

# Nottinghamshire and City of Nottingham Fire and Rescue Authority

## Authority Meeting 23rd February 2007

### Amendment to be moved by the Chairman

#### Introduction

In consideration of the results of the consultation exercise where doubts were expressed about the level of the increase in Council Tax being sought by the Fire Authority it is considered appropriate to move an amendment to the budget paper at this meeting.

Although it is clear that the Authority would not be out of step with other Fire Authorities in seeking an increase of 4.9% in its Council Tax it is clear that other Local Authorities in the area are not seeking rises of this magnitude. Whilst the 4.9% proposal is considered reasonable it is felt that the Authority should make every effort to reduce this.

The balances were budgeted to be used to support the Revenue budget in 2006/2007 and the full effect of this was planned to be reversed in 2007/2008. It is possible to take a more measured approach to this adjustment particularly as the Authority is in a strong position as regards balances and has accumulated balances in excess of those actually required for a "working balance". This does not mean of course that the balances can continue to support the revenue budget indefinitely, but it does mean that they can be used in a flexible way over the next three years.

It is proposed therefore that rather than reducing the support from balances from £400,000 to zero in 2007/2008 this is in fact only reduced by £300,000 thus reducing the revenue budget requirement by £100,000 and allowing the authority to have a Council Tax increase of 4.4% rather than the planned 4.9%.

This has a knock on effect into 2008/2009 as this revenue budget will require further support from balances of £50,000 and the total amount of support i.e. £150,000 will be withdrawn in 2009/2010. This will require that the revenue budget proposals for 2009/2010 are reduced by £150,000 to enable this to happen.

The effect on balances will be:

	£
Predicted level of balances at 31/03/2007	2.401m
Contribution from balances 2007/2008	0.100m
Contribution from balances 2008/2009	0.150m
Predicted level of balances 31/03/2009	2.151m

As the required level of balances has been assessed as £2.0m this figure will still be sufficient.

In terms of the required budget reduction in 2009/2010 a provisional figure of £150,000 had already been placed in this budget to allow further as yet unidentified Community Safety initiative to be developed. It is proposed that this sum is withdrawn and that work is continued on the base budget to release resources for these activities.

There are some effects of rounding which arise from these calculations and it is proposed that these balancing sums are applied to general inflation as follows:

	£
2007/2008	+1,343
2008/2009	+2,519
2009/2010	-8,694

This amendment has the effect of reducing the proposed Council Tax at Band D from the £63.83 proposed at Band D to £63.53. This means in effect that after grant the Authority's expenditure will increase by 4.58% and the Council tax will increase by 4.4% rather than the 4.9% originally proposed.

A revised Appendix B is attached to this paper.

### **Revised Recommendations**

1. That Members approve a Net Revenue Budget for the Fire Authority of £41,673,051.
2. That Members approve a Fire Authority Precept of £20,599,622 which will be applied to the whole of the City and District Council areas as General Expenses. This will be billed to each District Council as follows:

	£
Ashfield	2,174,695.35
Bassetlaw	2,249,658.32
Broxtowe	2,211,998.64
Gedling	2,388,127.72
Mansfield	1,943,608.08
Newark and Sherwood	2,383,781.81
Nottingham City	4,706,084.35
Rushcliffe	<u>2,541,667.73</u>
	20,599,622.00

3. That members approve the Council Tax for the Fire Authority at various bands being set as follows:

	£
Band A	42.35
Band B	49.41
Band C	56.47
Band D	63.53
Band E	77.65
Band F	91.77
Band G	105.88
Band H	127.06

4. The precept for 2007/8 will be collected from City and District Councils in accordance with their agreed taxbases with payments in equal instalments on the following dates:

<b>2007</b>	<b>2008</b>
23 <sup>rd</sup> April	4 <sup>th</sup> January
25 <sup>th</sup> May	8 <sup>th</sup> February
4 <sup>th</sup> July	13 <sup>th</sup> March
7 <sup>th</sup> August	
14 <sup>th</sup> September	
17 <sup>th</sup> October	
22 <sup>nd</sup> November	

5. That the Members approve the Capital Programme for 2007/8 to 2009/2010 as set out in the original report.
6. That Members approve the Revenue Budgets for 2008/2009 and 2009/2010 as set out in Appendix A to this report.

**Councillor D Pulk**  
**CHAIR OF THE FIRE AUTHORITY**

**Comments of the Authority Treasurer**

The proposed reduction of approximately £100,000 in the Revenue Budget for 2007/2008 has knock on effects into 2008/2009 and 2009/2010 and will require support from the Authority's balances. Nevertheless the level of balances will not fall below the amount which the risk assessments show to be required.

## Variations to Base Budget 2007/08 to 2009/10

## Appendix B

	2007/08	2008/09	2009/10
<b>Base Budget</b>	<b>39,847,091</b>	<b>41,673,051</b>	<b>43,173,013</b>
<b>Pay Awards</b>			
Wholetime	586,318	571,000	591,000
<b>Post Conversions</b>	<b>-107,418</b>	<b>0</b>	<b>0</b>
Control	19,000	28,000	30,000
Training Reserve reduction 06/07 only	90,000	0	0
Overtime	4,000	0	0
Retained	147,000	93,000	100,000
Principal Officers	12,000	14,000	15,000
Non-uniformed	112,145	115,509	118,975
Increments	70,169	79,422	53,877
Pay inflation - new posts	6,586	12,749	13,424
<b>Finance and Resources (Pensions)</b>			
Emp'er contributions old scheme	3,032,000	-25,000	-10,000
Emp'er contributions old scheme	-3,686,000	0	0
Emp'er contributions new scheme	212,000	71,000	66,000
Injury awards	56,107	16,300	17,100
Ill health charges	238,914	73,465	-91,919
Ill health deposit	-356,000	0	0
Injury award increases	147,800	12,800	13,900
Emp'er contributions new scheme Retained	160,625	0	0
New Contribution to Balances re Ill Health / Injury	50,000	0	0
<b>Other</b>			
General Inflation	71,662	62,496	83,509
Base Budget Review savings	0	0	0
Admin & Support Pay - changes to base	107,418	0	0
Shift Change - eliminate surplus base budget	-200,000	0	0
<b>Admin Pay Issues Identified</b>			
CBRN / Resilience admin post	4,131	0	0
ADC Administrator post not in establishment	21,429	0	0
Administrator Stn 21	19,501	0	0
Administrator Stn 26	19,501	0	0
Administrator Stn 8	19,896	0	0
Workplace Assessor	29,764	0	0
Regional HR Officer 2 yr FTC	9,200	0	-9,200
<b>Capital Financing</b>			
Operating Leasing	-772,975	339,000	39,000
Debt support to Cap Programme	336,354	424,050	9,268

## Variations to Base Budget 2007/08 to 2009/10

## Appendix B

	2007/08	2008/09	2009/10
<b><u>New Demands 2007/08 to 2009/10</u></b>			
<b>Changes to Base Identified 2005/06</b>			
Arson Task force, remove incorrect grant assumption	92,500	0	0
GIS Mapping	2,000	0	0
Impact Roadshow	3,000	0	0
New BA Equipment	90,000	0	0
CFRMIS development for electronic files	-7,000	0	0
Firesetters Intervention	21,000	0	0
HRA Development	-5,000	0	0
RTC Awareness day	1,000	1,000	0
Rank To Role Consultancy	0	-40,000	0
Training and Performance Development	-25,000	0	0
<b><u>New Demands from Budget Returns</u></b>			
<b>CFO Woods</b>			
East Midlands Marketing & Fundraising	13,499	0	0
<b>Technical Fire Safety</b>			
Loss of fire certificate income due to FIRE Safety Order legislation	6,339	0	0
<b>Community Fire Safety</b>			
Risk Watch folders & risky boxes	0	15,000	0
Seatsafe Programme - training	25,000	-25,000	0
Seatsafe Programme - ongoing costs	7,000	0	0
Firesetters Programme - payment of overtime at standard rate	25,000	0	0
Firesafe Programme	0	10,000	0
Bendigo - youth intervention programme	6,000	-4,000	0
Schools Liaison - setup incl toolbox	8,000		-3,000
Neighbourhood Team approach (LAA)	26,000	24,000	0
LSP / CDP Membership	25,000	0	0
Home Safety Check Delivery	22,230	0	0
Arson Task Force	0	0	45,240
Running costs of Farnborough Road building	70,000	0	0
<b>Media - nil change</b>			
<b>Operational Equipment</b>			
Operational Equipment	17,000	0	0
Fire Foam	4,000	0	0
Hose purchase and repair	6,000	-13,000	
Asset Management	15,000	0	0
Integrated Clothing Project	385,000	-500,000	0
Annual maintenance of PPE	50,000	0	0
Less earmarked reserve	-400,000	200,000	200,000
Specialist Rescue Equipment training	20,000	12,000	-22,000

## Variations to Base Budget 2007/08 to 2009/10

## Appendix B

	2007/08	2008/09	2009/10
IT & Comms for ICU vehicles	10,000	-10,000	0
Environmentally friendly foam - additional cost	2,500	2,500	0
<b>I.T.</b>			
IT Contracts	-30,000	-20,000	0
<b>Communications</b>			
Phones	7,721	0	0
FireLink and RCC transition costs	300,000	-300,000	0
FireLink running costs	0	104,000	312,000
FireLink savings arising in base budget	0	0	-22,000
	0	0	-78,500
Less earmarked reserve	-200,000	200,000	0
<b>Administration</b>			
Postage	-1,391	-1,000	-2,000
Stationary (not stations)	12,290	-3,000	-1,000
Furniture	-1,095	-1,500	-1,000
Office Equipment	4,838	-3,000	-3,000
Office Equipment Hire & Lease	-1,467	-3,000	-1,000
Non-Uniformed Travel	22,877	4,000	4,000
Training	8,500	0	0
<b>Human Resources</b>			
Interview expenses	335	0	0
Disturbance Allowance	1,086	0	0
Refund of NHS Charges	2,386	0	0
Westfield Health Scheme	48,000	0	0
Recruitment Advertising	6,637	0	0
Cost of H2 Appeals (new FF pension scheme)	30,000	0	0
Functional Testing (new FF pension scheme)	15,000	0	0
ID cards - new digital camera required	200	-200	0
Childrens Act – CRB checks	5,000	0	0
Salary protection for redeployees (new FF pension scheme)	25,000	25,000	0
Regional ADC's	20,000	0	0
<b>Occupational Health</b>			
New post - Health Care Assistant	0	10,400	10,400
Provide annual fitness tests on Stations - Van	0	10,920	-10,920
Provide annual fitness tests on Stations - Equipment & software	0	4,080	-4,080
Ongoing running costs	0	5,000	0
<b>Learning &amp; Development</b>			
Operational pay	-16,000	0	0
Moreton & Retained Junior Officers	30,000	30,000	0
NVQ	19,192	0	0
Business rates	7,000	0	0
IT training equipment	20,000	-20,000	0
E-learning	12,000	-7,000	-3,000
IT trainer	21,588	0	0

## Variations to Base Budget 2007/08 to 2009/10

## Appendix B

	2007/08	2008/09	2009/10
IT trainer	1,539	0	0
IT trainer	2,871	0	0
Member training	10,000	0	0
<b>Transport</b>			
Fuel	22,000	0	0
MOT test	95	0	0
Fleet software training & development	7,500	-2,500	0
<b>Finance and Resources</b>			
Audit fees	18,450	0	0
Committee Services	2,790	0	0
Chief Executive	-55	0	0
Treasury Services	5,121	0	0
Private Mileage	3,140	0	0
Members Allowances	7,350	0	0
Members Allowances	-3,100	0	0
Members Expenses	-3,859	0	0
Subscriptions LGA	260	0	0
Subscriptions – Other	3,000	0	0
Legal Expenses	32,817	0	0
RMB Budget	13,100	0	0
<b>Finance and Resources</b>			
Increase base to cover uninsured losses in year	40,064	0	0
<b>FEM (P Kennell)</b>			
1 extra technician post following expansion:	9,468	9,465	0
Fire precaution equipment	32,270	0	0
Fuel	5,293	1,000	0
Workshop charges	-62	250	0
Tyres	1,800	200	0
Uniform	989	0	0
Subscriptions	1,217	150	0
Fire Hydrant Maintenance	22,000	0	0
FEM routine maintenance	-25,646	-34,000	0
FEM equipment	-73,606	0	0
<b>Procurement &amp; Estates</b>			
Planned maintenance	-54,563	-28,000	35,000
Unplanned maintenance	60,000	20,000	-10,000
Periodic service agreements	55,000	35,000	5,000
Grade 2 supplies officer:	15,825	0	0
	1,003	0	0
	2,105	0	0
Revenue costs of HQ extension	30,000	-30,000	0
Revenue costs of closing Stations 21 & 22	0	10,000	-10,000
<b>Princes Trust</b>			
Public transport for students	9,500	0	0

## Variations to Base Budget 2007/08 to 2009/10

## Appendix B

	2007/08	2008/09	2009/10
Non uniformed travel	2,000	0	0
Uniform	1,250	0	0
Subsistence	-1,150	0	0
Rent & Hire of Premises	37,000	0	0
Training	-2,000	0	0
Princes Trust Income	-155,908	0	0
Station Mtce	-1,000	0	0
Electricity	-500	0	0
Gas	-430	0	0
Business Rates	-1,120	0	0
Water	-383	0	0
Sewerage	-100	0	0
Cleaning Materials	-100	0	0
Books & Publications	-50	0	0
Phones General	-900	0	0
Operational Equipment	-60	0	0
Office Equipment	-500	0	0
Elimination of earmarked reserve	-30,000	30,000	0
<b>Commercial Training</b>			
Increased surplus	-5,000	0	0
<b>Stations</b>			
Contract cleaning & window cleaning	55,000	0	0
Stationery	26,000	0	0
Targeted Procurement Savings	0	-59,114	-4,638
<b>Budget Requirement</b>	<b>41,371,708</b>	<b>43,220,494</b>	<b>44,648,449</b>
Contribution to Balances - reinstate budget	300,000	0	150,000
Contribution from Balances	0	-50,000	0
Inflation Adjustment	1,343	2,519	-8,694
<b>Net Budget Requirement</b>	<b>41,673,051</b>	<b>43,173,013</b>	<b>44,789,755</b>
<b>Increase in Budget</b>	<b>4.58%</b>	<b>3.60%</b>	<b>3.74%</b>
<b>Increase in Council Tax</b>	<b>4.4%</b>	<b>4.7%</b>	<b>4.9%</b>

The above figures assume grant settlements of only 1.5% in 2008/2009 and 2009/2010.