



# Home Office

**Rt Hon Chris Philp MP**  
**Minister of State for Crime, Policing**  
**and Fire**

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[www.gov.uk/home-office](http://www.gov.uk/home-office)

## **BY EMAIL ONLY**

Chairs of Fire and Rescue Authorities  
Chief Fire Officers

9 January 2023

## **PROVISIONAL LOCAL GOVERNMENT SETTLEMENT**

Dear all,

I am writing to you in relation to the recent policy statement and publication of the provisional Local Government Settlement from the Department of Levelling-up, Housing and Communities (DLUHC). The statement confirmed that for 2023/24 the Council Tax Referendum Principle for standalone Fire and Rescue Authorities (FRAs) will be £5. In addition, it confirmed that both Revenue Support Grant and Baseline Funding Levels (via the under indexation grant) will increase by the September 2022 CPI measure of inflation, which is an increase of 10.1%. The provisional settlement numbers do not take account of the £5 precept referendum limit, but we have estimated that core spending power for standalone Fire and Rescue Authorities will increase by an average of 7%. The final Local Government Settlement will include the full calculation of precept income when it is published next year.

I hope that this is welcome news and confirms our commitment to ensure that FRAs are appropriately funded and are being supported with the inflationary pressures that you are all facing, particularly in relation to utilities and fuel costs. However, we are also clear that precept rises should not be in place of sound financial management and we expect FRAs to exhaust all other options to reprioritise budgets, seek efficiencies and to maximise productivity of their existing resources before looking to local taxpayers for additional funding. As such, as you consider your individual service budgets in this Settlement, I am asking all FRAs set out to me in writing how, in principle, you will be reprioritising within your budget, delivering efficiencies, and driving productivity improvements in your local area. I would like you to do this by mid-January alongside any responses to the provisional Local Government Finance Settlement consultation.


As part of the Spending Review 2021/22, the National Fire Chiefs Council (NFCC) and the Local Government Association made a commitment on behalf of the fire sector in England to create 2% of non-pay efficiencies and to increase productivity of the fire sector by 3% by 2024/25. I am optimistic that these

targets can be met and welcome the work that my officials and the NFCC have been driving in this space through the Fire Efficiency and Productivity Forum, which was established earlier this year.

In relation to the above targets, I would like to see all Standalone FRAs produce, publish and send me their efficiency and productivity plans for the financial year 2023/24 by March 2023. As you will be aware, producing and publishing of efficiency plans is already enshrined in the [Fire and rescue national framework for England](#), but I would like to ask that in light of the nationally agreed Spending Review commitments, FRAs extend their planning to cover productivity as well. Driving sustainability, productivity and efficiency in fire services will be a key focus for me in the next financial year, alongside wider reforms to improve services. I look forward to engaging with you all in discussions about future opportunities for the sector in the coming years.

I forward to working with you all in the New Year.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'C. Philp', written in a cursive style.

**Rt Hon Chris Philp MP**  
**Minister of State for Crime, Policing and Fire**