

## MERSEYSIDE FIRE AND RESCUE AUTHORITY

MEETING OF THE:	FULL AUTHORITY		
DATE:	2 <sup>ND</sup> OCTOBER 2014	REPORT NO:	CFO/102/14
PRESENTING OFFICER	CHIEF FIRE OFFICER		
RESPONSIBLE OFFICER:	CFO STEPHENS	REPORT AUTHOR:	CFO STEPHENS
OFFICERS CONSULTED:	AM MOTTRAM		
TITLE OF REPORT:	OPERATIONAL RESPONSE SAVINGS OPTIONS 2015/16 - LIVERPOOL DISTRICT		

APPENDICES:	APPENDIX A	10 MINUTE ISOCHRONE MAP FOR LIVERPOOL
	APPENDIX B	ANALYSIS OF APPLIANCE OPERATIONAL RESPONSE PERFORMANCE ON THE LIVERPOOL DISTRICT
	APPENDIX B.1 EXEMPT	EXEMPT PARAGRAPH – POTENTIAL CAPITAL RECEIPTS
	APPENDIX C	CONSULTATION PROCESS TIMETABLE
	APPENDIX D	EQUALITY IMPACT ASSESSMENT

### Purpose of Report

1. To advise Members of the operational response savings options for 2015/16 from the Liverpool district and to recommend, subject to the outcomes of a 12 week public consultation, the closure of Allerton fire station and the relocation of the Allerton fire appliance to Old Swan to be crewed on a wholetime retained basis.

### Recommendation

2. That Members approve a 12 week public consultation on the proposed closure of Allerton fire station and the relocation of the Allerton fire appliance to Old Swan to be crewed on a wholetime retained basis.

### Introduction and Background

3. At the Budget Meeting 27<sup>th</sup> February 2014 the Authority resolved the following in relation to Operational Response savings options (CFO/011/14);

*The Authority notes that the Chief Fire Officer has examined the options for delivering the operational savings required and mergers of stations are considered to be the "least worst option." This approach has been endorsed through the initial deliberative public consultation.*

*The Authority therefore assumes that it will be possible to save £3.4m from operational response through at least 4 station mergers including those already considered by the Authority in principle :-*

- *Huyton/Whiston at Prescot*
- *Upton/West Kirby at Greasby*
- *Eccleston/St Helens at St Helens town centre*

*The Authority requests that the CFO bring back individual reports, including equality impact assessment, as soon as possible on specific business cases for mergers as detailed information and costs become available.*

*The Authority requests that the CFO prepare bids for any Government capital resources that might be available in support of mergers.*

*The Authority notes that to deliver any savings in firefighter posts requires a reduction in the number of staff. The Authority is committed to seeking to try and avoid compulsory redundancy. It notes that to deliver the required reduction in firefighter posts will take until 2016/17 based on natural retirement rates. The Authority will therefore commit £6.8m to a cost smoothing reserve of which at least £3.6m is expected to be used to avoid redundancy based on current forecasts.*

*The Authority notes that the capital programme does not currently include provision for the net costs of any station mergers. Whilst it is hoped that the availability of capital receipts, the possibility of government grant funding and the potential availability of reserves may assist in funding any building schemes it recognises that if this is not sufficient there may be a need to borrow to build which will impact on capital financing costs.*

*The Authority recognises that the exact timing of both new station delivery and firefighter retirements is difficult to forecast and recognises that the Chief Fire Officer will need to continue to manage appliance availability on a dynamic basis under his delegated powers as the financial plan proceeds to delivery.*

*The Authority recognises that if suitable sites cannot be identified for mergers that station closures would be the next 'least worst' option.*

4. Reports on the proposed Prescot and Greasby mergers appear elsewhere on the agenda. The Chief Fire Officer will give a verbal update on progress with the St Helens merger at the meeting. There are two reports relating to the Prescot merger for Members to consider today; the first report details the outcomes of the public consultation and the second report recommends that the merger be implemented. The report relating to the Wirral merger recommends implementation subject to the outcomes of public consultation over the site identified in Greasby.
5. If members approve the reports today (and public consultation on Greasby proceeds positively) there is still significant work required to deliver the new stations:-
  - A procurement process is underway through the newly released North West Construction Hub framework to appoint a partner for all of the new station builds
  - The procurement would be a design and build method so the station design needs to be developed
  - Full planning permission is still required
  - The build phase is expected to take around 15 months

6. Officers would not therefore expect the new stations being operational until mid-2016 at the earliest.
7. The Authority has approved using natural turnover rates from Firefighter retirements to deliver the reduction in Firefighter numbers required to deliver a balanced budget. The Authority has committed to use reserves to avoid compulsory redundancies as the rate of retirements is not as fast as is required to balance the financial plan in year 2015/16. The rate of retirements does however exceed the time frame anticipated to deliver the mergers through to operational conclusion.
8. The impact on appliance availability has previously been highlighted to Members at the Community Safety and Protection Committee on 27<sup>th</sup> March 2014 within report CFO/038/14. In simple terms as more Firefighters retire and are not replaced in order to meet the savings target for 2015/16 and the structural changes in terms of the conversion of wholetime appliances to wholetime retained are not made it is no longer possible to continue to crew 28 wholetime appliances.

#### Options for the Liverpool District

9. Members are already aware that Merseyside has a greater density of fire stations than any other Fire and Rescue Service and this density is most evident in Liverpool which has 10 stations.
10. The Map attached at Appendix A shows the area that can be covered within the 10 minute attendance standard. The deep red across all areas of Liverpool shows the extent of the overlap of the 10 minute isochrones. This means that neighbouring stations effectively cover the same areas twice (or more) because they are so closely located together.
11. There are only two realistic operational response savings options in Liverpool which are a merger of two existing stations and the building of a new station in an optimum location or the outright closure of one station. In either circumstance the crewing of one fire appliance would change from wholetime to wholetime retained as this is the way in which the saving is delivered.
12. It has however been recognised already that the geography of stations in Liverpool and in particular the distribution of newer stations is such that there are no pairs of 'older' stations to merge as has been identified in the other districts. The table below lists the stations in Liverpool in terms of their operational status in the context of the Authority response model and their relative age/condition.

Station	Operational status	Age
Speke/Garston	Key station	New
Old Swan	Key station	New
Croxteth	National Resilience	Refurbished/Shared site with Training and Development Academy
Kirkdale	National Resilience	PFI
Belle Vale	Non key	PFI
Toxteth	Non key	New/Fire Fit Hub
Liverpool City	Non key (CPL)	New
Kensington	Non key	New
Aintree	Non key	Old
Allerton	Non key	Old

13. Members have previously been briefed on the scale of the likely financial challenge post 2015/16 and that in order to meet the likely financial challenge outright station closures in Liverpool would be unavoidable if the cuts continue to be applied in a similar way as they have been to date.
14. There are no merger options in Liverpool which would avoid closing at least one new and one old station or closing two new/relatively new stations.
15. Officers have undertaken some research on sites in South Liverpool to accommodate a merger of Speke/Garston and Allerton. However suitable sites are difficult to find since much of the property is attractive for commercial or residential development and is expensive. No suitable sites have been identified at this point in time. Managerial capacity has been focused on the other mergers (involving pairs of older stations) where site identification is more advanced.
16. As stated above, even if a suitable site could be identified a new station would not be operational until 2016/17 at the earliest by which time the Authority may well have to make further savings as a result of the anticipated continued pressure on public spending. It has also been previously established within this report that there will not be sufficient staff available to crew appliances across Merseyside and in particular in Liverpool due to the savings required by 2015/16.
17. Members will recall that the Authority carried out a series of engagement meetings with the public in January 2014 when first considering the savings options. The main message from those meetings, which were facilitated by Opinion Research Services, was that although the favoured option amongst participants was the merger of stations, it was also recognised that closure of stations was a pragmatic solution that many preferred over wholesale changes to duty systems (such as a move towards community retained crewing).
18. The Chief Fire Officer has, in light of all the issues identified, undertaken a review to identify which station would be closed in Liverpool as an alternative to merger since this does not seem achievable.
19. The closure of Allerton has been identified as having the least impactful outcome on performance (see Appendix B). It would also realise a larger saving in building running costs. Allerton is not a key station therefore the fire appliance is on occasion unavailable for full shifts due to insufficient staffing caused by high numbers of personnel on other duties (as explained within CFO/038/14). This situation will become

more acute over time to the point where the appliance would never be crewed on a wholetime basis.

20. It is the recommendation of the Chief Fire Officer therefore that members approve the closure of Allerton fire station and the relocation of the Allerton fire appliance to Old Swan to be crewed on a wholetime retained basis. From an administrative perspective the station areas of the surrounding stations would be redefined to subsume the current Allerton station area and the District and Station Community Safety plans amended as a result.
21. Officers have previously sought expressions of interest for wholetime retained working on two occasions. On neither occasion were sufficient expressions of interest received to crew even one appliance. In order to ensure the appliance from Allerton to be relocated at Old Swan is crewed on a wholetime retained basis Officers will again seek expressions of interest from existing staff but will supplement this approach through external transfers in and direct recruitment. The proposals for external transfers in and recruitment will be the subject of a separate Authority report. If in the short term it is not possible to secure sufficient numbers of personnel to crew the Allerton appliance on a wholetime retained basis then it will remain available to be crewed on recall to duty. Members should note that whilst recall to duty is a recognised system within the Grey book it is entirely voluntary and is therefore not as resilient as wholetime retained.
22. The consultation on the proposed station closure would commence on 1<sup>st</sup> November and run for 12 weeks. The selection of this date would allow for the Wirral and Liverpool consultations to run over similar time periods, but would offer a phased approach. An indicative timetable is attached at Appendix C. This timetable reflects the approach already taken in Knowsley, which will also be followed in Wirral.

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### **Equality and Diversity Implications**

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23. The closure of Allerton is being considered as part of the overall Equality Impact Assessment (EIA) that encompasses the options and proposals for all districts. The EIA is being completed in three stages with stages one (initial research) and two (engagement outcomes) completed for Liverpool. Stage three (consultation outcomes) will be completed as and when consultation takes place in Liverpool. The latest version of the EIA is attached as Appendix D.

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### **Staff Implications**

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24. Personnel undertaking wholetime retained duties will be required to commit to a 42 hour per week retained contract for which they will receive a retaining fee of 10% of their salary.
25. The outright closure of Allerton will avoid the current situation whereby personnel at the station are continually detached out to balance staff numbers elsewhere across the Service.

## **Legal Implications**

26. If these changes are approved this will mean that savings required for the Authority to deliver a balanced budget will be made however if this report is not approved the Authority will still need to make savings in order to set a balanced budget as required by the Local Government Finance Act 1992 (as amended).

## **Financial Implications & Value for Money**

27. The change in crewing from wholetime to wholetime retained on four appliances is necessary to deliver the savings target of £3.4m from Operational Response required for the financial plan and 2015/16 budget.
28. The specific saving from converting a whole time appliance to wholetime retained is approximately £0.8m (22 WTE posts).
29. The expected savings in running costs are £44,500. In addition day to day repairs and the overall maintenance bill for the station will be avoided.
30. In order to avoid compulsory redundancy the Authority is using natural retirement rates for firefighters to deliver savings. Whilst these retirements will happen ahead of the new merged stations being delivered they will not happen fast enough to deliver the budget savings for 2015/16 therefore the Authority has committed to use £3.6m of reserves to meet the deficit.

## **Risk Management, Health & Safety, and Environmental Implications**

31. The closure of Allerton and the relocation of the Allerton appliance to Old Swan to be crewed on a wholetime retained basis has been identified as having the least impact on performance.

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32. The Chief Fire Officer will continue to manage appliance availability in such a way so as to minimise the impact on response times.

## **BACKGROUND PAPERS**

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| CFO/011/14 | Merseyside Fire and Rescue Authority Budget and Financial Plan 2014/2015 - 2018/2019     |
| CFO/038/14 | Budget Resolution Transitional Response Arrangements - Order Of Appliance Unavailability |

## **GLOSSARY OF TERMS**

