

## AVON FIRE AUTHORITY

<b>MEETING:</b>	<b>Policy and Resources Committee</b>
<b>MEETING DATE:</b>	<b>Wednesday, 13 December 2023</b>
<b>REPORT OF:</b>	<b>Chief Fire Officer / Chief Executive</b>
<b>SUBJECT:</b>	<b>Progress Report on changes to crewing models and Fleet in response to Budget Shortfall Options Paper</b>

### 1. **SUMMARY**

- In May 2023 the Chief Fire Officer commissioned a project to identify efficiencies to address the savings required to meet forecast funding pressures in the Medium-Term Financial Plan and maintain a balanced budget. Funding pressures became known following the confirmation of the Grey Book pay award and uncertain future funding settlements for 2024/25 onwards.
- Approval for the recommendations was sought at the Fire Authority meeting on 4 October 2023. At this meeting some amendments to the recommendations were agreed along with an additional recommendation.
- The additional recommendation was to return to the Policy and Resources Committee (PRC) with a report outlining progress on the implementation of these recommendations to this meeting.
- Currently the Local Government financial settlement for the next financial year is unknown, it is anticipated that the settlement will be communicated to Avon Fire & Rescue Service (AF&RS) in late December 2023.

### 2. **RECOMMENDATIONS**

#### 2.1 The Committee is asked to:

- a) Note the continued development towards the implementation of a crewing model that reflects 4 personnel on every pumping appliance at wholetime stations. Crewing will be maintained on 5 at Hicks Gate where we have Key Performance Indicators (KPIs) for National Resilience.

### **3. BACKGROUND**

- 3.1 At the Fire Authority meeting on the 4 October 2023 it was agreed that the service would provide further information and evidence on any unforeseen risks to Firefighters or the Public and also consider any changes to the funding position.
- 3.2 The budget shortfalls options paper discussed at the Fire Authority on 4 October 2023 set out the recommendations and how they would be delivered. The details within the paper clearly identified there would no detrimental impact to the Services response standards.
- 3.3 The Service carried out time analysis trials at Hicks Gate fire station (**Appendix 1**), the trials were attended by the Efficiency and Savings team, Operational Response teams, a member of the Incident Command training team and the Fire Brigades Union.
- 3.4 A method was required that would analyse modern FRS capabilities so that the effect of changes to an operational response model could be examined and assessed prior to implementation. The method that was developed by government scientists is termed the Brigade Response Options System (BROS).
- 3.5 The Health and Safety Executive describes a safe system of work as:

*“A method of work which puts in place control measures arising from a risk assessment, in order to eliminate identified hazards (where possible) and complete the work with minimum risk.”*

### **4. FINANCIAL IMPLICATIONS**

- 4.1 Members will recall the four-year Medium Term Financial Plan (MTFP) was presented for approval at the Avon Fire Authority (AFA) meeting dated 17 February 2023. The plan covered the four-year period from 2023/24 to 2026/27 and highlighted the following incremental shortfalls in the revenue budget projections (noting a balanced position for 2023/24 was presented and therefore, no shortfalls in the first year of the plan):
- a) 2024/25 £1 million
  - b) 2025/26 £0.4 million (additional to prior year shortfall)
  - c) 2026/27 £0.5 million (additional to prior years shortfall)
- 4.2 This translates to the following annual shortfalls for each financial year:
- a) 2024/25 £1 million
  - b) 2025/26 £1.4 million
  - c) 2026/27 £1.9 million

4.3 In addition to the shortfalls identified above, AF&RS is looking to generate a further £600k across the three-year period to allow for a contribution from the revenue budget to enable the Authority's ability to continue with its Estates Strategy and aspirations that require future, affordable capital borrowing.

<b>Current MTFP</b> <i>Approved February 2023</i>	<b>2023/24</b> <b>£m</b>	<b>2024/25</b> <b>£m</b>	<b>2025/26</b> <b>£m</b>	<b>2026/27</b> <b>£m</b>
<b>Revenue Budget</b>	55.622	57.495	58.656	59.997
<b>Efficiency Savings to be made</b>		1.063	1.396	1.891
<b>Expected Cost Pressures</b>				
Inflation on non-pay costs <i>increase from 3% to 6% for 2024/25, 4% for 2025/26 &amp; 2% 2026/27</i>		0.365	0.505	0.386
Inflation on pay costs <i>increase from 2% to 6% for 2024/25, 4% for 2025/26 &amp; 2% for 2026/27</i>		1.143	2.075	2.116
<b>Income assumption changes</b>				
Precept - Council Tax <i>increase from 1.99% to 2.99% PA</i>		(0.319)	(0.654)	(1.005)
Revenue Support Grant <i>increase from 3% to 6.7% for 2024/25, 4% for 2025/26 &amp; 2% for 2026/27</i>		(0.216)	(0.285)	(0.229)
<b>Revised Efficiency Savings</b>		<b>2.036</b>	<b>3.037</b>	<b>3.159</b>

**Table 1**

4.4 **Table 1** above presents an indicative financial position over the coming three years, based on an updated set of assumptions (when compared to the MTFP approved in February 2023). The key assumptions to note are:

- a) Inflation assumptions have been revised to reflect the current increased inflation rates and the view that they will return to around 2% within the next three years. As such we have assumed 6% for 2024/25, reducing to 4% in 2025/26 and down to 2% in 2026/27. This generates increased cost pressures when compared to the initial MTFP assumptions of 3% per annum for non-pay costs, and 2% per annum for pay costs.
- b) Council tax precept levels have been assumed to be capped at 2.99%, an increase of 1% on the initial MTFP assumptions. Although the recently

released Autumn Statement did not include specific provisions for the fire sector, this aligns with the provision for local government council tax levels.

- c) The revenue support grant increases by inflation each year. As such the MTFP assumptions have been revised to reflect the current view of CPI, generating additional income when compared to the original MTFP assumptions.

- 4.5 The above set of assumptions demonstrates the potential for the requirement for efficiency savings to be greater than initially anticipated. These assumptions will be refined over the coming months as the MTFP is finalised for presentation at the Fire Authority meeting in February 2024.

## **5. KEY CONSIDERATIONS**

- 5.1 A number of time task analysis scenario training events were hosted at Hicks Gate Fire Stations domestic fire training building.
- 5.2 A comparison of riding 5 firefighters and 4 on the second appliance versus 4 firefighters on both was completed to see if there were critical delays or safety implications to safe systems of work in the early stages of fireground set up and subsequent firefighting activities.
- 5.3 The results of the time task analysis showed that there was less than 75 seconds difference in Breathing Apparatus entering a building, in fact in one of the scenarios the crews were faster to enter the building with both appliances riding with 4 fighters.
- 5.4 The time/task analysis was based upon crewing all appliances with four firefighters. An agreed time/task analysis template has been designed utilising real time data from scenarios run at Hicks Gate training buildings in conjunction with independent data from Tyne and Wear Fire and Rescue Service, who ran a similar BROS project to ensure impartiality when they moved to a resourcing model of 4 firefighters on each appliance.
- 5.5 When the time/task analysis template was combined with local data, an assessment of riding four on all appliances was examined. The analysis was for attendance at emergency critical life risk incidents where Breathing Apparatus was deployed and the initial Appliance in attendance would normally have 5 personnel.
- 5.6 The data supports that the riding of four Fire Service personnel on all appliances can be achieved with safe systems of work within Avon Fire and Rescue Service.

- 5.7 Modern Incident Command training and assessments test the ability of incident commanders to make dynamic risk assessments and critical decisions, where the safety of firefighters is paramount.
- 5.8 A resourcing model of 4 on every appliance will not have a negative impact on the service response standards. A resourcing model of 4 on each appliance will allow the maximum number of fire appliances to be available and provide for fluctuating levels of demand and risk whilst ensuring safe systems of work are maintained.

## **6. RISKS**

- 6.1 The efficiency savings previously presented was modelled on a set of retirement profile assumptions, currently on average 2.5 leavers per month. Generating the necessary savings, which now could be higher than previously anticipated as demonstrated in section 4, to balance the budget is heavily reliant on the establishment reducing by a certain number for each financial year. There is a risk that retirements do not progress as previously modelled and therefore insufficient savings are generated. Other means of establishment reduction were not previously taken into account, for example voluntary leavers pursuing careers elsewhere. This could go some way to mitigating this risk.
- 6.2 Over the course of the coming months, both the retirements and the MTFP assumptions will be reviewed and monitored to ensure that any chosen course of action to achieve efficiency savings does generate sufficient savings for the Service to deliver a balanced budget.
- 6.3 Collaboration and consultation with Representative bodies has taken place and the Service will continue to work with Representative bodies, Members, and the Community to ensure a robust communication strategy is in place.

## **7. LEGAL/POLICY IMPLICATIONS**

- 7.1 The provisions of the Local Government Finance Act 1992 (LGFA 1992) set out the requirement for the Service to set a balanced budget with regard to the advice of its Chief Finance Officer (section 151). Efficiency savings are necessary for the Service to meet this requirement for 2024/25 onwards.
- 7.2 The Service Plan for 2023-2026 will have to be reviewed to include the proposals contained within this report.
- 7.3 The Community Risk Management Plan will have to be reviewed to include the new crewing and Response model.
- 7.4 A review of the Mobilisation policy and Degradation Plan will be required.
- 7.5 A review of the crewing handbook will be required.

**8. BACKGROUND PAPERS**

8.1. Budget shortfalls paper 8 - AFA meeting 4 October 23, at the following link:  
[https://avonfire.moderngov.co.uk/papers for Avon Fire Authority meeting 4 Oct 23](https://avonfire.moderngov.co.uk/papers%20for%20Avon%20Fire%20Authority%20meeting%204%20Oct%2023)

8.2. Service Plan 2023 – 2026, at the following link:  
[https://avonfire.moderngov.co.uk/Service Plan 23 to 26](https://avonfire.moderngov.co.uk/Service%20Plan%2023%20to%2026)

**9. APPENDIX**

Appendix 1 - Time task analysis completed by AF&RS.

**10. REPORT CONTACT**

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