

Revenue Budget: 2010/11 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 2010/11;
- Council Tax levels for 2010/11; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2010 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 £21,618,039 (calculated in accordance with the provisions of Section 43(4) of the Local Government Finance Act 1992);
- b) Approve a total precept of £13,322,832 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	2010/11 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 2010/11, as follows:

Council	Precept £
Shropshire Council	9,081,694
Borough of Telford & Wrekin Council	4,241,138
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	13,322,832

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 Appendices A1 and A2, 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 2010/11 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 £8,267,647, and the Fire Authority's share of collection fund balances totals £27,560. The balance of the net spending requirement is raised through the level of council tax. A council tax base equivalent to 158,964.71 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 A1

Revenue Programme Budget 2010/11

Appendix A2

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 2010/11 Key Service Areas	Pay £'000	Other £'000	Total £'000
Executive			
Executive	310	70	380
Corporate Support	174	489	663
Finance	145	2,611	2,756
<u>Total Executive</u>	629	3,170	3,799
Service Delivery			
Operational Response	290	0	290
Fire Prevention	1,073	126	1,199
District Performance	9,997	0	9,997
Fire Control	657	0	657
<u>Total Service Delivery</u>	12,017	126	12,143
Strategy and Performance			
Management of Risk	313	78	391
Programme Office and Regional Management Board	313	43	356
Information and Communications	202	735	937
<u>Total Strategy and Performance</u>	828	856	1,684
Human Resources and Development			
Human Resources	313	185	498
Training and Development	790	377	1,167
<u>Total Human Resources and Development</u>	1,103	562	1,665
Resources			
Technical Services	296	1,758	2,054
Workshops	159	114	273
<u>Total Resources</u>	455	1,872	2,327
Total Revenue Budget	15,032	6,586	21,618

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

	Estimate 2010/11
<u>PENSIONS ACCOUNT</u>	£'000
<u>Contributions</u>	
Employer contributions – 1992 scheme	-1,309
Employer contributions – 2006 scheme	-232
Employee contributions – 1992 scheme	-676
Employee contributions – 2006 scheme	-179
Ill health charges	-80
Inward transfers from other pension schemes	-50
Total contributions	<hr/> -2,526
<u>Costs</u>	
Pensions outgo	3,895
Total deficit to be funded by top up grant	<hr/> 1,369 <hr/>

Best Value Accounting Code of Practice Provisional Revenue Account

	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
Expenditure:			
Community Fire Safety	3,491	62	3,429
Firefighting and Rescue Operations	17,080	325	16,755
Emergency Planning and Civil Defence	180	60	120
Democratic Representation and Management	408	0	408
Corporate Management	275	0	275
Non-Distributable Costs	0	0	0
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Net Cost of Services			20,987
Interest Payable and Similar Charges			400
Investment Income			-20
			<hr/>
Net Operating Expenditure			21,367
Contribution to Reserves			251
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Amount to be met from Precept			21,618

Budget for Provisions and Reserves

	2010/11 £000	2011/12 £000	2012/13 £000
Provisions			
1 Equipment Replacement Provision			
Balance 1 April	65	71	77
Expenditure	-30	-30	-30
Income - Receipts	32	32	32
- Interest	4	4	4
Balance 31 March	71	77	83
Reserves - Earmarked			
2 Efficiency Reserve			
Balance 1 April	60	-	-
Expenditure	-60	-	-
Income - Receipts	-	-	-
Balance 31 March	-	-	-
3 Capital Reserve - Unearmarked			
Balance 1 April	1,491	733	755
Expenditure	-1,044		-755
Contributions	251		
One-off receipts	-		
Interest	35	22	
Balance 31 March	733	755	0
4 Capital Reserve - Earmarked			
Balance 1 April	330	4	135
Expenditure	-670	-100	-100
Contributions	220	227	192
One off receipts	120	-	-
Interest	4	4	7
Balance 31 March	4	135	230
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	784	797	812
Expenditure (note iii)	-10	-10	-10
Interest	23	25	25
Balance 31 March	797	812	827

	2010/11 £000	2011/12 £000	2012/13 £000
Reserve - General			
6 General Reserve			
Balance 1 April	525	541	557
Expenditure (note iii)	-	-	-
Income - Interest	16	16	17
Balance 31 March	541	557	574

Notes

- i Interest is earmarked to some of the reserves to maintain their value in real terms.
- ii Unless there are planned additions or reductions, it is assumed that there will be no call on reserves.