

Justice Committee

Scottish Government's Draft Budget 2013-14

Letter from the Scottish Government on the Scottish Fire and Rescue Service and the Scottish Police Authority – reconciling the budget presentation in the Draft Budget

I thought you might find a copy of the attached note from officials helpful as part of your consideration of the Draft Budget. I am of course happy to offer any further information when I give evidence on 6 November.

Kenny MacAskill
Cabinet Secretary for Justice Committee
30 October 2012

Budget for the Scottish Fire and Rescue Service 2013-14

1. The Draft Budget 2013-14 presents the budget for the new Scottish Fire and Rescue Service for the first time. This, and parallel changes on the police side, mean that the figures for the Justice Portfolio look very different from those shown in the Draft Budget 2012-13, published after the last Spending Review. However, these changes are purely presentational, as is shown below.

2. It is easiest to consider the capital budget first, shown in table 6.09 of the Draft Budget 2013-14 as £15.3m. This is comprised of:

- £0.2m from the Fire College Capital Budget (shown in Table 10.6 of the Draft Budget 2012-13); and
- £15.1m from Fire Capital Grant (shown in Table 10.15 of the Draft Budget 2012-13, although the figures were confirmed in the 2012-13 Local Government Finance Circular)

3. The Resource Budget, also shown in table 6.09 as £277.8m, is more complex. The bulk of it comprises £274.8m transferred from the local government settlement in agreement with CoSLA. This was not separately identified in the 2012-13 budget, because it was contained within the total funding package for local government set out in tables 16.01 and 16.02.

4. The Service also takes over from central government responsibility for the funding of the Scottish Fire Services College, with the transfer of the full £6.1m previously shown in table 10.6 of Draft Budget 2012-13, funding for national fire safety campaigns (£0.2m) previously shown within the "Other Functions" line in the same table, and the vast bulk of the funding for the Firelink programme (£4.5m) also shown in that table. £200k of funding shown in Draft Budget 2012-13 under the Firelink level 3 does not transfer, as it represents the budget of the tri-service Future Communications Programme exploring options for the replacement of Firelink and Airwave, which will continue to be led by the Scottish Government – as again shown in Table 6.06 of Draft Budget 2013-14.

5. These elements together total £285.4m (allowing for roundings). The difference from the published budget (£7.6m) represents the savings expected from the creation of the single service. In the first year, almost all of those savings (£7m) has been set aside to fund additional costs arising from reform. This provision is shown in Table 6.06 of Draft Budget 2013-14, since it represents time-limited funding that will not roll forward to form part of the Fire Service's budget after 2014-15.

Fire and Rescue Services Division
October 2012

Budget for the Scottish Police Authority 2013-14

1. The Draft Budget 2013-14 also presents the budget for the new Scottish Police Authority for the first time. The draft budget for the Scottish Police Authority for 2013/14 is £1,085.5m. The funding for the SPA has essentially been taken from two sources:

(a) *Local Government Settlement*: Revenue of £948.9m is transferred from the Local Government Settlement for 2013-14. This is in agreement with CoSLA, and is based on the total of the 2012/13 budgets for police boards and authorities. Capital of £14.8m is transferred from the Local Government Settlement for 2013-14, again in agreement in COSLA. Neither budget was separately identified in the 2012-13 draft budget, although the revenue figure includes the £480.3m Central Government Police Grant to Local Authorities set out in Table 10:15 of the "Scottish Spending Review 2011 and Draft Budget 2012-13".

(b) *Police Central Government budget*: There is less need for a Police Central Government (PCG) Budget with a single Police Service of Scotland than there was with eight police forces, the Scottish Police Service Authority (SPSA) and the Scottish Crime and Drug Enforcement Agency (SCDEA). As a result, in the Draft Budget 2013-14, a significant part of this has been transferred to the SPA:

- Excluding reform savings, revenue of £160m has been transferred from the PCG budget to the SPA in 2013-14 for, for example, the 1,000 additional police officers; police services such as training, forensics, ICT and criminal records; as well as serious crime and drug enforcement and counter terrorism;
- The savings expected through police reform – that is £41.8m in 2013-14;
- Capital of £3.5m.

2. Table 10:8 of the "Scottish Spending Review 2011 and Draft Budget 2012-13" set out a PCG budget for 2013/14 of £236.9m, which included the net costs / savings of police and fire reform. The costs of fire reform now sit within fire budgets, and are shown in Table 6.06 of the Draft Budget 2013-14, whilst the savings have been deducted from the budget provided for the SFRS shown in Table 6.09. The funding

remaining within the Police Central Government (PCG) budget for 2013/14 is £115.8m and includes spending on building the new Scottish Crime Campus at Gartcosh, funding the Police Investigation Review Commissioner (PIRC), the Scottish Safety Camera Programme and Airwave as well as resource to support the SPA with police reform.