

For Publication

Bedfordshire Fire and Rescue Authority  
Corporate Services Policy and Challenge Group  
13 September 2017  
Item No. 6

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**REPORT AUTHOR: HEAD OF FINANCE/TREASURER**

**SUBJECT: 2018/19 REVENUE BUDGET AND CAPITAL PROGRAMME**

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For further information on this Report contact: Gavin Chambers, Head of Finance/Treasurer

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Background Papers: 2017/18 FRA Budget Papers

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Implications (tick ✓):

LEGAL		FINANCIAL	✓
HUMAN RESOURCES		EQUALITY IMPACT	
ENVIRONMENTAL		POLICY	
CORPORATE RISK	Known	OTHER (please specify)	
	New		

*Any implications affecting this report are noted at the end of the report.*

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## PURPOSE

To present the current planning arrangements for the 2018/19 Revenue Budget and Capital Programme and agree the timetable accordingly.

## RECOMMENDATION:

That the report and timescales within be reviewed, considered and agreed.

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### 1. Introduction

1.1 On 9 February 2017, the Fire and Rescue Authority (FRA) approved a Revenue Budget Requirement for 2017/18 of £28.716m and a Capital Programme of £1.278m.

1.2 This report introduces the process for 2018/19.

### 2. The 2018/19 Revenue Budget and Capital Programme

#### 2.1 **Funding Updates:**

2.1.1 **Revenue** – On 21<sup>st</sup> July 2016, the FRA considered and accepted the four year Government Grant funding offer, therefore giving some certainty of the funding that will be received between now and 2019/20. In order to be eligible for this the Authority is required to provide via our website information on our savings and efficiencies. These are monitored during the year by the Corporate Management Team and reported to the Fire and Rescue Authority (FRA). Although the Authority has a good indication of the funding the reductions are still large, the Revenue Support Grant (RSG) is forecast to reduce from £4.770m in 2017/18 to £2.142m in 2020/21. The medium term budget gap, which is currently circa £1m, therefore needs closing with new savings and efficiencies yet to be identified. In the medium term, there is also some uncertainty of the funding mechanism.

2.1.2 **Capital** – There was not any capital funding or bidding round launched for the 2017/18 financial year and it is anticipated that this will be the same position for 2018/19 too. The Capital Programme is fully funded by revenue, unless where a specific grant has been received.

## 2.2 **2017/18 Corporate Management Team (CMT) Post Budget Review:**

2.2.1 A post 2017/18 budget process review was held by CMT.

2.2.2 The outcome of this meeting was:

- i. In the main, to continue with the process adopted for 2017/18.
- ii. Continue to work on existing and new savings and efficiencies that will take place during the 2017/18 financial year and the 2018/19 to 2021/22 years.

## 2.3 **Timescales:**

2.3.1 For 2018/19, there will be a draft budget set by the FRA on 14 December 2017 for consultation. The budgets and council tax will finally be set by the FRA, post consultation on 8 February 2018. The Authority will need to consult with the community and businesses. This will again be linked in with the Community Risk Management Plan (CRMP).

2.3.2 The proposed timetable for the 2018/19 budget process is attached at Appendix 1. The actions required to date have been met.

## 2.4 Proposals:

2.4.1 The proposals below are included for discussion and are currently anticipated being part of the 2018/19 revenue and capital budget setting process:

- *Roll Forward* – As agreed for the 2017/18 process last year, it is again proposed to roll forward the 2017/18 budget and scrutinise the appropriateness of the 2018/19 budgets during the officer review process.
- *Scrutiny/Review* – As identified above, the scrutiny process will continue for 2018/19, reviewing the draft 2018/19 budgets, compared to 2017/18 actuals/forecast year end position and 2016/17 actuals.
- *Savings/Efficiencies* – The savings/efficiency work that CMT carried out for the 2017/18 budget cycle will need to be revisited to ensure initiatives previously proposed in future years are still appropriate and deliverable. There will again not be a fixed percentage to apply across the board to non-salary budgets. However, the budget scrutiny meetings will of course be looking for efficiencies on top of those worked up during the 2017/18 budget process. The 2017/18 planned savings/efficiencies will be monitored via CMT in year and FRA budget monitoring reports.
- *Budget Forms* – New bid forms were created for the 2016/17 budget process that combined revenue and capital bids and also incorporate project management aspects. These will be again used for the 2018/19 budget process.
- *Planning Assumptions* - A summary list of planning assumptions will be presented to Members during the budget process both for information purposes but also to input and agree on.
- **Capital** – The Capital Programme for 2018/19 onwards needs to be focussed on more than the forthcoming year. The returns to Government ask for our three year indicative capital expenditure figures.

3. Summary

3.1.1 This report introduces the 2018/19 budget timetable and process to Members. Members will be kept informed of progress.

**PAUL FULLER  
CHIEF FIRE OFFICER**

**GAVIN CHAMBERS  
HEAD OF FINANCE/TREASURER**

## 2018/19 BUDGET TIMETABLE

GROUP	AREA OF REVIEW	DATE
Corporate Management Team (CMT)	Budget memo sent out, including Budget Bid form. Cost centre sheets to be provided at least a fortnight before Finance review meetings.	w/c 24 July 2017
CMT	Budget bid requests (revenue and capital) back to Finance	1 September 2017
CMT	Initial budget report/verbal update	September 2017
<i>CMT</i>	<i>Head of Service and Finance Meeting, to review cost centre sheets (agree virements etc).</i>	<i>Throughout September</i>
Corporate Services Policy & Challenge Group (CSP&CG)	Initial budget report	13 September 2017
Capital Strategy Team	Review any Capital bids.	10 October 2017
CMT Budget Meeting (excl Principal Officers)	Discuss current budget position/efficiencies.	13 October 2017
CMT Budget Meeting (excl POs)	Discuss current budget position/ efficiencies.	24 October 2017
CMT Budget Meeting (excl POs)	Budget meeting.	31 October 2017
CMT & POs	CMT and POs to review draft budget and CRMP prior to 1 <sup>st</sup> Members budget workshop.	7 November 2017
FRA	1 <sup>st</sup> Members budget workshop – draft budget and draft CRMP.	21 November 2017
CMT	Draft budget if required, prior to sending out FRA papers.	Late November 2017

FRA	Draft budget set and CRMP for consultation.	14 December 2017
<i>Public Consultation on draft budget and CRMP</i>	<i>From 15 December 2017 to 31 January 2018. Consultation may commence before this date.</i>	<i>15 December 2017 to 31 January 2018</i>
CMT	Update to CMT as required.	January 2018
FRA	2 <sup>nd</sup> Members budget workshop – post main consultation period. Draft CRMP post consultation.	18 January 2018
FRA	2017/18 Budget and Council Tax Precept set. CRMP – with consultation outcomes incorporated.	8 February 2018