



SCOTTISH
FIRE AND RESCUE SERVICE

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Report To: SCOTTISH FIRE AND RESCUE SERVICE BOARD
Report No: B/POD/07-15
Date: 30 JULY 2015
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Subject: SCOTTISH FIRE AND RESCUE SERVICE SUCCESSION PLANNING FRAMEWORK

1 PURPOSE

- 1.1 The purpose of this report is to set out an action plan in support of the principles of an SFRS succession planning framework (as presented to the SFRS Board in September 2014).

2 RECOMMENDATIONS

- 2.1 The Board is invited to:
- a) Note the report;
 - b) Consider/approve the proposal to focus on embedding core Human Resources-Organisational Development (HR-OD) processes rather than creating a stand-alone succession planning framework;
 - c) Approve the proposed actions and timeline (as the basis for on-going monitoring and review).

3 BACKGROUND

- 3.1 The development of an SFRS succession planning framework was a key objective within the Annual Operating Plan for 2014-15.
- 3.2 Succession planning was the subject of discussion at a Board strategic planning day held on 22nd July 2014. At this event, the Board were invited to discuss:
- Workforce planning predictions ('gap analysis');

- The principles of an SFRS Succession Planning Framework;
 - Outline proposals to re-structure the Strategic Leadership Team and to enhance operational gold command and strategic management capacity (in support of future succession planning requirements).
- 3.3 The SFRS Board approved the key principles of the SFRS Succession Planning Framework at their meeting held in September 2014.
- 3.4 In the intervening period the HR-OD team has undertaken work in support of the SFRS Succession Planning Framework. Progress against the key principles is reported within section 4; as further HR-OD development work is required in support of the overall framework, this objective has been carried forward into the 2015-16 plan (Q4).

4 SFRS SUCCESSION PLANNING FRAMEWORK – PROGRESS UPDATE

4.1 Initial Priority: Strategic Leadership Team Structure

- 4.1.1 Workforce planning data highlighted that all of the current uniform members of the Strategic Leadership Team may retire from the SFRS by the end of 2019.
- 4.1.2 Discussions with the Board also highlighted that:
- The 'leadership corridor' between SLT and Area Manager role was too wide and that there was a specific requirement to enhance gold command arrangements;
 - The service delivery and transformation portfolios would benefit from rationalisation to improve integration and to ensure that the SFRS continues to deliver the benefits of reform;
 - There was a requirement to place additional emphasis on strategic planning, performance and corporate communications structures.
- 4.1.3 Within the Scheme of Delegation, the Chief Officer has delegated authority for matters of employment and, against that background, secured Board approval to create a revised SLT structure to enhance operational gold command and build strategic management capacity. The revised arrangements:
- Retained the roles of Chief Officer and Deputy Chief Officer but improved the balance of the portfolio/s assigned to the Deputy Chief Officer;
 - Reduced the number of Directors of Service Delivery from three to one;
 - Introduced a Director to oversee strategic planning, performance and corporate communications;
 - Introduced a Director to oversee the service transformation programme;

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- Retained the current arrangements for Prevention and Protection, Response and Resilience, Finance and Contractual Services and People and Organisational Development;
 - Created additional support for Directors in the form of Deputy Assistant Chief Officers (DACO) to act as uniform Heads of Function/Service Delivery and to provide additional gold command cover.
- 4.1.4 A selection process to appoint the DACOs took place in December 2014 with the successful candidates taking up post in January and February 2015.
- 4.1.5 The DACO selection process identified development needs for existing Area Managers and signposted the SFRS to ‘future talent’. This led to a number of Area Managers moving to alternative posts within the current structures, designed to support future succession planning arrangements by providing a range of opportunities for experiential learning.
- 4.1.6 In anticipation of SLT retirements (within the ACO cadre) in 2016 the Chief has initiated a further review of the SLT structure; it is intended that this will form the basis of a Board strategic planning day in October 2015.
- 4.2 Update on Key Principles
- 4.2.1 The Board agreed that the SFRS succession planning framework is to be based on the following key principles:

Key Principle	Progress Update and Actions
<ul style="list-style-type: none"> • Succession planning begins with the identification of the challenges facing the SFRS and an understanding of those ‘critical roles’ that are required to fulfil organisational priorities and objectives. Workforce planning is key to the process; there is a need to forecast supply and demand within the workforce profiles, plan ahead for organisational change, identify critical gaps and build an understanding of organisational demographics and skills profiles. 	<p>An interim Workforce Plan was produced in December 2014.</p> <p>The Workforce Plan highlights that there is a potential for critical gaps in the following roles due to anticipated retirement profiles:</p> <ul style="list-style-type: none"> - Strategic Leadership Team - Flexi duty officer cadre (Station Manager to Deputy Assistant Chief Officer). <p>In response to this, assessment centres have been held to create selection pools (for up to 2 years) for DACO, AM, GM and SM roles.</p> <p>HR-OD is working alongside the SLT and Heads of Function to identify future “talent gaps” within the SFRS structures.</p> <p>Key actions in support of the succession plan:</p> <ul style="list-style-type: none"> - Conclude the review of future “talent gaps” within the SFRS structures and identify short, medium and long term actions to address these (report by September 2015).

	<ul style="list-style-type: none"> - Conduct an assessment centre process to create a selection pool for progression into Supervisory Management roles (Crew Managers) by September 2015. - Carry out a further review of the Strategic Leadership Team (by October 15). - Propose arrangements to identify and develop a future principal officer cadre by December 2015.
<ul style="list-style-type: none"> • Competency models provide the foundation for a succession planning framework. Job profiles should be based on this information and form the baseline for recruitment/selection, performance appraisals, career planning, creation of development plans and to support reward systems. 	<p>The SFRS continues to use the UK FRS Personal Qualities and Attributes framework as its competency model.</p> <p>Based on feedback from the SFRS Board (succession planning discussions July 2014); an SFRS leadership model has been drafted which is underpinned by the existing PQAs.</p> <p>Discussions are being held with both the wider UK FRS and the Scottish public sector with regard to the development of specific frameworks; the SFRS will, at an appropriate point, have a decision to make about which of these we should be most closely aligned with.</p> <p>Key actions in support of the succession plan (by March 16):</p> <ul style="list-style-type: none"> - Review current PQA framework and behaviours in terms of public sector leadership (map on behaviours and indicators) - Short job analysis SM-Board members to confirm competencies. - Run a focus group with key stakeholders. - Further develop/finalise the framework - Research opportunities to influence the development of a wider Scottish Public Sector Framework.
<ul style="list-style-type: none"> • HR processes such as recruitment and selection, assessment and development centres, career and contribution management, pay and rewards and development should underpin the succession planning framework; the introduction of a succession planning framework will integrate these processes whilst prioritising the development of critical roles. 	<p>SFRS HR-OD processes are currently aligned with the UK FRS Integrated Personal Development System.</p> <p>A leadership and management qualifications pathway (developed by the SFSC) underpins this and is currently under review.</p> <p>An SFRS recruitment and selection policy was approved by the Board in January 2015.</p> <p>A review of development pathways/career progression arrangements is underway.</p> <p>Formal links have been established with the UK FRS Occupational Committee, Workforce Scotland, Justice Board Leadership and Professional Development</p>

	<p>Sub-Group to support our development frameworks going forward (and to influence the wider public sector programmes).</p> <p>Arrangements to rotate strategic posts to promote experiential learning (in line with the workforce plan) are in place.</p> <p>Support staff pay and reward frameworks have been harmonised in line with an SFRS job family framework.</p> <p>Work has commenced to harmonise uniform T'S and C's. Note: current grey book arrangements combined with changes to taxation may act as a disincentive to career progression; a review is required.</p> <p>Work has commenced to create an SFRS appraisal policy and procedure.</p> <p>Key actions in support of the succession plan:</p> <ul style="list-style-type: none"> - Conclude the review of development to competent progression arrangements for uniform staff (report by December 2015). - Conclude the review of development pathways in support of career progression (report by December 2015). - Roll-out an interim development programme for the roles of Station Manager and above plus Support Staff equivalents (commence August 2015). - Report on collaborative learning opportunities (by December 2015) - Develop a plan to introduce biannual assessment development centres (aligned with progression pathways) at Supervisory, Middle and Strategic Manager level (report by December 2015). - Implement an SFRS appraisal policy and procedure (by March 2016). - Carry out a review of promotion incentives (Mar 16).
<ul style="list-style-type: none"> • Succession plans are created by mapping individual performance and potential against a range of criteria (competency model); learning and development programmes should be designed to provide the competencies that are critical to the succession plan. 	<p>Work continues to develop the SFRS competency model which will form the basis of our talent management framework.</p> <p>Workforce planning will identify emerging “talent gaps”; we plan to use the core HR-OD processes combined with targeted development programmes to create “talent pools” from which key posts can be filled.</p> <p>A proposed talent matrix is set out with Appendix A.</p> <p>Key actions in support of the succession plan:</p> <ul style="list-style-type: none"> - Further develop the SFRS talent matrix

	<p>underpinned by key HR-OD processes (update report by October 2015).</p> <ul style="list-style-type: none"> - Identify “talent hotspots” and create action plans to address these (report by September 2015). - Develop a process to identify and develop a future principal officer cadre by December 2015. - Research options for and SFRS ‘fast-track’ and/or ‘graduate entry’ scheme by September 2016.
<ul style="list-style-type: none"> • Technology provides the means to effectively implement a succession planning framework; the SFRS HR/Payroll system will support this. 	<p>The first phase of the SFRS integrated HR/Payroll system will be implemented by December 2015.</p>
<ul style="list-style-type: none"> • Consideration must be given to adequate resources to develop and implement the succession planning framework. 	<p>There has been turnover within HR-OD resulting in the plan being re-baselined.</p> <p>Key actions in support of the succession plan:</p> <ul style="list-style-type: none"> - Review POD resources in support of resourcing and employee development (August 2015). - Focus on embedding core HR-OD processes rather than a stand-alone succession planning framework.
<ul style="list-style-type: none"> • It is important to identify appropriate metrics to evaluate the success of a succession planning framework. 	<p>These will be established within the workforce plan.</p> <p>Key actions in support of the succession plan:</p> <ul style="list-style-type: none"> - Review the current workforce plan at the Staff Governance Committee (June 2015). - Refresh the workforce plan in support of the SFRS strategic plan and financial strategy (May 2016).

5 SUCCESSION PLANNING FRAMEWORK – TIMELINE

6.1 From a review of the work carried out by HR-OD in support of the succession plan, it is proposed that we focus on embedding core HR-OD processes rather than creating a stand-alone succession planning framework. The associated key actions are summarised in a development timeline (Appendix B).

6 SPECIFIC RISKS

6.1 Strategic Leadership Team

6.1.1 There is a risk of loss of experience due to anticipated retirements with the SLT. This risk has been mitigated in part by the introduction of the DACO role, the initial re-structure of SLT and the introduction of a Strategic Managements Group – all of which have facilitated the handover of specific key references from SLT to the wider DACO/Head of Function cadre.

6.1.2 A further re-structure of SLT is planned for January 2016 which will further distribute strategic responsibilities to the strategic management cadre. It is noted that the Chief Officer has reached a point where he could retire from the SFRS; discussions between the Chair of the Board and the Chief Officer have highlighted that this is not an immediate risk given his commitment to remain in post. In addition, the Deputy Chief Officer's earliest retirement date is in the period 2018-19 so, in the event of the Chief's departure, there are contingency arrangements in place that can be applied until such time as a formal process to appoint a new Chief Officer are concluded. In the medium term, HR-OD will develop a succession plan proposal for consideration by the Staff Governance Group by December 2015.

6.2 There is a risk to SFRS where it fails to attract and retain staff with the appropriate skills. Specifically at this time there is a risk of increased turnover within the Support Staff cadre as a result of the outcome of the Pay and Reward review. A number of control measures are in place/proposed:

Short Term

- Re-emphasise to staff that nothing is changing today; we are still in the consultation and negotiation process with the Trade Unions and even when new contracts are issued there is a pay protection period;
- Re-emphasise the wider benefits of working with the SFRS: leave, pension, flexible working, job security etc;
- Support people through the appeals process;
- Introduce market supplements for posts that have been identified as difficult to fill/retain;
- Review the business case for short-term additional responsibility allowances;
- Fill vacancies using the displaced list;
- Put contingency plans in place;
- Re-plan/re-prioritise projects and workloads;
- Use capacity in uniform cadre to complement Support staff structures (where appropriate).

Medium term

- Consult/negotiate with Trade Unions to reserve the right to use alternative JE scheme for some key posts (based on recruitment/retention evidence);
- Conduct a wider review of market supplements and undertake further benchmarking;
- Consider targeted recruitment and talent management e.g. graduate entry etc;
- Introduce an SFRS job evaluation/re-evaluation policy;

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- Undertake a targeted structure review/job size/re-grade e.g. team leader vs service manager etc. (too many layers in the supervisory and management structure);
- Further develop the offer to produce a total reward framework;
- Use contractors/agencies (in areas of high risk/value).

Long term

- SFRS re-structure: more professional less transactional posts;
- Revise pay model;
- Alternative options to deliver key services e.g. shared service, outsourcing etc.

7 EMPLOYEE IMPLICATIONS

7.1 These are implicit within the report.

8 FINANCIAL IMPLICATIONS

8.1 No additional financial implications have been identified beyond existing budgets at this time. Each proposal will be subject to financial assessment.

9 EQUALITY IMPACT ASSESSMENT AND CONSULTATION

9.1 An equality impact assessment on each proposal will be undertaken and consultation is on-going with Representative Bodies.

10 CORE BRIEF

10.1 The Director of People and Organisational Development provided an update on the progress made with regard to succession planning. The Board considered the proposal to focus on embedding core HR-OD processes rather than creating a stand-alone succession planning framework and the proposed actions and timeline (as the basis for on-going monitoring and review).

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Talent Matrix

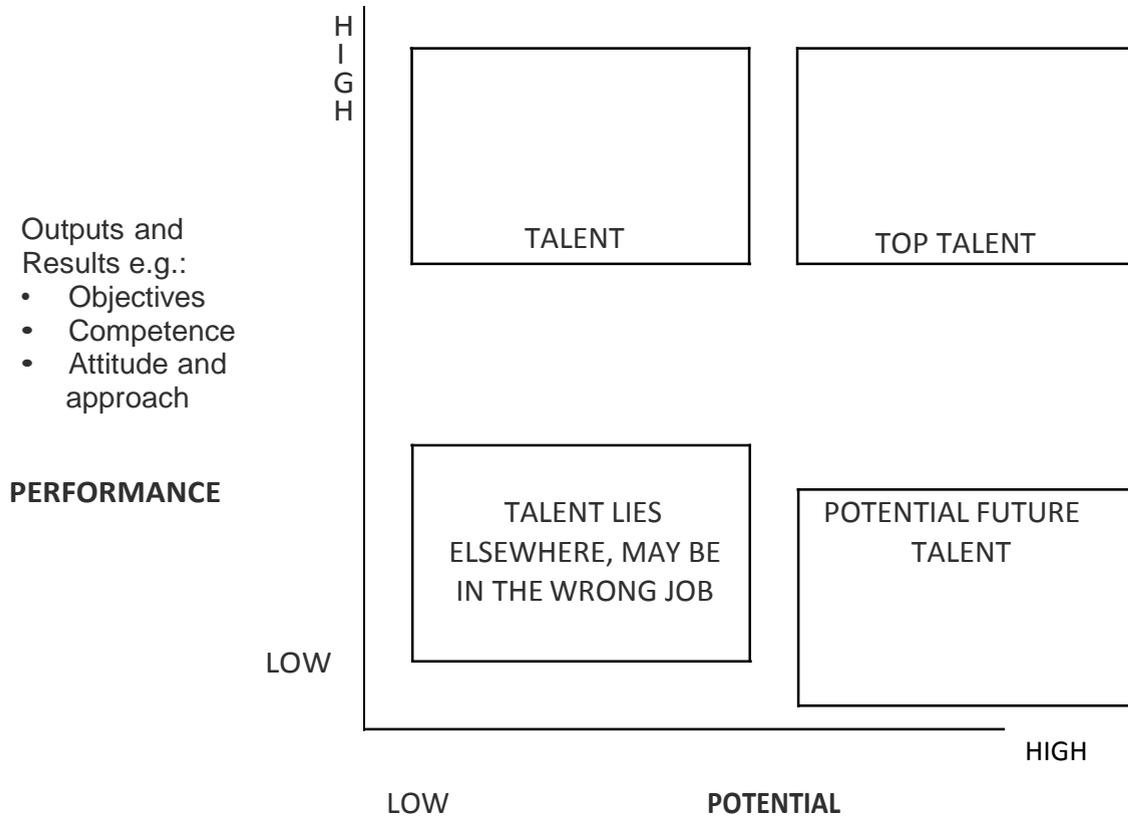
An important consideration for any succession planning framework is the identification of key talent segments and defining the size of the talent pool that feeds into each one. Job profiles based on competency frameworks should form the baseline for recruitment/selection, performance appraisals, career planning, creation of development plans and defining reward systems. HR processes associated with talent management can be tailored for each segment as appropriate; one size may not fit all.

For the SFRS, the talent supply could be categorised as:

Segment	Potential talent pool
1. SLT	Chief: DCO, ACOs, DACOs and Area Managers ACOs: DACOs and Area Managers. DACOs: Area and Group Managers Support Directors: Heads of/ senior grades.
2. Head of Function and Area Managers	Uniformed: Group and Station Managers Support staff: Manager grades
3. Middle Managers (group and station commanders and support staff)	Station Managers: Watch and Crew Managers, competent Firefighters/Firefighter control Support staff: supervisory grades and technical level posts
4. Technical/specialist e.g. fire engineering	(To be defined by each category)

Aligning the ‘talent segments’ with the aims and objectives of the succession planning framework will allow us to focus on where there is most ‘added value’ and tailor the talent framework to those roles that are most critical for future delivery of the Service.

Capability and competency are the foundation of succession planning and provide the means by which key HR-OD processes can be integrated. Talent is a combination of capability and competency ‘inputs’ and ‘outputs’; the diagram below is an example of a typical talent matrix that could be adopted by the SFRS. People are placed on the matrix according to an assessment of their performance and their potential. A gap analysis against the criteria helps managers and employees alike understand the abilities, skills and behaviours required to be successful in different roles (segments).



- Inputs
e.g.:
- Skills, experience, qualifications
 - Personal qualities and attributes
 - Assessment of potential

The underpinning HR processes outlined previously should be used to support the career aspirations of all employees. Care should be taken to avoid 'hot housing' or creating 'elite talent'; an effective succession plan will integrate all of the processes and prioritise the development of critical roles to meet Service needs. The above matrix could therefore be viewed as an extension to the appraisal system.

Succession Planning – Key Processes and Actions

