

Revenue Budget: 2009/10 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 2009/10;
- Council Tax levels for 2009/10; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2009 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 £20,846,418 (calculated in accordance with the provisions of Section 43(4) of the Local Government Finance Act 1992);
- b) Approve a total precept of £12,807,411 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 £81.45;
- 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	2008/09
	Council Tax
	£ p
A	54.30
B	63.35
C	72.40
D	81.45
E	99.55
F	117.65
G	135.75
H	162.90

- ii The amount calculated (in accordance with Section 48 of the 1992 Act) as payable by billing authorities for 2009/10, as follows:

Council	Precept £
Shropshire Council	8,714,956
Borough of Telford & Wrekin Council	4,092,455
	<u>12,807,411</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 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 2009/10 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 £7,974,898, and the Fire Authority's share of collection fund balances total £64,109. The balance of the net spending requirement is raised through the level of council tax. A council tax base equivalent to 157,242.62 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 Budget 2009/10 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.

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	*

Revenue Budget 2009/10 Key Service Areas	Pay £'000	Other £'000	Total £'000
Executive			
Executive	311	94	405
Corporate Support	173	471	644
Finance	142	2,075	2,217
<u>Total Executive</u>	626	2,640	3,266
Service Delivery			
Operational Response	352	0	352
Fire Prevention	1,063	126	1,189
District Performance	9,855	0	9,855
Fire Control	629	0	629
<u>Total Service Delivery</u>	11,899	126	12,025
Strategy and Performance			
Management of Risk	310	78	388
Programme Office and Regional Management Board	295	49	344
Information and Communications	214	726	940
<u>Total Strategy and Performance</u>	819	853	1,672
Human Resources and Development			
Human Resources	313	184	497
Training and Development	777	309	1,086
<u>Total Human Resources and Development</u>	1,090	493	1,583
Resources			
Technical Services	284	1,746	2,030
Workshops	156	114	270
<u>Total Resources</u>	440	1,860	2,300
Total Revenue Budget	14,874	5,972	20,846

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

	Estimate 2009/10
<u>PENSIONS ACCOUNT</u>	£'000
<u>Contributions</u>	
Employer contributions – 1992 scheme	-1,293
Employer contributions – 2006 scheme	-183
Employee contributions – 1992 scheme	-668
Employee contributions – 2006 scheme	-141
Ill health charges	-108
Inward transfers from other pension schemes	-50
Total contributions	<u>-2,443</u>
<u>Costs</u>	
Pensions outgo	3,248
Total deficit to be funded by top up grant	<u>805</u>

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

	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
Expenditure:			
Community Fire Safety	2,279	51	2,228
Firefighting and Rescue Operations	18,013	336	17,677
Democratic Representation and Management	371	0	371
Corporate Management	268	0	268
Non-Distributable Costs	83	0	83
			20,627
Net Cost of Services			20,627
Interest Payable and Similar Charges			312
Investment Income			-160
			20,779
Net Operating Expenditure			20,779
Contribution to Reserves			67
			20,846
Amount to be met from Precept			20,846

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

Budget for Provisions and Reserves

	2009/10 £000	2010/11 £000	2011/12 £000
Provisions			
1 Equipment Replacement Provision			
Balance 1 April	95	85	75
Expenditure	-40	-40	-40
Income - Receipts	27	27	27
- Interest	3	3	3
Balance 31 March	85	75	65
Reserves - Earmarked			
2 Retained Review Project			
Balance 1 April	102	-	-
Expenditure	-102	-	-
Income - Receipts	-	-	-
Balance 31 March	-	-	-
3 Efficiency Reserve			
Balance 1 April	60	60	60
Expenditure	-	-	-
Income - Receipts	-	-	-
Balance 31 March	60	60	60
4 Capital Reserve			
Balance 1 April	1,582	1,191	185
Expenditure	-783	-1,249	-100
Contributions	159	198	205
One-off receipts	193	-	-
Interest	40	45	10
Balance 31 March	1,191	185	300
5 Extreme Weather Reserve			
Balance 1 April	295	295	295
Expenditure (note iii)	-	-	-
Balance 31 March	295	295	295
6 Pensions and Other Staff Matters Reserve			
Balance 1 April	731	731	731
Expenditure (note iii)	-	-	-
Balance 31 March	731	731	731

	2009/10	2010/11	2011/12
	£000	£000	£000
Reserve - General			
7 General Reserve			
Balance 1 April	510	520	530
Expenditure (note iii)	-	-	-
Income - Interest	10	10	10
Balance 31 March	520	530	540

Notes

- i Interest is earmarked to some of the reserves to maintain their value in real terms.
- ii The Authority's policy is to have a nil balance on its General Fund, and therefore the approved balance of £68,000 at 31 March will be added to revenue budgets in 2009/10.
- iii Unless there are planned additions or reductions, it is assumed that there will be no call on reserves