

Sarah Gawley Director Fire, Events and Central Management Directorate Public Safety Group Home Office www.gov.uk/home-office

Chief Fire Officers Fire Finance Directors

By email only

12 February 2024

Dear all,

As part of the Spending Review 2021, the National Fire Chiefs Council (NFCC) and the Local Government Association (LGA) agreed that between 2022/23-2024/25, fire and rescue services in England would increase wholetime firefighter productivity by 3% and create 2% of non-pay efficiency savings. Linked to these targets, the Minister of State for Crime, Policing and Fire asked that all standalone Fire and Rescue Authorities (FRAs) draft and publish Productivity and Efficiency Plans for 2023/24. The Minister was pleased that all services responded, as this helps us in building a strong evidence base for the next Spending Review and demonstrates positive leadership from the sector to engage with the productivity and efficiency agenda.

For 2024/25, the Minister has requested that all FRAs, regardless of their governance model, draft and publish a Productivity and Efficiency Plan for 2024/25. We expect to see refreshed plans from standalone services that undertook this exercise last year and brand-new plans from services based in county councils and unitary authorities. The plans will help the Home Office, NFCC and LGA to build a more comprehensive picture on the sector's progress against the agreed targets and provide us with updates on forecast and actual savings achieved.

Analysis of the 2023/24 plans showed that services had taken different interpretations on what should be counted as an efficiency saving for the purpose of the plans. In pursuit of greater consistency between returns, Home Office has revised the guidance (Annex A) and efficiency savings spreadsheet (Annex B) that services are expected to follow when drafting and refreshing their plans. I would like





to thank members of the NFCC Finance Committee and the Fire Finance Network who have collaborated on revising these materials with us. I would also thank all the county services and their Chief Fire Officer that have provided us with feedback and views on the drafting of the guidance.

Where the <u>National Framework</u> has introduced a long-standing requirement for standalone FRAs to publish efficiency plans, I acknowledge that this will be the first time that non-standalone FRAs are being asked to publish plans of this kind. Owing to different funding arrangements, I also understand that the type of financial information that non-standalone FRAs can provide will differ from information provided by standalone FRAs. However, I am of the view that all services will be considering means by which to improve the productivity and efficiency of their local service, and therefore the ask is to formalise those plans in a published document. I would therefore strongly encourage that county FRAs respond to this request.

Finally, you may wish to note that on 24 January, the Department for Levelling Up, Housing and Communities (DLUHC) announced additional funding measures to local authorities (LAs). As part of this package, the government plans to increase the Funding Guarantee from 3% to 4%, ensuring all LAs see at least a 4% increase in their Core Spending Power in 2024/25 before any decisions taken on council tax. In return, DLUHC have asked that all LAs publish productivity plans. While FRAs are considered as LAs, FRAs should still follow the Home Office guidance attached to this letter when drafting their plans, and Home Office officials are in contact with DLUHC officials on this matter.

The plans will be due on 31 March 2024 and in addition to being published on FRA websites, should be sent to <u>Lucinda.Porter2@homeoffice.gov.uk</u>.

Yours sincerely,

Sarah Gawley

Interim Director, Fire, Events and Central Management Directorate Public Safety Group Home Office

