

By email:

Rt Hon Michael Gove MP
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09 January 2024

Dear Secretary of State and Members of Parliament,

The Need for Precept Flexibility for Fire and Rescue Authorities 2024/25

We write as a matter of urgency concerning the need for fire and rescue precept flexibility for the forthcoming precept round. We urge you to extend the £5 flexibility proposed to Shire District Councils, to fire and rescue authorities.

As you know, in 2023/24 the referendum principle was £5 for fire and rescue authorities. The proposed 3% referendum principle for 2024/25 equates to an increase of just £2.41 for an average Band D property in York and North Yorkshire. This is below inflation, represents a cut and will have a real and detrimental impact on North Yorkshire Fire and Rescue Service's ability to reduce vulnerability and keep our communities safe.

Over two-thirds of our budget comes from the local precept. An average Band D property in York and North Yorkshire currently pays just £80.61 each year for fire and rescue services. We have set out below the impact of the 3% limit and our request for a £5 limit:

- A 3% limit equates to an increase of up to £2.41 a year more (20 pence per month). This would raise around £750k, however it is significantly below inflation and would likely lead to reductions in current levels of service delivery.
- A £5 limit equates to an increase of 6.2% a year more (42 pence per month). This would raise around £1.6m, which is broadly in line with the organisation's inflationary pressures and would lead to no reductions in planned levels of service delivery.

The precept flexibility provided in 2023/24 enabled us to maintain a balanced budget however, it certainly hasn't made us financially comfortable and will not reduce our focus to become more efficient, whilst seeking to maintain service delivery.

We continue to deliver savings from within the Service and have done so again last year through the significant resource changes we have made to our Community Risk Management Plan (known locally as the Risk and Resource Model). However, inflationary pressures would absorb those savings that are earmarked to invest in our prevention and protection services and place the Service in a critical status of saving to survive rather than saving to invest, despite our best efforts.

Without the increased precept flexibility for 2024/25, we may need to reduce frontline services (people and fire engines) leading to a degradation in service, including increased response times and risk. We may also need to consider reducing the number of those carrying out important prevention and building safety inspection work and it would impact significantly on our ability and plans to reform, modernise and diversify our workforce and the Service.

We therefore need the flexibility to increase the precept in 2024/25 to £5, just to be able to keep up with the inflationary pressures from the previous years. This is before we consider what the 2024/25 pay awards will be and before we factor in the significant levels of cost increases that we are seeing across all our non-pay budgets.

In addition, we have brought our reserves down to the lowest level they can viably be, with a general fund of only 3% of our annual budget - we cannot degrade our reserves any further.

To cover the vast geography and associated risk and severity of longer travel times due to the remote, rural nature of our service area, we need to maintain and modernise 38 fire stations and 43 fire engines within a budget of £40m. Other metropolitan services have a similar number of stations and fire engines yet have a budget three times greater, supported by significant reserves. We cover approximately 97% of the combined area of the seven metropolitan services but have only 4% of their combined budget.

We are seeking a settlement that delivers an increase in Settlement Funding Assessment that matches the rate of inflation to ensure North Yorkshire Fire and Rescue Service is still able to respond to incidents, while maintaining our focus on reducing risk and vulnerability, through our prevention and protection work.

We share concerns about asking taxpayers for more against a background of significant constraint on household finances. That said, over the last five years, the level of public support for investing in North Yorkshire Fire and Rescue Service remains high - we have consistently been told by the public that they would support at least a £5 increase, if not £7.50, and that is replicated this year with 60% of respondents so far supporting a £5 increase. This is a relatively low sum in comparison with the overall level of council tax. To date, the Government response has been to advocate a local referendum – rarely, if ever, successful and at the cost of local taxpayers.

In summary, **we disagree strongly with the proposed package of council tax referendum principles for 2024/25, specifically the 3% referendum principle for all fire and rescue authorities and are asking for a £5 limit.** A suggestion would be to extend the flexibility proposed for Shire District Councils of '3% or £5 whichever is higher' to fire and rescue authorities. In our Service area, we face the same challenges with delivering services in a rural context that Shire District Councils do, as well as having a historically low precept, currently sitting in the lower third of fire and rescue precepts in England.

We recognise that decisions about the 2024/25 settlement will be on your desks imminently. We ask that you give earnest consideration to this letter and ask for a meeting urgently, to answer any questions and discuss the matter in more detail before decisions are made.

Yours sincerely,



Zoë Metcalfe
North Yorkshire Police, Fire and Crime Commissioner



Jonathan Dyson
Chief Fire Officer, North Yorkshire Fire and Rescue Service