

REPORT OF THE TREASURER

REVENUE BUDGET AND CAPITAL PROGRAMME: 2006/07 PRECEPT

1 Purpose of Report

This report seeks Fire Authority approval to:

- A budget for 2006/07;
- Council Tax levels for 2006/07; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2006 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

That the Fire Authority approves:

- a) That a net budget requirement is set at £18,296,245 (calculated in accordance with the provisions of Section 43(4) of the 1992 Act);
- b) A total precept of £11,249,431 to be levied on the billing authorities;
- c) 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 £72.62;



- d) 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	2006/07 Council Tax	
	£	p
A	48.41	
B	56.48	
C	64.55	
D	72.62	
E	88.76	
F	104.90	
G	121.03	
H	145.24	

- ii. The amount calculated (in accordance with Section 48 of the 1992 Act) as payable by billing authorities for 2006/07, as follows:

Council	Precept £
Bridgnorth District Council	1,470,666
North Shropshire District Council	1,543,907
Oswestry Borough Council	927,056
Shrewsbury and Atcham Borough Council	2,504,664
South Shropshire District Council	1,198,535
Borough of Telford & Wrekin Council	3,604,603
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	11,249,431

- e) 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) The revenue budget and pensions account illustrated in Appendix A, for budgetary control in accordance with approved standing orders; and
- g) The Best Value Accounting – Code of Practice Provisional Revenue Account at Appendix B.



3 Budget Process

The Fire Authority's net spending (budget) on services in 2006/07 has been reported throughout October to December. The build-up of the budget is set out in Appendix A. The grant receivable in the form of revenue support grant and non-domestic rates is £6,936,000, and the Fire Authority's share of collection fund balances total £110,814. The balance of the net spending requirement is raised through the level of council tax. A council tax base equivalent to 154,908.17 band D properties has been notified to the Fire Authority by the tax raising authorities.

4 Legal Comment

There are no legal implications other than those outlined in the report.

5 Financial Implications

There are no financial implications arising directly from this report other than those discussed within the report.

6 Equality and Diversity Implications

There are no equality or diversity implications arising from this report.

7 Appendices

Appendix A – Revenue Programme

Appendix B – Best Value Accounting Code of Practice Provisional Revenue Account

8 Background Papers

There are no background papers associated with this report.

For further information about this report please contact Keith Dixon, Treasurer, on 01743 260202 or Alan Taylor, Chief Fire Officer, on 01743 260201.



	Estimate 2006/07
<u>REVENUE PROGRAMME</u>	£000
EXPENDITURE	
<u>Employee Costs</u>	
Whole-time Firefighters	6,810
Retained Firefighters	2,885
Control Room	571
Support Staff	1,519
Training	449
Other Staff Costs	29
	12,263
<u>Premises</u>	
Repair and Maintenance	302
Rent and Rates	287
Energy and Water	139
Cleaning	74
Other Costs	45
	847
<u>Transport Costs</u>	
Direct Costs	200
Car Allowances and Travel	190
Insurance	87
	477
<u>Supplies and Services</u>	
Equipment and Materials	775
Clothing, Protective Equipment and Laundry	173
Provisions	11
	959
<u>Administrative Costs</u>	
Printing and Stationery	78
Communications and Computing	188
Insurance	143
Contracted Support Services	191
Other Services	174
	774



	Estimate 2006/07
<u>REVENUE PROGRAMME</u>	£'000
<u>Financing Costs</u>	
Leasing Costs	414
Debt Charges	419
	<u>833</u>
<u>Pensions</u>	
"Firemen's Pension Scheme"	<u>1,733</u>
<u>Provisions</u>	
Provision for Pay Awards and Prices	493
Reserves	32
Provisions – Other	-100
Amending Report Balances	170
Total Expenditure	18,481
INCOME	
<u>Fees and Charges</u>	
Fire Certificates	-1
Rents	-6
Special Services	-15
Other Services	-5
Grant Income	-50
Income from Region	-55
	<u>-132</u>
<u>Investment Income</u>	-53
Total Income	-185
NET EXPENDITURE	18,296

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



	Estimate 2006/07
<u>PENSIONS ACCOUNT</u>	£'000
<u>Contributions</u>	
Employer contributions – 1992 scheme	-1,339
Employer contributions – 2006 scheme	-95
Employee contributions – 1992 scheme	-691
Employee contributions – 2006 scheme	-46
Ill health charges	-136
Inward transfers from other pension schemes	-5
Total contributions	<hr/> 2,312
<u>Costs</u>	
Pensions outgo	3,019
Total deficit to be funded by top up grant	<hr/> 707 <hr/>



Best Value Accounting Code of Practice Provisional Revenue Account

	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
Expenditure:			
Community Fire Safety	2,289	20	2,269
Firefighting and Rescue Operations	16,714	125	16,589
Democratic Representation and Management	405	0	405
Corporate Management	281	0	281
Non-Distributable Costs	0	0	0
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Net Cost of Services			19,544
Asset Management Revenue Account			-715
Investment Income			-53
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Net Operating Expenditure			18,776
Contributions from Capital Financing Reserve			-422
Contribution from Reserves			-58
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Amount to be met from Precept			18,296

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

