

Revenue Budget and Capital Programme: 2007/08 Precept (Based on recommendations to the Strategy and Resources Committee 25 January 2007)

Report of the Treasurer

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

1 Purpose of Report

This report seeks Fire Authority approval to:

- A budget for 2007/08;
- Council Tax levels for 2007/08; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2007 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 £19,058,757 (calculated in accordance with the provisions of Section 43(4) of the 1992 Act);
- b) Approve a total precept of £11,782,298 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 Local Government Finance Act 1992 (Section 44) of £75.45;
- 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	2007/08 Council Tax £ p
A	50.30
B	58.68
C	67.07
D	75.45
E	92.22
F	108.98
G	125.75
H	150.90

- ii. The amount calculated (in accordance with Section 48 of the 1992 Act) as payable by billing authorities for 2007/08, as follows:

Council	Precept £
Bridgnorth District Council	1,535,359
North Shropshire District Council	1,626,873
Oswestry Borough Council	981,085
Shrewsbury and Atcham Borough Council	2,614,622
South Shropshire District Council	1,259,042
Borough of Telford & Wrekin Council	3,765,317
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	11,782,298

- 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 2007/08 has been reported throughout October to December. The budget is set out in Appendix A, and this year is reported in the Fire Authority's service areas. The grant receivable in the form of revenue support grant and non-domestic rates is £7,194,664, and the Fire Authority's share of collection fund balances total £81,795. The balance of the net spending requirement is raised through the level of council tax. A council tax base equivalent to 156,160.34 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 Programme and Pensions Account
Appendix B	Best Value Accounting Code of Practice Provisional Revenue Account
Appendix C	Schedule of Reserves and Provisions

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.

Balanced Score Card		Integrated Risk Management Planning	
Business Continuity Planning		Legal	*
Capacity		Member Involvement	
Civil Contingencies Act		National Framework	
Comprehensive Performance Assessment		Operational Assurance	
Efficiency Savings	*	Retained	
Environmental		Risk and Insurance	
Financial	*	Staff	
Fire Control/Fire Link		Strategic Planning	*
Information Communications and Technology		West Midlands Regional Management Board	
Freedom of Information / Data Protection / Environmental Information		Equality Impact Assessment	*



Appendix A (Based on recommendations to the Strategy and Resources Committee
25 January 2007)

Revenue Budget 2007/08 Key Service Areas	Pay £'000	Other £'000	Total £'000
Executive			
Executive	287	55	342
Corporate Support	153	434	587
Finance	130	1,256	1,386
<u>Total Executive</u>	570	1,745	2,315
Service Delivery			
Operational Response	383	9	392
Fire Prevention	962	116	1,078
District Performance	8,937	0	8,937
Fire Control	721	0	721
<u>Total Service Delivery</u>	11,003	125	11,128
Strategy and Performance			
Management of Risk	337	56	393
Programme Office and Regional Management Board	235	51	286
Information and Communications	169	697	866
<u>Total Strategy and Performance</u>	741	804	1,545
Human Resources and Development			
Human Resources	331	458	789
Training and Development	687	409	1,096
<u>Total Human Resources and Development</u>	1,018	867	1,885
Resources			
Technical Services	262	1,686	1,948
Workshops	152	86	238
<u>Total Resources</u>	414	1,772	2,186
Total Revenue Budget	13,746	5,313	19,059

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

**Estimate
2007/08**

PENSIONS ACCOUNT

£'000

Contributions

Employer contributions – 1992 scheme	-1,400
Employer contributions – 2006 scheme	-45
Employee contributions – 1992 scheme	-723
Employee contributions – 2006 scheme	-35
Ill health charges	-73
Inward transfers from other pension schemes	-5
Total contributions	<hr/> -2,281

Costs

Pensions outgo	2,940
Total deficit to be funded by top up grant	<hr/> 659 <hr/>

**Best Value Accounting Code of Practice
Provisional Revenue Account**

	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
Expenditure:			
Community Fire Safety	2,704	20	2,684
Firefighting and Rescue Operations	16,611	121	16,490
Democratic Representation and Management	421	0	421
Corporate Management	292	0	292
Non-Distributable Costs	0	0	0
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Net Cost of Services			19,887
Asset Management Revenue Account			-370
Investment Income			-121
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Net Operating Expenditure			19,396
Contributions from Capital Financing Reserve			-250
Contribution from Reserves			-87
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Amount to be met from Precept			19,059

Work is underway to allocate these costs over the various population groups served.

Budget for Provisions and Reserves

	2007/08 £ 000	2008/09 £ 000	2009/10 £ 000
i Equipment Replacement Provision			
Balance 1 April	107	113	125
Expenditure	15 -	10 -	10 -
Income - Receipts	18	18	20
- Interest	3	4	4
Balance 31 March	<u>113</u>	<u>125</u>	<u>139</u>
ii LSI/CPD Payments Provision			
Balance 1 April	9		
Expenditure	9 -		
Income - Receipts	-		
- Interest	-		
Balance 31 March	<u>-</u>		
iii Retained Review Project			
Balance 1 April	190 *	195	100
Expenditure	-	98 -	101 -
Income – Interest	5	3	1
Balance 31 March	<u>195</u>	<u>100</u>	<u>-</u>
iv Transitional Funding Reserve			
Balance 1 April	101		
Expenditure	101 -		
Income – Interest	-		
Balance 31 March	<u>-</u>		
V Efficiency Reserve			
Balance 1 April	95	48	
Expenditure	50 -	50 -	
Income - Interest	3	2	
Balance 31 March	<u>48</u>	<u>-</u>	
vi Capital Reserve			
Balance 1 April	387	315	159
Expenditure	320 -	290 -	156 -
Income - Contributions	241	127	223
- Interest	7	7	2
Balance 31 March	<u>315</u>	<u>159</u>	<u>228</u>

Vii Extreme Weather Reserve			
Balance 1 April	400	412	424
Expenditure	-	-	-
Income - Interest	12	12	13
Balance 31 March	<u>412</u>	<u>424</u>	<u>437</u>
Viii Pensions Reserve			
Balance 1 April	273	281	289
Expenditure	-	-	-
Income - Interest	8	8	9
Balance 31 March	<u>281</u>	<u>289</u>	<u>298</u>
ix General Reserve			
Balance 1 April	959	926	953
Expenditure	60	-	-
Income - Interest	27	27	28
Balance 31 March	<u>926</u>	<u>953</u>	<u>981</u>