



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Policy and Strategy Committee

STRATEGIC MANAGEMENT TEAM REVIEW AND TRANSITION PROPOSALS

Report of the Chief Fire Officer

Agenda No:

Date: 01 November 2013

Purpose of Report:

To feed back to Policy and Strategy Committee on the outcomes of the review into the size of the Strategic Management Team and, given the notice of two of the existing team members, to propose a process of transition for the Fire Authority to follow.

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1. BACKGROUND

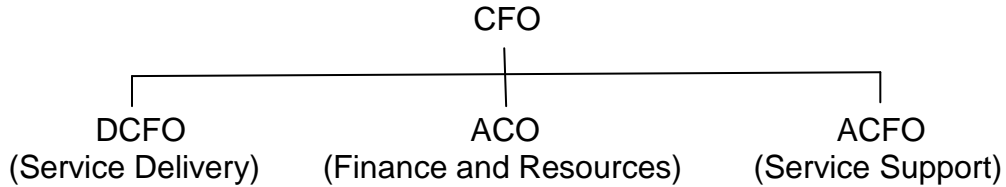
- 1.1 Since its inception as a Fire Authority in 1998 the responsibility for the day to day running of Nottinghamshire Fire and Rescue Service (NFRS) has rested with the Chief Fire Officer (CFO) under delegated powers. The CFO has been supported by fellow strategic officers at deputy and assistant levels, all of which are member appointments.
- 1.2 Over the years this establishment has been varied with the approval of the Fire Authority. At its highest level the Strategic Management Team consisted of six members (CFO, Deputy Chief Fire Officer (DCFO), x2 Assistant Chief Fire Officers (ACFO), Assistant Chief Officer Finance and Resources, Assistant Chief Officer Human Resources), four uniformed and two non-uniformed.
- 1.3 In 2008 the Fire Authority agreed to a reduction in this establishment with the deletion of the Human Resources post and in 2012, following the retirement of the existing DCFO, a ring-fenced appointment process led to the deletion of one of the ACFO posts and a new structure was implemented in August 2012.
- 1.4 Given the financial challenges the Fire Authority face going forward, permission was given for the CFO to review the existing arrangements and establish whether further reductions could be made to reduce the pay bill whilst continuing to meet the demands of the Service.
- 1.5 Since that permission was given, two incumbent members of the Strategic Management Team have notified of their intention to retire from the Service on 31 March 2014 and 30 June 2014 respectively.
- 1.6 This report therefore takes into account the implications of these departures and advises the Policy and Strategy Committee of the transitional arrangements that should maintain stability as well as minimise disruption to the Service.

2. REPORT

MANAGEMENT TEAM REVIEW

- 2.1 As previously detailed, the current Strategic Management Team structure numbers four roles – that of Chief Fire Officer (who also fulfils the role of Chief Executive); Deputy Chief Fire Officer (Head of Service Delivery); Assistant Chief Fire Officer (Head of Service Support) and Assistant Chief Officer (Head of Finance and Resources).
- 2.2 The three uniform posts are conditioned to National Conditions for uniformed staff (Gold Book), whilst the ACO post is employed primarily under JNC for Chief Officers of Local Authorities Conditions. This structure has been in place since the Fire Authority agreed a reduction of one ACFO post in August 2012 following the retirement of the previous DCFO.

- 2.3 The total salary bill for the management team at present is circa £450k, which equates to approximately 0.9% of the Service's annual budget based upon the accounts for 2012/13. Those costs have remained stable since 2010.
- 2.4 As explained in Paragraph 2.1 each of the Officers below the CFO has a reference and the structure is explained below:



- 2.5 Within each of these references the following activities are managed through a primarily hierarchical structure:

Service Delivery

- All operational stations
- Fire Protection
- Community Safety
- Mobilising and Control

Service Support

- Corporate Services
- Learning and Development
- Human Resources
- Health and Safety
- Employee Relations

Finance and Resources

- ICT
- Transport and Fleet
- Estates and Procurement
- Finance
- Equipment

- 2.6 In determining whether the management team could be reduced, there were a number of factors which were assessed. These included:

- Other fire and rescue service comparisons;
- Capacity;
- Expertise and skills requirements;
- Finance in terms of costs;
- Resilience – operational and organisational.

OTHER FIRE AND RESCUE SERVICE COMPARISONS

- 2.7 In looking at other Services around the country an exhaustive review was not undertaken as NFRS does not differ significantly from those Services

contacted. Firstly the 'norm' in terms of uniformed Principal Officers is three or four. This was evident in Leicestershire, Cumbria, West Sussex and other Services. Very few have four officers, although some, such as Derbyshire, have reduced to two. Where this has been done, other arrangements have been put in place with the grade below (Area Manager) to fulfil rota cover requirements with the level of Area Managers being greater than the three currently in Notts.

- 2.8 Members will recall that within the recent review by Sir Ken Knight, comment was made with regard to the ratio between senior managers and fire fighters. Even retaining the three uniform posts, this sees NFRS towards the better performing, having a low ratio of 22:1.
- 2.9 Non-uniform officers at Principal Officer level are primarily of a financial nature, although some Services also have a very senior human resources professional in addition or as an alternative. Roles are also likely to take on other managerial duties as is the case within Nottinghamshire, with estates, fleet, equipment etc., all falling under the general remit of Finance and Resources.
- 2.10 In summary, the current management team of four is commensurate with the wider fire and rescue service community.

CAPACITY

- 2.11 Over the last five years the size of the management team has been reduced from six to four, with the residual workload being divided amongst the remaining incumbents. Amendments have been made to the underlying structures to accommodate these changes but equally, over the last two years, further reductions have been made to staffing numbers following a voluntary redundancy process (non-uniformed posts) and the reduction in established operational roles.
- 2.12 Any proposed reduction would likely have to fall at ACO or ACFO level, which would result in the workload and managerial responsibilities being divided further between the remaining two officers at DCFO and ACFO/ACO level. This would result in either the transfer of ICT, finance, estates, equipment and fleet to the uniform ACFO or conversely the re-allocation of human resources, learning and development, health and safety and corporate services to the non-uniform ACO.
- 2.13 In either case the workload would be significantly higher and the risk at this stage is that some of the work around budgets and staffing may suffer at such a critical time. Policy and Strategy Committee will be well aware of the budget challenges currently being faced, as well as processes on-going such as voluntary redundancy, compulsory redundancy and re-deployment, all of which require significant attention.
- 2.14 At the present time it should therefore be recognised that a further reduction in the staffing level will have an impact on capacity.

EXPERTISE AND SKILLS REQUIREMENTS

- 2.15 Management of functions at the strategic level requires a cross-section of skills and expertise. However certain roles, such as the Head of Finance and Resources require particular qualifications of a financial nature. The reduction of this post, for example, could result in the Service having to 'buy in' the expertise which not only undermines the reason for making the change, but would also reduce the savings.
- 2.16 The impact is less so with the uniform post as any incumbent will rely on the professional advice and support of the managerial staff reporting directly. A more general and decision making managerial ability is required and therefore there could be some flexibility in whether the post is one of a uniform or a non-uniform role. This decision would largely rest on the operational impact in providing an operational Gold Command rota.

FINANCE IN TERMS OF COSTS

- 2.17 The two assistant posts are banded on 75% and 65% of the CFO's salary respectively, so the differential is fairly minimal at circa £7k per annum.
- 2.18 To disestablish the ACO post would involve redundancy and outline costs, including pension strain, would be circa £300k. The ACFO post could be deleted when vacated in June 2014 at no extra cost to the Fire Authority.

RESILIENCE – OPERATIONAL AND ORGANISATIONAL

- 2.19 In terms of managerial aspects a brief assessment of capacity has been provided above.
- 2.20 The main issues around resilience relate to operational provision and the ability of the team to support any prolonged interruption of any nature continuously.
- 2.21 The Service has to have in place business continuity arrangements for any eventuality that may affect the normal running of the Service. This is contained within the Civil Contingencies Act 2004. Each of the current members of the Strategic Management Team will fulfil a role within these BCM arrangements, whether it be to maintain managerial presence or to deploy into an operational environment.
- 2.22 The recent industrial action resulted in all uniform posts being deployed to front-line or command roles, with the ACO maintaining a managerial overview of the Service. Although such occurrences are thankfully infrequent, the team was operating at capacity for a limited period.

SUMMARY

- 2.23 On balance the current Strategic Management Team level of four would seem appropriate for an organisation of one thousand employees delivering the range of functions that it does. Any reduction may not result in the net benefits that such a measure would want as a return.

- 2.24 There may be a question as to whether or not the team could be more balanced in terms of uniform/non-uniform, but as the recent requirements under BCM has shown, that would impact on operational resilience. Equally the net savings would be circa £7k plus on-costs, which are not significant for the impact.
- 2.25 It is therefore recommended that Policy and Strategy Committee agree that the Strategic Management Team remains at four personnel, but this is reviewed again as part of the 2016/17 budget planning cycle.

TRANSITIONAL ARRANGEMENTS

- 2.26 If Policy and Strategy Committee accept the recommendation as given in Paragraph 2.23 above, then appropriate arrangements need to be put in place to facilitate a smooth transition, with 50% of the Strategic Management Team to be replaced over the next nine months. The following details a proposed route for the Fire Authority to follow which will mitigate the impact of the departures during this period.
- 2.27 Firstly it is recommended that Policy and Strategy Committee accept the need to bolster the team in the short term (9 months) to ensure a degree of continuity as the various processes take place. This can be relatively straightforward with the selection of an additional temporary ACFO with almost immediate effect.
- 2.28 The Appointments Committee will need to be convened, but a short interview process will suffice to enable this to happen. There are three eligible applicants at substantive Area Manager level, so the process will not be too onerous. The cost of this in the current financial year will be met by not back-filling the Area Manager post. The Service has already budgeted for an additional Area Manager during the current financial year to accommodate the Fire Control project. The majority of the costs will be met from this budget and a small contingency will be required for the period April – June 2014.
- 2.29 The additional ACFO post will bolster the Strategic Management Team whilst transition takes place, picking up work and projects which will transgress the next 6-9 months, thus ensuring no corporate memory loss.
- 2.30 In tandem with this process it is recommended that the Fire Authority go out to national advert for the post of CFO. A decision will need to be made as to whether this remains a uniform operational post. The Fire Authority will have to consider this against the criteria used to assess whether to keep a management team of four as the impacts are largely similar. If the Fire Authority chooses to be more flexible, then the merit of the temporary ACFO post will be seen in terms of operational and rota requirements.
- 2.31 It is also recommended that Policy and Strategy Committee agree to the use of external support for this process. A small budget to cover this has been set aside in the current financial year and Human Resources would be able to facilitate and co-ordinate this in support of the Appointments Committee.

- 2.32 Once the post of CFO/Chief Executive has been resolved, the Fire Authority will need to commence the next stage. If an external appointment has been made then this will be the replacement of the ACFO post in advance of the nominated June requirement. If it is an internal appointment, then this may involve the recruitment of a DCFO. Again the Fire Authority may choose to be flexible about the operational/uniform designation which again will have a knock-on effect.
- 2.33 Quite clearly such recruitments at this level take time and it can be expected that any external appointments would be required to give a minimum three months' notice. NFRS Principal Officers' contracts have been changed to six month notice to accommodate this fact. This should assist in the process, but timeframes will still need to be adhered to.
- 2.34 The following is the recommended timescales, although this may need to have some degree of flexibility:

	Week Commencing	Action
1	4 November 2013	Internal invite to Area Managers for Temporary ACFO post
2	4 November 2013	National advert for CFO/Chief Executive (closing date Friday 29 November 2013)
3	18 November 2013	Interviews for Temporary ACFO
4	2 December 2013	Shortlisting for CFO/Chief Executive
5	9 December 2013	Interviews /selection of CFO
6	16 December 2013	Confirmation of CFO (appointment start date of 1 April 2014)
7	6 January 2014	Advert for Principal Officer vacancy (if CFO external appointment this would be for the ACFO post due June 2014, if internal DCFO/DCO/ACFO) (closing date Friday 31 January 2014)
8	3 February 2014	Shortlisting next phase
9	17 February 2014	Interviews and selection
10	24 February 2014	Notification of candidate
11	3 March 2014	Potential advert for Principal Officer vacancy depending of processes preceding (closing date of 28 March 2014)
12	31 March 2014	Reserve dates for shortlisting
13	14 April 2014	Reserve dates for potential ACO/ACFO selection
14	21 April 2014	Notification dates for successful candidate (if required)

- 2.35 It must be stressed that this outline process could take the Fire Authority up to the end of April 2014 depending on the appointments made. This will depend on the nature as to whether these are internal/external appointments and uniform/non-uniform. The timeframe is geared to have a substantive team identified and in place at the earliest opportunity, but not later than 31 May 2014 in advance of the ACFO retirement.
- 2.36 If Policy and Strategy Committee agree to this approach, steps to commence the process will start immediately utilising the in-house human resources provision.

3. FINANCIAL IMPLICATIONS

- 3.1 The Fire Authority already has set aside a budget of £20k to support the selection processes which is largely to cover any external support. A contingency has been built into the 2014/2015 budget of a similar amount to cover the ACFO recruitment process.
- 3.2 The cost of the additional ACFO is circa £30k plus on-costs per annum. Obviously this is reduced if the timeframe is less than the nine months. Additional budget provision for an Area Manager has been built in to this year's budget and some of these additional costs will be off-set against this amount. It is recommended that any extra amounts be met from current underspend in the uniform pay budget.

4. HUMAN RESOURCES & LEARNING AND DEVELOPMENT

There are significant human resources implications arising from this report, but all can and will be managed by the internal human resources team. Any external support will need to be appropriately commissioned by human resources, and it is expected that any costs will be below tendering levels.

5. EQUALITIES IMPLICATIONS

NFRS will ensure that the processes undertaken meet all legislative and equalities requirements. The processes will be open and available through appropriate advertising media.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

The main aspects of this process will need to comply with appropriate employment and equalities legislation.

8. RISK MANAGEMENT IMPLICATIONS

With the impending departure of 50% of the current Strategic Management Team, the risks to the Fire Authority are primarily a loss of capacity, momentum and corporate memory. The recommended process should ensure that these impacts are kept to a minimum.

9. RECOMMENDATIONS

It is recommended that Policy and Strategy Committee:

- 9.1 Agree the recommendation to retain a Strategic Management Team of four.
- 9.2 Agree the recommendation regarding the process of recruitment of Principal Officers to replace those staff departing the Service.

10. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Frank Swann
CHIEF FIRE OFFICER