Fire and Rescue Service Circular

Circular number | 15/2010 | Date issued | 30 March 2010
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This circular is | Requires the submission of completed AESs | By | 20 July 2010
This circular is | Relevant to the National Framework |
Status | This circular advises FRAs that the deadline for submitting backward look 2009/10 Annual Efficiency Statements (AESs) and forward AESs is 20 July 2010. |

Backward Look Annual Efficiency Statements (AESs) for 2009/10 and Forward Look AESs for 2010/11

Issued by:
Andy Swyer
Fire & Rescue Performance & Finance Division

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:
Treasurers
Finance Directors
RMB Chairs

Summary
This circular is to advise Fire and Rescue Authorities (FRAs) that the deadline for the submission of both backward look 2009/10 Annual Efficiency Statements (AESs) and forward look AESs for 2010/11 is 20 July 2010. The CSR07 AES guidance and a template for Regional Management Boards (RMBs) to record collaborative efficient gains are attached.

For further information, contact:
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Website | www.communities.gov.uk |
1.0 Background

1.1 This circular is to inform FRAs of the timing for submission of Annual Efficiency Statements (AESs) for 2010. There will be a further circular issued to notify FRAs when the online AES templates hosted by ESD Toolkit are live and ready for completion. We are not proposing to make any changes to the format used last year.

1.2 The national efficiency target for the Fire and Rescue Service (FRS) is to achieve a cash-releasing net annual efficiency saving of £110m by the end of the CSR07 period. In the tight fiscal environment going forward CLG expects all FRAs to continue to maximise efficiency savings in order to improve service and provide taxpayers with value for money.

1.3 As in previous years AESs are divided into two parts.

- the forward look is a brief outline of the strategy for securing efficiency gains, the key actions that will be taken during the next year, and the efficiency gains that are expected to result from them.

- the backward look sets out the efficiency gains achieved in the past financial year.

1.4 Both the forward and backward look AESs are verified and signed off by the Chief Financial Officer by the act of submitting the online AES template.

2.0 Backward Look AES 2009/10

2.1 FRAs are required to submit a backward look AES for 2009/10 by 20 July 2010 with reference to the CSR07 guidance. FRAs are required to report efficiency gains net of one-off and upfront investment costs. FRAs are required to report up front and ongoing investment costs separately in the appropriate column on the AES template.

2.2 FRAs should state where gains reported in the forward look AES for 2009/10 have not been achieved and whether they are likely to be achieved in future years.

3.0 Forward Look AES 2010/11

3.1 FRAs are also required to submit a forward look AES for 2010/11 by 20 July 2010 with reference to the CSR07 guidance. As with the backward look, FRAs are required to report up front and ongoing investment costs separately on the template.

4.0 CSR07 Guidance

4.1 The updated guidance (Annex A) should be read in conjunction with previous guidance issued on the measuring and reporting of efficiency gains for CSR07. The examples suggest how to calculate and report efficiency gains net of up front investment costs and net of ongoing investment costs. Simple calculations have been used to convey the principle.

5.0 Regional Management Boards (RMBs)

5.1 As set out in the 2008/11 Fire and Rescue Service National Framework FRAs, working through the Regional Management Boards, must review the opportunities to deliver efficiencies through closer joint working or sharing of functions at regional or sub-regional level and take action to implement those efficiencies.

5.2 As for last year, the Department is asking the RMBs to report on efficiency gains achieved/forecast through collaboration. RMBs are therefore required to complete the attached excel template (Annex B) and return to andy.swyer@communities.gsi.gov.uk by 20 July 2010.
6.0 **Publication of AES data**

6.1 Efficiency savings achieved and forecast for each FRA and RMB will be published on the Department’s website and (for FRAs) on council tax Bills. This meets the principles of opening up data to promote transparent and effective government as set out in ‘Putting the Frontline First: smarter government’.

7.0 **Audit Commission Value for Money Profile Tools**

7.1 The Audit Commission has published new value for money profiles. These allow FRSs to compare spend and performance and can be found at on the Audit Commission’s website: [Audit Commission - Value for Money Profile Tools](#).

7.2 For any queries regarding the above please contact andy.swyer@communities.gsi.gov.uk.

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Andy Swyer

Fire & Rescue Performance and Finance Division