

Spending Review

Purpose of report

For information.

Summary

The Home Office will be attending the meeting to talk about the Spending Review and next steps.

Recommendation

Members are asked to note the update and the continued work of the LGA and the National Fire Chiefs Council on this area.

Action

The FSMC will continue to receive updates as this work progresses.

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Background

1. On 7 September the Government announced the Spending Review, which will set departmental budgets from 2022/23 through to 2024/25.
2. As with the previous Spending Review, the LGA and National Fire Chiefs Council (NFCC) agreed to work jointly to create a sector submission into the Home Office, to help inform their work with the Treasury on the Spending Review. The work was guided by the Senior Sector Group with representation from the Home Office, NFCC and the LGA.
3. At the meeting members will hear from the Home Office about the Spending Review and next steps.

Spending Review

4. The [Chancellor outlined that the Spending Review](#) will focus on how the Government will Build Back Better with a focus on:
 - 4.1. Ensuring strong and innovative public services
 - 4.2. Levelling up
 - 4.3. Leading the transition to Net Zero
 - 4.4. Advancing Global Britain
 - 4.5. Delivering our Plan for Growth
5. The LGA will be submitting its own submission into the Spending Review which includes a section on fire based on the LGA and NFCC work.

Submission

6. The LGA held a meeting in August with Chairs to outline the key points in the submission. The submission details the cost pressures facing fire and rescue services including the renewal of national resilience, pay and pensions, the retained duty system and investment in protection and improvement work. It emphasises that Fire and Rescue Services (FRSs) are resourced to risk, and need to have the ability to respond to large scale emergencies, as well as smaller incidents that may occur simultaneously. To at least maintain the current activity and firefighter numbers an inflationary increase to funding is needed, alongside greater council tax precept flexibility (£5). The LGA/NFCC submission is attached at **Appendix A**.
7. The submission also covered productivity and efficiency. The efficiencies section focused on the efficiencies that the sector could deliver through collaborative procurement and technological improvement. The productivity section focussed on the sector's capacity to deliver increased fire prevention and protection activity, and the impacts and outcomes of this work.

8. The submission is clear that it will be difficult for the sector to deliver on further efficiencies and productivity gains if the sector is subjected to further funding reductions. The potential efficiency and productivity gains are as follows:
 - 8.1. Capacity to deliver increased fire prevention and protection activity: Many FRSs already use their station-based staff to deliver targeted fire prevention and protection in their local areas. There is an opportunity to better utilise the fire station-based workforce to conduct more home and business fire safety checks in the community. The submission proposed using the equivalent of 3% of the wholetime firefighter hours available differently. Though the submission focusses on additional home fire safety checks (HFSCs) and fire safety audits as an illustration of the potential for increased productivity, the productivity improvements would be determined locally and captured in proposed productivity and efficiency plans.
 - 8.2. Productivity and Efficiency plans: These will be drawn up at a local level by all FRSs, covering the three-year Spending Review period, similar to the efficiency plans previously required but expanded to also include progress on improving workforce productivity. These will be supported via the newly created NFCC productivity and efficiency group.
 - 8.3. Delivering efficiencies through collaborative procurement: This piece of work is already well established within the NFCC and has already saved services approximately £13 million. The programme is expected to deliver approximately £27 million in savings to 2024-25, and is on track to deliver the remaining £14 million in savings.
 - 8.4. Delivering efficiencies through technological improvements: There will need to be further investment in FRSs technological capacity, however this will not be possible if baseline funding is cut further.
9. This work will be supported by the new Fire Efficiencies and Productivity Forum, with membership from the LGA, the NFCC and the Home Office. The Forum will provide a similar setting to the Efficiency in Policing Board to help improve the evidence base on efficiencies, support information collation, share good practice, develop a reporting framework, support the implementation of efficiency gains and produce a robust narrative to inform future Spending Reviews. The first meeting of the Forum was on 17 September.

Implications for Wales

10. 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

11. There are no financial implications for the LGA.

Next steps

12. The LGA and NFCC will continue to work jointly on the issues raised through the Spending Review and support the sector on efficiency and productivity work.