

report

meeting	NOTTINGHAMSHIRE AND CITY OF NOTTINGHAM FIRE & RESCUE AUTHORITY	
date	16 December 2005	agenda item number

JOINT REPORT OF THE CHIEF FIRE OFFICER AND THE TREASURER

BUDGET CONSULTATION 2006/7

1. PURPOSE OF REPORT

- 1.1 The Standing Orders of the Fire Authority require that the Treasurer and the Chief Fire Officer give budgetary guidelines to the Authority for approval. This report sets out in broad terms the advice of the Chief Fire Officer and the Treasurer in respect of budget setting for 2006/7.
- 1.2 Specifically the report seeks the approval of the Fire Authority to commence a period of consultation on the 2006/7 Revenue Budget.

2. BACKGROUND

- 2.1 Work is fairly advanced on the preparation of the Revenue Budgets for the period 2006/7 to 2008/9 and Capital Budgets for the same period. The outline budget for 2006/7 was approved by the Authority as part of the 2005/6 precept setting process however this position has been reviewed to take account of improved information since February 2005 and in the light of the IRMP process.
- 2.2 There are significant changes due in the way that Government Grant is to be calculated and paid to Fire Authorities coupled with changes to the funding of the firefighters pension scheme. This makes any estimate of Aggregate External Finance extremely difficult.
- 2.3 In addition to uncertainties over the levels of grant, the government have made no direct statements regarding capping criteria. Nevertheless it is commonly believed that that council tax increases of over 5% could be subject to capping.
- 2.4 It is therefore prudent to consider budget changes at this stage solely in terms of year on year cash increases within a range of say 3-6%.
- 2.5 The proposed consultation process has to some extent already commenced with the Members Seminar on 9 December 2005, a synopsis of which is to be distributed at this meeting. This paper seeks Member approval to take this process forward by consulting with the statutory consultees in the business community, members of the public and staff representative bodies.
- 2.6 The uncertainties around budget setting, grant levels and the and the relationship to eventual council tax are sufficiently complex to justify the setting up of an Ad-Hoc Members panel to discuss the outcomes of the consultation process and the final

Grant Settlement and impacts on Council Tax before the final precept setting meeting in February 2006.

3. FINANCIAL IMPLICATIONS

There are no specific financial implications arising from this report although clearly the annual budget itself defines the financial parameters for the authority for the coming year.

4. PERSONNEL IMPLICATIONS

There are no specific implications for personnel within this report.

5. EQUALITY IMPACT ASSESSMENT

There are no specific implications for equality within this report.

6. RISK MANAGEMENT IMPLICATIONS

There are no specific risk management implications arising from this report.

7. RECOMMENDATIONS

7.1 That Members approve the budget guidelines set out above and give authority to the commencement of the consultation process on the 2006/7 Revenue Budget.

7.2 That Members approve the setting up of an Ad-Hoc panel to consider the outcomes from consultation and the impact on Council Tax of budget proposals, once the grant settlement is known. This panel to be constituted as 4 members from the majority group, 1 from the Conservative group and 1 from the Liberal Democrats.

8. BACKGROUND PAPERS FOR INSPECTION

None.

Paul Woods
CHIEF FIRE OFFICER

Alan Sumby
TREASURER