

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	MERSEYSIDE FIRE AND RESCUE AUTHORITY		
DATE:	11TH JUNE 2015	REPORT NO:	CFO/056/15
PRESENTING OFFICER	CHIEF FIRE OFFICER		
RESPONSIBLE OFFICER:	CHIEF FIRE OFFICER	REPORT AUTHOR:	CHIEF FIRE OFFICER
OFFICERS CONSULTED:	STRATEGIC MANAGEMENT GROUP		
TITLE OF REPORT:	MANAGEMENT REVIEW OUTCOMES		
APPENDICES:	APPENDIX A	2015/16 BUDGET RESOLUTION	

Purpose of Report

1. To advise Members of the outcomes of the management review undertaken by the Chief Fire Officer (CFO) following on from the Authority budget resolution for 2015/16 and the request for voluntary severance from the Deputy Chief Executive (DCE).

Recommendation

2. That Members note and approve the management restructure proposed by the CFO and detailed within this report and specifically that the current Deputy Treasurer is assigned to the role of Treasurer (Section 151 Officer).

Introduction and Background

3. At the Authority meeting on 26th February 2015 the Authority unanimously approved the budget resolution (attached at Appendix A) which included a commitment to 'review its overall management structures to identify efficiencies and on an ongoing basis it expects the Chief Fire Officer to consider the managerial structure and capacity required to manage the Service at a time of such significant change'.
4. Following on from the Authority budget meeting the CFO commenced a management review. The objective of the review was twofold. Firstly to deliver further savings while attempting to maintain sufficient managerial capacity to meet the most significant financial challenge faced by the Authority in its history. Secondly to provide the minimum numbers of operational senior officers to meet the requirements of the Incident Command System (ICS) utilising where possible Grey Book compliant duty systems.
5. The scope of the review has encompassed the strategic and middle management tiers of the organisation.

6. Members will be aware that the CFO has approved a request for voluntary severance from the DCE. One role undertaken by the DCE is Authority Treasurer. This role is required under Section 151 of the Local Government Act 1972. It is proposed that the current Deputy Treasurer be assigned to the role of Treasurer in order to discharge this statutory function. The remaining corporate responsibilities of the DCE role (ICT and Estates) will be absorbed across the Strategic Management Group (SMG).
7. The management structure proposed by the CFO will result in a move from geographic to functional delivery and will result in the deletion of the post of DCE and the designation of the Deputy Treasurer to the role of Treasurer. The restructure will also deliver a reduction in the first instance of 6 operational middle management roles.
8. The current operational structure has 2 Principal Officers, 3 Area Managers, 10 Group Managers, 1 Group Manager (Control) 16 Station Managers on the flexible duty system (SMB) and 8 Station Manager A non-flexible duty (total 40).
9. The revised structure will have 2 Principal Officers, 4 Area Managers, 8 Group Managers, 16 Station Managers on the flexible duty system (SMB) and 4 Station Manager A non-flexible duty (total 34). This is believed to be one of the leanest management structures of any FRA in the Country and is based on the minimum numbers of Officers necessary to achieve a Grey Book compliant flexible duty system for Area, Group and Station Managers.
10. As stated in paragraph 7 implementation of the structure will result in a move from a geographic to functional delivery model. In practice this will necessitate the removal of the 5 existing District Manager posts and will create challenges around representation on the 5 Districts.
11. As a consequence it is highly likely that the Service will be not be able to resource all of the partnership meetings and forums currently supported. Unfortunately this is a direct consequence of the cuts to the Authority budget but is not something that will be unique to the Service. The Service will prioritise those partnerships that deliver the most significant contributions to improving community safety and will endeavour to make best use of supervisory manager and non-uniform equivalent roles to ensure the positive influence of the Authority is maintained in all aspects of our partnership working.
12. A further review of supervisory management roles will be undertaken following the emergency budget in July and any future Comprehensive Spending Review. The structural changes proposed in this report will be implemented by 1st April 2016.

Equality and Diversity Implications

13. An initial Equality Impact Assessment (EIA) has indicated that there could be a potential negative impact on some protected groups as a result of removing the district based approach to partnerships. Because partnerships are important to

the Authority and the achievement of its objectives, further detailed work will take place to ensure that any impact is minimised.

14. This work will consider the impact of the proposed move from District to Functional management. Detailed analysis of the current partnership arrangements on Districts and their impact on service delivery (particularly to protected groups) will take place to inform the EIA in the coming weeks. This will involve engagement with staff, community safety partners and communities to mitigate any negative disproportional impact from this change.

Staff Implications

15. The proposed structure realigns a number of areas of responsibility to ensure management continuity with those accountabilities placed with Officers of an appropriate level.
16. The proposed structure will deliver savings to the Authority, whilst allowing the flexibility of further role realignment and cost review should any other members of SMG leave the organisation.

Legal Implications

17. It is important to note that the Local Government Act 1972 and the Local Government and Housing Act 1989 places a duty on the Authority to provide three statutory officer posts: a Head of Paid Services (occupied by the Chief Fire Officer); a Monitoring Officer (occupied by the Director of Legal Services) and a Chief Finance Officer. The latter was occupied by the DCE and this report proposes to assign this responsibility to the new Treasurer role in order to comply with the relevant legislation. It is proposed that the existing Deputy Treasurer be assigned to that post

Financial Implications & Value for Money

18. The proposed restructure will deliver savings of approximately £500k subject to job evaluation of the new Treasurer role and the supervisory management review. These savings will be required to contribute towards setting a balanced budget for 2016/17 and future years following the outcomes of the budget and spending reviews.

Risk Management, Health & Safety, and Environmental Implications

19. Members should note that dealing with austerity significantly increases workload. The delivery of the structural changes approved by the Authority thus far have been very resource intensive. The Service still has to progress the proposed St Helens merger and implement the Authority decision due in June over West Wirral and those already made over Knowsley. The inevitable additional cuts to the Authority budget arising from the next spending review will only serve to further exacerbate the situation.

20. This is in addition to the day to day running of the Service which is very dynamic in itself. Further reductions in the numbers of managers self-evidently reduces managerial capacity and increases workload for those managers who remain within the Service. There is a limit to that which can be reasonably delivered therefore expectations need to be realistic in this regard. The Integrated Risk Management Plan and Service Delivery Plan for 2016/17 and beyond will be amended to reflect the new reality.
21. The structure proposed by the CFO assumes the continuation of a Grey Book compliant duty system for Group and Station Managers and a move towards a Grey Book compliant system for Area Managers. Risk and fatigue control measures are fundamental elements of the Grey Book systems.

Contribution to Our Mission: *Safer Stronger Communities – Safe Effective Firefighters*

22. Maintaining an effective management structure by the most efficient means possible will ensure that the Authority can still discharge its statutory functions for prevention, protection, preparedness and response.

BACKGROUND PAPERS

GLOSSARY OF TERMS
