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Nottinghamshire and City of Nottingham Fire and Rescue Authority Finance and Resources Committee

Date: Friday, 21 January 2022 **Time:** 10.00 am

Venue: Nottinghamshire Fire and Rescue Service Headquarters - Nottinghamshire Fire and Rescue Service Headquarters, Bestwood Lodge Drive, Arnold, Nottingham, NG5 8PD

Members are requested to attend the above meeting to be held at the time, place and date mentioned to transact the following business

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Clerk to the Nottinghamshire and City of Nottingham Fire and Rescue Authority

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| 6 Exclusion of the Public To consider excluding the public from the meeting during consideration of the remaining items in accordance with Section 100A of the Local Government Act 1972, under Schedule 12A, Part 1, on the basis that, having regard to all the circumstances, the public interest in maintaining an exemption outweighs the public interest in disclosing the information. | |

7 Exempt Minutes

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Exempt minutes of the meeting held on 15 October 2021 (for confirmation)

Any councillor who is unable to attend the meeting and wishes to submit apologies should do so via the Executive Assistant to the Chief Fire Officer and the Principal Officer Team at Fire Services Headquarters on 0115 967 0880

If you need any advice on declaring an interest in any item above, please contact the Governance Officer shown on this agenda, if possible before the day of the meeting.

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**Nottinghamshire and City of Nottingham Fire and Rescue Authority
Finance and Resources Sub-Committee**

**Minutes of the meeting held at Nottinghamshire Fire and Rescue Service
Headquarters, Bestwood Lodge Drive, Arnold, Nottingham, NG5 8PD on Friday 15
October 2021 from 10:02am to 10:52am**

Membership

Present

Councillor John Clarke (Chair, items 11-16)

Councillor Toby Neal (Chair, item 17)

Councillor Callum Bailey

Councillor Steve Battlemuch

Councillor Eddie Cubley

Absent

Councillor John Lee

Colleagues, partners and others in attendance:

Candida Brudenell - Assistant Chief Fire Officer

Leila Henry - Head of Risk Assurance and Operational Training

Adrian Mann - Governance Officer

Ian Pritchard - Joint Head Quarters Programme Support Manager

Becky Smeathers - Head of Finance and Treasurer to the Fire Authority

11 Apologies for Absence

Councillor John Lee

12 Declarations of Interests

Councillor John Clarke declared a Disclosable Pecuniary Interest in item 17 because he is the Leader of Gedling Borough Council. He left the meeting prior to the discussion of and voting on this item.

13 Minutes

The Committee confirmed the minutes of the meeting held on 2 July 2021 as a correct record and they were signed by the Chair.

14 Revenue, Capital and Prudential Code Monitoring Report to 31 August 2021

Becky Smeathers, Head of Finance and Treasurer to the Fire Authority, presented a report on the 2021/22 financial performance of the Service and Prudential Code monitoring to the end of August 2021. The following points were discussed:

- (a) the current revenue position is close to budget, with a slight overspend of £23,000. However, inflation is now starting to grow, and the unions representing the non-uniform fire and rescue service staff nationally have rejected the latest pay award offer, meaning that there is some uncertainty in the budget that may lead to additional pressures. The pay for firefighter and support roles is set at a national level and, although agreement has been reached for the firefighter pay awards (which represents the majority of the Service's staffing costs), negotiations for the non-uniform pay will continue. Given that the Government requested a pay freeze for public sector workers, it seems unlikely that the pay awards will be accounted for in the upcoming national spending review. The Authority had to increase its Council Tax ask as part of this budget – with around three quarters of the Service's income coming from Council Tax and Business Rates, and around one quarter from the national grant;
- (b) the budget for next year is being developed, with provision for both general and wage inflation. Increasing ICT costs will be brought through into the Medium-Term Financial Strategy (MTFS) for December, along with a ten-year capital plan. The Service could be subject to a high level of pressure in relation to the capital programme in the medium term, so it will be reviewed as part of the budgeting process, and it may be necessary to extend the period between building new fire stations. However, no major cuts or additional funding requirements are anticipated, currently;
- (c) in terms of the capital programme, the project to replace the Eastwood Fire Station is due to commence in 2022/23, but feasibility work for this project needs to begin in 2021/22 to enable works to start in 2022/23. As such, a budget of £16,000 needs to be brought forward to fund the associated costs;
- (d) the project to move to a new joint headquarters with Nottinghamshire Police is proceeding to timetable and within the budget envelope, on the basis of a fixed-price agreement with the contractor. However, there are a number of planned projects where tendering and procurement processes have not yet been carried out that will be affected by potential increases in inflation and building costs, so this will need to be reflected in the MTFS;
- (e) there is a Special Appliances budget of £150,000 for the purchase of replacement Aerial Ladder Platforms, but the project is now on hold as a special vehicle review is taking place, so the budget needs to be carried forward into 2022/23. In addition, a review of the ICT Replacement Programme has found that some IT equipment at fire stations had not been accounted for. This equipment is becoming obsolete and requires replacing as a matter of urgency, so it is anticipated that £125,000 will be needed to fund this project;
- (f) in terms of the prudential code monitoring, borrowing remains within the limits set by the Authority, and stands currently at £28.9 million. Due to the potential for interest rates to rise, the planned borrowing of £2 million for capital financing costs has been brought forward.

To mitigate against rising costs, the Service is now holding larger stocks of important supplies, and the Procurement team is monitoring the supply situation closely.

Resolved:

- (1) to approve the early commencement of feasibility work for the Eastwood Fire Station capital project, requiring £16,000 of expenditure to be brought forward into 2021/22;**
- (2) to approve the slippage of expenditure of £150,000 in the Special Appliances capital budget into 2022/23;**
- (3) to approve an increase to the ICT Replacement Equipment capital budget of £125,000, to be funded from underspends of £20,000 from the Performance Management System budget, £30,000 from the Business World Upgrade budget, and £75,000 from the Hucknall Fire Station budget.**

15 Corporate Risk Management, Including Management of Operational Road Risk

Leila Henry, Head of Risk Assurance and Operational Training, presented a report on the Corporate Risk Management Process. The following points were discussed:

- (a) the risks relating to the Coronavirus pandemic have been de-escalated, but remain high. Governance and performance management processes for a pandemic situation are in place, and measures to prevent the spread of infection remain active, particularly for station-based staff. The staff response to Coronavirus was very strong, with very few cases of infection – the majority of staff absence during the pandemic was due to the requirement to self-isolate following contact, rather than as a result of catching the virus. With winter approaching, staff also have access to flu vaccinations. Recovery processes are progressing well and the situation continues to be monitored, with the business continuity group meeting on a monthly basis;
- (b) the availability of resources has been escalated as a risk due to supply chain disruption and the increasing cost of gas. Supplies of smoke detectors have been re-stocked. The recent fuel supply problems had a minimal impact upon the Service, due to its bunkered fuel stores;
- (c) in terms of staffing sustainability, some key support roles have become vacant and, due to the relatively small size of the organisation and its support teams, this could have an operational impact – particularly in specialist areas such as ICT. Work is underway to develop resilience internally, and structures for cover are being established in collaboration with other fire and rescue services. A significant project to provide assurance and mitigation in response to problems with the mobile data terminals on appliances is in place, to ensure the safety of crews;
- (d) the Corporate Risk Register includes specific reference to operational road risk because, around five years ago, a number of high-cost collisions involving appliances travelling to incidents led to the insurer withdrawing cover. To mitigate this risk, a dedicated working group was put in place to reduce the number of vehicle collisions. This includes the high-cost potential incidents when appliances are responding to incidents, but also the low-

cost but high frequency collisions that can occur during the low-speed manoeuvring of appliances – so crews have been trained to guide drivers down narrow roads with on-street parking to limit damage as much as possible. To date, the working group has achieved a 41% reduction in vehicle collisions, resulting in a saving of £50,000 in insurance costs;

- (e) the Committee extended its thanks to all staff who have played a part in bringing about the large reduction in operational road risk incidents, as this represents a substantial achievement.

The Committee noted the report.

16 Exclusion of the Public

Resolved to exclude the public from the meeting during consideration of the remaining items in accordance with Section 100A of the Local Government Act 1972, under Schedule 12A, Part 1, Paragraph 3, on the basis that, having regard to all the circumstances, the public interest in maintaining an exemption outweighs the public interest in disclosing the information.

- **Chair**

As Councillor John Clarke, Chair of the Committee, declared a Disclosable Pecuniary Interest and left the meeting, Councillor Toby Neal chaired the rest of the meeting.

17 Update on the Land and Legal Title of the Headquarters at Bestwood Lodge

Councillor John Clarke declared a Disclosable Pecuniary Interest in this item because he is the Leader of Gedling Borough Council. He left the meeting prior to the discussion of and voting on this item.

Ian Pritchard, Joint Head Quarters Programme Support Manager, presented a report on the actions taken to resolve any issues relating to the land and legal title of the Service's Headquarters at Bestwood Lodge.

The Committee noted the report.



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Finance and Resources Committee

REVENUE, CAPITAL, AND PRUDENTIAL CODE MONITORING REPORT TO 30 NOVEMBER 2021

Report of the Chief Fire Officer

Date: 21 January 2022

Purpose of Report:

To report to Members on the 2021/22 financial performance of the Service and Prudential Code monitoring to the end of November 2021.

Recommendations:

It is recommended that Members:

- Note the content of this report.
- Approve a £13,700 addition to the capital programme for the purchase of equipment required for the National Inter-agency Liaison Officers (NILO) activity.
- Approve the £25k increase in the water rescue equipment capital budget to be funded from underspends on the Fire Gloves project (£11k) and the vehicle CCTV project (£14k).

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1. BACKGROUND

- 1.1 Budget monitoring is a key aspect of financial management for the Fire Authority. Regular reporting of spending against the revenue budgets is a check that spending is within available resources and if necessary, allows for financial resources to be re-assigned to meet changing priorities.
- 1.2 This report covers those areas with a higher risk of significant variance. An assessment of this risk has been made in the light of the size of the budgets selected and/or previous experience of variances, as well as the emergence of actual variances. It is vital that an overview of the budgetary position during the year is maintained, so that appropriate action can be taken in respect of significant variances and the budget is managed as a whole.
- 1.3 Monitoring against the revised prudential indicators is also included in this report, as required in the Prudential Code published by the Chartered Institute of Finance and Accountancy (CIPFA).

2 REPORT

REVENUE BUDGET

- 2.1 The revenue monitoring position is set out in Table 1 below. It shows a forecast outturn position of £46.819m, which is a £116k overspend against the revised budget of £46.703m.

Table 1 – Summary Expenditure and Funding Position

| | 2021/22 Budget £'000 | Revised Budget £'000 | Forecast Outturn £'000 | Variance £'000 |
|--|-------------------------------------|-------------------------------------|---------------------------------------|---------------------------|
| Net Expenditure | 45,302 | 46,703 | 46,819 | 116 |
| Revenue Support Grant | (5,452) | (5,452) | (5,452) | 0 |
| Business Rates (including related grants) | (10,860) | (10,860) | (10,860) | 0 |
| Pension Grant | (2,340) | (2,340) | (2,340) | 0 |
| Council Tax | (26,650) | (26,650) | (26,650) | 0 |
| General Fund | 0 | 0 | (116) | (116) |
| Earmarked Reserves | 0 | (1,401) | (1,401) | 0 |
| Total | 0 | 0 | 0 | 0 |

- 2.2 A more detailed analysis of expenditure can be found at Appendix A. Major variances on specific budgets are shown below.
- 2.3 **WHOLETIME PAY:** The forecast for total wholetime pay is £84k above the revised budget. However, £258k of the expenditure relates to supporting partner agencies with activities such as administering Covid-19 vaccinations and driving ambulances, and most of these costs will be recovered. Once these costs are excluded and secondment income is taken into consideration there is an overall estimated underspend of £174k. This variance represents just 0.7% of the wholetime pay budget and it is due to fluctuations in the establishment. More details about the cost of supporting the vaccination programme can be found at section 2.7 below.
- 2.4 **ON-CALL PAY:** Overall, on-call pay is expected to overspend by £293k. The main areas of overspend are turnout payments and payments relating to sickness absence and modified duties. The number of turnout hours claimed during the first eight months of the year is significantly higher than the same period in 2020. Turnout payments are difficult to forecast as they are driven not only by the number of incidents, but also by the duration of the incidents and by the numbers of people crewing the appliance. Expenditure in this area is being closely monitored and the forecast will be adjusted as the year progresses. The payment rate received by individuals for both sick pay and modified duties is based on their earnings from the previous year. On-call earnings in 2020/21 were particularly high due to high availability levels resulting from staff being furloughed from their primary employment, and additional activities carried out to support the community during the pandemic. This has pushed up the average cost of sick pay and payments for modified duties. Sickness absence levels have also been higher so far in 2021/22 than in 2020/21, as has the number of staff on modified duties.
- 2.5 **NON-UNIFORMED PAY:** non-uniformed pay is expected to underspend by £92k (after compensating for secondment income, posts being funded from grants, and expenditure being recovered from partner agencies). The budget calculation assumes a vacancy level of 3% but the current level is 11%.
- 2.6 **PENSION COSTS:** pension costs are expected to overspend by £47k. This is largely due to the creation of an accounting provision for estimated costs relating to the McCloud remedy.
- 2.7 **VACCINATION PROGRAMME:** The Service has provided both uniformed and non-uniformed staff to the Covid-19 vaccination programme. During the period from 1 April to 30 September over 13,500 staff hours have been provided, and activity is due to recommence again in December. The majority of the costs have been reclaimed from the clinical commissioning group, but it is estimated that around £44k of the costs relating to the period from April to September were unfunded and will have to be met by the Authority.

- 2.8 **TRAINING COSTS:** the forecasted underspend of £101k has two underlying causes. Firstly, many training courses have switched from in-person delivery to webinars and online conferences, and this has reduced training costs. The second factor is that some departments are focussing on their core business in order to catch up on projects and workloads affected by the pandemic, and as a result some development training has been delayed. A zero-based budgeting approach will be taken when preparing the training budget for the following year in order to identify areas where this budget requires amendment.
- 2.9 **TRANSPORT COSTS:** the forecasted overspend is £25k. This is largely comprised of the following significant variances:
- The budget for vehicle equipment is expected to underspend by £75k. The budget includes an amount for national resilience vehicles which is no longer required, and the budget for 2022/23 has been reduced accordingly.
 - Unplanned fleet maintenance is expected to overspend by £246k. The budget assumed that 6,000 hours would be required for labour, but the total number of labour hours so far this year exceeds this amount. This is partly due to an ageing fleet. Budget holders are working with VIA to prioritise the fleet repairs for the rest of 2021/22, and the issue is being addressed in the 2022/23 budget.
 - The budget for officers' car leases is expected to underspend by £80k. The £42k budget for car leasing is no longer required as the contract has now ended, so this budget has been removed for 2022/23. In 2018/19 a provision was created for the estimated cost of tax charges relating to officers' car leasing. The actual cost of £32k has now been settled and was considerably lower than first estimated. The remaining unused provision of £38k has been credited back to revenue, increasing the total underspend to £80k.
 - The budgets for mileage and public transport costs are expected to underspend by a total of £54k as more meetings and training events are now taking place online. The decrease in detachments due to measures put in place to reduce the spread of the Covid-19 virus between stations has also affected spending on mileage payments.
- 2.10 **PREMISES COSTS:** the forecasted underspend is £49k. The majority of this variance relates to business rates, which is expected to underspend by £51k. A review of business rates has been carried out and this has led to the Authority receiving refunds of £265k 2020/21 (net of £97k in fees paid to the surveyors). Further refunds are expected in 2021/22. It is possible that the Authority will also receive a business rates refund relating to Headquarters, but as it is not certain at this stage this has not been included in the estimated outturn.
- 2.11 **SUPPLIES & SERVICES:** the forecasted overspend is £189k which includes the following significant variances:

- The consultancy fees budget is expected to overspend by around £27k as a result of expenditure on recruitment consultants.
- There is a £20k overspend caused by the Authority's contribution towards the resurfacing of Bestwood Lodge Drive, which was not included in the budget.
- The audit fees budget is expected to overspend by £24k due to the number of audit hours being higher than anticipated when the contract was agreed.

- 2.12 **SUPPORT SERVICES:** The £63k overspend for support services is matched by additional income from the Home Office. It relates to the additional costs of dealing with the McCloud pension remedy.
- 2.13 **SALES, FEES & CHARGES:** The forecasted surplus of £221k mostly relates to the recovery of costs related to Covid-19 related activities. This has been used to offset the additional costs included in the paragraphs above.
- 2.14 **OTHER INCOME:** There is a forecasted surplus of £230k relating to other income. £104k of this relates to government grants, including £63k (see 2.11) for pensions administration and £83k for fire protection. There is also a £112k surplus relating to apprenticeship levy income, which was not budgeted for as it was not clear at the time how much income the Authority could expect to receive. This income will be included in the budget for 2022/23. A further £45k of the surplus income relates to Childs Home Safety Equipment partnership work carried out with Nottinghamshire County Council. This income is being used to offset additional costs arising from the project.
- 2.15 **CAPITAL FINANCING COSTS:** There is a forecasted underspend of £69k. The net overspend is comprised of the following variances:
- Interest charges are expected to underspend by £46k as interest rates have been lower than anticipated. The Authority borrowed £2m from the Public Works Loan Board in October and is expected to undertake additional borrowing towards the end of the financial year, so this estimate may change depending on the timing of this borrowing.
 - Minimum revenue provision (MRP) charges are expected to underspend by £21k. This is due to a decision to fund some ICT capital expenditure from a revenue contribution to capital in 2020/21.

RESERVES

- 2.16 Details of the use of reserves during 2021/22 can be found in Appendix B.
- 2.17 Expected levels of reserves at 31 March 2022 are £9.3m as detailed in Table 3 below.

- 2.18 The opening balances as at 1 April shown in the table below are provisional and may change, as the 2020/21 Statement of Accounts has yet to be finalised.

Table 3 – Anticipated Movement in Reserves 2021/22

| Reserves | Balance 01/04/21 £'000 | Anticipated Use 2021/22 £'000 | Expected Balance 31/03/22 £'000 |
|---|---------------------------------------|--|--|
| Contributions from earmarked reserves ¹ | 5,529 | (1,321) | 4,208 |
| General Fund ¹ | 5,087 | (116) | 4,971 |
| Total | 10,616 | (1,437) | 9,179 |
| ESMCP² Regional Reserve¹ | 182 | (80) | 102 |
| Total | 10,798 | (1,517) | 9,281 |

¹ Provisional opening balance figures

² Emergency Services Mobile Communications Programme

- 2.19 The Emergency Services Mobile Communications Programme (ESMCP) regional reserve has been shown separately to those reserves held by the Authority to reflect that the funds are to be allocated regionally and do not belong to Nottinghamshire Fire and Rescue Service (NFRS).
- 2.20 The general reserve is predicted to be £4.971m at the end of the financial year. This is above the minimum level of £4.5m agreed by Fire Authority in November 2021.
- 2.21 The Authority received Covid-19 grants from central government totalling £1.211m. At 31 March 2021 the unspent balance of £453k was transferred to an earmarked reserve and carried forward to 2021/22. The entire balance of this earmarked reserve has now either been spent or committed to fund future spending plans. The Authority will continue to record additional expenditure arising as a result of the pandemic even though the government funding has been spent, so that the impact on the revenue budget can be assessed. The earmarked reserve has been allocated as follows:

| Expenditure description | Total 2021/22 £'000 |
|--------------------------------|--------------------------------|
| Employee costs | 326 |
| Premises costs | 41 |
| Transport costs | 19 |
| Supplies and Services costs | 67 |
| Total | 453 |

CAPITAL PROGRAMME

2.22 The 2021/22 Capital Programme approved by Fire Authority in February 2021 was £5.835m. After the addition £2.741m slippage from 2020/21 of and other adjustments approved this year (mostly timing adjustments for Worksop Fire Station and Eastwood Fire Station), the revised Capital Programme for 2021/22 is £9.7m. The total capital spend to date is £2.901m and the forecast outturn expenditure is £7.971m. The current capital programme is shown at Appendix C. The most significant areas of variance are detailed below.

ICT

- 2.23 The ICT programme (£765k) has been developed from the Digital Strategy. It includes replacement equipment and software and supports the specific schemes which underpin the strategy.
- 2.24 The Human Resources (HR) system upgrade was a 2020/21 project created to enable document scanning to retain documents electronically ahead of the move to the new joint Headquarters. Additional expenditure of £8k has been incurred on the project. This will be funded from underspends elsewhere in the capital programme.
- 2.25 The £185k Rostering project has been slightly delayed and slippage in the region of £35k is anticipated. This will be monitored, and the underspend will be requested to be slipped into 2022/23.
- 2.26 The ICT Replacement Programme is used to replace equipment that has reached the end of its life. A review of the programme has recently been undertaken and it has become apparent that some IT equipment has not been included, particularly the IT equipment at stations which is becoming obsolete and now needs replacing as a matter of urgency. A robust long-term plan is now being put in place and future budgets will be reviewed as part of the budget process.
- 2.27 The Performance Management System project is now complete.
- 2.28 The Emergency Services Mobile communications project, Tri service and Emergency Services Network original timeframe has slipped nationally, and it is currently anticipated that £302k will be slipped into 2022/23 at this stage.
- 2.29 The Occupational Health system original budget may prove to be insufficient for the project - an additional £18k is available in Earmarked Reserves for this purpose should it be required.

ESTATES

- 2.30 The newbuild element of the Joint Headquarters project is now reaching completion. The original budget for the capital project was £3.45m. Following the tendering for the project, this was reduced to £3.263m. During the project build, there has been some redesign work relating to the Mechanical and Electrical element of the project, which will incur additional costs. The pre-

tender estimate for the alterations and refurbishment of the existing buildings are also forecasting a £160k overspend. It is there requested to increase the budget back to its original value of £3.45m. This will be reflected in the 2022/23 budget being presented for approval by Fire Authority in February 2022.

- 2.31 Worksop Station - The project is progressing well and is expected to complete at the end of April 23. As previously reported, the tender has been awarded at £3.911m, which is £239k over the budget of £3.820m due to the inclusion of renewable energy devices, and the additional requirement for pile foundations. It had been hoped that savings could be made within the project to bring it back to budget, but there are ever increasing costs due to global factors beyond our control which may influence the final account, and this is now considered unlikely. The 2022/23 budget will be revised to reflect these additional costs when presented to Fire Authority for approval in February 2022.
- 2.32 Feasibility work relating to the replacement Eastwood Fire Station is due to commence towards the end of 2021/22. The build works will not start until 2022/23.
- 2.33 Hucknall Fire Station project is now complete with an underspend of £80k, it is no longer required for 2021/22 a capital receipt of £385k for the sale of Hucknall will be used to finance the capital programme.

EQUIPMENT

- 2.34 The CCTV and the Airbag Replacement projects are now complete. The project has come in under budget by £14k which is requested to be transferred to fund additional costs anticipated on the water rescue equipment project (see section 2.36)
- 2.35 The Fire Gloves project £104k was approved July 2021, with an additional £50k in and Earmarked reserve. This project is now underway and required sizes for staff are being collated. The order has been placed, however due to delays in the supply chain these may not arrive before the end of the year and is this is the case the budget will be required to slip into 2022/23. It is expected that there will be an underspend on this budget and £11k is requested to be moved to the Water Rescue Equipment budget (see 2.36)
- 2.36 The Department for Environment, Food and Rural Affairs (DEFRA) have drawn up the specification for the water rescue equipment, which has been adopted by NFRS. The tender process is now complete, but the tender price has come in over the initial budget, therefore it its recommend that approval is granted for underspends within the capital equipment be used to fund the additional £25k required. This project will now be delayed due to the lead time so the slippage will be required to be carried forward to 2022/23.
- 2.37 The Airbag project is now complete.

- 2.38 The Service has received a £13,700 capital grant to fund the purchase of equipment for the National Inter-agency Liaison Officers (NILO) and Specialist Responders. It is requested that this project is added to the Capital Programme.

TRANSPORT

- 2.39 The Fleet Replacement programme is derived from the Fleet Strategy and reflects current and future expected demand.
- 2.40 The Rescue Pump Budget of £1.018m is for the purchase of 3 fire appliances. The specification has been finalised and the tender progress will commence November, but it is likely that the project will be delayed due to extended delivery times in the vehicle industry following Covid-19. Progress of this project will be monitored and reported in future reports, the forecast outturn at this stage is £400k.
- 2.41 The light vehicles budget for 2021/22 of £179k, is for the purchase of 6 pool vehicles (£111k) 1 stores vehicle (£21k) and a principal officer's vehicle (£47k). Due to a worldwide shortage of parts, current new vehicles lead times are rather long. The £179k is likely to now be required in 2022/23.

PRUDENTIAL CODE MONITORING

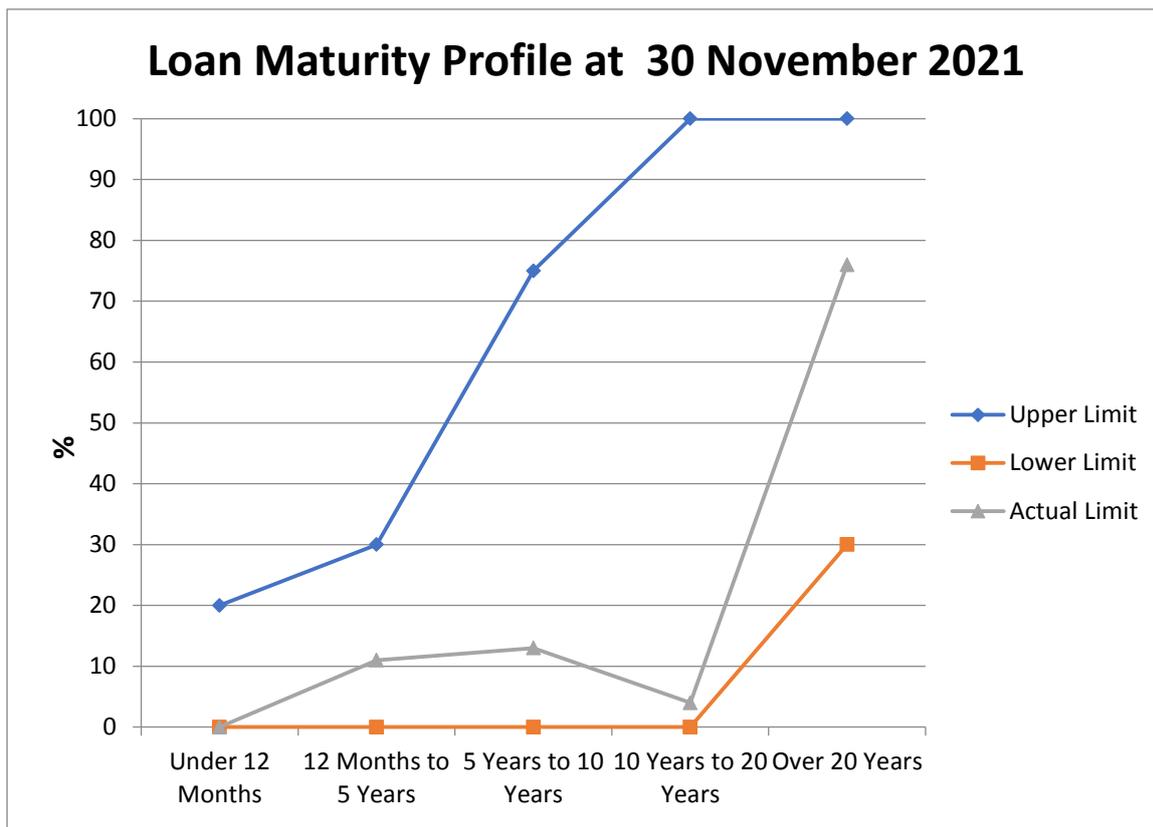
- 2.42 The Fire Authority approved the prudential indicators for 2021/22 at its meeting on 26 February 2021. The Prudential Code requires that performance against these indicators is reported to Members
- 2.43 The approved indicators along with performance as at 30 November 2021 are shown in the table below. There are some indicators which cannot be calculated until the year end expenditure is known.

Table 4 - Prudential Code Monitoring

| Prudential Indicator | Approved Indicator | As at 30 November 2021 |
|--|---------------------------|-------------------------------|
| Estimate of Ratio of Financing Costs to Net Revenue Stream | 5.4% | Year End Only |
| Estimate of Total Capital Expenditure to be Incurred | £5,835,000 | Year End Only |
| Actual Borrowing | | £28,932,000 |
| Estimate of Capital Financing Requirement | £31,971,000 | £31,971,000 |
| Operational Boundary | £33,959,000 | £33,959,000 |
| Authorised Limit | £38,255,000 | £38,255,000 |
| Upper limit for fixed rate interest exposures | 100% | 100% |
| Upper limit for variable rate interest exposures | 30% | 30% |
| Loan Maturity: | <u>Limits:</u> | |
| Under 12 months | Upper 20% Lower 0% | See Graph |
| 12 months to 5 years | Upper 30% Lower 0% | See Graph |
| 5 years to 10 years | Upper 75% Lower 0% | See Graph |
| Over 10 years | Upper 100% Lower 0% | See Graph |
| Over 20 years | Upper 100% Lower 30% | See Graph |
| Upper Limit for Principal Sums Invested for Periods Longer than 365 Days | £2,000,000 | 0 |
| Upper limit for internal borrowing as a % of the Capital Financing Requirement | 20% | 10.50% |

2.44 The total borrowing at the end of November 2021 was £28.9m which is within the operational and authorised limits set out in Table 4. Borrowing activity has remained within these boundaries throughout the period covered by the report. The Authority has taken a £2m maturity loan from the Public Works Loans Board in October, and it is likely that more long-term borrowing will be taken before the end of the financial year.

2.45 The loan maturity profiles are all within the limits set. These are best demonstrated by graph:



2.46 Investments as of 30 November 2021 totalled £12.5m. Investment rates are monitored within the benchmarking group supported by Link Asset Services. There are seven councils and NFRS within the group. As at the end of September 2021, NFRS weighted average rate of return was 0.13%, compared with a group average of 0.17%.

3. FINANCIAL IMPLICATIONS

The financial implications are set out in the body of the report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising directly from this report. Some of the efficiency targets will have had staffing implications which were considered as part of the decision-making process at the time.

5. EQUALITIES IMPLICATIONS

An equality impact assessment has not been undertaken because this report is not associated with a policy, function or service. Its purpose is to explain variances to the approved budget which reflects existing policies.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising directly from this report.

8. RISK MANAGEMENT IMPLICATIONS

Budget monitoring and the regular receipt of financial reports is key to managing one of the most significant risks to the organisation, that of financial risk. The process of budget monitoring is a key risk management control measure, as are the management actions which are stimulated by such reporting.

9. COLLABORATION IMPLICATIONS

This report identifies several areas where collaboration is taking place between NFRS, other fire authorities, East Midland Ambulance Service and Nottinghamshire Police. Opportunities for collaboration around asset use and ownership are continually being investigated.

10. RECOMMENDATIONS

It is recommended that Members:

- 10.1 Note the content of this report.
- 10.2 Approve a £13,700 addition to the capital programme for the purchase of equipment required for the National Inter-agency Liaison Officers (NILO) activity. The equipment will be funded using a capital grant (section 2.38).
- 10.3 Approve the £25k increase in the water rescue equipment capital budget to be funded from underspends on the Fire Gloves project (£11k) and the vehicle CCTV project (£14k) (section 2.36).

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

John Buckley
CHIEF FIRE OFFICER

**REVENUE BUDGET MONITORING POSITION
AS AT 30 NOVEMBER 2021**

| Budget Area | Annual Budget £'000 | Revised Budget £'000 | Exp to Date £'000 | Forecast Outturn £'000 | (Under) / Overspend Against Revised budget £'000 |
|-----------------------------------|--------------------------------|---------------------------------|------------------------------|-----------------------------------|--|
| Employees | 36,140 | 37,201 | 24,819 | 37,605 | 404 |
| Premises | 2,801 | 2,839 | 1,522 | 2,791 | (48) |
| Transport | 1,794 | 1,826 | 1,158 | 1,851 | 25 |
| Supplies & Services | 3,757 | 3,977 | 2,659 | 4,166 | 189 |
| Third Party | 783 | 883 | 65 | 891 | 8 |
| Support Services | 177 | 166 | 40 | 229 | 63 |
| Capital Financing Costs | 2,431 | 2,488 | 1,979 | 2,418 | (70) |
| Fees and Charges | (362) | (374) | (399) | (595) | (221) |
| Other Income | (2,220) | (2,303) | (1,923) | (2,536) | (233) |
| Net Cost | 45,302 | 46,703 | 29,920 | 46,820 | 117 |
| Financed by: | | | | | |
| Government Funding | (12,729) | (12,729) | (9,079) | (12,729) | 0 |
| Non-Domestic Rates | (2,010) | (2,010) | (1,956) | (2,010) | 0 |
| Council Tax | (26,650) | (26,650) | (18,655) | (26,650) | 0 |
| Pension Grant | (2,340) | (2,340) | (2,340) | (2,340) | 0 |
| Business Rates Covid Relief Grant | (1,573) | (1,573) | 0 | (1,573) | 0 |
| Earmarked Reserves | 0 | (1,401) | (1,401) | (1,401) | 0 |
| General Reserve | 0 | 0 | 0 | (117) | (117) |
| Funding Total | (45,302) | (46,703) | (33,431) | (46,820) | (117) |
| Total | 0 | 0 | (3,511) | 0 | 0 |

ESTIMATED RESERVE POSITION AT 31 MARCH 2022

| Reserve | Opening Balance* 01/4/21 £'000 | Movement During 2021/22 £'000 | Reallocation Approved in MTFS £'000 | Closing Balance 31/3/22 £'000 |
|--|--------------------------------------|-------------------------------------|---|-------------------------------------|
| Resilience Crewing and Training | 348 | (15) | (333) | 0 |
| Prevention Protection and Partnerships | 429 | (193) | (68) | 168 |
| Business Systems Development | 59 | 0 | 0 | 59 |
| Transformation and Collaboration | 1,799 | (534) | (785) | 480 |
| Operational | 673 | (103) | (100) | 470 |
| Covid-19 | 1,054 | (453) | (601) | 0 |
| ESN Reserve | 1,307 | (80) | 0 | 1,227 |
| Headquarters move | 0 | 0 | 50 | 50 |
| Budget Pressure Support | 0 | 0 | 937 | 937 |
| Efficiency Programme | 0 | 0 | 900 | 900 |
| Other | 42 | (23) | 0 | 19 |
| Total | 5,711 | (1,401) | 0 | 4,310 |
| General Reserve | 5,087 | (116) | 0 | 4,971 |
| Total Reserves | 10,798 | (1,517) | 0 | 9,281 |

*Provisional opening balance figures

APPENDIX C

Capital Budget Monitoring as at 30 November 2021

| CAPITAL PROGRAMME | Approved Budget 2021/22 | Approved Changes to Budget 2021/22 | Revised Budget 2021/22 | Spend to Date | (Under)/Over Budget | Estimated Outturn to the end of March 2021 | Outturn Variance |
|-----------------------------------|-------------------------|------------------------------------|------------------------|---------------|---------------------|--|------------------|
| ICT & COMMUNICATIONS | | | | | | | |
| HR System Upgrade | | | | 8 | 8 | 8 | 8 |
| Business Process Automation | | 19 | 19 | 14 | -5 | 19 | |
| Mobile Computing | 100 | 6 | 106 | 86 | -20 | 106 | |
| HQ - Link ICT Replacement | 30 | 40 | 70 | 7 | -63 | 70 | |
| ICT Sharepoint Internet/Intranet | | 16 | 16 | 14 | -2 | 29 | 13 |
| Performance Management System | 20 | -20 | | 3 | 3 | 3 | 3 |
| ESMCP Grant from DCLG (ESN) | | 41 | 41 | | -41 | | -41 |
| Tri-Service Control Project | | 161 | 161 | | -161 | | -161 |
| Unit4 Business World Upgrade | 30 | -30 | | | | | |
| Covid - Capital | | | | 13 | 13 | 13 | 13 |
| Replacement Equipment | 50 | 125 | 175 | 47 | -128 | 175 | |
| HQ Project - Cloud Migration Work | 150 | | 150 | 2 | -149 | 150 | |
| Emergency Services Mobile | | | | | | | |
| Communication Programme ESN | 100 | | 100 | | -100 | | -100 |
| Rostering Project | 185 | | 185 | | -185 | 150 | -35 |
| One off Projects | 35 | | 35 | 21 | -14 | 21 | -14 |
| Occupational Health System | 65 | | 65 | 28 | -37 | 83 | 18 |
| | 765 | 358 | 1,123 | 242 | -881 | 827 | -296 |
| ESTATES | | | | | | | |
| Joint Headquarters Project | 1,623 | 1,155 | 2,778 | 1,035 | -1,743 | 2,652 | -126 |
| Workshop Joint Station | 2,000 | 1,662 | 3,662 | 1,171 | -2,491 | 3,502 | -160 |
| Newark Fire Station | | 10 | 10 | | -10 | | -10 |
| Hucknall Fire Station | | 94 | 94 | 14 | -80 | 14 | -80 |
| Eastwood Fire station | | 16 | 16 | | -16 | 16 | |
| | 3,623 | 2,937 | 6,560 | 2,220 | -4,340 | 6,184 | -376 |
| EQUIPMENT | | | | | | | |
| CCTV - vehicles | | 114 | 114 | 83 | -31 | 100 | -14 |
| Water Rescue - Capital | 100 | | 100 | | -100 | | -100 |
| Gloves | | 104 | 104 | | -104 | 104 | |
| Air Bag Replacements | | 41 | 41 | 43 | 2 | 43 | 2 |
| | 100 | 259 | 359 | 127 | -232 | 247 | -112 |
| TRANSPORT | | | | | | | |
| Vans & Other Light Vehicles | 179 | 313 | 492 | 293 | -199 | 313 | -179 |
| Rescue Pumps | 1,018 | 148 | 1,166 | | -1,166 | 400 | -766 |
| Special Appliances | 150 | -150 | 0 | 20 | 20 | | 0 |
| | 1,347 | 311 | 1,658 | 313 | -1,495 | 713 | -945 |
| | 5,835 | 3,865 | 9,700 | 2,901 | -6,949 | 7,971 | -1,729 |

Capital Programme Financing 2021/22

| TO BE FINANCED BY | Actual | Estimated Outturn |
|--------------------------|---------------|------------------------------|
| Revenue | | 31 |
| Capital Receipts | 385 | 385 |
| Borrowing | 2,516 | 7,555 |
| Total | 2,901 | 7,971 |

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NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Finance and Resources Committee

BUDGET PROPOSALS FOR 2022/23 TO 2025/26 AND OPTIONS FOR COUNCIL TAX 2022/23

Report of the Chief Fire Officer

Date: 21 January 2022

Purpose of Report:

To allow Members to consider the options for Council Tax to recommend to Fire Authority for acceptance.

Recommendations:

That Members consider the contents of this report and make recommendations to the Fire Authority in respect of Council Tax increases between a Council Tax freeze and an increase in Council Tax, up to the maximum of 1.95%.

CONTACT OFFICER

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1. BACKGROUND

- 1.1 The Finance and Resources Committee is charged with considering the financial position of the Authority and proposing revenue and capital budgets to the Fire Authority for approval. The Fire Authority will decide upon levels of Council Tax for the coming year and will consider the recommendations of the Finance and Resources Committee in doing so.
- 1.2 The provisional finance settlement for 2022/23 was released on 16 December 2021. The final settlement for 2022/23 will be laid before Parliament in February.
- 1.3 The Fire Authority approved the Medium-Term Financial Strategy (MTFS) 2022/23 to 2025/26 on 17 December 2021. The strategy considers the current financial position of the Authority and looks at the estimated budgetary position over the next three years against a backdrop of both the national and local financial position, including the levels of reserves that the Authority holds.
- 1.4 The process for the preparation of revenue and capital budgets is largely an incremental process. All new investment proposals have been evaluated against the Draft Community Risk Management Plan (CRMP) which is replacing the current Strategic Plan in 2022/23.

2. REPORT

CAPITAL BUDGET PROPOSALS 2022/23 TO 2025/26

- 2.1 The Authority maintains a sustainable capital programme which reflects and supports the property, fleet and digital strategies. This programme seeks to replace appliances and vehicles when they are approaching the end of their useful life, maintains a rolling programme of ICT replacements and a property programme which will ensure that property remains fit for purpose, is appropriately located and can be contained within the internal capacity of the organisation to complete.
- 2.2 The proposed capital programme for 2022/23 to 2025/26 is attached at Appendix A. The 2022/23 programme totals £4.363m. This will increase to reflect any slippage from the 2021/22 programme at the end of the year. Future year programmes will be kept under review.
- 2.3 The capital programme has been developed from the CRMP and other supporting strategies such as the Capital Strategy, Property Strategy, fleet replacement programme and Digital Strategy.
- 2.4 The transport capital programme includes significant investment in the Service's appliances and light vehicle replacement.

- 2.5 The estates programme flows directly out of the Property Strategy. The programme includes the completion of the new station at Worksop and a new station at Eastwood.
- 2.6 The ICT programme has been developed from the Digital Strategy. Previous years investments in ICT put the Service in a good position to react to the new working environment brought about by Covid-19. The ICT programme continues this investment with specific projects to support the availability of risk information on appliances and the development of a new mobilisation system.
- 2.7 The capital programme can be funded from capital receipts, grant funding, contributions from revenue, reserves and borrowing.
- 2.8 **CAPITAL RECEIPTS** – these are received from the sale of assets and can be used to fund either the revenue cost of transformational projects, to fund capital expenditure or to reduce borrowing. The flexible use of capital receipts strategy was approved at Fire Authority on 17 December 2021. It is not proposed to fund any transformational projects using capital receipts during 2022/23.
- 2.9 **GRANT FUNDING** – there is no anticipated grant funding available at present to support the 2022/23 capital programme.
- 2.10 **REVENUE AND RESERVES** – the 2022/25 programme includes £175k of funding from earmarked reserves to fund ICT capital projects.
- 2.11 **BORROWING** – the proposed 2022/23 capital programme set out in Appendix A will be largely funded from borrowing. The related costs will be tested for affordability as part of the prudential code for capital finance to be considered by Fire Authority on 25 February 2022. Estimated costs have been built into the revenue programme considered in this report.

REVENUE BUDGETS 2022/23 TO 2025/26

- 2.12 The MTFs and budget guidelines approved by Fire Authority on 17 December 2021 projected that it would be difficult to set a balanced budget in 2022/23, largely due to the impact of increased inflation and the effect this will have on pay awards in 2022/23. It was anticipated that there would be a £800k shortfall in the 2022/23 budget, even after £1m temporary savings were built into the budget. The main assumptions underpinning the MTFs were that there would be a 2% inflationary increase in government grant, a 3% pay award and 1.95% rise in Council Tax.
- 2.13 Since the MTFs was written, the Government has released the draft Local Government Finance Settlement. Whilst a £748k one off Services Grant was detailed in the settlement to cover additional costs, £500k of this had already been anticipated in the MTFs. The additional grant will be insufficient to cover the pressures that the service is facing in 2022/23.

- 2.14 The settlement was not the three-year settlement that was anticipated, and details have only been released for 2022/23 funding. This leaves considerable uncertainty regarding levels of funding for 2023/24 and beyond and means that the service must be prepared to identify areas of potential savings for implementation in future years if funding is not forthcoming.
- 2.15 The main pressures on budgets and/or changes in assumptions are detailed below.

ECONOMIC CLIMATE

- 2.16 The current economic climate is increasingly uncertain as the country responds to the Omicron variant of Covid-19. The hospitality sector experienced significantly reduced activity in December, when it would normally be building up reserves to see it through the early part of the new year. There is now only limited government support for businesses, and this may impact on Business Rate income. Although unemployment remains very low at present, it is unclear what the full impact of the end of the furlough scheme will be, especially with the issues identified in the hospitality sector.
- 2.17 In November 21, inflation increased to 5.1% (Consumer Price Index – CPI) and is expected to reach 6% by April 2022. This is largely caused by shortages in some goods and increases in energy costs. November’s increase was higher than anticipated by the Bank of England who responded by increasing interest rates to 0.25%. Whilst this is a small increase, it does indicate that the Bank of England believes there is a risk of sustained inflation above its target rate of 2% and sets the scene for further increases in coming months.

COMMUNITY RISK MANAGEMENT PLAN (CRMP)

- 2.18 The draft CRMP is now being finalised after being out to consultation until 24 December 21. It sets the template for service improvement in the coming years. The 2022/23 proposed budget contains an element of growth to deliver the early stages of the CRMP. This includes:

| Amount £'000 | Detail |
|-------------------------|---|
| 225 | Relocation of the Incident and Command Training Suite to Mansfield Station – this is a capital project |
| 100 | ICT capital project to install new modules on to the Community Fire Risk Management Information System (CFRMIS) |
| 100 | Contribution to a project team to scope a new tri service mobilising system |
| 84 | Implementation of a new rostering system |
| 92 | Enabling work related to Emergency Services Network Mobile Communications Project (ESN) |
| 40 | Funding for a new post to enable the service to respond to changes in the firefighter’s pension legislation |

- 2.19 Once approved, the CRMP will set out plans for delivering the future strategic aims and goals of the Authority. If these are to be achieved, it will be necessary to review existing services in order to identify funding in future years to deliver the CRMP given that external funding is unlikely to be sufficient to fund new projects.

PAY AWARD

- 2.20 Unions representing non-uniformed staff are still balloting on whether to accept a 1.75% pay award in 2021/22. This exceeds the 1.0% included in the budget. Any award above this rate will create a cost pressure which will also need to be built into future years' salary costs (a 1% increase relates to approximately £50k ongoing costs).
- 2.21 Operational staff received a 1.5% pay award in 2021/22 against a budget of 1%. The ongoing costs of the additional award are in the region of £150k.
- 2.22 Both inflation and employment levels will influence pay negotiations for 2022/23. For the purposes of this report, the budgets will assume a 3% pay award for both uniformed and non-uniformed staff for 2022/23, dropping back to 2% to 2025/26. Should pay awards be agreed higher than this level the additional cost will be in the region of £350k for every 1% increase in pay.
- 2.23 With inflation currently at 5.1%, it is anticipated that the 2022/23 pay award will be in excess of the 2% increase in income that the service is expecting for 2022/23.

NATIONAL INSURANCE INCREASES

- 2.24 Employers National Insurance Contributions will increase by 1.5% from April 2022. The cost of this increase to the service will be in the region of £200k. The Treasury have attempted to compensate public sector organisations for this increase, but this has been done in a crude way by adding the increase to Revenue Support Grant (RSG). This means that for those Authorities, such as Nottinghamshire, who receive a below average proportion of their funding from RSG, the uplift in grant will be insufficient to cover the additional costs. The service's RSG has only increased by £167k in total and this needs to also fund inflationary and pay pressures.

OVERTIME

- 2.25 The overtime budget can be very volatile depending on the number of vacancies in the ridership, sickness levels and extractions required to cover other activities such as training or supporting recruitment. It is anticipated that there will be a full-time recruit intake during 2022/23 and up to 3 on-call intakes. The 2022/23 budget has been left at £375k but this will be kept under review.

ON CALL PAY

- 2.26 On-call activity has significantly increased during 2021/22 and staff retention has improved, with on average an additional 6 firefighters being available throughout the year. This is largely due to the increased work available during the Covid-19 lockdown periods (such as help at vaccination centres, testing centres and EMAS assistance) and a level of increased availability of On-call staff during this period. There has been a drive to increase the number of hours of drills and training which has been successful. Some of this is thought to be down to splitting the sessions into more frequent but smaller groups.
- 2.27 Increased availability of on-call firefighters has been a contributory factor to an increase in turnouts. Whilst this is a positive position to be in, there are instances where more firefighters are available than is required, and payments are being made for over crewing an appliance. Under current practices, the budget for turnout fees would require increasing by £170k for 2022/23. It is proposed to manage this more carefully in order to minimise the required additional funding.
- 2.28 The increased work and availability of on-call firefighters has increased average earnings by 24%. This in turn increases both holiday pay and sickness pay which are calculated using average earnings. In total, costs based on average pay have increased the budget by £134k.
- 2.29 Both employer pension contributions and National Insurance have also increased by £133k to reflect the increase in earnings.

ENERGY COSTS

- 2.30 Gas and electric inflation in November 21 were 29% and 19% respectively. Energy inflation is expected to rise to 50% by Spring 22. The service procures both gas and electric from a not-for-profit public sector framework which purchases energy in bulk, and usually outperform market averages on our behalf. Prices for 2021/22 were fixed in April 2021. The service's next price review date is 1 April 2022 and indications from the framework are that costs will increase by a total of £320k (75%). The high increase is partly due to the low price achieved in April 21 and the continuing price increases expected before prices are set in April 22. We are working with the framework to minimise the increase.
- 2.31 Fuel inflation is currently 29%. The service's current fuel budget is £470k per year. It is anticipated that there will be an increase in costs in the region of £140k.

PENSIONS

- 2.32 The remedy is close to being agreed for the McCloud case, where the transition arrangements into the 2015 firefighters' pension scheme were found to be discriminatory. There are likely to be significant increase in the cost of the firefighters' pension scheme because of the case. These are expected to

be largely funded by Central Government but there are likely to be some additional costs falling to the Fire Authority. This is included in the General Fund reserves risk register.

- 2.33 The 2016 Government Actuaries Department (GAD) revaluation of the firefighter's pension fund resulted in an increase of 12.4% in employer pension costs which in 2019/20 equated to £2.5m for the service. This had the impact of increasing superannuation costs for the service in excess of £2.5m. In response, the Treasury issued an additional Section 31 grant of £2.3m to part cover the costs. This has continued to be paid each year but not increased for inflation. This has been confirmed for 2022/21 as part of the draft finance settlement and it has been assumed that this will continue in future years. Depending on the pay award, this grant is reducing in real spending terms by approximately £50k per year.
- 2.34 The pension scheme undergoes a revaluation every 4 years and the 2020 data is still being analysed by GAD. The revaluation will include changes to reflect the McCloud remedy. Any changes to employer contribution rates resulting from the 2020 valuations will become payable in 2024/25. It is not yet known what these will be, so they have not been included in the cost estimates in this report.

MINIMUM REVENUE PROVISION (MRP)

- 2.35 Minimum Revenue Provision is the amount required to pay debt costs relating to prior year capital programmes. There is a £300k increase in the MRP charge to 2022/23 which largely relates to the increased levels of capital expenditure in 2021/22 on ICT projects, such as replacement equipment on stations and preparatory work for moving to the new Headquarter site. The short life nature of ICT projects means that the debt costs have to be written off over 5 years.

COVID-19

- 2.36 Service activity has largely been back to normal levels in 2021/22 and revenue expenditure is slightly above budgeted levels. There remain shortages in some goods and services which has resulted in delayed delivery times and an increase in inflation.
- 2.37 Following the impact of the Omicron variant, the service is again helping partner organisations in the delivery of vaccines etc. The Home Office have assured services that they will be able to claim back the additional costs of this support. It is still unclear what the impact of Covid-19 will be in 2022/23. It has been assumed that there will be no net impact on the service apart from the increased costs of On-Call pay related to the increase in average earnings (section 2.28).

HMICFRS INSPECTION

- 2.38 The Service was inspected by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) in October 2021. The outcome of the inspection will not be released until spring 2022. The report may have an impact on future years budgets if funding needs to be found for areas for improvement not already identified in the CRMP.

COUNCIL TAX

- 2.39 The Council Tax base is calculated on the estimated full year equivalent number of chargeable dwellings expressed as the equivalent number of Band D dwellings in the Council's area after allowing for dwelling demolitions and completions during the year, Council Tax exemptions, discounts, disabled reliefs and premiums, and the estimated collection rate. It is usual for the Council Tax base to increase year on year by an average of 1.3% to reflect new build properties, thus providing additional income to the service. The 2022/23 Council Tax base has been assumed to increase by 1.5% to reflect the current buoyant housing market and following the below average increase in 2021/22 of 0.25%. The increase in Council Tax base will be confirmed by Billing Authorities at the end of January 2022.
- 2.40 There remains a £97k deficit charged to the Council Tax Collection Fund in 2022/23 due to the £291k 2020/21 deficit caused by the impact of Covid-19 which is being charged over a three-year period. There should be corresponding additional grant of £45k to help cover these losses, although this has still not been confirmed by the Government.
- 2.41 The government provided a Local Council Tax Support Grant in 2021/22 to help cushion the impact of reduced Council Tax collection due to Covid-19. Despite lobbying from the LGA, this grant has been removed in 2022/23.

BUSINESS RATES

- 2.42 The service receives around £10.9m from Business Rate income. This comprises of £3.5m collected directly from Nottinghamshire businesses and £7.3m from the top up grant received from central government. The top up grant has not increased with inflation for both 2021/22 and 2022/23. With inflation currently at 5.1%, this represents a reduction in funding of £370k for 2022/23.
- 2.43 As part of the Covid-19 support packages, the government implemented a business rates holiday for the retail, hospitality, and leisure sectors for the whole of 2020/21. In the March 21 budget, this was extended until the end of June 21 and dropped to 66% relief until March 22. In the November 21 Budget this was further extended, with 50% relief for the 2022/23 financial year. This has helped stabilise business rate income and for the purposes of this MTFS it is assumed that 2022/23 income will remain at 2021/22 anticipated levels. The service will be compensated for the drop in business

rate income resulting from the above-mentioned relief by way of additional government grant.

2.44 Business Rate income for 2023/24 has also been assumed to remain at current levels. However, there is a significant amount of uncertainty for 2023/24 and beyond as there are several factors that could significantly affect income levels:

- The business rates holiday ends in April 2023 which could impact on income as firms review their working arrangements to reduce costs;
- Covid-19 has resulted in a delay to the revaluation of business properties which should have come into effect in 2021/22. This will now take effect from 2023/24. This could have a significant impact on income levels as at present the service keeps all growth that has taken place since the last valuation but following the valuation this will form part of the pot for national distribution;
- The government has consulted on undertaking a fundamental review of business rates which is due to conclude shortly. The impact this will have on individual authorities is not known at present.
- The government has abandoned plans to allow councils to retain 75% (an increase from 50%) of their business rates to help facilitate the levelling up agenda.

2.45 Whilst the budget assumes that Business Rate income will remain level, it should be noted that a 10% decrease will result in an approximate loss of £370k income.

SUMMARY OF SIGNIFICANT COST PRESSURES

2.46 A summary of the additional pressures identified above is shown in the table below.

Table 1 – Summary of additional pressures

| Expenditure | £'000 | Paragraph |
|--|--------------|------------------|
| 2021/22 above budget pay award | 190 | 2.20 - 2.21 |
| 2022/23 above original budget pay award | 350 | 2.22 – 2.23 |
| National Insurance Increases | 200 | 2.24 |
| On Call increased activity | 437 | 2.26 – 2.29 |
| Gas / Electric and Fuel inflation | 460 | 2.30 – 2.31 |
| Minimum Revenue Provision | 300 | 2.35 |
| CRMP essential expenditure | 216 | 2.18 |
| Business Rate top up grant no inflation increase | 370 | 2.42 |
| Total | 2,523 | |

2.47 It can be seen from the table above that there are significant cost pressures facing the Authority in the coming year, with costs increasing in excess of £2.5m after inflationary increases on smaller budgets area added. The service

has received additional net additional grant funding of £200k and an increase in RSG of £167k. This leaves a funding gap of over £2.1m still to be bridged.

SAVINGS

- 2.48 The Service has worked hard in previous years to find ongoing savings that can be re-invested into service growth. This has proved to be more difficult in the current climate. Areas such as contract renewals which have achieved savings in the past are now showing signs of pressure which will result in increases in expenditure levels rather than reductions.
- 2.49 The expected deficit position is far in excess of what can be covered from reserves. For this reason, the service has reviewed all expenditure with a view of finding temporary savings in the region of £1m in order to provide some time to identify more permanent areas of savings. Whilst funding is unknown beyond 2022/23, it is assumed that it will not increase significantly, and the service will need to make savings of a more permanent nature.
- 2.50 Savings built into the 2022/23 budget at the point of this report are:
- 2.50.1 On-Call pay – the expected 2021/22 overspend position for 2021/22 for on call pay is £293k. The 2022/23 budget is estimated to need increasing by £550k. It is proposed to limit this increase to £450k, thus making a saving of £100k. This will be achieved largely through active management of the drivers of on call costs (see section 2.26 – 2.29).
 - 2.50.2 Vacancy factor for Non-Uniformed Pay is currently 3%. There has been a very high level of turnover of staff during 2021/22 and the vacancy factor is currently sitting at 11%. As a temporary measure, the vacancy factor has been increased to 5% in 2022/23 although this is not considered to be sustainable. The current high level of vacancies is thought to be caused by staff delaying career decisions through the pandemic, a buoyant job market due to high unemployment levels and higher wages in the private sector, especially in skilled areas such as ICT. In the longer term it will be necessary to review pay levels for these posts which is expected to result in higher costs. This would reduce the budget requirement by £140k.
 - 2.50.3 Training has been an area of underspend in 2021/22 and 2020/21. Some of this is caused by training now being delivered to online rather than face to face. A review of training needs is being undertaken so that future year's budgets can be better planned and aligned to need, but for 2022/21 £50k has been removed from the budget as a temporary measure.
 - 2.50.4 Savings worth £170k have been identified within the transport budgets - £75k relating to national resilience vehicles, £42k for officer car leasing which has now ceased and £50k for mileage and public

transport costs which have reduced due to the increased use of online meetings and training.

2.50.5 The Repairs and maintenance budget was due to increase by £115k in 2022/23 as the service moved to a more pro-active rather than reactive maintenance programme. This increase has now been delayed until 2023/24 in order to make the short-term savings required.

2.50.6 The apprenticeship levy was not originally included in the 2021/22 budget as it was very unclear at the time how much this would be. This has now become clearer and £100k of income has been built into the 2022/23 budget.

2.50.7 Other miscellaneous savings currently under discussion - £325k.

RESERVES AND BALANCES

2.51 Taking account of the spending position reported in the budget monitoring report elsewhere on this agenda, total reserve levels held at 1 April 2022 are expected to be £9.3m. This consists of £5.0m general fund reserves and £4.3m earmarked reserves.

2.52 The general fund reserve remains above the minimum level set by Fire Authority in December 2021 of £4.5m.

2.53 The earmarked reserves are expected to be in the region of £4.3m by 31 March 2022. These reserves are earmarked for known projects or items of one-off expenditure. They include reserves of £936k to provide budget pressure support and £900k to deliver an efficiency strategy to create future years savings. This strategy will be brought to Policy and Strategy Committee on 6 May 22.

FINANCING THE BUDGET

2.54 The Authority primarily receives income from Central Government, Business Rates and Council Tax. The Government announced the provisional finance settlement for 2022/23 on 17 December 2021. The final settlement for 2022/23 expected in February 2022. Experience shows that there is likely to be little change from the provisional figures.

2.55 Funding for 2023/24 and beyond will be determined as part of the Spending Review which is expected in the Autumn of 2021. A 2% inflationary increase has been assumed for the three years 2023/24 to 2025/26. This tracks the same 2% increase in pay assumed in the budgets for these years. There is a risk that funding will be increased at a lower rate than the pay increase which would then create an additional budget pressure in these years.

2.56 The Authority will continue to receive the £2.3m grant in 2022/23 to cover the increased costs of firefighter pension employer contribution. It has been

assumed that this grant will be paid at the same level with no inflationary increase for 2023/24 to 2025/26.

2.57 The Council Tax base and business rate figures will not be known until the end of January 2021 and figures are based on assumptions for this report.

2.58 Business Rate section 31 compensation grants will not be known until the end of January and have been estimated for the purpose of this report.

OUTLOOK FOR 2022/23 TO 2025/26

2.59 Detailed budgets have been prepared for the four years 2022/23 to 2025/26, which can be found in Appendix A. The budget for 2022/23 will not be finalised until February 2022, when the surplus or deficit on collection fund and the tax base are confirmed by the billing authorities and the final finance settlement is approved.

2.60 In making predictions about budget financing some other assumptions have been made. These are:

- That business rates in 2022/23 and 2023/24 will remain at 2021/22 levels followed by a 1% increase thereafter. 2022/23 Business Rates funding estimates will be confirmed by billing authorities at the end of January 2022;
- The 2022/23 tax base will be increased by 1.5% in 2022/23 and 1.3% in 2023/24 to 2025/26 (section 2.39);
- The actual settlement is the same as the provisional and there is a 2% annual increase in government funding thereafter;
- There is a 3% pay increase across both firefighters and support staff for 2022/23. Any increase above this will be met from reserves. A pay increase of 2% has been assumed for 2023/24 onwards.

2.61 Clearly there remain many uncertainties around both the pay award and funding. Assuming the above assumptions the impact of a nil increase in Council Tax in each of the four years 2022/23 to 2025/26 is set out in Table 2.

Table 2 – Budget Deficit with Nil Council Tax Rise

| | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | 2025/26 £'000 |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|
| Budget Requirement | 45,301 | 47,423 | 49,803 | 51,713 | 52,748 |
| Revenue Support Grant (RSG) | (5,452) | (5,619) | (5,731) | (5,846) | (5,963) |
| Business Rate (BR) Income | (3,582) | (3,582) | (3,582) | (3,618) | (3,654) |
| Pension Grant | (2,340) | (2,340) | (2,340) | (2,340) | (2,340) |
| BR Top up Grant | (7,277) | (7,277) | (7,423) | (7,571) | (7,722) |
| Council Tax (0%) | (26,650) | (27,050) | (27,415) | (27,785) | (28,160) |
| Budget Deficit | 0 | 1,555 | 3,312 | 4,553 | 4,909 |

2.62 Table 1 shows that with no increases in Council Tax levels there will be a deficit of £1.6m in 2022/23. This will rise to £3.3m in 2023/24, largely due to the £748k Services Grant being only available for one year (section 2.13). It increases further to £4.9m by 2025/26. The 2022/23 deficit would increase to £2.3m should a 5% pay increase be awarded.

2.63 The Government has confirmed within the provisional finance settlement, that the Council Tax increase threshold, above which a referendum would be triggered, would be 2% for 2022/23.

2.64 The following table brings together the budget requirement if Council Tax is increased by 1.95% each year.

Table 3 – 1.95% Council Tax Increase and level Grant Funding

| | 2021/22 £'000 | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | 2025/26 £'000 |
|-----------------------------|------------------|------------------|------------------|------------------|------------------|
| Budget Requirement | 45,301 | 47,423 | 49,803 | 51,713 | 52,748 |
| Revenue Support Grant (RSG) | (5,452) | (5,619) | (5,731) | (5,846) | (5,963) |
| Business Rate (BR) Income | (3,582) | (3,582) | (3,582) | (3,618) | (3,654) |
| Pension Grant | (2,340) | (2,340) | (2,340) | (2,340) | (2,340) |
| BR Top up Grant | (7,277) | (7,277) | (7,423) | (7,571) | (7,722) |
| Council Tax (1.95%) | (26,650) | (27,578) | (28,496) | (29,443) | (30,421) |
| Budget Deficit | 0 | 1,027 | 2,231 | 2,895 | 2,648 |

- 2.65 The above table shows that there would still be a deficit position in excess of £1m in 2022/23 with 1.95% Council Tax. This increases to £2.2m in 2022/23 and £2.6m by 2025/26. The figures also assume a 3% pay increase – the 2022/23 deficit would increase to £1.7m should there be a 5% pay increase in line with current inflation levels.
- 2.66 The 2022/23 deficit already includes £1m of temporary savings (section 2.49) yet still exceeds the £936k earmarked reserve created for budget support. The Strategic Leadership Team continue to identify areas where further savings can be made to bring this deficit figure to a more manageable level.
- 2.67 The estimated future year deficits, whilst based on assumed funding levels, demonstrate the clear need for an efficiency strategy to be developed to enable the service to draw its budget back into a balanced position.
- 2.68 A Council Tax increase of 1.95% would generate additional funding of £528k in 2022/23. For a Band D household, a 1.95% increase would see rises in Council Tax to £84.57 per annum (an increase of £1.62 per annum, which is approximately three pence per week additional cost). The impact of increases on other bands is given in the table below:

Table 4 – Impact of 1.95% increase in Council Tax

| Band | Council Tax 2021/22 £ | Annual Council Tax 1.95% Increase £ |
|-------------|--------------------------------------|--|
| A | 55.30 | 56.38 |
| B | 64.52 | 65.78 |
| C | 73.73 | 75.17 |
| D | 82.95 | 84.57 |
| E | 101.38 | 103.36 |
| F | 119.82 | 122.16 |
| G | 138.25 | 140.95 |
| H | 165.90 | 169.14 |

BUDGET OPTIONS

- 2.69 At its meeting on 17 December 2021, the Fire Authority recommended that the Finance and Resources Committee work within the following guidelines in making its recommendations to the Fire Authority in February:
- The options for Council Tax to be recommended to the Fire Authority will be limited to either a Council Tax freeze or an increase in Council Tax within the referendum limit (2% in the provisional finance settlement);
 - Options for addressing any budget deficit to enable the Fire Authority to approve a balanced budget as required by law.

- 2.70 The effect of a zero increase in Council Tax is set out in Paragraph 2.55 above and shows a significant deficit for the three years.
- 2.71 A comparison of the deficit if Council Tax is increased by 0% and 1.95% in each of the four years of the budget strategy is shown in the table below:

Table 5 – Comparison Between Council Tax Options

| | 2022/23 £'000 | 2023/24 £'000 | 2024/25 £'000 | 2025/26 £'000 |
|----------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Budget Requirement | 47,423 | 49,803 | 51,713 | 52,748 |
| Total External Funding | (18,818) | (19,076) | (19,375) | (19,679) |
| Balance to be met locally | 28,605 | 30,727 | 32,338 | 33,069 |
| | | | | |
| Council Tax Yield (0%) | (27,049) | (27,415) | (27,785) | (28,160) |
| Council Tax Yield (1.95%) | (27,578) | (28,496) | (29,443) | (30,421) |
| | | | | |
| Budget Shortfall (0%) | 1,555 | 3,312 | 4,553 | 4,909 |
| Budget Shortfall (1.95%) | 1,027 | 2,231 | 2,895 | 2,648 |

- 2.72 In both options outlined above, the 2022/23 deficit figure currently exceeds the £936k earmarked reserve created for budget pressure support and there is insufficient reserves elsewhere to bridge the funding gap. However, if a 1.95% increase in Council Tax were recommended back to Fire Authority this would make the task of finding additional savings kept to a manageable level.
- 2.73 If no increase in Council Tax were approved, further savings in excess of £600k will need to be identified on top of the £1m already found.

3. FINANCIAL IMPLICATIONS

The financial implications are set out in full in the body of the report.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

There are no human resources or learning and development implications arising directly from this report, although the achievement of budgetary savings in future years will undoubtedly have an impact.

5. EQUALITIES IMPLICATIONS

An equality impact assessment has not been undertaken because this report is not associated with a policy, function or service.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

The Authority must set a balanced budget for 2022/23 but may acknowledge potential budget shortfalls for future years.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1 Risks associated with budget setting are always significant. Budgets are by their very nature estimates of future activity and these estimates can sometimes be incorrect. Changes involving contraction of activities may not be made on the envisaged timescales, public consultation may vary policy and external issues such as national pay awards may not align with the assumptions.
- 8.2 Council Tax base figures used for this report are only estimates at present and the grant settlement details are only provisional. It is possible that both or either of these could change.
- 8.3 There can be no control over external issues however the Authority has sufficient reserves to cope with any in year changes which alter these budget assumptions significantly.

9. COLLABORATION IMPLICATIONS

There are no collaboration implications arising from this report.

10. RECOMMENDATIONS

That Members consider the contents of this report and make recommendations to the Fire Authority in respect of Council Tax increases between a Council Tax freeze and an increase in Council Tax, up to the maximum of 1.95%.

11. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

John Buckley
CHIEF FIRE OFFICER

Capital Programme 2022/23 to 2025/26

| 10 YEAR CAPITAL PROGRAMME | Budget 2022-23 £'000 | Budget 2023-24 £'000 | Budget 2024-25 £'000 | Budget 2025-26 £'000 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| TRANSPORT | | | | |
| Pumping Appliances | 840 | 2,114 | 1,694 | 1,687 |
| Special Appliances | 625 | 1,050 | 638 | 120 |
| Light Vehicle Replacement | 158 | 48 | 193 | 196 |
| E1 Fleet - telematic | | | 90 | |
| | 1,623 | 3,212 | 2,615 | 2,003 |
| EQUIPMENT | | | | |
| Lightweight Fire Coat | | | | |
| Structural Personal Protective Equipment | | | | |
| Fire Helmets | | | | |
| Fire Gloves | | | | |
| Replacement Duty Uniform | 250 | | | |
| Water Rescue kit (Dry Suits Thermal) | | | | |
| Fire Hood - Contaminants | | 150 | | |
| Breathing Apparatus Equipment | | | | |
| Coveralls - Non-Fire | | 100 | | |
| Gas Tight Suits | | 70 | | |
| Radios | | | 250 | |
| Foam Branches | 70 | | | |
| Road Traffic Collision equipment (Holmatro) | | | 1,000 | |
| Gas Monitoring | | | | |
| Water Rescue Equipment | 50 | | | |
| | 370 | 320 | 1,250 | |
| ESTATES | | | | |
| Relocation of Incident Command Training | 450 | | | |
| Workshop Fire Station | 218 | 235 | | |
| Headquarters project | 827 | | | |
| Eastwood Fire Station | | 1,180 | 70 | |
| Ashfield Fire Station (Refurb) | | | 488 | 13 |
| Arnold Fire Station | | | 500 | 2,000 |
| Stockhill Fire Station | | | | 500 |
| Bingham Fire Station | | | | |
| Mansfield Fire Station | | | | |
| Edwinstowe Fire Station | | | | |
| | 1,495 | 1,415 | 1,058 | 2,513 |

| 10 YEAR CAPITAL PROGRAMME | Budget 2022-23 £'000 | Budget 2023-24 £'000 | Budget 2024-25 £'000 | Budget 2025-26 £'000 |
|--|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| I.T. & COMMUNICATIONS | | | | |
| HQ Project (Enabling Works - ICT) | | | | |
| Replacement ICT equipment | 200 | 200 | 200 | 200 |
| Mobile Computing | 30 | 30 | 30 | 30 |
| HQ - Link ICT Replacement | 30 | | | |
| Business Process Automation | 40 | 40 | 40 | 40 |
| Cyber security | 75 | | | 30 |
| HQ Core Switch Upgrade | 50 | | | |
| Sharepoint | 20 | | | |
| Occupational Health – System Upgrade | | | 25 | |
| CFMIS quick Screens | 100 | | | |
| CFMIS Accessibility software | 150 | | | |
| HR upgrade | | | 51 | |
| Payroll And Finance Upgrade | | 30 | | 30 |
| | 695 | 300 | 346 | 330 |
| CONTROL | | | | |
| Airwave mobilisation system | 60 | | | |
| Tri Service mobilisation system | 40 | | | |
| Mobile Data Terminal replacement project | 80 | | | |
| Tri-Service Control & Mobilising System | | 1,000 | | |
| | 180 | 1,000 | | |
| Total | 4,363 | 6,247 | 5,269 | 4,846 |

To Be Financed By:

| | | | | |
|--------------------|--------------|--------------|--------------|--------------|
| Capital Receipts | | 1,310 | 260 | 10 |
| Borrowing | 4,188 | 4,937 | 5,009 | 4,836 |
| Earmarked Reserves | 175 | | | |
| Total | 4,363 | 6,247 | 5,269 | 4,846 |

APPENDIX B

| CASH LIMIT | | | | |
|---|---------------------------------------|--|--|--|
| | Revised Budget 2021/22 | Budget Requirement 2022/2023 £000's | Budget Requirement 2023/2024 £000's | Budget Requirement 2024/2025 £000's |
| <u>Employees</u> | | | | |
| Direct Employee Expenses | 34738 | 35880 | 37278 | 38346 |
| Indirect Employee Expenses | 534 | 456 | 456 | 456 |
| Pension | 880 | 893 | 865 | 837 |
| | 36152 | 37229 | 38599 | 39639 |
| <u>Premises-Related Expenditure</u> | | | | |
| Repairs Alterations and Maintenance of Buildings | | | | |
| | 718 | 734 | 902 | 930 |
| Energy Costs | 470 | 752 | 772 | 792 |
| Rents | 1 | 366 | 377 | 388 |
| Rates | 1005 | 897 | 1144 | 1391 |
| Water | 85 | 86 | 90 | 94 |
| Fixture and Fittings | 1 | 1 | 1 | 1 |
| Cleaning and Domestic Supplies | 429 | 456 | 469 | 482 |
| Grounds Maintenance Costs | 31 | 32 | 33 | 34 |
| Premises Insurance | 16 | 16 | 16 | 16 |
| Refuse Collection | 41 | 42 | 42 | 42 |
| | 2797 | 3382 | 3846 | 4170 |
| <u>Transport-Related Expenditure</u> | | | | |
| Direct Transport Cost | 1267 | 1447 | 1459 | 1471 |
| Recharges | 45 | 3 | 3 | 3 |
| Public Transport | 37 | 8 | 8 | 8 |
| Transport Insurance | 188 | 188 | 188 | 188 |
| Car Allowances | 257 | 226 | 226 | 226 |
| | 1794 | 1872 | 1884 | 1896 |
| <u>Supplies & Services</u> | | | | |
| Equipment Furniture and Materials | 722 | 708 | 673 | 638 |
| Catering | 53 | 41 | 41 | 41 |
| Clothes Uniforms and Laundry | 396 | 425 | 430 | 435 |
| Printing Stationery and General Office Expenses | 40 | 30 | 30 | 30 |
| Services | 573 | 530 | 530 | 530 |
| Communications and Computing Expenses | 1734 | 1829 | 1847 | 1865 |
| | 36 | 36 | 36 | 36 |
| Grants and Subscriptions | 82 | 97 | 97 | 97 |
| Miscellaneous Expenses | 98 | 174 | 174 | 174 |
| | 3734 | 3870 | 3858 | 3846 |
| <u>Third Party Payments</u> | | | | |
| Other Local Authorities | 783 | 908 | 1034 | 1160 |
| Private Contractors | 0 | 0 | 0 | 0 |
| | 783 | 908 | 1034 | 1160 |
| <u>Support Services</u> | | | | |
| Finance | 122 | 122 | 122 | 122 |
| Corporate Services | 45 | 45 | 45 | 45 |
| | 167 | 167 | 167 | 167 |

| | | | | |
|--|---------------|---------------|---------------|---------------|
| <u>Depreciation and Impairment Losses</u> | | | | |
| Depreciation | 0 | 0 | 0 | 0 |
| Amortisation of Intangible Fixed Assets | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 |
| <u>Sales Fees & Charges</u> | | | | |
| Customer and Client Receipts | -362 | -359 | -364 | -369 |
| | -362 | -359 | -364 | -369 |
| <u>Other Income</u> | | | | |
| Government Grants | -1922 | -2189 | -2189 | -2189 |
| Other Grants/Reimbursements and Contributions | -278 | -198 | -198 | -198 |
| Interest | -20 | -20 | -20 | -20 |
| | -2220 | -2407 | -2407 | -2407 |
| <u>Capital Financing Costs</u> | | | | |
| Interest Payments | 882 | 883 | 963 | 1043 |
| Debt Management Expenses | 1574 | 1878 | 2223 | 2568 |
| | 2456 | 2761 | 3186 | 3611 |
| | 45,301 | 47,423 | 49,803 | 51,713 |

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