



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

14 January 2021

The Provisional Local Government Finance Settlement 2021 to 2022: Consultation paper

Dear LGF Settlement Team,

This letter represents the response from Buckinghamshire & Milton Keynes Fire Authority to the Provisional Local Government Finance Settlement: Consultation paper. The Authority continues to call for enhanced precept flexibility for FRAs equivalent to that offered to shire district councils, being £5 on a band D property.

Question 1: Do you agree with the Government's proposed methodology for the distribution of Revenue Support Grant in 2021-22?

No comment.

Question 2: Do you agree with the proposed package of council tax referendum principles for 2021-22?

The Authority strongly disagrees with the decision not to provide a bespoke council tax principle for Fire and Rescue Authorities (FRAs). Our council tax base is forecast to decrease by 0.65% for 2021-22, when our medium-term financial plan had assumed growth of 1.6%. With an even higher reduction in business rates receipts forecast, and with identified spending pressures we are forecasting a deficit for 2021-22 of circa £900k.

Even before the impact of the pandemic, Her Majesty's Inspector of Constabulary and Fire & Rescue Services published that they had "serious concerns as to whether Buckinghamshire FRS has the resources it needs to meet its foreseeable risk. As a result of the financial position the service finds itself in, it doesn't have enough operational firefighters to resource its prevention and protection functions and crew the minimum number of fire engines it says it needs." (1, p.23).

Fire authorities should be able to increase their Band D by £5 without the need for a local referendum, equivalent to the flexibility offered to shire district councils, and equivalent in percentage terms to the flexibility offered to Police and Crime Commissioners (PCCs).

The average Band D for FRAs in 2020-21 was £78.56 and for PCCs was £222.90 (2). For 2021-22, PCCs "will be allowed increases of £15" (3, p.11) without the need to hold a referendum. This is equivalent to an average increase of 6.7%. If FRAs were to increase their Band D by £5, the average increase would only be 6.4%.

Buckinghamshire Fire and Rescue Authority set a Band D precept of £65.58 for 2020-21. This is lower than the average Band D for a parish council, which was £69.89 (5). Despite this, the average increase by parish councils was as high as 6.3% in 2017-18, and they remain free to set any increase they deem appropriate.

At our budget setting meeting in 2019 the Authority formally discussed the implications of holding a referendum to increase council tax above the threshold. However, given the forecast cost of £600k and the restrictive nature of the question prescribed in regulations, it was concluded this option is not feasible for our service.

The National Fire Chiefs Council response to this consultation and supporting letter to the Ministers proposes a simple £5 limit for fire and rescue precepts. That position is supported by this Service.

References

1. HMICRS, December 2019. Fire & Rescue Service Effectiveness, efficiency and people 2018/19. An inspection of Buckinghamshire Fire and Rescue Service. Available at: <https://www.justiceinspectors.gov.uk/hmicfrs/wp-content/uploads/buckinghamshire-fire-and-rescue-service-report-2018-19.pdf> (Accessed 7 January 2021).
2. Ministry of Housing, Communities & Local Government. 25 March 2020 (updated 30 July 2020). Table 7: 2020-21 Council Tax (average Band D) and % change on 2019-20: individual local authorities (revised). Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/905431/Table_7_CTR_20-21_rev.xlsx (Accessed 7 January 2021).
3. Ministry of Housing, Communities & Local Government. December 2020. The provisional local government finance settlement 2021-22, Consultation paper. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/945484/Provisional_Settlement_2021-22_Consultation_Document.pdf (Accessed 7 January 2021).
4. Ministry of Housing, Communities & Local Government. 25 March 2020 (updated 30 July 2020). Table 5: average Band D parish precept for England, 2016-17 to 2020-21 (revised). Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/889356/Table_5_CTR_20-21_rev.xlsx (Accessed 7 January 2021).

Question 3: Do you agree with the Government's proposals for the Social Care Grant in 2021-22?

No comment.

Question 4: Do you agree with the Government's proposals for iBCF in 2021-22?

No comment.

Question 5: Do you agree with the Government's proposals for New Homes Bonus in 2021-22?

No comment.

Question 6: Do you agree with the Government's proposal for a new Lower Tier Services Grant, with a minimum funding floor so that no authority sees an annual reduction in Core Spending Power?

No comment.

Question 7: Do you agree with the Government's proposals for Rural Services Delivery Grant in 2021-22?

No comment.

Question 8: Do you have any comments on the Government's plan not to publish Visible Lines?

No comment.

Question 9: Do you have any comments on the impact of the proposals for the 2021-22 settlement outlined in this consultation document on persons who share a protected characteristic, and on the draft equality statement published alongside the consultation document? Please provide evidence to support your comments.

No comment.

Yours sincerely

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