

# Hampshire and Isle of Wight Fire and Rescue Authority

## Efficiency Plan 2024/25

This plan forms part of the annual budget setting process. It sets out how the service has delivered and plans to deliver efficiency improvements.

### What types of efficiencies are we targeting?

The Service plans to deliver efficiencies in two main ways:

1. Efficiencies on non-pay spend – largely delivered via procurement, maximising the use of assets and ensuring assets are fit for purpose.
2. Workforce efficiencies – increasing the efficiency of our workforce to optimise delivery of our frontline and support services.

During 2024/25 our delivery of efficiencies will have three strands:

- a) Delivering non-cashable efficiencies in our processes and ways of working to ensure that we are able to continuously improve our service
- b) Delivering cashable efficiencies that can be reinvested
- c) Preparing for the delivery of cashable efficiencies to bridge the budget gap in 2025/26, covered later in this report.

### What is not an efficiency?

We do not consider measures that reduce the service we provide to our communities to be efficiencies. These are service reductions or cuts. Although it may be necessary to consider service reductions in the future, these would be subject to a separate plan and appropriate consultation.

### How does our efficiency plan link to our MTFP and Reserves Strategy?

Our **Medium Term Financial Plan** is our forward looking financial plan that takes account of the Safety Plan objectives and available financial and non-financial information. We consider reasonable assumptions and scenarios and use these to make prudent financial forecasts. Considering ways in which we can work more efficiently supports our financial position either by releasing cashable savings to reduce overall expenditure or offset other pressures or by allowing us to invest in the service. Where savings are not cashable, they enable us to support our communities more effectively.

The **reserves** held by the Authority are important enablers of efficiency. Reserves allow the Authority to:

- Plan for spend over the medium term and to secure economies of scale in purchasing. Our reserves allow us to deliver the right efficiencies at the right time rather than being forced to make sub-optimal decisions driven by the availability of cash flows.
- Allow investment to be made in improvements to service delivery.

Full details of the reserves and the purposes for which they are held are included in the Authority's reserves strategy.

### CIPFA Financial Management (FM) Code

The CIPFA FM Code sets out principles to guide local authorities in managing their finances and minimum standards that should be achieved. The Authority is compliant with the

requirements of the FM Code and adheres to the six principles of good financial management, which supports the work of our efficiency plan.

In total 3% of our directorate budgets results in an efficiency target of £2.3m. The table below draws out some key achievements for 2023/24, showing how we have met the target for the year. It also sets out our plans for 2024/25 which will be largely driven by the new Safety Plan.

## Efficiency Plan – 2023/24 achievements, 2024/25 plans

### Non-pay efficiencies

#### **What have we done**

We have made procurement savings by using specialist advice and frameworks as appropriate. During 2023/24 we delivered a saving of £125,000 on the replacement of the virtual desktop compared to the original estimated costs of hardware. Similarly, we made a saving of £26,000 on the procurement of mapping software.

We have also made savings from leveraging our investment in our estate. Carbon reduction works at Liphook, Bordon and Whitchurch will reduce building running costs as well as support our carbon reduction trajectory. In addition, £100,000 external funding was secured to support the work at Bordon. The design of the new Live Fire Training facility means that wood is burnt more efficiently, saving an estimated £50,000 per annum.

We have worked hard to get the most from our existing assets. Changes to the approach to the use of scrap cars in training has reduced costs by £38,000. We have used our training facilities to generate additional income of £22,000. Taking a proactive approach to the replacement of key components in our Breathing Apparatus sets has extended their life by 2 years, resulting in an efficiency of £155,000.

We have also carried out activities in house, saving on external spend. Our network groups have delivered awareness training, resulting in high quality, tailored training and saving the costs of purchasing from an external provider. The engagement for phase one of our Community Risk Management Plan was carried out in house, saving an estimated £75,000 against the cost of external provision and building our internal capability.

#### **What are we planning to do**

The procurement of a control system is a key priority for this year. This is a collaborated procurement via our Networked Fire Services Partnership. We anticipate that the collaborated approach will deliver efficiencies as well as a better, more resilient service. We will continue to capture savings delivered from other procurement activities.

We will continue to benefit from our investment in our estate, with reduced building running costs and further income from partners anticipated.

We will continue to review the use of assets to ensure that they are managed effectively in line with our asset management policy.

We will consider the implications of any changes to improve the efficiency of our service on our non-pay spend, ensuring that our plans for our non-pay spend align with service changes.

## Workforce efficiencies

### What have we done

We have made significant progress on a series of activities to refocus our Operations Directorate, moving resources to where they can have the greatest impact. This work has delivered efficiency savings of £1.25m which are being released to deliver 24 hour crewing at Ryde Fire Station, additional investment in Prevention, Protection and On-call Support and resources to support our ongoing work on fire contaminants as well as additional resources for Control.

In addition, further efficiencies have been delivered by reallocating resources differently across the geographical groups (£206,000) and making changes to the structures and make-up of the Prevention and Protection teams (£152,000). The introduction of an electronic form to record Safe and Well activity has saved £36,000.

A restructure within the Policy, Planning and Assurance Directorate has enabled £90,000 of staffing resources to be reallocated to higher priority work.

Carrying out initial training for on-call firefighters in locally rather than at headquarters has saved £3,000 on a single course, as well as the associated benefits in reduced travel time for new on-call firefighters.

Our Service Administration team have taken over arranging appointments for Safe and Well visits, meaning that we have saved approximately £51,000 as well as improving the service we are offering to the public.

The Chief Fire Officer's briefings now take place on teams. This has enabled the Chief to connect with more members of our team while making an efficiency of approximately £12,000 when compared to the previous programme of senior manager visits.

### What are we planning to do

During 2024/25 we will develop and implement a plan to improve the efficiency of our service and to deliver cashable reductions in the budget from 2025/26. The plan will be based on the outputs of the Safety Plan work and will look at our current resources compared to the risks that we have identified. Changes will be proposed and implemented in line with the Fire Authority's policies.