

Clerk to the Fire Board  
The Chief Executive, Dumfries and Galloway Council  
The Chief Executive, Fife Council  
Chief Officers

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Your ref:  
Our ref:  
17 March 2008

Dear Sir/Madam

**SCOTTISH FIRE SERVICES CIRCULAR 3/2008**  
**LOCAL AUTHORITY FIRE CAPITAL GRANT 2008/09**  
**FIRE AND RESCUE SERVICE TOP SLICE ALLOCATIONS**

I refer to my letter of 19 December inviting bids for top slice allocation from the Fire Local Authority Capital Grant for 2008/09 and write to you to inform you of the outcome of the process.

I am grateful to all Fire and Rescue Authorities (FRAs) for responding to my letter with business cases in the specified new format. We received a total of 36 bids seeking capital grant of £28m for 2008/9. This is in excess of the total available annual grant of £24.6m. As noted in the letter, each of the 36 bids has been the subject of a thorough and robust evaluation against the following criteria:- alignment with Ministerial priorities; technical evaluation undertaken by the Fire and Rescue Services Advisory Unit and/or the Scottish Fire Services College; and VFM assessment. This evaluation has informed Ministers' decisions on which bids to support.

Included in the 36 bids were 11 requests seeking capital investment for training facilities. At the Ministerial Advisory Group meeting in January 2008, it was agreed that a joint strategy for investment in training facilities was required to secure best value within the current tight budget settlement. The subsequent Ministerial Advisory Sub Group on training investment, on which all the FRAs and representative bodies were represented, recommended that decisions on future major training investment should be guided by the outcome of the Training Needs Analysis (TNA) - which will not be completed until April 2008. In light of this and the important role which the TNA will play in securing a strategic approach to training delivery, the Minister has decided to defer decisions on these bids, pending the outcome of the TNA. However, in order that detailed planning and feasibility work continues at pace, he has agreed that £2m be set aside in 2008/09 to support detailed planning of training facilities

and/or to fund any specific projects which support the required strategic approach. This is on the condition that should the money not be allocated by September, it should be distributed to FRAs as additional formula grant. Decisions about the allocation of the £2m will be made by Ministers on the advice of the MAG Sub group on training investment.

In my original letter of 19 December, I indicated that I was unable to advise what level of funding will be available to support top slice bids as this would be dependant on the quality and quantity of the bids received. However, to help with financial planning, I did report that Ministers had decided that a maximum of 50% of the total value of capital grant should be allocated in support of top-slice bids and that, as a consequence, a minimum of 50% would be allocated on the current formula basis. I can now report that following Ministers' decisions on top slice bids, which are set out at **Annex A**, the proportion of annual grant allocated between top slice and formula will remain in line with previously years. In making their decision, Ministers have taken into account the concerns expressed by a majority (although not all) Fire and Rescue Authorities about the possibility that the proportion of annual grant allocated on a formula basis could fall from the current 63% to 50%. I will be writing separately to each FRA with an offer of top slice and formula allocation grant, and requesting further information on the approved in principle bids.

Finally, as discussed at the recent Ministerial Advisory Sub Group on training investment, I believe there would be value in CoSLA, the Scottish Government, FRAs and staff representative bodies considering how they can work together to develop a long term, Scotland-wide, strategic approach to capital investment in the fire and rescue services. We will put proposals shortly to all our partners so that this work can be taken forward jointly in the spirit of the Concordat with local government.

If you require further information about the content of this letter, please get in touch with me or Kate Williamson.

Yours faithfully



**ANDREW FLEMING**

## ANNEX A:

### LOCAL AUTHORITY FIRE CAPITAL GRANT 2008/09 APPROVED AND APPROVED IN PRINCIPLE TOP SLICE ALLOCATIONS

#### PROJECTS APPROVED

**Grampian:** £35,000 in 2008/09 for an electronic availability system for the RDS

**Highlands & Islands:** £900,000 in 2008/09 for new RDS stations at Tongue and Rousay

**Tayside:** £260,000 in 2008/09 for a combined aerial rescue pump

**New Dimensions Forum:** £848,000 in 2008/09 for 2 prime movers; 1 welfare module; a USAR logistic support module; personal air monitoring equipment and other equipment. These are all successful bids carried forward from 2007/08 which were delayed due to procurement lead in times.

#### PROJECTS APPROVED IN PRINCIPLE PENDING CLARIFICATION

**Fife:** Bid value £1,568,000 in 2008/09 for new fire station at Pitreavie

**Grampian:** Bid value £2,150,000 in 2008/09 for the replacement fire station at Anderson Drive, Aberdeen - an ongoing project

**Strathclyde:** Bid value £1,059,000 in 2008/09 to replace Cambuslang & Parkhead with one new station

**New Dimensions Forum:** Bid value £660,000 in 2008/09 for purchase command and control vehicles.