

Revenue Budget: 2013/14 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 2013/14;
- Council Tax levels for 2013/14; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2013 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 the report.

2 Recommendations

The Fire Authority is asked to:

- a) Approve that a net budget requirement is set at £21,260,152 (calculated in accordance with the provisions of Section 43(4) of the Local Government Finance Act 1992);
- b) Approve a total precept of £12,633,726 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 £88.66;

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

Band	2013/14 Council Tax
	£ p
A	59.11
B	68.96
C	78.81
D	88.66
E	108.36
F	128.06
G	147.77
H	177.32

- ii The amount calculated (in accordance with Section 48 of the 1992 Act) as payable by billing authorities for 2013/14, as follows:

Council	Precept £
Shropshire Council	8,802,133
Borough of Telford & Wrekin Council	3,831,593
	<u>12,633,726</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 Rules, 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 2013/14 has been reported throughout November to January. The budget is set out in Appendix A and is reported in the Fire Authority's service areas.

The grant receivable in the form of revenue support grant, business rates and top-up payments is £6,444,966. Grants are also receivable for Council Tax Freeze Grant 2011/12 (£335,920) and Council Tax Support Grant (£1,794,197).

The Fire Authority's share of the collection fund balances totals £51,343. A council tax base equivalent to 142,496.35 Band D properties has been notified to the Fire Authority by the billing authorities.

4 Financial Implications

There are no financial implications arising directly 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 Equality Impact Assessment

Officers have considered the Service's Brigade Order on Equality Impact Assessments (Personnel 5 Part 2) and have decided that there are no discriminatory practices or differential impacts upon specific groups arising from this report. An Initial Equality Impact Assessment has not, therefore, been completed.

7 Appendices

Appendix A

Revenue Programme Budget 2013/14 and Pensions Account

Appendix B

Service Reporting Code of Practice Provisional Revenue Account

Appendix C

Budget for Provisions and Reserves

8 Background Papers

There are no background papers associated with this report.

Revenue Programme Budget 2013/14 and Pensions Account

Revenue Budget 2013/14 Key Service Areas	Pay £000	Other £000	Total £000
Executive and Resources			
Executive and Resources	1,050		1,050
Executive		52	52
Finance		2,415	2,415
Technical Services		1,358	1,358
Workshops		413	413
Pay and Price Contingency		1,066	1,066
<u>Total Executive</u>	1,050	5,304	6,354
Service Delivery			
Fire Prevention	816	99	915
Area Command	9,184	5	9,189
<u>Total Service Delivery</u>	10,000	104	10,104
Corporate Performance and Operations			
Operational Response & ICT	446	754	1,200
Programme Office	473	78	551
Corporate Support	256	381	637
Fire Control	693		693
<u>Total Corporate Performance and Operations</u>	1,868	1,213	3,081
Human Resources and Development			
Human Resources	245	186	431
Training and Development	803	466	1,269
Health & Safety		21	21
<u>Total Human Resources and Development</u>	1,048	673	1,721
Total Revenue Budget	13,966	7,294	21,260

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

	Estimate 2013/14
<u>PENSIONS ACCOUNT</u>	£000
<u>Contributions</u>	
Employer contributions – 1992 scheme	-1,096
Employer contributions – 2006 scheme	-278
Employee contributions – 1992 scheme	-603
Employee contributions – 2006 scheme	-223
Ill health charges	-103
Inward transfers from other pension schemes	0
Total contributions	<u>-2,303</u>
<u>Costs</u>	
Pensions outgo	5,436
Total deficit to be funded by top up grant	<u>3,133</u>

**Service Accounting Code of Practice
Provisional Revenue Account**

	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
Expenditure:			
Community Fire Safety	3,909	55	3,854
Firefighting and Rescue Operations 19266	15,712	300	15,412
Emergency Planning and Civil Defence	180	60	120
Democratic Representation and Management	425	0	425
Corporate Management	295	0	295
Non-Distributable Costs	0	0	0
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Net Cost of Services			20,106
Interest Payable and Similar Charges			482
Investment Income			-20
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Net Operating Expenditure			20,568
Contribution to Reserves			692
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Amount to be met from Precept			21,260

Budget for Provisions and Reserves

	2013/14 £000	2014/15 £000	2015/16 £000
Provisions			
1 Equipment Replacement Provision			
Balance 1 April	48	61	44
Expenditure	-70	-70	-75
Income - Receipts	80	50	70
- Interest	3	3	3
Balance 31 March	61	44	42
Reserves - Earmarked			
2 Efficiency Reserve			
Balance 1 April	-	-	-
Expenditure	-	-	-
Income - Receipts	-	-	-
Balance 31 March	-	-	-
3 Capital Reserve - Unearmarked			
Balance 1 April	1,823	1,863	1,903
Expenditure			
Contributions			
Interest	40	40	40
Balance 31 March	1,863	1,903	1,943
4 Capital Reserve - Earmarked			
Balance 1 April	1,294	1,916	1,818
Expenditure	-200	-910	-660
Contributions	100	117	115
One off receipts	692	662	66
Interest	30	33	38
Balance 31 March	1,916	1,818	1,377
5 Extreme Weather Reserve			
Balance 1 April	320	328	336
Expenditure	-	-	-
Interest	8	8	9
Balance 31 March	328	336	345
6 Pensions and Other Staff Matters Reserve			
Balance 1 April	1,389	709	729
Expenditure	-700	-	-
Interest	20	20	20
Balance 31 March	709	729	749

	2013/14 £000	2014/15 £000	2015/16 £000
7 Information Technology Reserve			
Balance 1 April	966	566	166
Expenditure	-400	-400	-
Income	-	-	-
Balance 31 March	<u>566</u>	<u>166</u>	<u>166</u>
8 Income Volatility Reserve			
Balance 1 April	963	963	963
Expenditure	-	-	-
Interest	-	-	-
Balance 31 March	<u>963</u>	<u>963</u>	<u>963</u>
9 Service Transformation Programme Staff Reserve			
Balance 1 April	260	203	146
Expenditure	-65	-65	-65
Interest	8	8	8
Balance 31 March	<u>203</u>	<u>146</u>	<u>89</u>
Reserve - General			
General Reserve			
Balance 1 April	565	578	592
Expenditure	-	-	-
Income - Interest	13	14	14
Balance 31 March	<u>578</u>	<u>592</u>	<u>606</u>

Notes

- i Interest is earmarked to some of the reserves to maintain their value in real terms.
- ii Unless there are planned additions or reductions, it is assumed that there will be no call on reserves.