

Revenue Budget: 2017/18 Precept

Report of the Treasurer

For further information about this report please contact James Walton, Treasurer, on 01743 255011 or Joanne Coadey, Head of Finance, on 01743 260215.

1 Purpose of Report

This report seeks Fire Authority approval to:

- A budget for 2017/18;
- Council Tax levels for 2017/18; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2017 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 £21,312,821 (calculated in accordance with the provisions of Section 43(4) of the Local Government Finance Act 1992);
- b) Approve a total precept of £14,667,492 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 £94.52;

- d) Approve, under Section 40(2) of the 1992 Act:
- a. The amount of Council Tax calculated for each category of dwelling in each billing authority's area, as follows:

Band	2017/18 Council Tax
	£ p
A	63.01
B	73.52
C	84.02
D	94.52
E	115.52
F	136.53
G	157.53
H	189.04

- b. The amount calculated (in accordance with Section 48 of the 1992 Act) as payable by billing authorities for 2016/17, as follows:

Council	Precept £
Shropshire Council	10,072,610
Borough of Telford & Wrekin Council	4,594,882
	<hr/> 14,667,492 <hr/>

- 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 Regulations, 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 Service Reporting 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) for services in 2017/18 has been reported throughout November 2016 to February 2017. The budget is set out in Appendix A and is reported in the Fire Authority's service areas.

The funds receivable in the form of revenue support grant, business rates and top-up payments is £6,233,266. The Fire Authority's share of the council tax collection fund balances totals £346,193, and the surplus payable by the Authority to the business rates collection fund is £65,870. A council tax base equivalent to 155,178.70 Band D properties has been notified to the Fire Authority by the billing authorities.

4 Financial Implications

There are no financial implications arising 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 Appendices

Appendix A

Revenue Programme Budget 2017/18 and Pensions Account

Appendix B

Service Reporting Code of Practice Provisional Revenue Account

Appendix C

Budget for Reserves

7 Background Papers

There are no background papers associated with this report.

Revenue Programme Budget 2017/18 and Pensions Account

Revenue Budget 2017/18 Key Service Areas	Pay £000	Other £000	Total £000
Executive and Resources			
Executive and Resources Pay	1,160	0	1,160
Executive		61	61
Finance		2,222	2,222
Technical Services		1,549	1,549
Workshops		442	442
Pay and Price Contingency		380	380
<u>Total Executive</u>	1,160	4,654	5,814
Service Delivery			
Service Delivery Pay	12,235	0	12,235
Fire Prevention		59	59
Area Command		5	5
Operational Response		10	10
Training		227	227
Fire Control		0	0
Health and Safety		8	8
<u>Total Service Delivery</u>	12,235	309	12,544
Corporate Support			
Corporate Support Pay	1,222	0	1,222
Information and Communications Technology		917	917
Programme Office		66	66
Corporate Support		379	379
Human Resources		202	202
Development		169	169
<u>Total Corporate Support</u>	1,222	1,733	2,955
Total Revenue Budget	14,617	6,696	21,313

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

	Estimate 2017/18
<u>PENSIONS ACCOUNT</u>	£000
<u>Contributions</u>	
Employer contributions – 1992 scheme	-494
Employer contributions – 2006 scheme	-34
Employer contributions – 2006 modified scheme	-61
Employer contributions – 2015 scheme	-689
Employee contributions – 1992 scheme	-340
Employee contributions – 2006 scheme	-30
Employee contributions – 2006 modified scheme	-73
Employee contributions – 2015 scheme	-593
Ill-health charges	-120
Inward transfers from other pension schemes	0
Total contributions	<hr/> -2,434
<u>Costs</u>	
Pensions outgo	4,968
Total deficit to be funded by top-up grant	<hr/> 2,534 <hr/>

Service Reporting Code of Practice Provisional Revenue Account

	Gross Expenditure £000	Gross Income £000	Net Expenditure £000
Expenditure:			
Community Fire Safety	1,636	20	1,616
Firefighting and Rescue Operations	18,133	110	18,023
Emergency Planning and Civil Defence	82	2	80
Democratic Representation and Management	180	0	180
Corporate Management	270	0	270
Non-Distributable Costs	0	0	0
	<hr/>		
Net Cost of Services	20,839	132	20,169
Interest Payable and Similar Charges			269
Investment Income			-50
			<hr/>
Net Operating Expenditure			20,388
Contribution to Reserves			645
Minimum Revenue Provision			280
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Amount to be met from Precept			21,313

Budget for Reserves

	Balance 01/04/17 £000	Spend £000	Income £000	Interest £000	Balance 31/03/18 £000	Spend £000	Income £000	Interest £000	Balance 31/03/19 £000	Spend £000	Income £000	Interest £000	Balance 31/03/20 £000
General	577	0	0	0	577	0	0	0	577	0	0	0	577
Earmarked Capital	3,349	-1,007	0	0	2,342	-1,310	0	0	1,032	-1,032	0	0	0
Unearmarked Capital	2,639	-2,500	829	0	968	-1,264	296	0	0	0	0	0	0
Extreme Incidents	334	0	0	0	334	0	0	0	334	0	0	0	334
Pensions and Other Staff Matters	1,635	-240	0	0	1,395	-360	0	0	1,035	-360	0	0	675
Information and Communications Technology (ICT)	1,083	0	0	0	1,083	0	0	0	1,083	0	0	0	1,083
Income Volatility	1,137	0	0	0	1,137	0	0	0	1,137	0	0	0	1,137
Service Transformation Programme Staff	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Delivery	236	0	0	0	236	0	0	0	236	0	0	0	236
Building Maintenance	358	-50	0	0	308	-50	0	0	258	-50	0	0	208
Operational Equipment	108	-50	0	0	58	-50	0	0	8	0	0	0	8
Training	255	0	0	0	255	0	0	0	255	0	0	0	255