Appendix B



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

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Councillor John Shuttleworth
Chair of County Durham and Darlington Combined Fire Authority
County Hall
Durham
DH1 5UL

DECS Reference: MIN/0958866/23

19 July 2023

Dear Councillor Shuttleworth,

Thank you for your letter of 21 June jointly signed by Mr Steve Helps, Chief Fire Officer and Councillor John Shuttleworth, Chair of County Durham and Darlington Fire and Rescue Authority (CDDFRS) regarding the funding challenges the service currently faces.

As you are aware, the Local Government Finance Settlement (LGFS) for 2023/24 confirms that fire and rescue authorities will receive around £2.6 billion. Standalone fire and rescue authorities, including CDDFRS, will see an increase in core spending power of 8.1% in cash terms compared to the previous year. LGFS also confirms that Revenue Support Grant and Baseline Funding Levels will increase in line with September Consumer Price Index (10.1%). This represents a good deal for fire and rescue and will help to manage their inflationary pressures.

In addition to this, the Government announced a £5 core council tax referendum threshold for standalone fire and rescue authorities for 2023/24. This precept flexibility was granted having carefully considered the need to tackle immediate pressures on local services, alongside the need to protect residents from excessive council tax bill rises. This will raise circa £67 million if all standalone fire and rescue authorities choose to make full use of the flexibility.

Despite these increases, I note that CDDFRS still faces a shortfall in funding, which you have ascribed to be a result of inflation. To address this, I note your request for an increase in Government funding and precept flexibility of £5 for 2024/25 and 2025/26. As you will be aware, local government funding allocations and council tax referendum principles for next year will be announced by DLUHC at the 2024/25 Provisional LGFS, expected this autumn.

Ahead of this, the Home Office will be working with the National Fire Chiefs Council to review evidence of inflationary pressures (collected through the Inflation Pressures Survey) facing fire and rescue services.

If you have not already done so, I would encourage CDDFRS to complete the survey. It is also worthwhile for Mr Helps' officials to get in touch with mine to further discuss the challenges faced by CDDFRS. I would of course be interested to be kept up to date of the outcome.

Yours sincerely,

Rt Hon Chris Philp MP