

12.4 Fire and Rescue RNF

Formula Structure	Formula for fire authorities
Local authorities in scope:	All authorities with Fire and Rescue responsibility
Who/what covered by service(s):	All residents within a fire authority
Need drivers:	<ul style="list-style-type: none"> • Length of coastline • Household deprivation (2021 Census) • Population density • Population sparsity • Number of Control of Major Accident Hazard (COMAH) sites • Property and societal risk • Percentage of households which have dependent children, students or age 65+ occupants
Analytical Technique used:	Based on the existing formula which was derived using a combination of expenditure-based regression and Ministerial judgement
Example of service areas included in the formula:	<ul style="list-style-type: none"> • Promoting fire safety • Extinguishing fires, as well as protecting life and property in the event of a fire • Rescuing people in the event of a road traffic collision • Assessing and preventing any fire and rescue-related risks • Responding to any other emergencies, including requests from the Secretary of State

12.4.1 In the December consultation, we consulted on a proposal to update the data in the Fire and Rescue RNF. Of the 55 responses who provided substantive comment on the proposal, 30 (55%) explicitly agreed to update the existing formula with new data. 9 respondents (16%) also suggested making substantive changes to the formula itself. Due to timescales, it has not been possible to make additional changes with sufficient quality assurance and sector engagement.

12.4.2 **The proposed formula therefore uses the same structure as the existing one.** It is partially based on an expenditure-based regression approach (which assumes that historical spending broadly reflects the demand for Fire and Rescue services) and partially based on ministerial judgement regarding other factors which could increase risk for a Fire and Rescue service.

12.4.3 **The government is proposing to apply an updated Area Cost Adjustment (ACA) for the Fire and Rescue formula in line with the approach taken across the needs assessment.** However, due to the structure of the proposed formula being based on the existing formula, this presents a few key issues not found in other formulae:

- a. The top-up weightings of the existing formula are based in part on the historical ACA from the original formula, meaning that the final RNF shares of each authority are determined partially by the ACA used in 2013-14, and partially by the updated ACA.
- b. The updated ACA accounts for journey times as a component of labour cost through its Accessibility adjustment, as well as through the Remoteness adjustment. The existing formula captured metrics which are strongly correlated with these differences in travel times through population density and sparsity, which are retained in the proposed formula. As such, the impact of journey times on authority formula shares may be double counted to some degree.

12.4.4 The government recognises that this formula was designed over a decade ago. **In the medium term, the government is committed to working with the Fire sector on a comprehensive review of the formula** – including methodology, drivers and data – which can be used when the system is next updated.

Final Formula

12.4.5 We propose the main structure of the Fire and Rescue RNF should continue to be:

- A **basic amount per resident**;
- A **coastline top-up** based on the coastline length of an authority;
- A **deprivation top-up** based on the percentage of households which meet 3 or more census household deprivation dimensions;
- A **density top-up** based on the number of residents per hectare;
- A **sparsity top-up** based on a measure of population sparsity;
- A **high-risk top-up** based on the number of Control of Major Accident Hazard (COMAH) sites in an authority;
- A **property and societal risk top-up** based on a measure of property fire risk capturing likelihood of rescue being required as well as extent of property damage;
- A **community fire safety top-up** based on the percentage of households which have dependent children, students or occupants aged 65 and over per authority.

12.4.6 The full formula used to calculate the RNF share of each fire authority is:

Fire & Rescue formula

- A. **PROJECTED RESIDENT POPULATION** *multiplied by the results of:*
- FIRE BASIC AMOUNT;** *plus*
 - FIRE COASTLINE TOP-UP;** *plus*
 - FIRE DEPRIVATION TOP-UP;** *plus*
 - FIRE DENSITY TOP-UP;** *plus*
 - FIRE SPARSITY TOP-UP;** *plus*
 - FIRE HIGH-RISK TOP-UP;** *plus*
 - FIRE PROPERTY AND SOCIETAL RISK TOP-UP;** *plus*
 - FIRE COMMUNITY FIRE SAFETY TOP-UP;**
- B. The result of (a) is then *multiplied by* **AREA COST ADJUSTMENT FOR FIRE & RESCUE FORMULA;**
- C. The result of (b) for all authority in scope are added together;
- D. The result of (c) is divided by the result of (b).

Question 43

Do you agree with/have any comments on the design of the Fire and Rescue Formula?

