

Circular number	12/2009	Date issued	3 March 2009
This circular is	For information	No response required	
This circular is	Relevant to the National Framework		
Status	This circular relates to the second payments made in 2008/09 for FiReControl implementation costs.		

FiReControl Implementation Funding Circular

Issued by:

Toby Robinson
FiReControl Project

Addressed to:

**The Chair of the Fire and Rescue Authority
The Chief Executive of the County Council
The Clerk to the Fire and Rescue Authority
The Clerk to the Combined Fire and Rescue Authority
The Commissioner of the London Fire and Emergency Planning Authority
The Chief Fire Officer**

Please forward to:

**The Chair of the Local Authority Controlled Company
The Regional Control Centre Director**

Summary

This circular contains information about the amounts to be paid to FRAs for additional costs associated with the implementation of FiReControl in 2008/09.

For further information, contact:

Toby Robinson
FiReControl Project
Communities and Local Government
Zone 2/B2, Ashdown House
123 Victoria Street
London, SW1E 6DE

Direct line **020 7944 5481**
Fax **020 7944 8319**
E-mail Toby.Robinson@communities.qsi.gov.uk

Website www.communities.gov.uk

FiReControl Implementation Funding Circular

1.0 Overview

- 1.1 This circular contains information about the second payment for the current financial year 2008/09.
- 1.2 This circular reiterates assumptions, principles and statements included within circulars 5/2008, 63/2005 and 76/2006 and paragraphs 3.1 to 3.6 in 44/2006 covering funding principles.
- 1.3 Communities and Local Government (the Department) will be making grants for the amounts shown in Annex A under section 31 of the Local Government Act 2003 for 2008/09.

2.0 FiReControl Implementation Funding

- 2.1 This circular sets out the additional funding that FRAs will receive in the current financial year (FY) 2008/09. This is in exercise of the powers conferred by section 31 of the Local Government Act 2003. The grant will not be ring fenced and a copy of the determination will be sent to each FRA once made.
- 2.2 The principle for calculating new burdens (which applies across Government) is that central Government will cover the net additional costs to local government generally arising from the provision of its policy objective - those costs over and above what would normally have been spent to deliver the service - and take into account any additional income or savings. This calculation is made separately for each financial year in advance of any expenditure. The Government remains committed to ensuring it does not place an unfunded burden on local government.
- 2.3 FRAs and the Local Authority Controlled Companies (LACCs) should account for costs that will be funded by the Department and include the expenditure and receipts in their accounts.

3.0 Latest 2008/09 New Burdens Funding

- 3.1 In July 2008 Communities and Local Government paid £21.8m (as outlined in Annex A) in funding to FRAs (including nominated lead authorities for LACCs and regional funding) under new burdens principles.
- 3.2 The Department is providing a further £1,229,433 of new burdens funding for 2008/09 as detailed in the paragraphs below and summarised in Annex B.
- 3.3 As a consequence of the slower than expected provision of certain products to support delivery of transition activities in FRSs it is not expected that any additional funding for transition activities should be required. As such, funding amounts for 2008/09 have already been provided in full to FRAs and Lead Authorities for:
 - Transition activities (with the exception of 2 FRAs, see Section 5 below)
 - Staff Pool costs
 - Regional Project Teams
- 3.4 The Department is currently reviewing the position with regard to funding already provided in 2008/09 relating to areas such as the Initial Staff Pool.

4.0 LACC Funding

- 4.1 Table 1 indicates the amount of funding it is proposed to include in the second tranche of 2008/09 new burdens funding to lead authorities for the LACCs.

Region	Lead Authority	LACC Staffing (Note a) £	Accommodation adjustment (Note b) £	Service Fees (Note c) £	Miscellaneous (Note d) £	Total £
SW	Devon & Somerset FRA	62,820	-	13,052	2,000	77,872
NE	Cleveland FRA	45,000	291,098	27,037	2,000	365,135
EM	Leicester, Leicestershire & Rutland Combined FRA	-	302,546	22,341	2,000	326,887
WM	West Midlands FRA	61,360	-	2,015	2,000	65,375
NW	Greater Manchester FRA	-	299,375	895	43,225	343,496
SE	West Sussex FRA	-	-	895	1,759	2,654
YH	West Yorkshire FRA	-	-	895	1,496	2,391
EE	Essex FRA	-	-	-	992	992
		169,180	893,019	67,131	55,472	1,184,802

Table 1: Additional 2008/09 funding to be provided for Local Authority Controlled Company Costs

4.2 Notes to table:

a) Where LACCs have recruited Senior Management staff (RCCDs/SSMs/SOMs) earlier in 2008/09 than we anticipated we are committed to meeting the additional costs of this. Where Regions have provided actual costs, and these are within indicated allocations, funding is provided to this level.

b) Where an LACC has taken on their building lease we fund accommodation costs under new burdens principles.

c) No allowance was included in the first payment for 2008/09 to cover service fees associated with telephony costs, interim IT and furniture in the RCC buildings.

d) It is recognised that LACCs will incur certain miscellaneous costs, including:

- Preparation for and hosting of regional meetings at the RCC;
- Communications and stakeholder engagement activities including events and any associated hospitality at the RCC; and
- Costs incurred in supporting LACC meetings at the RCC.

It is expected that the Facilities Management Provider would provide the majority of these additional goods and services under call-off provisions within the FM Contract.

Where an LACC has taken Third Party Rights to the Facilities Management (FM) Contract £12,000 is provided (subject to any pro-rata deductions). Where Third Party Rights have not been taken, the Department will be billed directly by the FM provider for all goods and services provided. As such the monies will remain with the Department to meet those bills.

For that element of the miscellaneous costs which are not procured through the FM Contract a pro rata allocation from date of practical completion of £2,000 is made.

The North West region receives an additional amount for secretariat costs associated with supporting the LACC Directors meeting.

The North West also receives £30,250 for the costs that are expected to fall in 2008/09 associated with specialist finance and tax advice that Greater Manchester FRA are procuring on behalf of all of the LACCs as agreed by the FiReControl Finance Working Group.

5.0 Transition Activities

5.1 Following the initial 2008/09 payment it was recognised that the amounts provided for transition funding for two FRAs in the original allocation for 2008/09 would not meet the expected minimum costs that would be incurred during the year. Accordingly, the table below indicates additional funding that will be provided for transition costs in the 2008/09 second tranche payments. This has been calculated on the basis of a transition funding floor for 2008/09 of £115,000 (including FRS Coordinator funding).

FRA	Additional 2008/09 Transition Funding £
Isle of Wight FRA	17,260
Humberside FRA	27,371
Total	44,631

Table 2: Additional 2008/09 new burdens payments for Transition activities.

Toby Robinson
FiReControl Project

Annex A – FiReControl Implementation Funding 2008/09 - Initial Payments

FRA	Region	FY08-09 £
Avon Fire Authority	SW	57,554
Bedfordshire & Luton Combined Fire Authority	EoE	137,973
Buckinghamshire & Milton Keynes Fire Authority	SE	130,338
Cambridgeshire and Peterborough Fire Authority	EoE	183,330
Cheshire Fire Authority	NW	179,326
Cleveland Fire Authority ¹	NE	3,125,060
Cornwall County Council	SW	57,554
County Durham & Darlington Fire & Rescue Authority	NE	193,464
Cumbria County Council	NW	208,472
Derbyshire Fire Authority	EM	196,803
Devon & Somerset Fire and Rescue Authority ¹	SW	2,960,378
Dorset Fire Authority	SW	57,554
East Sussex Fire Authority	SE	145,257
Essex Fire Authority ¹	EoE	888,059
Gloucestershire County Council	SW	57,554
Greater Manchester Fire and Rescue Authority ¹	NW	1,262,564
Hampshire Fire & Rescue Authority	SE	221,444
Hereford & Worcester Fire Authority	WM	122,805
Hertfordshire County Council	EoE	183,228
Humberside Fire Authority	Y&H	87,629
Isle of Wight County Council	SE	97,740
Kent and Medway Towns Fire Authority	SE	355,901
Lancashire Combined Fire Authority	NW	254,841
Leicester, Leicestershire & Rutland Combined Fire Authority ¹	EM	2,564,581
Lincolnshire County Council	EM	204,480
Greater London Authority	L	876,173
Merseyside Fire and Rescue Authority	NW	213,005
Norfolk County Council	EoE	132,616
North Yorkshire Fire and Rescue Authority	Y&H	131,379
Northamptonshire County Council	EM	151,421
Northumberland County Council	NE	190,027
Nottinghamshire and City of Nottingham Fire Authority	EM	182,492
Oxfordshire County Council	SE	144,164
Royal Berkshire Fire Authority	SE	117,262
Shropshire and Wrekin Fire Authority	WM	143,216
South Yorkshire Fire and Rescue Authority	Y&H	183,100
Stoke on Trent & Staffordshire Fire Authority	WM	158,803
Suffolk County Council	EoE	213,955
Surrey County Council	SE	133,302
Tyne & Wear Fire and Rescue Authority	NE	240,983
Warwickshire County Council	WM	142,717
West Midlands Fire and Rescue Authority ¹	WM	2,400,679
West Sussex County Council ¹	SE	1,456,790
West Yorkshire Fire and Rescue Authority ¹	Y&H	527,821
Wiltshire and Swindon Fire Authority	SW	57,554
Total		21,731,348

1. Nominated Lead Authority for regional/LACC funding

Annex B – FiReControl Implementation Funding 2008/09 - Additional Payments

Region	Fire and Rescue Authority	Total £
SW	Devon & Somerset Fire and Rescue Authority	77,872
NE	Cleveland Fire and Rescue Authority	365,135
EM	Leicester, Leicestershire & Rutland Combined Fire and Rescue Authority	326,887
WM	West Midlands Fire and Rescue Authority	65,375
NW	Greater Manchester Fire and Rescue Authority	343,496
SE	West Sussex Fire and Rescue Authority	2,654
YH	West Yorkshire Fire and Rescue Authority	2,391
EE	Essex Fire and Rescue Authority	992
SE	Isle of Wight Fire and Rescue Authority	17,260
YH	Humberside Fire and Rescue Authority	27,371
Total		1,229,433