



Fire and Rescue Service Efficiencies Review

Shropshire and Wrekin Fire and Rescue Authority

Submission

Introduction

On the 18th December 2012 the Chief Fire and Rescue Advisor (CFRA) gave notice that Shropshire and Wrekin Fire and Rescue Authority was one of fifteen Authorities to be visited during 2013 as part of DCLG's review into FRS efficiencies.

This submission sets out some information that will contextualise Sir Ken Knight's visit by giving background information on the budget cuts and efficiencies, which this authority has made since 2004/5; how we have delivered them; and also information pointing to the current inequalities in funding that is hitting Shropshire FRA harder than most similar Fire and Rescue Authorities. The submission will also identify fifty ways that this Fire Authority has already reduced costs.

This Authority has stated to Ministers from the very start of the current financial crisis that it would do its part in meeting the challenges of grant reduction. We stated that we would meet the challenge of reducing our dependence on grant by 25% by 2015 by careful efficiencies; working with the local population and staff and identifying and protecting key services.

Unfortunately, the Government has not acted upon our request for fair cuts to grant and has also, we believe, unfairly placed referendum limits of 2% (or 3p per week for the average family), when local people clearly told us that they would be willing to pay 5p or more to protect their Fire and Rescue Service.

The Fire Authority broadly welcomes this review into efficiencies but hopes that it does not distract from the more pressing need to review the clearly unfair and opaque funding formula that has seriously disadvantaged rural authorities, such as Shropshire, for too long. As this formula is likely to stand for at least five years, if the unfairness is not dealt with now, the electorate of this area will be further disadvantaged until 2020. It is also hoped that the Government will think again about the current regime of referendum threshold for all fire authorities.

Background

Please note all statistics in this report are taken from CIPFA stats and FRA websites.

Shropshire and Wrekin Fire and Rescue Authority is accustomed to having to make difficult financial decisions to make the most of what little money it receives from central government, whilst minimising the costs to local tax payers (who are the major 'shareholder' in the Authority). From 1998, when it became a Combined Fire Authority, the amount estimated by government as the 'relative needs amount' was underestimated, primarily through previous reductions to budget when the home Authority, Shropshire County Council, realised that it was to lose the Fire Service. This historic underfunding has continued, with the exception of a two-year period, until the present time.

Looking back to the period 2004/5 -2009/10, this Authority generated £2.27 million in efficiencies, delivering many changes that resulted in strikes and industrial action in similar services. This is predominately down to excellent leadership at Service and Authority level and good union relations. It is concerning, therefore, that this Authority is again asked to make significant cuts to its budget, budget cuts that are seen to be unfair and paying little or no regard to the financial starting point of this Authority.

In effect this Authority will have made around £4 million in efficiencies by the end of 2014 but will still be required to find more savings between 2014 and 2020.

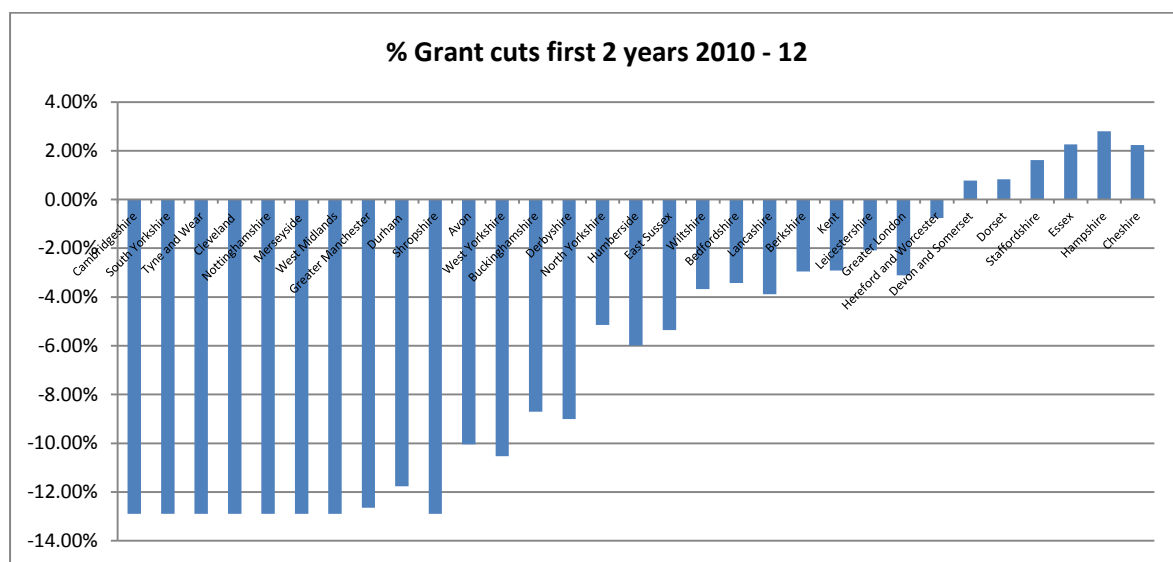
This Authority and Service has always been seen to be well run and innovative. In the FBU meta-analysis of all Audit Commission reports up to 2008, called 'Falling to the lowest common denominator', the FBU stated that 'Of the audit Commissions top 16 fire and rescue authorities, only five have done anything other than being big and are worthy of further note'. One of these was Shropshire and Wrekin. Indeed on their analysis Shropshire was the top performing Authority along with Kent.

In 2009/10, when it was known that the new Government had to act to manage a huge budget deficit, this Authority made it clear to MPs and the Fire Minister that 'it would do its part' but had assumed that the cuts to grant were to be applied fairly. Careful work by officers, guided by public and staff consultation and supported by elected Members, led the Authority to conclude that it could deliver a grant reduction of 25%, which, together with inflation, meant a cut of £3.2 million to its £21 million budget over a four-year period that, if delivered carefully, could also:

- Maintain the number of fire stations
- Safeguard jobs across the Service
- Maintain the number of fire appliances and, through these measures,
- Maintain attendance standards that were already one of the slowest in the country.

We stated that any grant reductions above 25% or the inability to increase council tax in line with inflation would mean reductions in front-line service provision. This was clearly set out in our Public Value Review 2010 and reiterated to MPs and the Fire Minister.

<https://www.shropshirefire.gov.uk/sites/alpha.shropshirefire.gov.uk/files/page/files/Public%20Value%20Review%202010.pdf>



The grant cuts in the first two years led the Authority to estimate that the grant reduction over the 4 years of the Spending Review now equated to a 28% reduction and, together with the 4 year council tax freeze grant ending and inflation of around 2.5%, meant the required budget cuts increased to £4 million per year from a £20 million annual budget.

In its most recent assessment in 2012/13 the Audit Commission one again congratulated this Authority for managing its finances and performance well.

In its Annual Audit Letter the Audit Commission stated that:

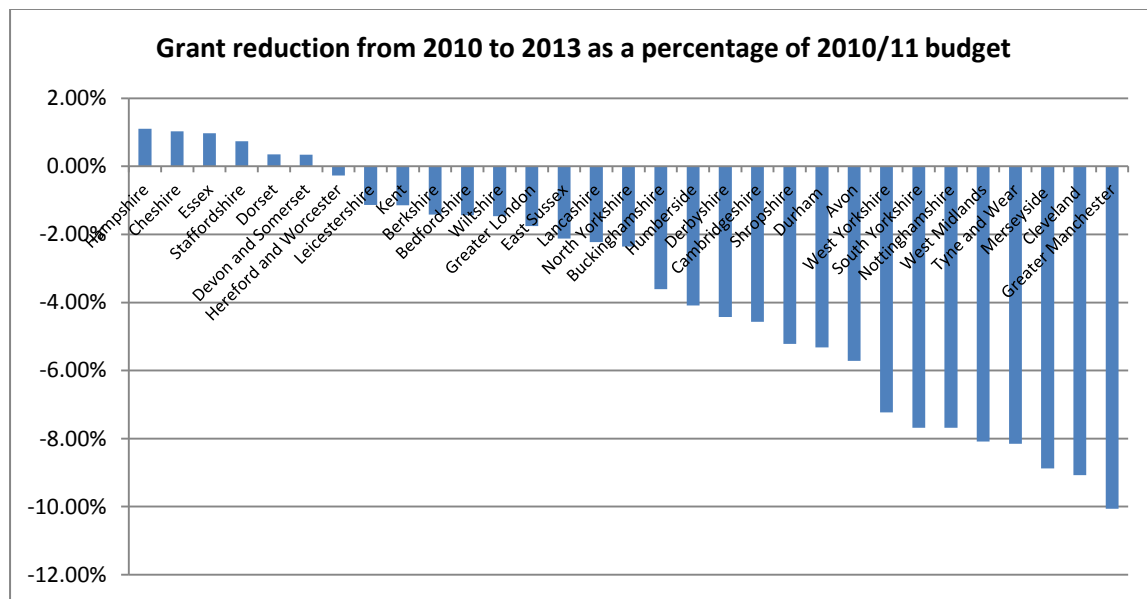
There remains appropriate capacity at a senior level to provide strong leadership to the Authority.

The leadership team has a sound understanding of the current financial environment and undertakes robust planning for the medium and long term. The Authority has demonstrated prudence in investing early surpluses to reap savings in future, less financially certain years.

There is a strong link between the Corporate Plan and Integrated Risk Management Plan which is communicated to all employees through visits by members of the leadership team to each fire station.

More recently the announcement of a 2% referendum threshold and a further 1% reduction in grant, with a likely further 2% reduction in 2014/15, means that this Authority is now faced with an estimated total budget cut of £4.5 million per year from a £20 million budget.

If one looks at the current level of grant cuts as a percentage of total budget, set out below, another anomaly is apparent. Shropshire and Wrekin Fire and Rescue Authority faces a 5.22% reduction in its spending power, before inflation, whilst similar Authorities, such as Wiltshire, face just a 1.46% reduction and North Yorkshire 2.36%. Even more of an anomaly is that Authorities, such as Hampshire, Dorset; Devon and Somerset, actually see an increase in their spending power!



We have argued for many years that the costs involved in delivering a service in a sparsely populated rural area are heavily underestimated in the current grant formula. This formula also greatly overestimates the cost of delivering services in densely populated urban areas.

To illustrate this point we presented to the previous Fire Minister, Bob Neill MP, a simple idea of how little we would need to spend in delivering our current level of service provision, if Shropshire were a densely populated city. If we imagined that all of the properties in Shropshire, and Telford and Wrekin were put together, it would make a city the size of Bristol. To maintain our current attendance time of one appliance in 15 minutes the Service would cost around £9 million less than Bristol to provide emergency cover.

This brings us to the principal reason for our ongoing concern about grant cuts and essentially caps on our ability to raise council tax. Bristol is a typical UK city and can guarantee two fire engines in 8 minutes (90% of the time), whilst in Shropshire we can only get one appliance to an incident in 15 minutes on 85% of occasions.

Our argument against the current method of Grant cuts is that it does not identify the **impact** of the cuts in the real world, which is the impact of Grant cuts on how long a tax payer will potentially wait for one fire engine to arrive or the delays in necessary weight of attack.

Before moving on to list the efficiencies and cuts we have already made it might be helpful to once again address the council tax referendum question.

In 2012 the Authority consulted over 1,000 people in the streets of every larger town and village across the area. The public were informed that they currently paid about £1.20 per week for their fire service and were asked how much extra they would be willing to pay each week to save their current level of service. The vast majority said 10p extra per week. The Authority, therefore, based its budget on a 5p per week increase per family. This is approximately 2.9% for 2013/14.

Each 1% rise in council tax raises £140,000 for the Authority.

With the current referendum threshold set at 2%, the required amount of tax rise of 5p per week would mean we would need to hold a referendum. The cost of this would be around £420,000. As Government has said that there cannot be multi-year referenda and we would need to set an increase of 5p for the next three years, the total cost would be:

$$3 \times £420,000 = £1,260,000.$$

Raising the extra 15p per week over the three years would raise £423,000 for service delivery but this would be more than used to pay for just for one referendum. No prudent financial manager would agree to spend £1.2 million to raise £423,000. Authority Members understand that this amount would eventually be in the base budget and have not been 'conned' by their financial advisors, as has been suggested by some commentators.

Finally the announcement that around 7 FRAs will be able to set much larger percentage rises in council tax, whilst avoiding a referendum, is somewhat galling to this Authority. We had asked for a 5p per week or £2.50 threshold, as this would have saved our Service, so we are even further disappointed to be excluded from an even more generous pence per week threshold that a few fire authorities have been offered.

Members are particularly concerned that, whilst the Government champions virtues of big society and localism, it appears in reality that local communities are being shackled by central government.

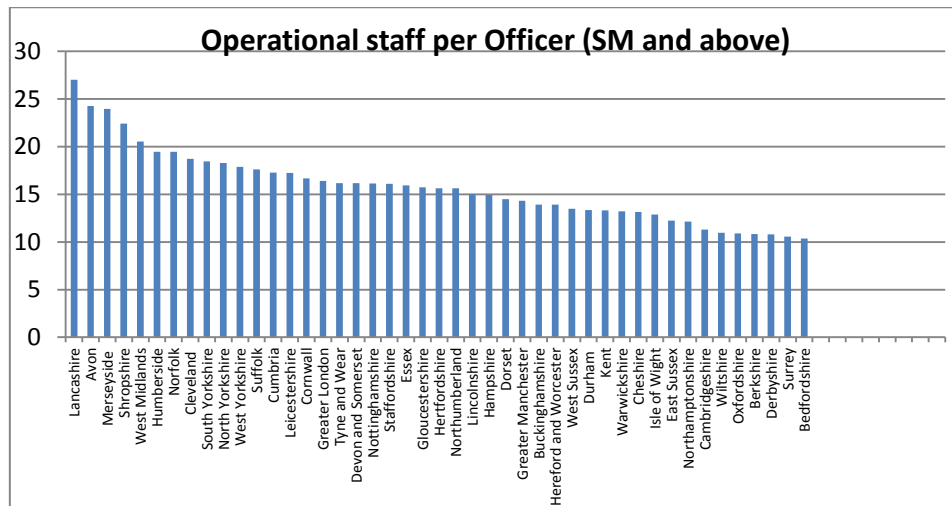
Fifty Sensible Savings

The Department for Communities and Local Government recently published examples of sensible savings in local government. This very useful document forms the basis for this section of our submission, where we give examples of fifty ways Shropshire and Wrekin Fire and Rescue Authority has made financial savings to meet continued under funding and deep cuts to its formula grant.

It should be noted that these sensible ways to make savings are not new to us but, out of necessity, have been required since before 2004 to meet the challenges of ongoing underfunding from the Grant Formula. It is, therefore, apparent that Shropshire and Wrekin Fire and Rescue Authority has a culture of efficiency, which, together with a long history of effective consultation, means that up to 2012/13 the Authority has been able to do all of the following, whilst protecting front line services.

- 1. Replace two appliance stations with extra-large (XL) crew cab appliances:** by reducing appliances from two to one the Service is able to deliver the correct number of crew to incidents, whilst reducing initial and ongoing costs of a second fire appliance. With the average fire appliance costing in the region of £200,000, plus approximately £70,000 for required equipment and annual maintenance of around £2,000, this produces significant savings. In Retained Duty System (RDS) areas the extra crew attending incidents also increases safety and gives staff increased experience. Shropshire and Wrekin Fire and Rescue Service has applied this saving to five of its six two pump RDS stations. This concept has been further extended when the second appliance on the last remaining two pump RDS station was replaced with an innovative 4,500 litre hybrid pump water carrier, capable of being operated with a crew from two to six personnel. Extending this idea has resulted in the development of 3000 litre enhanced rescue pumps, which, in addition to carrying large quantities of water, can meet the requirements as both traditional water ladder and Rescue Pump appliances. Our pod systems on Incident Support Vehicles also provide flexibility to manage local risks, whilst minimising crewing costs.
- 2. Switch Crew Special Appliances:** by reducing crewing on wholetime stations and switch crewing these appliances an FRS can save at least £275,000 per appliance on crewing costs. For special appliances that are used less than 50 times a year this makes excellent sense. Shropshire and Wrekin Fire and Rescue Authority has applied this principle to two special appliances and saved almost £600,000 with minimal impact on the front line.
- 3. Crew Special Appliances with RDS staff:** by crewing special appliances with RDS staff savings of at least £400,000 per appliance can be achieved. This Service crews three high volume pumping appliances and new dimensions vehicles in this way.
- 4. Remove or reduce in-house media / corporate communication teams:** as with any organisation the Fire and Rescue Service has the requirement to communicate effectively with staff and the public but this cannot explain the large teams many services enjoy. This Service has outsourced its media provision at a cost of around £12,000 per annum. We still enjoy, however, excellent local and national coverage in the press. Our recent OpA assessment identified the excellent communications and consultation provision we have in house, as well as our effective public information arrangements.
- 5. Outsource legal advice / legal teams:** to maintain the broad range of legal advice necessary internally is extremely expensive in a single purpose fire authority. This Authority outsources all legal advice to both the public and private sector.

6. **Innovative products and procurement:** Careful analysis of Service needs and the best ways to meet them enable the Authority to identify both innovative products, such as fire appliance design, and ways to purchase them. Most recently a review of Personal Protective Equipment needs has resulted in the provision of new Breathing Apparatus sets, which incorporate full communication systems at a lower cost than introducing these systems separately. Also, new fire kit manufactured from alternative products by suppliers new to the UK market was delivered at a saving of £50,000, compared with traditional products, whilst also increasing firefighter safety.
7. **Reduce ratio of officers and operational staff to above 15:1**

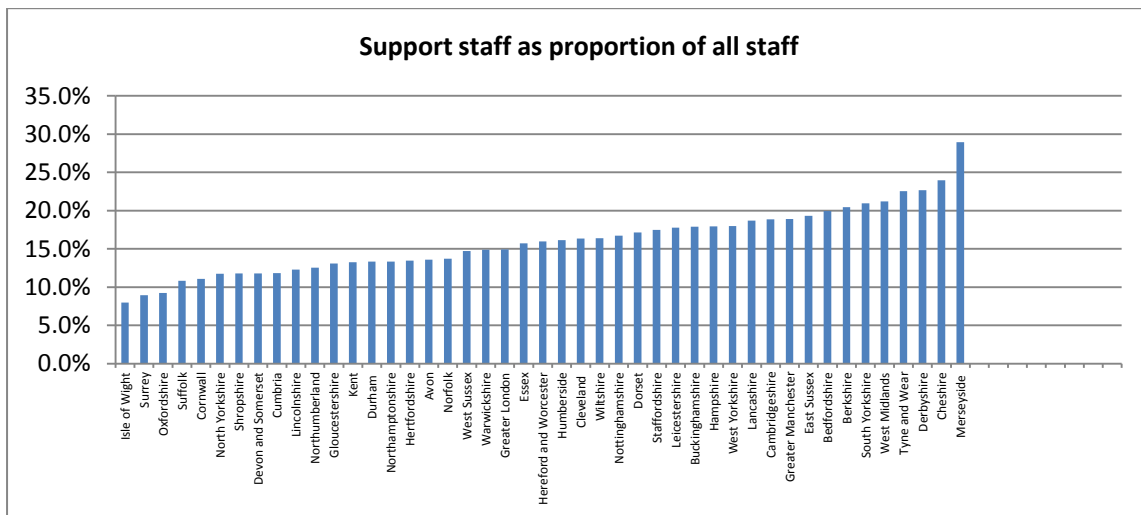


Officers are essential to ensure that incidents are properly commanded but they can be an expensive resource in other managerial roles. This Authority has, wherever possible in the past and more so recently, kept this expensive resource to a minimum. Reducing operational officers, above Watch Manager role, by 25%, has saved over £470,000 per annum. Clearly the IRMP will dictate the speed of attendance for flexible duty officers and command teams, so geographical size and number of simultaneous incidents will dictate the number of officers required. This, however, does not explain the vast difference in ratios between Shropshire and Oxfordshire or Bedfordshire.

8. **Outsource Hydrant Maintenance:** Historically fire and rescue services have carried out hydrant maintenance internally with either wholetime or RDS crews carrying out this function or by the employment of non-uniformed hydrant maintenance technicians. By outsourcing this provision this Authority can ensure legal compliance, save on expensive permanent specialist teams and minimise expenditure with the statutory water company. Access to specialist mapping systems enables collection of robust data, which in turn enables a structured programme of reduction in the number of hydrants across the area.
9. **Renegotiate contracts:** Large sums of money can be saved by renegotiating contracts during a recession, when companies are keen to retain valuable customers. With robust contract management costs can reduce substantially whilst quality is maintained. Shropshire and Wrekin Fire and Rescue Authority recently renegotiated its corporate insurance contract and saved over £100,000 per year.
10. **Remove all catering on stations and HQ:** Paying station cooks; mess managers allowances or subsidising food is no longer affordable. This Authority is now saving over £60,000 per year through requiring operational staff to purchase and prepare their own food.

11. **Introduce 'total care' packages for equipment:** Many Services still employ technicians for the maintenance of breathing apparatus, hose; fire kit etc. By outsourcing these functions savings can be generated or reinvested in other service functions.
12. **Outsource Occupational Health functions:** This Authority has outsourced this function for many years and has recently entered into a joint service with Hereford and Worcester FRA, which has in itself saved £30,000 per annum. As the contract has moved from a private provider to an NHS trust, the money is also being reinvested in an essential public service, whilst maintaining quality.
13. **Outsource property maintenance:** Many FRAs still employ maintenance teams that are a fixed overhead on the budget. By outsourcing this function this Authority is able to negotiate contracts before award, thus making regular efficiencies. In addition, by outsourcing larger projects and setting strict efficiency criteria on contractors this Authority was able, for example, to deliver a new HQ, fire station and workshop on budget and to time.
14. **Introduce High Volume Pumping Units to reduce number of appliances at incidents:** Traditionally, at most major fire-related incidents a large number of appliances are required for delivering people and/or water to the incident. This Authority has for many years provided XL cab appliances (see previous section) and has operated large volume pumping units. The Service currently has three such units (one provided by Government). This means that incidents previously requiring 10 plus appliances can now be dealt with by 6 or less, saving on turnout costs but also reducing the number of appliances needed in total across the Service area.
15. **Stop all first class travel:** With frequent trips to London this Authority is saving around £233 per trip, equating to a saving to the Authority of £23,300 annually.
16. **Reduce all officer car costs to below £3,300 per annum per flexible duty officer:** Many Authorities have rolled such expenses into salaries and are, therefore, paying pension costs etc. on top of these expenses. This Authority operates a lease scheme, which gives each officer the equivalent of a Skoda Octavia at £3,200 per annum and each Brigade Manager £4,000 per annum. This allowance is separately taxed etc.
17. **Only send one officer / member to essential conferences:** Even attending only essential conferences reducing attendance numbers can generate significant savings. Before 2004 this Authority frequently sent two or three members and two officers on many national conferences. Normal attendance is now only one officer or member, who will report back to the Authority. With the average cost of a national conference, including accommodation, being around £700 and with four such conferences each year this Authority saves over £5,000 per year.
18. **Use voluntary groups to support service delivery:** By using local and national voluntary groups to support service delivery functions Fire Services are able to deliver more for less. This Service uses many voluntary groups and charities to deliver prevention services across Shropshire, Telford and Wrekin.
19. **Extend life of fire appliances to 15 years and use condition-based retention policies:** By extending life of appliances and using condition-based retention policies this Authority is able to save on replacement costs in the region of £27,000 per annum per appliance.

- 20. Use reserves prudently:** Even though borrowing costs are cheap in real terms at present any opportunity to avoid ongoing borrowing will release revenue, essential to maintain front line services. Shropshire and Wrekin Fire and Rescue Authority has over the last three years used opportunity savings from other efficiencies to fund a large number of capital projects, releasing over £250,000 per annum into the revenue budget.
- 21. Use natural retirements and recruitment freezes to reduce or eliminate redundancy costs:** By effectively predicting natural wastage in staff this Authority has paid no additional redundancy costs, whilst shedding 10% of firefighters; 10% of support staff and 25% of officers. With the average redundancy pay-out of approximately £7,000 this alone has saved the Authority over £400,000 and saved the Government costs of unemployment related benefits.
- 22. Procure used vehicles for 'white fleet':** Wherever possible buying used cars and vans can save significant amounts of money. For example, recent purchases of cars for community fire safety teams saved approximately £5,000 per vehicle.
- 23. Reduce support staff hours to 4 day week or similar:** By reducing staff hours savings generated can protect front line services. Even with a very small support staff team this Authority has 9 staff working on short weeks saving approximately £80,000 per annum.



- 24. Reduce support staff numbers by outsourcing and multi skilling:** Employing large numbers of permanent specialist support staff introduces a fixed overhead into the Authority. By outsourcing support functions this overhead can be better managed and reduced where necessary, as can be seen in the graph above. This Authority outsources a wide variety of functions, either totally or partially, including:

- Recruit training and assessment centres
- Treasurer
- Driver training
- First aid training
- Health and safety advice
- Legal services from Telford & Wrekin Council
- Payroll and pensions management
- Treasury Management with Shropshire Council
- Occupational health services
- Physiotherapy

- Property maintenance
- Procurement
- Equipment maintenance (part)
- Purchase supply and distribution of uniform
- PPE total care
- Gas and electricity supply contracts
- Finance services
- Internal audit
- Home safety checks – with voluntary sector (part)
- Monitoring Officer
- Website hosting
- Artwork and design

Additionally our small numbers of non-operational colleagues are multi-skilled and able to apply these skills to cover roles carried out by two or more people in larger services.

- 25. Eliminate use of consultants for public consultation:** This Authority carries out frequent and regular consultation with the public but has eliminated the use of consultants since 2009/10. This will save over £100,000 by 2014/15.
- 26. Use ‘Open Source’ Software (OSS):** The Service uses, where appropriate to do so, OSS that is freely available with source code. Working in collaboration with West Midlands and Staffordshire Fire and Rescue Services, we are developing a range of OSS applications, reducing the expense of bespoke and expensive specialist software solutions.
- 27. Eliminate glossy in house magazines:** Internal communication does not involve glossy magazines but uses a simple paper newsletter (The Pink). We are in the process of moving all communications away from a paper format by using external social media, such as Facebook, Twitter and internal social networking tools, such as Yammer, which is managed by staff volunteers. The size of the organisation also means that direct face-t- face communication works, with members of the Authority and senior managers visiting each team at least once annually.
- 28. Manage sickness levels of operational staff:** By effectively managing short-term and long-term sickness levels ridership levels can be effectively reduced, whilst maintaining the front line. This Service operates with current ridership levels of 1.39, whilst maintaining 100% wholtime appliance availability. By using outsourced occupational health provision and physiotherapy services we are also able to keep long-term sickness levels in check.
- 29. Reduce management team numbers:** By reducing senior management team numbers by 25% this authority will be saving almost £500,000 per year by the end of 2013.
- 30. Reduce all but essential subscriptions to professional magazines and organisations:** By careful analysis of all membership and subscriptions this Authority has been able to save almost £3,000 per annum.
- 31. Brigade Managers sign off all £250 plus spending:** Due to the size of the organisation senior managers can keep a close eye on all spending. Each month Brigade Managers review all spending above £250.

<https://www.shropshirefire.gov.uk/managing-the-service/freedom-of-information-act/supplier-payments>

This can frequently identify small budget spends that can save money, when accumulated over a year.

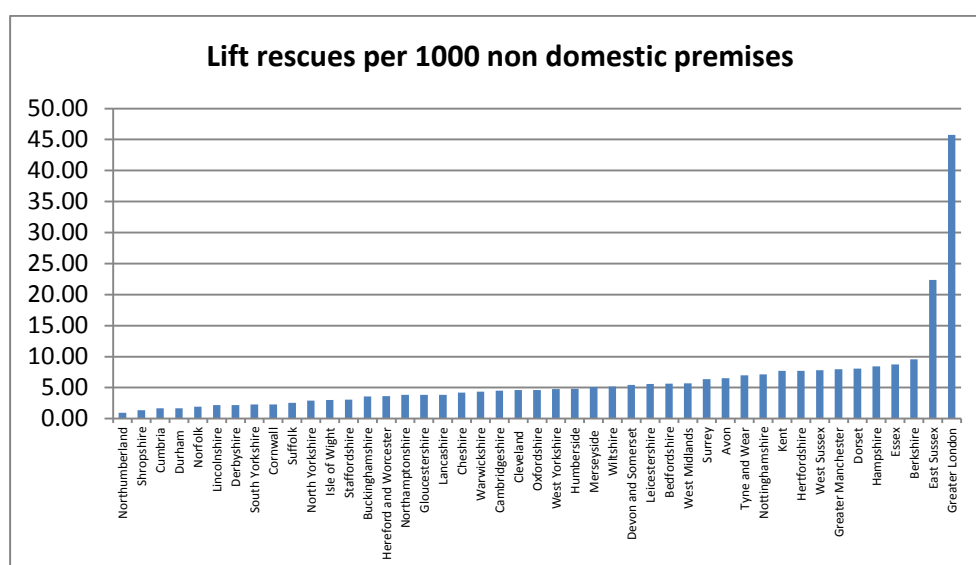
- 32. Involve staff and Unions fully in all cost-cutting activity, thus reducing industrial relations costs:** As can be seen from a separate section of this paper, this Authority is committed to full participative consultation with staff throughout this cost-cutting process. This participation has not only identified significant savings (most identified here) but also means that staff feel part of the process and less likely to cause the expense of managing industrial action or low morale issues.
- 33. Deliver only those functions that the public see as valuable:** Many Authorities still deliver ‘nice to’ functions that were achievable when more funding was available. This Authority, as it has been very hard hit by grant cuts, has had to spend time with the public to identify what they see as essential services and what they feel can be dropped. By doing this we have been able to reduce spending on areas not seen as essential by local tax payers, thereby saving over £150,000 by 2014/15. This ‘Public Value’ review was fully supported by the public; staff and unions.

<https://www.shropshirefire.gov.uk/sites/alpha.shropshirefire.gov.uk/files/page/files/Public%20Value%20Review%202010.pdf>

- 34. Offer full transparency to the public:** By asking the public to be armchair auditors we have the opportunity to identify further savings. As an Authority we publish more than almost every other FRA and do so in a very easy way. The transparency section of our website, with a button on the front page, offers an ever-expanding ‘one stop shop’ for key documents and relevant information.

<https://www.shropshirefire.gov.uk/managing-the-service/freedom-of-information/transparency>

- 35. Charge for all lift rescues:** As part of our cost-cutting culture we have been charging for special service calls, including lift rescues, since 2007. It was recognised that many building occupiers relied on the Fire Service rather than regular maintenance to ensure the safety of residents and the public. Since charging for lift rescues we have become one of the best performing services in the country. With the average cost of attending a lift rescue of £200 this Authority is estimated to have saved £5,000 per year since 2007. With the Service attending only around 20 such incidents a year compared with East Sussex attending 595 this would generate significant savings across the country.

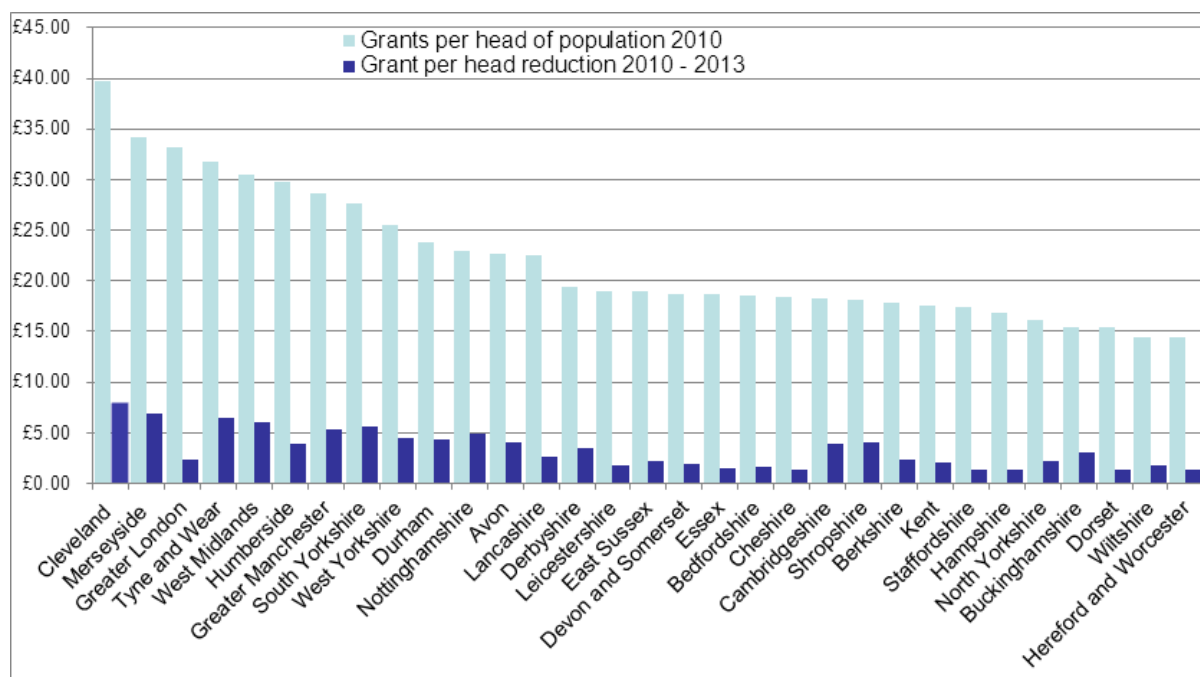


- 36. Suppliers directly delivering to stations, avoiding delivery costs:** Station supplies and consumables are delivered directly to stations in the small quantities required by the end users. This contract has now been extended to include delivery of uniform clothing, smoke alarms and items purchased from other suppliers; which are now delivered to the supplier's warehouse at no cost.
- 37. Use Public Service Network (PSN) to provide broadband into rural fire stations:** This authority has used the Public Service Network to deliver broadband to all fire stations. This allows us to use the bearer as a resilient means of communication for both administration and fire-call purposes, reducing the need for additional bearers such as Paknet.
- 38. Outsource Section 151 Officer functions:** This Authority outsources a large number of financial functions, including pension management; treasury management and the Section 151 Officer (Treasurer) role. This not only generates savings of over £20,000 per annum but also increases resilience and capacity.
- 39. Outsource payroll management:** By outsourcing payroll management we are able to save direct costs of employment, which would cost this Authority substantial sums of money, plus licencing costs of payroll software. As a minimum providing payroll management in house would cost around £65,000. We currently pay £35,000, a saving of £30,000 per annum.
- 40. Sharing software with other organisations:** There are opportunities to share software provision with other organisations. This Authority, for example, shares HR software with Shropshire Council, which saves us around £8,000 per annum. It also shares payroll and pension software.
- 41. Freeze pay:** By freezing pay for two and three years this Authority has been able to save more than £150,000 per annum. Authority Members have also played their part by freezing their allowances for the same period.
- 42. Switch appliance between moving high risk areas:** As was identified in the Bain review, risk is not always geographically fixed. An example of this is in the Telford area, where the highest risk is in the industrial areas by day and the residential areas at night. The Service now operates one watch based on the industrial area but moves one appliance of this watch to the higher risk residential area at night. This not only improves service provision but saves £172,000 per year on Watch Management costs.
- 43. Share 'Gold Commanders':** With an increasing need to hold strategic command group meetings (SCG) and, therefore, an higher demand on Gold Command at both local level and at the SCG the sharing of these commanders saves money. This Authority shares Gold commanders with Hereford and Worcester FRS saving £100,000 per annum.
- 44. All 'A' grade roles:** The current role-based pay structure offers a level 'B' pay grade for all roles from Watch Manager to Area Manager. In the absence of any national grading system this Authority employs wholtime officers only on level 'A'. This saves the Authority over £150,000 per annum.
- 45. Use 'on-call' RDS Fire Control Operators:** With an increasing trend towards spate conditions and the need for lower ridership levels RDS Control Operators provide a more cost-effective solution to lower staff numbers. By operating with only 20 full-time Control Operators but with 5 RDS Control Operators this Authority saves around £50,000 per annum.

- 46. Share or link Fire Controls:** By linking our fire control software with Hereford and Worcester this Authority will increase capacity and resilience and achieve lower revenue costs, leading to around £400,000 annual savings by 2014/15 for both Authorities.
- 47. Use ‘Associate Trainers’ to deliver on station training:** By employing trainers with special skills on secondary contracts this Authority is able to deliver high quality training to remote stations without employing full-time staff or training consultants. With training delivery ranging from RTC; CABA; ICT skills to manual handling it is estimated that we save around £80,000 per year by using this method.
- 48. Advertise vacancies through Job Centre+ or shared recruitment website:** By avoiding expensive recruitment advertising but sharing a recruitment service with many authorities across the region this Authority saves approximately £8,500 per annum.
- 49. Convert all appliances that attend less than 250 incidents per year into RDS:** Based on statistics from other FRAs, this Authority could argue for an increase in its wholetime appliances by at least 2 - some wholetime appliances in Metropolitan areas attend less than 200 calls per year! By crewing these appliances with RDS crews the Service saves £1.8 million per year.
- 50. Other savings from CLG ‘50 sensible savings’:** In addition to the above we also make the following savings:
- i. *Corporate charge cards* – We only use government procurement cards and no officers have corporate cards.
 - ii. *Buy together* – Wherever more cost effective, we will buy through a procurement framework. For example, all energy is procured through a specialist energy procurement company.
 - iii. *Away days at posh hotels* – We have never had these!
 - iv. *Freeze councillor allowances* – These have been frozen for two years.
 - v. *Scrap trade union posts* – We have never had these.
 - vi. *Commercial lobbyists* – We have never used these.
 - vii. *Document translation* – We only provide this on request.
 - viii. *Media monitoring* – We cancelled this provision in 2005.
 - ix. *Stop providing free food and drink for meetings* – We stopped this in 2009.
 - x. *Install green energy controls* – We have done this on all newly renovated stations.

Sensible ways Government can help us to protect the front line in Shropshire, Telford and Wrekin

- National Contracts**
 This Authority is currently burdened with a £300,000 annual revenue charge for the national imposed FireLink contract. We look to Government to renegotiate this and urgently reduce this disproportionate cost, given usage and benefit for a smaller FRS.
- Stop setting unrealistic referendum caps on small precepting Authorities**
 With an increase of just 5p per week on the Band D council tax we could protect front line service delivery without the huge cost of a referendum. Government has allowed some Fire Authorities and District Councils to increase council tax by £5.00 per year, when we just needed £2.50.
- Keep pay rises to below 1% for public sector until 2015/16**
 As almost 85% of our budget is for employing staff, this wage control is vital.
- Make cuts to Formula Grant fairer**
 This Authority has seen consistently high percentage cuts to its Grant. Visits to the Fire Minister and MPs seem to make no difference, which suggests either unfairness in the Formula or over protection of larger Authorities to the detriment of SFRA (see graph below).



- Greater data sharing across the public sector**
 A Policy Exchange report suggested that up to £33bn could be saved across the public sector by making better use of big data and ultimately making services better. Locally we continue to struggle to obtain good data from the NHS that would make our prevention services even more targeted and efficient.
- Free up FRA financing to allow medium term financial planning**
 Having only single year or two year grant and council tax information prevents proper medium term financial planning, which has always supported us in the past to undertake more complex, long-term savings and Service improvement programmes.

Making Decisions

This Authority has embraced the process of Public Value from the start of the new government in 2009. Member-led and involving the public and staff, this process seeks to adopt the core principles of Public Value and those prescribed by the Trade Union Congress which are:

- Engagement with users to determine the Fire Authority's delivery strategies and implementation plans, with a precise focus on identifying what Public Value users and the wider community want the Service to generate
- A commitment to deliberation and negotiation in identifying that Public Value
- A recognition that any conception of Public Value must involve not just what the Service should deliver but also how it can be delivered in a cost-effective way
- The development of delivery strategies and implementation plans that uphold the founding principles of the Fire and Rescue Service, namely:
 - Universal access
 - Delivery according to need
 - Services free at the point of use
 - Services delivered for the public good rather than for profit
- The development of delivery strategies and implementation plans that preserve the organisational integrity of the fire and rescue service and that value collaboration and integration over competition and fragmentation
- Full engagement with Service staff in the determination of strategies and implementation plans
- The establishment of robust feedback mechanisms for staff and users during the implementation and delivery phase of any strategy

This has meant that Elected Members and Senior Officers of the Service have visited and listened to every team and 95% of individual members of staff on several occasions between 2010 and 2012. The methods used during these consultation and discussion sessions can be demonstrated during Sir Ken's visit.

Following on from the initial Public Value process that provided the structure and strategic direction of our Service Plan and IRMP the Authority has now moved to its 20:20 planning process that looks to the year 2020 and seeks to identify the risks impacting on the Authority and Service to that point in time. These risks include financial risks and physical risks to the community. Once completed in late spring 2013 the 20:20 plan will become the new Service Integrated Risk Management Strategy.

The Authority decision making process is transparent and involves the Strategy and Resources Committee leading the consultation process and presenting the full recommendations to the Fire Authority. After agreement the Audit and Performance Management Committee is tasked with monitoring the outcomes of the plans.

The Chief Fire Officer is held to account by the Authority and also by the Chair and Vice Chair during annual appraisal sessions.

Summary

Shropshire and Wrekin Fire and Rescue Authority has always had to manage its finances carefully. In the 5 years before the financial settlement in 2010 the Authority had already made efficiencies of over £2.7 million.

With predicted cuts to our budget of £4 million by 2015 we had plans to strip out even more costs but to protect the front line. We now predict cuts to our budget of almost £5 million by 2019/20.

There are means, described in this submission, where we will have cut 20% from our total running costs by 2015, more than most other local authorities have achieved.

We now are faced with even greater cuts and, although we will try, it will be almost impossible to deliver these without impacting on attendance times and weight of attack, increasing the risk to local people and the local economy.

We believe, therefore, that before the Government makes any further decisions on the funding of the Fire and Rescue Service it needs to understand the implications to individual authorities of the imposed cuts and finance controls and look carefully at the budget of the most expensive Authorities to identify fairer means to cut further.



Cllr Stuart West
Chair
Shropshire and Wrekin Fire Authority

Further Reading

Public Value Review 2010

<https://www.shropshirefire.gov.uk/sites/alpha.shropshirefire.gov.uk/files/page/files/Public%20Value%20Review%202010.pdf>

Public Value update report

<https://www.shropshirefire.gov.uk/sites/alpha.shropshirefire.gov.uk/files/fra/14-public-value-review-update.pdf>

20:20 strategy planning progress

<https://www.shropshirefire.gov.uk/sites/alpha.shropshirefire.gov.uk/files/fra/15-2020-strategic-planning-process-summary-programme-plan.pdf>

Budget Consultation 2012

<https://www.shropshirefire.gov.uk/sites/alpha.shropshirefire.gov.uk/files/fra/07-budget-consultation-2012.pdf>

Annual Audit Letter 2011/12

<https://www.shropshirefire.gov.uk/sites/alpha.shropshirefire.gov.uk/files/fra/08a-annual-audit-letter.pdf>

2013/14 and later years budget predictions. (Prior to December statement)

<https://www.shropshirefire.gov.uk/sites/alpha.shropshirefire.gov.uk/files/fra/09-green-book.pdf>