

# Productivity and Efficiency Plan

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2024 - 2025



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## About the Plan

This Productivity and Efficiency Plan sets out the ongoing financial position for the Authority and illustrates the recent transformation savings that have been delivered by the Service and presents future work that will contribute positively to improving efficiency and drive productivity.

The Fire and Rescue [National Framework](#) sets a requirement that Fire and Rescue Authorities (FRAs) produce and publish annual efficiency plans. There is a specific requirement from the Minister of State for Crime, Policing and Fire that in 2023/24 and 2024/25, FRAs produce plans that not only cover planned efficiencies, but also their plans for increasing productivity.

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. This 2024/25 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.

This document has been produced as a requirement of the funding settlement from the Home Office and is published on the Staffordshire Fire and Rescue Service website so that it can be scrutinised by members of the public and the council tax payers within Staffordshire and Stoke on Trent.

This document contains links to other relevant documents and websites and should be read in conjunction with other publications.

## Medium Term Financial Strategy

The Authority's strategy for the provision of services is driven by the approved Corporate Safety Plan covering the period 2020-2024. The Plan has been developed using integrated risk management planning methods and is designed to conform to the Government's guidance in relation to the preparation of integrated risk management plans. The Corporate Safety Plan has been refreshed and extended for the next period to the end of 2024 recognising the election for office of the Staffordshire Commissioner takes place in May 2024.

The updated Safety Plan covering the period 2020-2024 can be found as per the link: [Our Safety Plan 2020-2024 | Staffordshire Fire & Rescue Service](#)

The Corporate Safety Plan and this Productivity and Efficiency Plan is supported by the approved Medium-Term Financial Strategy (MTFS), which sets out how the Authority will fund the plan. The MTFS is based on a number of assumptions, which are detailed within this document.



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## Funding Assumptions

The following table sets out the assumptions the Authority is making about funding up to 2026-27 and includes the assumptions including the year 2023/24. The budget year is the fifth single year settlement from Government which makes future planning increasingly constrained to the short term alongside the impact of rising cost, pay inflation, and increased pension contributions.

Settlement Funding Assessment (All figures are £000 unless stated)	2023 24 Forecast	2024 25 Budget	2025 26 Plan	2026 27 Plan
Baseline Funding - Business Rates / Top Up	10282	10428	10741	10956
RSG	5422	7489	7662	7815
Pension Grant Baselined in 2024/25	1707			
<b>Settlement Funding Assessment Total</b>	<b>17411</b>	<b>17917</b>	<b>18403</b>	<b>18771</b>
<b>Council Tax Forecast</b>				
Band D Council Tax (£)	84.25	86.77	89.36	91.14
Actual / Assumed Council Tax base increase on previous year	418	469	476	498
Yearly Council Tax Precept Increase	1405	922	962	671
Collection Fund (council tax & business rates)	118	(4)	(68)	
<b>Total Council Tax Income</b>	<b>30761</b>	<b>32148</b>	<b>33518</b>	<b>34687</b>
Council Tax Band D Precept Increase (%)	4.85%	2.99%	2.99%	1.99%
Growth in Council Tax Base Yield to Previous Year (%)	1.46%	1.55%	1.50%	1.50%
<b>TOTAL</b>	<b>48172</b>	<b>50065</b>	<b>51921</b>	<b>53458</b>

The level of RSG the Authority received decreased by just over 50% between 2015-16 and 2019-20. The Authority had frozen council tax between 2010-11 and 2014-15 with a Band D for Staffordshire and Stoke on Trent held at £67.64 during this time. The Authority is now more reliant upon the funding raised through Council Tax (64%), and through the receipt of Business Rates (local and top-up 21%), with Revenue Support Grant increased to 15% of funding following the consolidation of the Firefighters Pension Grant.

Recognising the impact of inflationary pressures on both pay and non-pay costs, the Revenue Support Grant was increased in line with CPI for 2024/25 by central government at 6.6% and the referendum limit for Council tax increases was set at 3% for 2024/25 (£2.52 for this authority) as part of the local government finance settlement.



## Revenue Budget 2024/25

The following table sets out the budget for 2024/25 and breaks down sources of income and planned spend. The budget for 2024/25 and level of council tax increase was approved by the Staffordshire Commissioner on 12 February 2024 following a presentation to the Police Fire and Crime Panel.

The budget for 2024/25 included a decision to raise the Precept by £2.52 (2.99%).

REVENUE BUDGET SUMMARY	Budget 2023/24	Budget 2024/25	Year on Year Change
	£000s	£000s	£000s
<b>Pay</b>			
Pay Costs	30,323	31,653	1,331
Other Employee Costs	2,389	2,600	211
<b>Total Pay</b>	<b>32,711</b>	<b>34,253</b>	<b>1,542</b>
<b>Non Pay</b>			
Premises Costs	5,154	5,092	(63)
Transport Costs	775	1,044	269
Supplies & Services Costs	7,941	9,050	1,108
CFS Costs and Initiatives	323	340	17
<b>Total Non Pay</b>	<b>14,193</b>	<b>15,525</b>	<b>1,332</b>
<b>Income</b>			
Income - General	(4,081)	(6,226)	(2,145)
Interest Receivable	(285)	(541)	(256)
<b>Total Income</b>	<b>(4,366)</b>	<b>(6,767)</b>	<b>(2,401)</b>
Capital charges	2,108	2,343	235
Interest Payable	732	720	(12)
PFI Unitary Charge	3,776	4,114	338
<b>Total Capital Charges</b>	<b>6,616</b>	<b>7,176</b>	<b>560</b>
<b>Total Revenue before Reserves</b>	<b>49,155</b>	<b>50,188</b>	<b>1,033</b>
Transfer to/(from) Reserves	(983)	(123)	860
<b>Total Revenue</b>	<b>48,172</b>	<b>50,065</b>	<b>1,893</b>



The 2024/25 budget and Medium Term Financial Strategy (MTFS) was set against this backdrop that included some significant uncertainties. The combined 2022 and 2023 pay awards for Firefighters' at 12% has impacted upon budgets in addition to the assumption that pay increases for 2024 will continue to be at a challenging level. Since the last budget was set, the Authority has also seen the further unrest within Israel in addition to the first anniversary of the war in Ukraine which continues to challenge western economies.

The Staffordshire Commissioner, Ben Adams, has worked with Staffordshire Fire to address future years' budget gaps through a number of planning sessions with the latest budget and MTFS that has incorporating around £1.3 million of cash savings as part of this transformation work. However, the Commissioner and Chief Fire Officer recognise that there is still more to do in order to further improve efficiency and productivity into the medium term and allow for some consideration of investment into key areas of the Service.

The commitment by the Service to deliver savings and the funding guarantee provided by Government within the Local Government Finance Settlement has helped to present a more positive financial position into the Medium Term, however the continuing uncertainty beyond next year, not helped by a further single year settlement, continues to make planning beyond 2024/25 challenging.

### **Transformation Savings and Plans**

The updated MTFS for 2024/25 to 2028/29 included £1.3m of savings which has been either delivered or significant progress has been achieved to date. The delivery of this savings is incorporated into actual delivery within 2022/23, 2023/24 and the budget for 2024/25 and MTFS.

Service Transformation has been necessary to ensure that Staffordshire Fire and Rescue Service can continue to deliver 'a modern, efficient, and sustainable level of service to the public that prioritises the safety of both our staff and our communities. The Deputy Chief Fire Officer oversees the Service's Transformation Programme, which aligns to the updated Safety Plan 2020-2024 priority of 'Service Reform' and the Commissioner's Fire and Rescue Plan 2021-2024, which prioritises a 'flexible and responsive service' and a 'fire service fit for tomorrow'.

The Service Transformation Board was formed in Feb 2022, with representatives from various areas of the Service. Its purpose is to investigate ways to transform the Service and ensure its financial sustainability. The Board has met regularly to monitor and evaluate progress through an action plan, while also providing recommendations through the relevant governance channels.

A number of the work streams that are aligned with the current Service's Medium-Term Financial Strategy (MTFS) have already been considered and completed such as a high-level management restructure, the change to a minimum of four staff on whole-time fire engines, a review of operational exercises, review of incident command and outreach training and the 'On-call Nine-Point Plan' to improve availability of fire engines and crews.



The Service transformation work has also resulted in the three-person crewing for on-call staff which was piloted for six months from 1 June 2023. The trial's objective was to improve appliance availability and response times to emergencies to enhance public safety without compromising firefighter safety when 4 or more riders are not available. The service still strives to crew on-call appliances with 4 or more crew members and is actively recruiting on-call staff. In addition, the service continues to work on an on-call improvement plan to improve staff retention and availability. Prior to its implementation, the trial was subject to extensive consultation with the workforce and their representatives on policies, procedures and a risk assessment. There is an expectation from communities that firefighters will attend as quickly as possible, and undertake some meaningful activity that begins to establish a safer situation for the communities we serve. Three-Person Crews can respond quickly and take immediate action, avoiding a delayed response and the risk of escalation of an incident. As of 30 January 2024, Three-Person Crews attended 338 emergency incidents and following extensive consultation this trial has been extended to December 2024. On-call station availability has increased by a mean average of 12% as a result of this trial the data shows an improvement in response times of circa 9 minutes and 45 seconds ahead of the next fully-crewed appliance improving the service that is being provided to the communities of Staffordshire and Stoke on Trent.

Service Transformation has also considered additional work streams. For instance, working on a 'Clean Concept' initiative to minimise operational staff's exposure to contaminants from fires. Additionally, a project to review the standards and accreditation for fire investigation officers. This work is transforming the Service to ensure that it delivers even better outcomes for the communities of Staffordshire and Stoke on Trent and at the same time means that the Service is working more efficiently.

It is estimated that the delivery of the transformation programme will achieve a recurring saving of circa £1.3 million for the Service, of which all savings have been incorporated into the updated MTFS. Of the £1.3m, £1.1m of recurring savings have been delivered and incorporated into the budget and MTFS with £0.2m of savings to follow as part of the ambition of creating further shared police locations at Kinver, Penkridge Stone, Uttoxeter and Kidsgrove following the most recent arrangement at Chase Terrace. Shared Fire and Police response locations at Hanley and Tamworth have been operating successfully for the last 2 years, delivering significant savings to the public purse.

As a result of the updated MTFS the Transformation Board has now moved into the next phase and will be reviewing options to further transform the Service in order to increase productivity and drive efficiency. This will include a review to ensure that risk and demand are considered fully and are proportionate when reviewing existing station locations and current shift patterns, work that will support the development of the next Community Risk Management Plan.



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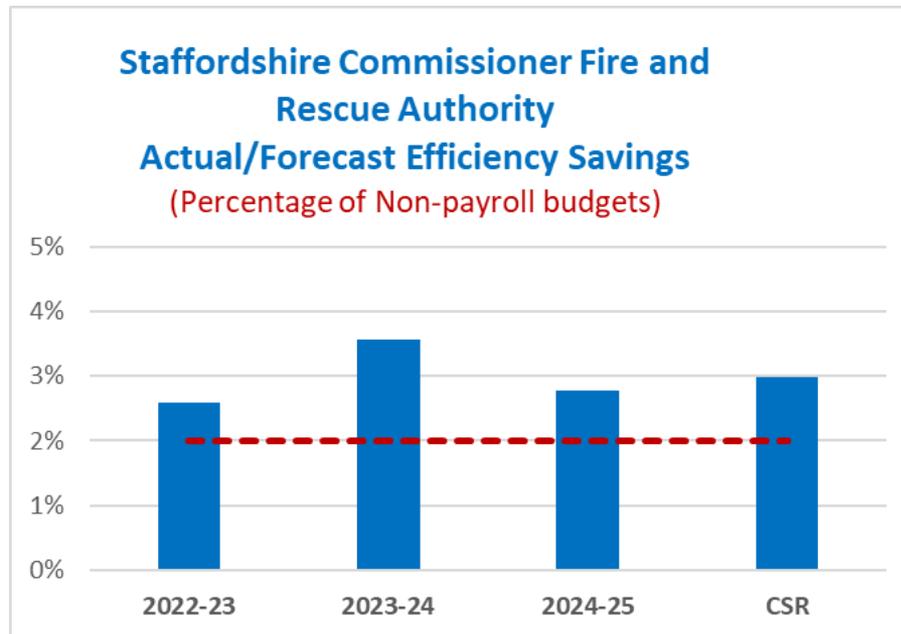


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## Efficiencies and Productivity

Fire and Rescue Services (FRSs) in England have a target to create 2% of non-pay efficiencies and to increase productivity by 3% by 2024/25. This Productivity and Efficiency Plan 2024/25 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.

The Authority have extracted the data from the Medium-Term Financial Strategy which clearly shows that the Authority is forecast to exceed the 2% of non-pay efficiencies as required by the Home Office using Annex C Fire efficiency model provided by Government. Savings are forecast to be in excess of the 2% target for all three years 2022/23, 2023/24 and 2024/25, as shown below:



The Commercial Service Team provide a shared service across Police, Fire and the Office of the Staffordshire Commissioner and is focussed upon making a valued and measurable contribution towards the overall commercial performance of each organisation, therefore contributing to the achievement of its strategic direction and business imperatives and where possible deliver procurement savings and efficiencies. Annual savings are reported through to the Service Delivery Board and despite the challenging market place £0.14m has been reported so far during 2023/24. The Service has also moved to the Fire and Rescue Indemnity Company (FRIC) from April 2024 delivering savings and efficiencies for the provision of insurance services. HMICFRS have recognised FRIC as providing value for money and a cost-effective solution to Fire related insurance risks.

The Service has also continued to build on existing partnerships such as our Fire and Health Partnership activities where we work with the Integrate Care Board (ICB) and Midland Partnership Foundation Trust (MPFT) in providing a Falls Response Service and in December 2023 a new Home from Hospital service was launched. These two initiatives are providing improved outcomes to some of the most vulnerable people within our communities.

Through collaborative working with the Staffordshire and Stoke-on-Trent Integrated Care Board (SSOTICB) a Falls Response Team was established on 14 November 2022 and the service went live on 7 December 2022 initially for a 6-month pilot period. The initiative involves SFRS personnel attending and resolving falls calls across Staffordshire. The team are dispatched by the NHS-led Unscheduled Care Coordination Centre (UCCC), who draw calls from the West Midlands Ambulance Service (WMAS). The patients being attended generally have vulnerabilities associated with being at increased risk of fire such as elderly, mobility issues etc, therefore Safe and Well checks, including falls prevention advice are carried out. The team consists of 6 staff (5 of which are also on-call personnel), based at Lichfield, working in shifts of 3 to cover 8am to 8pm, 7 days a week. When the team are not assigned to falls calls, they are carrying out prevention activity. As at the end of February 2024 over 1000 mobilisations have been made with these important interventions supporting the NHS and ensuring that members of the public are seen quickly following a fall, with an average arrival time of under 40 minutes, much quicker than waiting for an ambulance to arrive, allowing the ambulance teams to focus on more urgent calls. Funding has now been agreed that will extend this important work well into 2024.

The Home from Hospital work (HfH) has been very successful with 325 patients, as at March 2024, being transported from Hospital and taken home since 4 December 2023. This service provides a discharge and settle-in service for patients identified by the Integrated Discharge Hub (IDH) and is currently operating from various wards of the Royal Stoke Hospital. The team will attend the hospital on request and take a patient home and settle them in, ensuring they have access to all requirements to keep them safe, e.g. electricity, heat, food etc and will carry out safety checks including a Safe and Well check. The team also have the capability to transport patients in wheelchairs.

The Falls Response and HfH are both excellent examples of how the Service can add real value and support the communities we serve, but in different ways helping the local health economy to manage the increasing demands being placed upon the NHS.



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In order to further improve the productivity of the Service a new station work routine is now established creating capacity, performance clarity and assurance within the wholetime crews. This also includes investment and reform of all aspects of performance and assurance within the service. The Learning and Development review has built capacity to deliver outreach training and assessments supporting local stations and crews reducing the cost of back-filling crews and provides a more efficient model of training delivery. This approach has also been successful in delivering on-call core training courses at local stations. The Service continues to enhance this approach with a greater use of technology.

All wholetime crews are recording their response, prevention, protection activity and community engagement into allocated time slots throughout the working day and night shifts. Currently all stations can review their own workload and capacity through a local reporting mechanism. Measures have been developed to enable the service to review all wholetime watches as a collective to study demand, capacity and the effectiveness. The next stage of the productivity work will be to roll out to all areas of the service, using the learning gathered from the wholetime crewing model.

All areas of productivity and effectiveness will be measured and reviewed through the services performance meeting structure. The Chief Fire Officer is accountable through a Public Performance meeting which will include all internal performance. Internal performance is also reviewed through service delivery meetings, which are then reported through areas such as the response meeting and then summarised through a senior team performance meeting covering response, prevent & protect, human resources and service improvement.

It is therefore a clear intention for the Service to gather and monitor performance data in order to be able to measure productivity over time and to review performance against the 3% target. More work is required by the Service in order to accurately report productivity during 2023/24, 2024/25 and into the medium term and remains a priority. These measures of productivity will require time to mature and as the Service's approach to performance management in this area improves and develops the measures will also mature and change.



## Capital Expenditure

As well as ensuring that the revenue budget is affordable over the medium term, the Authority also needs to ensure money is available to purchase new assets (e.g. Premises, vehicles, equipment, ICT infrastructure). The planned capital programme is shown in the table below.

Estimated Capital Expenditure (All figures are £m unless stated)	2024 25 Budget	2025 26 Plan	2026 27 Plan
Capital Expenditure	5.7	5.0	2.8
<b>Capital Expenditure Financing</b>			
Direct revenue Funding	0.9	0.9	0.5
Use of earmarked Reserves	0.5	0.6	
Unsupported / Prudential Borrowing	4.4	3.5	2.3

The Capital programme is supported in 2024-25 by the use of £0.5m of reserves, this includes a contribution to the replacement of the next five appliances. The capital programme includes the following key areas for investment during 2024/25:

**Building and Infrastructure** - includes a station refurbishment at Brewwood and the feasibility work for a refurbishment at Tutbury.

**Operational Equipment** - includes the replacement and upgrade of cutting equipment to all appliances, investment to support clean concept and investment into research and development for new firefighting equipment.

**Appliances and Vehicles** - includes the final payment for the two Heavy Rescue Tenders, and the chassis payments for the next five new appliances.

**Information Technology** - £1m of investment is included for ICT during 2024/25 and includes investment in device refresh and new technology

## Performance Information

The Authority commits to the publication of transparent performance information. This includes but is not limited to:

- Statement of Accounts
- Annual Governance Statement
- Statement of Assurance
- Information required by the prevailing Local Government Transparency Code



## Use of Reserves

Reserves are an essential part of good financial management. They allow authorities to manage unpredictable financial pressures and plan for their future spending. The level, purpose and planned use of reserves are important factors when developing medium-term financial Strategies (MTFS) and setting annual budgets. Reserves are held for three main purposes:

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of general reserves
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves
- a means of building up funds (often referred to as earmarked reserves) to meet known or specific requirements

Within the existing statutory and regulatory framework, it is the responsibility of the Chief Finance Officer to advise the Staffordshire Commissioner about the level of reserves that it should hold and to ensure that there are clear protocols for their establishment and use.

The projected balance of reserves for the period is shown in the following table, as per the approved Medium Term Financial Strategy:

Estimated Financial Reserves Levels (All figures are £m unless stated)	2023 24 Est	2024 25 Plan	2025 26 Plan	2026 27 Plan
General Fund Balance	1.9	1.9	1.9	1.9
Earmarked General Fund Reserves	7.1	6.6	5.6	5.4
Expected Use of Earmarked Reserves	0.4	0.5	1.0	0.2

The use of reserves in 2024/25 and 2025/26 is primarily to support the capital programme, as detailed above.

## Progress of the Efficiency Plan

The Authority commits to publishing an annual Productivity and Efficiency Plan as required by the Home Office. This will be published following the annual budget setting process, and before the start of any new financial year.

An update is provided to the Police Fire and Crime Panel as part of the MTFS refresh which is reviewed and scrutinised by the Panel usually in October / November annually.





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