

report

meeting	NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM FIRE & RESCUE AUTHORITY	
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REPORT OF THE CHIEF FIRE OFFICER

HUMAN RESOURCE ISSUES WITHIN THE CHANGE AGENDA

1 PURPOSE OF REPORT

To inform Members of issues relating to the impact of the implementation of human resources (HR) policies, and to consider the Authority's requirements, in terms of future policy and resources.

2 BACKGROUND

At its weekly meeting on 15 May 2006, Members of the Strategic Management Team discussed issues associated with the management of HR, including sickness absence/ill-health retirements, equalities, diversity and discipline. The issues have been discussed at a subsequent meeting between the Chair, Opposition Majority Group Spokesperson and the Head of Human Resources.

3 REPORT

- 3.1 Since 2002 the Service has been the subject of major scrutiny by, among others, the Bain Enquiry and the Audit Commission (Pay Verification and CPA). The Government's White Paper in 2003, the new Fire and Rescue Services Act 2004, National Framework documents, Fire and Rescue Service Circulars and other legislation and guidance, set out clear and challenging expectations for the modernisation of the Service. In addition, revisions to the pensions regulations applicable to wholetime fire and rescue staff have been introduced.
- 3.2 Included in the above expectations are targets relating to efficiency savings, reducing ill-health retirements and sickness absence. A major thrust of both the White Paper and the Fire and Rescue Services Act is the change of Service emphasis to deal with community safety and the ability of individual Authorities to determine its resource provision and distribution in line with their identified risk management needs. All of these challenges follow an extended pay dispute between the National Employers and the Fire Brigades Union. It is appropriate to say that the scale and pace of change in a Service that has been stable for decades, can create uncertainty for individuals.
- 3.3 This report is provided to Members to cover a major component of that change agenda covering issues identified under the HR umbrella. The Service must also note and not lose sight of other priority areas to be addressed.
- 3.4 The Authority is aware of the extent to which sickness absence impacts on the Service. There are clear expectations and targets for its reduction across the public sector. Members will also be aware that the ODPM (now the Department for Communities and Local Government), through changes to pensions legislation and

guidance, have clear expectations that the number of ill-health retirements will reduce.

- 3.5 Since the changes to the pensions arrangements were introduced, DCLG carries the responsibility for pensions payments to those firefighters who retire at the conclusion of their normal (minimum 30 years) service. The Authority however is responsible for payments associated with ill-health retirements. That figure is estimated at £200,000 per retirement. In 2005/06 there were fifteen retirements from the Service on the grounds of ill-health.
- 3.6 In order to reduce the number and impact of ill-health retirements, there is a clear expectation that employees will be offered redeployment. The requirement to adopt such an approach has already led to extensive HR personnel case involvement and clear resentment on the part of the Trade Union and individuals to a 'change' in policy.
- 3.7 The adoption of measures intended to reduce sickness absence, including reporting 'triggers' and the introduction of an externally managed absence reporting system, has been met with resistance. It has already been reported to Members that there are problems associated with the reluctance of Junior Managers to deal effectively with absenteeism and the requirements within the policy.
- 3.8 Members will be aware that the Service introduced a Health and Fitness policy in 2001, with a substantial investment in Occupational Health Service provision, fitness equipment and facilities, and individual employee access to health services through the Westfield Health Scheme. The Fire Brigades Union still refuses to endorse aspects of that policy including fitness testing arrangements.
- 3.9 A consequence relating to the above where managers and HR personnel supporting them are endeavouring to apply policy, is the volume of individual grievances generated. Those grievances need to be heard through relevant processes, which create an additional workload for HR personnel. Related to the above but not exclusively, is the issue of discipline within the Service.
- 3.10 Within the above environment the Service is introducing change associated with the need to introduce flexibility into working arrangements and patterns as well as address underperformance relating to diversity and equality targets. The introduction of retained auxiliary crewing arrangements whereby retained firefighters undertake complete shifts on wholtime stations as part of a mixed crew, and retained personnel on temporary wholtime contracts, have led to a number of complaints of harassment by some retained personnel. These are part of a discipline process. There are other examples of breaches of discipline both on and off duty that require time consuming investigation and management.
- 3.11 The transition from the Fire Services Discipline Regulations to the ACAS guidance has required the Service to adopt new procedures, with the need to provide Officers with additional training and guidance. Support to Officers conducting discipline investigations is provided by HR personnel, placing an additional and increasing burden on those staff.
- 3.12 The scale, complexity and diversity of discipline issues being faced by the Service is unprecedented. There are requirements to obtain specialist legal advice and support on more and more occasions. There is also an increasing requirement to provide more specialist training and support.
- 3.13 It must also be acknowledged that the Service has historically never undertaken Criminal Record Bureau (CRB) checks on new or existing employees. The Service

is in the process of making arrangements to cover new entrants, and existing employees based on risk analysis.

- 3.14 Increasing legislation relating to disability and other forms of discrimination require the Service to consider changing policies, procedures and access. There is likely to be greater external challenge faced by the Service from individuals and institutions in response to these changes and the Service's approach to them.
- 3.15 There are organisational risks associated with the failure on the part of the Service to address the challenges. The Strategic Management Team continues to assess corporate risk and assign appropriate resources. There are practical issues associated with the requirement to balance operational risk with corporate risk within finite budgets. Whilst Government expectations are clear and for the most part measurable, what isn't contained within any of the Framework or other documents is the means to provide the necessary, and invariably increased, support to the change agenda.
- 3.16 An added dimension is the requirement within the Framework documents to review regional working and collaboration. One component of the East Midlands Regional Management Board's requirements is the integration of regional HR policies. Within the Integrated Common Services workstream (incorporating HR) there is a project to review 'back office' functions in accordance with the National Framework objective. At a regional level there is also HR support to other projects including the introduction of the new Regional Control Centre and Workforce Development. At present, there is a high level of local input to those projects by individual members of staff. Efficiencies and economies of scale associated with the outcomes of those projects have yet to be realised.
- 3.17 Whilst not a risk-resource issue in isolation, HR is a key component of modernisation and Service support. The Strategic Management Team is taking steps to address issues associated with balance and priorities within resourcing constraints. It is apparent however, that the scale of the issues faced by the Service is beyond existing and proposed capacity. It is also considered appropriate to consider the degree to which the Service may need to contract-in specialist support in certain areas.
- 3.18 As a result of recent developments, it is considered appropriate to seek external consultants to review the issues faced by the Service in response to the above pressures, as a matter of urgency. Members are asked to support the appointment of appropriate consultants to undertake a review of the issues, priorities and resources and make recommendations to the Authority.

4 FINANCIAL IMPLICATIONS

There will be a direct cost associated with the engagement of external consultants to undertake this work. Until the specification is offered to the potential contractee, an accurate financial implication cannot be provided. Based on previous consultancy work commissioned by the Authority/Service, it is estimated that this piece of work will cost in the region of £25,000. The cost will be found from within existing budgets.

5 PERSONNEL IMPLICATIONS

Given that the report recommends the appointment of an external body to undertake this work, there are no personnel implications arising from this report. The proposed review does have the potential to highlight issues that may have personnel implications.

6 EQUALITY IMPACT ASSESSMENT

An equalities impact assessment has not been carried out on this report. The report is intended to report on the issues identified in this report. Therefore, any recommendations arising from it will be the subject of an equalities impact assessment.

7 RISK MANAGEMENT IMPLICATIONS

The issues highlighted to the Authority in the report have risk management implications. There are financial implications associated with the exposure to legal action arising from claims from individuals. There are equally financial implications associated with the failure to deal robustly with the requirements of Authority policies. The degree to which the Authority is exposed to risk underpins the requirement for the review to be undertaken.

8 RECOMMENDATIONS

It is recommended that Members :

- (i) Approve the establishment of a sub-group comprising the Chair, Vice-Chair, representatives of the Conservative and Liberal Democrat Groups, and the Chief Fire Officer, to formulate the terms of reference for the review.
- (ii) Task the Head of Finance and Resources and Assistant Chief Fire Officer (Information Services) to identify consultants to undertake the review. ;
- (iii) Task the sub-group to confirm appointment and present the terms of reference to the consultants and receive the outcome of the report.

9 BACKGROUND PAPERS FOR INSPECTION

None.

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CHIEF FIRE OFFICER