

NOTE OF THE TREASURER

BUDGET SUMMARY

1 Purpose of Note

This note brings together the papers attached and summarises the consequences for the Fire Authority's spending.

2 Recommendations

The Group is asked to consider the budgeted spending, set out below as a basis for a report to the Strategy and Resources Committee for that Committee's recommendation to the Fire Authority in December.

2007-08	£19,198,000
2008-09	£20,196,000
2009-10	£21,048,000

3 Background

The Fire Authority decided in July 2006 that the Strategy and Resources Committee would develop proposals during November 2006 for a net expenditure budget.

This would then be considered by the Fire Authority in December 2006 in the light of Grant, tax base etc, and then form the basis of public consultation prior to precept setting in February 2007.



4 Budget Summary

The budget can be summarised as follows:

	2007/08	2008/09	2009/10
	£ 000	£ 000	£ 000
Paper			
6b Base plus Committed Change	18,432	18,791	18,854
6c Pay and Prices Assumptions	598	1,148	1,690
6d Efficiency Savings & Other Savings	195 -	258 -	215 -
6e Growth in Expenditure	290	290	290
6f & g Capital Programme – Revenue Consequences	73	225	429
6h Provisions, Earmarked Reserves and General Reserve	-	-	-
	19,198	20,196	21,048
Growth over Previous Year (2006/07 £18,296,000)	+ 4.9%	+5.2%	+ 4.2%

5 Capping

The rules for capping change each year, but usually involve expenditure growth and precept increase. In 2006/07 a notional base expenditure was created for 2005/06 to take account of changes to financing the Firefighter's Pension Scheme. Growth over this base did not, however, appear to feature in any subsequent capping decisions. The key determinant of capping in 2007/08, therefore, may well be the rise in the precept.

For further information about this report please contact Keith Dixon, Treasurer, 01743 260202.

