

Final Budget Meeting 10th February 2022

		Original	Proposed	Proposed	Proposed	Proposed
	2021/22	2022/23	2022/23	2023/24	2024/25	2025/26
	£000s	£000s	£000s	£000s	£000s	£000s
MEDIUM TERM REVENUE PLAN 2022/23 TO 2025/26 with 3% Pay Increase in 2022/23	32,035	31,104	31,104	33,103	34,836	35,001
Base Budget	32,035	31,104	31,104	33,103	34,836	35,001
1 Removal of 3% Fire Fighter Pay increase 2020/21 from Base Budget (will review pay award EMR)	-575	0	0	0	0	0
2 Increase to LGPS pay 2020/21 2% budgeted but 2.75% agreed	42	0	0	0	0	0
3 Firefighter Salaries differences between pensions and scales due to retirements and recruitment	0	0	-90	0	0	0
4 Unbudgeted 2021/22 Green Book pay award (1.75% estimated)	0	0	108	0	0	0
5 Unbudgeted 2021/22 Grey Book pay award (1.5% July 2021 - March 2022)	0	0	194	0	0	0
6 Increase in Green Book CMT Post	0	0	107	0	0	0
7 Reduction in Grey Book Area Manager post (see above)	0	0	-122	0	0	0
8 Additional Bank Holidays	3	3	13	-13	0	0
9 FF Pensions changes	-23	0	0	0	0	0
10 To capture additional FF employer costs	1,700	0	1,700	0	0	0
11 Offset by grant	-1,700	0	-1,700	0	0	0
12 Reduction in Minimum Revenue Provision (MRP) relating to borrowing costs on previous years vehicles	-140	-11	-11	0	0	0
13 Budget Realignment	308	-51	27	-53	-80	0
14 Apprenticeship Levy	2	2	2	2	2	2
15 SCAPE (FF Pensions Scheme) Costs from 01/04/2019. Grant from 21/22	0	0	0	0	0	0
16 Local Government Superannuation Revaluation Lump Sum	10	9	9	20	20	20
17 Increase in Employer National Insurance (NI) Contributions (1.25% from April 2022 - offset by new grant see line 63 below)	0	0	170	0	0	0
Total Base Budget Adjustments	-373	-48	407	-44	-58	22
Forecast Variations						
21 Investment Interest Decrease/(Increase)	50	0	0	0	0	0
22 Revenue Contribution to Capital	138	663	411	1,193	-220	1,232
23 Creation of New Corporate Reserve for future Pensions contributions, then removal	-1,000	0	0	0	0	0
24 Non-Uniform Incremental Drift	75	41	88	57	33	14
25 Transformational Savings/Efficiencies	-181	-239	-203	-92	-114	-150
26 Scrutiny Panel Decisions	-10	0	-8	0	0	0
Total Forecast Variations	-928	465	288	1,158	-301	1,096
Inflation						
30 Fire-fighters pay - 1.5% 1 April to 30 June 2022, then 3% July 2022 till June 2023, followed by 2% following years	71	0	79	113	79	79
31 Fire-fighters pay - 1 July 2022 to 31 March 2023 (3% 2022, then 2% each following year)	0	220	325	226	231	235
32 Retained Pay (As per Fire-Fighters) April to June	22	0	15	10	11	12
33 July to March	0	30	53	42	37	37
34 Control pay (As per Fire-Fighters) April to June	14	0	4	5	5	5
35 July to March	0	20	23	19	15	16
36 Non Uniformed pay (3% effective from 01/04/2022, then 2% thereafter)	0	121	206	144	147	150
37 Member Allowances	0	2	2	2	2	2
38 Gas, Electricity, Water and Derv Inflation (as below but 0% Gas & Electric in 2022/23 the 30% Gas & 25% Elec in 2023/24)	27	28	24	24	21	21
39 Prices/Contract Inflation (4% in 2022/23 followed by 2% 2023/24 - 2025/26)	76	78	135	68	70	71
Total Inflation	210	499	866	653	618	628
Budget Pressures						
43 FMS3' bids (Current Year MTFP process)	480	167	381	-202	-39	0
44 FMS3' bids (Previous Years MTFP process)	-320	-199	57	168	-55	-7
Estimated Net Revenue Expenditure	31,104	31,988	33,103	34,836	35,001	36,740
Contribution to/from Transformational Earmarked Reserves	609	116	716	-1,164	-189	-1,003
Estimated Budget Requirement	31,713	32,104	33,819	33,672	34,812	35,737
Budget Requirement Increase Year on Year	650.9	307.4	2,105.9	1,568.0	992.9	2,065.2
% Budget Increase	2.1%	1.0%	6.6%	4.9%	2.9%	6.1%
Financed by:						
56 Revenue Support Grant (RSG): expected to cease in 2022/23 and be included within increased business rates funding	2,333	2,333	2,405	2,479	2,555	2,634
57 Business Rate Baseline	2,405	2,429	2,502	2,502	2,502	2,502
58 Business Rate Top Up	3,840	3,878	3,840	3,840	3,840	3,840
59 S31 from Multiplier cap and Small Business Rate Relief	293	293	382	382	382	382
60 Business Rates Grant (under indexing the multiplier compensation)	310	310	488	488	488	488
61 Collection Fund Surplus (2021/22 used in 2022/23 budget) - net Business Rates and Council Tax	0	0	391	0	0	0
62 Collection Fund Surplus/(Deficit)	-1,196	-83	-46	-46	0	0
63 Use of Collection Fund Deficit Reserve	254	83	46	46	0	0
64 Council Tax (the remainder)	22,193	22,860	23,401	24,221	25,045	25,891
65 New Local Council Tax Support Grant (to compensate for taxbase reductions)	399	0	0	0	0	0
66 Estimate of new 75% Collection Fund relief	37	0	0	0	0	0
67 Business Rates retail, nursery relief (NNDR 1 and 3 timings)	845	0	0	0	0	0
68 New Grant 2022/23 only (expected to be baselined thereafter, covering employer NI increase and other)	0	0	410	-240	0	0
	31,713	32,104	33,819	33,672	34,812	35,737
Band D equivalent Tax base	216,704	218,871	224,040	227,362	230,513	233,647
% change on Band D's	-0.55%	1.00%	3.39%	1.48%	1.39%	1.36%
Leading to an average council tax (Band D) of	102.41	104.45	104.45	106.53	108.65	110.81
% increase	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%
Use of Transformational Reserves Summary	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
	2021/22	2022/23	2022/23	2023/24	2024/25	2025/26
	£000s	£000s	£000s	£000s	£000s	£000s
82 Transformational Earmark Reserve for Budget Setting	2,502	2,861	2,861	3,127	1,513	1,274
Contribution to/from Transformational Earmarked Reserves	609	116	716	-1,164	-189	-1,003
Annual use of Transformational Reserve for Strategic Projects and Improvements	-250	-250	-250	-250	-250	-250
85 Use of Transformation Reserve for Green/Environmental agenda	0	0	-200	-200	0	0
86 Reduction of General Reserve from £2.6m to £2.4m in 20/21, with potential to reduce to £2.1m	0	0	0	0	200	0
Net Balance Transformational Earmark Reserves	2,861	2,727	3,127	1,513	1,274	21