

2019/20 Budget Process- Assumptions/Uncertainties

Current Assumptions:

- Fire Fighters Pension Scheme Revaluation from 2016, which comes into effect from April 2019, has an estimated average increase of 13% (circa £1.2m). This will be supported by grant via the Home Office in 2019/20. The initial budget of £450k has therefore been reduced to £200k in 2019/20. From 2020/21 this will be included within the funding from the Comprehensive Spending Review. The £200k has been increased to £650k in 2020/21 until further information is known.
- Green Book pay award 2% April 2019 onwards (overall average is more due to NJC increases to certain grades)
- Grey Book pay award 5% July 2019 and 2% thereafter (2018 pay award was budgeted at 4%, pay award agreed at 2%. The u/s will be held as a reserve in case backdating of pay award agreed)
- That the additional 1% to council tax will not continue after the two years announced (2018/19 and 2019/20).
- Taxbase in line with previous indications (amended where info supplied)
- Business rates in line with previous indications (amended where info supplied)
- No Capital Funding (bidding round not announced)
- Fire Grant/Emergency Services Mobile Communications Programme (ESMCP) funded (see below) – **Potential large funding risk here**
- Revenue Support Grant (RSG) grant reductions in line with four year funding deal and continuing at this rate for RSG in 2020/21 to 2022/23
- Estimated Collection Fund surplus of £282k in 19/20, nil thereafter (final confirmation in January 2019 for 19/20)
- New Dimensions Grant will continue
- Marauding Terrorist Firearms Team (MTFA) funding continuing
- Apprentice budget of £60k per annum remains to fund new posts (training fees to be drawn down from levy paid)

Uncertainties:

- Recruitment profile/establishment/retirements – associated recruitment/training costs (20 FF in 2019/20, 15 per annum thereafter)
- New savings/efficiencies in the medium term to address the budget shortfall, subject to work and approval by FRA
- Collaboration (PCC, Ambulance, Police etc) – and associated costs/savings
- Medium term property strategy (One Public Estate bid, sharing etc)
- Contingent Liabilities/Assets included in the Statement of Accounts
- EU directives/legislative changes/Brexit impacts
- Fully funded by local business rates (no Revenue Support Grant) by 2020, or direct grant with no business rates (like the Police). The move to funding like the police is unlikely as this will require a change in legislation (and due to Brexit, this is unlikely)
- Implications arising from Fire Brigades Union (FBU) discriminatory claims relating to transitional pension protection
- Strike expenditure potential

Appendix 2

- Outcomes of new digital strategy
- General Data Protection Regulations (GDPR), Senior Information Risk Owner (SIRO) work area
- Pay Scale review – Green book (Hay review pay line)
- Interest and inflation rate fluctuations (post Brexit too)
- Outcomes of Retained Duty System project (budget increase/decrease)
- Outcome of Grey book pay review – broader role