

**HIGHLAND AND ISLANDS FIRE BOARD
Policy and Finance Working Group
Bid for Additional Capital Grant**

Agenda Item	
Report No	PFWG 4/08 (revised)

Summary

The attached report outlines a summary of the amended Capital Top Slice Bid required as a result of the letter from the Scottish Government on 19th December 2007.

Background

The Scottish Government, in its letter of 19th December 2007, copy attached, has advised that they will “continue the ring fence arrangements for Fire LA Capital Grant and its allocation by references to priorities set by Ministers.” The letter also requested that Boards “should not restrict themselves to bids for a single financial year but, if appropriate, consider whether bids should also cover the years 2009/10 and 2010/11.” It is therefore proposed that a 3 year bid for Capital Top Slice funding be submitted to the Scottish Government by the deadline date of 31st January 2008.

Proposed Bid

A summary of the proposed bid is attached for Members consideration. Members will note that priority has been given to Buildings and Vehicles for our Retained personnel. Both the Board and the Scottish Government are aware of the urgent need to provide improved buildings and vehicles for our Retained Service and the Capital Bid re-emphasises this.

The submission will also include a bid for Vector Incident Command System Simulators, and a Hydra Minerva training facility, the latter to be operated in partnership with Grampian Fire and Rescue Service. These facilities will enable a vital training and workplace assessment tool, to ensure that all HIFRS personnel are able to meet the challenges of the 21st century.

Members should note that every effort has been made to ensure that the proposed bid accords with the priorities set by Government Ministers.

Recommendation

That the Policy and Finance Working Group recommend to the Board the submission of a 3-year capital top slice bid to the Scottish Government based on the attached.

**ALEX MACALLISTER
HEAD OF CORPORATE SERVICES
DATE: 7th JANUARY 2008**

HIGHLAND AND ISLANDS FIRE BOARD CAPITAL TOP SLICE BID SUMMARY
3 YEARS - 2008/09 2009/10 2010/11

Year	Priority	Project	Cost	GOVERNMENT MINISTERIAL PRIORITIES			
				National Resilience	Invest to Save	Training	Retained Duty System
2008/09	1	New Retained Fire Station – Tongue	£0.45m	✓		✓	✓
	2	Vehicles	£0.50m	✓		✓	✓
	3	New Retained Fire Station – Rousay	£0.45m	✓		✓	✓
	4	Vector Incident Command System Simulator (2 systems, 1 for the island groups and 1 for the mainland).	£0.12m	✓	✓	✓	✓
		Total Bid 2008/09	£1.52m				
2009/10	1	New Retained Fire Station – priority determined by IRMP process	£0.50m	✓		✓	✓
	2	Vehicles	£0.65m	✓		✓	✓
	3	<ul style="list-style-type: none"> • Fortek Mobilising System for Incident Command and Control, • Hydra Minerva Incident Command Training System (in partnership with Grampian FRS). 	£0.10m	✓	✓	✓	✓
			£0.30m	✓	✓	✓	✓
		Total Bid 2009/10	£1.55m				
2010/11	1	New Retained Fire Station – priority determined by IRMP process	£0.50m	✓		✓	✓
	2	Vehicles	£1.00m	✓		✓	✓
		Total Bid 2010/11	£1.50m				

Fire and Civil Contingencies

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Chief Fire Officers

Finance Directors

Clerks to the Fire Boards

19 December 2007

Dear Sir/Madam

FIRE AND RESCUE SERVICES: FIRE LOCAL AUTHORITY CAPITAL GRANT 2008/09

My letter of 14 November informed you of Ministers' decision, confirmed in the joint Scottish Government/CoSLA Concordat, to continue the ring fence arrangements for Fire LA Capital Grant and its allocation by reference to priorities set by Ministers. This decision recognised Ministers' expectation that FRAs should continue to invest in the development of the service and to improve Scotland's ability to respond to major national threats, such as terrorism and flooding. The sum available from this source is £24.6m pa in 2008/09, 2009/10 and 2010/11. My letter also reported that Ministers were considering how best to allocate this funding in light of what was a very tight spending review process, and I now write to inform you of their decision.

Ministers have identified investment priorities against which they wish to invite FRAs, to prepare and submit bids for support from the Fire LA Capital Grant. The investment priorities which Ministers are keen to support in the collective interest are as follows:-

- National Resilience – where, in response to Cabinet Office or Scottish Government guidance, investment is identified by the New Dimensions forum to enhance Scotland's collective resilience and capability to respond to major national threats.
- Invest to save initiatives - investment in new equipment or facilities which will generate operational savings so that resources could be re-directed to other front line services.
- Investment in training facilities – investment in the service's training facilities which support an efficient, effective and collaborative approach to the delivery and long term sustainability of the objectives of the FRS Learning and Development Strategy as published in January 2007.

- Initiatives to support and develop the use of the Retained Duty System – investment which develops and maintains the use of retained fire-fighters within the FRS.

Ministers have indicated that they are particularly keen to support collaborative bids which address any of the above criteria and would involve partnership with other FRAs and/or other agencies.

Ministers have indicated that they wish to exercise their right to specify at a strategic level how the money is to be spent. At this stage, I cannot advise what level of funding will be available to support the bids received as this will be dependant on the quality of the bids we receive. However I can confirm that not less than 50% of the total Fire LA Capital Grant will be allocated to FRSs on a formula basis. I would also want to emphasise that you should not restrict yourselves to bids for a single financial year but, if appropriate, consider whether bids should also cover the years 2009/10 and 2010/1.

Format and submission of Bids

In order to help you with the preparation of bids, to ensure that each is assessed in a thorough and consistent assessment process, and to minimise any follow up enquiries, all bids should be submitted electronically in the format of a “Pre-Expenditure Assessment” (PEA). The PEA format is a simple business case structure which is set out and explained in the [Appraisal and Evaluation Section of the Scottish Public Finance Manual](#)¹. You should also ensure that all spending bids received are equality and diversity proofed as appropriate. As in previous years, you should note that any bids seeking support from the Fire LA Capital Grant should be for the purchase of *fixed assets*

All bids should be submitted electronically to Kate Williamson at the above address by **31 January 2008**. However, an earlier submission for the training facilities category would be welcomed in preparation for the meeting of the Ministerial Advisory Group scheduled for the 29 January 2008.

If you have any questions or queries about this letter, please don't hesitate to get in touch with either Kate or myself.

Yours faithfully

ANDREW FLEMING
Head of Fire and Rescue Services Unit

Copied to: Members of the Ministerial Advisory Group

¹ Refer to <http://www.scotland.gov.uk/Topics/Government/Finance/spfm/appraisal> (see Annex 2)
St Andrew's House, Regent Road, Edinburgh EH1 3DG
www.scotland.gov.uk