

## Revenue Budget: 2014/15 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 2014/15;
- Council Tax levels for 2014/15; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2014 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 £21,379,887 (calculated in accordance with the provisions of Section 43(4) of the Local Government Finance Act 1992);
- b) Approve a total precept of £13,091,142 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 £90.42;

- 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>2014/15<br/>Council Tax</b> |
|-------------|--------------------------------|
|             | £ p                            |
| A           | 60.28                          |
| B           | 70.33                          |
| C           | 80.37                          |
| D           | 90.42                          |
| E           | 110.51                         |
| F           | 130.61                         |
| G           | 150.70                         |
| H           | 180.84                         |
- b. The amount calculated (in accordance with Section 48 of the 1992 Act) as payable by billing authorities for 2014/15, as follows:
- | <b>Council</b>                      | <b>Precept £</b>  |
|-------------------------------------|-------------------|
| Shropshire Council                  | 9,084,966         |
| Borough of Telford & Wrekin Council | 4,006,176         |
|                                     | <u>13,091,142</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 2014/15 has been reported throughout November 2013 to January 2014. 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 £8,158,750. The Fire Authority's share of the council tax collection fund balances totals £168,597, and the deficit payable by the Authority to the business rates collection fund is £38,602. A council tax base equivalent to 144,781.49 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 Initial Impact Assessment**

An Initial Impact Assessment form has been completed.

#### **7 Appendices**

##### **Appendix A**

Revenue Programme Budget 2014/15 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 2014/15 Key Service Areas	Pay £000	Other £000	Total £000
<b>Executive and Resources</b>			
Executive and Resources	1,047		1,047
Executive		42	42
Finance		2,370	2,370
Technical Services		1,784	1,784
Workshops		114	114
Pay and Price Contingency		993	993
<b><u>Total Executive</u></b>	<b>1,047</b>	<b>5,303</b>	<b>6,350</b>
<b>Service Delivery</b>			
Fire Prevention	871	91	962
Area Command	9,120	8	9,128
Operational Response	286		286
Training	539	510	1,049
Fire Control	669		669
Health & Safety		21	21
<b><u>Total Service Delivery</u></b>	<b>11,485</b>	<b>630</b>	<b>12,115</b>
<b>Corporate Support</b>			
ICT	173	734	907
Programme Office	477	168	645
Corporate Support	257	381	638
Human Resources	247	185	432
Development	293		293
<b><u>Total Corporate Support</u></b>	<b>1,447</b>	<b>1,468</b>	<b>2,915</b>
<b>Total Revenue Budget</b>	<b>13,979</b>	<b>7,401</b>	<b>21,380</b>

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

	<b>Estimate 2014/15</b>
<b><u>PENSIONS ACCOUNT</u></b>	<b>£000</b>
<b><u>Contributions</u></b>	
Employer contributions – 1992 scheme	-1,067
Employer contributions – 2006 scheme	-284
Employee contributions – 1992 scheme	-663
Employee contributions – 2006 scheme	-248
Ill health charges	-142
Inward transfers from other pension schemes	0
Total contributions	<hr/> -2,404
<b><u>Costs</u></b>	
Pensions outgo	4,917
<b>Total deficit to be funded by top up grant</b>	<hr/> <b>2,513</b>

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

	<b>Gross Expenditure £000</b>	<b>Gross Income £000</b>	<b>Net Expenditure £000</b>
<b>Expenditure:</b>			
Community Fire Safety	1,950	20	1,930
Firefighting and Rescue Operations	17,695	110	17,585
Emergency Planning and Civil Defence	80	2	78
Democratic Representation and Management	190	0	190
Corporate Management	260	0	260
Non-Distributable Costs	0	0	0
	<hr/>		
<b>Net Cost of Services</b>	20,175	132	<b>20,043</b>
Interest Payable and Similar Charges			417
Investment Income			-35
			<hr/>
<b>Net Operating Expenditure</b>			<b>20,425</b>
Contribution to Reserves			655
Minimum Revenue Provision			300
			<hr/>
<b>Amount to be met from Precept</b>			<b>21,380</b>

### Budget for Provisions and Reserves

	Balance 01/04/14 £000	Spend £000	Income £000	Interest £000	Balance 31/03/15 £000	Spend £000	Income £000	Interest £000	Balance 31/03/16 £000	Spend £000	Income £000	Interest £000	Balance 31/03/17 £000
Equipment Replacement	100	-70	50	3	83	-75	50	3	61	-80	40	3	24
General	579	0	0	12	591	0	0	12	603	0	0	13	616
Earmarked Capital	1,562	0	655	30	2,247	0	569	35	2,851	-858	474	35	2,502
Unearmarked Capital	1,022	0	0	20	1,042	0	0	20	1,062	0	0	20	1,082
Extreme Incidents	336	0	0	8	344	0	0	8	352	0	0	8	360
Pensions and Other Staff Matters	1,764	-700	0	20	1,084	-200	0	20	904	-200	0	20	724
Information and Communication Technology (ICT)	798	-300	0	10	08	-300	0	5	213	0	0	5	218
Income Volatility	1,035	0	0	20	1,055	0	0	20	1,075	0	0	20	1,095
Service Transformation Programme Staff	300	-150	0	5	155	-155	0	0	0	0	0	0	0
Service Delivery	232	-40	0	5	197	-40	0	4	161	-40	0	4	125
Building Maintenance	403	-40	0	3	366	-40	0	3	329	-40	0	3	292
Operational Equipment	252	-50	0	3	205	-50	0	3	158	-50	0	2	110
Training	252	-50	0	3	205	-50	0	3	158	-50	0	2	110