



**HAMPSHIRE
FIRE AND
RESCUE
AUTHORITY**

Purpose: Noted

Date: 5 December 2018

Title: Service Delivery Redesign Update

Report of Chief Fire Officer

SUMMARY

1. The Medium Term Financial Plan (MTFP) in September 2014 identified £4.1 million savings to be made by Service Delivery. This was planned for delivery through the Risk Review project, accepted by HFRA.
2. The Service Delivery Redesign (SDR) Programme, to implement the Risk Review recommendations is on track and will achieve the £4.1 million target savings by the end of the financial year.
3. This paper provides an update on the savings achieved and progress on the programme closedown.

BACKGROUND

4. In 2014, HFRS carried out the Risk Review Project. The purpose of the project was to create a plan which would see the Service providing a smarter, more effective and more efficient public safety service to the residents of Hampshire. This plan explored new approaches and technology to improve service delivery. By adopting a co-design approach, we were able shape a set an approach that was informed by our staff, the public and our stakeholders.
5. Additional to the savings the proposals aimed to deliver a number of organisational improvements in our performance.
6. The SDR Programme was established to deliver the changes identified by the Risk Review Project in order to make these savings and changes. The programme has identified all of the £4.1 million savings, delivering £2.4 million, with the remaining to be delivered by the end of the current financial year.
7. A change to delivery method of delivering SDR means HFRS is closing down SDR as a specific programme, with the remaining changes transferring to normal business under the accountability of the Operations Director.

TARGET SAVINGS

8. The target savings for Frontline and Service Delivery Structure is £4.084m. The high-level breakdown for the target savings is shown in the table below.

Savings	Target
Whole-time Duty Systems	£2.254m
Retained Duty Systems	£0.651m
Service Delivery Structure	£1.179m
Total	£4.084m

PERMANENT SAVINGS

9. The following table summarises the savings that have been achieved by the programme to date. These savings have been achieved by a reduction in posts numbers which gives a permanent drop in HFRS operating costs (saving continues year on year).

Savings	Actual to Date	2020/21 Expected
Whole-time Duty Systems	£2.254m	£2.254m
Retained Duty Systems	£0.240m	£0.651m
Service Delivery Structure	£1.077m	£1.077m
Specialist Technical Response		£0.183m
Total	£3.571m	£4.165m

10. The table indicates that to date the majority of savings have been achieved and that in line with expected and the required timelines, savings will surpass the SDR target of £4.084 million.
11. Retained Duty System. The full savings have been identified. However due to the current pressures with the performance of the RDS, a decision to not save these yet to allow for improvements has been taken. These improvements will be delivered through the On Call project.
12. Service Delivery Structure. These savings have been identified for delivery in the final part of 2019/20.
13. Specialist and Technical Response (STR). The movement of our Urban Search and Rescue (USAR) team to be integrated within Eastleigh Fire Station, will deliver a net saving. This project was not part of the Risk Review report to HFRA as this was a specialist capability change only. This change

work has been delivered by the SDR programme, hence its' inclusion within this paper.

14. At many stages of the programme, savings have been made early, as measured against the original timeline for the realisation of savings. These savings have been incorporated within the financial reporting as one off savings, made within the budget year.

PROGRAMME COSTS

15. HFRA have significantly invested in this change programme. The initial budget for the programme was set at £3.484m and approved at the Finance and General Purpose (F&GP) Committee Extraordinary Meeting on 23 March 2016. This funding was provided from the Transformation Fund.
16. The need for additional funding for projects was identified and, on 4 October 2017, HFRA approved an increase of £780k, giving a new budget of £4.264m. The increase was to be funded by the early savings created by the programme (effectively self-funding).
17. The programme actual costs to the end of September 2018 was £3.247m. However there are some change activities still to be delivered from the original scope which will be carried out within the normal business areas of HFRS. The remaining already agreed budget for SDR, will fund these further changes.

POST-SDR COSTS

18. Whilst the SDR programme has achieved the required financial savings (Critical Success Criteria and Anticipated Benefits), there is still work remaining for some projects.
19. These projects will run post-programme (October 18 onwards) and report to the Operational Management Board for governance.

Post-SDR Programme Projects	Budget
New Vehicles and Ways of Working	£464,000
Attribute Based Response	£112,000
Whole-time Duty Systems	£150,000
On-Call (was Retained Duty Systems)	£90,000
Total	£816,000

20. The SDR cost to date plus Post-SDR project costs is £4.036m which is within the approved £4.264m SDR budget.

SUPPORTING OUR SERVICE PLAN AND PRIORITIES

21. The Service Delivery Redesign Programme, approved by the Authority and Directors was fundamental to achieve the financial savings and performance improvements set out in our Risk Review Proposals.
22. The programme is an enabler for the creation of Integrated Risk Management Plan utilising a new approach to service delivery which will maximise efficiencies, enable innovation, and deliver a cost-effective model aligned with making Hampshire safer, mitigating service risks, addressing financial challenges, and focusing on the service vision for 2020.

ORGANISATIONAL IMPROVEMENTS

23. The SDR programme has provided an enabling function for the delivery of several non-financial benefits, these can be identified as the provision of equipment and vehicles for new ways of working and a safer operating model.
 - S.A.V.E (Scan, Attack, Ventilate, Enter/Extinguish)
24. The introduction of Ultra High-Pressured lance (UHPL) funded by SDR has enabled the S.A.V.E concept and will provide frontline staff with the latest equipment and safe system of work for fighting high risk compartment fires.
 - Digital Radios
25. The funding for new radios will enhance incident ground communications and improve firefighter safety.
 - Specialist Technical Response
26. The introduction of a combined Specialist Technical Response at Eastleigh Fire Station which will provide an enhanced specialist service to our communities whilst maintaining a national response.
 - New Vehicles
27. The introduction of new vehicles has a combination of financial and non-financial benefits. The initial provision of the new vehicles has built a sound foundation for the services future vehicle strategy.
 - Duty Systems
28. The introduction of flexible, person centred duty systems across the service has enabled greater personal choice and improved 'work life balance'.

PERFORMANCE BENEFITS

29. Consistent with national trends, HFRS have experienced a downward trend in number of emergency incidents attended since the Risk Review. Performance metrics for responding to incidents have been impacted by this downward trend and the challenges with maintaining our current Retained Duty System. We have stabilised the following metrics from this downward trend and expect to now see improvements.
30. The Risk Review proposal planned to enable the following benefits in our performance:
 31. Countywide response times could reduce to under 7 minutes. The current performance of this metric is 7min 31 sec. This metric has a dependency with achieving a faster response with smaller vehicles and smaller crews. The vehicle replacement programme will not start to deliver the new vehicles until Autumn 2019, following the successful trial of the Intermediate Capability vehicle (IC).
 32. HFRS' response target of 80% of critical calls in 8 minutes could increase from 65% to 77%. The current performance is 65%. This metric has a similar dependency with smaller vehicle delivery as described in paragraph 31.
 33. The number of fires confined to room or origin will improve from 84% to 89%. The current performance is 86%. This is a measure of efficiency of our firefighting operations. The introduction of new technology and firefighting tactic of SAVE (see paragraph 24) assists with our operational effectiveness.
 34. HFRS' availability of Retained Duty system firefighters increase from 90% to 96%. The current RDS availability is 71%. Following Risk Review we saw a drop in availability due to a reduction in the retention of our RDS staff. We have recruited 114 new RDS Firefighters last year with a net gain in staff of 34, to reverse this trend. These new starters have not yet affected the statistics for this metric due to the training requirements.
 35. Whitchurch fire station is the sole station operating with a new vehicle and crewing arrangements. The speed of response has not changed significantly for Whitchurch. The availability at Whitchurch fire station has changed from 60% to 85%. This is as a result of both an increase in crew numbers, through recruitment and the ability to respond with a variable number of crew. Whitchurch can deploy safely to certain incidents when as little as 2 crew members are available. The number of incidents Whitchurch were deployed to has increased by 80% due to their increased level of availability. We expect to see a similar affect at other RDS stations as we begin the roll out of new smaller fleet throughout 2019 and beyond.
 36. As the changes implemented by the SDR programme are imbedded across the Service and the new ways of working become fully effective the

Performance and Assurance Directorate will measure and monitor these outputs to ensure the outcomes are achieved. This will be reported to HFRA through the performance update reports.

RESOURCE IMPLICATIONS

37. As the programme closes and the project teams are reduced, personnel are returning to their base posts. This work is being coordinated by the Resource Management Team and contributing to the stabilising of the workforce by reducing temporary chains and the need for project teams sitting outside of our normal business operating model.

LEGAL IMPLICATIONS

38. SDR continues to seek advice and guidance from the Hampshire Legal Services as required. This advice and guidance has primarily been people and contract related, to support and inform decision making within projects. This will continue for the work streams yet to be completed.

IMPACT ASSESSMENTS

39. Each of the SDR projects has had full impact assessments (equality, financial, environment, safety), completed within the scope of the project work. The impacts have been managed as part of the SDR programme through the Integrated Delivery Board (IDB). This management of impacts will continue to be managed by the Operations Management Board (OMB) in the future.

RISK ANALYSIS

40. This Full Risk Assessment was undertaken on these changes for the Fire Authority Decision of February 2016.
41. The primary risk is with Whole-time crewing systems trials. All stations are currently trialling their duty systems with the exception of Eastleigh where the trial will start January 2019 (Fareham station is not in scope for SDR).
42. The WDS project has been monitoring, evaluating and reporting on the WDS trials since June 2017 and managing risks and issues.
43. Following the closure of SDR, the WDS team have transitioned to BAU and continue to monitor, evaluate and report on WDS trials and manage risks and issues, reporting to OMB under the accountability of the Operations Director.

CONCLUSION

44. The SDR programme has made significant progress in delivering the recommendations identified in the Risk Review project.

45. The full target of £4.084 Million is on track for complete delivery by the start of 2020/21.
46. The delivery of new ways of working involving new vehicles and smaller crews have been co designed by our staff and are working well. In addition many further improvements in the delivery of the service have also been achieved.
47. The early achievement of these savings and good progress has allowed the programme to close ahead of the planned 30 March 2019 end date. The cost to deliver the SDR programme has been less than planned and approved by HFRA. The remaining matters to complete SDR will now move to within the normal operating structure in HFRS, with the Operations Director accountable for the final delivery of changes.

RECOMMENDATION

48. That the progress of Service Delivery Redesign (SDR) be noted by Hampshire Fire and Rescue Authority.

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