

## Revenue Budget: 2011/12 Precept

### Report of the Treasurer

For further information about this report please contact Keith Dixon, Treasurer on 01743 260202.

### 1 Purpose of Report

This report seeks Fire Authority approval to:

- A budget for 2011/12;
- Council Tax levels for 2011/12; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2011 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 £21,373,403 (calculated in accordance with the provisions of Section 43(4) of the Local Government Finance Act 1992);
- b) Approve a total precept of £13,436,812 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 £83.81;

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	2011/12 Council Tax
	£ p
A	55.87
B	65.19
C	74.50
D	83.81
E	102.43
F	121.06
G	139.68
H	167.62

ii The amount calculated (in accordance with Section 48 of the 1992 Act), as payable by billing authorities for 2011/12, as follows:

Council	Precept £
Shropshire Council	9,166,299
Borough of Telford & Wrekin Council	4,270,513
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	13,436,812

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 Best Value Accounting 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) on services in 2011/12 has been reported throughout October to December. 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 and non-domestic rates is £7,482,221, and the Fire Authority's share of collection fund balances total £117,370. In addition, central government has awarded a grant to those authorities, who do not increase their precept for 2011/12, which is equal to a Band D increase of 2.5%. The Fire Authority will receive £337,000 as a result of the introduction of this grant. The balance of the net spending requirement is raised through the level of council tax. A council tax base equivalent to 160,324.69 Band D properties has been notified to the Fire Authority by the tax raising 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 Budget 2011/12 and Pensions Account

#### **Appendix B**

Best Value Accounting 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.

Implications of all of the following have been considered and, where they are significant (i.e. marked with an asterisk), the implications are detailed within the report itself.

Business Continuity Planning		Member Involvement	
Capacity		National Framework	
Civil Contingencies Act		Operational Assurance	
Efficiency Savings	*	Public Value	
Environmental		Retained	
Financial	*	Risk and Insurance	
Fire Control/Fire Link		Staff	
Information Communications and Technology		Strategic Planning	*
Freedom of Information / Data Protection / Environmental Information		Equality Impact Assessment	*
Legal	*		

<b>Revenue Budget 2011/12 Key Service Areas</b>	<b>Pay £'000</b>	<b>Other £'000</b>	<b>Total £'000</b>
<b>Executive and Resources</b>			
Executive and Resources	1,017		1,017
Executive		46	46
Finance		3,103	3,103
Technical Services		1,762	1,762
Workshops		102	102
<b><u>Total Executive</u></b>	<b>1,017</b>	<b>5,013</b>	<b>6,030</b>
<b>Service Delivery</b>			
Fire Prevention	1,099	124	1,223
District Performance	9,671	5	9,676
<b><u>Total Service Delivery</u></b>	<b>10,770</b>	<b>129</b>	<b>10,899</b>
<b>Corporate Performance and Operations</b>			
Operational Response	131		131
Programme Office	275	93	368
Information and Communications Technology	177	734	911
Corporate Support	175	379	554
Fire Control	656		656
<b><u>Total Corporate Performance and Operations</u></b>	<b>1,414</b>	<b>1,206</b>	<b>2,620</b>
<b>Human Resources and Development</b>			
Human Resources	246	206	452
Training and Development	931	420	1,351
Health & Safety		21	21
<b><u>Total Human Resources and Development</u></b>	<b>1,177</b>	<b>647</b>	<b>1,824</b>
<b>Total Revenue Budget</b>	<b>14,378</b>	<b>6,995</b>	<b>21,373</b>

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

	<b>Estimate 2011/12</b>
<b><u>PENSIONS ACCOUNT</u></b>	£'000
<b><u>Contributions</u></b>	
Employer contributions – 1992 scheme	-1,197
Employer contributions – 2006 scheme	-247
Employee contributions – 1992 scheme	-618
Employee contributions – 2006 scheme	-191
Ill health charges	-51
Inward transfers from other pension schemes	-51
Total contributions	<u>-2,355</u>
<b><u>Costs</u></b>	
Pensions outgo	3,980
<b>Total deficit to be funded by top up grant</b>	<b><u>1,625</u></b>

## Best Value 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	3,388	55	3,333
Firefighting and Rescue Operations	16,574	300	16,274
Emergency Planning and Civil Defence	180	60	120
Democratic Representation and Management	420	0	420
Corporate Management	280	0	280
Non-Distributable Costs	0	0	0
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<b>Net Cost of Services</b>			<b>20,427</b>
Interest Payable and Similar Charges			430
Investment Income			-20
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<b>Net Operating Expenditure</b>			<b>20,837</b>
Contribution to Reserves			536
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<b>Amount to be met from Precept</b>			<b>21,373</b>

## Budget for Provisions and Reserves

	2011/12 £000	2012/13 £000	2013/14 £000
<b>Provisions</b>			
1 Equipment Replacement Provision			
Balance 1 April	22	9	5
Expenditure	-50	-40	-40
Income - Receipts	34	32	32
- Interest	3	4	4
Balance 31 March	9	5	1
<b>Reserves - Earmarked</b>			
2 Efficiency Reserve			
Balance 1 April	-	-	-
Expenditure	-	-	-
Income - Receipts	-	-	-
Balance 31 March	-	-	-
3 Capital Reserve - Unearmarked			
Balance 1 April	993	1,454	1,688
Expenditure	-	-	-
Contributions	536	194	35
One-off transfer	-110	-	-
Interest	35	40	40
Balance 31 March	1,454	1,688	1,763
4 Capital Reserve - Earmarked			
Balance 1 April	18	3	136
Expenditure	-395	-105	-50
Contributions	245	210	203
One off receipts	110	-	-
Interest	25	28	30
Balance 31 March	3	136	319
5 Extreme Weather Reserve			
Balance 1 April	303	303	303
Expenditure	-	-	-
Balance 31 March	303	303	303
6 Pensions and Other Staff Matters Reserve			
Balance 1 April	1,180	500	500
Expenditure	-680	-	-
Interest	-	-	-
Balance 31 March	500	500	500



	2011/12 £000	2012/13 £000	2013/14 £000
<b>Reserve - General</b>			
General Reserve			
Balance 1 April	536	549	562
Expenditure	-	-	-
Income - Interest	13	13	13
Balance 31 March	<u>549</u>	<u>562</u>	<u>575</u>