

Revenue Budget: 2018/19 Precept

Report of the Treasurer

For further information about this report please contact James Walton, Treasurer, on 01743 258915 or Joanne Coadey, Head of Finance, on 01743 260215.

1 Purpose of Report

This report seeks Fire Authority approval to:

- A budget for 2018/19;
- Council Tax levels for 2018/19; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2018 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 £21,641,328 (calculated in accordance with the provisions of Section 43(4) of the Local Government Finance Act 1992);
- b) Approve a total precept of £15,445,463 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 £97.34;

- 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:

Band	2018/19 Council Tax
	£ p
A	64.89
B	75.71
C	86.52
D	97.34
E	118.97
F	140.60
G	162.23
H	194.68

- b. The amount calculated (in accordance with Section 48 of the 1992 Act) as payable by billing authorities for 2018/19, as follows:

Council	Precept £
Shropshire Council	10,619,365
Borough of Telford & Wrekin Council	4,826,098
	<u>15,445,463</u>

- 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, and
- g) Approve the schedule of reserves and provisions at Appendix B

3 Budget Process

The Fire Authority's net spending (budget) for services in 2018/19 has been reported throughout November 2017 to February 2018. 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 and s31 grants, business rates and top-up payments is £5,938,289. The Fire Authority's share of the council tax collection fund balances totals £304,396, and the deficit payable by the Authority to the business rates collection fund is £46,820. A council tax base equivalent to 158,675.40 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 2017/18 and Pensions Account

Appendix B

Budget for Reserves

Appendix C

Alternative Calculations

7 Background Papers

There are no background papers associated with this report.

Revenue Programme Budget 2018/19 and Pensions Account

Revenue Budget 2018/19 Key Service Areas	Pay £000	Other £000	Total £000
Executive and Resources			
Executive and Resources Pay	1,196	0	1,196
Executive		49	49
Finance		1,895	1,895
Technical Services		1,917	1,917
Workshops		154	154
Pay and Price Contingency		632	632
<u>Total Executive</u>	1,196	4,647	5,843
Service Delivery			
Service Delivery Pay	12,501	0	12,501
Fire Prevention		58	58
Area Command		5	5
Operational Response		20	20
Training		164	164
Health and Safety		4	4
<u>Total Service Delivery</u>	12,501	251	12,752
Corporate Support			
Corporate Support Pay	1,286	0	1,286
Information and Communications Technology		979	979
Programme Office		35	35
Corporate Support		409	409
Human Resources		198	198
Development		139	139
<u>Total Corporate Support</u>	1,286	1,760	3,046
Total Revenue Budget	14,983	6,658	21,641

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

	Estimate 2018/19
<u>PENSIONS ACCOUNT</u>	£000
<u>Contributions</u>	
Employer contributions – 1992 scheme	-423
Employer contributions – 2006 scheme	-34
Employer contributions – 2006 modified scheme	-61
Employer contributions – 2015 scheme	-783
Employee contributions – 1992 scheme	-292
Employee contributions – 2006 scheme	-30
Employee contributions – 2006 modified scheme	-98
Employee contributions – 2015 scheme	-680
Ill-health charges	-120
Inward transfers from other pension schemes	0
Total contributions	<hr/> -2,521
<u>Costs</u>	
Pensions outgo	5,022
Total deficit to be funded by top-up grant	<hr/> 2,501 <hr/>

Budget for Reserves

	Balance 01/04/18 £000	Spend £000	Income £000	Interest £000	Balance 31/03/19 £000	Spend £000	Income £000	Interest £000	Balance 31/03/20 £000	Spend £000	Income £000	Interest £000	Balance 31/03/21 £000
General	577	0	0	0	577	0	0	0	577	0	0	0	577
Earmarked Capital	1,956	-640	0	0	1,316	-1,150	0	0	166	0	0	0	166
Unearmarked Capital	5,084	-5,510	426	0	0	0	0	0	0	0	0	0	0
Extreme Incidents	334	0	0	0	334	0	0	0	334	0	0	0	334
Pensions and Other Staff Matters	1,510	-240	0	0	1,270	-360	0	0	910	-360	0	0	550
Information and Communications Technology (ICT)	1,083	0	0	0	1,083	0	0	0	1,083	0	0	0	1,083
Income Volatility	1,137	0	0	0	1,137	0	0	0	1,137	0	0	0	1,137
Service Transformation Programme Staff	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Delivery	236	0	0	0	236	0	0	0	236	0	0	0	236
Building Maintenance	308	-50	0	0	258	-50	0	0	208	-50	0	0	158
Operational Equipment	0	0	0	0	0	0	0	0	0	0	0	0	0
Training	255	0	0	0	255	0	0	0	255	0	0	0	255

ALTERNATIVE CALCULATIONS:

Should the Fire Authority approve a precept increase of 1.99%, the revised figures are as follows:

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2 Recommendations

The Fire Authority is asked to:

- a) Approve that a net budget requirement is set at £21,492,173 (calculated in accordance with the provisions of Section 43(4) of the Local Government Finance Act 1992);
- b) Approve a total precept of £15,296,308 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 £96.40;
- 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:

Band	2018/19 Council Tax
	£ p
A	64.27
B	74.98
C	85.69
D	96.40
E	117.82
F	139.24
G	160.67
H	192.80

- b. The amount calculated (in accordance with Section 48 of the 1992 Act) as payable by billing authorities for 2018/19, as follows:

Council	Precept £
Shropshire Council	10,516,815
Borough of Telford & Wrekin Council	4,779,493
	<hr/>
	15,296,308

- 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, and
- g) Approve the schedule of reserves and provisions at Appendix B

3 Budget Process

The Fire Authority's net spending (budget) for services in 2018/19 has been reported throughout November 2017 to February 2018. 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 and s31 grants, business rates and top-up payments is £5,938,289. The Fire Authority's share of the council tax collection fund balances totals £304,396, and the surplus payable by the Authority to the business rates collection fund is £46,820. A council tax base equivalent to 158,675.40 Band D properties has been notified to the Fire Authority by the billing authorities.

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