

1st FRA Meeting 12th January 2021

		Original	Proposed	Proposed	Proposed	Proposed	
MEDIUM TERM REVENUE PLAN 2021/22 TO 2024/25		2020/21	2021/22	2021/22	2022/23	2023/24	2024/25
		£000s	£000s	£000s	£000s	£000s	£000s
Base Budget		30,328	32,035	32,035	31,682	32,036	32,443
1	Removal of 3% Fire Fighter Pay increase 2020/21 from Base Budget (will review pay award EMR)	0	0	-575	0	0	0
2	Increase to LGPS pay 2020/21 2% budgeted but 2.75% agreed	0	0	42	0	0	0
3	Firefighter Salaries differences between pensions and scales due to retirements and recruitment	470	-225	0	0	0	0
4	Additional Bank Holidays	3	3	3	3	3	3
5	FF Pensions changes	-23	-23	-23	0	0	0
6	To capture additional FF employer costs	0	0	1,700	0	0	0
7	Offset by grant	0	0	-1,700	0	0	0
8	Reduction in Minimum Revenue Provision (MRP) relating to borrowing costs on previous years vehicles	0	-140	-140	-11	-11	0
9	Budget Realignment	-2	0	90	30	0	0
10	Apprenticeship Levy	2	2	2	2	2	2
11	SCAPE (FF Pensions Scheme) Costs from 01/04/2019. Grant from 21/22	0	750	0	0	0	0
12	Local Government Superannuation Revaluation Lump Sum	64	10	10	9	60	20
13	Increase in Local Government Superannuation Employer Contributions (17.3% to 20.5%) in 20/21	137	0	0	0	0	0
14	Total Base Budget Adjustments	651	377	-591	33	54	25
15							
16	Forecast Variations						
17	Investment Interest Decrease/(Increase)	-25	-10	50	0	0	0
18	Revenue Contribution to Capital	-1,076	1,084	683	118	-170	1,464
19	Creation of New Corporate Reserve for future Pensions contributions, then removal	1,000	-1,000	-1,000	0	0	0
20	Non-Uniform Incremental Drift	79	0	75	41	22	20
21	Transformational Savings/Efficiencies	-303	-237	-181	-239	-184	-100
22	Scrutiny Panel Decisions	-50	65	208	-81	31	0
23	Total Forecast Variations	-375	-98	-165	-161	-301	1,384
24							
25	Inflation						
26	Fire-fighters pay - 2% 1 April to 30 June 2021, then 0% followed by 2% following years	160	183	71	0	73	75
27	Fire-fighters pay - 1 July 2021 to 31 March 2022 (0% 2021, then 2% each following year)	524	220	0	220	224	228
28	Retained Pay (As per Fire-Fighters) April to June	97	55	22	0	23	24
29	July to March			0	30	40	41
30	Control pay (As per Fire-Fighters) April to June	69	26	14	0	14	14
31	July to March			0	20	20	20
32	Non Uniformed pay (0% effective from 01/04/2021, then 2% thereafter)	112	115	0	121	123	126
33	Member Allowances	2	2	0	2	2	2
34	Gas, Electricity, Water and Derv Inflation	19	27	27	28	30	31
35	Prices Inflation at 2% 2021/22 - 2024/25	75	76	76	78	81	82
36	Total Inflation	1,058	704	210	499	630	643
37							
38	Budget Pressures						
39	FMS3' bids (Current Year MTFP process)	477	199	513	182	80	62
40	FMS3' bids (Previous Years MTFP process)	-104	-320	-320	-199	-56	0
41							
42	Estimated Net Revenue Expenditure	32,035	32,897	31,682	32,036	32,443	34,557
43	Contribution to/from Transformational Earmarked Reserves	-973	-1,101	-396	-505	-161	-1,334
44							
45	Estimated Budget Requirement	31,063	31,796	31,286	31,531	32,282	33,223
46							
47	Budget Requirement Increase Year on Year	1,226.7	1,506.0	223.9	-265.7	995.4	1,692.5
48	% Budget Increase	4.1%	5.0%	0.7%	-0.8%	3.2%	5.4%
49							
50	Financed by:						
51							
52	Revenue Support Grant (RSG): expected to cease in 2022/23 and be included within increased business rates funding	2,320	2,320	2,333	2,333	2,333	2,333
53	Business Rate Baseline	2,302	2,414	2,298	2,321	2,344	2,368
54	Business Rate Top Up	3,839	3,901	3,840	3,878	3,917	3,956
55	Adjusted 2019/20 Business Rates Top Up following revised VOA list	50	0	0	0	0	0
56	Business Rates Grant (multiplier compensation)	303	236	309	309	309	309
57	Collection Fund Surplus/(Deficit)	368	200	-786	-171	-170	0
58	Use of Collection Fund Deficit Reserve	0	0	700	0	0	0
59	Council Tax (the remainder)	21,880	22,726	22,192	22,860	23,549	24,257
60	New Local Council Tax Support Grant (to compensate for taxbase reductions)	0	0	400	0	0	0
61	Redistribution of Business Rates Retention Levy Account surplus	0	0	0	0	0	0
62							
63		31,063	31,796	31,286	31,531	32,282	33,223
64							
65	Band D equivalent Tax base	217,906	221,910	216,704	218,871	221,060	223,270
66	% change on Band D's	2.30%	1.84%	-0.55%	1.00%	1.00%	1.00%
67	Leading to an average council tax (Band D) of	100.41	102.41	102.41	104.45	106.53	108.65
68							
69	% increase	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%
70							
71							
72	Use of Transformational Reserves Summary	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
73		2020/21	2021/22	2021/22	2022/23	2023/24	2024/25
74		£000s	£000s	£000s	£000s	£000s	£000s
75	Transformational Earmark Reserve for Budget Setting	3,507	2,485	2,485	1,839	1,084	673
76		0	0	0	0	0	0
77	Contribution to/from Transformational Earmarked Reserves	-973	-1,101	-396	-505	-161	-1,334
78	Annual use of Transformational Reserve for Strategic Projects and Improvements	-250	-250	-250	-250	-250	-250
79	Reduction of General Reserve from £2.6m to £2.4m in 20/21, potential to reduce further	200	0	0	0	0	0
80	Net Balance Transformational Earmark Reserves	2,485	1,134	1,839	1,084	673	-911