



Sent by Email to: [LGFSettlement@levellingup.gov.uk](mailto:LGFSettlement@levellingup.gov.uk)

16 January 2023

## **Provisional Local Government Finance Settlement 2023 to 2024**

Dear LGF Settlement Team,

This letter represents the response from Buckinghamshire & Milton Keynes Fire Authority to the Provisional 2023-24 Local Government Finance Settlement. The Authority also refers the DLUHC to the response from the National Fire Chiefs Council (NFCC).

### **SUMMARY**

The Authority's response to the Provisional Settlement can be summarised as follows:

1. The Authority generally welcomes the proposals set out in the 2023-24 Provisional Settlement.
2. The Authority recognises the work of DLUHC and the Home Office in bringing in a Settlement that helps towards mitigating the inflationary pressures that the sector is facing.
3. The Authority particularly welcomes the extension of the £5 referendum principle on Band D bills to all English FRAs. As an Authority with low levels of reserves in relation to our peers and a strong focus on ongoing efficiency, we would welcome the continuation of this flexibility in future years. Specifically it will support our ability to invest in and transform the Service to meet the changing needs of our communities. Whilst final decisions are for future settlements, a statement of intention for future years council tax flexibilities (as given for local authorities) would aid financial planning
4. The Authority notes that using the Services Grant to pay for RSG increases is in effect a cut. It was understood that the Services Grant was being set aside for local government funding reforms, if this is not the case then it ought to be moved into Settlement Funding Assessment.
5. To aid financial planning the Authority would encourage a return to multi-year settlements as soon as practically possible.

### **RESPONSE TO CONSULTATION QUESTIONS**

#### **Question 1: Do you agree with the government's proposed methodology for the distribution of Revenue Support Grant in 2023/24?**

The government has claimed to have protected RSG in real-terms, but this has been done through a reduction in Services Grant. It is of utmost importance that core funding is protected in real terms and this should be set out as a principle of local funding.

#### **Question 2: Do you agree with the government's proposals to roll grants into the local government finance settlement in 2023/24?**

The Authority generally is in favour of simplifying funding where practical and continues to call for the transfer of the Fire Pensions Grant into FRAs' baseline funding.

**Question 3: Do you agree with the proposed package of council tax referendum principles for 2023/24?**

The Authority strongly welcomes the extension of the £5 referendum principle on Band D bills to all English FRAs. As an Authority with low levels of reserves in relation to our peers and a strong focus on ongoing efficiency, we would welcome the continuation of this flexibility in future years. Specifically it will support our ability to invest in and transform the Service to meet the changing needs of our communities. Whilst final decisions are for future settlements, a statement of intention for future years council tax flexibilities (as given for local authorities) would aid financial planning

**Question 4: Do you agree with the government's proposals for a new Funding Guarantee?**

The 3% Funding Guarantee only affects a minority of fire and rescue services and changes the total funding for standalone FRAs by 0.03%. However, the Authority supports the principle of recognising that all local/fire and rescue authorities face inflationary pressures and therefore a percentage guarantee makes sense.

**Question 5: Do you agree with the government's proposals on funding for social care as part of the local government finance settlement in 2023/24?**

As a Combined Fire Authority, this is not relevant for us.

**Question 6: Do you agree with the government's proposals for New Homes Bonus in 2023/24?**

As a Combined Fire Authority, this is not relevant for us.

**Question 7: Do you agree with the government's proposals for Rural Services Delivery Grant in 2023/24?**

As a Combined Fire Authority that does not benefit from RSDG, this is not relevant for us.

**Question 8: Do you agree with the government's proposals for Services Grant in 2023/24?**

No. In the absence of an immediate and comprehensive review of needs and resources, Services Grant funding should be rolled into Settlement Funding Assessment. It was expected that this funding was to be used to aid transition to a new funding formula, but it has instead been used to pay for the real-terms protection of RSG. In its current form, the Services Grant represents settlement funding that cannot be relied on longer-term and increases uncertainty.

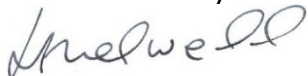
**Question 9: Do you have any comments on the impact of the proposals for the 2023/24 settlement outlined in this consultation document on the aims outlined above? Please provide evidence to support your comments.**

No further comments.

**FINAL REMARKS**

It is vitally important that the Sector's funding is protected in real terms and in that regard the Authority welcomes the Provisional Settlement announcement. The extension of the £5 referendum principle on Band D bills to all FRAs is most welcome. The Authority urges Government to ensure that the principle remains in place for future years and whilst we understand that final decisions are for future settlements, a statement of intention for future years council tax flexibilities (as given for local authorities in the LGF policy statement 2023-24 to 2024-25) would aid financial planning.

Yours sincerely



**Jason Thelwell QFSM**

**Chief Fire Officer/Chief Executive**

**Buckinghamshire & Milton Keynes Fire Authority**