

Productivity & Efficiency Plan 2024/25

Version Control	Changes Made	Date	Author
V.1		27/03/2024	S.151 Officer

Making Cumbria a safer place for all



1.0 Introduction & Background

- 1.1 The National Framework sets a requirement that Fire and Rescue Authorities (FRAs) produce and publish annual efficiency plans. There is a specific ask from the Minister of State for Crime, Policing and Fire that in 2024/25, FRAs produce plans that not only cover planned efficiencies, but also their plans for increasing productivity.
- 1.2 As part of the 2021/22 Spending Review, the National Fire Chiefs Council (NFCC) and the Local Government Association (LGA) proposed that across Fire and Rescue Services (FRSs) in England, the fire and rescue sector could create 2% of non-pay efficiencies and to increase productivity by 3% by 2024/25. The 2024/25 FRA Productivity and Efficiency Plans will help the NFCC, LGA and Home Office to collate evidence and to assess likely progress at national level against the agreed Spending Review Goals.
- 1.3 Cumbria Fire and Rescue Service (CFRS) transitioned from Cumbria County Council control to the Office of the Police, Fire and Crime Commissioner for Cumbria on 1 April 2023.
- 1.4 Cumbria Fire and Rescue Authority is committed to delivering an effective, efficient, and productive service that delivers against our vision.

2.0 Budget and Reserves

2.1 The table below shows the revenue budget for 2024/25 as agreed in February 2024.

	Original Budget 2024/25 £000
Expenditure	
Employees	21,871
Premises	2,093
Transport	817
Supplies & Services	1,433
Agency & Contracted Services	1,169
Support Costs	1,689
Capital Financing	3,063
Total Expenditure	32,135
Income	
Specific Grants	(4,986)
Other Income	(155)
Total Income	(5,141)
Appropriations to/(from) Reserves	830
Total Net Expenditure	27,824
Business Rates Retention	(6,432)
Revenue Support Grant	(4,679)
Deficit on Collection Fund	24
Council Tax Requirement	16,737

2.2 2024/25 Budget Proposals

The budget proposals for 2024/25 have been agreed. There are pressures around inflation and some unavoidable growth, however, the receipt of capital grant from Home Office has negated an increase in borrowing requirement forecast for 2023/24, so a subsequent reduction in capital financing costs has accrued. Additional cashable savings will be required to balance the unavoidable growth and this is to be delivered through the deletion of vacant posts that have been demonstrated to not be adversely affecting service delivery outcomes.

The Medium-Term projections show a contribution to reserves in each of the next five-years which is required in order to build reserves up to minimum prudent levels.

2.3 General Fund and Earmarked Reserves

These reserve balances shown below are still subject the confirmation upon the finalisation of the audit of Cumbria County Council Statutory Accounts for 2022/23. The projections below for 2024/25 onwards are based on the budget proposals for 2024/25 and Medium-Term projections for 2025-29.

	2024/25	2025/26	2026/27	2027/28	2028/29
	£000	£000	£000	£000	£000
Opening Balance - General Fund Reserve (Estimated)	3,196	4,078	4,245	4,517	4,832
In Year Contribution to/(from) GF Reserves (MTFP)	830	88	166	182	360
Transfers (to)/from Earmarked Reserves	52	79	106	133	163
Closing Balance - General Fund Reserve (Estimated)	4,078	4,245	4,517	4,832	5,355
Estimated Prudent Minimum Level of Reserves	4,358	4,358	4,358	4,358	4,358
Excess / (Shortfall)	(280)	(113)	159	474	997
<u>Earmarked Reserves</u>					
PFI	1,862	1,783	1,677	1,544	1,381
Insurance (includes in year saving)	437	437	0	0	0
Donations	113	0	0	0	0
CMF - Corporate	46	0	0	0	0
Local Tax Guarantee Grants	0	0	0	0	0
ESMCP	127	0	0	0	0
Pensions Grant	0	0	0	0	0
Fire COVID Grant	41	0	0	0	0
Total Earmarked Reserves	2,626	2,220	1,677	1,544	1,381
Total Estimated Reserves	6,704	6,465	6,194	6,376	6,736

N.B. PFI reserve will be released in line with the differences in PFI charges and the PFI grant received each year.

The projections for the 2024/25 budget and Medium-Term Financial Plan currently show further contributions to reserves over the five-year period to 2028/29.

3.0 Precept

- 3.1 CFRS fully recognise the impact of a precept rise on our communities, particularly given the ongoing pressures on cost of living. Any such increase must be necessary and based on further investment and improvement to services.
- 3.2 For 2024/25, the Authority has increased the service's precept by £2.70 for a band D property (from £90.54 to £93.24) in line with the precept flexibility offered by the Government. This additional funding is necessary for us to protect front line services, invest in vital equipment and technology (given the continued lack of dedicated capital funding) and absorb the significant inflationary pressures facing the service. This increase also provided the resilience for the service upon its disaggregation from Cumbria County Council.
- 3.3 The combination of significant inflationary pressures, historical under investment, and the need to invest in key service delivery areas, means that without the increase in precept, the service may need to review front line service provision if all other options for service savings have been exhausted.
- 3.4 The Medium-Term Financial Plan for 2024/25 – 2028/29 assumes annual increases in the precept of 3%, however, annual decisions on precept will be made following consultation with the community and will be made by the Police, Fire and Crime Commissioner.

4.0 Savings and Efficiency

- 4.1 The Medium-Term Financial Plan identifies cashable savings as being required from 2024/25 on a recurring basis.
- 4.2 These cashable savings will be delivered following an external review of CFRS structure and the recommendation to delete vacant posts. The review identified that the Service has operated and delivered against KPI's whilst these posts have been vacant, and therefore, the posts can be removed from the establishment with no adverse impact on service performance.
- 4.3 The table below summarises the areas where savings and efficiencies are being found and the following sections of the report provide further detail on the activities that are generating these efficiencies and productivity gains.

4.4

	Para	Cashable Savings £000	Non-Cashable Savings		Total £000
			Cost avoidance £000	Value-Add £000	
New HR System	5.7	25			25
New Finance System	5.7	22	31		53
Shared Strategic Roles	5.10		110		110
Home Fire Safety Visits	5.12			5	5
Pension Remedy AI	5.13		190		190
Removal of Vacant Posts	5.14	400			400
Transferee Process	10.5		250		250
Total		447	581	5	1,033

5.0 Productivity

- 5.1 We are pursuing the sector wide Spending Review (2021/22-2024/25) period target of improving the productivity of wholetime firefighters by 3%.
- 5.2 We are investing in Microsoft PowerBi performance management dashboards and our key performance indicators will continue to be presented to our Service Leadership Team and Police Fire and Crime Commissioner on a monthly basis, with more in-depth local indicators being available to our managers on a dynamic basis.

- 5.3 Historically performance information has been used to inform activity, particularly around Community Safety initiatives. However, this has been at a Service wide level. The increased use of dashboards allows activity to be targeted at specific emerging risks in a particular station area ensuring firefighter time is spent addressing those areas of most concern. In addition, the use of dashboards allows localised trends to be identified and targeted by Officers at station level rather than wait for them to be identified centrally. This early intervention (for example in fire setting behaviour) again allows for a more efficient use of resources. Finally, in the past it has been possible for stations to operate in isolation. Using this new approach, Stations can identify where similar problems have been addressed in other areas and contact them to learn lessons. In 2024/25 the Performance team has plans to roll out training in data analysis to further embed this approach across the service.
- 5.4 We are committed to partnership working and to delivering the best for Cumbrian communities and will continue to engage with the Blue Light collaboration board and drive forward collective productivity and service delivery improvements.
- 5.5 We can provide data for, and take part in, the forthcoming sector wide utilisation survey which asks questions about how wholtime firefighters spend their time over the average day and night shift.
- 5.6 Our reduction of Unwanted Fire Signals (AFA's) has been achieved through the introduction of a revised call challenge process. This has increased the non-mobilisation of crews to premises types covered by the policy from 37% to 67% and thus has reduced disruption to allow more productive application of crews' time.
- 5.7 Other initiatives introduced to improve productivity include:
- The introduction of a New HR system – improved efficiency and productivity of a single bespoke system resulting in an estimated cashable saving of **c.£25,000** on system licencing costs. Additional efficiencies will accrue as the system is developed and more modules are implemented, and less reliance is placed on hosted solutions provided through SLA's.

The new system will vastly improve access the system for our remote, on call workforce. It will reduce the inefficiencies of having to update several systems with the same information which currently causes increased workloads for our managers as they are duplicating entry – for example with sickness, currently two systems need updated separately. We will also have a system that is fit for purpose for a fire service, rather than one set up for a wider council which means

some of the pay elements and terms and conditions for the fire service require manual input and intervention.

We will be able to create bespoke reports ourselves rather than relying on a systems team as part of a function hosted by the unitary council where there are delays in waiting for essential reports.

- The introduction of a new finance system that negates our reliance on antiquated systems provided through the local authority which will increase the productivity of finance staff and general service users. There will be a cashable financial saving by removing the service from the hosted solution provided by the unitary authority (**c.£22,000**). This new system will increase self-service and remove manual intervention on payment of invoices by using intelligent scanning. The efficiency gains for this are anticipated to equate to 1fte Business Support administrator (**c.£31,400**) that can be released to support other priorities in the organisation.

- 5.8 In addition to the two IT systems highlighted above, we are also investing in up-to-date software to facilitate prevention and protection activity and tablets to allow staff to access this software anywhere in county rather than returning to the station to input information. Both these investments will contribute to the increased productivity of our wholetime firefighters in line with the national productivity ambitions
- 5.9 We intend to improve our efficiency through the development of a shared commercial/procurement function and shared legal function with Cumbria Constabulary both through the sharing of resources but also potentially joint procurement where beneficial. This project is in early development and will hopefully be implemented for 1 September 2024.
- 5.10 The Service shares two key roles with the Office of the Police Fire and Crime Commissioner, the S.151 Officer and a recently employed Joint Head of Estates. The shared S.151 Officer role enables the Service to comply with its statutory requirements whilst also saving on costs. Sharing of these posts saves the Service **c.£110,000** compared to employing on a full-time permanent basis.
- 5.11 The Joint Head of Estates role is employed by the Office of the Police, Fire and Crime Commissioner and the role is to develop a joint estates strategy with Cumbria Constabulary and release efficiencies from both Police and Fire estates to support wider working. Cumbria currently has a BlueLight Hub located in Ulverston where Police, Fire and Ambulance all occupy the same building. This improves closer working arrangements between all organisations, and it is the intention to use this model further

throughout the County to provide efficiencies and improve productivity between blue light services.

- 5.12 The Service has invested in the business support function to allow them to make calls to support prevention and protection activity instead of front-line crews. This allows the crews to work more productively in delivering their day-to-day responsibilities. This initiative has redirected approx. 2,000-person hours administration support and enabled crews to concentrate on prevention and protection activity. The cost difference for this is **c.£5,000**.
- 5.13 The Service is always interested in the use of technology to increase productivity. To that end we are exploring the use of Artificial Intelligence to automate the processing of actions required to address the Pensions remedy. The same technology may also be used for the transfer of data from historic legacy systems to new systems reducing the need for manual interventions. We will be able to complete our data request for sergeant/McCloud in 2 months using this solution – where other services who have completed it manually have had 4 members of staff working on the data for 2 years. They are reducing the need for manual calculations and therefore reducing the risk of human error within the process. Therefore, the net cost avoidance of this initiative is **c.£190,000**.
- 5.14 We have introduced a new Station Management Framework that provides a more structured allocation of time for wholetime staff to complete Protection, Prevention and Response activities. This ensures that activities that are not public facing are completed in silent hours, sufficient time is carefully forecasted to balance the needs of the service and the community, and activities will be programmed in by business support teams to reduce the administration time of front-line crews during their core community engagement window.
- 5.15 An independent value for money review of the Service's structure has been undertaken and has found that vacant posts can be removed from the structure without impacting on performance. These savings will realise **c.£400,000**. The posts to be removed range across the Service and have been vacant for some time. Performance and service delivery has been unaffected whilst these posts have been vacant and therefore, these savings can be achieved with no detriment.

6.0 Collaboration

- 6.1 CFRS has a long tradition of partnership working and was able to demonstrate that in exceptional ways throughout the recent Covid-19 pandemic, working tirelessly with partners to delivery life critical vaccinations across the county. As a key partner of the Local Resilience Forum (LRF), the Service is linked in with strategic partners to deliver efficient and effective prevention, protection, and response services to Cumbrian communities, whilst at the same time ensuring that these services are delivered in the most productive manner, using the available knowledge and skills of ourselves and partner agencies.
- 6.2 CFRS is part of the Cumbrian Blue Light Collaboration board chaired by the PFCC and is committed to working with partners to deliver improved services for the people of Cumbria.
- 6.3 Collaboration Projects to date have delivered improved community outcomes and commensurate increases in operational response activity, ensuring the right blue light agency can respond effectively to deliver the best outcomes:
- Joint PFI scheme with Merseyside and Cumbria Fire Services to deliver 16 stations across the 3 Authorities, the largest Fire specific PFI scheme agreed at that point in time (estimated capital value of £48m)
 - Combined Blue light hub facility at Ulverston for CFRS, NWAS and the Constabulary resulting in increased partnership working and reducing the need for agencies to invest in new facilities independently resulting in significant savings to the public purse, ongoing work to develop a 'mini Blue light Hub' based out of Grange Over Sands Fire Station
 - Firefighters will attend Category one incidents when requested by NWAS to facilitate access to the building, significantly reducing the need to wait for Police Officers to attend a similar incident.
 - Joint procurement with the Clinical Commissioning Group for the Wide Area Network
 - High Risk Missing Person Searches
 - Gaining Entry for Ambulance Service
 - North-West Fire Control (NWFC) – collaboration between Cumbria, Lancashire, Cheshire, and Gtr. Manchester Fire Authorities, realising annual savings in excess of £1m p.a
 - Regional Fleet collaboration through Technical Officers Group (TOG) on equipment and vehicle related issues, including procurements and common specifications.

- We currently have a Memorandum of Understanding (MOU) with Lancashire FRS to deliver fire investigation canine capabilities.

- 6.4 As a result of the change in governance, a Blue Light Transformation Board has been established to identify possible opportunities for collaboration on enabling functions, to develop the business cases and deliver the agreed option. The principles are that any agreed option should be for the benefit of all three organisations, both cashable and non-cashable.
- 6.5 Following the disaggregation from the County Council, SLAs are in place with the two new unitary authorities. Financial systems, HR/OD, Fleet, ICT, Property, Records Management and Legal Services. These arrangements differ depending on the function. CFRS delivers Driver Training to the two unitaries under the same arrangement.
- 6.6 The Service works collaboratively with the Nuclear industry in West Cumbria and has arrangements in place around funding of posts and joint training arrangements.

To understand the unique risk and complexities of Sellafield Ltd the Service works closely with the site itself and other partner organisations to develop and improve operational response.

Actions include:

- Development of a biannual Interoperability Training programme between Cumbria and Sellafield Fire and Rescue Services. This programme aims to get the attendance of the closest 13 CFRS appliances to Sellafield Ltd every quarter attending a risk specific training event.
- To deliver site-specific input to all Service Flexi Managers annually.
- Work alongside Sellafield Emergency Planning Teams to support the ONR (Office of Nuclear Regulation) Regulatory Level 1 Exercises. Held twice a year the Service provides resources at Strategic, Tactical and Operational levels where appropriate.
- Supporting the JEMR (Joint Emergency Management and Response) Team by providing attendance to the OSCAR (Offsite Coordination and Response) steering group meetings. Appropriate Service resources also attend the modular exercise programme that tests the Sellafield Offsite Emergency Plan.
- Attendance from the Service to the WCSSG (West Cumbria Sites Stakeholders Group). This is an independent body made up of representatives from local government, regulators, union representatives, town and parish councils and emergency services.
- The Service has established specific roles to maintain close collaboration with Sellafield Ltd. These include:

- A Station Manager responsible for the Local Command Unit in which Sellafield is dedicated.
- A specific Sellafield Liaison role. (Watch Manager Level)
- A Professional Lead funded by Sellafield who has an extensive background working in a Local Authority Fire and Rescue Service alongside Sellafield.
- Attendance to biweekly meetings at Sellafield Ltd maintains consistent communications between both organisations.
- A quarterly meeting is also scheduled which reviews performance and sets actions moving forward.

7.0 Transformation Plans

- 7.1 Our transformation high level planning is available across our Community Risk Management Plan (CRMP) and supporting core strategies. Some of our high-level plans include:
- A Strategic review of our estate in conjunction with the Constabulary and Office of the PFCC together with the appointment of a Joint Head of Estates between the three organisations to develop this strategic direction.
 - A comprehensive review of all the SLAs agreed through the LGR process to ensure we extract maximum value
- 7.2 We recognise that currently the service we receive through our SLAs is inadequate to meet the needs of the Service. A dedicated team has been established, to ensure that any new SLAs are fit for purpose, meet the needs of the Service and contribute towards the delivery of the national productivity targets.
- 7.3 We have engaged a review of the service structure and corporate functions through the external consultant (who supported the service through the transition process) to examine options for further improvement and transformation.

8.0 Charging Policies

- 8.1 Our priority is to deliver services with the best community outcomes. We are a trusted partner that can, and does, support regional and national partners during emergency incidents. We have arrangements in place across our neighbouring services to deliver the quickest and most suitable response, generally on a 'knock for knock' basis.
- 8.2 We work with several partners to deliver services that generate income for the Service, these include:
- The delivery of Driver training on behalf of both unitary authorities and a quid pro quo arrangement with the Constabulary in regard to driving tests
 - The inclusion of wholetime firefighters from Sellafield on our courses
 - In partnership with Sellafield the delivery of a Tri Service Officer pilot
- 8.3 The Service does have a "Charging for Mutual Aid" policy that is reviewed to ensure it is fit for purpose.
- 8.4 The charging policy is reviewed annually and charges are set for the start of the financial year in line with budget expectations.

9.0 Asset Management and Investment in Technology

- 9.1 Now that the Service has moved from the County Council to a PFCC Model, it is less restricted by bureaucracy and a risk averse attitude. To that end it is moving forward with a series of investments in technology which includes a new asset management system to reduce the number of paper-based processes and different systems for inventories and defect reporting that we currently use.
- 9.2 The Service has a fleet replacement strategy and has been able to invest in a range of new vehicles to replace an ageing fleet. Six new appliances have been purchased this year and three further appliances commissioned for 2024/25. These have been procured based on a forecasted saving being projected, over the lifetime of the vehicle, compared to other competitors on the market. Investment in light fleet is also detailed in the fleet replacement strategy to ensure that the overall fleet is fit for purpose, modern and lowers the risks associated with an ageing fleet.
- 9.3 Other sections in this report cover our investment in different systems that we believe will improve our productivity as a whole. Investment has been made in virtual reality headsets for training and community engagement purposes around road safety and the use of Artificial Intelligence is being progressed for pension remedy support. We are developing a comprehensive IT strategy and will be sharing an IT post with the unitary authority to co-ordinate this work as well as looking at our objectives of disaggregation from the Unitary Authorities, as this will be instrumental in our delivery of any productivity targets.

10.0 Resourcing

- 10.1 Due to its size and firefighter composition, CFRS must be innovative when it comes to the delivery of services to meet the needs of the community. We believe we have introduced one of the most efficient shift systems in the country.
- 10.2 Penrith Duty System deploys operational Firefighters into back-office departments to support the delivery of operational assurance and service support functions. These Firefighters also provide a whole-time response capability to the local community. This ensures that the 10.5hrs days are maximised with activities that meets the needs of the CRMP, 7 days a week without the need to resource departments with the more traditional, non-operational workforce. Of the current operational workforce, 65% is already On-call which has been identified as the most productive duty system.
- 10.3 In addition we have changed our delivery model of our Learning and Development workforce to increase the time available to deliver course around the needs of an On-call Service. Training courses are also being delivered remotely over MS Teams technology rather than an entirely centre based approach, reducing unnecessary travel time and costs. Corporate non-operational roles were introduced to the department to ensure the most cost effective and skilled staff were completing the administration and support activities.
- 10.4 The Service is committed to continually reviewing shift patterns to ensure we are improving on our productivity. We have introduced a variety of shift patterns including a 12-hour pattern and day duty systems and we have reduced the night shift from 15 hours to 13.5 hours maximising day shifts recognising the most productive hours.
- 10.5 As well as our own recruitment programmes, the Service pursues an active transferee process. Recently we have taken on 8 firefighters through this process that has resulted in cost avoidance of **c.£250,000**.

11.0 Procurement

11.1 We are involved in regional procurement projects as well as undertaking our own local procurement activities. In all instances we seek to maximise the benefits offered by existing frameworks to deliver savings, both cashable and non-cashable, and to maximise the commercial advantages offered by collaboration. Some examples being:

- North-West PPE Contract (lead by Merseyside FRS)
- Structural Firefighting PPE (lead by Merseyside FRS)
- Station Wear and associated items (lead by Greater Manchester Combined Authority)
- Fire Hose Repairs and Inspection (lead by Lancashire)
- Private Finance Initiative (as per section 6)

11.2 Work is currently underway to progress working collaboratively with Cumbria Constabulary around procurement with a new arrangement under a Service Level Agreement anticipated to be in place for 1 September 2024. This will provide resilience to CFRS around procurement, expert advice and will explore any joint procurement arrangements that can lead to economies of scale and efficiency benefits.