

23 November 2018

## **Finance and the Spending Review**

### **Purpose of report**

For discussion.

### **Summary**

This report provides context on the current issue of Fire Finance and the Spending Review ahead of presentations on this work from the Home Office and the National Fire Chiefs Council (NFCC), and provides a brief analysis of the paper provided by the NFCC.

### **Recommendation**

Members to consider and make recommendation on how best the sector's interests can be represented in working with the Home Office to produce a submission for the Spending Review.

### **Action**

Officers to note any comments from members.

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## **Finance and the Spending Review**

### **Background**

1. Over the past few months the Home Office has been looking at risk and demand in the fire sector as part of its work in preparing a submission to the Spending Review, which is expected to take place after March 2019.
2. While pay and the funding of any pay award is a separate issue, the significant increase in pensions costs set out in the workforce paper provides an important context for the fire funding settlement.
3. In addition it is essential that any spending review takes into account the likelihood that significant additional burdens will be imposed on Fire and Rescue Services as a result of the implementation of the Hackitt report into building safety.
4. The Home Office will be giving the Fire Services Management Committee (FSMC) a presentation on its work to date. This is expected to cover:
  - 4.1. What the outcomes of the risk and demand work are to date?
  - 4.2. What is the Home Office's plan and timetable for discussions with the Treasury around the Spending Review?
  - 4.3. What information does the Home Office need from the sector in preparing its spending review submission? How much of the information is still outstanding and what is the deadline for its production?
  - 4.4. What are the assumptions the Home Office is using in planning scenarios?

### **National Fire Chiefs Council (NFCC) involvement in Spending Review Discussions**

5. The NFCC has been assisting the Home Office in its preparatory work and a paper outlining its work is appended. The NFCC will provide more detail in a presentation to the committee.
6. The NFCC is working with the Home Office on a draft position paper. Members have not yet seen this nor the Home Office papers on which it is based. The NFCC has undertaken to circulate separately the Home Office papers to which the NFCC is responding and the latest draft of the NFCC's response prior to the committee's meeting.

See **Appendix A** for the NFCC Spending Review 2019 update to FSMC.

### **Issues for Members**

7. Members will want to consider how they can best ensure that the sector's interests are represented in the preparation of the Spending Review submission.

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8. Members may also wish to consider whether they agree with the view set out in paragraph 5.3 of the **Appendix A**.

#### **Implications for Wales**

9. There are no implications for Wales as the fire and rescue service is a devolved responsibility and funding is provided to Welsh Fire and Rescue Authorities by the Welsh Assembly Government.

#### **Financial Implications**

10. There are no specific financial implications for the LGA arising from the content of this report.

#### **Next steps**

11. For officers to note comments made by members and discuss the future course of work with the Home Office and NFCC.