



This matter is being dealt with by:
Ext: 03000 269 678
Date: 10 February 2025
Our Ref: JS.RB.RtHonDJohnson.Funding
Your Ref:

Clerk,
County Durham and Darlington
Fire and Rescue Authority
County Hall, Durham, DH1 5UL

Telephone Number: 03000 269 678

SENT VIA EMAIL

10 February 2025

Rt Hon Dame Diana Johnson
Minister of State for Policing, Fire and Crime Prevention
House of Commons
London
SW1A 0AA

Dear Dame Diana Johnson

We are writing to you on behalf of County Durham and Darlington Fire and Rescue Authority (CDDFRA) to express our concerns about the level of funding available to fire and rescue services and the perceived injustice that exists within the current system. For over a decade the funding available to fire and rescue services has been under significant pressure and without a change in direction this is likely to lead to further cuts in services to our communities.

CDDFRA's grant funding for 2025/26 has been reduced by £410,000 (3.3%) and in addition we are facing a shortfall of £214,000 in the compensation grant to cover the cost of the increase in employers national insurance contributions which we were initially led to believe would be fully funded. Whilst we welcome the ability to increase band D council tax by up to £5 in 2025/26, its benefit has been outweighed by the loss of government grant and the increase in the employer's national insurance contributions. This leaves a below-inflation increase in spending power and the reality of the position we face is the additional income we can raise via council tax does not cover the cost increases through unfunded pay awards, inflation, and energy prices.

In CDDFRA as the amount of grant we receive has reduced we have experienced a shift in the structure of our funding arrangements over the last 10 years and we now receive two-thirds of our overall funding from local council taxpayers. This reliance on council tax provides real challenges to the Authority when we are faced with significant cost pressures. The impact is magnified in an area such as our where almost 80% of the properties are in council tax band A or band B. A 1% increase in council tax only raises an additional £218,000 for CDDFRA whereas in other areas 1% raises significantly more. Without additional support from government this is not sustainable and we recognise that our funding model of which two thirds relies on council tax places a disproportionate burden on communities during a cost-of-living crisis.

Following challenging budget settlements over recent years, the service has removed posts, collaborated with others where appropriate, invested in technology, removed waste and duplication, restructured every department and reduced spend. Notwithstanding the fact that CDDFRS is a highly productive, efficient and well-run service with a track record of delivering change against a reducing budget, without further financial support it is inevitable that further reductions to the operational establishment will be necessary, directly leading to a reduction in fire cover, increasing the risk to our communities.

The government is committed to reform of local authority funding to reflect an updated assessment of local need and revenues and we support this along with the proposal to update the data in the fire and rescue services Relative Needs Formula. However, we believe it is imperative that any revised funding formula ensures that central funding goes to those areas which need it most and that the years of cutting funding to deprived areas such as ours is reversed.

We hope that the information set out above illustrates our concerns and as always, we warmly extend an offer for you and your officials to visit staff within CDDFRS to discuss matters further.

Yours sincerely



**County Councillor John Shuttleworth
Chairman
County Durham and Darlington Fire
and Rescue Authority**



**Cllr Richard Bell
Chair
Audit and Finance Committee**

CC Rt Hon Angela Rayner, Secretary of State for Housing, Communities and Local Government