APPENDIX 2



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Local Government Finance Settlement Team
Department for Levelling Up, Housing and Communities
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Provisional Local Government Finance Settlement 2023 to 2024

I am writing to you on behalf of Avon Fire Authority in response to the Provisional 2023-24 Local Government Finance Settlement. The Authority welcomes the opportunity to respond to the consultation and provides the following responses.

General Comments

This Authority welcomes the overall proposals within the Provisional Settlement announcement for 2023-24 at a time when it is vitally important that its funding is protected in real terms from excessive inflationary pressures. In particular the extension of the £5 referendum principle for Band D bills to all FRAs is most welcome. We could never quite understand that, whilst the government recognised the need for this flexibility, in recent years it has only been applied it to a small number of FRAs. 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 significantly aid medium term financial planning.

Responses to Specific Consultation Comments

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

It is welcomed that the government is protecting grant levels at 2022-23 levels with an increase in line with CPI. However, we are disappointed to note that alongside this increase the Authority has suffered a 44% reduction on its Service Grant meaning that the overall funding has not been protected in real terms

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

Whilst none of the specific grants apply to stand alone Fire and Rescue Authorities

(FRAs), we are in favour of rolling grants into base funding wherever possible to provide certainty that funding will be in place in future years. It is disappointing therefore that grants specific to FRAs e.g., Fire Pensions Grant have not been rolled into the base. The Authority asks that this be addressed as soon as possible.

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

This Authority strongly welcomes the extension of the £5 principle to all English FRAs which has been called for in previous Provisional Settlement responses. We could never understand why in recent years this flexibility was only granted to a small number of FRAS rather than a blanket flexibility to all FRAs. It is noted however that there is no guarantee that this principle will remain in place for 2024-25 and beyond which is very unhelpful to medium-term financial planning. We urge that the government provides a statement of intent relating to future years.

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

Whilst this funding guarantee does not affect this Authority it does support the overarching principle of a guarantee being in place to recognise the excessive inflationary pressures currently being faced by local authorities.

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?

Whilst these proposals have no direct impact to Avon Fire Authority, we do recognise the special case being made for additional funding for social care over and above inflation levels. However, we would not expect this additional funding to be provided in the future at the expense of FRA funding which has its own special challenges.

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

As these funding streams do not impact on this Authority, we have no comment to make.

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

As we do not receive a share of RSDG this proposal does not impact on our funding levels, however it would seem disappointing that the total funding level has not been increased in line with CPI.

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

No. As is stated in our response to Question 1 we are disappointed that our Service Grant has been reduced by 44%. It had been anticipated that this Grant would be protected and 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 simply cannot be relied on 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.

In addition to those pressures that are specific to the fire sector, the fire service is also facing pressures like those in the wider public sector. One of the most significant demands on the public sector is an aging population; for FRAs this is highlighted by the stark differences in fire-related deaths for different ages. Between 2010-11 and 2021-22, there were 3,378 fire-related fatalities, of which 3,216 were reported with the known age of the victim. Of these 3,216; 44% of victims were over 65 (and this percentage has been higher in recent years) and 20% over 80. Despite the populations of people in England aged 24 or under, and those aged 55 or over being similar, over 55s make up 59% of the 3,216 fatalities: with under 24s just 8%. The Government's 2021 Health and Social Care White Paper indicated the intent for more people in care to be able to live in their own homes and live as independently as possible. This admirable aim will require more home safety visits and increases the number of dwellings occupied by people who are less likely to be able to put out a fire and increases the risk for FRAs. Further prevention and protection work will be required, and this must be recognised in future funding.

Yours sincerely

Kevin Woodward Interim Treasurer Avon Fire Authority