

Devon & Somerset Fire & Rescue Service

“building on success, aiming high”

Cllr Mark Healey, Chairman



DEVON &
SOMERSET
FIRE & RESCUE SERVICE

INTRODUCTION



- This presentation outlines a new model for public services we are exploring within Devon & Somerset Fire and Rescue Service.
- It might not work for you but we are encouraged by it and it fits with our direction of travel and aspirations.
- It releases the latent capacity presented by the merger of Devon & Somerset.
- It builds on the principles outlined by the coalition Government and details have been submitted to assist in emerging thinking.



- In essence, we provide external consultancy, back office functions and training to private and public service organisations.
- The money generated is used to provide discretionary services and reduce council tax. We are also exploring an element of profit sharing for staff.
- The external contracts require additional staff to service the need.
- This need is met by freeing up capacity from within DSFRS and using this through our trading model.



- Business process re-engineering (BPR) has freed up staff/resources and we are assisted by our Professional Services Provider.
- Instead of outsourcing, we are 'growing the business' and moving to a commercial model of trading which is changing the ethos of the service, engaging 2,300 people in the process.
- This creates/protects jobs and creates wealth.
- This has only been possible as a result of the merger.



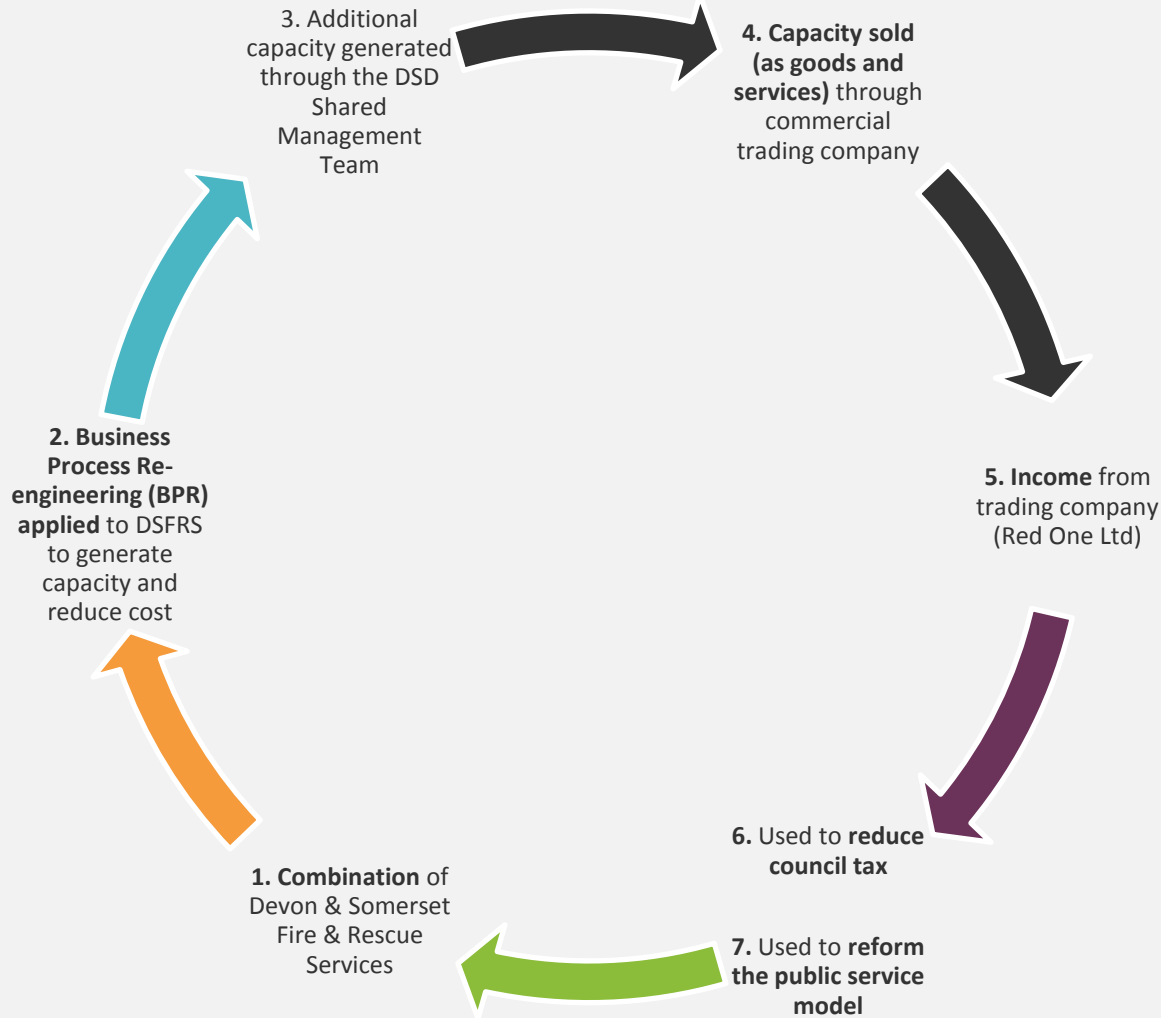
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OVERVIEW



It has three components, all of which contribute to the new way of working:

- A clearly defined organisational blueprint for Devon & Somerset Fire & Rescue Service (DSFRS), based on mapping business processes.
- A newly formed Joint Devon, Somerset & Dorset Shared Management Team (DSD SMT) – publically launched on the 3rd March 2011.
- A stand alone trading company (Red One Ltd).





- This model provides greater political engagement than would otherwise be the case and has been designed in a way which allows the Leader of the Fire Authority greater influence over issues which historically would have been managed by the Chief Executive/Chief Fire Officer.
- However, this arrangement does not in any way compromise professional competence or legitimacy.
- It opens the door to the possibility of a different way of rewarding elected members and as such attract the very best into politics, strengthening political leadership.



**Devon &
Somerset
Fire & Rescue
Service**

Aim: Provide
prevention and
protection
services to the
public
**(BPR TO
CREATE
CAPACITY)**

**Devon,
Somerset &
Dorset
Management
Team**

Aim: Provide a
single 'directing
mind' to reduce
costs and
provide
resilience
**(PARTNERSHIP
TO CREATE
CAPACITY)**

**Red One Ltd
(Trading
Company)**

Aim: Provide an
income stream
and 'add value'
to
public/private
customers
**(CAPACITY
SOLD ON)**



DSFRS

£75m budget

2300 staff

85 fire stns

1.8m people

A modern and progressive organisation, delivering excellence at reduced costs to the public

DS&D Joint influence over

£105m

3000 staff

111 fire stns

2.3m people

Partnership
Retains existing governance but obtains the benefits of a full structural merger

Red One Ltd

A solely owned subsidiary of DSFRS and a company limited by guarantee

Money generated from trading is used to reduce council tax and provide discretionary services.



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DSFRS

BUSINESS PROCESS RE-ENGINEERING – CREATING CAPACITY



- We have a core set of processes which underpin the organisation and deliver the organisations vision to deliver excellent service to the public.
- Without understanding key business processes, it is difficult to become more efficient without adversely affecting the delivery of services.
- These processes have been mapped and are currently being re-engineered to reduce cost, improve capacity as well as maintain quality.

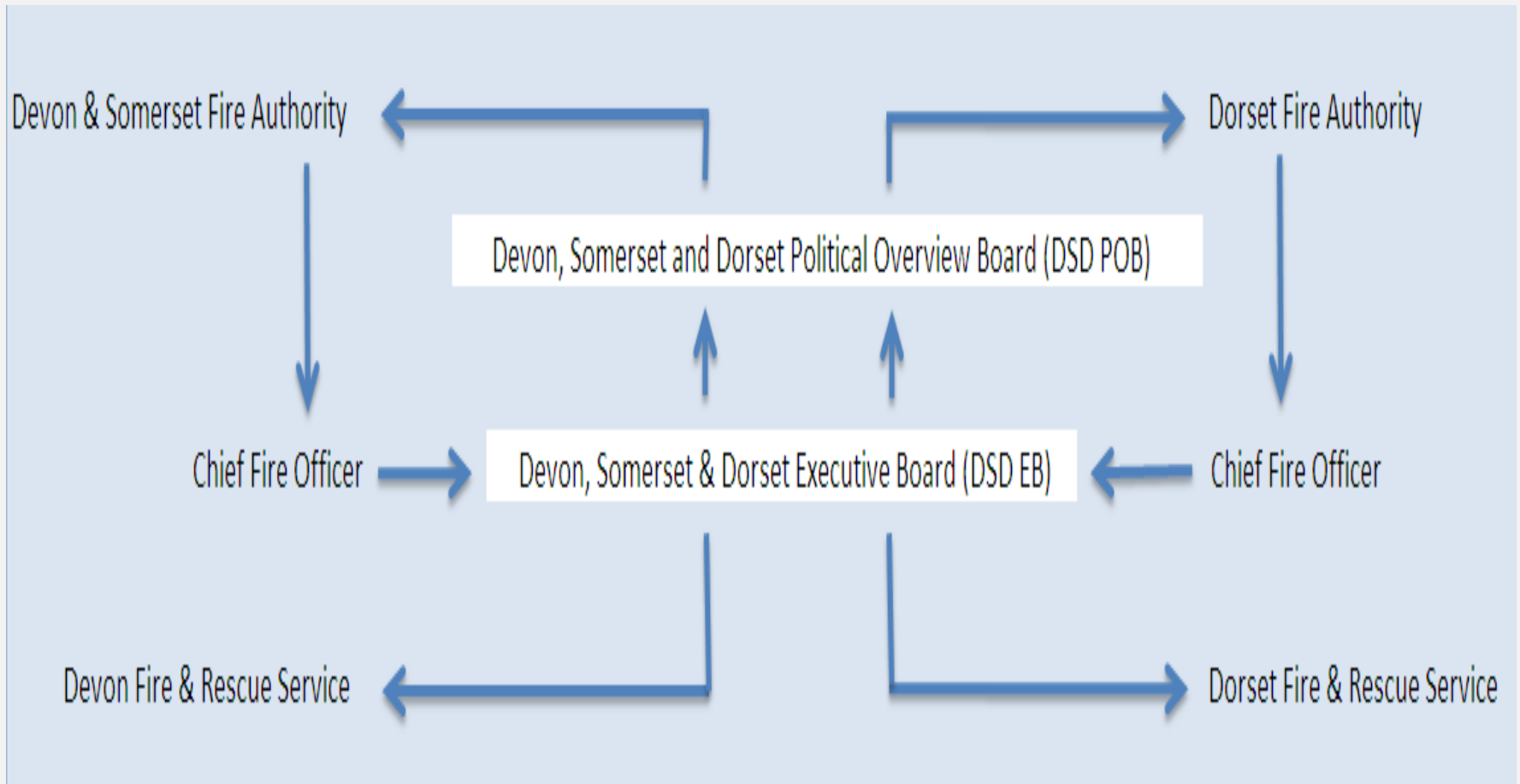


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DEVON, SOMERSET & DORSET SHARED MANAGEMENT TEAM & POLITICAL OVERVIEW BOARD



Devon, Somerset & Dorset Model





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TRADING COMPANY



- The business model for Red One Ltd creates value by selling capacity to other public and private sector organisations.
- It uses private sector concepts applied to the public service in order to offer an attractive 'offer' to other FRS and public services.
- This capacity has been generated as a result of business process re engineering.
- Capacity freed up would ordinarily be realised through making staff redundant. However, by re skilling and reallocating these staff members, additional income can be achieved and a positive message sent to staff, encouraging them to ensure the business grows further.
- It creates 'public value' and local jobs.



- We are providing services to others by ‘selling’ the capacity generated through the business process re-engineering.
- This creates an income generation stream which is used to fund the provision of discretionary services and/or reduce council tax.
- The business ethos is one of engaging all 2,300 members of staff in the organisation to innovate and create ideas as well as assist in the execution of these.
- As a result, we are looking to establish this in accordance with ‘mutual/co-operative’ principles and work is underway to explore how a modest element of profit sharing can be applied.
- An explicit objective of this company is to apply private sector thinking to improve the FRS as a risk critical public sector organisation.



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SUMMARY



- This model is innovative and not in place anywhere else within the Fire & Rescue Service.
- It creates value and jobs locally.
- It provides Govt with an opportunity to explore some concepts in a practical application where local politicians are already showing a willingness to embrace the new localism.
- It uses the principles of free market economics to support public sector provision as well as changing the culture of a traditional public service organisation.



- Cultural improvement and sustainable efficiencies have already been achieved. There is much more to come.
- This is a locally determined model which is being led through strong local professional and political leadership.
- We have already shared this with the Minister and are working up options.
- We are building on the benefits of combination
- To date the merger has achieved over £3.5m of efficiencies and this is without the cashable benefits now being realised through Business Process Re-Engineering.
- Our journey towards excellence is well underway.



- We are in discussions with a number of Fire & Rescue Services as to the provision of back office functions and/or support
- We are providing consultancy services to a number of organisations and are supported by our professional services provider (consultants).
- We offer competitive rates and high quality services – focused on achieving savings for you and an income stream for us.
- We have years of experience of setting up and delivering a merger and now BPR associated benefits realisation.
- If you are interested, please give me a call or Chief Fire Officer Lee Howell anytime.



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THANK YOU