

Circular number	21/2010	Date issued	30 April 2010
This circular is	For information	No response required	
This circular is	Relevant to the National Framework		
Status	This circular reiterates assumptions, principles and statements included within circulars 63-2005 and 76-2006, 5/2008, 41/2008, 12/2009, 35/2009 and paragraphs 3.1 to 3.6 in 44-2006 covering funding principles.		

FiReControl Implementation Funding Circular 2010-11

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 indicates the funding to be provided to FRAs to meet implementation costs of FiReControl in FY 2010-11. It also outlines the process to be followed for confirming funding needs for HR costs expected to fall around the point of cutover.

For further information, contact:

**Toby Robinson
Communities and Local Government
Zone 3/B4 Eland House
Bressenden Place
SW1E 5DU**

Direct line **0303 444 2843**

Fax

E-mail Toby.Robinson@communities.gsi.gov.uk

Website

www.communities.gov.uk

1.0 Overview

- 1.1 This circular contains information about the expected project implementation funding for the FiReControl project for financial year (FY) 2010-11, the third and final FY covered by the 2007 Comprehensive Spending Review.
- 1.2 This circular reiterates assumptions, principles and statements included within circulars 63-2005 and 76-2006, 41/2008, 5/2008, 12/2009, 35/2009 and paragraphs 3.1 to 3.6 in 44-2006 covering funding principles.
- 1.3 Communities and Local Government (the Department) intends to make an initial grant payment under section 31 of the Local Government Act 2003 covering costs expected to arise in the first six months of FY 2010-11. The amounts are indicated in Annex A.
- 1.4 This circular also sets out the process for confirming to FRAs and Local Authority Controlled Companies the expected levels of financial support for various regional and local costs which fall at or around cut-over.

2.0 FiReControl Implementation Funding Principles

- 2.1 FiReControl implementation funding is provided under the principles of New Burdens. The grant payment is made in exercise of the powers conferred by section 31 of the Local Government Act 2003. The grant will not be ring fenced.
- 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 No FRA will transfer functions to a regional control centre before the start of FY 2011-12. The Department intends to continue to fund the Regional Control Centres (RCCs) until they become operational (go-live) and then to reduce funding proportionately as each FRA transfers its calls into its RCC.
- 2.4 The Department recognises that there may be particular circumstances where further Departmental funding would be appropriate. The Department will give consideration on a case by case basis following New Burdens principles. FRAs should contact us at the earliest possible opportunity if they believe that they may have an issue which is an exception to the principles set out in this or previous circulars. There is no specific deadline for such cases but they should be submitted in advance of committing to expenditure.
- 2.5 The Department makes its assessment in advance of each financial year of the implementation funding requirement and expects FRAs, regional teams and Local Authority Controlled Companies (LACCs) to make best endeavours to work within allocated amounts to fulfil implementation requirements locally and regionally. Where expenditure exceeds allocated amounts it can not be assumed that the Department will retrospectively meet overspends in part or full unless written agreement has been reached in advance supported by evidence.
- 2.6 FRAs and the LACCs should account for costs that will be funded by the Department and include the expenditure and receipts in their accounts. It should be expected that these records be made available to the Department particularly where requests for additional funding are being made.

3.0 Implementation Funding for Financial Year 2010-11

3.1 The Department expects to provide £23,288,588 for FiReControl implementation funding for FY 2010-11.

	£	Further detail
Transition Funding	9,258,149	Included in Section 4 and Annex B
LACC Funding	8,776,655	Included in Section 5 and Annex C
Regional Team Funding	1,319,419	Included in Section 6
Staff Pool	3,934,365	Included in Section 7
Total	23,288,588	

3.2 Each of these areas of funding are described in more detail in the following sections of this circular.

3.3 The Department intends to provide this funding in two payments during financial year 2010-11. It is expected that the second payment would be made towards the end of September 2010. In most areas the initial amount to be transferred equates to 50% of the total costs expected to arise in 2010-11.

3.4 The Department makes best endeavours to ensure that the total amounts, and the balance of funding, provided between the four key areas identified in the table above matches the expected reasonable costs. It is, however, expected that FRAs, regional teams and LACCs with control over spending should exercise both prudence and cooperation in seeking to meet and balance pressures arising within regions.

4.0 Transition Activities

4.1 There are a number of activities that FRAs will need to complete in order to be ready for the transfer of their control function to the RCC. All these activities are covered under this item, for example data capture and migration and preparation for new ways of working and any travel and subsistence costs incurred in support of project delivery.

4.2 The funding amounts included in Annex B have been presented to, and discussed with, the FiReControl Finance Working Group (FFWG) and the Local and Regional Delivery Group (LRDG). As a result of these discussions FRS in early batches (1 to 4) have received additional funding as they are expected to incur greater net additional costs in 2010-11. It is anticipated that FRSs later in the cutover order will benefit from the lessons learned and work undertaken by earlier FRSs.

4.3 The Department expects to continue to provide funds for coordinating FRS change activities through funding of the FiReControl FRS Coordinator post until that FRS has cut over. It is expected that these resources are solely used to support FiReControl project delivery within their FRS and region, including supporting LACC efforts as required. The Department intends to provide £59,108 per FRA (excluding LFEPA), to allow for the costs associated with this work in FY 2010-11.

4.4 The transition funding amounts by FRA are presented in Annex B. These amounts include the funding for FRS Coordinators.

4.5 The Department intends to support development of interfaces which will allow FRS back office systems to exchange data with systems at the RCC where this represents good value for money. This work is being taken forward under the name of Project Ellipse and coordinated by the FiReControl national team. Funding amounts for costs associated with developing these interfaces is not included in this draft circular.

5.0 Local Authority Controlled Companies

- 5.1 The Department intends to continue to fund the costs of the eight LACCs which occur before the end of cutover in that region. Ongoing costs of the company after the end of cutover in that region should be funded by FRAs on a shared regional basis (aside from any amounts paid to FRAs as a result of the Departments commitment to make a FiReControl payment). Implementation funding for LACCs is provided via the nominated lead authority within a region.
- 5.2 The intended funding to be provided for LACCs in FY 2010-11, via nominated lead authorities, is presented in Annex C.

Accommodation and infrastructure

- 5.3 For those LACC companies that have taken on the lease for their buildings the Department will provide a grant to cover those accommodation costs not directly funded by the Department (including rent, utilities, facilities management, buildings insurance and service fees).
- 5.4 This will be paid to each RCC company from the point where they take on the lease until cutover, after which the Department's contribution to the overall share of RCC costs will reduce as outlined in paragraph 2.3.
- 5.5 Amounts provided for service fees are based upon the estimated cost of service fees payable to EADS during 2010-11. It is expected that all other service fees will be met directly by the Department during 2010-11.

LACC Senior Management Team Staffing

- 5.6 The Department expects to fund, pro-rata from commencement of role, the following senior management team staff costs for the LACCs.
- Regional Control Centre Director (RCCD) - £123,240
 - Senior Operations Manager (SOM) - £71,890
 - Service Support Manager (SSM) - £61,620

Professional advice, events and other miscellaneous costs

- 5.7 The Department intends to provide each LACC with a total budget of £136k for professional advice (e.g. HR, finance, legal), company secretarial, insurance and other miscellaneous costs. In addition it is expected that the first four LACCs to go-live (EM, NE, SW and WM) will receive an additional £50k in recognition of the higher net additional costs they are expected to incur in 2010-11 in areas such as HR and other professional advice.
- 5.8 Where a LACC has taken third party rights to the Facilities Management (FM) Contract the Department intends to provide £10k towards call off costs associated with hosting of stakeholder engagement events, company and other project delivery meetings hosted at the RCC - to cover items such as additional security and catering.

6.0 Regional Project Team

- 6.1 The Department intends to continue to meet pro-rata the costs of the regional project teams until the last FRS has cut over in each region. For FY 2010-11 it is expected that the following amounts will be provided to nominated lead authorities to meet the costs of regional project teams.

Fire and Rescue Authority	Region	Full Year £	6 months £
Cleveland Fire Authority	NE	165,646	82,823
Devon & Somerset Fire and Rescue Authority	SW	165,646	82,823
Essex Fire Authority	EoE	155,099	77,550
Greater Manchester Fire and Rescue Authority	NW	165,646	82,823
Leicester, Leicestershire & Rutland Combined Fire Authority	EM	155,099	77,550
Greater London Authority	Lon	36,439	18,220
West Midlands Fire and Rescue Authority	WM	155,099	77,549
West Sussex County Council	SE	155,099	77,550
West Yorkshire Fire and Rescue Authority	Y&H	165,646	82,823
Total		1,319,419	659,710

7.0 Staff Pool

7.1 The Department intends to fund, through a nominated lead authority, the costs arising in 2010-11 associated with the staff pool solutions agreed between the Department and regions. The amounts are indicated in the table below.

Fire and Rescue Authority	Region	Full Year £	6 months £
Cleveland Fire Authority	NE	996,152	498,076
Devon & Somerset Fire and Rescue Authority	SW	849,000	424,500
Leicester, Leicestershire & Rutland Combined Fire Authority	EM	1,198,533	599,267
West Midlands Fire and Rescue Authority	WM	890,680	445,340
Total		3,934,365	1,967,183

8.0 Process for confirming funding requirements for HR costs falling around cut over

8.1 The Department has committed to meet all net additional costs associated with the implementation of FiReControl under the New Burdens principle. During the cut-over period there will be a range of costs falling to FRAs and/or LACCs which the Department has committed to fund, for example costs associated with staff redundancy and relocation. The process for confirming specific funding requirements as greater clarity is gained in the months preceding cut over is set out in Annex D.

Toby Robinson
FiReControl

Annex A - Total funding for FY 2010-11 FiReControl Implementation

Fire and Rescue Authority	Region	Full Year £	6 months £
Avon Fire Authority	SW	59,108	29,554
Bedfordshire & Luton Combined Fire Authority	EoE	116,509	58,255
Buckinghamshire & Milton Keynes Fire Authority	SE	116,509	58,255
Cambridgeshire and Peterborough Fire Authority	EoE	237,917	118,958
Cheshire Fire Authority	NW	121,635	60,818
Cleveland Fire Authority ¹	NE	3,258,560	1,688,483
Cornwall County Council	SW	59,108	29,554
County Durham & Darlington Fire & Rescue Authority	NE	359,325	179,662
Cumbria County Council	NW	136,601	68,301
Derbyshire Fire Authority	EM	420,029	210,014
Devon & Somerset Fire and Rescue Authority ¹	SW	3,256,285	1,703,966
Dorset Fire Authority	SW	59,108	29,554
East Sussex Fire Authority	SE	132,496	66,248
Essex Fire Authority ¹	EoE	775,716	441,488
Gloucestershire County Council	SW	59,108	29,554
Greater Manchester Fire and Rescue Authority ¹	NW	2,556,081	1,324,788
Hampshire Fire & Rescue Authority	SE	177,213	88,606
Hereford & Worcester Fire Authority	WM	177,213	88,606
Hertfordshire County Council	EoE	121,386	60,693
Humberside Fire Authority	YH	177,213	88,606
Isle of Wight County Council	SE	116,509	58,255
Kent and Medway Towns Fire Authority	SE	177,213	88,606
Lancashire Combined Fire Authority	NW	160,411	80,205
Leicester, Leicestershire & Rutland Combined Fire Authority ¹	EM	3,708,872	1,944,277
Lincolnshire County Council	EM	116,509	58,255
Greater London Authority ¹	Lon	202,324	101,162
Merseyside Fire and Rescue Authority	NW	147,681	73,841
Norfolk County Council	EoE	172,917	86,459
North Yorkshire Fire and Rescue Authority	YH	116,509	58,255
Northamptonshire County Council	EM	171,845	85,922
Northumberland County Council	NE	237,917	118,958
Nottinghamshire and City of Nottingham Fire Authority	EM	116,509	58,255
Oxfordshire County Council	SE	140,266	70,133
Royal Berkshire Fire Authority	SE	116,509	58,255
Shropshire and Wrekin Fire Authority	WM	177,213	88,606
South Yorkshire Fire and Rescue Authority	YH	120,918	60,459
Stoke on Trent & Staffordshire Fire Authority	WM	420,029	210,014
Suffolk County Council	EoE	120,459	60,229
Surrey County Council	SE	149,120	74,560
Tyne & Wear Fire and Rescue Authority	NE	420,029	210,014
Warwickshire County Council	WM	177,213	88,606
West Midlands Fire and Rescue Authority ¹	WM	1,864,652	1,001,429
West Sussex County Council ¹	SE	847,738	485,207
West Yorkshire Fire and Rescue Authority ¹	Y&H	852,999	485,195
Wiltshire and Swindon Fire Authority	SW	59,108	29,554
Total		23,288,588	12,158,675

1. As lead authority within respective region for receipt of LACC/Regional funding.

FiReControl Implementation Funding Circular 2010-11

Annex B – FiReControl Implementation Transition Funding

Fire and Rescue Authority	Region	Full Year £	6 months £
Avon Fire Authority	SW	59,108	29,554
Bedfordshire & Luton Combined Fire Authority	EoE	116,509	58,255
Buckinghamshire & Milton Keynes Fire Authority	SE	116,509	58,255
Cambridgeshire and Peterborough Fire Authority	EoE	237,917	118,958
Cheshire Fire Authority	NW	121,635	60,818
Cleveland Fire Authority	NE	237,917	118,958
Cornwall County Council	SW	59,108	29,554
County Durham & Darlington Fire & Rescue Authority	NE	359,325	179,662
Cumbria County Council	NW	136,601	68,301
Derbyshire Fire Authority	EM	420,029	210,014
Devon & Somerset Fire and Rescue Authority	SW	1,639,498	819,749
Dorset Fire Authority	SW	59,108	29,554
East Sussex Fire Authority	SE	132,496	66,248
Essex Fire Authority	EoE	120,608	60,304
Gloucestershire County Council	SW	59,108	29,554
Greater Manchester Fire and Rescue Authority	NW	177,213	88,606
Hampshire Fire & Rescue Authority	SE	177,213	88,606
Hereford & Worcester Fire Authority	WM	177,213	88,606
Hertfordshire County Council	EoE	121,386	60,693
Humberside Fire Authority	YH	177,213	88,606
Isle of Wight County Council	SE	116,509	58,255
Kent and Medway Towns Fire Authority	SE	177,213	88,606
Lancashire Combined Fire Authority	NW	160,411	80,205
Leicester, Leicestershire & Rutland Combined Fire Authority	EM	359,325	179,662
Lincolnshire County Council	EM	116,509	58,255
Greater London Authority	Lon	165,885	82,943
Merseyside Fire and Rescue Authority	NW	147,681	73,841
Norfolk County Council	EoE	172,917	86,459
North Yorkshire Fire and Rescue Authority	YH	116,509	58,255
Northamptonshire County Council	EM	171,845	85,922
Northumberland County Council	NE	237,917	118,958
Nottinghamshire and City of Nottingham Fire Authority	EM	116,509	58,255
Oxfordshire County Council	SE	140,266	70,133
Royal Berkshire Fire Authority	SE	116,509	58,255
Shropshire and Wrekin Fire Authority	WM	177,213	88,606
South Yorkshire Fire and Rescue Authority	YH	120,918	60,459
Stoke on Trent & Staffordshire Fire Authority	WM	420,029	210,014
Suffolk County Council	EoE	120,459	60,229
Surrey County Council	SE	149,120	74,560
Tyne & Wear Fire and Rescue Authority	NE	420,029	210,014
Warwickshire County Council	WM	177,213	88,606
West Midlands Fire and Rescue Authority	WM	237,917	118,958
West Sussex County Council	SE	177,213	88,606
West Yorkshire Fire and Rescue Authority	Y&H	177,213	88,606
Wiltshire and Swindon Fire Authority	SW	59,108	29,554
Total		9,258,151	4,629,071

1. In the South West all transition funding is pooled with Devon & Somerset FRA as lead authority, with the exception of funding provided for the FRS Coordinator post.

Annex C – LACC Funding

Full Year £	NE	SW	EM	WM	SE	NW	Y&H	EoE
Accommodation								
Rent	1,164,391	-	1,210,186	-	-	1,197,500	-	-
Estates Costs	-	-	-	-	-	37,430	-	-
FM	-	-	-	-	-	421,231	-	-
Utilities	120,000	-	150,000	-	-	120,000	-	-
Service Fees	13,297	7,744	13,297	-	-	-	-	-
Rates	118,407	151,647	163,182	138,206	122,676	93,494	117,391	107,259
Subtotal	1,416,095	159,391	1,536,665	138,206	122,676	1,869,656	117,391	107,259
Staffing (Senior Management Team)								
RCCD	123,240	123,240	123,240	123,240	123,240	123,240	123,240	123,240
SSM	61,620	61,620	61,620	61,620	61,620	61,620	61,620	61,620
SOM	71,890	71,890	71,890	71,890	71,890	12,706	71,890	71,890
Subtotal	256,750	256,750	256,750	256,750	256,750	197,566	256,750	256,750
Professional Advice, Training & Events								
Professional Advice & other miscellaneous costs	186,000	186,000	202,500*	186,000	136,000	136,000	136,000	136,000
Items procured via FM Catalogue	-	-	-	-	-	10,000	-	-
Subtotal	186,000	186,000	202,500	186,000	136,000	146,000	136,000	136,000
Total	1,858,845	602,141	1,995,915	580,956	515,426	2,213,222	510,141	500,009

6 months £	NE	SW	EM	WM	SE	NW	Y&H	EoE
Accommodation								
Rent	582,195	-	605,093	-	-	598,750	-	-
Estates Costs	-	-	-	-	-	18,715	-	-
FM	-	-	-	-	-	210,616	-	-
Utilities	60,000	-	75,000	-	-	60,000	-	-
Service Fees	6,649	3,872	6,649	-	-	-	-	-
Rates**	118,407	151,647	163,182	138,206	122,676	93,494	117,391	107,259
Subtotal	767,251	155,519	849,924	138,206	122,676	981,575	117,391	107,259
Staffing (Senior Management Team)								
RCCD	61,620	61,620	61,620	61,620	61,620	61,620	61,620	61,620
SSM	30,810	30,810	30,810	30,810	30,810	30,810	30,810	30,810
SOM	35,945	35,945	35,945	35,945	35,945	6,353	35,945	35,945
Subtotal	128,375	128,375	128,375	128,375	128,375	98,783	128,375	128,375
Professional Advice, Training & Events								
Professional Advice & other miscellaneous costs	93,000	93,000	109,500*	93,000	68,000	68,000	68,000	68,000
Items procured via FM Catalogue	-	-	-	-	-	5,000	-	-
Subtotal	93,000	93,000	109,500	93,000	68,000	73,000	68,000	68,000
Total	988,626	376,894	1,087,799	359,581	319,051	1,153,358	313,766	303,634

*The East Midlands LACC receives £16.5k for licensing costs associated with the Mapping Services Agreement.

**Rates costs paid in full for 2010-11 and include any backdated amounts payable.

Nominated Lead Authority	Region	£ (full yr)	£ (6 Months)
Cleveland Fire Authority	NE	1,858,845	988,626
Devon & Somerset Fire and Rescue Authority	SW	602,141	376,894
Leicester, Leicestershire & Rutland Combined Fire Authority	EM	1,995,915	1,087,799
West Midlands Fire and Rescue Authority	WM	580,956	359,581
West Sussex County Council	SE	515,426	319,051
Greater Manchester Fire and Rescue Authority	NW	2,213,222	1,153,358
West Yorkshire Fire and Rescue Authority	Y&H	510,141	313,766
Essex Fire Authority	EoE	500,009	303,634
Total		8,776,655	4,902,709

Annex D – Funding process for costs falling during cut over period

