

Customer. The scheme is predicted to broadly achieve that with a modest potential reduction in costs of around £20,000.

- 5.11 There are 4 bands based on the number of hours of cover given over the week and representing a percentage of the pre-existing retaining fee. These are as follows:
- 100% for 120 to 144 Hours.
  - 80% for 94 to 119 Hours.
  - 60% for 68 to 93 Hours.
  - 40% for 30 to 67 Hours.
- 5.12 With the new contracts, employees will now be more fairly rewarded for the number of hours of availability that they provide, and this is dependant on the band into which they fall. This is measured and averaged over a rolling 17 week period.
- 5.13 The hours, and days on which they are contracted to provide cover will form part of the new contract. This will enable managers to be better manage their stations availability by being better informed as to crewing levels at all times of the day.
- 5.14 Some resistance is being experienced in part because the proposal does not conform to the national 'grey book' terms and conditions of service. However, the Retained Firefighters Union (RFU) do fully support the proposals. All other aspects of the retained salary package will remain unaltered (i.e. turnouts and attendances). It is therefore expected that there will be a significant period within which both the old and new contracts will be in place within the RDS. These will be managed out over time using natural turn-over and changes requested by staff. This should not be seen as problematic. The hourly rate and other variable aspects of pay remain the same irrespective of contract type.
- 5.15 Amendments to the contract shells have been discussed and will be finalised once all letters have been received. New contracts will be introduced prior to April 2011. Meanwhile all new entrants into the service will be under the new form of contract

## **6 Supporting our corporate aims and objectives**

- 6.1 This project supports the Resources and Community priorities outlined in the Service Plan 2010-2013
- 6.2 By rewarding the operational cover availability of our RDS firefighters we will have more control over how many RDS firefighters we have on each station and how they are deployed, resulting in a more efficient operational response.

## **7 Risk analysis**

- 7.1 Failure to adapt the way we manage the resources provided within the retained service will result in HFRS not being in a position to provide the best possible service to residents and businesses in Hampshire.
- 7.2 There is a risk that the introduction of a banded retaining fee will result in the resignation of a number of firefighters.
- 7.3 There is also the risk that as a result of only providing day cover, a number of

firefighters will fall into the 40% band and consequently leave the service. This will impact on our operational availability during the hours of 0900 and 1800.

- 7.4 This project could have a significant impact on some RDS firefighters with regard to their salaries. There is a risk that some may seek grounds for legal redress or feel sufficiently disaffected as to seek redress through industrial action.
- 7.5 There is a risk that staff will opt for a 'work to rule' due to any actual or perceived increase in workload, obligation or reduction in flexibility.
- 7.6 If all staff do not accept the change to their contract we will be in a position where we are working from 2 types of RDS contract. Whilst there is no legal or procedural problems with this, it will require a change in management practice. HFRS has not had experience of this within the same staff group in the past. However, we are very used to working with differing contracts across different staff groups (ie Grey & Green Book staff).
- 7.7 The implementation of a recruitment freeze may impact on appliance availability in the medium term. This will require close monitoring by the Establishment Group and by Group Managers.

## **8 People Impact Assessment**

- 8.1 A People Impact Assessment PIA has been completed for the banded retaining fee proposal.
- 8.2 The proposals in this report are considered compatible with the provisions of the European Convention on Human Rights, the Human Rights Act 1998, and the Race Relations (Amendment) Act 2000.

## **9 Resource implications**

### **9.1 Human Resources**

There may be a reduction in the number of RDS firefighters, particularly those within the lower retaining fee band as the new banding scheme roles out. Also, the imposition of a selective recruitment freeze could lead to a reduction in staff available to crew vehicles in the medium term.

### **9.2 Physical Resources**

There are no immediate physical resource requirements.

### **9.3 Information and Communications Technology Resources**

There are no immediate ICT resource requirements.

### **9.4 Financial Implications**

The delivery of the banded retaining fee is predicted to deliver an approximate saving of £20K, although the aim remains to deliver the changes on a cost neutral basis.

## **10 Consultation**

- 10.1 The current project board includes members of the RB's of those staff affected by the work. There was significant engagement with RB's as part of the process to implement the new banded scheme.
- 10.2 There have been regular project updates provided to SMT and the HR Committee during the project.

## **11 Background papers**

- 11.1 The following documents disclose the facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of the report:

None

Note: The list excludes: (1) published works; and (2) documents that disclose exempt or confidential information defined in the Act.

## RDS Strategic Review Project, SMT Agreed Six High Level Recommendations

1. Further annualised salary scheme developments should be progressed and overseen by an implementation project team to include a specified trial, with review and evaluation prior to any final implementation decision. SMT should give agreement in principle to the development of an annualised salary scheme. An implementation project board should comment on preferred model variables utilising the one hour pay comparison model developed, the method and frequency of future payment methods, in order to inform any future implementation project team.
2. A new IRMP objective should be considered that establishes a risk profiling project team. This area of work should both quantify and qualify risk within station grounds across the county.
3. A new IRMP objective to strategically review operational resources and their distribution should be considered. This should align to meet identified risk with strategic resilience and capacity integral to its conclusions. It should consider the adoption of new or modified resources such as combined appliances, enlarged crew appliances, new rural concept appliances and dedicated specialist RDS appliances as examples.
4. Prior to any introduction of an annualised salary scheme, an electronic Retained Management System should be trialled, evaluated and successfully introduced across the RDS locations for fair, equitable and consistent performance management. Following the Project Manager's lead role on behalf of the South East HRDG sub group (RDS) researching into availability systems, HFRS have entered into collaborative discussions with *Sophlogic* to facilitate national development trials of an eagerly awaited new product. It is recommended that this collaboration is now progressed in conjunction with the Workforce Strategy Management Information Group project and the RDS availability and WTD related aspects are scoped by a consultant analyst.
5. The holistic provision of support to the RDS should be evaluated by an implementation group to ensure adaptation or developments where necessary achieve efficient delivery at the point of most effectiveness.
6. A Project Manager and project team should be appointed for the implementation of agreed proposals. SMT should comment on the timeframe desired for the implementation strategy. Consideration should be given to the adoption of short, medium and long term objectives and where this implementation project should sit within the revised Service Delivery structure.

**Note:-** recommendation 2 and 3 have been adopted by Service Delivery for progression and are now considered core activity.

Recommendation 6 has been implemented and is the mandate for the RDS Strategy Project.