

## REQUEST FOR DEPUTY MAYOR FOR FIRE DECISION – DMFD262

### LFC Budget Submission 2025-26: Reorganisation Proposals

*Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000. In the event of a request for confidential facts and advice, please consult the Information Governance team for advice.*

#### **This information is not for publication until the stated date, because:**

The content of this report is sensitive, due to the anticipated consultation process that will be required. To protect the confidentiality and integrity of the consultation process, decisions need to be made in isolation to that process. This will allow a transparent and meaningful process to take place, without prejudice and predetermined outcomes. Access to the information contained in this report needs to be strictly controlled. The risks associated with this information reaching the people in scope of the consultation process, prior to implementation, include potential identification of individual posts, and therefore individuals; reluctance to engage; deterioration of mental health and wellbeing; and reputational damage for poorly managing a legally required process.

**Date** at which Part Two will cease to be confidential or when confidentiality should be reviewed:  
31 January 2026.

#### **Legal adviser recommendation on the grounds for not publishing information at this time:**

In the event the information contained in this Part Two report and its appendices is the subject of a request for information under section 1 of the Freedom of Information Act 2000 (the Act), it is considered that access can be denied on the basis that such information constitutes exempt information under: section 40 of the Act, on the basis that it contains personal data as defined in the Data Protection Act 1998; and section 22 of the Act, on the basis that the information in this report is information that is exempt, as it is intended for future publication.

The London Fire Commissioner (LFC) holds the information and intends to publish it at a date to be determined, to align with the formal redundancy consultation process.

The information itself is the text of a business case that may result in LFC employees being made redundant.

The process of redundancy will include formal collective and individual consultation with the affected staff members and their trade union representatives.

This exemption therefore applies to the period of the consultation for clusters 1 and 2, as part of any proposed redundancy process.

#### **Public Interest Assessment**

At present, on balance, it is considered that the public interest is best served if the information is not disclosed at this point.

The LFC is required to make significant budget savings. As a result, the LFC is undertaking a series of business case reviews of its functions across the organisation. The review in this Part Two report contains proposals to make employees redundant.

The LFC's view is that disclosure at this point would be likely to have a detrimental effect on the LFC's ability to properly inform its employees of the proposed redundancies; and its ability to conduct a properly organised formal consultation, which would allow affected employees to understand the impact on them, seek support and make representations to the LFC (either directly or via their trade unions).

While there is an argument that the information in this report should be made publicly available immediately, the LFC's position is that the conclusion of the formal consultation period is the proper stage at which to put this information into the public domain, for the reasons above.

In light of the above, the public interest in disclosing the information is outweighed by the public interest in withholding the information at this stage.

The eligibility of these exemptions should be reassessed in the event of an FOI request for this information, as the level of sensitivity will change over time and different circumstances may alter the arguments in favour of non-disclosure.

**Legal Adviser** – I make the above recommendations that this information should be considered confidential at this time.

**Name:** John Benson (on behalf of TfL Legal)

**Date:** 18 February 2025

**Executive summary:**

The London Fire Commissioner (LFC) is requesting the approval of the Deputy Mayor for Planning, Regeneration and the Fire Service (the Deputy Mayor) to incur expenditure of up to £6,700,000, for costs associated with proposed restructures to reduce overall pay costs. This will enable the London Fire Brigade (LFB) to operate more efficiently within the constraints of its draft budget for 2025-26 and subsequent years, delivering an investment payback period of less than one year. The financial benefits of the proposed restructures will be cashable savings of £4,200,000, to be realised during 2025-26, with the full-year effect of £6,400,000 per annum from 2026-27 onwards.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the LFC to seek the prior approval of the Deputy Mayor before “[a] commitment to expenditure (capital or revenue) of £150,000 or above, as identified in accordance with normal accounting practices”.

**Decision:**

That the Deputy Mayor for Planning, Regeneration and the Fire Service authorises the London Fire Commissioner to incur expenditure of up to £6,700,000. This comprises up to £5,000,000 for the costs of potential staffing redundancies; and early release of pension benefits of up to £1,700,000.

## **PART II – CONFIDENTIAL FACTS AND ADVICE TO THE DEPUTY MAYOR**

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1. The London Fire Commissioner's (LFC's) budget submission for 2025-26 is predicated on achieving savings in London Fire Brigade's (LFB's) non-pay and pay costs of £28,200,000. Outside the scope of this report are a range of non-pay savings, including contracts and procurement, which are part of separate, ongoing work. There are also workstreams aimed at reducing *overall* pay costs, e.g., vacancy control, and work on absence management, including long-term and persistent sickness that is anticipated to reduce spend on pre-arranged overtime from next year. This report deals specifically with proposed restructures (details set out in Appendix 1) that impact LFB's people as part of the directorate savings workstream.
- 1.2. The proposals included within this report intend to reduce overall pay costs and enable LFB to operate more efficiently within the constraints of its draft budget for 2025-26 and subsequent years. The financial benefits of the proposed restructures will be cashable savings of £4,200,000, to be realised during 2025-26, with the full-year effect of £6,400,000 per annum from 2026-27 onwards.
- 1.3. Assumptions have been made based on more extreme case scenarios, such as members of staff with longer service who are closer to normal retirement age and are therefore more likely to take Voluntary Redundancy (VR), all things being equal. Even under this level of stress testing at 'cluster', team and individual levels, the payback period never goes above one year. This makes the business case for these restructures strong in financial terms.
- 1.4. As part of the 2025-26 budget process, a Reserves Strategy and Medium-Term Financial Strategy (MTFS), incorporating efficiency plan requirements, has been prepared to support decision making and the ultimate approval of the 2025-26 Budget for the LFC.
- 1.5. In the LFC's 2025-26 budget submission to the Mayor, it was forecast that the General Fund would rise from £14,100,000 at 31 March 2025 to £17,900,000 at 31 March 2026 (3.5 per cent of core GLA funding), and then to £19,200,000 at 31 March 2028. Based on the upper limit of redundancy costs of £5,000,000 set out in this report, and the profile of savings proposed in this paper, the revised figures in the final budget will be £12,900,000 at 31 March 2026, rising to £14,200,000 at 31 March 2028.
- 1.6. Due to the large number of risks regarding cost inflation, the requirement to maintain its general reserve at a minimum of 3.5 per cent of core GLA funding has been reviewed by the CFO (Director for Corporate Services). It has been deemed appropriate to keep it at this rate over the medium term, given the pressures already included within the MTFS planning assumptions and the absence of the Budget Flexibility Reserve going forward. At the upper end of the redundancy cost estimate, the General Fund will temporarily fall below 3.5 per cent, before being built up again towards the target level. The minimum figures taking the upper cost end for redundancies (£5,000,000) is 2.6 per cent.
- 1.7. The calculation of total savings of £6,400,000 from the directorate workstream is based on the proposed numbers and grades of posts that would be removed from LFB's establishment. It is not based on individual posts, because this information will not be available until completion of the collective and individual consultations.
- 1.8. The assumptions relating to the calculation of redundancy costs are as follows:
  - All exits take place at the end of the relevant consultation cluster period.
  - All redundant posts have been calculated on the basis that VR could occur. While not all staff will accept VR, it is the highest cost option an individual can make; therefore, allowances have been made for that scenario, with the additional £10,000 payments that VR attracts.

- Payment in lieu of notice has been factored in – although some affected colleagues are expected to work their notice, which will also serve as a period of redeployment.
- The notice period is three months for all staff (although this differs between staff, based on length of service and/or seniority).
- All permanent posts removed are sustainable savings for LFB (i.e., they will not be replaced at any point within the current financial planning period).
- Where new posts have been identified as part of the proposed restructure, the costs of these are deducted from the ongoing savings.
- Savings in staff costs are based on capitation rates (including National Insurance and pension contributions, but excluding indirect costs such as IT).
- Costs are calculated on the same basis, assuming an average length of service of 10 years except where there are known material exceptions (e.g., very long service).
- In some instances, there may be an employer contribution to pensions, which will be evaluated on a case-by-case basis. Calculations in this proposal assume that those with the biggest pension impact take VR, to understand the maximum cost.
- The assumed date for the realisation of Cluster 1 cashable savings is 1 July 2025. The assumed date for Cluster 2 cashable savings is 1 November 2025.

1.9. The multi-year economic case for the proposed restructures is strong, given the upper limit for exit costs of £5,000,000 set against recurrent annual savings of £6,400,000. A payback of less than one year overall further strengthens the business case; but gives rise to a challenge in 2025-26, given that Cluster 1 savings will be realised from 1 July 2025 and therefore total £4,200,000 in 2025-26. One mitigation is that the draft 2025-26 budget assumes lower directorate savings of £5,700,000 than we expect to realise on a full-year effect basis. Further mitigations will include starting the Cluster 1 consultations as early as possible.

1.10. The formal consultation process (outlined in Appendix 2) will begin with collective consultation with the trade unions. This consultation will last 45 days, and will commence subject to the report being approved. Individual consultations by cluster theme will then commence with impacted staff in March, and will run alongside the collective consultation process. The proposed restructures are arranged within two clusters. The content of Cluster 1 is now largely fixed, and covers around 70 per cent of the estimated £4,200,000 savings for next year.

1.11. Given that the focus of the proposed restructures is fire and rescue service (FRS) staff (support services) rather than frontline operational services, the protected characteristics of sex, race and age feature prominently in LFC's initial Equality Impact Assessment (EIA), which includes mitigating measures. An overall EIA is being developed and there will be EIAs for each of the restructures.

## **2. Objectives and expected outcomes**

2.1. The objectives of the proposed restructures are to:

- achieve economy in the form of recurrent, cashable budget savings of £6,400,000 per annum
- improve efficiency within FRS teams and in the deployment of frontline staff by, for example, reducing sickness absence
- increase LFB's effectiveness by concentrating on its highest-value activities.

2.2. The outcomes that will be achieved from the proposed restructures are:

- more coherent policy formulation: crucially, around implementation of National Operational Guidelines
- less fragmented service delivery
- full use of the capacity and capabilities that have been developed at LFB's London Operations Centre, the LFC having implemented recommendations from the Grenfell Tower Inquiry Phase 1.

### **3. Equality comments**

- 3.1. The LFC and the Deputy Mayor for Planning, Regeneration and the Fire Service (the Deputy Mayor) are required to have due regard to the Public Sector Equality Duty (section 149 of the Equality Act 2010) when taking decisions. This, in broad terms, involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.
- 3.2. It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
- 3.3. The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), race (ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, and sexual orientation.
- 3.4. The Public Sector Equality Duty requires decision-takers, in the exercise of all their functions, to have due regard to the need to:
  - eliminate discrimination, harassment and victimisation and other prohibited conduct
  - advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it
  - foster good relations between people who share a relevant protected characteristic and persons who do not share it.
- 3.5. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
  - remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic
  - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
  - encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 3.6. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 3.7. Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- tackle prejudice
  - promote understanding.
- 3.8. Potential equality impacts were considered at the start of the Financial Review process. At an early stage it was noted that most, although not all, restructures would impact FRS staff, as opposed to Operational or Control staff. A disproportionate impact is therefore likely in terms of sex, race and age on those within scope of directorate restructures across the clusters. It was noted overall that 51.6 per cent of FRS staff are female, against 10.3 per cent of operational staff. The corresponding figures for under-represented Minority Ethnic staff are 30 per cent (FRS) and 15.5 per cent (Operational). In respect of age, those aged 55-59 account for 13.4 per cent of FRS staff and 3.9 per cent of operational staff. LFB is therefore alert to ensuring that any restructures are proposed on the basis of economy, efficiency and effectiveness, seeking to mitigate the risk to adversely affected groups as far as possible.
- 3.9. An initial EIA screening has been undertaken as Appendix 3. More detailed EIAs will be carried out for each restructure to continue monitoring the situation for teams and individuals; and ensure that suitable mitigations are put in place. Although not an exhaustive list, those mitigations will include ensuring the following:
- Staff are clear about their own positions as early as possible. This means the ‘at-risk’ meeting will be held with individuals as soon as individual consultation begins. Everyone in scope will have a meeting to explain how they are affected, and whether VR or redeployment is an option. Such meetings will take place shortly after the commencement of collective consultation.
  - LFB will endeavour, as best it can, to ensure that, where selection panels are required, representatives from a diverse range of backgrounds are included.
  - Selection processes will apply LFB best practice around, for example, recruitment and selection. LFB will act especially sensitively in situations where a small, possibly identifiable, number of individuals may be ring-fenced for specific role(s).

#### **4. Other considerations**

##### Workforce

- 4.1. LFB’s recognised trade unions will be consulted on the savings proposals for 2025-26. The deletion of operational posts would not require any staffing reductions as operational staff who are currently occupying such roles would be posted to alternative positions at similar rank. Approximately up to 130 occupied FRS posts will be affected, which requires formal consultation to be undertaken.

##### Procurement

- 4.2. Senior staffing changes, to ensure that Procurement and Commercial can facilitate and meet future challenges, will be improved as part of Cluster 1 of the directorate restructures. Future challenges include the delivery of contracts and procurement savings (£2m in 2025-26) as part of the broader LFB Budget Review.

##### Communications

- 4.3. Work led by Communications and Engagement will ensure LFB’s readiness to communicate the proposed directorate restructures. This work includes all-staff and directorate-specific briefings. The latter will encompass clear briefings for managers; and Q&A material will be provided to support local briefings. Internal communications activity will help explain these changes to the wider workforce. There will be information provided for all staff in corporate messages published via LFB’s intranet, Hotwire.

## Conflicts of interest

- 4.4. There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.

## **5. Financial comments**

- 5.1. The potential costs of the restructures have been calculated using cautious assumptions, as LFB does not know which individuals will take a redundancy option. Therefore, the total costs of £5,000,000 are considered an upper limit for these proposals. The pay-back period is under 12 months, so the proposal represents value for money even using these cautious assumptions.
- 5.2. The funding will be met from LFB's General Fund reserves, as an investment in LFB's future financial sustainability to continue delivering high-quality services for London. General Fund reserves will therefore temporarily fall to 2.6 per cent in 2025-26, before rising back to their minimum level of 3.5 per cent of core GLA funding from the subsequent year. LFB has not taken this decision lightly, and understands the importance of maintaining a General Fund. However, the rapid pay-back means LFB will not be in this position for long. It also puts LFB's budget on a more sustainable footing in the long run.
- 5.3. The estimated pension strain costs associated with this proposal are up to £1,700,000. This is a high-end estimate, as we cannot predict which staff will be impacted before consultation. Our pension fund currently has a significant surplus of £50,000,000; therefore, it is possible that these costs may be met through the valuation process, which is due to take place in March 2025. LFB is in discussion with the Local Government Pension Scheme about this potential request. Otherwise, this cost would be another pressure on the General Fund in 2025-26.

## **6. Legal comments**

- 6.1. Under section 9 of the Policing and Crime Act 2017, the LFC was established as a corporation sole with the Mayor appointing the occupant of that office. Section 1 of the Fire and Rescue Services Act 2004 states that the LFC is the fire and rescue authority for Greater London.
- 6.2. The Fire and Rescue Services Act 2004 provides, under sections 7 and 8, the duty to secure provision for the personnel, services and equipment necessary efficiently to meet all normal requirements; that being the personnel needed to meet the statutory functions. Section 5A provides the power to do:
  - anything it considers appropriate for the purposes of the carrying out of any of its functions (its functional purposes)
  - anything it considers appropriate for purposes incidental to its functional purposes
  - anything it considers appropriate for purposes indirectly incidental to its functional purposes through any number of removes.

These powers and or duties provide the statutory basis for the decision set out herein regarding the proposed restructure

- 6.3. The LFC is also a 'best value' authority under the Local Government Act 1999, and must make arrangements to secure continuous improvement in how its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. This duty is also fulfilled by the proposals in this report.

6.4. The proposal to restructure the LFC will result in redundancies. To that end, the LFC must consult on those proposals as follows:

- Consultation must begin in good time. Certain minimum time periods apply depending on the scale of the redundancies proposed. For 100 or more employees, there must be ‘collective consultation’, which must commence at least 45 days before the first dismissal.
- Consultation begins with the provision of information on the proposals to “appropriate representatives”. The information to be provided is specified under section 188(4) of the Trade Union and Labour Relations (Consolidation) Act 1992.
- As a minimum, consultation must be undertaken with a view to reaching agreement on ways and means of avoiding the dismissals, reducing the number of dismissals, and mitigating their consequences.

6.5. LFB’s redundancy and redeployment code (PN 562) states, at paragraph 2:

“Information will be provided to, and consultation will take place with, the recognised trade unions over proposed redundancies at the earliest opportunity and in accordance with statutory requirements. Information provided for the purpose of consultation will include the reasons for the proposals; the numbers and descriptions of employees likely to be affected; the procedure for selecting those employees who will be made redundant; the timescales and proposed redundancy arrangements; and the proposed method of calculating any redundancy payments.

“Consultation will also take place with individuals who are at risk of redundancy at the earliest opportunity.”

6.6. The LFC report sets out, in broad terms, the process and time scale for consulting on the proposals; and the time scales and process for redundancies. These are consistent with the policy and legal requirements.

6.7. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the LFC specific or general directions as to the manner in which the holder of that office is to exercise his or her functions. By direction dated 1 April 2018 (the Directions), the Mayor set out those matters, for which the LFC would require the prior approval of either the Mayor or the Deputy Mayor. 6.3 Paragraph (b) of Part 2 of the said Directions requires the LFC to seek the prior approval of the Deputy Mayor before “[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices”. The decision, above, approves expenditure in excess of £150,000. Therefore, the Directions apply.

### **Appendices and supporting papers:**

LFC-25-009x LFC Budget Submission 2025-26: Reorganisation Proposals

LFC-25-009x Appendix 1 Directorate Restructures

LFC-25-009x Appendix 2 Consultation Timeline

LFC-25-009x Appendix 3 Initial Equality Impact Assessment

# PART TWO

## Confidential facts and advice

### LFC Budget Submission 2025-26: Reorganisation Proposals

Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000. In the event of a request for confidential facts and advice, please consult the Governance Team for advice.

This information is not for publication because:

The content of this report is sensitive due to the anticipated consultation process that will be required. To protect the confidentiality and integrity of the consultation process, decisions need to be made in isolation to that process. This will allow for a transparent and meaningful process to take place without prejudice and predetermined outcomes. Access to the information contained in this report needs to be strictly controlled. The risks associated with this information reaching the people in scope of the consultation process prior to implementation includes potential identity of individual posts and therefore individuals, reluctance to engage, deterioration of mental health and wellbeing, and reputational damage for poorly managing a legally required process.

Legal recommendation on the grounds of keeping the information confidential:

In the event the information contained in this Part Two report and its appendices is the subject of a request for information under section 1 of the Freedom of Information Act 2000 (the "Act"), it is considered that access can be denied on the basis that such information constitutes exempt information under: Section 40 of FOIA on the basis that it contains personal data as defined in the Data Protection Act 1998 and s.22 FOIA – on the basis that the information in this report is information which is exempt as it is intended to be published in the future.

The LFC holds the information and intends to publish it at a date to be determined to align with the formal redundancy consultation process.

The information itself is the text of a business case which may result in several LFC employees being made redundant.

The process of redundancy will include formal collective and individual consultation with the affected staff members and their trade union representatives.

This exemption therefore applies to the period of the consultation for clusters 1 and 2, as part of any proposed redundancy process.

### **Public Interest Assessment**

At present, on balance, it is considered that the public interest is best served if the information is not disclosed at this point.

The LFC is required to make significant budget savings. As a result, the LFC is undertaking a series of business case reviews of its functions across the organisation. The review in this part two report contains proposals to make employees redundant.

The LFC's view is that disclosure at this point in time would be likely to have a detrimental effect on the LFC's ability to properly inform employees of the proposed redundancies and detrimentally impacts its ability to conduct a properly organised formal consultation, which would allow affected employees to understand the impact on them, seek support and make representations to the LFC (either directly or via their trade unions).

While there is an argument that the information in this report should be made publicly available immediately, the LFC's position is that the conclusion of the formal consultation period is the proper stage at which to put this information into the public domain, for the reasons above.

It is therefore on balance not in the public interest to disclose this information at this stage.

The eligibility of these exemptions should be reassessed in the event of an FOI request for this information as the level of sensitivity will change over time and different circumstances may alter the arguments in favour of non-disclosure.

The recommended period for non-publication of Part Two is to be confirmed.

Legal Adviser

I make the above recommendations that this information should be considered confidential at this time.

Name: Tania Legore	Date: 5 <sup>th</sup> February 2025
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# Confidential decision and advice

## Executive Summary

LFC's Budget Submission 2025-26 was published on 22<sup>nd</sup> November 2024. The budget for next year is predicated on achieving savings in London Fire Brigade's (LFB's) non-pay and pay costs of £28.2 million. Outside the scope of this report are a range of non-pay savings, including contracts and procurement, which are part of separate, on-going work. There are also workstreams aimed at reducing *overall* pay costs, e.g. vacancy control, and work on absence management, including long-term and persistent sickness that is anticipated to reduce spend on Pre-Arranged Overtime from next year. This report deals specifically with proposed restructures that impact LFB's people as part of the directorate savings workstream.

The report sets out the business case for the proposed restructures, which are intended to reduce overall pay costs and enable LFB to operate more efficiently within the constraints of its draft budget for 2025-26 and subsequent years. The financial benefits of the proposed restructures will be cashable savings of £4.2 million to be realised during 2025-26, with the full-year effect of £6.4 million per annum from 2026-27 onwards.

The formal consultation process will begin with collective consultation with the Trade Unions of 14-days duration and will commence once this report is approved by the Deputy Mayor, Planning, Regeneration and the Fire Service. Individual consultations by cluster theme will then commence with impacted staff in March and last 45 days while collective consultation remains ongoing throughout the consultation process. The proposed restructures are arranged within two clusters. The content of Cluster 1 is now largely fixed and covers around 70 per cent of the estimated £4.2 million savings for next year.

Given the focus of the proposed restructures is FRS rather than frontline operational services, the protected characteristics of gender, race and age feature prominently in our initial Equality Impact Analysis (EIA), which includes mitigating measures. An overall EIA is being developed and there will be EIAs for each restructure.

## **Recommended decisions**

For the London Fire Commissioner:

- Approve the proposed Directorate restructures set out in this report, subject to consultation with trade unions and staff, as shown in Appendix 1.
- Delegates authority to the Director for People to commence the consultation process and make minor amendments to the Directorate structures, where appropriate, following consultation.
- Approve the costs of potential redundancies up to £5.0 million plus early release of pension benefits of up to £1.7m associated with these proposed restructures, delivering an investment payback period of less than one year. Costs will be met from LFB's General Fund reserves as an investment in the Brigade's future financial sustainability to continue delivering high-quality services for London. General Fund reserves will therefore temporarily fall in 2025-26 before rising back to their minimum level of 3.5 per cent of core GLA funding from the subsequent year.
- Notes the number of potentially redundant posts focuses of FRS staff at all levels is anticipated to be above 100 people (the current estimate is 115 people), which necessitates a 45-day consultation period.
- Notes the aim is to maximise savings for the coming financial year 2025-26. At the same time, ensuring proper process and, above all, working diligently so that colleagues across the Brigade are treated fairly in line with our values as well as meeting statutory requirements.
- Delegates authority to the Director for People to take necessary steps to give effect to the proposals set out within the report, e.g. notifying the Secretary of State on the proposals to dismiss staff.
- Delegates authority to the Director for People to decide whether any of the proposed redundancies should be resolved by way of a Settlement Agreement.

# 1. Introduction and background

## *Budget submission 2025-26*

1.1 London Fire Brigade (LFB) is the UK's largest fire and rescue service. It protects and serves a diverse population of nine million London residents, including more than a million people with disabilities, and more than 20 million visitors every year. A properly funded fire service is a critical enabler of London's growth agenda. LFB already operates in a challenging global city landscape not comparable to anywhere else in the UK, which continues to evolve. LFB has a central role in delivering the Mayor and the UK Government's commitment to drive growth in the capital.

1.2 LFC's Budget Submission 2025-26 was published on 22<sup>nd</sup> November 2024. In the context of a challenging financial climate, the submission presented progress towards a balanced budget in 2025-26 based on realising total savings of £28.2 million. The savings are proposed following an in-depth Financial Review and in line with the LFC's unwavering commitment to protect frontline delivery and regulatory capabilities to ensure the Brigade remains trusted to serve and protect London. This report deals specifically with proposed restructures that impact LFB's people as part of the directorate savings workstream, which will contribute £6.4 million per annum towards the total savings.

## *Financial Review*

1.3 Alongside the budget and financial planning work, an in-depth Financial Review was established, jointly led by a newly appointed LFB Assistant Director and an external expert, who provided a new perspective on how LFB operates and worked with Directors and Heads of Service to identify potential efficiencies to allow LFB to continue maximising investment in its frontline. The table below summarises the overall budget savings as set out in the LFC Budget Submission 2025-26.

<b>Savings</b>	<b>2025-26 £'000</b>
Existing Departmental Savings (from prior budget process)	5,483
New Departmental Savings (2025-26 budget process prior to Performance, Risk & Assurance Board (PRAB) / LFC Meetings)	4,476
<b>Total Departmental Savings</b>	<b>9,959</b>
Directorate workstream savings	5,645
Savings Review / Cross Cutting	9,630
Reduction in Training Inflation	1,100
Net Reduction against previous assumptions in Community Risk Management Programme (CRMP)	1,856
<b>Total Budget Review Proposals</b>	<b>18,231</b>
<b>Total (Departmental + Budget Review Proposals)</b>	<b>28,191</b>

1.4 The 'directorate workstream savings' row highlighted above is where the majority of the restructure proposals fall. 'Cross cutting' and 'CRMP' savings also rely on some restructures. Subsequent work has firmed up those original proposals and, at the same time, enabled the Brigade to consider the optimal configuration of LFB's senior management layers to support these changes and deliver the Community Risk Management Plan (CRMP) *Your London Fire Brigade* by 2029. As set out above, it is currently estimated that restructure savings will be £6.4 million per annum at steady state (full-year effect) from 2026-27.

### *The Clusters*

1.5 **Appendix 1** provides brief descriptions of the proposed directorate restructures and sets out the broad configuration of the two clusters. The restructures are proposed for financial reasons: without them (or a variation thereof) LFB will be at risk of not being able to fulfill its statutory obligation to set a balanced budget for 2025-26. The proposals are to protect frontline services and ensure our future financial sustainability.

1.6 The consultation period for the first cluster is expected to run from March to June 2025 (see Appendix 2 for timeline). The second cluster is expected to run from July to October 2025. These dates are approximate and depend on governance as well as our responses to those consultations. LFB may decide to put some restructures into a third cluster if doing so would prevent a delay in earlier clusters or if further opportunities are identified during the year; however, the ambition is to finish the restructuring work within the two clusters. LFB expects to finish all restructuring within 2025/26.

### *Savings options*

1.7 The last five years have been extremely challenging for LFB and a significant programme of transformational change has been delivered across the Brigade. This has been in response to the Grenfell Tower Inquiry Phase 1 recommendations, His Majesty's Inspectorate of Constabulary and Fire & Rescue Service inspection recommendations and LFB's Independent Culture Review recommendations. During this time, LFB has made significant improvements to its training and exercising and with support of the Mayor of London, has heavily invested in new kit and equipment so that frontline staff are better trained, prepared and equipped to serve and protect 9 million London residents. This year's budget process itself has been very tough, through which the Brigade identified significant additional savings and severely restrained growth. To go beyond these savings and growth reductions would require the LFC to compromise the Brigade's strategic objectives, including to protect the number of fire stations, appliances, and firefighters.

1.8 External circumstances, in particular local government funding, meant a 'do nothing' option was never available to LFB. A range of options were considered during earlier phases of the Financial Review with the proviso of no detrimental impact on frontline service delivery. As a result, there are a range of non-pay savings, including contracts and procurement, which are part of separate, on-going work. There are also workstreams aimed at reducing *overall* pay costs, e.g. vacancy control, and work on absence management, including long-term and persistent sickness that is envisaged to reduce spend on Pre-Arranged Overtime.

1.9 The directorate restructures being proposed will:

- Reflect the progress we have made in our transformation journey, as evidenced by the most recent report from His Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) published in November 2024.
- Enable LFB to become more effective at implementing national policy, including National Operational Guidance.
- Address elements of fragmentation of functions within the Brigade, creating efficiencies and providing even greater value from the London Operations Centre.
- Provide an opportunity to re-shape Prevention & Protection and focus on regulatory and legislative responsibilities and create efficiencies through localised delivery of prevention activities. within the department.

#### *Value for Money (VfM)*

1.10 In making the saving and investments proposals, consideration has been given to the LFC's strategic objectives and VfM considerations, including:

- The number of fire stations, appliances and firefighters are not reduced.
- There are no reductions in regulatory capabilities.
- Delivery of the Community Risk Management Plan (CRMP) by 2029.
- Appropriate investment continues to be made in transformation activity, including culture change.
- Resources are available to meet the recommendations arising from both the Grenfell Tower and Manchester Arena Inquiries and improvement plans from the HMICFRS inspections.
- Adequate investment in core infrastructure is maintained.
- Appropriate resources are set aside to deliver key strategies and priorities.
- Earmarked reserves will be maintained for specific purposes, which are consistent with achieving its key priorities.
- The use and level of earmarked reserves will be reviewed at least annually.
- The General Fund balance will be maintained at a sustainable level.
- Opportunities for innovative and modern ways of working will be adopted as far as possible.

1.11 These objectives will guide the Brigade as more detailed service design work is completed over the remainder of February 2025 and as engagement with the Trade Unions and affected staff during the collective and individual consultation periods is undertaken. The consultation period will be used to engage in constructive dialogue with all parties and remain fully open to ideas that will build upon this work and create the most effective and affordable arrangements moving forward. In addition, the overall Financial Review proposals include a workstream on process efficiencies. While that workstream has committed to its own savings target of £1 million, it will also provide support to ensure outcomes from the directorate restructures are optimised.

### *Consultation*

1.12 Collective consultation with the Trade Unions will commence once this business case is approved by the Deputy Mayor, Planning, Regeneration and the Fire Service and will last for 14 days. Individual consultation with impacted staff will commence shortly thereafter and last for 45 days, running concurrently with collective consultation. The proposals for consultation will be agreed, as far as possible with the representative bodies.

## 2. Objectives and expected outcomes

2.1 The objectives of the proposed restructures are to:

- Achieve *economy* in the form of recurrent, cashable budget savings of £6.4 million per annum.
- Improve *efficiency* within FRS teams, and in the deployment of frontline staff by, for example, reducing sickness absence.
- Increase LFB's *effectiveness* by concentrating on its highest value activities.

2.2 The outcomes that will be achieved from the proposed restructures are:

- More coherent policy formulation: crucially, around implementation of National Operational Guidelines.
- Less fragmented service delivery.
- Full utilisation of the capacity and capabilities that have been developed at LFB's London Operations Centre following the implementation of recommendations from the Grenfell Tower Enquiry Phase 1.

2.3 Set out below is the financial case for the proposed directorate restructures and the key underlying assumptions, particularly around the calculation of an upper limit of £5.0 million for redundancy costs.

## *Financial case*

2.4 This proposal is expected to deliver significant sustainable savings for LFB but it does require up-front expenditure for potential exit costs. While LFB has already put in place plans to minimise the impact on staff, it is not possible to avoid these completely. As this is a 'spend to save' initiative, it is appropriate that LFB should use general reserves to fund the cost of any exits.

2.5 Assumptions have been made based on somewhat more extreme case scenarios, such as; members of staff with longer service who are closer to normal retirement age and are therefore more likely to take Voluntary Redundancy (VR), all things being equal. Even under this level of stress testing at 'cluster', team and individual level, the payback period never drops below one year, which makes the business case for these restructures strong in financial terms.

2.6 As part of the 2025-26 budget process a Reserves Strategy and Medium-Term Financial Strategy (MTFS), incorporating efficiency plan requirements, have been prepared to support decision making and the ultimate approval of the 2025-26 Budget for the LFC.

2.7 In the November 2024 budget submission to the Mayor, it was forecast that the General Fund would rise from £14.1 million at 31st March 2025 to £17.9m million at 31<sup>st</sup> March 2026 (3.5 per cent of core GLA funding) and then £19.2 million at 31st March 2028. Based on the upper limit of redundancy costs of £5.0 million set out in this report, and the profile of savings proposed in this paper, the revised figures in the final budget will be £12.9 million at 31 March 2026, rising to £14.2 million at 31<sup>st</sup> March 2028.

2.8 Due to the large number of risks regarding cost inflation, the requirement to maintain its general reserve at a minimum of 3.5 per cent of core GLA funding has been reviewed by the CFO (Director of Corporate Services). It has been deemed appropriate to keep it at this rate over the medium term, given the pressures already included within the MTFS planning assumptions and the absence of the Budget Flexibility Reserve going forward. At the upper end of the redundancy cost estimate, the General Fund will temporarily fall below 3.5 per cent, before being built up again towards the target level. The minimum figures taking the upper cost end for redundancies (£5.0 million) is 2.6 per cent.

## *Assumptions*

2.9 The calculation of total savings of £6.4 million from the directorate workstream is based on the proposed numbers and grades of posts that would be removed from LFB's establishment. It is not based on individual posts because this information will not be available until completion of the collective and individual consultations.

2.10 The assumptions relating to the calculation of redundancy costs are:

- All exits take place at the end of the relevant consultation cluster period.
- All redundant posts have been calculated on the basis that Voluntary Redundancy (VR) could occur. While not all staff will accept VR, it is the highest cost option an individual can make and therefore allowances have been made for that scenario, with the additional £10,000 payments that VR attracts.
- PILON (Payment In Lieu Of Notice) has been factored in, although some affected colleagues are expected to work their notice, which will also serve as a period of redeployment.
- Notice period is three months for all staff (although this differs between staff, based on length of service and/or seniority).
- All permanent posts removed are sustainable savings for LFB (i.e. they will not be replaced at any point within the current financial planning period).
- Where new posts have been identified as part of the proposed restructure, the costs of these are deducted from the ongoing savings.
- Savings in staff costs are based on capitation rates (including national insurance (NI) and pension contributions but excluding indirect costs such as IT).
- Costs are calculated on the same basis, assuming an average length of service of 10 years except where known material exceptions (e.g. very long service).
- In some instances, there may be an employer contribution to pensions, which will be evaluated on a case-by-case basis. Calculations in this proposal assume that those with the biggest pension impact take VR, to understand the maximum cost.
- The assumed date for the realisation of Cluster 1 cashable savings is 1<sup>st</sup> July 2025 and the date for Cluster 2 cashable savings is 1<sup>st</sup> November 2025.

2.11 The multi-year economic case for the proposed restructures is strong given the upper limit for exit costs of £5.0 million set against recurrent annual savings of £6.4 million. A payback of less than one year overall further strengthens the business case but gives rise to a challenge in 2025-26 given that Cluster 1 savings will be realised from 1<sup>st</sup> July 2025 and therefore total £4.2 million in 2025-26. One mitigation is that the draft 2025-26 budget assumes lower directorate savings of £5.7 million than we expect to realise on a full-year effect basis. Further mitigations will include starting the Cluster 1 consultations as early as possible.

2.12 The current timeline for collective and individual consultations is at **Appendix 2**.

### *Risks*

2.13 In implementing the proposals set out in this report, consideration will be given to the risks set out in Medium Term Financial Strategy, including budget risks for 2025-26 and beyond. The risk management approach will be dynamic undertaking i.e. it will be reviewed frequently, by the team and at the weekly stocktake meetings with the Brigade's Chief Financial Officer and Director for People.

2.14 The current highest-level risks relevant to this report are all currently Amber and set out in the table below.

<b>Description</b>	<b>Rating</b>	<b>Mitigations</b>
Timing of Cluster 1 reduces in-year savings 2025-26 by ~25%.		<ul style="list-style-type: none"> <li>• Dedicated HR resource.</li> <li>• Top Management Group (TMG) Review.</li> <li>• Payment In Lieu of Notice (where possible and appropriate)</li> <li>• Timing of decisions.</li> </ul>
Staff morale adversely affected by on-going change.		<ul style="list-style-type: none"> <li>• All-staff and directorate-specific briefings.</li> <li>• Dialogue with trade unions.</li> <li>• Stakeholder management.</li> <li>• Clear briefings for managers and Q&amp;A material provided to support local briefings.</li> <li>• Clear messaging provided for all colleagues in corporate messages published on Hotwire.</li> <li>• Actions as set out in the initial EIA and during its further development.</li> </ul>
Skills and knowledge - loss		<ul style="list-style-type: none"> <li>• Ensure effective handovers.</li> <li>• Upskill existing/remaining colleagues.</li> </ul>
Deterioration of service quality during transition phase.		<ul style="list-style-type: none"> <li>• Close monitoring by relevant Director and Head of Service.</li> <li>• Planning explicitly for a transition phase.</li> </ul>

### 3. Values comments

3.1 The LFC notes the Fire Standards Board requirements around adopting and embedding the Core Code of Ethics at an individual and corporate level. Following extensive engagement, the LFC has introduced Brigade values which build on the Code of Ethics.

3.2 The proposals contained within this report reflect the Brigade values in the ways summarised below:

- **Service: we put the public first.**

A firm guiding principle from the outset of the Financial Review was to protect the provision of frontline services to London's communities. None of the proposed changes to LFB's organisation contained within this report will adversely affect the numbers of firefighters, fire stations or appliances. The proposals are designed specifically to allow the Brigade to continue serving Londoners into the future.

- **Integrity: we act with honesty.**

Where organisational changes are being considered, as required by employment law, affected staff Trades Unions will be consulted, in this case for a stage one consultation of 14 days. Following that the collective consultation will run concurrently with individual consultation for a 45-day period. Until the formal start of consultation, there are rightly limits on what can be divulged to staff. Nevertheless, the Brigade has acted and will continue to act with honesty in ensuring for example, that these proposals are clearly set out and discussed with the Trade Unions, as well as affected teams and individuals.

- **Teamwork: we work together and include everyone.**

It is recognised that restructure proposals that protect frontline delivery may appear divisive and with this in mind the Brigade will aim to show understanding of what this means for different groups of LFB's people in its communications. Beyond that, there are separate workstreams which seek to improve frontline efficiency, including work on reducing sickness absence rates across the Brigade and achieving better VfM in the services and goods the Brigade purchases through its contracts and procurement.

- **Equity: we treat everyone fairly according to their needs.**

The section below and the attached EIA deals with the practicalities of this important value in greater detail.

- **Courage: we step up to the challenge.**

This has not been an easy process for the Brigade but it recognised the challenge and has acted decisively to address its financial position and future sustainability as early as possible.

- **Learning: we listen so that we can improve.**

The Brigade has learned lessons from earlier restructures, which will be applied to this process to ensure it is enacted in a timely manner that is fair and reasonable to all concerned.

## 4. Equality comments

4.1 The LFC and the Deputy Mayor for Planning, Regeneration and the Fire Service are required to have due regard to the Public Sector Equality Duty (section 149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.

4.2 It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.

4.3 The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), race (ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, and sexual orientation.

4.4 The Public Sector Equality Duty requires decision-takers in the exercise of all their functions, to have due regard to the need to:

- eliminate discrimination, harassment and victimisation and other prohibited conduct.
- advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
- foster good relations between people who share a relevant protected characteristic and persons who do not share it.

4.5 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic.
- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

4.6 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

4.7 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- tackle prejudice
- promote understanding.

4.8 Potential equality impacts were considered at the start of the Financial Review process. At an early stage it was noted that most, although not all, restructures would impact FRS as opposed to operational or Control staff. There was therefore likely to be a disproportionate impact in terms of gender, race and age on those within scope of directorate restructures across the clusters. It was noted overall that 51.6% of FRS staff are female against 10.3% of operational staff: The corresponding figures for Under Represented Minority Ethnic are 30.0% (FRS) and 15.5% (Operational). In respect of age, some 13.4% of FRS staff are 55-59 whereas 3.9% of operational staff fall with this upper age band. The Brigade is therefore alert to ensuring that any restructures are proposed on the basis of economy, efficiency and effectiveness, seeking to mitigate the risk to adversely affected groups as far as possible.

4.9 An initial EIA screening has been undertaken as **Appendix 3**. More detailed EIAs will be carried out for each restructure to continue monitoring the situation for teams and individuals and ensure that suitable mitigations are put in place. Although not an exhaustive list, those mitigations will include ensuring:

- Staff are clear about their own positions as early as possible. This means an 'at risk' meeting will be held with individuals as soon as individual consultation begins. Everyone in scope will have a meeting to explain how they are affected, and whether VR or redeployment is an option. Such meetings will take place shortly after the commencement of collective consultation.
- LFB will endeavour, as best it can, to ensure that where selection panels are required, to include representatives from a diverse range of backgrounds.
- Selection processes will apply LFB best practice around, for example, recruitment and selection. LFB will act especially sensitively in situations where a small, possibly identifiable, number of individuals may be ring-fenced for specific role(s).

## 5. Other considerations

### **Workforce comments**

5.1 LFB's recognised trade unions will be consulted on the savings proposals for 2025-26, and any comments will receive a response and be reported to Commissioner's Board as appropriate. The deletion of operational posts would not require any staffing reductions as operational staff who are currently occupying such roles would be posted to alternative positions at similar rank. Approximately 115 occupied FRS posts will be affected, which requires formal consultation to be undertaken.

### **Procurement comments**

5.2 The senior staffing structure to ensure that Procurement and Commercial can facilitate and meet future challenges will be improved as part of Cluster 1 of the directorate restructures. Future challenges include the delivery of contracts and procurement savings (£2.0m in 2025-26) as part of the broader LFB Budget Review.

### **Communications comments**

5.3 A communications strategy has been developed by the communications directorate and will be led by the Director of Communications & Engagement.

## 6. Financial comments

6.1 This is a financial report and therefore the main financial implications are set out in detail within the report and its appendices.

6.2 The estimated pension strain costs associated with this proposal are up to £1.7m. This is a high-end estimate as we cannot predict which staff will be impacted before consultation. Our pension fund currently has a significant surplus of £50 million and so it is possible that these costs may be met through the valuation process, which is due to take place in March 2025. LFB is in discussion with the Local Government Pension Scheme about this potential request. Otherwise, this cost would be another pressure on the General Reserve in 2025/26.

## 7. Legal comments

7.1 Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "LFC") was established as a corporation sole with the Mayor appointing the occupant of that office. Section 1 of the Fire and Rescue Services Act 2004 states that the LFC is the fire and rescue authority for Greater London.

7.2 The Fire and Rescue Services Act 2004 provides under sections 7 and 8 the duty to secure provision for the personnel, services and equipment necessary efficiently to meet all normal requirements; that being the personnel needed to meet the statutory functions, and section 5A provides the power to do (a) anything it considers appropriate for the purposes of the carrying-out of any of its functions (its "functional purposes"), (b) anything it considers appropriate for purposes incidental to its functional purposes, (c) anything it considers appropriate for purposes indirectly incidental to its functional purposes through any number of removes. These powers and or duties provide the statutory basis for the decision set out herein regarding the proposed People Services personnel, structure and the proposed use of external resource.

7.3 The LFC is also a 'best value' authority under the Local Government Act 1999 and must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency, and effectiveness. This duty is also fulfilled by the proposals in this report.

7.4 The proposal to restructures will result in redundancies.

The law on consultation is as follows:

- Consultation must begin in good time. Certain minimum time periods apply depending on the scale of the redundancies proposed. For 100 or more employees, there must be 'collective consultation', which must commence at least 45 days before the first dismissal;
- Consultation begins with the provision of information on the proposals to "appropriate representatives". The information to be provided is specified under section 188(4) of TULRCA;
- As a minimum, consultation must be undertaken with a view to reaching agreement on ways and means of avoiding the dismissals, reducing the number of dismissals, and mitigating their consequences.

7.5 The Brigade's redundancy and redeployment code (PN 562) states as follows at paragraph 2:

*2.1 Information will be provided to, and consultation will take place with, the recognised trade unions over proposed redundancies at the earliest opportunity and in accordance with statutory requirements. Information provided for the purpose of consultation will include the reasons for the proposals; the numbers and descriptions of employees likely to be affected; the procedure for selecting those employees who will be made redundant; the timescales and proposed redundancy arrangements; and the proposed method of calculating any redundancy payments.*

*2.2 Consultation will also take place with individuals who are at risk of redundancy at the earliest opportunity.*

7.6 The report sets out, in broad terms, the process and time scale for consulting on the proposals and the time scales and process for redundancies and these are consistent with the policy and legal requirements.

7.7 Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the Commissioner specific or general directions as to the manner in which the holder of that office is to exercise his or her functions. By direction dated 1 April 2018 (the 'Directions'), the Mayor set out those matters, for which the Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor"). 6.3 Paragraph (b) of Part 2 of the said Directions requires the Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...". The proposals in this report are £150,000 or more and so the Directions are engaged.

## Confidential appendices and supporting papers

- Appendix 1: Directorate Restructures
- Appendix 2: Consultation Timeline
- Appendix 3: Initial Equality Impact Assessment

## Appendix 1 - Directorate Restructures

The teams within the scope of Cluster 1 are now firm. Work is on-going to identify the implications for all individuals within scope. There remains some flexibility around the content of Clusters 1 and 2, although we do not anticipate fewer functions in either.

Cluster	Scope	Timing	Posts - scope	Posts - redundant	Savings (£m)
<b>Cluster 1</b>	Finance 1: <i>Removal of 1 x AD position to improve the management of functions.</i>	Assumption is savings realised from 1 <sup>st</sup> July 2025.	2	1	0.15
	Procurement: <i>Removal of TMG B post and changes to FRS G posts to reduce management layers.</i>		3	3	0.34
	Resource Management Centre (RMC): <i>Removal of RMC department and moving the function to Brigade Control, based at the London Operations Centre. Enables closely related functions to be managed holistically.</i>		15	15	0.70
	Transformation: <i>Reduction in posts across directorate teams to reflect the Brigade's progress and future requirements.</i>	As above - Cluster 1.	26	26	1.9

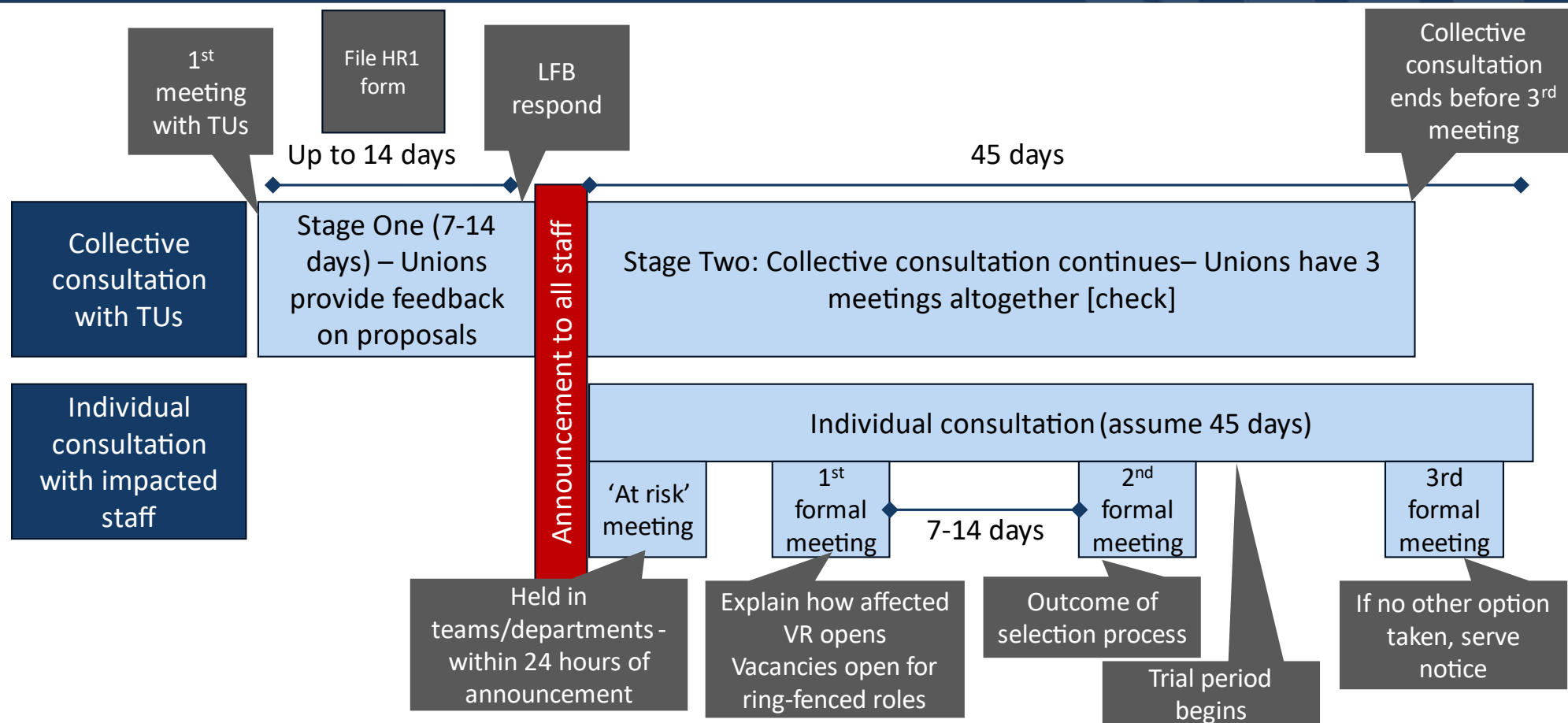
Cluster	Scope	Timing	Posts - scope	Posts - redundant	Savings (£m)
	<p>Prevention &amp; Protection: Reduction in posts in Community Safety, Administration and Youth Services. Reduction in posts in Community Safety, Administration and Youth Services provide an opportunity to re-shape the department and focus on regulatory and legislative responsibilities and create efficiencies through localised delivery of prevention activities within the department.</p>		59	24	1.2
	<p>Operational Policy &amp; Assurance: <i>Redeployment of operational posts to enable a sharper focus on National Operational Guidance.</i></p>	As above - Cluster 1.	2	2	0.1
	<p>Communications: <i>Shift from internal communications to community engagement to account for business need.</i></p>		3	2	Net impact is zero

Cluster	Scope	Timing	Posts - scope	Posts - redundant	Savings (£m)
Cluster 2	<p>Finance 2: <i>Redistribution of admin work across the Finance team to create efficiencies.</i></p> <p>Establishment &amp; Performance Team and Operations Directorate Support Services: <i>Amalgamation into one department to align related functions and create efficiencies.</i></p> <p>Data: <i>Review and re-organisation of data work to create a joined-up function / consideration of knowledge management</i></p> <p>TMG:</p>	<p>Assumption is 45-day consultation starts in July 2025 as early as practicable following Cluster 1 - once affected staff from Cluster 1 have clarity on their individual positions.</p>	2	2	Net impact is zero
			21	21	0.5
			50	15	0.6

Cluster	Scope	Timing	Posts - scope	Posts - redundant	Savings (£m)
	Remove 5 x TMG C (average) and add 2 x FRS G		6	6	0.5
	Property services changes		TBD	TBD	TBD
	PDA: Transfer of Vision Manager (FRS F) and one PDA officer (FRS C) to Brigade Control, based at the London Operations Centre. Removal of two PDA posts (2 x FRS C) to improve the alignment of related functions.		TBD	TBD	0.2
	Final Transformation directorate savings		1	1	0.2
			<b>190</b>	<b>118</b>	<b>6.4</b>

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# Consultation timeline - draft



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LONDON FIRE BRIGADE

## Equality Impact Assessment (EIA) Initial Screening Form

### Appendix 3 – Initial Equality Impact Assessment

When completing this form please use the [EIA guidance notes](#) and check our other resources on our dedicated [EIA Hotwire pages](#)

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This form enables you to screen each protected characteristic and identify which may be positively or negatively impacted by your activity.

The purpose of an EIA is to meet and justify the legal obligation required under the [Public Sector Equality Duty \(PSED\)](#), namely, the ‘DUE REGARD’ that documents that your activity will:

- a) eliminate discrimination, harassment, and victimisation;
- b) advance equality of opportunity; and,
- c) foster good relations between people who share a relevant protected characteristic and people who do not share it.

You must be able to show that your activity meets the three conditions of the due regard by providing relevant information to show how it caters for people with protected characteristics (where applicable), through eliminating potential discrimination and promoting opportunities to build equity between all groups.



LONDON FIRE BRIGADE

## Equality Impact Assessment (EIA) Initial Screening Form

You will only be required to complete a full EIA assessment of the areas where you have identified a negative impact, and further adjustments will be required.

Use the fields below to record any impacts and potential mitigating actions against each protected characteristic. All complete initial screening forms should be submitted to the EIA team to review and confirm your next steps.

<b>A. Name, status, and expected outcomes of the activity</b>	
Natalie De Souza, Interim Head of HR Improvement	
<b>B. Who is this activity for, who is impacted by it? (all LFB staff, specific department, external communities)</b>	
All FRS staff	
<b>C. Reason for Equality Impact Assessment</b>	
- The financial review business case is a new initiative. The EIA is necessary to ensure that employees with protected characteristics are not disproportionately impacted by this activity.	
<b>D. Team responsible for the activity</b>	
<b>EIA Author(s):</b>  Name: Natalie De Souza Job title: Interim Head of HR Improvement Department: People Services	<b>EIA Owner(s):</b>  Name: Dean Stokes Job title: Department: Commissioner and Directors Secretariat



LONDON FIRE BRIGADE

## Equality Impact Assessment (EIA) Initial Screening Form

E. Equality and diversity considerations					
Protected Characteristic	Positive Impact ✓ <input type="checkbox"/>	Negative Impact ✓ <input checked="" type="checkbox"/>	Summary of impact	Is a mitigating action required?	
				Yes	No
<b>Age</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Potential impact for staff aged 50+ who are nearing retirement or planning to take early pension payments. Staff aged 50-55 may be disproportionately affected because they fall just below the 55-yrs cut-off point.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Disability</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Employees with disabilities may face challenges if the restructure results in changes to their roles, locations, or working hours, which could disrupt existing reasonable adjustments. The stress associated with organisational change may also have a greater impact on employees with mental health conditions or long-term illnesses. Within FRS, 12.13% of staff have declared a disability.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Gender Reassignment</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: No specific impacts identified due to limited demographic data. Further consultation and data collection are needed.	<input type="checkbox"/>	<input type="checkbox"/>
<b>Marriage / Civil Partnership</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: No specific impacts identified due to limited demographic data. Further consultation and data collection are needed.	<input type="checkbox"/>	<input type="checkbox"/>
<b>Pregnancy / Maternity</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: No specific impacts identified due to limited demographic data. Further consultation and data collection are needed.	<input type="checkbox"/>	<input type="checkbox"/>
<b>Race</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Staff from underrepresented ethnic minority groups (30.05% of FRS staff) may face disproportionate outcomes if selection processes are not objectively and equitably designed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Religion / Belief</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: The proposed project does not positively or negatively impact religious groups. No significant impact identified. However, ensure that restructuring activities avoid scheduling conflicts with major religious observances	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Sex</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: Gender distribution among FRS staff is relatively balanced. No direct impact is anticipated, but fairness in the process should be maintained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

## Equality Impact Assessment (EIA) Initial Screening Form

<b>Sexual Orientation</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: No specific impacts identified due to limited demographic data. Further consultation and data collection are needed.	<input type="checkbox"/>	<input type="checkbox"/>
<b>Socio Economic*</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Employees from lower-income brackets, who may rely heavily on their current salary, could experience increased financial stress if affected by potential role reductions, redeployment, or changes in working patterns.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Caring responsibilities*</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Staff with caring responsibilities may face additional challenges during transition periods and might face additional logistical or financial challenges if changes require them to adjust work hours or locations. We will look to source specific data on this protected characteristic as the full EIA is developed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- **Conclusion**

This initial Equality Impact Assessment (EIA) identifies several potential impacts on FRS staff across various protected characteristics and socioeconomic factors due to the proposed restructure. While some groups, such as older employees, those with disabilities, and employees from underrepresented ethnic groups, may face a disproportionate impact, these risks can be mitigated through targeted actions and inclusive processes.

The restructure also provides an opportunity to enhance equality and inclusion by addressing systemic barriers and promoting fairness in employment practices. It is essential to prioritise transparency, stakeholder engagement, and the provision of support mechanisms to ensure equitable outcomes for all affected employees.

- **Recommendation:**

- Proceed with the activity with a set of agreed mitigation measures.

- **Next Actions:**

- Conduct a full EIA to identify detailed risks, mitigations and outcomes for affected groups.
- Establish a clear, transparent, and fair decision-making framework.
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LONDON FIRE BRIGADE

## Equality Impact Assessment (EIA) Initial Screening Form

### Explain why a full EIA is not required:

Not applicable – Full EIA is required for all affected groups by department and across the establishment

### Signed by the Submitter

**Name:** Natalie De Souza

**Rank/Grade:** Head of HR Improvement

**Date:** 03/02/25

Email the completed form to [EqualityImpactAssessment@london-fire.gov.uk](mailto:EqualityImpactAssessment@london-fire.gov.uk)

## Appendix 1 - Directorate Restructures

The teams within the scope of Cluster 1 are now firm. Work is on-going to identify the implications for all individuals within scope. There remains some flexibility around the content of Clusters 1 and 2, although fewer functions in either is not anticipated.

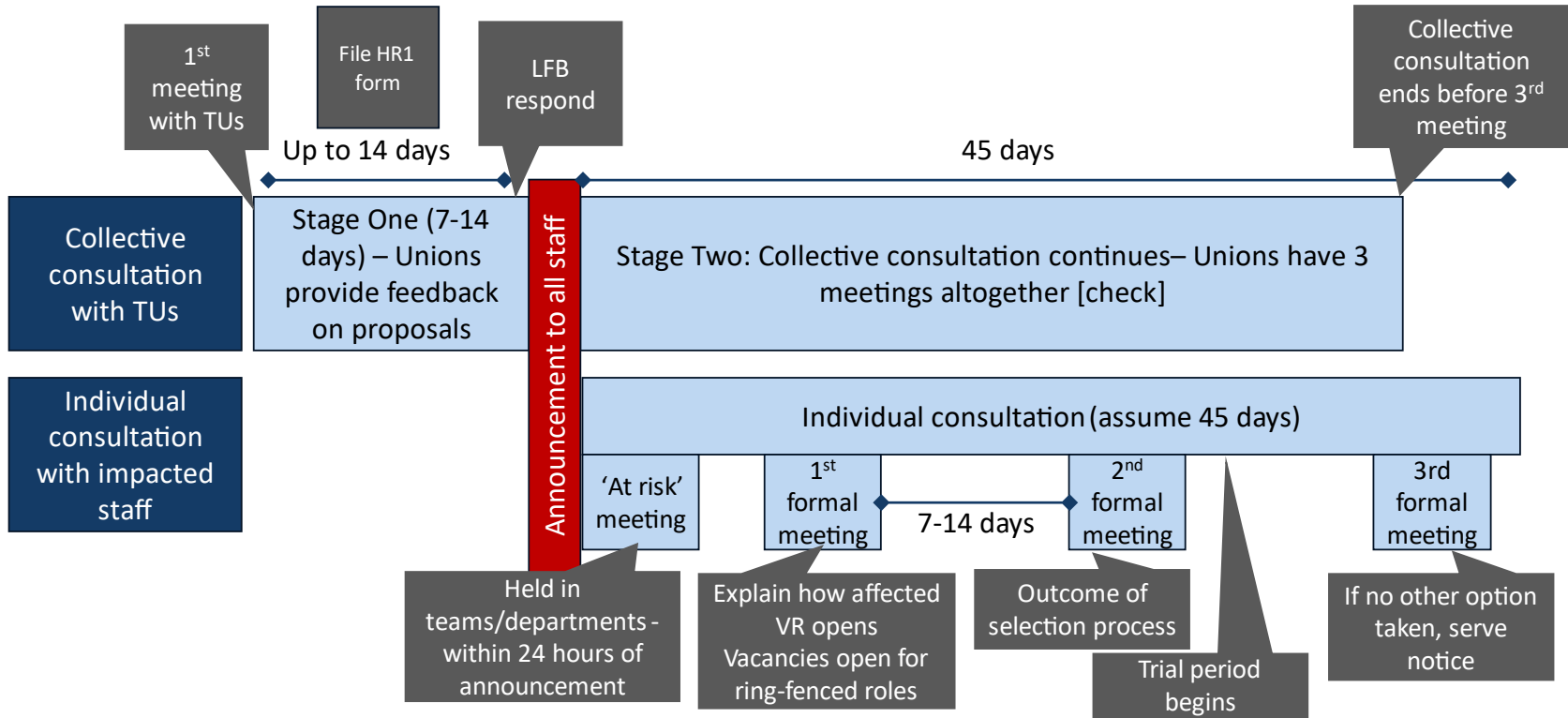
Cluster	Scope	Timing	Posts - scope	Posts - redundant	Savings (£m)
<b>Cluster 1</b>	Finance 1: <i>Removal of 1 x AD position to improve the management of functions.</i>	Assumption is savings realised from 1 <sup>st</sup> July 2025.	2	1	0.15
	Procurement: <i>Removal of TMG B post and changes to FRS G posts to reduce management layers.</i>		3	3	0.34
	Resource Management Centre (RMC): <i>Removal of RMC department and moving the function to Brigade Control, based at the London Operations Centre. Enables closely related functions to be managed holistically.</i>		15	15	0.70

	<p>Transformation: <i>Reduction in posts across directorate teams to reflect the Brigade's progress and future requirements.</i></p>	As above - Cluster 1.	26	26	1.9
	<p>Prevention &amp; Protection: Reduction in posts in Community Safety, Administration and Youth Services. Reduction in posts in Community Safety, Administration and Youth Services provide an opportunity to re-shape the department and focus on regulatory and legislative responsibilities and create efficiencies through localised delivery of prevention activities. within the department.</p>		59	24	1.2
	<p>Operational Policy &amp; Assurance: <i>Redeployment of operational posts to enable a sharper focus</i></p>	As above - Cluster 1.	2	2	0.1

	<p><i>on National Operational Guidance.</i></p> <p>Communications: <i>Shift from internal communications to community engagement to account for business need.</i></p>		3	2	Net impact is zero
Cluster 2	<p>Finance 2: <i>Redistribution of admin work across the Finance team to create efficiencies.</i></p> <p>Establishment &amp; Performance Team and Operations Directorate Support Services: <i>Amalgamation into one department to align related functions and create efficiencies.</i></p> <p>Data: <i>Review and re-organisation of data work to create a joined-up function / consideration of knowledge management</i></p> <p>TMG: <i>Remove 6 x TMG C (average) and add 2 x FRS G</i></p>	<p>Assumption is 45-day consultation starts in July 2025 as early as practicable following Cluster 1 - once affected staff from Cluster 1 have clarity on their individual positions.</p>	2	2	Net impact is zero
			21	21	0.5
			50	15	0.6
			6	6	0.5

	Property services changes		TBD	TBD	TBD
	PDA: <i>Transfer of Vision Manager (FRS F) and one PDA officer (FRS C) to Brigade Control, based at the London Operations Centre. Removal of two PDA posts (2 x FRS C) to improve the alignment of related functions.</i>		TBD	TBD	0.2
	Final Transformation directorate savings		1	1	0.2
			<b>190</b>	<b>118</b>	<b>6.4</b>

# Consultation timeline - draft





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## Equality Impact Assessment (EIA) Initial Screening Form

### Appendix 3 – Initial Equality Impact Assessment

When completing this form please use the [EIA guidance notes](#) and check our other resources on our dedicated [EIA Hotwire pages](#)

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This form enables you to screen each protected characteristic and identify which may be positively or negatively impacted by your activity.

The purpose of an EIA is to meet and justify the legal obligation required under the [Public Sector Equality Duty](#) (PSED), namely, the 'DUE REGARD' that documents that your activity will:

- a) eliminate discrimination, harassment, and victimisation;
- b) advance equality of opportunity; and,
- c) foster good relations between people who share a relevant protected characteristic and people who do not share it.



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## Equality Impact Assessment (EIA) Initial Screening Form

**You must be able to show that your activity meets the three conditions of the due regard by providing relevant information to show how it caters for people with protected characteristics (where applicable), through eliminating potential discrimination and promoting opportunities to build equity between all groups.**

You will only be required to complete a full EIA assessment of the areas where you have identified a negative impact, and further adjustments will be required.

Use the fields below to record any impacts and potential mitigating actions against each protected characteristic. All complete initial screening forms should be submitted to the EIA team to review and confirm your next steps.

<b>A. Name, status, and expected outcomes of the activity</b>
Natalie De Souza, Interim Head of HR Improvement
<b>B. Who is this activity for, who is impacted by it? (all LFB staff, specific department, external communities)</b>
All FRS staff
<b>C. Reason for Equality Impact Assessment</b>
<ul style="list-style-type: none"><li>- The financial review business case is a new initiative. The EIA is necessary to ensure that employees with protected characteristics are not disproportionately impacted by this activity.</li></ul>



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## Equality Impact Assessment (EIA) Initial Screening Form

D. Team responsible for the activity	
<b>EIA Author(s):</b>  Name: Natalie De Souza Job title: Interim Head of HR Improvement Department: People Services	<b>EIA Owner(s):</b>  Name: Dean Stokes Job title: Department: Commissioner and Directors Secretariat

## Equality Impact Assessment (EIA) Initial Screening Form

E. Equality and diversity considerations					
Protected Characteristic	Positive Impact ✓	Negative Impact ✓	Summary of impact	Is a mitigating action required?	
				Yes	No
<b>Age</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Potential impact for staff aged 50+ who are nearing retirement or planning to take early pension payments. Staff aged 50-55 may be disproportionately affected because they fall just below the 55-yrs cut-off point.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Disability</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Employees with disabilities may face challenges if the restructure results in changes to their roles, locations, or working hours, which could disrupt existing reasonable adjustments. The stress associated with organisational change may also have a greater impact on employees with mental health conditions or long-term illnesses. Within FRS, 12.13% of staff have declared a disability.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Gender Reassignment</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: No specific impacts identified due to limited demographic data. Further consultation and data collection are needed.	<input type="checkbox"/>	<input type="checkbox"/>
<b>Marriage / Civil Partnership</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: No specific impacts identified due to limited demographic data. Further consultation and data collection are needed.	<input type="checkbox"/>	<input type="checkbox"/>
<b>Pregnancy / Maternity</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: No specific impacts identified due to limited demographic data. Further consultation and data collection are needed.	<input type="checkbox"/>	<input type="checkbox"/>

## Equality Impact Assessment (EIA) Initial Screening Form

<b>Race</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Staff from underrepresented ethnic minority groups (30.05% of FRS staff) may face disproportionate outcomes if selection processes are not objectively and equitably designed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Religion / Belief</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: The proposed project does not positively or negatively impact religious groups. No significant impact identified. However, ensure that restructuring activities avoid scheduling conflicts with major religious observances	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Sex</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: Gender distribution among FRS staff is relatively balanced. No direct impact is anticipated, but fairness in the process should be maintained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Sexual Orientation</b>	<input type="checkbox"/>	<input type="checkbox"/>	Neutral Impact: No specific impacts identified due to limited demographic data. Further consultation and data collection are needed.	<input type="checkbox"/>	<input type="checkbox"/>
<b>Socio Economic*</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Employees from lower-income brackets, who may rely heavily on their current salary, could experience increased financial stress if affected by potential role reductions, redeployment, or changes in working patterns.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Caring responsibilities*</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Staff with caring responsibilities may face additional challenges during transition periods and might face additional logistical or financial challenges if changes require them to adjust work hours or locations. We will look to source specific data on this protected characteristic as the full EIA is developed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- Conclusion

## Equality Impact Assessment (EIA) Initial Screening Form

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LONDON FIRE BRIGADE

## Equality Impact Assessment (EIA) Initial Screening Form

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