

Revenue Budget: 2008/09 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 2008/09;
- Council Tax levels for 2008/09; and
- Precepts on billing authorities and related matters.

The Authority is required to issue a precept before 1 March 2008 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 £20,034,156 (calculated in accordance with the provisions of Section 43(4) of the Local Government Finance Act 1992);
- b) Approve a total precept of £12,326,332 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 £78.39;
- 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	52.26
B	60.97
C	69.68
D	78.39
E	95.81
F	113.23
G	130.65
H	156.78

- ii The amount calculated (in accordance with Section 48 of the 1992 Act) as payable by billing authorities for 2008/09, as follows:

Council	Precept £
Bridgnorth District Council	1,605,755
North Shropshire District Council	1,699,780
Oswestry Borough Council	1,038,377
Shrewsbury and Atcham Borough Council	2,731,458
South Shropshire District Council	1,317,023
Borough of Telford & Wrekin Council	3,933,939
	<u>12,326,332</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 2008/09 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 £7,669,646, and the Fire Authority's share of collection fund balances total £38,178. The balance of the net spending requirement is raised through the level of council tax. A council tax base equivalent to 157,243.68 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 2008/09 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	*



Appendix A to report on
Revenue Budget: 2008/09 Precept
Shropshire and Wrekin Fire Authority
13 February 2008

Revenue Budget 2008/09 Key Service Areas	Pay £'000	Other £'000	Total £'000
Executive			
Executive	301	68	369
Corporate Support	167	449	616
Finance	137	1,512	1,649
<u>Total Executive</u>	605	2,029	2,634
Service Delivery			
Operational Response	388	0	388
Fire Prevention	1,019	100	1,119
District Performance	9,837	0	9,837
Fire Control	665	95	760
<u>Total Service Delivery</u>	11,909	195	12,104
Strategy and Performance			
Management of Risk	310	89	399
Programme Office and Regional Management Board	275	37	312
Information and Communications	180	701	881
<u>Total Strategy and Performance</u>	765	827	1,592
Human Resources and Development			
Human Resources	295	174	469
Training and Development	708	406	1,114
<u>Total Human Resources and Development</u>	1,003	580	1,583
Resources			
Technical Services	267	1,560	1,827
Workshops	177	117	294
<u>Total Resources</u>	444	1,677	2,121
Total Revenue Budget	14,726	5,308	20,034

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

Pensions Account

	Estimate 2008/09
<u>PENSIONS ACCOUNT</u>	£'000
<u>Contributions</u>	
Employer contributions – 1992 scheme	-1,326
Employer contributions – 2006 scheme	-179
Employee contributions – 1992 scheme	-685
Employee contributions – 2006 scheme	-138
Ill health charges	-220
Inward transfers from other pension schemes	-5
Total contributions	<hr/> -2,553
<u>Costs</u>	
Pensions outgo	3,222
Total deficit to be funded by top up grant	<hr/> 669 <hr/>

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

	Gross Expenditure £'000	Gross Income £'000	Net Expenditure £'000
Expenditure:			
Community Fire Safety	2,901	21	2,880
Firefighting and Rescue Operations	16,502	135	16,367
Democratic Representation and Management	445	0	445
Corporate Management	301	0	301
Non-Distributable Costs	0	0	0
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Net Cost of Services			19,993
Interest Payable and Similar Charges			330
Investment Income			-260
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Net Operating Expenditure			20,063
Contribution from Reserves			-29
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Amount to be met from Precept			20,034

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

Budget for Provisions and Reserves

	2008/09 £000	2009/10 £000	2010/11 £000
Provisions			
1 Equipment Replacement Provision			
Balance 1 April	86	89	93
Expenditure	20 -	20 -	20 -
Income - Receipts	20	20	20
- Interest	3	4	5
Balance 31 March	<u>89</u>	<u>93</u>	<u>98</u>
Reserves - Earmarked			
2 Retained Review Project			
Balance 1 April	195	102	6
Expenditure	98 -	98 -	
Income - Receipts	-	-	-
- Interest	5	2	-
Balance 31 March	<u>102</u>	<u>6</u>	<u>6</u>
3 Efficiency Reserve			
Balance 1 April	105	60	38
Expenditure	50 -	25 -	25 -
Income - Receipts	-	-	-
- Interest	5	3	1
Balance 31 March	<u>60</u>	<u>38</u>	<u>14</u>
4 Capital Reserve			
Balance 1 April (note ii)	681	785	569
Expenditure	280 -	540 -	464 -
Contributions	139	204	277
One-off receipts	231	100	152 -
Interest	14	20	10
Balance 31 March	<u>785</u>	<u>569</u>	<u>240</u>
5 Extreme Weather Reserve			
Balance 1 April	290	300	315
Expenditure (note iii)	-	-	-
Income - Interest	10	15	16
Balance 31 March	<u>300</u>	<u>315</u>	<u>331</u>

	2008/09 £000	2009/10 £000	2010/11 £000
6 Pensions Reserve			
Balance 1 April	460	483	507
Expenditure (note iii)	-	-	-
Income - Interest	23	24	25
Balance 31 March	<u>483</u>	<u>507</u>	<u>532</u>
7 Service Maintenance/Staff Turnover			
Balance 1 April	180		
Expenditure	185	-	
Interest	5		
Balance 31 March	<u>-</u>		
Reserve - General			
8 General Reserve			
Balance 1 April	1,002		
Expenditure (note iii)	-		
Income - Interest	50		
Balance 31 March	<u>1,052</u>		

Notes

- i Interest is earmarked to 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 projected balance of £245,000 at 31 March is included in the Capital Reserve balance at 1 April 2008.
- iii Unless there are planned additions or reductions, it is assumed that there will be no call on reserves