

Hereford & Worcester Fire and Rescue Authority
Budget 2009/10 : Revenue Budget 2009/10

	£m	%
2008/09 Net Budget Requirement	29.311	
<u>One off use of reserves</u>		
Pensions Earmarked Reserve	0.070	
Rank to Role Earmarked Reserve	0.147	
	0.217	0.8%
Recurring Base Budget	29.528	
<u>Cost Pressures</u>		
Full Cost of 2008 Pay Awards - including additional 0.5%	0.100	
Pay Awards at 2.5%	0.566	
LGPS - Increased Contribution Rate	0.013	
Support Staff Increments	0.010	
Non Pay Inflation (mainly at 2.25% but including Business Rates at 5.2%)	0.185	
Net Other	0.030	
	0.904	3.1%
<u>Changes to Training Arrangements</u>		
Improving Ridership	0.100	
Increase in Training Resources	0.180	
Flexible Working Arrangements	0.100	
	0.380	1.3%
<u>Capital Programme</u>		
Impact of Asset Management Plan & Fleet Strategy	0.230	
	0.230	0.8%
<u>Consequences of National Projects</u>		
Firelink - estimated net new cost	0.040	
	0.040	0.1%
	31.082	6.1%
<u>Cash Releasing Efficiencies</u>		
Fire-fighter Posts	(0.420)	
Back Office Savings	(0.211)	
	(0.631)	-2.2%
RECOMMENDED NET BUDGET REQUIREMENT	30.451	3.9%

Hereford & Worcester Fire and Rescue Authority

Budget 2009/10 : Explanation of Variations in Appendix 1

One-off Impacts

Core expenditure in 2008/09 funded from one-off use of reserves

Full Cost of 2008 Pay Awards - including additional 0.5%

The full year cost of the Fire-fighters July 2008 pay award, including the impact of the settlement at 2.45% being higher than the 2% included in the 2008/09 budget. This figure also includes the impact of the interim Support pay settlement at April 2008 being 0.47% higher than the 2% in the 2008/09 budget.

Pay Awards at 2.5%

The budget provides for a 2.5% pay award, in line with experience in the last 2 years against the general government strategy on public sector pay.

LGPS - Increased Contribution Rate

The latest valuation of the Worcestershire Pension Fund requires an increase in employer contributions

Support Staff Increments

The base budget provides for the actual employment costs of current staff with an allowance for the impact of vacancies. Specific provision is included here for staff who, subject to satisfactory performance, would qualify for a pay increment.

Other Inflation

Non Pay Inflation has been provided for at 2.25%, from April 2009, except for Business Rates which by statute increase by the Sept RPI figure of 5.2%.

Changes to Training Arrangements

Changes introduced as part of the approved IRMP to release operational staff for training,

Capital Financing

The changes reflect the overall additional capital financing charges arising from the capital programme.

The impact shown includes interest, provision for repayment and vehicle lease rentals. It is net of the proposed new MRP policy (see Appendix 9) and the current Treasury Management position in relation to risk and consequent interest receivable.

Consequences of National Projects

Firelink - estimated net new cost

Cash Releasing Efficiencies

Fire-fighter Posts

As per the approved IRMP

Back Office Efficiencies

Restructure of Policy, Performance & Planning Dept

Bringing Committee Services Function in-house

Increased income from private use of service vehicles

Reduction in Support Service revenue budgets

£m

(0.420)

(0.087)

(0.015)

(0.020)

(0.089)

(0.211)

TOTAL (0.631)

Hereford & Worcester Fire and Rescue Authority**Budget 2009/10 : Personnel Budget**

	Wholetime Firefighters FTE	Retained Firefighters H/C	Control Room Staff FTE	Non- Uniformed Support FTE	TOTAL
Core Budget 2008/09	327.0	369.0	25.0	124.7	845.7
Civilianisation of Fire Safety Trainer	(1.0)			1.0	0.0
IRMP Efficiencies	(12.0)				(12.0)
Net Back Office Efficiencies	(1.0)			(2.0)	(3.0)
Included in Budget 2009/10	313.0	369.0	25.0	123.7	830.7

Hereford & Worcester Fire and Rescue Authority
Budget 2009/10 : Revenue Budget 2009/10

	2008/09 Revised Budget £m	change £m	2009/10 Proposed Budget £m
Wholetime Pay	14.078	0.198	14.276
Retained Duty Staff Pay	3.035	0.092	3.127
Flexible Working Arrangements	0.000	0.100	0.100
Control Pay	0.750	0.025	0.775
Support Pay	3.578	0.120	3.698
Other Employee Costs	0.036	0.000	0.036
	21.477	0.535	22.012
FF Pensions - Non Funded Costs	0.672	0.041	0.713
SUB-TOTAL : Employee Costs	22.149	0.576	22.725
Urban Search & Rescue (USAR) - total cost	0.846	0.025	0.871
SUB-TOTAL : USAR	0.846	0.025	0.871
Policy, Planning & Performance	0.169	0.004	0.173
Risk & Business Continuity	0.015	0.000	0.015
Committee Services	0.108	(0.012)	0.096
Legal Services	0.060	0.001	0.061
FRA Costs	0.185	(0.026)	0.159
Health & Safety	0.031	0.001	0.032
Insurances	0.305	0.007	0.312
	0.873	(0.025)	0.848
Community Safety - Prevention	0.292	0.007	0.299
Community Safety - Intervention Policy	0.053	0.001	0.054
	0.345	0.008	0.353
Personnel	0.253	0.006	0.259
Approved Centre	0.014	(0.006)	0.008
Training	0.550	0.012	0.562
	0.817	0.012	0.829
Equipment Support	0.905	0.010	0.915
Fleet	0.514	0.019	0.533
IT	0.478	0.011	0.489
Comms	0.387	(0.008)	0.379
Facilities Management	1.233	0.030	1.263
	3.517	0.062	3.579
Finance	0.234	0.055	0.289
Capital Financing	1.686	0.230	1.916
Firelink Contingency/Fire Control	0.056	0.040	0.096
	1.976	0.325	2.301
SUB-TOTAL : Other Running Costs	7.528	0.382	7.910
Special Grants	(0.995)	(0.060)	(1.055)
	(0.995)	(0.060)	(1.055)
SUB-TOTAL :	29.528	0.923	30.451
Use of Reserves			
from Pensions Earmarked Reserve	(0.070)	0.070	0.000
from of Rank to Role Earmarked Reserve	(0.147)	0.147	0.000
	(0.217)	0.217	0.000
NET BUDGET REQUIREMENT	29.311	1.140	30.451

Hereford & Worcester Fire and Rescue Authority
Budget 2009/10 : Capital Programme

	BUDGET	PROGRAMME			TOTAL £m
	2009/10 £m	2010/11 £m	2011/12 £m	2012/13 £m	
Vehicle Programme					
Routine Replacements (Pumps)	0.612	0.459	0.612	0.459	2.142
Routine Replacements (4WD)		0.150			0.150
Routine Replacements (Off-Road)		0.015		0.150	0.165
	0.612	0.624	0.612	0.609	2.457
IRMP Schemes					
Pebworth	0.643				0.643
Provision for future Business Cases	1.957	2.500	3.000	2.500	9.957
	2.600	2.500	3.000	2.500	10.600
Other Schemes					
Property, Information Technology, Communications etc.	0.600	0.600	0.600	0.600	2.400
Respiratory Protective Equipment (RPE)	0.650				0.650
	1.250	0.600	0.600	0.600	3.050
Annual Total	4.462	3.724	4.212	3.709	16.107

Excludes impact of any other slippage from 2008/09.

Hereford & Worcester Fire and Rescue Authority
Budget 2009/10 : Precept Calculation

Tax-base : Band D Equivalent	
Bromsgrove	36,290.23
Herefordshire	70,061.66
Malvern Hills	30,000.21
Redditch	27,270.10
Worcester	32,354.00
Wychavon	46,962.33
Wyre Forest	34,816.00
	277,754.53
	£
Core Budget	30,451,000.00
Use of other ear-marked reserves	0.00
Net Budget Requirement	30,451,000.00
Share of National Non-Domestic Rates (Business Rates)	8,559,973.00
Revenue Support Grant	1,975,762.00
Total Financing Grants	10,535,735.00
Gross Precept Requirement	19,915,265.00
Collection Fund Surpluses	(35,819.00)
Net Precept Requirement	19,879,446.00
Tax-base - Band D Equivalent	277,754.53
Precept - Band D Equivalent	£ 71.5720
	£ 71.57
Total Precept on Billing Authorities	£
Bromsgrove	2,597,364.18
Herefordshire	5,014,452.82
Malvern Hills	2,147,174.90
Redditch	1,951,775.48
Worcester	2,315,640.35
Wychavon	3,361,187.68
Wyre Forest	2,491,850.60
	19,879,446.01

ROUNDING REQUIRED

Equivalent to Tax at Band	Ratio to Band D	£
A	6/9	£ 47.710
B	7/9	£ 55.670
C	8/9	£ 63.620
D	9/9	£ 71.570
E	11/9	£ 87.480
F	13/9	£ 103.380
G	15/9	£ 119.290
H	18/9	£ 143.140

2008/09 Tax	change
£ 45.470	4.93%
£ 53.050	4.94%
£ 60.630	4.93%
£ 68.210	4.93%
£ 83.370	4.93%
£ 98.530	4.92%
£ 113.680	4.93%
£ 136.420	4.93%

Hereford & Worcester Fire and Rescue Authority
Medium Term Financial Forecasts

	2009/10 Forecast £m	2010/11 Forecast £m	2011/12 Forecast £m	2012/13 Forecast £m
Prior Year Net Budget Requirement	29.311	30.451	31.547	32.597
Add-back One-off use of Ear-marked Reserves in 2008/09				
Pensions Earmarked Reserve	0.070			
Rank to Role Earmarked Reserve	0.147			
	0.217	0.000	0.000	0.000
	29.528	30.451	31.547	32.597
Cost Pressures				
Full Cost of 2008 Pay Awards - including additional 0.5%	0.100			
Pay Awards at 2.5% in 09/10 2% thereafter	0.566	0.498	0.524	0.534
LGPS - Increased Contribution Rate	0.013	0.017	0.017	
Support Staff Increments	0.010			
Non Pay Inflation (mainly at 2.25% but including Business Rates at 5.0%)	0.185	0.136	0.139	0.142
Revised FFPS Contribution Rates (Estimate)			0.200	
Service Delivery Contingency				0.200
Net Other	0.030	0.038	0.015	
	0.904	0.689	0.895	0.876
Changes to Training Arrangements				
Improving Ridership	0.100			
Increase in Training Resources	0.180			
Flexible Working Arrangements	0.100			
	0.380	0.000	0.000	0.000
Capital Programme				
Impact of Asset Management Plan & Fleet Strategy	0.230	0.297	0.201	0.229
	0.230	0.297	0.201	0.229
Consequences of National Projects				
Firelink - estimated net new cost	0.040	0.110		
FireControl - estimated net new cost			0.525	
	0.040	0.110	0.525	0.000
	31.082	31.547	33.168	33.702
Cash Releasing Efficiencies				
Fire-fighter Posts	(0.420)			
Back Office Savings	(0.211)			
To be identified			(0.571)	(0.001)
	(0.631)	0.000	(0.571)	(0.001)
PROJECTED NET BUDGET REQUIREMENT	30.451	31.547	32.597	33.701
		3.6%	3.3%	3.4%
	2009/10 Forecast	2010/11 Forecast	2011/12 Forecast	2012/13 Forecast
Band D Increase	4.93%	4.93%	4.93%	4.93%
Tax-base Increase	0.56%	0.10%	0.10%	0.10%
Grant Increase	0.75%	1.25%	0.00%	0.00%
Band D Tax	£ 71.57	£ 75.10	£ 78.79	£ 82.68
Tax-base	277,754.53	278,032.28	278,310.32	278,588.63
Council Tax Yield	£m (19.879)	(20.879)	(21.929)	(23.033)
Government Grants	£m (10.536)	(10.668)	(10.668)	(10.668)
Collection Fund Surpluses	£m (0.036)	0.000	0.000	0.000
Gross Resources	£m (30.451)	(31.547)	(32.597)	(33.701)
		3.6%	3.3%	3.4%