



Efficiency and Productivity Plan

2023-24



Buckinghamshire
FIRE & RESCUE SERVICE
we save lives

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Budget

The following table shows the sources of income and planned spending for 2023-24 and movements from the 2022-23 budget:

Revenue Expenditure	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000
Base Budget	0	33,480	36,450	37,931	39,156	40,527
Pay Adjustment	0	1,182	1,018	1,038	1,058	1,080
Inflation Adjustment	0	0	626	285	196	200
Corporate Core	1,586	-399	-45	0	0	0
Statutory Accounting & Contingency	643	-367	0	0	0	0
Delivery, Corporate Development & Planning	22,592	1,889	417	197	17	17
Human Resources	522	18	0	0	0	0
Finance & Assets	6,521	393	-165	-20	0	0
Revenue Contribution to Capital	1,616	254	-370	-275	100	0
Net Budget Requirement	33,480	36,450	37,931	39,156	40,527	41,824
Council Tax	-22,759	-24,859	-26,009	-27,214	-28,474	-29,791
Council Tax (Surplus)/Deficit	-222	-335	0	0	0	0
Services Grant	-355	-199	0	0	0	0
Settlement Funding Assessment	-7,826	-11,338	-10,255	-10,460	-10,670	-10,883
Fire Specific Grants	-1,110	-989	-115	-57	0	0
Pension Grant Funding	-1,208	-1,208	-1,208	-1,208	-1,208	-1,208
(Use of)/Contribution to Reserves	0	2,478	-344	-217	-175	58
Total Funding	-33,480	-36,450	-37,931	-39,156	-40,527	-41,824

In the last financial year, the budget scrutiny process involved a number of member challenge sessions from lead members, executive committee members and the full authority. The budget was significantly enhanced through these sessions which led to a budget which met the strategic priorities set by members, strengthened the financial resilience of the Authority and set a clear platform for future transformation of the Service.

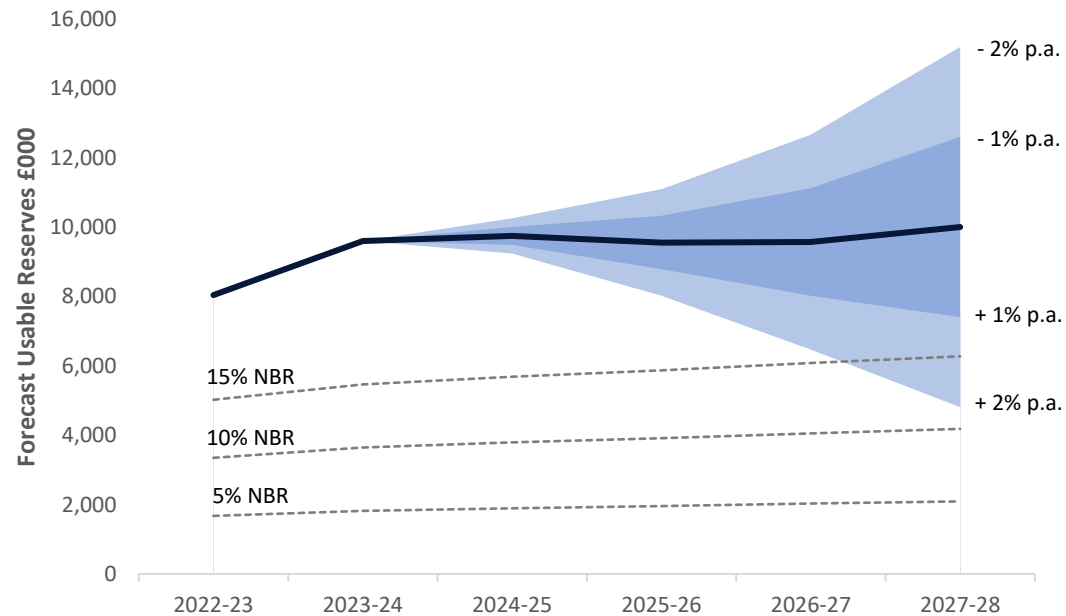
Based on the anticipated cost pressures, planned efficiency savings, and forecast funding, the Service is showing a balanced budget position for 2023-24 through to 2027-28.

Reserves

The table below shows the forecast usable reserve levels over the life of the medium-term financial plan (MTFP):

Usable Reserves	2022-23 £000	2023-24 £000	2024-25 £000	2025-26 £000	2026-27 £000	2027-28 £000
General Fund	1,500	1,625	1,625	1,625	1,625	1,625
Other Earmarked Reserves (excl. Control Room)	1,287	3,640	3,296	3,079	2,904	2,962
Revenue Contribution to Capital	5,253	4,336	4,825	4,851	5,039	5,415
Total Usable Reserves	8,040	9,601	9,746	9,555	9,568	10,002

The chart below shows the same information as the table above, alongside various percentages of net budget requirement (NBR) and scenarios showing how much forecast reserve balances could increase/decrease by based on variations in future pay awards of +/- x% per annum:



As can be seen from the table, approximately half of the total usable reserves are held for investment in the capital programme, which consists predominately of investment in our estate, fleet, and ICT capabilities. Just over £1.6m is required to be held in the General Fund to mitigate the risk of unforeseen circumstances and major one-off events.

Within earmarked reserves a balance of £0.5m is held to smooth the cost of starters and leavers in the wholetime establishment. While staff will retire or leave the service at regular intervals, firefighter recruitment must be done in larger tranches for practical and efficiency reasons. This will mean there are occasions when the Service will be under or over established, and accordingly will top-up or draw-down from this reserve as required.

This leaves circa £3m for investment in transformation projects. The Service is currently in the process of updating its Community Risk Management Plan, and this funding will be used to help achieve the objectives identified within that Plan. The Plan will focus on several key areas including:

- Optimising the use of assets to improve response and resilience, including to the increasing threat of extreme weather events such as wildfire and flooding.
- Ensuring the staffing model is sufficiently robust and effectively resourced by further improving recruitment and retention.
- Investment in training facilities to further enhance the service provided to the public.
- Maximising opportunities to improve productivity, efficiency and effectiveness through innovation and the use of up-to-date technology.

Precept

At its meeting on 15 February 2023, the Authority approved a Band D equivalent precept of £77.16, which was an increase of £5 from the previous year.

The level of non-pay inflation the Service is facing, the nationally agreed pay offer to grey book staff of 7% from July 2022 and 5% from July 2023, and the verbal notification that Urban Search and Rescue (USAR) funding would cease from 1 April 2024 meant that even with the efficiencies noted in this plan, this increase was necessary in order to maintain frontline staffing levels and ensure the financial sustainability of the Service.

Efficiency

The table below summarises the cashable efficiency savings in non-payroll costs the Service has made during 2022-23, and plans to make during 2023-24 and 2024-25:

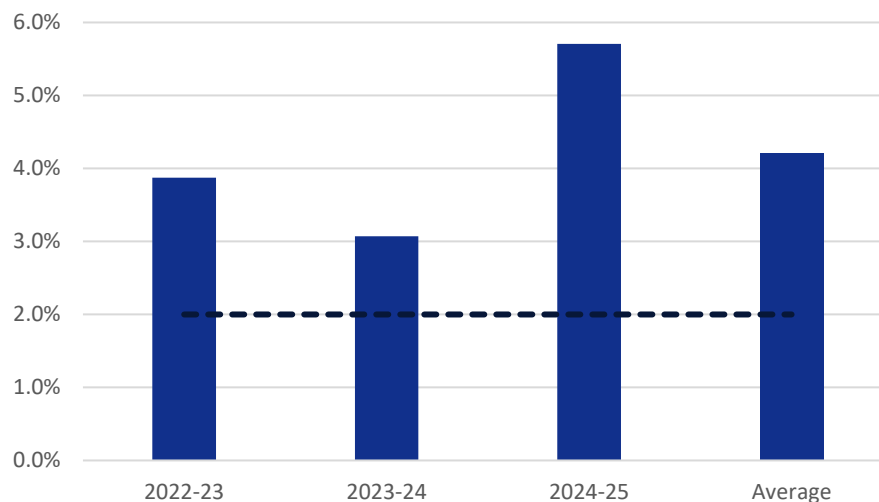
Category	2022-23 £000	2023-24 £000	2024-25 £000
All Indirect Employee Costs	61		
Utilities			25
Rent/Rates			140
Shared Premises		166	
Other Technology Improvements	38	40	
Decreased Usage	73		
Revenue Expenditure Charged to Capital	168	-254	370
Net Borrowing Costs		348	45
Total Savings	340	300	580
Non-payroll budget	8,775	9,770	10,167
Savings as a percentage of non-payroll budget	3.9%	3.1%	5.7%

An outline of the efficiencies delivered within each category is as follows:

- Indirect employee costs – some of the efficiency has been achieved by investing in our own in-house training facility at our Aylesbury HQ. Further efficiencies have been achieved by moving to online methods of training for some courses where practical to do so.
- Utilities – the Service plans to vacate its only operational leasehold property, which currently accommodates the USAR capability as well as our central stores, office accommodation and main meeting room. Following this exit all the Service’s operational properties will be freehold assets. This has been enabled by the increase in remote office working and optimising the wider use of our estate.
- Rent/Rates – the Service plans to vacate its only operational leasehold property, which currently accommodates the USAR capability as well as our central stores, office accommodation and main meeting room. Following this exit all the Service’s operational properties will be freehold assets. This has been enabled by the increase in remote office working and optimising the wider use of our estate.
- Shared Premises – the Service recently completed the construction of a purpose built Blue Light Hub, which houses fire, police and ambulance all on one site. The savings shown here represent both the premises savings from consolidating two fire stations into one, as well as those achieved from sharing the cost of premises with the other emergency services.

- Other Technology Improvements – the investment in Office 365 and remote working has enabled efficiencies in courses and conference fees, mileage, subsistence, and travel budgets across the Service.
- Decreased usage – this consists of several smaller improvements across a range of activities, including reducing the use of consultancy and third-party legal services.
- Revenue Expenditure Charged to Capital – investment in improving the estate during previous years, as well as the sale of assets surplus to requirements, has reduced the amount of revenue funding required to support our future capital programme. Collaborative procurement of frontline pumping appliances continues to mitigate against future increases in costs. More recently, the collaborative procurement of breathing apparatus (BA) sets across the Thames Valley services resulted in savings of over £0.5 million across the three services, with this Service’s savings being £187k.
- Net Borrowing Costs – the planned repayment of historic borrowing will reduce the cost of interest payments in future years. Recent rises in the Bank of England base rate have increased the amount of income the Service is able to generate through its in-house Treasury Management function. The Service is currently able to generate more income from its lending activities than it spends on borrowing costs.

The chart below shows the savings achieved/planned for each year, and on average over the three-year period, against the target of 2% efficiency savings target expressed as a percentage of non-payroll budgets:



As can be seen from the above, the Service exceeded the target for 2022-23 and has firm plans in place to meet the target in the next two years also.

Productivity

Home Fire Safety Visits

One of the key productivity improvements for the Service is in relation to Home Fire Safety Visits. Understanding the low numbers of Home Fire Safety Visits delivered by the Service was identified in 2021 by HMICFRS as an area for improvement. The number of visits reported in 2019 by HMICFRS as delivered by the Service was 3.9 per 1,000 population compared to the national average of 10.4. The Service has set itself an ambitious target of reaching the national average by 2026-27, meaning 8,800 visits need to be delivered per annum.

The table below shows the planned increases in visits over the medium-term:

Output	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Home Fire Safety Visits	1,524	3,600	4,900	6,200	7,500	8,800	8,800

The following table shows the monthly visits delivered between April 2022 to March 2023 (with March data up to and including 27 March 2023):

Output	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Home Fire Safety Visits	89	119	82	127	158	157	156	130	176	316	327	339

If the number of visits for the remainder of March 2023 follow the trend, then the total visits for 2022-23 will be 2,226. While this is below the target of 3,600 it is a significant increase in the number of visits during 2021-22 of 46%. Importantly, the trend throughout the year has been an upward increase and the rate of visits for the last three months of the year were in line with the Service's ambitious target for the year.

Key Performance Indicators (KPIs)

The primary way in which the Service currently measures productivity is through the use of KPIs, which are reported to Members on a quarterly basis. A copy of the most recent report can be found here - <https://bucksfire.gov.uk/documents/2023/03/executive-committee-22-march-2023-item-8-performance-management-q3-2022-23.pdf/>

Supplementary Information

The efficiency savings shown on pages 4-5 of this document only show cashable non-payroll savings made in 2022-23 and planned for future years. It does not include any non-cashable efficiency savings or cashable savings initially made prior to 2022-23, but which continue to benefit the Service and residents of Buckinghamshire and Milton Keynes. Details of some of these efficiencies are included below.

Collaboration (including Procurement)

The Service collaborates closely with other fire and rescue services, most notably with Royal Berkshire and Oxfordshire (as well as Thames Valley Police and South Central Ambulance Service) under the banner of Thames Valley collaboration. A summary of achievements and the five-year business plan for this collaboration can be found here – <https://www.rbfrs.co.uk/app/uploads/2023/01/Thames-Valley-Collaboration-5-Year-Business-Plan-FINAL-v1.4-.pdf>. Since this plan was published, collaboration has continued and the recent joint procurement of breathing apparatus across the three services has saved more than £0.5 million. Furthermore, it further enhances the interoperability of the three services when supporting each other at incidents.

The Service also continues to explore collaboration opportunities across a range of back-office functions. This includes the recently agreed sharing of the data protection function with a local council, saving the Service over £30k per year.

As well as realising efficiencies from the Blue Light Hub noted earlier, there have been other collaborative estates projects that have provided benefits that have primarily accrued to other third-parties. During 2023-24 the Service will complete the co-location of community policing teams onto sites at Newport Pagnell and Princes Risborough. The works have been funded by Thames Valley Police, with the Service only charging a peppercorn lease and recovering incremental costs for utilities etc. During 2022-23 the Service welcomed ground support teams of Thames Valley Air Ambulance to our site at Marlow. This didn't require any significant adaptations to the site and incremental costs are again recovered on a cost recovery basis.

Transformation Plans

The Service is currently in the process of updating its Community Risk Management Plan, which will detail the transformation required over the next 3-5 years. Further details of the planning timeline can be found here - <https://bucksfire.gov.uk/documents/2022/11/item-10-fire-authority-meeting-7-december-2022-2025-2030-service-planning.pdf/>

Charging Policies

Under the Statutory Instrument 2004 No 2305 and the Fire and Rescue Services (England) Order 2004, the Service has the discretion to deliver a number of specific services in addition to our emergency response and safety work. We are permitted to charge for these additional services. A copy of the current charging policy can be found here - <https://bucksfire.gov.uk/authority/services-we-charge-for/>

Asset Management and Investment in Technology

All equipment and appliance checks and inventories, and defect reporting, is carried out electronically. The Service has consistently invested in integrating systems to improve efficiency and productivity. The evaluation report on the business and systems integration (BASi) project can be found here - <https://bucksfire.gov.uk/documents/2020/07/wednesday-22-july-2020-full-agenda-and-papers.pdf/> (pp. 207-228)

Resourcing

The Service utilises a system of voluntary bank shifts to resource our response model. This reduces the number of staff required as absences are covered by additional shifts as and when required, rather than over-crewing to cover potential absences. This is significantly more efficient, and the Service's most recent HMICFRS report highlighted that the firefighter cost per head of population per year was only £20.08, compared to the national average of £23.82.