



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority

FUTURES 25 – PHASE 2 UPDATE

Report of the Chief Fire Officer

Date: 14 July 2023

Purpose of Report:

To provide an update to Members on Phase 2 of Futures 25, the Service's efficiency and improvement programme.

Recommendations:

It is recommended that:

- Members note the content of the report;
- Agree to receive future updates on the Futures 25 programme.

CONTACT OFFICER

Name : Leila Henry
Area Manager, Futures 25

Tel : 0115 8388100

Email : leila.henry@notts-fire.gov.uk

Media Enquiries Contact : Corporate Communications Team
0115 8388100 corporatecomms@notts-fire.gov.uk

1. BACKGROUND

- 1.1 Futures 25 is the Service's efficiency and improvement programme. Phase 1 of Futures 25 commenced in May 2022 and was primarily concerned with efficiencies to enable the Authority to be in a position to set a balanced budget for the financial year 2023-24.
- 1.2 The Service is forecast to have a deficit of circa £1.14 million (subject to being at full establishment) by financial year 2024-25 meaning further efficiencies are likely to be required. Notwithstanding, it should be noted that the focus of Futures 25 is not solely one of efficiencies. The programme is also the vehicle through which targeted service improvement workstreams will be delivered including those relating to culture and equality, diversity and inclusion (EDI) associated with the updated People Strategy.
- 1.3 Additionally, in February 2023 Chief Fire Officers and Fire Finance Directors were asked by the Home Office to submit Efficiency and Productivity Plans covering the financial year 2023/24. The submission made it clear that Futures 25 will be the vehicle through which Home Office targets related to efficiency and productivity will be delivered by the Service.
- 1.4 This report aims to set out in broad terms the priorities and scope of Phase 2 of the programme.

2. REPORT

BACKGROUND

- 2.1 In May 2022 the Chief Fire Officer sought permission from the Policy and Strategy Committee to commence a programme of work to identify both pay and non-pay efficiencies to ensure that the Authority was in a position to set a balanced budget for the financial year 2023-24.
- 2.2 Phase 1 of the Futures 25 Efficiency and Improvement Programme commenced in May 2022 with three workstreams forming part of the initial tranche of work:
 - Workforce Review (review of Green Book posts Grade 5 and above);
 - Fire Cover Review;
 - Flexi-Officer Review.
- 2.3 The Workforce Review and Fire Cover Review were data driven and designed to present a range of options for consideration by the Strategic Leadership Team and the Authority to set a balanced budget for the financial year 2023/24 and beyond.
- 2.4 The Flexi Officer Review set out to review the Flexi Officer Collective Agreement to ensure that the command group structures were efficient and provided the levels of resilience of specialist functions required to mitigate

operational risk. On commencing the review it became clear that competing priorities including fire cover review and industrial action preparation, meant that there was insufficient capacity, both organisationally and within the Officer cohorts, to deliver the changes required. This workstream has therefore been paused to be restarted at a future date.

- 2.5 As the programme progressed it became evident that a longer-term improvement programme was required to ensure that the Service could continue to drive efficiency and productivity in the face of a challenging budget situation. The overall aim is to ensure that the Service can continue to improve service delivery to communities whilst at the same time creating a more agile and responsive workforce which is better positioned to deliver against national sector reform and improvement priorities.
- 2.6 Futures 25 aims to co-ordinate a number of improvement workstreams designed to support the Service to become outstanding by 2032. This includes continuing to drive productivity and efficiency through fundamental Service redesign activities cross-cutting departments.
- 2.7 As scoping of the Futures 25 programme has developed, it has become clear that the delivery of national priorities relating to culture, values, EDI and leadership in the fire and rescue service, are an integral part of the improvement journey. For this reason these workstreams have been bought within the Futures 25 scope to ensure delivery of the People Strategy relating to these areas is prioritised and resourced appropriately.
- 2.8 The ambition to be outstanding refers to ensuring that the Service offers outstanding services to its communities, is an outstanding place to work and that it co-ordinates and contributes effectively with partners to achieve outstanding results. Futures 25 will be a stepping stone to the Service realising this ambition.

HOME OFFICE EFFICIENCY AND PRODUCTIVITY REPORTING

- 2.9 On 21 February 2023, the Home Office requested that stand alone fire and rescue authorities produce an annual efficiency and productivity plan. This request is made to satisfy existing requirements for Services to publish an efficiency strategy (albeit this is usually included within the Medium-Term Financial Plan).
- 2.10 For the financial year 2023/24, the Minister of State for Crime, Policing and Fire has requested that efficiency plans also include more detailed information on how authorities will align with new national productivity and efficiency targets that have been set for the 2021/22 – 2024/25 Spending Review period.
- 2.11 The Local Government Association (LGA) has proposed that across the fire and rescue services in England, the sector could create 2% of non-pay efficiencies and to increase productivity by 3% over the period.

- 2.12 The Service had already identified the requirement to deliver efficiencies to ensure that the Authority was in a position to set a balanced budget for the FY 2023-24 together with ensuring the longer-term sustainability of the Service through more efficient and effective systems, processes and ways of working. The Futures 25 improvement programme remains the vehicle through which these efficiency and productivity improvements will be delivered.
- 2.13 The Service's Community Risk Management Plan (CRMP) for 2022-25 identifies stretching targets for productivity improvements. These targets remain extant and continue to act as key performance indicators for efficiency and productivity improvement.

PHASE 2 – STRATEGIC AIMS AND OBJECTIVES

- 2.14 The high-level ambitions of Futures 25 are to ensure that:
- The Authority is in a position to set a balanced budget for the financial year 2024/25 and beyond;
 - The workforce is skilled and flexible to meet current and future needs of the Service and ensure that the Service is best positioned to respond to internal and external drivers for change;
 - Improvements to systems and processes continue to drive efficiency and productivity of the Service;
 - Service redesign activities support the long term ambition of being an outstanding Service by 2032;
 - Futures 25 delivers as a minimum the 2% non-pay efficiency and 3% productivity target as determined by the National Fire Chiefs' Council (NFCC) and LGA by 2025.

PHASE 2 WORKSTREAMS

- 2.15 In designing and developing the workstreams which form part of Phase 2, a significant amount of stakeholder engagement has taken place. In addition a suite of internal and external drivers including those from the Home Office, NFCC and His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) have been considered.
- 2.16 There workstreams which form part of Phase 2 have been grouped under 4 key areas:
- Governance Review;
 - Revenue Budget Management;
 - Service Redesign;
 - Culture, EDI and Leadership.

GOVERNANCE REVIEW

- 2.17 These workstreams are designed to support the efficiency and effectiveness of meeting structures and decision making within the Service. The aim is to ensure the Service is able to make and implement decisions in a complex and fast changing operating environment effectively and efficiently.
- 2.18 The aim is to ensure that governance structures and delegation arrangements provide proportionate levels of control and that appropriate assurance arrangements are in place for the risk and impact of the decision being taken.

REVENUE BUDGET MANAGEMENT

- 2.19 These workstreams aim to ensure that revenue budgets are used to best effect to reflect Service priorities, and to determine if any further efficiencies can be extracted from non-pay budgets.
- 2.20 The NFCC and LGA have proposed that across fire and rescue services in England, the sector could create 2% of non-pay efficiencies and to increase productivity by 3% in the spending review period 2021/22 – 2024/25.
- 2.21 It should be noted that during the budget setting process for 2023/24, the Service found savings of over £1.1m that were either reinvested in CRMP projects or helped towards reducing the deficit. This is well in excess of the 2% target set by the Home Office, although it is noted that these savings include pay related savings some of which are one-off in nature.
- 2.22 In addition to cashable savings, the return also requested that non-cashable savings be included in the submission. The Service is currently working to enhance the reporting of non-cashable savings as part of routine monitoring and reporting arrangements going forward.

SERVICE REDESIGN

- 2.23 The Service redesign workstreams comprise the most significant portion of the improvement programme. The overarching aim is to ensure that the Service has appropriate resources deployed in the correct place to support its ambition to be an outstanding fire and rescue service.
- 2.24 It is recognised that in order to extract efficiencies and enable resources and capacity to be deployed to best effect, there needs to be improvement and investment in systems and processes. The programme aims to target development work in areas that integrate system, process and people elements to ensure the greatest overall benefit to communities.
- 2.25 Service redesign workstreams will aim to address resourcing gaps identified as part of Phase 1, including supplementing fire cover in the Ashfield area and delineating dedicated to support community engagement and positive action activities. A separate report presented to this meeting titled

'Resourcing to Risk' outlines the options for consideration by the Fire Authority specifically relating to fire cover in the Ashfield area.

- 2.26 A dedicated earmarked reserve has been created to support business process automation and streamlining of business processes and systems. This work dovetails into initiatives being delivered as part of the Year 2 Annual Delivery Plan (ADP) to support improvements to key ICT systems.
- 2.27 Redesign activities aim to support the Service's aspiration to be outstanding and the intention is to co-design change and improvement with staff working in impacted areas. A dedicated communications and organisational development role will ensure that staff are fully engaged in identifying issues with current systems, processes, structures and ways of working and are able to contribute to shape the future state.

CULTURE, EDI AND LEADERSHIP

- 2.28 People are key to the successful delivery of outstanding service to communities. National reports including the HMICFRS spotlight report on values and culture in fire and rescue services, and the London Fire Brigade independent culture review, have rightly focussed public attention and expectation on improving the culture, behaviour and leadership within the fire and rescue service. Priority must be given to ensure everyone is treated with dignity and respect, and that fire and rescue services are inclusive both for employees and those the Service works with and deliver services to.
- 2.29 The Service already had a focus on this area, and integration of these workstreams within the Futures 25 programme will ensure that priority and resourcing is given to progressing this work at the pace that is expected.

3. FINANCIAL IMPLICATIONS

An earmarked reserve of £900k has been created to support the implementation of Futures 25 workstreams.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

Some of the workstreams that fall within Futures 25 will have human resources and learning and development implications. These will be reported to the Authority at appropriate times throughout the programme.

5. EQUALITIES IMPLICATIONS

An equality impact assessment has not been undertaken at this stage, however it is recognised that some workstreams will have equalities implications for both employees and communities. An equality impact assessment will be undertaken for each of these workstreams prior to commencement.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications associated with the report.

7. LEGAL IMPLICATIONS

The Authority is legally required to set a balanced budget. In addition, the publication of an annual efficiency plan is required by the National Framework. Futures 25 will contribute to the delivery of this efficiency plan.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1 There are a range of current and emerging risks which Futures 25 aims to mitigate, including the ability for the Authority to set a balanced budget, and to ensure that resources are effectively allocated to risk.
- 8.2 It is recognised that, as with any change programme, there is the potential to create uncertainty which may impact employee relations. However, the Service aims to mitigate this by adopting an organisational development approach with a clear prioritisation of employee engagement.
- 8.3 Futures 25 aims to enhance the efficiency and effectiveness of Service Delivery, therefore supporting wider risk reduction aims in communities.

9. COLLABORATION IMPLICATIONS

Collaboration opportunities may be identified throughout the efficiency and improvement programme. These will be reported at the appropriate time should the Service wish to pursue them.

10. RECOMMENDATIONS

It is recommended that Members:

- 10.1 Note the content of the report;
- 10.2 Agree to receive future updates on the Futures 25 Programme.

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

None.

Craig Parkin
CHIEF FIRE OFFICER