

FINAL BUDGET 11th FEBRUARY 2020

MEDIUM TERM REVENUE PLAN 2020/21 TO 2023/24

	2019/20	Original	Proposed	Proposed	Proposed	Proposed
	£000s	2020/21	2020/21	2021/22	2022/23	2023/24
		£000s	£000s	£000s	£000s	£000s
Base Budget	29,676	30,328	30,328	32,035	32,897	33,098
1 Removal of 2% Fire Fighter Pay increase 2018/19 from Base Budget	-188	0	0	0	0	0
2 Possible outcome from NJC Pay line Review (Non-Operational)	150	0	0	0	0	0
3 Firefighter Salaries differences between pensions and scales due to retirements and recruitment	0	0	470	-225	0	0
4 Addition of cost for FRIC & Salary abatement / Pensions to enable capture corresponding savings and efficiencies	105	0	0	0	0	0
5 Additional Bank Holidays	-15	3	3	3	3	3
6 FF Pensions 2015 changes	-23	-23	-23	-23	0	0
7 Holiday pay implications	40	0	0	0	0	0
8 Reduction in Minimum Revenue Provision (MRP) relating to borrowing costs on previous years vehicle purchases	0	0	0	-140	-11	-11
9 Budget Realignment	81	0	-2	0	0	0
10 NFCC (CFOA) subscription / LGA Pension Support / NFCC	10	0	0	0	0	0
11 Apprenticeship Levy	2	2	2	2	2	2
12 SCAPE (FF Pensions Scheme) Costs from 01/04/2019. Assumed fully funded 2020/21 and part 2021/22	0	650	0	750	0	0
13 Local Government Superannuation Revaluation Lump Sum	48	32	64	10	9	60
14 Increase in Local Government Superannuation Employer Contributions (17.3% to 20.5%)	0	0	137	0	0	0
15 Minimum Revenue Provision reduction from Earmarked Reserves (MRP holiday, £200k per annum for 6 years)	0	-200	0	0	0	0
16 Total Base Budget Adjustments	210	464	651	377	3	54
18 Forecast Variations						
19 Investment Interest Decrease/(Increase)	0	0	-25	-10	0	0
20 Revenue Contribution to Capital	277	-138	-1,076	1,084	4	662
21 Creation of New Corporate Reserve for future Pensions contributions	0	0	1,000	-1,000	0	0
22 Revenue Implications of Capital Programme	12	0	0	0	0	0
23 Non-Uniform Incremental Drift	64	42	79	0	0	0
24 Transformational Savings/Efficiencies	-495	-127	-303	-237	-195	-190
25 Scrutiny Panel Decisions	-282	-29	-50	65	-81	31
26 Service Control - Mobilisation System - see below for use of Transformational Reserve	0	0	0	0	0	0
27 Total Forecast Variations	-425	-252	-375	-98	-272	503
29 Inflation						
30 Fire-fighters pay - 1 April to 30 June (2% 2020 2% each following year)	62	160	160	183	77	79
31 Fire-fighters pay - 1 July to 31 March (2% 2020 & 2% each following year)	446	192	524	220	224	229
32 Retained Pay (As per Fire-Fighters)	94	54	97	55	41	42
33 Control pay (As per Fire-Fighters)	48	25	69	26	20	20
34 Non Uniformed pay (2% effective from 01/04/2020)	103	106	112	115	117	119
35 Member Allowances	2	2	2	2	2	2
36 Gas, Electricity, Water and Derv Inflation	25	19	19	27	28	30
37 Prices Inflation at 2% 2020/21 - 2023/24	74	75	75	76	78	81
38 Total Inflation	854	633	1,058	704	587	602
40 Budget Pressures						
41 FMS3 bids (Current Year MTFP process)	61	0	477	199	23	56
42 FMS3 bids (Previous Years MTFP process)	-48	-104	-104	-320	-140	-50
44 Estimated Net Revenue Expenditure	30,328	31,069	32,035	32,897	33,098	34,263
45 Contribution to/from Transformational Earmarked Reserves	-492	-779	-1,045	-1,101	-340	-508
47 Estimated Budget Requirement	29,836	30,291	30,991	31,796	32,758	33,755
49 Budget Requirement Increase Year on Year	399.2	452.7	1,154.7	1,506.0	1,767.7	1,958.9
50 % Budget Increase	1.4%	1.5%	3.9%	5.0%	5.7%	6.2%
52 Financed by:						
54 Revenue Support Grant (RSG): expected to cease in 2020/21 and be included within increased business rates funding	2,283	1,977	2,320	2,320	2,320	2,320
55 Business Rate Baseline	2,222	2,345	2,299	2,414	2,519	2,629
56 Business Rate Top Up	3,779	3,860	3,839	3,901	3,963	4,027
57 Adjusted 2019/20 Business Rates Top Up following revised VOA list	0	0	50	0	0	0
58 Business Rates Grant	258	258	236	236	236	236
59 Collection Fund Surplus/(Deficit)	231	100	366	200	150	100
60 Council Tax (the remainder)	20,973	21,750	21,880	22,726	23,570	24,444
61 Utilisation of Collection Fund Surplus Reserve	0	0	0	0	0	0
62 Redistribution of Business Rates Retention Levy Account surplus	90	0	0	0	0	0
64	29,836	30,291	30,991	31,796	32,758	33,755
66 Band D equivalent Tax base	213,017	216,611	217,906	221,910	225,664	229,484
67 % change on Band D's	1.95%	1.69%	2.30%	1.84%	1.69%	1.69%
68 Leading to an average council tax (Band D) of	98.45	100.41	100.41	102.41	104.45	106.52
70 % increase	2.99%	1.99%	1.99%	1.99%	1.99%	1.99%
73 Use of Transformational Reserves Summary						
74	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
75	2019/20	2020/21	2020/21	2021/22	2022/23	2022/23
76	£000s	£000s	£000s	£000s	£000s	£000s
76 Transformational Earmark Reserve for Budget Setting	4,655	3,469	3,507	2,413	1,062	772
77 Actual 2018/19 Revenue Underspend (£595k)	595	0	0	0	0	0
78 Contribution to/from Transformational Earmarked Reserves	-492	-779	-1,045	-1,101	-340	-508
79 Use of Transformational Reserve for investment into the Control Mobilisation Project	-1,000	0	0	0	0	0
80 Annual use of Transformational Reserve for Strategic Projects and Improvements	-250	-250	-250	-250	-250	-250
81 Reduction of General Reserve from £2.6m to £2.4m, followed by reduction to £2.1m in future years (into the Transformational Reserve)	0	200	200	0	300	0
82 Net Balance Transformational Earmark Reserves	3,507	2,641	2,413	1,062	772	15