

## Revenue Budget: 2016/17 Precept

### Report of the Treasurer

For further information about this report please contact James Walton, Treasurer, on 01743 255011 or Joanne Coadey, Head of Finance, on 01743 260215.

### 1 Purpose of Report

This report seeks Fire Authority approval to:

- A budget for 2016/17;
- Council Tax levels for 2016/17; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2016 and all items in the “Recommendations” below must be taken together. For ease of reference the key elements of the budget are set out in appendices to this report.

### 2 Recommendations

The Fire Authority is asked to:

- a) Approve that a net budget requirement is set at £21,669,704 (calculated in accordance with the provisions of Section 43(4) of the Local Government Finance Act 1992);
- b) Approve a total precept of £14,285,986 to be levied on the billing authorities;
- c) Approve a Council Tax, resulting in a basic amount of Council Tax at Band D calculated in accordance with the provisions of the 1992 Act (Section 44) of £94.05;

- d) Approve, under Section 40(2) of the 1992 Act:
- a. The amount of Council Tax calculated for each category of dwelling in each billing authority's area, as follows:

<b>Band</b>	<b>2016/17 Council Tax</b>
	£ p
A	62.70
B	73.15
C	83.60
D	94.05
E	114.95
F	135.85
G	156.75
H	188.10

- b. The amount calculated (in accordance with Section 48 of the 1992 Act) as payable by billing authorities for 2016/17, as follows:

<b>Council</b>	<b>Precept £</b>
Shropshire Council	9,867,019
Borough of Telford & Wrekin Council	4,418,967
	<hr/> 14,285,986 <hr/>

- e) Approve that the Treasurer:
- i Issue the necessary precepts and information to the billing authorities in accordance with the provisions of Chapter IV of Part 1 of the 1992 Act and be authorised to make any amendment to the above to reflect the final approved budget, after consultation with the Chair and Vice-Chair of the Fire Authority; and
- ii Is authorised to make payments required from, and to, reserves and provisions within the approved budget strategy and within the Authority's Financial Regulations, in conjunction with the Chair and Vice-Chair;
- f) Approve the revenue budget and pensions account, illustrated in Appendix A, for budgetary control in accordance with approved standing orders;
- g) Approve the Service Reporting Code of Practice Provisional Revenue Account at Appendix B; and
- h) Approve the schedule of reserves and provisions at Appendix C

### **3 Budget Process**

The Fire Authority's net spending (budget) for services in 2016/17 has been reported throughout November 2015 to February 2016. The budget is set out in Appendix A and is reported in the Fire Authority's service areas.

The funds receivable in the form of revenue support grant, business rates and top-up payments is £7,056,501. The Fire Authority's share of the council tax collection fund balances totals £492,568, and the deficit payable by the Authority to the business rates collection fund is £165,351. A council tax base equivalent to 151,897.78 Band D properties has been notified to the Fire Authority by the billing authorities.

### **4 Financial Implications**

There are no financial implications arising from this report other than those discussed within the report.

### **5 Legal Comment**

There are no legal implications other than those outlined in the report.

### **6 Appendices**

#### **Appendix A**

Revenue Programme Budget 2016/17 and Pensions Account

#### **Appendix B**

Service Reporting Code of Practice Provisional Revenue Account

#### **Appendix C**

Budget for Reserves

### **7 Background Papers**

There are no background papers associated with this report.

## Revenue Programme Budget 2016/17 and Pensions Account

<b>Revenue Budget 2016/17 Key Service Areas</b>	<b>Pay £000</b>	<b>Other £000</b>	<b>Total £000</b>
<b>Executive and Resources</b>			
Executive and Resources Pay	1,081	0	1,081
Executive		41	41
Finance		2,581	2,581
Technical Services		1,549	1,549
Workshops		442	442
Pay and Price Contingency		1,163	1,163
<b><u>Total Executive</u></b>	<b>1,081</b>	<b>5,776</b>	<b>6,857</b>
<b>Service Delivery</b>			
Service Delivery Pay	11,539	0	11,539
Fire Prevention		77	77
Area Command		5	5
Operational Response		10	10
Training		227	227
Fire Control		0	0
Health and Safety		8	8
<b><u>Total Service Delivery</u></b>	<b>11,539</b>	<b>327</b>	<b>11,866</b>
<b>Corporate Support</b>			
Corporate Support Pay	1,376	0	1,376
Information and Communications Technology		778	778
Programme Office		68	68
Corporate Support		379	379
Human Resources		177	177
Development		169	169
<b><u>Total Corporate Support</u></b>	<b>1,376</b>	<b>1,571</b>	<b>2,947</b>
<b>Total Revenue Budget</b>	<b>13,996</b>	<b>7,674</b>	<b>21,670</b>

For the purposes of Financial Standing Orders, revenue votes are described in **bold** print and underlined.

	<b>Estimate 2016/17</b>
<b><u>PENSIONS ACCOUNT</u></b>	<b>£000</b>
<b><u>Contributions</u></b>	
Employer contributions – 1992 scheme	-554
Employer contributions – 2006 scheme	-42
Employer contributions – 2006 modified scheme	-64
Employer contributions – 2015 scheme	-619
Employee contributions – 1992 scheme	-408
Employee contributions – 2006 scheme	-38
Employee contributions – 2006 modified scheme	-67
Employee contributions – 2015 scheme	-520
Ill-health charges	-120
Inward transfers from other pension schemes	0
Total contributions	<hr/> -2,432
<b><u>Costs</u></b>	
Pensions outgo	5,459
<b>Total deficit to be funded by top-up grant</b>	<hr/> <b>3,027</b> <hr/>

## **Service Reporting Code of Practice Provisional Revenue Account**

	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
<b>Expenditure:</b>			
Community Fire Safety	1,870	20	1,850
Firefighting and Rescue Operations	17,942	110	17,832
Emergency Planning and Civil Defence	82	2	80
Democratic Representation and Management	180	0	180
Corporate Management	270	0	270
Non-Distributable Costs	0	0	0
	<hr/>		
<b>Net Cost of Services</b>	20,344	132	<b>20,212</b>
Interest Payable and Similar Charges			269
Investment Income			-50
			<hr/>
<b>Net Operating Expenditure</b>			<b>20,431</b>
Contribution to Reserves			955
Minimum Revenue Provision			284
			<hr/>
<b>Amount to be met from Precept</b>			<b>21,670</b>

## Budget for Reserves

	Balance 01/04/16 £000	Spend £000	Income £000	Interest £000	Balance 31/03/17 £000	Spend £000	Income £000	Interest £000	Balance 31/03/18 £000	Spend £000	Income £000	Interest £000	Balance 31/03/19 £000
<b>General</b>	577	0	0	0	577	0	0	0	577	0	0	0	577
<b>Earmarked Capital</b>	4,450	-1,165	0	0	3,285	-161	0	0	3,124	-1,250	0	0	1,874
<b>Unearmarked Capital</b>	2,352	-2,000	517	0	869	-1,578	709	0	0	0	0	0	0
<b>Extreme Incidents</b>	344	0	0	0	344	0	0	0	344	0	0	0	344
<b>Pensions and Other Staff Matters</b>	1,755	-120	0	0	1,635	-240	0	0	1,395	-360	0	0	1,035
<b>Information and Communications Technology (ICT)</b>	1,183	-200	0	0	983	-300	0	0	683	0	0	0	683
<b>Income Volatility</b>	1,137	0	0	0	1,137	0	0	0	1,137	0	0	0	1,137
<b>Service Transformation Programme Staff</b>	512	-200	0	0	312	-200	0	0	112	-100	0	0	12
<b>Service Delivery</b>	236	0	0	0	236	0	0	0	236	0	0	0	236
<b>Building Maintenance</b>	408	-50	0	0	358	-50	0	0	308	-50	0	0	258
<b>Operational Equipment</b>	217	-50	0	0	167	-50	0	0	117	-50	0	0	67
<b>Training</b>	255	0	0	0	255	0	0	0	255	0	0	0	255