

FRA Meeting 20th July 2022

	Original	Actual	Proposed	Proposed	Proposed	
MEDIUM TERM REVENUE PLAN 2022/23 TO 2025/26 Scenario with 3% Pay Increase in 2022/23	2021/22	2022/23	2022/23	2023/24	2024/25	2025/26
	£000s	£000s	£000s	£000s	£000s	£000s
Base Budget	32,035	31,104	31,104	33,095	34,897	35,066
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 Local Government Superannuation Revaluation Lump Sum	10	9	9	20	20	20
16 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
17 Total Base Budget Adjustments	-373	-48	407	-44	-58	22
19 Forecast Variations						
20 Investment Interest Decrease/(Increase)	50	0	0	-100	-20	-10
21 Revenue Contribution to Capital	138	663	411	1,193	-220	1,232
22 Creation of New Corporate Reserve for future Pensions contributions, then removal	-1,000	0	0	0	0	0
23 Non-Uniform Incremental Drift	75	41	88	57	33	14
24 Transformational Savings/Efficiencies	-181	-239	-203	-93	-175	-200
25 Scrutiny Panel Decisions	-10	0	-8	0	0	0
26 Total Forecast Variations	-928	465	288	1,057	-382	1,036
28 Inflation						
29 Fire-fighters pay - 1.5% 1 April to 30 June 2022, then 3% Apr 2023 till June 2023, followed by 2% following years	71	0	79	113	79	79
30 Fire-fighters pay - 1 July 2022 to 31 March 2023 (3% 2022, then 2% each following year)	0	220	325	226	231	235
31 Retained Pay (As per Fire-Fighters) April to June	22	0	15	10	11	12
32 July to March	0	30	53	42	37	37
33 Control pay (As per Fire-Fighters) April to June	14	0	4	5	5	5
34 July to March	0	20	23	19	15	16
35 Non Uniformed pay (3% effective from 01/04/2022, then 2% thereafter)	0	121	206	144	147	150
36 Member Allowances	0	2	2	2	2	2
37 Gas, Electricity, Water and Derv Inflation (as below but 0% Gas & Electric in 2022/23 the 40% Gas & 40% Elec in 2023/24)	27	28	24	94	56	21
38 Prices/Contract Inflation (4% in 2022/23 followed by 6% 2023/24, 2024/25 5% then 2% 2025/26)	76	78	135	168	120	71
39 Total Inflation	210	499	866	823	703	628
41 Budget Pressures						
42 FMS3' bids (Current Year MTFP process)	480	167	373	-202	-39	0
43 FMS3' bids (Previous Years MTFP process)	-320	-199	57	168	-55	-7
45 Estimated Net Revenue Expenditure	31,104	31,988	33,095	34,897	35,066	36,745
46 Contribution to/from Transformational Earmarked Reserves	609	116	298	-1,292	-321	-1,075
48 Estimated Budget Requirement	31,713	32,104	33,393	33,605	34,745	35,670
50 Budget Requirement Increase Year on Year	650.9	307.4	1,679.9	1,501.0	1,351.9	2,065.2
51 % Budget Increase	2.1%	1.0%	5.3%	4.7%	4.0%	6.1%
53 Financed by:						
55 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
56 Business Rate Baseline (locally collected business rates)	2,405	2,429	2,300	2,300	2,300	2,300
57 Business Rate Top Up	3,840	3,878	3,840	3,840	3,840	3,840
58 S31 from Multiplier cap and Small Business Rate Relief	293	293	613	613	613	613
59 Business Rates Grant (under indexing the multiplier compensation)	310	310	0	0	0	0
60 Tariff/Top Up Adjustment (S31 Business rates)	0	0	0	392	392	392
61 Collection Fund Surplus (2021/22 used in 2022/23 budget) - net Business Rates and Council Tax	0	0	424	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
70	31,713	32,104	33,393	33,605	34,745	35,670
72 Band D equivalent Tax base	216,704	218,871	224,040	227,362	230,513	233,647
73 % change on Band D's	-0.55%	1.00%	3.39%	1.48%	1.39%	1.36%
74 Leading to an average council tax (Band D) of	102.41	104.45	104.45	106.53	108.65	110.81
76 % increase	1.99%	1.99%	1.99%	1.99%	1.99%	1.99%
79 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	2,709	1,967	1,396
83 Contribution to/from Transformational Earmarked Reserves	609	116	298	-1,292	-321	-1,075
84 Annual use of Transformational Reserve for Strategic Projects and Improvements	-250	-250	-250	-150	-150	-150
85 Use of Transformation Reserve for Green/Environmental agenda	0	0	-200	-100	-100	-100
86 Reduction of General Reserve from £2.6m to £2.4m in 20/21, with potential to reduce to £2.1m	0	0	0	300	0	0
87 Reduction of Earmarked Reserves (£300k) and Capital Receipts Reserve (£200k)	0	0	0	500	0	0
88 Net Balance Transformational Earmark Reserves	2,861	2,727	2,709	1,967	1,396	71