

**Hampshire Fire and Rescue Authority**

**Finance and General Purposes Committee Extraordinary Meeting**

**23 March 2016**

**Funding required to enable service improvement through Service Delivery Redesign and related projects**

**Report by Chief Officer**

Contact: Adrian Murphy: tel: 023 8064 4000 adrian.murphy@hantsfire.gov.uk

**1 Summary**

- 1.1 In July 2015 Service Management Team (SMT) approved changes to the Service Delivery structure and specialist and technical response capability to achieve ongoing savings of £1.2 million per annum.
- 1.2 On 24 February 2016 the Fire Authority approved the Risk Review proposals covering changes to Frontline Capability and Activity Based Crewing. These proposals identified opportunities for innovation and improvements in how our services are delivered whilst providing £2.9 million per annum of savings.
- 1.3 These ongoing savings, totalling £4.1 million per annum are key elements in phase two of our Efficiency Savings Programme to 2019/20.
- 1.4 In order to implement the approved proposals, our Service Delivery Redesign (SDR), we need to request funding from the Transformation Fund. This fund was created earlier this financial year to fund all transformational projects that will support the re-design of the service over the next few years to achieve improvements and the financial savings required to balance the budget.
- 1.5 The cost directly associated with implementing the Fire Authority decision of 24 February 2016 are a one off cost of £1.809 million. The further spending identified is about business as usual needs to upgrade equipment and increase our capabilities and totals a one off cost of £1.675 million these are items marked with an asterisk(\*)
- 1.6 Details of the expenditure required for the Service Delivery Redesign and the projects that underpin it are presented in this report for Members to consider.
- 1.7 This report contains information on identified expenditure that we require in the short term. This represents the significant majority of any costs associated with delivering SDR. Some other costs will be incurred, the most significant being the upgrade of the appliance bay at Eastleigh to receive the USAR vehicles.

**2 Recommendation**

The Committee is invited to:

- 2.1 Approve the spending of £3,484m met by the Transformation Fund to enable the Service Delivery Redesign and related projects to progress.

### 3 Introduction and background

#### Service Delivery Redesign

- 3.1 In order to implement the Risk Review, a programme of work called Service Delivery Redesign will be required with a number of work streams. These include staffing, redesign and the implementation of the new technology referred to in the report made to the Authority on 24 February 2016. They are detailed, with the expenditure required, below and in the appendices to this report.

The table below provides a summary of the work and investment required. A more detailed breakdown of the expenditure required is provided in appendices 1-6.

		Total cost £000
1	A Service Delivery Redesign Implementation Delivery Group will be required for three years. It will use a logical approach to oversee, plan, execute and monitor Service Delivery Redesign in a coordinated manner, and provide appropriate governance and review. There are work streams within this which include:	1,433
2	<ul style="list-style-type: none"> <li>Implementation of the staff restructure in Service Delivery.*</li> </ul>	64
3	<ul style="list-style-type: none"> <li>A Response Development and Control project team and planned work is required for the successful delivery of the changes to Response and Control teams. This work will provide the capacity, and specific skill sets, needed to deliver effective and quality products on time with a flexible and reviewable structure.</li> </ul>	376
4	<ul style="list-style-type: none"> <li>Medical Response and Fire as a health asset – moving to implementation. This team will develop the strategy for a wider medical role for HFRS and it forms an important element of the Service Delivery Redesign. The initial part of this project was primarily funded by an award from the Department of Communities and Local Government Transformation Fund.*</li> </ul>	486
	Two projects are required to implement new technology:	
5	Fire ground radio replacement *	574
6	Ultra-High Pressure Lance capability *	551
	Total	3,484

3.2 The full business cases have been approved by Service Management Team via our internal project governance processes.

3.3 The performance of our Efficiency Savings Programme will continue to be monitored by the Safer Stronger Board and then and reported to this Committee.

#### **4 Schemes approved**

4.1 For completeness, the Committee is reminded that two schemes were approved on 3 February 2016 for Breathing Apparatus Telemetry and Thermal Imaging Cameras. The business cases are attached in appendices 7 and 8 for information only and do not form part of this funding request submission.

#### **5 Supporting our corporate Priorities and objectives**

5.1 All the identified expenditure directly contributes to achieving our priorities. The changes are fundamental to implement the Service Delivery Redesign approved by the Authority and SMT as described in para.1.2. The aim is to achieve the ongoing financial savings and performance improvements set out in our Risk Review Proposals.

5.2 The purpose of the Risk Review Project was to enable the Service to create an Integrated Risk Management Plan utilising a new approach to service delivery which will maximise efficiencies, enable innovation, and deliver a cost-effective model aligned with making Hampshire safer, mitigating service risks, addressing financial challenges, and focusing on the service vision for 2020.

#### **6 Risk analysis**

6.1 The development of new technology and the exploration of new areas of work are designed to reduce risks to our people, our community, and our organisation.

6.2 There will be a risk management strategy for the implementation of Service Delivery Redesign. A risk register will be maintained. Risks will be identified, assessed, managed, and escalated appropriately.

#### **7 People Impact Assessment**

7.1 The proposals in this report are considered compatible with the provisions of the equality and human rights legislation.

7.2 People Impact Assessments are being undertaken for each project with the aim of achieving full equality in all our projects outcomes.

#### **8 Environmental and Sustainability impact assessment**

8.1 The new technologies in vehicles and equipment will have an environmental benefit by both reducing our carbon footprint with more efficient plant; and reducing fire damage, smoke pollution and using less water for fire fighting.

8.2 We will also improve the sustainability of the service by changing our crewing models and delivery systems to leaner and therefore more sustainable models.

#### **9 Resource implications**

- 9.1 Financial, human, physical, and ICT resources have been considered and included within the business cases related to the items for which funding is required.

## **10 Collaboration**

- 10.1 Throughout implementation, opportunities will be explored for blue light collaboration and generating income from space or room in buildings that is created as part of the changes.
- 10.2 In particular the Medical Response and Fire as a health asset work builds on existing good relationships with partners and will develop new partnership relationships across health.
- 10.3 Opportunities for joint procurement with blue light partners will be explored.

## **11 Consultation**

- 11.1 Full consultation on the redesign proposals was undertaken during the Risk Review project and detailed in the report to the Full Authority on 24 February 2016. We will ensure that we involve our staff, Representative Bodies, and key stakeholders during the implementation.

## **12 Conclusion**

- 12.1 In order to make the savings and improvements detailed in our Risk Review proposals it is necessary to implement the Service Delivery Redesign and supporting projects. The work will be subject to governance and oversight throughout implementation into business as usual. Performance management and evaluation will be integral to the implementation and as we move into business as usual.

## **13 Background papers**

- 13.1 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:

Risk Review Final Proposals, Report to Hampshire Fire and Rescue Authority - 24 February 2016

Application Form and Guidance for Fire and Rescue Authority Transformation Funding for 2015/16 - Transforming 'on-call' in Hampshire – June 2014

Service Delivery Redesign – Fire as a health asset work stream – moving to implementation - Business case – February 2016

Operational technology – Fireground radio replacement – Business case – February 2016

Service Delivery Redesign – Service Management Team report - November 2015

## **Appendices**

Appendix 1- Summary of proposed expenditure

- Appendix 2 - Breakdown of staffing costs
- Appendix 3 - Breakdown of technology and other costs
- Appendix 4 - Summary business case Service Delivery Redesign Implementation Delivery Group
- Appendix 5 - Summary business case - Service Delivery Redesign – Fire as Health Asset Work-stream (moving to Implementation)
- Appendix 6 - Summary business case - Fireground Radio Replacement
- Appendix 7 – Thermal Imaging Cameras – Business case
- Appendix 8 – Breathing Apparatus Telemetry Equipment – Business case