



Sent by email to: LGFSettlement@communities.gsi.gov.uk

29 October 2019

Local Government Finance Settlement 2020 to 2021: Technical Consultation

Dear LGF Settlement Team,

This letter represents the response from Buckinghamshire & Milton Keynes Fire Authority (the Authority) to the technical consultation for the 2020-21 Local Government Finance Settlement. The Authority is calling for enhanced precept flexibility for FRAs equivalent to that offered to shire district councils, being £5 on a band D property.

Investment in Fire Protection

The Hackitt enquiry and HMICFRS have highlighted the significant reduction in the number of fire safety audits in recent years. Across England in 2010-11 there were 84,575 fire safety audits, which by 2018-19 had decreased to 49,327. Whilst the proportion of audits resulting in a satisfactory rating has improved from 56% to 67% it is unknown whether this is the result of improving fire safety or just fewer audits. Clearly there is a need to invest in fire protection activity to increase activity in this area and outcomes for businesses and high risk properties.

Due to local Integrated Risk Management Planning the way in which Fire and Rescue Services deliver their fire protection activity can vary, with a mixture of delivery by firefighter crews and specialised business safety officers. Cost per audit will also vary as a result, with estimations being between £580 and £1150 per completed audit. As an illustration, just returning to 2010-11 activity levels requires an additional 35,248 audits, which would equate to an additional investment in excess of £30m. According to Home Office statistics, between 2010 and 2018 there was a reduction in FTE firefighters of 22%; in 2010 there were approximately 42,000 firefighters whilst in 2018 there were 32,000. As a result the ability for Fire and Rescue Services to deliver business safety activity using firefighter crews has diminished.

In terms of business safety officers, at a salary including on costs of circa £45,000, an additional £47.8m of funding for the sector (£5 increase) could pay for the recruitment of a further 1,062 staff to deliver this vital improvement.

Sector Pressures

As above, firefighter numbers have decreased by 22%. Over this same period (2010 to 2018) average response times to primary fires have increased by 31 seconds to 8 minutes and 45 seconds (a 6% increase).

If a fire of the scale of Grenfell Tower occurred anywhere other than London, it would be a significant challenge for the Authority to resource – even with mutual assistance. The reductions in firefighter numbers also directly impact the availability of personnel to support national resilience capabilities. Regarding fire and rescue operations post-Grenfell, the Authority faced additional requirements for inspections in high rise properties, even before the full impact of legislative change is known.

The sector needs to respond to the inspection process, with Tranche 2 finding that whilst responding to emergencies is a strength, Fire Protection is a concern and often under resourced whilst the inconsistent capability to respond to national incidents is highlighted. Investment will be required to work together across the sector to deliver improved outcomes.

In addition to those pressures that are specific to the FRS (outlined above) the fire service is also facing pressures like those in the wider public sector. Namely; wage inflation and the demands caused by an aging population; 42% of fire-related deaths occur in a home where the residents are aged over 65, despite making up just 19% of the population.

Q1: Do you agree with the Government's proposed methodology for the distribution of Revenue Support Grant in 2020-21?

With the 2020 comprehensive spending review, the fair funding review and the reform of business rates retention ahead against the ever-uncertain backdrop of Brexit and a potential general election; as much stability and certainty as is possible is needed. Given this the government's proposed methodology for the distribution of RSG in 2020-21 seems sensible.

Q2: Should central government eliminate negative RSG in full through forgone business rates receipts?

The government's proposed approach regarding negative RSG seems consistent with the push for greater stability and certainty as stated above.

Q3: Do you think that there should be a separate council tax referendum principle of 2% or £5, whichever is greater, for shire district councils in 2020-21?

Whilst the issue of shire districts' referendum principles has no direct effect on FRAs, the approach proposed seems sensible. However, the Authority advocates for the government taking a similar approach for FRAs. Similar referendum principles are required for FRAs to prevent the continued divergence of council tax, provide consistent funding protection for FRAs in all parts of England and importantly to invest in improving the service with a focus on fire protection.

Q4: Do you have views on the proposed package of council tax referendum principles for 2020-21?

The way that the current referendum principles affects Core Spending Power means that most authorities (of all types) will raise their precepts by the maximum referendum-free amount. This has only been compounded by the austerity agenda that dominated many years starting in 2010.

Observing the principles proposed within this consultation; one notes that, should FRAs raise their precepts by the maximum allowed amount each year then the range of FRA precepts will diverge rather than converge. Put simply, FRAs with larger precepts will be able to raise significantly more additional funding than their counterparts with lower precepts. Therefore, it is the Authority's view that the government should set referendum principles which allow for consistent investment in reform arising from HMICFRS recommendations and fire protection activity.

The NFCC proposal to allow an increase of £5 would level out council tax fire precepts, making council tax fairer; would increase local powers and devolution *and* improve fire safety and save lives.

Q5: Do you agree with the Government's proposals for social care funding in 2020-21?

Q6: Do you agree with the Government's proposals for iBCF in 2020-21?

Q7: Do you agree that there should be a new round of 2020-21 New Homes Bonus allocations for 2020-21, or would you prefer to see this funding allocated for a different purpose, and if so, how should the funding be allocated?

No comment.

Generally, the Authority recognises the need for increased social care funding, however this must not be delivered at the expense of FRAs' budgets (which are funded according to the *risk of demand* rather than purely the demand itself and can contribute to efficiencies in other sectors). Therefore, the NFCC welcomes the fact that proposed increases in social care funding are being met through an increased quantum of local government funding and highlights the need for an increased quantum to continue to be the source of any further social care funding increases.

Q8: Do you agree with the Government's proposed approach to paying £81 million Rural Services Delivery Grant in 2020-21 to the upper quartile of local authorities, based on the super-sparsity indicator?

No comment.

Q9: Do you have any comments on the impact of the proposals for the 2020- 21 settlement outlined in this consultation document on persons who share a protected characteristic? Please provide evidence to support your comments.

Fire and Rescue Services target their activity at the most vulnerable in society and therefore reducing resources is likely to have an impact on those needing additional support, such as elderly and disabled people.

Additional Comments

Whilst the Authority recognises that this is an MHCLG consultation, it would be remiss not to highlight the need for the continuation of the Home Office's 'Fire Pensions Grant' received in 2019-20. Continued work conducted by the NFCC shows that FRAs are forecasting a significant reduction in reserves in the medium-term; a loss of such a significant funding stream could lead to many FRAs becoming unsustainable.

Although the MHCLG has clearly looked to maximise certainty for 2020-21, it is unfortunate that there is no such certainty from 2021-22 onwards. Whilst recognising that this is an issue for HMT and is subject to the 2020 comprehensive spending review (which in turn is subject to many economic factors), the NFCC asks that as much certainty as possible be provided to FRAs as early as possible, regarding 2021-22 onwards.

Summary

The Authority welcomes the focus that the government has clearly placed on stability and certainty within these proposals and expects that this will be consistent across departments; it is vitally important that additional pensions costs continue to be recognised going forward. In general, the proposals set out seem reasonable, however the sensible approach to shire districts' referendum principles should also be extended to FRAs.

Yours sincerely



Jason Thelwell QFSM
Chief Fire Officer/Chief Executive
Buckinghamshire & Milton Keynes Fire Authority