

report

meeting **NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM
FIRE & RESCUE AUTHORITY**

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REPORT OF THE CHAIRMAN OF THE FIRE & RESCUE AUTHORITY

CAPITAL BUDGET 2005/2006 TO 2007/2008 REVENUE BUDGET 2005/2006 TO 2007/2008 SETTING OF THE 2005/6 PRECEPT

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek the approval of the Fire Authority to the proposed Capital Programme for the years 2005/2006 to 2007/2008 and the Revenue Budget for 2005/2006 and indicative Revenue Budgets for 2006/2007 and 2007/2008.
- 1.2 This report also requires the Fire Authority to make a decision as to the level of the precept to be levied in 2005/2006 and thus the levels of Council Tax.

2. CORPORATE CONTEXT

- 2.1 The budget is driven by the Integrated Corporate Strategy of the Authority, which is published in draft earlier in this meeting. This corporate document sets out the principal vision of the Service, which is :

‘A safer Nottinghamshire by putting safety at the heart of the community’

The budget process has been centred around this vision and the aims of the Authority as set out in the Corporate Strategy.

- 2.2 The Corporate Strategy document incorporates the actions which have been agreed in the Local (Integrated) Risk Management Plan (LIRMP) all of which have been carefully considered within this budget process.
- 2.3 The proposed budget presented to Members for approval therefore fully supports the aims and aspirations of the Authority as set out in the Corporate Strategy, including all the service development, enhancement and efficiency initiatives set out in the L(I)RMP.
- 2.4 Going forward into 2006/2007 and 2007/2008 the budget again reflects the Authority's commitment to investment in the safety of our communities, whilst preserving and enhancing the response options of the Service as set out in the L(I)RMP. Members will note that throughout this report specific references are made to L(I)RMP initiatives.

3. FINANCIAL CONTEXT

- 3.1 Members will be aware that the Authority has been nominated for capping as part of the 2004/5 budget setting process. What this means in effect is that the Minister has set a notional amount for 2004/5 against which the Authority's budget for 2005/6 will be compared. The actual revenue budget in 2004/5 was £39,186,134, whilst the notional amount was £38,981,134, a difference of £205,000.

- 3.2 Any increase in the Revenue Budget for 2005/6 will be measured against this notional sum.
- 3.3 The Formula Spending Share (FSS) of the Authority is the means by which the distribution of Revenue Support Grant is determined and is therefore, key to the amount of external funding received by the Authority. The calculation of FSS is a complex process, which involves considering all the activities of the Service and applying financial weightings to them. Whilst there are many arguments mounted in favour of, or against FSS (or indeed elements of it), it remains the way that grant is determined. FSS for the Authority has changed as follows between 2004/5 and 2005/6 :

	2004/5 £000s	2005/6 £000s	Increase %
FSS	33,382	34,219	2.51
Capital	227	325	43.2
Total	33,609	34,544	2.78

- 3.4 The figures for Revenue Support Grant (RSG) have now been announced along with the figures for National Non-Domestic Rates (NNDR) as follows :

	2004/5 £000s	2005/6 £000s	Increase %
RSG	9,909	9,814	-0.96
NNDR	11,159	11,892	6.57
Total	21,068	21,706	3.03

Significantly there has been an overall increase in aggregate external finance of 3.03%.

- 3.5 After early consultations with the Management Team and the Chairman, the primary objective of budget setting for 2005/6 was :

To set a budget which would not attract the attention of the Minister in terms of his capping regime for 2005/6, whilst at the same time ensuring the continued provision and development of the Service for both 2005/6 and the years beyond, having proper regard to the aims and objectives of the Authority as set out in the Integrated Corporate Strategy and the Integrated Risk Management Plan (IRMP).

- 3.6 To do this a number of planning assumptions were made :
- i) That the overall increase in the Council Tax should be in the range of 3-5% when measured against the notional amount set by the Minister in his capping notification for 2004/5.
 - ii) That the budget should demonstrate significant recycling of resources within the existing base budget.
 - iii) That IRMP should be fully costed into the budget process.
- 3.7 Two budget options for 2005/2006 were considered by the Authority at its meeting on 14 January 2005, both of which would meet the primary objectives of the Authority and fit within the planning assumptions set out. These options and their effects on Council Tax were :

Budget Heading	Option 1 £	Option 2 £
Revenue Budget	40,587,172	40,285,172
Revenue Support Grant	9,814,336	9,814,336
NNDR	11,891,765	11,891,765
Balance From Taxation	18,881,071	18,579,071
Council Tax Base at Band D	319,463	319,463
Council Tax at Band D	59.10	58.16
Increase over Notional	4.73%	3.06%
Increase over Actual	3.54%	1.89%

3.8 After a period of consultation, it is considered that the Authority should adopt Option 2 (the lower cost of the two options) for the following reasons :

- The effect on Council Tax of even a modest increase in the revenue budget is significant.
- The Authority would not want to carry any risk of being capped by central Government unless there was a threat of real damage to front line service delivery.

Whilst both of the proposed increases are in low single figures, and therefore would meet the Minister's informal targets, there is still a possibility that the relatively low grant settlement (compared to neighbours such as Derbyshire and Leicestershire) could make even a sub 5% level of increase appear excessive.

3.9 The proposed Revenue Budget and impact on Council Taxes have varied slightly since the consultation paper was drawn up due to three reasons :

- A declaration by the District Councils of a net surplus on collection funds of £92,000, which will be paid to the Fire Authority ;
- A small increase in the overall taxbase compared with that used for the purposes of estimation ;
- A re-assessment of the impact on the Revenue Account of the Capital Programme for the effects of Minimum Repayment of Principal (MRP).

3.10 The Revenue Budget Proposed therefore for 2005/6 is £40,285,281, which will be financed as follows :

	£
Revenue Support Grant	9,807,575
National Non-Domestic Rates	11,891,765
Council Tax	18,585,941
	40,285,281

This would require a Council Tax at Band D of £58.01.

3.11 The interesting comparators around this figure are :

	Actual	Notional
Budget Increase over 2004/5	2.80%	3.35%
Council Tax Increase over 2004/5	1.63%	2.80%

It is considered that any objective measure would be unlikely to conclude that this is an excessive increase in either budget or Council Taxes.

3.12 It is important to consider however, how the budget has been constructed and the components within it, particularly when considering the indicative position for 2006/2007 and 2007/2008.

4. CAPITAL PROGRAMME 2005/2006 TO 2007/2008

4.1 The Capital Programme is determined by reference to two sources :

- The Integrated Corporate Strategy incorporating the L(I)RMP ;
- The affordability of capital investment.

4.2 Key to the development and maintenance of the Service is the ability to make capital investment to support corporate strategy. Capital investment by its very nature is long term, and whilst corporate planning contains shorter term aims, objectives and action plans, it is the longer term strategy which capital investment supports.

4.3 With this in view the capital programme has been set to support potential changes in vehicle type and crewing (depending on L(I)RMP outcomes), the disposition of Watch Managers, a change in the ethos around property and further commitment to equalities.

4.4 Affordability is also key, not only to the short term impacts on Council Taxes, but also on the long term sustainability of the capital base. The Prudential Code for Capital Accounting introduced by CIPFA in 2004 seeks to help Authorities understand the long term effects of their capital investment decisions, such that these are both affordable and sustainable. The Prudential Code Report to the Fire Authority is elsewhere on this agenda and confirms that the proposed Capital Programme for 2005/2006 and beyond is within affordable limits. Indeed, as in 2004/2005, the limits on Capital Expenditure are within those set by Government as their Supported Capital Expenditure for Rate Support Grant purposes.

4.5 The detailed capital programme is show in full as Appendix A. In summary however, the proposal is as follows :

	2005/2006 £	2006/2007 £	2007/2008 £
Transport	1,062,051	1,496,569	1,250,000
Property	1,525,000	825,000	827,000
IT	775,714	442,514	66,514
Total	3,362,765	2,764,083	2,143,514

Transport

4.6 The transport programme includes for the replacement of 12 pumping appliances over the next three years along with provision for the replacement of the oldest rescue tender in the fleet in 2006/7. The Service has a policy of replacing heavy vehicles every 12 years, however

this has recently been delayed to enable a change of vehicle type and/or configuration to take place (if required) on all front line stations over a short period.

- 4.7 Also within the transport programme is provision for a number of light vehicles to support the initiatives set out in the L(I)RMP in relation to the deployment of Watch Managers.
- 4.8 The specialist vehicles being purchased are new control vehicles, which will replace the large and obsolete box bodied vehicle that currently provides this function. It has been recognised that a single large vehicle is inappropriate for the needs of the Service and therefore a regional procurement of a number of control vehicles (of which Nottinghamshire will have two) has taken place, which will ensure resilience across the region and common specifications.
- 4.9 Most of the vehicles being purchased over the next three years, including all of the pumping appliances, are replacements for vehicles already in the fleet and therefore the revenue implications of these purchases are already largely covered within existing base budgets.

Property

- 4.10 The property programme has three major components :
- New Build of Harworth Fire Station ;
 - Equalities Schemes ;
 - Other Major Schemes.
- 4.11 The design and planning phases of the Harworth contract are due to be completed in 2004/5 with an anticipated start date of the project of May 2005. At present there are no detailed cost estimates for the project, but it is anticipated that £700,000 should be an adequate planning assumption bearing in mind that it is a retained station which does not have the extensive requirements of a wholetime station. As more detailed cost estimates become available a report will be brought to the Fire Authority to approve the final project.
- 4.12 Equalities continue to be a challenge for many of our properties, a number of which were not designed with disabled users or female staff in mind. The Disability Discrimination Act has placed further obligations upon the Authority, which of course has a genuine desire to become more publicly accessible. Considerable improvements have been made in recent years and this budget will ensure that the Service can continue with this essential work. The programme consists of major work in 2005/6 costing £400,000 with smaller projects in 2006/7 and 2007/8.
- 4.13 The provision for other major schemes in 2005/6 allows the Authority to continue to seek out County wide projects, such as window replacement etc., which should be addressed across the whole of the building stock and will ultimately have a beneficial effect on the maintenance budgets. In future years this estimate rises to £700,000, as it is likely that further building projects will emerge from future L(I)RMPs and a provision has been made for these to be developed. The budget also retains a small sum of £100,000 for land acquisition, which would allow the Service to begin negotiations for land should new land be required in support of the L(I)RMP in future years.
- 4.14 Members will note that there is no specific provision for Beeston/Dunkirk. This is for two reasons :
- i) Although negotiations for this project are well advanced, there is currently no actual project either in terms of location, design or cost.
 - ii) The whole scheme is being set up to be self-financing from the sale of the two existing sites and therefore there will be no revenue implications to include.

Whilst it is clearly the intention of the Service to press forward with this project, and indeed specific provision has been made within the Prudential Code report for additional temporary

borrowing, it is considered inappropriate at this time to speculate on likely land prices and realisation values whilst negotiations are still in progress.

Information Technology

4.15 The Capital plan for IT is focussed on four areas :

- Infrastructure Replacement ;
- Additions ;
- Application Development ;
- Support to Firelink.

4.16 Infrastructure replacement is an ongoing project which reflects the requirement to continually maintain the existing infrastructure, whilst additions and application development reflect those changes which need to be made to the IT infrastructure to address requirements for new databases and IT equipment to support them. The largest of these developments is what is referred to as Core Systems Review, which is an area that requires further description.

4.17 The main driver for this review of core systems is the inability of the current Personnel system to cope with the numerous requirements for personnel monitoring, training and the recording of data and production of reports both for management and external bodies. Coupled with this and indeed closely aligned to it, are the implications for the Management Information System and other functions associated with the Regional Fire Control project. It is clear that many of the functions currently carried out in Fire Control will not be offered by the regional project and therefore the service will need to make its own arrangements locally. Many of the functions interface closely with Personnel and therefore a project is to be set up in 2005/6 to fully consider this impact and to recommend a way forward. It seems prudent therefore to make some provision for this in the 2006/7 Capital Programme.

4.18 The full implications of Firelink (the national mainscheme radio project) are not yet known, but it is likely that there will be a requirement for some end-user equipment which the Service may have to acquire. This budget is to enable this to be purchased.

4.19 The revenue implications of the proposed Capital Programme have been fed into the proposed Revenue Budget for 2005/6 and the indicative budgets for 2006/7 and 2007/8.

5. REVENUE BUDGET 2005/2006

5.1 Members will be aware from the budget consultation report of the elements that have been taken into account in the construction of the Revenue Budget for 2005/2006. The following sections outline these elements and conclude with a proposed revenue budget figure. A full summary of the proposed 2005/6 cash limit is given as Appendix B and a full breakdown of the budget calculations in detail is given as Appendix C.

5.2 The unadjusted base budget for 2005/6 would be £39,186,134 in accordance with the budget agreed by the Authority for 2004/5.

A review of base budgets however, reveals that this can be adjusted as follows :

Heading	Value £s
Reduction in One-Off Training Provision	-30,000
Reduction in General Rates	-150,000
External Interest	-50,000
Leasing Re-alignment	-246,000
Change in National Conditions of Service	-20,000

Office Equipment	20,000
Contract Cleaning	20,000
Comms Licenses and Rentals	10,000
Working Together	-50,000
Bought in IT Services	-40,000
Fire Safety Certificate Income	10,000
Special Services Income	-10,000
Telecommunications	35,000
Purchase of Fire Kit	-300,000
Reduced Contribution to Balances	-600,000
Reduction in Transitional Funding Grant	500,000
Total of Adjustments to the Base	-901,000

5.3 This creates an adjusted Base position of £38,285,134

6. PAY AWARDS

6.1 National pay awards for both uniformed and non-uniformed staff need to be provided for within the 2005/6 budget. It is necessary therefore to make some assumptions about these awards. The non-uniformed pay award has already been settled for 2005/6 as part of a national three-year agreement at 2.95% and therefore this has been provided. The firefighters pay award is more uncertain as to date the formula that is to be used is still unclear. It is considered by the Finance Officers throughout the region however, that a figure of 4% should be put into budgets. This produces a budget requirement of :

	£
Firefighters/Principal Officers/Control/Retained	1,052,540
Administrative Pay	105,000
Pension Contributions	-82,370
	1,075,170

7. PENSIONS

Calculations and estimates show that there is no requirement to boost the existing pensions budgets in 2005/6. Further contributions may be required in 2007/8 however, if Government proposals to fund pensions from the centre do not go ahead.

8. REVENUE IMPACTS OF THE CAPITAL PROGRAMME

Part of the base budget review considered the issue of revenue support to the Capital Programme and it is considered that the existing levels of resources will need to be increased by £60,000 to meet the revenue implications of the Minimum Repayment of Principal rules. These rules are set down to ensure that at least 4% of loans are repaid during each financial year.

9. OTHER BUDGET ISSUES

9.1 There are a number of additional budget pressures which require to be addressed either as a result of national changes or local development. These are shown below :

Heading	Value £s
Increased Insurance Premiums	70,000
GIS Mapping	36,000
General Inflation	101,000
Administrative Staff Superannuation Increase	30,000
Surplus of Deficit on Collection	-92,891
Total	144,109

9.2 In detail these headings are :

Increased Insurance Premiums (£70,000)

Most insurances will rise every year in accordance with the increase in perceived risks. These are based not only on claims made by the Service, but on the general level of claims in the courts and on the level of salaries. Consequently premiums rise every year. This figure is considered reasonable given all these factors.

GIS Mapping (£36,000)

The Geographic Information Service is considered vital to the delivery of services in both the City and the County. The digitised maps that are used are licensed from the Ordnance Survey, who have recently become a next steps agency. As a direct result of this they have raised their charges to what they regard as commercial rates, with the result that the charges to Nottinghamshire have increased by several thousand percent.

General Inflation (£101,000)

The Service needs to take account of general levels of inflation, particularly in areas such as energy costs and road fuel. An increase has been made in all budget heads (excluding pay) for inflationary pressure, but the addition to each head reflects the likely inflation of the type of expenditure. For example, road fuel and energy have high inflationary pressure, whereas stationary and furniture have low inflation allowances.

Increase in Employers Superannuation Contributions (£30,000)

Most non-uniformed and fire control staff are members of the Local Government Pension Scheme (LGPS) which is administered by the County Council on behalf of all the member employers in the County. The LGPS is a funded scheme and relies for its ability to pay pensions, not only on employee and employer contributions, but also on earnings from investment. Periodically it is necessary for the Nottinghamshire Pension Fund to be examined and valued by independent actuaries to determine whether the value of the fund is sufficient to meet its long term liabilities. Such a valuation has recently concluded and the view of the actuary is that employer contributions must rise to top up the fund. It is not possible to increase the contributions made by employees to the fund as these are fixed by statute. When the investment climate is more favourable however, employers may reduce their contributions, whereas employees cannot. The proposed budget will meet the short term effects of this rise in contributions, however further rises will be required in future years to restore the fund to its appropriate value.

Surplus or Deficit on the Collection Account (£-92,000)

This is an amount of money calculated by the District and City Councils as being the amount due to or from the Fire Authority in respect of under or over collection of Council Taxes

against their original estimates. In 2005/6 this has been assessed as a surplus of £92,000 which will be paid to the Fire Authority.

10. IMPACT OF LOCAL RISK MANAGEMENT PLAN (PHASE 1)

10.1 Members will be aware that the Local Risk Management Plan (LRMP) for 2004/5 contained within it a number of areas where funding and/or resource allocation would be required during 2005/6. A number of initiatives have been implemented within 2004/5 budgets, with others spanning financial years and others impacting solely on 2005/6. The following is a summary of those areas which impact on the 2005/6 budget year.

Ref	Heading	Value £s
1	Abandoned Vehicle Recovery	159,000
2	Unwanted Fire Signals	-69,500
3	Hoax Reduction	-4,000
4	Fire Safety Enforcement	10,000
5	Additional Vehicles for Enforcement	5,667
6	Contribution to Riskwatch	200,000
7	Arson Task Force	15,773
8	IPDS Competency	137,559
9	Co-Responder Extension	132,225
10	Risk Watch Co-ordinator	28,800
11	HRA Co-ordinator	23,700
12	CS Development Worker (BME)	18,333
13	Firesetters	28,000
14	HRA Operative	15,500
15	Young Persons/ASB Worker	28,000
16	Community Safety Workers	121,040
17	Recycled from Administration	-86,333
18	Training	20,000
19	Smoke Alarms Ordinary	72,000
20	Smoke Alarms (Deaf)	10,000
21	ODPM Grant	-120,000
22	Movement of Ariel Ladder Platform	-561,434
	Total	184,330

10.2 In detail these initiatives are as follows :

Abandoned Vehicle Recovery (£159,000)

This is an initiative to staff a vehicle to recover abandoned vehicles in partnership with Nottinghamshire Police and Local Authorities in order to remove them quickly from the streets to prevent them being targets for arson. In addition, it is anticipated that this initiative will also provide a facility for dealing with non-emergency chemical spills etc., to which wholtime crews are currently deployed. The vehicle was purchased from Nottinghamshire Police in

2004/5, but will require staffing in 2005/6 and beyond. The anticipated staffing requirement is for six personnel.

Unwanted Fire Signals (-£69,500) and Hoax Reduction (-£4,000)

By continuing to drive down the number of AFAs and also changing the Pre-Determined Attendances, we will be able to save this money on Retained call outs. There may also be some benefits in fuel costs, risk reduction and other small costs associated with the Wholetime.

Fire Safety Enforcement (£10,000) and Additional Vehicles (£5,667)

This money will fund some extensive legal advice and training which we will need to do following the Fire Authority becoming a prosecutor rather like the Health and Safety Executive. The Service has no experience of this and initially officers will need to be supported by lawyers in order to take these prosecutions. The vehicle costs relate to the leasing associated with two small vans, which will be used by enforcement officers in carrying out these new duties.

Contribution to Risk Watch (£200,000)

Risk Watch has been piloted in a number of schools during 2004/5 and it is expected that the roll out to all schools will constitute the most significant action by the Fire Authority to reduce accidents and injuries to young people. The full cost of this initiative is of the order of £500,000 and it is hoped that some of this can be met by sponsorship. In order to make an initial impact however, it will be necessary to invest significantly in this area. If sponsorship cannot be achieved for the full cost of the remaining start up costs, a sum such as this in the base budget would allow a more phased roll out of this scheme.

Arson Task Force (£15,773)

This is a relatively insignificant amount of money, but this represents only the net cost to the Authority in 2005/6. In reality the gross cost is of the order of £135,000, but the Authority receives a grant of £119,000 from the ODPM. This grant funding ceases at the end of 2005/6 and therefore the Authority should continue with this work by making an addition to the budget in 2006/7.

Co-Responder (£132,225)

The Co-Responder Scheme is one to which not only would the Service want to subscribe, but there is a specific expectation that all Fire and Rescue Services will do so within the National Framework Document. The costs relate to the expected number of calls that will be attended by Retained personnel based on East Midlands Ambulance Service (EMAS) predictions. The costs of defibrillators will be met from outside sponsors, whilst the costs of consumable stores will be met by EMAS.

Items 10 to 18 Community Safety (£197,040 total)

There are a number of posts around Risk Watch and Community Safety in general which the Authority has funded from within existing budgets during 2004/5. This proposal formalises this arrangement and acknowledges the transfer of funds from administrative budgets of some £86,333 to fund some of these. The Community Safety posts are funded from transfers of resources from elsewhere (primarily ALP).

Items 19,20, and 21 Provision of Smoke Alarms (-£38,000)

Ordinary smoke alarms are already provided in fairly large numbers directly to the public and this initiative seeks to add a further £72,000 to this provision. In addition a further £10,000 will be spent on specialist alarms to meet the needs of the deaf community. A Government grant

has been received for £120,000 to defray both these costs and also some of the money already spent on this provision.

Movement of Aerial Ladder Platform (-£561,434 net)

Within LRMP1 there were proposals to relocate the Aerial Ladder Platform (ALP) based at Central Fire Station to Beeston and to crew both this appliance and the ALP at Mansfield with Retained personnel. The redeployment of staff from these appliances to other roles will realise over £700,000. This saving will be recycled into Community Fire Safety as set out in the Service's IRMP. The net figure is lower due to the associated costs of recruiting, training and equipping Retained crews to staff these appliances.

11. IMPACT OF LOCAL RISK MANAGEMENT PLAN (PHASE 2)

11.1 The second phase of the Local Risk Management Plan (LRMP) sets out a number of initiatives and activities with which the Service wishes to engage. Many of these do not realise savings immediately, but do continue to reach out into communities in pursuit of the overall objective of driving down avoidable injuries.

11.2 A summary of LRMP2 activities is given in the following table :

Ref	Heading	Value £s
1	Impact Roadshow	8,834
2	Working with Young People	70,000
3	Immediate Appointment of CFS Staff	150,000
4	Policy Officer	-38,000
5	Avoidable Injuries Officer	38,000
6	Administrator	10,000
7	Avoidable Injuries Project	4,000
8	Sponsorship Funding	-4,000
9	Civil Contingencies Bill	59,274
10	Cross Border Incidents	-15,000
11	Regional Management Board	50,000
12	Performance Management	30,000
13	Performance Management Grant	-20,000
14	Retained Initiatives	65,000
15	DDA Training	10,000
16	FSEC	18,430
17	Specialist Equipment	100,000
	Total	536,538

11.3 In detail these initiatives are as follows :

Impact Roadshow (£8,834)

This is an initiative directed specifically at young people for reductions in road traffic accidents and arson connected with vehicles. It is focussed on disaffected youth who are most likely to be involved in this type of activity. The costs relate to presentation equipment and the lease costs of a suitable vehicle.

Working with Young People (£70,000)

This again is an initiative directed towards young people in schools and funds the appointment of two outreach workers to work with Youth Offending Teams (YOTs) and others to drive down the incidence of offending (particularly relating to fire) amongst this group.

Immediate Appointment of Community Fire Safety Staff (£150,000)

This budget will pump prime the appointment of a number of Community Safety staff who can start work immediately in the community. Whilst there are a number of proposals that are dependent upon the transfer of staff from other locations, it is considered important that we can demonstrate that we are using some of the transitional funding to facilitate more immediate change.

Deletion of Post of Policy Officer (-£38,000)

The re-organisation of Information Services and of Community Safety has meant that the role currently being undertaken by the Policy Officer is no longer required. The post has been redesignated as the Avoidable Injuries Officer (see below).

Creation of Avoidable Injuries Office (£48,000)

Led by an Avoidable Injuries Officer (who had previously been the Policy Officer) this unit is a highly innovative initiative which sets up an office specifically charged with examining and stimulating activity around reducing avoidable injuries. Its innovation comes from the partnering arrangements which have been set up with Primary Care Trusts and other partners to second staff into this office to create some genuine joined up approaches to this problem.

Civil Contingencies Bill (£59,274)

The Civil Contingencies Act places statutory responsibility on the Fire and Rescue Service for a number of areas around Civil Contingencies. Prior to this, these issues had been dealt with in a very low key way by Local Authority Emergency Planning departments, but now these have been given a much higher priority by Government. The budget required will create a new post of Group Manager to co-ordinate civil contingency matters and also fund the necessary training in order for the Service to be able to comply with this legislation.

Cross Border Incidents (-£15,000)

This is a small process to reduce the amount of the charges currently being made by other Services for attending incidents in Nottinghamshire. It has been identified that there are a lot of occasions when other Services attend incidents which could be attended by Nottinghamshire appliances thus reducing these charges.

Regional Management Board (£50,000)

This is an estimate of the level of contribution required from Nottinghamshire to fund the activities of the Regional Management Board. This includes the work on the Regional Control Project.

Performance Management (£10,000)

This is a net figure of £10,000, which takes account of the £20,000 the Authority receives in grant funding for this project. The grant funding will expire in late 2005/6 however, and the post of Performance Manager will need to be continued. This has a minor implication in 2005/6, but will need to be considered for continued funding in the 2006/7 budget.

Retained Initiatives (£65,000)

This budget relates to a number of initiatives around the recruitment, retention and training of Retained personnel. It is recognised nationally that the Service is facing a difficult time for the recruitment and retention of Retained staff and demands upon their time in respect of training are increasing. Some of this budget is to be spent on training aids, but £30,000 of this is specifically to stimulate recruitment, particularly in areas where daytime cover is difficult to achieve.

Disability Discrimination Act Training (£10,000)

The Disability Discrimination Act has already had a significant impact on the Service, in terms of policy development etc. It is necessary however, to buy in some specialist training in the area of DDA in order that the Service is seen to be responding positively to this change in the law.

Specialist Equipment (£100,000)

New statutory duties on the Service, particularly relating to Urban Search and Rescue (USAR) and Water Rescue, mean that an assessment of the adequacy and range of equipment carried on front line pumping appliances will need to be reviewed. Nottinghamshire are already regarded as being at the forefront of thinking in relation to water rescue, however responses to incidents such as building collapse will need to be reviewed in the light of Government proposals around USAR. This budget will allow the purchase of some equipment to be carried on front line appliances both for the protection of the public and the safety of crews.

12. SUMMARY OF 2005/6 REVENUE BUDGET

12.1 On the basis of the figures presented above the Revenue Budget for 2005/6 will be £40,285,281, calculated as follows :

	£'s
Existing Base 2004/5	39,186,134
Adjustments to the Base	-901,000
Pay Awards etc.	1,075,170
Revenue Implications of Capital	60,000
Other Budget Pressures	144,109
LRMP1	184,330
LRMP2	536,538
Cash Limit for 2005/6	40,285,281

Increase in actual budget of 2.80%

13. FINANCING THE 2005/2006 REVENUE BUDGET

13. As set out in Section 3.10 above, the Revenue Budget is financed from three sources :

- Revenue Support Grant (RSG) ;
- National Non-Domestic Rates (NNDR) ;
- Council Tax.

- 13.2 Government have determined the Levels of RSG and NNDR as £9,807,575 and £11,891,765 respectively, which leaves the balance of the revenue budget to be financed from Council Tax. The calculation of Council Tax is as follows :

Heading	£s
Revenue Budget	40,285,281
Revenue Support Grant	9,807,575
National Non-Domestic Rates	11,891,765
Council Tax	18,585,941
Council Tax Band D Taxbase	320,410.63
Council Tax at Band D	58.01
Increase over Notional of Council Tax	2.80%
Increase over Actual Council Tax	1.63%

- 13.3 A Council Tax figure of £58.01 when applied to all other Council Tax bands gives the following results :

Band A	38.67
Band B	45.12
Band C	51.56
Band D	58.01
Band E	70.90
Band F	83.79
Band G	96.68
Band H	116.02

14. INDICATIVE REVENUE BUDGETS 2006/2007 AND 2007/2008

- 14.1 As explained above the revenue budget is constructed using a range of assumptions about national pay awards, inflation etc. and also the plans and aspirations of the Authority during the coming year. These plans are set out in the Integrated Corporate Strategy document and the L(I)RMP and can provide a reasonable guide to activity in 2006/2007 and 2007/2008.
- 14.2 The detail of the thinking behind 2006/7 and 2007/8 budgets is attached as Appendices D and E and are summarised as follows :

	2006/2007 £000s	2007/2008 £000s
Base Budget	40,285	41,772
Adjustments to Base	-308	-50
Pay Awards etc.	1,063	962
General Inflation	125	129
Support for Capital	210	60
Development Activity	403	505
IRMP 1	-134	0
IRMP 2	128	0
IRMP 3	0	300
Total	41,772	43,678
Increase over previous year	3.69%	4.56%

- 14.2 Some of the initial set up costs of L(I)RMP1 activities are beginning to be removed from the budget in 2006/7 with all them gone by 2007/2008. There are some residual costs associated with L(I)RMP2 in 2006/2007, but these are fully incorporated into budgets in 2007/2008. Costs for L(I)RMP3 are not known at present as the process has yet to begin. Experience would indicate however, that approximately £300,000 will be required to initiate L(I)RMP type activity.
- 14.3 In terms of savings from the base budget, it has been assumed in 2006/2007 that the Authority will have succeeded in building up balances to an acceptable level and therefore no further contributions will be required. This will release £200,000 from the base budget. In addition to this a small target for increasing catering income has been applied as well as an overall target for the base budget review.
- 14.4 There is clearly an issue when constructing budgets in terms of how much can be left as unidentified savings. It would of course be inappropriate for the 2005/2006 budget to have any such loose ends, however setting a target for cashable savings within a future year's budget would not seem unreasonable. The 2006/2007 indicative budget therefore contains a £100,000 savings target. Similarly the budget for 2007/2008 contains a £50,000 target.
- 14.5 It is not yet clear to what extent the Gershon savings targets will be applied to Fire Authorities, although in principle at least there seems no reason for any exemption. The savings expectations already in place from L(I)RMPs, pay verification and general modernisation would seem to have already caused Fire Authorities to drive out as many efficiencies as possible. It is hoped therefore that the targets for Gershon savings may be relaxed. Of course, if they are not, the budgets for future years will require further examination.
- 14.6 The calculations for Pay Awards have been carried out consistently throughout all the budget years on the basis of the best information currently available.
- 14.7 General inflation has been added at a consistent rate throughout. This is not a generalised figure, but one which allows for different inflation rates to be applied to different goods and services, for example fuel, stationery and energy all have different rates.
- 14.8 Support to the Capital Programme is required in order to finance the revenue effects of borrowing and/or leasing. This is not a constant figure within the accounts as the effects of prior year capital financing decisions effectively roll forward. A good example of this is where an asset is financed part way through a previous year and will attract a full years charge in the current year. This figure therefore will move up and down from year to year. Reference is made the revenue effects of capital spending in the report on the prudential code.
- 14.9 The general description of development activity can be a slightly misleading description as it implies a measure of choice in implementation. The following table sets out the issues and budget pressures that are addressed through this general description :

Description	2006/2007 £000s	2007/2008 £000s
Insurance Premiums	50	50
Business Rates	16	17
External Interest	-10	0
GIS Mapping	3	2
Fire Safety Certificates	10	6
Superannuation Increases	34	0
Cadcorp Development	20	-20
VMDS Replacements	50	0

New BA Equipment	0	110
VMDS Development	50	0
IEG	50	0
Admin Support for GIS	20	0
FSEC/GIS Post	30	0
Hydrant Database Development	20	-20
IPDS Competence Pay	60	60
Firelink	0	300
Total	403	505

15. REVISED REVENUE BUDGET 2004/2005

- 15.1 Part of the process of budget setting is to examine the current years Revenue Budget and to consider the likely out-turns for 2004/2005.
- 15.2 The revised estimate is given as part of Appendix B to this report, but this relates to the revised budgetary position after allocations from contingencies and other adjustments. What it does not reflect is the anticipated out-turn, as this is more properly reported through the budget monitoring process. Nevertheless there are a number of issues which Members need to be informed of.
- 15.3 The differences between the original estimate and the revised estimate are due to a number of factors, which in terms of payroll related headings, are due generally to the application of pay awards.
- 15.4 The most significant area however, relates to the contingency sums of £1,402,000 which are showing in the revised estimate. There are some significant sums within this contingency which will not be spent which are :

	£
Retained IPDS Training	350,000
Replacement of Fire Kit	300,000
Driving at Work	70,000
General Contingency	50,000
IT Support	30,000
Asset Manager	30,000
Risk Manager	30,000
Working Together	40,000
Regional Control Study	20,000
	920,000

These are wholly related to areas where spending was planned, but where it has not been possible to commence work on the projects. Examples of this are the Fire Kit project where Nottinghamshire is part of the national procurement project which has yet to make a recommendation. It is proposed to create a reserve for this sum to add to the existing £300,000 reserve which will enable this project to be implemented at some time in the future (possibly during 2006). Similarly the £350,000 which was set aside for training the Retained following the implementation of IPDS has not been spent due to the lateness of this

implementation nationally. Working together and the Regional Control sums will not be spent in 2004/5, but are correctly allocated in the base for 2006/7 to cover some of the costs of the Regional Management Board.

15.5 There are also a number of issues where it is not yet clear whether spending will occur or not, and to what extent. This is true of the sums set aside for the payment of the implications of the job evaluation process for support staff and full effects of the pay protection for Retained personnel.

15.6 It is proposed to deal with underspendings both from the contingency and elsewhere in the following manner :

- Make an additional contribution to balances of £600,000 which has been put forward as a budget assumption and therefore should be carried out in order to both maintain the projected position for balances and reduce the burden on taxpayers.
- Create such reserves as may be required to fund known expenditure which, but for matters of timing, would have fallen to be met within 2004/2005. An example of this is the payment of a pensions transfer value of the order of £500,000.
- Productively use some of the underspending to acquire equipment and assets which would not otherwise have been possible under the existing budget.

15.7 One major area where it is proposed to create a reserve sum of money is in respect of Community Fire Safety, where it is part of the organisational strategy to become more public facing. It had been thought that in the long term it might be possible to consider the use of retail units, however experience in other Services has shown that the use of a sophisticated vehicle is far more effective at reaching communities. This is because it is easier to go into the communities than to expect the public to come to a Fire Service shop unit. A fully equipped unit would cost in the region of £100,000, however this could be met from underspendings in the Community Fire Safety budget. These underspendings have occurred for two reasons :

- Staff not being appointed until part way through the year ;
- Windfall grant from the ODPM to support smoke detectors.

It would seem in keeping with the spirit of this budget to re-allocate it in this way and it is proposed that a reserve is created.

16. RISK MANAGEMENT IMPLICATIONS

16.1 There are a range of risk issues associated with this report, but they broadly divide into two areas :

- External risk of capping ;
- Internal risk of budget assumptions not being correct.

16.2 In terms of capping the Minister has already announced his intention to cap any Local Authority that has an increase in Council Tax of over 5% and so, in theory at least, spending below this level should not give rise to a problem with capping. Nevertheless guidance on this matter in 2004/5 proved unreliable and therefore it is reasonable to be as prudent as possible. Both of the budget options presented are below this 5% ceiling.

16.3 On the second point there are four key budget assumptions built into this report which are :

- National pay awards ;
- Stability in pensions ;
- General inflation ;
- Ability to deliver the savings with IRMP to match additional costs.

The failure of any one of the above could give the Authority significant problems.

- 16.4 In terms of the firefighters pay award, a figure of 4.0% has been built into the budget. If this is in error then the effect on the budget would be approximately £180,000 for each 1% difference. The Authority maintains a level of reserves for dealing with such unexpected demands and levels of reserves in 2005/6 will be of the order of 1.5m. Accepting that all of this should not be spent on pay, there is probably still enough resilience to cope with an award of up to 7% which is considered highly unlikely.
- 16.5 An assumption has been made that pensions costs can be met from the pensions revenue budget and the pensions reserve. The work done so far indicates this to be a good assumption, but we need to consider the impact of this being wrong and that pensions continue to be volatile and eat into revenue budgets. Again reserves are available to meet this type of difficulty and this has been built into the risk matrix which underpins the levels of reserves. However even a small movement in the underlying assumptions around pensions can have a large effect on the revenue impact. Nevertheless the budget and the pension reserve could probably cope with our assumptions being 50% wrong.
- 16.6 General inflation is to some extent an unknown, as are other areas such as interest rates. Nevertheless Government targets on inflation are being consistently achieved and it is considered unlikely given the strict controls imposed by the Bank of England that either general levels of inflation or interest rates will increase or decrease significantly. A 1% increase in the rate of inflation would be significant nationally, but the cost to the Authority would be of the order of £70,000. This could potentially be met from balances or the curtailment of some initiatives.
- 16.7 The biggest risk to the budget is the inability to release savings from the IRMP to fund the new initiatives within it. This has been managed by drawing up careful business plans which control the timing of projects and by making sensible assumptions about what can realistically be achieved. The performance management of these projects will ensure that they stay on track and deliver to expectations.

17. COMMENTS OF THE TREASURER

- 17.1 Under Section 25 of the Local Government Act, the Treasurer is required to report to the Authority on the following two matters :
- The robustness of the estimates made for the purposes of calculations ; and
 - The adequacy of reserves.
- 17.2 The reserves of the Authority are being created over a period of three years and the Treasurer is satisfied that, on the basis of the financial risk assessments, that these reserves are adequate.
- 17.3 The Treasurer has been consulted fully concerning the build up and calculation of the budget and is content that these have been prepared in an accurate and robust manner such that the Authority will have adequate resources to discharge its responsibilities under various statutes and regulations.

18. PERSONNEL IMPLICATIONS

There are no specific implications for personnel, although clearly many of the initiatives proposed for the coming year will impact upon the area of personnel support and training.

19. EQUAL OPPORTUNITIES IMPLICATIONS

Equal opportunities implications emerge in two areas. Firstly, the concentration of investment in the capital programme, and secondly the continued employment of a specialist officer to work in Black and Minority Ethnic Communities.

20. RECOMMENDATIONS

20.1 There are a number of recommendations relating to this report, which are :

20.2 That Members approve the Capital Programme for the years 2005/2006 to 2006/2007 as set out in Section 4 of this report and in Appendix A.

20.3 That Members approve a Revenue Budget for 2005/2006 of £40,285,281 as set out in Sections 5 to 12 of this report and as Appendix B and Appendix C.

20.4 That Members approve the precept figure of £18,585,941 which will be applied to the whole of the City and District Council areas as General Expenses.

20.5 That Members note that the precept for 2004/5 will be collected from City and District Councils in accordance with their agreed taxbases with payments in equal instalments on the following dates:

2004	2005
22 April	4 January
27 May	9 February
1 July	15 March
5 August	
16 September	
14 October	
22 November	

20.6 That Members approve the Council Tax to be raised by the Authority as £58.01 at Band D which requires Council Tax at all Bands to be :

Band A	38.67
Band B	45.12
Band C	51.56
Band D	58.01
Band E	70.90
Band F	83.79
Band G	96.68
Band H	116.02

20.7 That Members approve the indicative revenue budgets for 2006/2007 and 2007/2008 as £41.772m and £43.678m respectively as set out in section 14 and as Appendices D and E to this report.

21. BACKGROUND PAPERS FOR INSPECTION

None.

Councillor Graham Jackson
CHAIRMAN OF THE FIRE & RESCUE AUTHORITY

NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM FIRE AND RESCUE AUTHORITY**CAPITAL PROGRAMME 2005/6 TO 2007/8**

	2005/2006	2006/2007	2007/2008
	£	£	£
Transport			
Pumping Appliances	328,000	952,000	960,000
Special Appliances	320,000	320,000	160,000
Small Vehicles	414,051	224,569	130,000
Total Transport	1,062,051	1,496,569	1,250,000
Property			
Retentions	25,000	25,000	25,000
Harworth	700,000	0	0
Equalities/Community Schemes	400,000	50,000	52,000
Acquisitions	100,000	0	0
Major Schemes	300,000	700,000	700,000
Minor Schemes	0	50,000	50,000
Total Property	1,525,000	825,000	827,000
IT			
Infrastructure Refreshment	308,714	142,514	66,514
Infrastructure Additions	227,000	0	0
Application Development	140,000	0	0
Core Systems Review	0	300,000	0
Fire Link Project	100,000	0	0
MOBS Replacement Project			
Total I.T	775,714	442,514	66,514
Total Programme	3,362,765	2,764,083	2,143,514

NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM FIRE AND RESCUE AUTHORITY**REVISED ESTIMATE 2004/2005 AND REVENUE BUDGET 2005/2006**

<u>Description</u>	<u>ESTIMATE</u> £	<u>REVISED EST</u> £	<u>CASH LIMIT</u> £
Wholetime Operational Pay	16,509,374	17,686,725	17,666,725
Part Time Operational Pay	2,180,133	2,348,137	2,622,137
Control Staff	800,884	913,111	913,111
Admin & Clerical	2,483,004	2,894,151	3,083,186
Manual Workers	152,829	152,829	152,829
Other Employee Expenses	630,823	589,621	573,291
Premises	1,515,765	1,487,021	1,395,513
Operational Equipment	470,417	470,477	475,181
Other Supplies & Services	1,814,376	1,918,810	2,111,725
Transport	1,175,614	1,069,412	1,109,960
Support Services	218,213	218,213	180,874
Capital Financing	2,953,869	2,953,869	2,707,869
Other Income	-466,802	-541,521	-550,857
Annual Pensions	7,628,896	7,680,966	7,680,966
Transfer Values (Pensions)	-1,793,233	-1,845,303	-1,845,303
	36,274,162	37,996,518	38,277,207
Contingency	3,214,918	1,402,091	578,220
Impact of IRMP (Phase 2)	0	0	536,538
Impact of IRMP (Phase 1)	0	0	184,330
Pay Awards Contingency	0	0	1,075,172
Fire Safety Contingency	36,050	126,524	154,714
External Debt Financing	193,000	193,000	193,000
Asset Management Rev	-1,014,000	-1,014,000	-1,014,000
Interest Receivable	-20,000	-20,000	-70,000
MRP	94,000	94,000	154,000
Deferred Charges	8,000	8,000	8,000
General Reserve	0	0	0
Government Grant	-500,000	-500,000	0
Unallocated Reserve	0	0	0
Surplus On Collection			-92,000
Balance	900,000	900,000	300,000
	39,186,130	39,186,133	40,285,281

ANALYSIS OF CONTINGENCIES AND CENTRAL ITEMS IN THE 2005/2006 BUDGET

	£	£
Contingency Build Up	40,000	
Regional Control	20,000	
Driving at Work	70,000	
IT 24/7 Support	30,000	
Co-Responder Training	20,000	
IPDS Team	48,200	
Retained IPDS Training	350,000	578,200
Pay Awards Contingency	1,075,170	
Community Fire Safety	<u>154,710</u>	
Total		1,229,880

<u>BASE BUDGET CONSTRUCTION 2005/2006</u>	£	£
Base Budget		39,186,134
Base Budget Review		
Training	-30,000	
Rates	-150,000	
External Interest	-50,000	
Leasing	-246,000	
Bank Holidays	-20,000	
Office Equipment	20,000	
Contract Cleaning	20,000	
Comms Licences and Rentals	10,000	
Working Together	-50,000	
IT Service	-40,000	
Fire Safety Certificates	10,000	
Special Services Income	-10,000	
Telecommunications	35,000	
Purchase of New Fire Kit	-300,000	
Contribution to Balances	-600,000	
Transitional Funding Removal	500,000	
		-901,000
<u>Pay Awards</u>		
Principal Officers		
Apr 05 - Dec 06	8,140	
Jan 06 - Mar 06	2,780	
Wholetime Operational and Control		
Apr 05 - Jun 05	187,510	
Jul 05 - Mar 06	607,780	
Increments	103,350	
Retained Pay		
Apr 05 - Jun 05	25,120	
Jul 05 - Mar 06	74,460	
Increments	43,400	
		1,052,540
Admin Pay Award		
Admin Increments	35,000	
Protection on Job Evaluation	0	
Pay Award	70,000	
		105,000
Pension Contribution (11%)		
Principal Officers	-1,200	
Wholetime Operational and Control	-65,030	
Increments	-16,140	
		-82,370
Revenue Implications of Capital	60,000	
		60,000
Other Budget Issues		
Insurance Increase	70,000	
GIS Mapping	36,000	
Inflation	101,000	

Admin and Control Superannuation Increase		
(11.8-13) Increase 1.2%	30,000	
Surplus on Collection	-92,891	144,109
IRMP 1		
Year 1		
Abandoned Vehicle Recovery	159,000	
Unwanted Fire Signals	-69,500	
Hoax Reduction	-4,000	
Fire Safety Enforcement	10,000	
Fire Safety Enforcement Savings	-409,111	
CFS Vehicle	2,833	
Pool Vehicles	2,834	
Contribution to Risk Watch	200,000	
Safety Services Restructure	67,459	
2 x Fiesta	-3,960	
Pool Vehicles	3,960	
Arson Task Force	15,773	
IPDS Competency	137,559	
Co-Responder	132,225	
Risk Watch Co-ordinator	28,800	
HRA Co-Ordinator	23,700	
Admin in Existing Base	-86,333	
Community Fire Safety	341,652	
CS Development Worker (Ethnic Minorities)	18,333	
Firesetters	28,000	
Young Persons/ASB Worker	28,000	
HRA Operative	15,500	
3 LFFs acting up to Sub.O	93,790	
1 FF	27,250	
Training:	20,000	
Smoke Alarms: Ordinary	72,000	
Special Alarms for Deaf	10,000	
ODPM Grant	-120,000	
ALP Training	12,500	
PPE & Training for New Recruits	36,200	
Pagers	880	
Salary for New Recruits	90,000	
Savings from movement of the ALP	-701,014	184,330
IRMP 2		
Impact Roadshow	8,834	
Working With Young People	70,000	
Immediate Appointment of CFS Staff	150,000	
Policy Officer	-38,000	
Avoidable Injuries Officer	38,000	
Administrator	10,000	
Avoidable Injuries Project	4,000	
Funding	-4,000	
Civil Contingencies Bill	59,274	
Cross Border Incidents	-15,000	
RMB	50,000	
Performance Management	30,000	
Performance Management Grant	-20,000	
Retained Liaison Officer	15,000	
Recruitment/Support Initiative	30,000	
IT Trainer	20,000	

DDA Training	10,000	
FSEC	18,430	
Specialist Equipment	100,000	536,538
Annual Budget		40,285,281

<u>BUDGET CONSTRUCTION 2006/2007</u>	£	£
Base Budget		£40,285,281
Base Budget Review		
Cashable Savings	-100,000	
Catering Income (est)	-8,000	
Contribution to Balances	-£200,000	
		-£308,000
Pay Awards etc.		
Principal Officers		
Apr 06 - Dec 07	£8,389	
Jan 07 - Mar 07	£2,859	
Wholetime Operational and Control		
Apr 06 - Jun 06	£197,621	
Jul 06 - Mar 07	£599,087	
Increments	£112,813	
Retained Pay		
Apr 06 - Jun 06	£25,601	
Jul 06 - Mar 07	£77,610	
Increments	£39,916	
Admin Pay Award		
Admin Increments	£35,000	
Protection on Job Evaluation	£0	
Pay Award 2.95%	£70,000	
Pension Contribution (16%)		
Principal Officers	-£1,237	
Wholetime Operational and Control	-£87,638	
Increments	-£16,800	
		£1,063,221
General Inflation		£125,050
Support for Capital		£210,000
Development Activity		
Insurance Increase	£50,000	
Rates (4%)	£16,410	
External Interest	-£10,000	
GIS Mapping	£3,000	
Fire Safety Certificates	£10,000	
Admin and Control Superannuation Increase (11.8-13) Increase 1.2%(2900)	34,000	
Cadcorp development	20,000	
VMDS Replacements	50,000	
VMDS Development	50,000	
IEG	50,000	
Admin Support for GIS	20,000	
FSEC/GIS Post	30,000	

Hydrant Database Development	20,000	
IPDS Competence	£60,000	£403,410
IRMP 1		
Abandoned Vehicle Recovery	-£28,000.00	
Fire Safety Enforcement Savings	-£70,000.00	
Contribution to Risk Watch	-£100,000.00	
Arson Task Force	£119,000.00	
Co-Responder	-£6,000.00	
ALP Training	-£12,500.00	
PPE & Training for New Recruits	-£36,200.00	
Pagers	-£880.00	
		-£134,580.00
IRMP 2		
Impact Roadshow	-£6,000.00	
RMB	£25,000.00	
DDA Training	£10,000.00	
FSEC	£18,430.00	
Specialist Equipment	£0.00	
Replacement for RIK/Holmatro	£80,000.00	
		£127,430.00
Annual Budget		£41,771,812.00

<u>BUDGET CONSTRUCTION 2007/2008</u>	£	£
Base Budget		£41,771,812
Adjustments to the Base		
Cashable Savings Target	-50,000	-£50,000
Pay Awards etc.		
Principal Officers		
Apr 06 - Dec 07	£8,642	
Jan 08 - Mar 08	£2,946	
Wholetime Operational and Control		
Apr 07 - Jun 07	£205,986	
Jul 07 - Mar 08	£624,447	
Increments	£0	
Retained Pay		
Apr 07 - Jun 07	£26,685	
Jul 07 - Mar 08	£80,895	
Increments	£0	
		£949,601
Admin Pay Award		
Admin Increments	£35,000	
Protection on Job Evaluation	£0	
Pay Award 2.95%	£70,000	
		£105,000
Pension Contribution (11.3%)		
Principal Officers	-£1,275	
Wholetime Operational and Control	-£91,348	
Increments	£0	
		-£92,623
General Inflation	£129,506	
		£129,506
Support for Capital	£60,000	
		£60,000
Development Activity		
Insurance Increase	£50,000	
Rates(4%)	£17,066	
GIS Mapping	£2,000	
Fire Safety Certificates	£6,000	
New BA Equipment	110,000	
Cadcorp Development	-20,000	
Hydrant Database Development	-20,000	
Support for Firelink	£300,000	
IPDS Competence	£60,000	
		£505,066
IRMP 3 - Estimated	£300,000.00	
		£300,000.00
Annual Budget		£43,678,362.00