

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	FULL AUTHORITY		
DATE:	24TH JULY 2014	REPORT NO:	CFO/084/14
PRESENTING OFFICER	CHIEF FIRE OFFICER		
RESPONSIBLE OFFICER:	CFO STEPHENS	REPORT AUTHOR:	CFO STEPHENS
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TITLE OF REPORT:	INDUSTRIAL ACTION IMPACT AND COVER ARRANGEMENTS		

APPENDICES:	APPENDIX A	SCHEDULE OF PERIODS OF STRIKE ACTION TAKEN TO DATE
	APPENDIX B	LETTER TO STAFF DATED 28TH APRIL 2014 ADVISING OF THE AUTHORITY POLICY ON PART PERFORMANCE

Purpose of Report

1. To advise Members of the financial impact of the most recent episode of industrial action by the Fire Brigades Union (FBU) in the ongoing national dispute over pensions.
2. To allow members to consider their options in relation to operational cover arrangements in relation to future episodes of industrial action.

Recommendation

3. That Members note the contents of this report and consider any changes to current approaches they might wish to make if there is any further episodes of Industrial action.

Introduction and Background

4. Members will be aware of the ongoing national dispute between the FBU and Government over pension reform which has seen 30 separate episodes of industrial action so far.
5. There has been considerable variation in the pattern and duration of the industrial action. A full schedule of the industrial action undertaken in relation to this dispute is attached at Appendix A.
6. The operational response cover during the periods of industrial action, which the Authority has a statutory duty to maintain, has been provided by a relatively high number of staff who have agreed to provide resilience. This includes the majority of Middle Managers. These staff are fully trained wholetime firefighters which contrasts with resilience arrangements in other Authorities, many of whom rely upon one or more of the following:-
 - a. Community retained firefighters

- b. The private sector
- c. Staff specifically recruited for the duration of the industrial dispute with limited training and experience

7. The financial impact of the industrial action is summarised as follows:-

- Pay is deducted from staff for the period of strike action**. (The deduction means that the Authority does not have to pay national insurance or pension contributions for those periods).
- Historically the Authority has paid firefighters who provide resilience a one off annual payment and time and a half for all hours over and above their contractual requirement for 42 hours (non pensionable). A new resilience contract has been negotiated with the Fire Officers Association effective from 1st April 2014 whereby all hours worked are paid at flat rate.
- To account for travel time and in order to manage the changeover effectively resilience staff are required to work for an hour before and after each period of industrial action

*** To date the Authority has accepted part performance. This means that if a firefighter is on strike for a two hour period of a shift the Authority has accepted part performance of the shift and has only deducted two hours pay.*

8. The net cost/saving from any period of industrial action is therefore directly affected by:-

- The duration of the industrial action – shorter periods of action are more costly for example because pay deductions have (so far) been only for the strike period whilst resilience payments are for the strike period plus 2 hours
- The timing of the industrial action and when it takes place during the 42 hours 'core work' for resilience staff

9. The 15 most recent periods of industrial action took place over 8 consecutive days and covered the following dates and times;

Monday 14 th July:	0600hrs – 0800hrs and 1700hrs – 1900hrs
Tuesday 15 th July:	0600hrs – 0800hrs and 1700hrs – 1900hrs
Wednesday 16 th July:	0600hrs – 0800hrs and 1700hrs – 1900hrs
Thursday 17 th July:	0600hrs – 0800hrs and 1700hrs – 1900hrs
Friday 18 th July:	0600hrs – 0800hrs and 2300hrs – 0100hrs on Saturday 19 th July
Saturday 19 th July:	1100hrs – 1300hrs and 2300hrs – 0100hrs on Sunday 20 th July
Sunday 20 th July:	1700hrs – 1900hrs
Monday 21 st July:	0600hrs – 0800hrs and 1700hrs – 1900hrs

10. It is considered that the timing and duration of the industrial action were set to cause maximum disruption and cost to Authorities for providing resilience, whilst having a relatively minimal financial impact to the striking Firefighters.

11. On all periods of industrial action including the fifteen periods above the Chief Fire Officer (CFO) has sought to deploy as many appliances as possible whilst respecting any pre-arranged commitments that resilience staff may have i.e. holidays, family events etc. As a result the Authority has fielded on average 20 appliances, 1 primary crewed Combined Platform Ladder, 1 primary crewed Prime Mover, 1 full Urban Search and Rescue (USAR) team (10 technicians, 2 canines and handler and Tactical Advisor), 1 High Volume Pump (HVP) and full Chemical, Biological, Radiological and Nuclear (CBRNE) capability during each industrial action period. Set against a normal

availability of between 24 and 28 appliances this is arguably the strongest resilience arrangement in the Country and minimises any reduction in service to the community.

12. It is estimated that the net cost of the industrial action across the most recent 8 day period was £83k.
13. If the Authority had chosen not to accept part-performance, (i.e. advised firefighters they would not be paid for any part of a shift affected by industrial action) and had it provided its established resilience arrangements continuously across the eight day period the estimated financial impact would have been a net saving of £38k. Accepting part performance for just this 8 day period of (in total) 30 hours industrial action has been more costly to the Authority/public purse by £121k.
14. Given the lack of progress in negotiations between the FBU and Government it is reasonable to assume that further periods of industrial action will follow. If any future industrial action continues to follow the same form of the most recent period of industrial action and the Authority continues to accept part-performance then the costs to the Authority will be substantial.
15. Should the Authority take the view that further levels of expenditure of this nature are unreasonable given the impact on reserves there are two options to consider.

Reduce the numbers of appliances available during each period of industrial action

16. The Authority operational response methodology is predicated on having a minimum of 1 appliance available in each of the 10 key station areas. In theory therefore the CFO could deploy 10 appliances (1 appliance available in each of the 10 key station areas) throughout any period of industrial action. In these circumstance the Authority would however need to abandon its 10 minute response standard and its undertaking in the IRMP to the public of Merseyside and accept that the Service would attend incidents as fast as was practicable given the reduced number of pumps deployed due to cost and impact on resilience staff.
17. In order to build in resilience the CFO could deploy additional appliances up to the maximum available numbers dependant on resilience staff availability but there would be a proportionate increase in cost for each additional appliance staffed.
18. However many appliances are staffed this model still is disruptive to resilience staff when travel times to and from the station at which they are providing resilience are taken in to account and is also disruptive to normal service delivery if they are covering directly before, after or in between a rostered duty.
19. Of particular relevance, Members will note that the resilience arrangements at present are very close to 'business as usual' and there is minimal impact on the service the Authority provides to its council tax payers. If it chose to reduce the number of resilience appliances response times are very likely to increase. In these circumstance the Authority would need to consider reputational risks and potential challenges if damage or loss were caused by an incident if the levels of cover provided were consciously being reduced.
20. It might also be considered that there is some risk that if the Authority were successful in providing fire cover with a much reduced number of appliances that this may inform resource allocation decisions by any future Government funding mechanism.

21. The net cost of providing cover in this way if the Authority had chosen to do so for the last 15 strike period is estimated at £11k. This is clearly cheaper than the cost of providing a near normal service (£83k) but is still more costly than not accepting part performance.

Refusal to accept partial performance of a shift

22. The Authority is not obliged to accept partial performance of a shift and has already written to staff to advise them of the position in this regard (see Appendix B).
23. If the Authority had elected not to accept part performance during the most recent period of industrial action then the resilience arrangements would have taken effect between 2030hrs Sunday 13th July and 2030hrs Monday 21st July (total of 9 full days).
24. In these circumstances the resilience teams would align to the existing Low Level of Activity and Risk (LLAR) duty system whereby they would work 12 positive hours during the day and then revert to retained status albeit on an immediate response from the station at night.
25. This model is much less disruptive to resilience staff in so much as they remain on station for in this instance a period of 9 days with the facility to roster off if necessary (each station is allocated 5 riders in order to provide a minimum of 4 riders on the appliance at all times). It is also less disruptive organisationally as resilience personnel with corporate references can still undertake some corporate work whilst on resilience duty. There is however a significant financial impact on staff undertaking industrial action as they would lose 42 hours pay during each 8 day period.
26. If this approach had been adopted there would have been a net saving to the Authority estimated as £37k which is £121k cheaper than the way in which cover was provided.

Equality and Diversity Implications

27. With regards to those staff providing resilience, the short period and short notice industrial action may have an impact on staff with caring responsibilities. Whilst this may be considered more impactful on female staff members the same impact will be felt by any staff member with caring responsibilities. The provision of resilience is voluntary.
28. In terms of those staff involved in IA, the impact will be proportionate to all members regardless of their protected characteristics. There will be an obvious economic disadvantage to those members of staff involved in IA in terms of their pay.

Staff Implications

29. The staff implications are contained within the main body of the report.

Legal Implications

30. A period of strike action shorter than a complete shift amounts to partial performance and in such cases the Authority will need to decide whether or not it will accept the partial performance, as it is entitled to do.
31. The Authority may decide for example to allow the striking employee to continue to work normally and be paid for the remainder of the affected shift.

32. Alternatively it may decide that the employee will not be required, and therefore not paid for the remainder of the shift. If an Authority decides that employees will not be required to work the rest of the shift, the employees should be made fully aware in advance that any work that is undertaken during the remainder of the shift will be regarded as voluntary and not attract any pay. Such volunteers should not in any way be requested to carry out work during the unpaid period, unless pay for that period of time is to be reinstated. The Authority is not, however, required to send employees home or prevent them in some other way from performing any work if the employees insist on working the remainder of the shift and this makes such a situation different to a “lockout”

Financial Implications & Value for Money

33. In overall terms there has been a net cost to the Authority through the provision of resilience (prior to the most recent 15 periods) of £40k. The net cost of any industrial action is very much affected by the timing and duration of that industrial action and the Authority’s decision whether or not to accept partial performance.
34. The most recent 15 episodes of industrial action appear to have been timed to maximise the impact and cost for Authorities when providing fire cover in line with their statutory responsibilities.
35. The table below summarises the position for the most recent periods of action and the relative costs of alternative courses of action:-

	Estimated Resilience Payments £'000	Estimated Pay Savings £'000	Net Cost	Cover Provided
Estimated costs and deductions for the 15 most recent strikes	145	-62	83	Near to Normal - 21 Appliances
Alternatives				
a) Only Ten appliances	72	-62	10	10 Appliances
b) Refuse to accept Partial Performance	336	-373	-37	Near to Normal - 21 Appliances

Risk Management, Health & Safety, and Environmental Implications

36. The Authority has to consider the health, safety and welfare implications for resilience staff and whether or not they would accept part performance in these circumstances.
37. Risk assessments have been undertaken on continuous working for resilience staff which would be required if the authority elected not to accept part performance.

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

38. The CFO will seek to manage appliance availability during any period of industrial action so as to minimise the impact on response times.

BACKGROUND PAPERS

NONE

GLOSSARY OF TERMS