

Hereford & Worcester Fire and Rescue Authority
Medium Term Financial Forecast Review
As approved FRA - Feb 2011

Appendix 1

		2012/13 Forecast £m	2013/14 Forecast £m	2014/15 Forecast £m
2011/12 Net Budget Requirement		31.195	31.195	31.195
Less one-off 2011/12 Public Holiday		(0.020)	(0.020)	(0.020)
		31.175	31.175	31.175
Cost Pressures				
Contingency for Pay Awards (average 2%)		0.356	0.808	1.264
General Inflation Contingency (average 3%)		0.300	0.600	0.900
LGPS - Increased Contribution Rate		0.020	0.040	0.060
		0.676	1.448	2.224
Capital Programme				
Impact of Asset Management Plan & Fleet Strategy		0.229	0.479	0.729
		0.229	0.479	0.729
Consequences of National Projects				
Firelink - Net Cost				0.007
Firelink - ending of Special Grant			0.289	0.289
FiReControl - Legacy issues		0.565	0.365	0.365
		0.565	0.654	0.661
PROJECTED NET BUDGET REQUIREMENT NEED		32.645	33.756	34.789
	2011/12 Budget	2012/13 Forecast	2013/14 Forecast	2014/15 Forecast
Band D Increase		3.45%	3.45%	3.45%
Tax-base Increase		0.0%	0.0%	0.0%
Grant Change		1.7%	-6.2%	-6.2%
Band D Tax	£ 73.64	£ 76.18	£ 78.81	£ 81.53
Tax-base	281,860.94	281,860.94	281,860.94	281,860.94
Council Tax Yield	£m (20.757)	(21.471)	(22.212)	(22.978)
Formula Grant	£m (10.407)	(10.584)	(9.932)	(9.320)
Collection Fund Surpluses	£m (0.031)	0.000	0.000	0.000
Gross Resources	£m (31.195)	(32.055)	(32.144)	(32.298)
BUDGET GAP		0.590	1.612	2.491

Hereford & Worcester Fire and Rescue Authority**Medium Term Financial Forecast Review****Known Changes to Projections**

		2012/13 Forecast £m	2013/14 Forecast £m	2014/15 Forecast £m
2011/12 Net Budget Requirement		31.195	31.195	31.195
Less one-off 2011/12 Public Holiday		(0.020)	(0.020)	(0.020)
		31.175	31.175	31.175
Cost Pressures				
Contingency for Pay Awards (average 2%)		0.356	0.808	1.264
General Inflation Contingency (average 3%)		0.300	0.600	0.900
LGPS - Increased Contribution Rate		0.020	0.040	0.060
		0.676	1.448	2.224
Capital Programme				
Impact of Asset Management Plan & Fleet Strategy		0.229	0.479	0.729
		0.229	0.479	0.729
Consequences of National Projects				
Firelink - Net Cost				0.007
Firelink - ending of Special Grant			0.289	0.289
FiReControl - Legacy issues		0.565	0.365	0.365
		0.565	0.654	0.661
EXISTING PROJECTION		32.645	33.756	34.789
CHANGES TO PROJECTION				
Diamond Jubilee Public Holiday		0.020		
RDS - Settlement of Part-time working issues		0.050	0.050	0.050
less : FiReControl - Legacy issues		(0.565)	(0.365)	(0.365)
plus : Control Resilience Project		0.088	0.113	0.128
Firelink Grant to continue to end of CSR period			(0.289)	(0.289)
REVISED PROJECTION		32.238	33.265	34.313
	2011/12 Budget	2012/13 Forecast	2013/14 Forecast	2014/15 Forecast
Band D Increase		3.45%	3.45%	3.45%
Tax-base Increase		0.0%	0.0%	0.0%
Grant Change		1.7%	-8.5%	-5.0%
Band D Tax	£ 73.64	£ 76.18	£ 78.81	£ 81.53
Tax-base	281,860.94	281,860.94	281,860.94	281,860.94
Council Tax Yield	£m (20.757)	(21.471)	(22.212)	(22.978)
Formula Grant	£m (10.407)	(10.584)	(9.684)	(9.200)
Collection Fund Surpluses	£m (0.031)	0.000	0.000	0.000
Gross Resources	£m (31.195)	(32.055)	(31.896)	(32.178)
REVISED BUDGET GAP		0.183	1.369	2.135
Change from current MTFP		(0.407)	(0.243)	(0.356)
Reason for change				
reduced net expenditure requirement		(0.407)	(0.491)	(0.476)
reduced resource projection		0.000	0.248	0.120
		(0.407)	(0.243)	(0.356)

Hereford & Worcester Fire and Rescue Authority
Medium Term Financial Forecast Review
Impact of 2012/13 Council Tax Freeze Grant

Option 1 - take the grant and maintain existing MTFP precept increase assumptions for 2013/14 and 2014/16

	2012/13 Forecast £m	2013/14 Forecast £m	2014/15 Forecast £m
REVISED PROJECTION	32.238	33.265	34.313
Band D Increase	0.00%	3.45%	3.45%
Tax-base Increase	0.0%	0.0%	0.0%
Grant Change	1.7%	-8.5%	-5.0%
Band D Tax	£ 73.64	£ 76.18	£ 78.81
Tax-base	281,860.94	281,860.94	281,860.94
Council Tax Yield	£m (20.757)	(21.471)	(22.212)
2012/13 Council Tax Freeze Grant	£m (0.627)		
Formula Grant	£m (10.584)	(9.684)	(9.200)
Collection Fund Surpluses	£m 0.000	0.000	0.000
Gross Resources	£m (31.968)	(31.155)	(31.412)
REVISED BUDGET GAP	0.270	2.110	2.901
Impact on the Gap	0.087	0.741	0.766

Hereford & Worcester Fire and Rescue Authority
Medium Term Financial Forecast Review
Impact of 2012/13 Council Tax Freeze Grant

Option 2 - take the grant and adjust 2013/14 precept increase to compensate

		2012/13 Forecast £m	2013/14 Forecast £m	2014/15 Forecast £m
REVISED PROJECTION		32.238	33.265	34.313
Band D Increase		0.00%	7.01%	3.45%
Tax-base Increase		0.0%	0.0%	0.0%
Grant Change		1.7%	-8.5%	-5.0%
Band D Tax		£ 73.64	£ 78.80	£ 81.52
Tax-base		281,860.94	281,860.94	281,860.94
Council Tax Yield	£m	(20.757)	(22.212)	(22.978)
2012/13 Council Tax Freeze Grant	£m	(0.627)		
Formula Grant	£m	(10.584)	(9.684)	(9.200)
Collection Fund Surpluses	£m	0.000	0.000	0.000
Gross Resources	£m	(31.968)	(31.896)	(32.178)
REVISED BUDGET GAP		0.270	1.369	2.135
Impact on the Gap		0.087	0.000	0.000