



Hereford & Worcester Fire Authority

Full Authority

Tuesday, 13 February 2024, 10:30

Chairman: Mr C B Taylor

Vice-Chairman: Mr R J Phillips

Minutes

Members Present: Mr D Boatright-Greene, Mr D Boulter, Mr B Brookes, Mrs J Carwardine, Mr D Davies, Mr A Ditta, Mrs E Eyre BEM, Mr I D Hardiman, Mr Al Hardman, Mr M Hart, Mr J Kenyon, Mr D Morehead, Mr R J Morris, Mr R J Phillips, Ms L Robinson, Mr C B Taylor, Ms D Toynbee, Mr R M Udall, Mr T Wells

0466 Apologies for Absence

Apologies were received from Cllr A Amos, Cllr D Chambers, Cllr B Clayton, Cllr E Marshall, Cllr N McVey and Cllr J Monk.

0467 Declarations of Interest (if any)

Cllr R Phillips declared that he was Vice Chair of the Firefighters Scheme Advisory Board (England and Wales), Chair of the Local Government Pension Scheme Advisory Board (England and Wales), and a member of the NJC for Fire Service (Grey Book and Green Book).

0468 Chairman's Announcements

The Chairman informed Members that the Resource Review was still on-going with the majority of comments received so far being very positive. Members were advised that any emails received from Union Representatives could be forwarded to the Chairman if they had any concerns.

[Cllr Tom Wells entered the meeting at 10.34am].

0469 Public Participation

There was no public participation.

0470 Confirmation of Minutes

RESOLVED that Cllr J Kenyon's name be added to the list of apologies for the meeting held on 12 December 2023 and that the minutes of that meeting otherwise be confirmed as a correct record and signed by the Chairman.

0471 Budget and Precept 2024/25 and Medium Term Financial Plan 2024/25

The Treasurer presented the Budget and Precept 2024/25 and the Medium Term Financial Plan 2024/25.

Members were informed that at the time of writing the paper there were important pieces of information that remained unconfirmed which had now been provided. Members were therefore provided with an updated report at the meeting which included the Formula Grant Settlement, the Home Office Special Grants and the Business Rate Yields.

Members noted that there was an increase in the capital budget for new vehicle replacements due to the additional cost of electric vehicles now being introduced into the fleet.

With regard to Council tax, it was noted that the tax base had not increased as much as had been forecast (the new properties coming onto the tax base had slowed down as well as increases in the amount of Council tax support payable). The recommendation was that the precept be increased up to the referendum limit (2.99%) of £2.82, and thereafter it would be an assumption of 2% increase going forward.

Members thanked the Treasurer for a comprehensive report, particularly with the last minute information received.

RESOLVED that:

i) The Capital Strategy be approved;

ii) The Capital Budget and Programme (Appendix 1) be approved;

iii) The Core Net Revenue Budget of £43,587,600 (Appendix 10) be approved;

iv) The Medium Term Financial Plan (Appendix 11) be approved;

a. Under the provisions of the relevant sections of the Local Government Finance Act 1992 (as amended), in relation to the year 2024/25 the Authority calculates, as set out in Appendix 12, that:

i. S42A(2)(a): the aggregate expenditure it will incur will be £43,663,400.00.

ii. S42A(3)(a): the aggregate income it will receive will be £15,062,324.56.

iii. S42A(2)(c): the amount to be transferred to financial reserves will be £0.00.

iv. S42A(3)(b): the amount to be transferred from financial reserves will be £260,057.05.

v. S42A(10): the net Collection Fund surplus is £129,705.54.

vi. S42A(4): the net amount of its Council Tax Requirement will be £28,211,312.85.

vii. S42B: the Basic Amount of Council Tax will be £97.22 (Band D).

viii. S47: the proportional tax-bands will be:

- Band A £64.81***
- Band B £75.62***
- Band C £86.42***
- Band D £97.22***
- Band E £118.82***
- Band F £140.43***
- Band G £162.03***
- Band H £194.44***

ix. S48: the precept demands on the individual Billing Authorities are:

- | | |
|-------------------------------|-----------------------------|
| <i>• Bromsgrove</i> | <i>£3,694,136.35</i> |
| <i>• Herefordshire</i> | <i>£6,999,836.99</i> |
| <i>• Malvern Hills</i> | <i>£3,212,843.88</i> |
| <i>• Redditch</i> | <i>£2,558,548.43</i> |
| <i>• Worcester</i> | <i>£3,208,454.40</i> |
| <i>• Wychavon</i> | <i>£5,144,320.40</i> |
| <i>• Wyre Forest</i> | <i>£3,393,172.40</i> |

v) The Reserves Strategy (Appendix 13) be approved;

vi) The Investment Strategy be approved;

vii) The fees and charges for 2024-25 (Appendix 7) be approved; and

viii) The Statement of Prudential Indicators and Minimum Revenue

Provision Policy (Appendix 8) as amended be approved.

0472 Pay Policy Statement

The Deputy Chief Fire Officer presented the Pay Policy Statement for 2024-2025 and explained the legal requirement for the Authority to publish such a statement prior to the start of each financial year.

RESOLVED that that the Pay Policy Statement for 2024-2025 be approved and published on the Authority's website.

0473 Fire Alliance Update: Fire Control Project

The Assistant Chief Fire Officer updated Members on progress of the Fire Alliance Fire Control Project.

Members were pleased to note that the development of the new joint fire control system had commenced and that the contract allowed for additional Fire Services to join the hub, if they wished. This could potentially provide greater cost savings as well as further enhance resilience with the addition of compatible Fire Service partners.

The Chief Fire Officer praised the work of Area Commander Maxine Laugher who had run this project with her excellent knowledge resulting in a very resilient tried and tested system that was already being used in the UK.

RESOLVED that Members noted the update, confirming the development of a new joint fire control system in partnership with Shropshire FRS, Cleveland FB and County Durham & Darlington FRS project had commenced.

0474 His Majesty's Inspectorate of Constabularies and Fire and Rescue Services (HMICFRS) Improvement Plan 2024-25

The Deputy Chief Fire Officer updated Members on the proposed actions relating to each area for improvement following receipt of the 2023 Inspection Report.

Members noted in particular that:

- Of the eleven assessment areas, the Service had achieved four ratings of 'good' and seven ratings of 'adequate'.
- There were no areas rated as 'requires improvement' or 'inadequate'.
- The report identified eleven Areas for Improvement.
- The Improvement Plan set out actions to address the Areas for

Improvement.

RESOLVED that the draft Improvement Plan in response to the Areas for Improvement highlighted in the HMICFRS inspection report 2023 be approved.

0475 Members' Allowances Scheme 2024/25

The Head of Legal Services presented a proposal to increase the allowances paid to Members for 2023/24 in accordance with the previous decision that increases be linked to the National Joint Council annual pay award for 'Green Book' staff.

RESOLVED that:

i) the existing basic and special responsibility allowances paid to Members be increased by 3.88% for 2024/25, in line with the increase to additional allowances agreed as part of the NJC pay award for 'Green Book' Staff for 2023;

ii) the Dependent Carers' allowance be increased to £11.44 per hour in line with the national living wage; and

iii) the revised Members' Allowances Scheme for 2024/25 be approved.

0476 Minutes of the Audit and Standards Committee

The Chairman of the Audit and Standards Committee presented the minutes from the Audit and Standards Committee meeting held on 17 January 2024.

RESOLVED that the minutes of the Audit and Standards Committee meeting held on 17 January 2024 were received and noted.

0477 Announcements by the Chief Fire Officer

- Members were informed that following the recent cultural issues in South Wales Fire and Rescue Service, the Welsh Assembly had disbanded the South Wales Fire Authority and replaced its functions with 4 Commissioners.
- Members were also informed that a letter of condolences was sent from the Authority following the death of West Midlands Fire Service's

Chief Fire Officer.

The Meeting ended at: 11:26

Signed:.....

Date:.....

Chairman

Hereford & Worcester Fire Authority: Feb 2024

Capital Programme to 2026/27

Col/ Row		(2) Approved Programme Feb 2023 £	(3) P&R Approved Changes £	(4) Approved Programme Nov 2023 £	(5) New Schemes £	(6) Proposed Realloc -ations £	(7) Balance Available 2024/25 £	(8) Expend- iture to 22/23 £	(9) Approved for Expd to 24/25 £	
Vehicle Programme										
1	Replacement Pumps (5)	20/21	1,332,563	1,332,563		(223,484)	1,109,079	1,109,079	0	
2	Replacement Water Carriers (2)	20/21	412,000	412,000		(412,000)	0		0	
3	Replacement RAV (1)	20/21	202,579	202,579		728	203,307	203,307	0	
4	Compact Appliance (1)	20/21	202,579	202,579		728	203,307	203,307	0	
5	Ancillary Fleet - Cars (2)	20/21	27,800	27,800		15,795	43,595		43,595	
6	Ancillary Fleet - Small Vans (2)	21/22	29,000	29,000		20,369	49,369		49,369	
7	Ancillary Fleet - Cars (2 now 3)	21/22	29,000	29,000		36,392	65,392		65,392	
8	Additional Van - Prevention (EMR)	22/23	26,000	26,000		(148)	25,852		25,852	
9	Replacement 4x4 (Pick-ups) (7)	22/23	210,000	210,000		(210,000)	0		0	
10	Lease buy out 4x4 (Pick-ups) (7)	23/24				53,540	53,540	53,540	0	
11	Replacement 4x4 (Argocat) (1)	22/23	35,000	35,000		(35,000)	0		0	
12	Replacement Response Vehicles (30)	22/23	1,165,000	99,191	1,264,191		1,264,191	1,264,191	0	
13	Incident Welfare Vehicles	22/23	80,000	80,000		119	80,119	80,119	0	
14	On-Call Recruitment Vans (EMR)	22/23	75,000	75,000		(6,508)	68,492	68,492	0	
15	Replacement Pumps (6)	23/24	1,747,000	1,747,000			1,747,000		1,747,000	
16	Replacement USAR crew-bus (1)	23/24	92,000	92,000		(92,000)	0		0	
17	Replacement 4x4 (LR) (2)	23/24	109,000	109,000		(109,000)	0		0	
18	Replacement Response Vehicles (6)	23/24	233,000	(99,191)	133,809		53,480		53,480	
19	Ancillary Fleet - BA Maintenance (1)	23/24	95,000	95,000			95,000		95,000	
20	Ancillary Fleet - Cars (11)	24/25	0	0	176,000	110,000	286,000		286,000	
21	Ancillary Fleet - Small Van (1)	24/25	0	0		26,000	26,000		26,000	
22	Ancillary Fleet - Small Vans (7)	24/25	0	0	112,000	70,000	182,000		182,000	
			6,102,521	0	6,102,521	288,000	(834,798)	5,555,723	2,982,035	2,573,688
Major Buildings Schemes										
23	Hereford FS - Preliminaries		250,000	335,510	585,510		585,510	337,912	247,598	
24	Wyre Forest Hub		7,273,000	(7,273,000)	0		0		0	
25	Redditch FS - Preliminaries		506,183	(506,183)	0		0		0	
26	Broadway FS		58,947	1,637,053	1,696,000		1,696,000	295,221	1,400,779	
27	North Herefordshire STF - Preliminaries		19,000	122,916	141,916		141,916	103,586	38,330	
			8,107,130	(5,683,704)	2,423,426	0	0	2,423,426	736,719	1,686,707
Major Equipment										
28	C&C Replacement - Residual	18/19	249,911	(249,911)	0		0		0	
29	MDT Replacement (from Reserve)	20/21	340,000	(340,000)	0		0		0	
30	BA Replacement (from Reserve)	23/24	0	1,250,000	1,250,000	50,000	1,300,000		1,300,000	
31			589,911	660,089	1,250,000	0	50,000	1,300,000	0	1,300,000
Minor Schemes (SMB allocation)										
32	Allocated	All	2,437,138	528,783	2,965,921		(53,699)	2,912,222	949,070	1,963,152
33	Un-allocated	22/23	166,211	(166,211)	0		0		0	
34	Un-allocated	23/24	600,000	(339,442)	260,558		53,699	314,257		314,257
35	Additional	23/24	115,000	(115,000)	0		0		0	
36	Un-allocated	24/25	0	0	600,000		600,000		600,000	
37			3,318,349	(91,870)	3,226,479	600,000	0	3,826,479	949,070	2,877,409
Future Buildings Provision: Individual scheme sums approved by Fire Authority, but not currently disclosed as contracts subject to tender etc.										
38	Other Building Schemes		12,757,334	(4,125,396)	8,631,938		8,631,938		8,631,938	
39			12,757,334	(4,125,396)	8,631,938	0	0	8,631,938	0	8,631,938
40	CAPITAL BUDGET		30,875,245	(9,240,881)	21,634,364	888,000	(784,798)	21,737,566	4,667,824	17,069,742
New Schemes 2024/25										
41	Ancillary Fleet - Cars (11)	24/25	176,000		176,000	(176,000)	0		0	
42	Ancillary Fleet - Small Vans (7)	24/25	112,000		112,000	(112,000)	0		0	
43	Un-allocated Minor Schemes	24/25	600,000		600,000	(600,000)	0		0	
			888,000	0	888,000	(888,000)	0		0	
New Schemes 2025/26										
44	Replacement Pumps (3)	25/26	927,000		927,000		927,000			
45	Replacement Pumps (additional 3)	25/26	0		0	927,000	927,000			
46	Replacement Water Carrier (1 now 3)	25/26	253,000		253,000	422,000	675,000			
47	Replacement ISV (1)	25/26	110,000		110,000	(110,000)	0	now 30/31		
48	Replacement EPU (1)	25/26	120,000		120,000		120,000			
49	Ancillary Fleet - Large Van (1)	25/26	30,000		30,000		30,000			
50	Ancillary Fleet - Small Van (1)	25/26	16,000		16,000	(16,000)	0			
51	Ancillary Fleet - Cars (7 now 2)	25/26	114,000		114,000	(58,800)	55,200			
52	Replacement USAR crew-bus (1)	25/26	0		0	97,600	97,600			
53	Replacement 4x4 (Argocat) (1)	25/26	0		0	38,200	38,200			
54	Un-allocated Minor Schemes	25/26	600,000		600,000		600,000			
55			2,170,000	0	2,170,000	0	1,300,000	3,470,000		
New Schemes 2026/27										
56	Ancillary 4x4 (Pick-ups) (7)	26/27				258,500	258,500			
57	Replacement Pumps (3)	26/27				955,000	(955,000)		0	
58	Replacement 4x4 (LR) (2 now 3)	26/27				49,200	98,300		147,500	
59	Ancillary Fleet - Cars (5)	26/27					142,000		142,000	
60	Replacement Response Vehicles (30)	26/27				1,383,800	1,383,800			
61	Replacement Pumps (7)	26/27				2,228,300	2,228,300			
62	Replacement ALPS (2)	26/27				1,792,000	1,792,000			
63	Hydraulic Rescue Equipment	26/27				1,100,000	1,100,000			
64	Un-allocated Minor Schemes	26/27				600,000	600,000			
65			0	0	0	8,108,300	(456,200)	7,652,100	to 24/25 17,069,742	
								25/26 3,470,000		
								26/27 7,652,100		
66	TOTAL APPROVED PROGRAMME		33,933,245	(9,240,881)	24,692,364	8,108,300	59,002	32,859,666	28,191,842	

Hereford & Worcester Fire Authority: Feb 2024**Revenue Budget 2024/25**

Col Row	(2)	(3)	(4)	(5)	(6)	(7)	
	Core Budget £	Financing £	from TIG Grant Reserve £	to Capital Projects Reserve £	to/(from) Bud Red. Reserve £	£	
1	2023/24 Approved Feb 2023	39,396,800	(40,114,700)	(46,000)	289,900	474,000	0
2	Adjustment agreed P&R Committee - May 2023 #	575,000	15,300			(590,300)	0
3	2023/24	39,971,800	(40,099,400)	(46,000)	289,900	(116,300)	0
4	Provision for April 2024 pay award	310,600					
5	Full Year Effect of Jul 2023 pay award	285,000					
6	Provison for Jul 2024 pay award (3%) - PYE	630,300					
7	General Inflation Provision	623,400					
8	Impact of new Fire Standards	65,000					
9	Increase in FFPS contribution rates	1,234,700					
10	Revised Audit Fees - new national contract	60,000					
11	Capital Programme	181,000					
12		3,390,000					
13	2023/24 Core Budget	43,361,800					
	Funding						
14	(RSG) Revenue Support Grant	(4,086,410)	to be confirmed				
15	(BRTUG) Business Rate Top Up Grant	(3,537,923)	to be confirmed				
16	S31 - under indexation of multiplier	(1,210,237)	to be confirmed				
17	Services Grant	(36,196)	to be confirmed				
18	Funding Guarantee Grant	(968,516)	to be confirmed				
19	(RSDG) Rural Services Delivery Grant	(148,984)	to be confirmed				
20	S31: 2024/25 Pension Grant	(1,160,000)	to be confirmed				
21	S31: Fire Revenue Grant - New Dimensions	(824,200)	to be confirmed				
22	S31: Fire Revenue Grant - Firelink	(91,000)	to be confirmed				
23	Council Tax Precept - with 3% increase	(28,211,313)					
24	Council Tax Collection Fund	(129,706)					
25	Business Rates baseline	(2,608,900)	awaiting data				
26	Local Forecasts (to NNDR1)	128,600	awaiting data				
27	S31 - Business Rate Reliefs	(671,200)	awaiting data				
28	Business Rate Collection Fund	50,000	awaiting data				
29	2023/24 Core Funding	(43,505,985)					
30	Balance	(144,185)					
31							
32							
33	To/(From) Budget Reduction Reserves	144,185					
34		0					

Adjustment agreed P&R Committee - May 2023 was to meet costs of final pay settlement agreed just after the Authority meeting and to account for late changes to business rate information, also notified after the Authority meeting and some time after the statutory deadline for data to be provided.

Hereford & Worcester Fire Authority: Feb 2024

Revenue Budget Allocation 2024/25

Col. Line	(2) 2023/24 Original Allocation £	(5) 2023/24 P&R May 2023 £	(3) 2023/24 P&R to Nov-23 £	(4) 2023/24 Base Allocation £	(5) 2024/25 Funding Changes £	(6) 2024/25 Appendix 2 Changes £	(7) 2024/25 Total Allocation £
1	14,056,500		1,071,700	15,128,200		942,100	16,070,300
2	4,145,900		435,700	4,581,600		292,600	4,874,200
3	915,700		100,100	1,015,800			1,015,800
4	4,929,000		435,600	5,364,600			5,364,600
5	90,000			90,000			90,000
6	1,035,000			1,035,000			1,035,000
7	25,172,100	0	2,043,100	27,215,200	0	1,234,700	28,449,900
8	107,600		1,100	108,700			108,700
9	55,300		6,900	62,200			62,200
10	41,100		(600)	40,500			40,500
11	47,000		(7,500)	39,500			39,500
12	289,700		700	290,400			290,400
13	679,800		(81,300)	598,500			598,500
14	1,149,300		233,500	1,382,800			1,382,800
15	650,600		32,900	683,500			683,500
16	2,379,100		(117,500)	2,261,600			2,261,600
17	461,500		(7,000)	454,500			454,500
18	(99,700)		1,500	(98,200)			(98,200)
19	2,091,900		128,500	2,220,400			2,220,400
20	81,600		3,300	84,900			84,900
21	48,200		200	48,400			48,400
22	513,400		111,600	625,000		65,000	690,000
23	59,200		(900)	58,300			58,300
24	39,000		700	39,700			39,700
25	447,100		9,500	456,600			456,600
26	140,700		1,000	141,700			141,700
27	88,200		3,400	91,600		60,000	151,600
28	9,270,600	0	320,000	9,590,600	0	125,000	9,715,600
29	2,833,000			2,833,000		181,000	3,014,000
30	2,833,000	0	0	2,833,000	0	181,000	3,014,000
31	281,100		(281,100)	0			0
32	674,800	485,000	(1,159,800)	0			0
33	243,000	90,000		333,000			333,000
34	602,200		(602,200)	0			0
35	0			0		285,000	285,000
36	0			0		310,600	310,600
37	0			0		630,300	630,300
38	320,000		(320,000)	0			0
39	0			0		623,400	623,400
40	2,121,100	575,000	(2,363,100)	333,000	0	1,849,300	2,182,300
41	39,396,800	575,000	0	39,971,800	0	3,390,000	43,361,800
42	(2,361,600)			(2,361,600)	(1,724,810)		(4,086,410)
42	(3,401,700)			(3,401,700)	(136,223)		(3,537,923)
42	(1,005,100)			(1,005,100)	(205,137)		(1,210,237)
42	(220,900)	(9,100)		(230,000)	193,804		(36,196)
42	(114,000)	22,600		(91,400)	(877,116)		(968,516)
42	(114,500)	(13,500)		(128,000)	(20,984)		(148,984)
42	(1,568,000)			(1,568,000)	408,000		(1,160,000)
42	0			0	0		0
42	(820,000)	(4,200)		(824,200)	0		(824,200)
42	(136,500)			(136,500)	45,500		(91,000)
42	(27,216,300)			(27,216,300)	(995,013)		(28,211,313)
42	(29,700)			(29,700)	(100,006)		(129,706)
42	(2,498,800)			(2,498,800)	(110,100)		(2,608,900)
42	101,700	19,700		121,400	7,200		128,600
42	(634,100)	(9,100)		(643,200)	(28,000)		(671,200)
42	(95,200)	8,900		(86,300)	136,300		50,000
58	(40,114,700)	15,300	0	(40,099,400)	(3,406,585)	0	(43,505,985)
59	(717,900)	590,300	0	(127,600)	(3,406,585)	3,390,000	(144,185)
60	(46,000)			(46,000)	46,000		0
61	289,900			289,900	(289,900)		0
62	0			0		144,185	144,185
63	243,900	0	0	243,900	(243,900)	144,185	144,185
64	(474,000)	590,300	0	116,300	(3,650,485)	3,534,185	0

Hereford & Worcester Fire Authority: Feb 2024

Medium Term Financial Forecasts

Col Row	(2) 2024/25 Budget	(3) 2025/26 Forecast	(4) 2026/27 Forecast
1		2.00%	2.00%
2		2.00%	2.00%
3	0.65%	1.06%	1.06%
4	2.99%	1.99%	1.99%
5	£ 39,971,800	£ 39,971,800	£ 39,971,800
6	310,600	310,600	310,600
7		119,200	119,200
8			121,500
9	285,000	285,000	285,000
10	630,300	843,500	847,900
11		324,600	432,800
12			331,100
13	623,400	930,000	1,245,500
14	65,000	65,000	65,000
15	1,234,700	1,259,400	1,284,600
16	60,000	60,000	60,000
17		(40,000)	(40,000)
18	181,000	381,000	581,000
19			170,000
20	43,361,800	44,510,100	45,786,000
	Funding		
21	(4,086,410)	(4,168,100)	(4,251,500)
22	(3,537,923)	(3,608,700)	(3,680,900)
23	(1,210,237)	(1,234,400)	(1,259,100)
24	(36,196)	(36,900)	(37,600)
25	(968,516)	(987,900)	(1,007,700)
26	(148,984)	(152,000)	(155,000)
27	(1,160,000)	(1,160,000)	(1,183,200)
28	(824,200)	(824,200)	(824,200)
29	(91,000)	(46,000)	0
30	(28,211,313)	(29,077,600)	(29,976,500)
31	(129,706)	0	0
32	(2,608,900)	(2,661,100)	(2,714,300)
33	128,600	131,200	133,800
34	(671,200)	(684,600)	(698,300)
35	50,000	50,000	50,000
36	(43,505,985)	(44,460,300)	(45,604,500)
37	(144,185)	49,800	181,500
38	0	0	0
39	(144,185)	49,800	181,500
40	144,185	(49,800)	(181,500)
41	0	0	0

Hereford & Worcester Fire Authority: Feb 2024

Medium Term Financial Forecasts - Potential Impacts

Col Row	(2) 2024/25 Budget £	(3) 2025/26 Forecast £	(4) 2026/27 Forecast £
1	(144,185)	49,800	181,500
	Potential for Investment		
	The MTFP is based on increasing Council Tax by 1.99% in 2025/26 and 2026/27 as was indicated to be the referendum limit. Indications are that this limit will rise to 2.99%		
2		(296,500)	(305,600)
3			(308,600)
4	(144,185)	(246,700)	(432,700)
	But Potential Cost Risks		
5		164,000	390,600
6		59,500	62,600
7	(144,185)	(23,200)	20,500

Hereford & Worcester Fire Authority: Feb 2024 Council Tax Requirement Calculation 2024/25

	2024/25 Expenditure	2024/25 Income	
Core Budget	£43,437,600.00	(£75,800.00)	£43,361,800.00 Core
Less: Formula/Support Grants:			
(RSG) Revenue Support Grant		(£4,086,410.07)	
(BRTUG) Business Rate Top Up Grant		(£3,537,922.77)	
Services Grant		(£36,196.12)	
Funding Guarantee Grant		(£968,516.00)	
S31: Under-indexation of multiplier		(£1,210,231.66)	
Less: Other Grants			
(RSDG) Rural Services Delivery Grant		(£148,984.00)	
S31: Fire Revenue Grant (New Dimensions)		(£824,200.00)	
S31: Fire Revenue Grant (Firelink)		(£91,000.00)	
S31: 2024/25 Pension Grant		(£1,160,000.00)	
Less: Retained Share of Business Rates (1%)			
Business Rates baseline		(£2,602,892.02)	
Local Forecasts (to NNDR1)		£122,592.02	
S31 - Business Rate Reliefs		(£671,200.00)	
Business Rate Collection Fund		£50,000.00	
	£43,437,600.00		£43,437,600.00 S42A (2)(a)
		(£15,240,760.62)	(£15,240,760.62) S42A (3)(a)
Reserves Movements			
to/(from) budget reduction reserve	£144,185.00		<i>Balancing item until final figures known</i>
	£144,185.00		£144,185.00 S42A (2)(c)
		£0.00	£0.00 S42A (3)(b)
GROSS PRECEPT			£28,341,024.38
Less: Collection Fund Deficits/(Surpluses)			
Bromsgrove		(£17,875.34)	
Herefordshire		£0.00	
Malvern Hills		£0.00	
Redditch		(£33,705.20)	
Worcester		(£5,062.00)	
Wychavon		(£106,247.00)	
Wyre Forest		£33,184.00	
Total Collection Fund Deficit/(Surplus)			(£129,705.54) S42A (10)
COUNCIL TAX REQUIREMENT			£28,211,318.84 S42A (4)
Tax-base : Band D Equivalent			
Bromsgrove		37,997.70	
Herefordshire		71,999.97	
Malvern Hills		33,047.15	
Redditch		26,317.10	
Worcester		33,002.00	
Wychavon		52,914.22	
Wyre Forest		34,902.00	290,180.14
Precept - Band D Equivalent			£97.220019
Band D (rounded to 2 decimal places)			£ 97.22 S42B
Equivalent to Tax at Band (Ratio to Band D)	2023/24	increase	2024/25
A 6/9	£ 62.9300	2.99%	£ 64.8100 S47
B 7/9	£ 73.4200	3.00%	£ 75.6200 S47
C 8/9	£ 83.9100	2.99%	£ 86.4200 S47
D 9/9	£ 94.4000	2.99%	£ 97.2200 S47
E 11/9	£ 115.3800	2.98%	£ 118.8200 S47
F 13/9	£ 136.3600	2.98%	£ 140.4300 S47
G 15/9	£ 157.3300	2.99%	£ 162.0300 S47
H 18/9	£ 188.8000	2.99%	£ 194.4400 S47
Total Precept on Billing Authorities S48			
Bromsgrove			£3,694,137.14 S48
Herefordshire			£6,999,838.48 S48
Malvern Hills			£3,212,844.56 S48
Redditch			£2,558,548.97 S48
Worcester			£3,208,455.08 S48
Wychavon			£5,144,321.49 S48
Wyre Forest			£3,393,173.12 S48
			£28,211,318.84
			£0.00

Hereford & Worcester Fire Authority: Feb 2024

Reserves Strategy

Col	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Row		Actual at	Probable	Budget	MTFP	MTFP	MTFP	Estimate at
		31-Mar-23	2023/24	2024/25	2025/26	2026/27	2027/28	31-Mar-28
		£m	£m	£m	£m	£m	£m	£m
	<u>Future Expenditure Reserves</u>							
1	Capital Projects Reserve	3.388	(0.872)	(1.645)	(0.870)			0.001
2	C&C Reserve	1.448	(0.473)	(0.643)				0.332
3	ICT Replacements Reserve	1.239	(0.464)	(0.419)	(0.061)	(0.023)	(0.045)	0.227
4	ESMCP Reserve	1.032					(1.032)	0.000
5	RPE Reserve	1.000	(0.261)	(0.700)	(0.039)			0.000
6	On Call Recruitment Reserve	0.671	(0.463)	(0.090)	(0.090)	(0.025)		0.003
7	Organisational Excellence Reserve	0.558	(0.292)	(0.200)	(0.014)			0.052
8	Property Maintenance Reserve	0.534	(0.090)	(0.148)	(0.148)	(0.148)		0.000
9	Pension Tribunal Reserve	0.400						0.400
10	Development Reserve	0.310	(0.056)	(0.056)				0.198
11	Sustainability Reserve	0.286	(0.286)					0.000
12	Pensions Reserve	0.244	(0.049)	(0.051)	(0.052)	(0.053)	(0.039)	0.000
13	Protection Grants Reserve	0.228	(0.012)	(0.195)	(0.021)			(0.000)
14	Fire Prevention Reserve	0.157	(0.123)	(0.034)				0.000
15	Equipment Reserve	0.189						0.189
16	Safety Initiatives Reserve	0.138			(0.144)	0.006		0.000
17		11.822	(3.441)	(4.181)	(1.439)	(0.243)	(1.116)	1.402
	<u>Other Specific Reserves</u>							
18	Operational Activity Reserve	0.600						0.600
19	Insurance Excess Reserve	0.130						0.130
20		0.730	0.000	0.000	0.000	0.000	0.000	0.730
	<u>Budget Reduction Reserves</u>							
21	Budget Reduction Reserve	1.732	(0.116)					1.616
22	TIG Reserve	0.046	(0.046)					0.000
23		1.778	(0.162)	0.000	0.000	0.000	0.000	1.616
24	Total Earmarked Reserves	14.330	(3.603)	(4.181)	(1.439)	(0.243)	(1.116)	3.748
25	General (Un-earmarked) Reserves	1.538						1.538
26	Total Reserves	15.868	(3.603)	(4.181)	(1.439)	(0.243)	(1.116)	5.286
	<u>Earmarked Reserves</u>	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	
27	This MTFP	14.330	10.727	6.546	5.107	4.864	3.748	
28	MTFP - Feb 2023	14.142	9.103	4.695	4.622	3.563	n/a	

Hereford & Worcester Fire Authority: Feb 2024

Fees & Charges for 2024/25

		2023/24		
		NET	VAT	TOTAL
Attendance by pumping appliance (inclusive of crew)		£ 275.00	£ 55.00	£ 330.00
Attendance by special appliance (inclusive of crew)		£ 365.83	£ 73.17	£ 439.00
Attendance by ancillary vehicles		£ 92.50	£ 18.50	£ 111.00
High Volume Pump (HVP) deployment and recovery		£ 1,367.50	£ 273.50	£1,641.00
And per hour		£ 430.83	£ 86.17	£ 517.00
Attendance by personnel: (per hour)				
- Firefighter, Crew and Watch Commander		£ 41.67	£ 8.33	£ 50.00
- Station Commander		£ 48.33	£ 9.67	£ 58.00
- Officers above Station Commander		£ 55.83	£ 11.17	£ 67.00
- Others, support staff, mechanics		£ 20.83	£ 4.17	£ 25.00
Interviewing officers x rate of role				
Costs of travel and subsistence incurred		£ 190.83	£ 38.17	£ 229.00

		2024/25		
		NET	VAT	TOTAL
	Increase			
Attendance by pumping appliance (inclusive of crew)	7.0%	£ 294.17	£ 58.83	£ 353.00
Attendance by special appliance (inclusive of crew)	6.8%	£ 390.83	£ 78.17	£ 469.00
Attendance by ancillary vehicles	7.2%	£ 99.17	£ 19.83	£ 119.00
High Volume Pump (HVP) deployment and recovery	7.0%	£1,463.33	£292.67	£1,756.00
And per hour	6.8%	£ 460.00	£ 92.00	£ 552.00
Attendance by personnel: (per hour)				
- Firefighter, Crew and Watch Commander	8.0%	£ 45.00	£ 9.00	£ 54.00
- Station Commander	6.9%	£ 51.67	£ 10.33	£ 62.00
- Officers above Station Commander	6.0%	£ 59.17	£ 11.83	£ 71.00
- Others, support staff, mechanics	8.0%	£ 22.50	£ 4.50	£ 27.00
Interviewing officers x rate of role				
Costs of travel and subsistence incurred	7.0%	£ 204.17	£ 40.83	£ 245.00

Hereford & Worcester Fire Authority **Statement of Prudential Indicators & Minimum Revenue Provision (MRP) Policy**

Introduction: Prudential Indicators

The Prudential Code for Capital Finance in Local Authorities (Prudential Code) has been developed by the Chartered Institute of Public Finance and Accountancy (CIPFA) to provide a code of practice to underpin the system of capital finance embodied in Part 1 of the Local Government Act 2003.

The key objectives of the Prudential Code are to ensure that capital investment plans are affordable, prudent and sustainable.

The Prudential Code supports a system of self-regulation that is achieved by the setting and monitoring of a suite of Prudential Indicators that directly relate to each other. The indicators establish parameters within which the Fire Authority should operate to ensure the objectives of the Prudential Code are met.

Introduction: Minimum Revenue Provision (MRP) Policy

This is the amount charged every year to provide for the repayment of long-term loans used to finance capital assets.

Under provisions of the Local Authorities (Capital Finance and Accounting) (England) Amendment) Regulations 2008, the FRA is required to “determine an amount of MRP which is considered to be prudent”.

The Fire Authority has a statutory requirement to determine an MRP policy prior to the start of the financial year.

In considering a prudent MRP policy the Fire Authority needs to take into account the statutory guidance provided by government, and the issue of affordability. The guidance states that “provision for the borrowing which financed the acquisition of an asset should be made over a period bearing some relation to that over which the asset continues to provide a service” – the “Asset Life” method.

Prudential Indicators

The Prudential Indicators for which the Fire Authority is sets limits are as follows:

1. Net Borrowing and the Capital Financing Requirement

This Prudential Indicator provides an overarching requirement that all the indicators operate within and is described in the Prudential Code as follows:

“In order to ensure that over the medium term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years”.

The Treasurer reports that the Fire Authority had no difficulty meeting this requirement since 2002/03, nor are any difficulties envisaged for the current or future years. This view considers all plans and commitments included in the 2024/25 Budget and MTFP.

2 Capital Expenditure

The actual amount of capital expenditure that was incurred since 2023/24, and the estimates of capital expenditure to be incurred for the current and future years that are proposed in the 2024/25 Budget and MTFP are:

	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000
Capital Expenditure	3,270	8,870	7,985	6,636

2. Ratio of Financing Costs to Net Revenue Stream

Financing Costs include the amount of interest payable in respect of borrowing or other long term liabilities and the amount the Fire Authority is required to set aside to repay debt, less interest and investments income.

The actual Net Revenue Stream is the ‘amount to be met from government grants and local taxation’ taken from the annual Statement of Accounts, and the estimated figure is the Fire and Rescue Authority’s budget net of any transfers to or from the balances.

The prediction of the Net Revenue Stream in this Prudential Indicator for future years assumes increases in the Fire Authority’s funding from government and the local taxpayer consistent with expectations in the Medium Term Financial Strategy. This is indicative only and in no way meant to influence the actual future years funding or in particular the funding from Precepts.

The indicator only requires that the costs associated with capital expenditure are measured in this way. However, the Fire Authority has used, and may continue to use Operational Leasing as a cost-effective method of acquiring vehicles. At the current time these leasing costs are minimal. In the spirit of the Prudential Code these costs are included for comparative purposes.

	2023/24	2024/25	2025/26	2026/27
	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000
Financing Costs	2,583	3,014	3,214	3,584
Net Revenue Stream	40,115	43,506	44,460	45,606
Ratio	6.44%	6.93%	7.23%	7.86%

3. Capital Financing Requirement

The capital financing requirement (CFR) is a measure of the extent to which the Fire Authority needs to borrow to support capital expenditure. It does not necessarily relate to the actual amount of borrowing at any one point in time. The Fire Authority arranges its treasury management activity via the arrangement with Worcestershire County Council (WCC) which has an integrated treasury management strategy where there is no distinction between revenue and capital cash flows and the day to day position of external borrowing and investments can change constantly.

The capital financing requirement concerns only those transactions arising from capital spending, whereas the amount of external borrowing is a consequence of all revenue and capital cash transactions combined together following recommended treasury management practice.

Estimates of the end of year capital financing requirement are shown below.

	2023/24	2024/25	2025/26	2026/27
	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000
CFR at 31st March	19,952	20,873	22,949	26,834

4. Authorised Limit

The Authorised Limit represents an upper limit of borrowing that could be afforded in the short term but may not be sustainable. This limit includes a risk assessment of exceptional events taking into account the demands of revenue and capital cash flows. The Authorised Limit gauges events that may occur over and above those transactions which have been included in the Operational Boundary.

These limits are higher than set in previous years to reflect the decisions taken by the Fire Authority to switch from leasing to more cost effective borrowing for the acquisition of operational vehicles.

The Fire Authority should note that the Authorised Limit represents the limit specified in section 3 (1) of the Local Government Act 2003 (Duty to determine affordable borrowing limit).

The following Authorised Limits for external debt, excluding temporary investments are recommended:

	2023/24	2024/25	2025/26	2026/27
Authorized Limit	£000	£000	£000	£000
External Borrowing	27,000	28,000	30,000	34,000

5. Operational Boundary

The Operational Boundary represents an estimate of the most likely, prudent, but not worst case scenario and provides a parameter against which day to day treasury management activity can be monitored.

The Treasurer reports that procedures are in place to monitor the Operational Boundary on a daily basis and that sufficient authorisation is in place to take whatever action is necessary to ensure that, in line with the Treasury Management Strategy, the cash flows of the Fire Authority are managed prudently.

Occasionally, the Operational Boundary may be exceeded (but still not breach the Authorised Limit) following variations in cash flow. Such an occurrence would follow controlled treasury management action and may not have a significant impact on the prudential indicators when viewed all together.

Both the Authorised Limit and the Operational Boundary include an element relating to debt restructuring where, for the short term only, external borrowing may be made in advance of the repayment of loans. In this circumstance External Borrowing is increased temporarily until the replaced loans are repaid. The converse can also apply where loans are repaid in advance of borrowings.

The following limits (shown overleaf) for each year's Operational Boundary, excluding temporary investments are recommended:

	2023/24	2024/25	2025/26	2026/27
Operational Boundary	£000	£000	£000	£000
External Borrowing	23,000	24,000	27,000	31,000

6. Actual External Debt

The Fire Authority's actual external debt as at 31 March 2023 was £9.046m; comprising only actual External Borrowing and no Other Long Term Liabilities. During 2023/24, £0.211m of borrowing will be repaid.

7. Incremental Impact of Capital Investment Decisions on Council Tax

This indicator identifies specifically the additional cost to the taxpayer of the **new** capital investment proposed in the 2024/25 to 2026/27 Capital Programme. As the indicator deals only with new investment the impact of the previously approved programme was included in the equivalent report provided to the Fire Authority in Feb 2023.

The incremental impact identifies transactions that will occur **over and above** what has already been provided for in the 2023/24 revenue budget and projected in the MTFP and assumes the funding available in 2023/24 will be carried forward in the future year's base budgets.

The incremental impact has been calculated using forward estimates of funding consistent with expectations in the Medium Term Financial Plan.

The impact on the revenue budget, and therefore the Council Tax, is felt by a combination of the following: debt costs of the new borrowing, the amount set aside from revenue to repay the principal element of external borrowing (Minimum Revenue Provision) and the revenue impact of a capital project

It should be noted that borrowing itself does not fund capital expenditure since the loans have to be repaid eventually. The actual funding comes from the Minimum Revenue Provision which is statutorily charged to revenue each year.

The estimate of the incremental impact of the capital investment detailed in the 2024/25 Budget on the Council Tax is as follows:

	2023/24	2024/25	2025/26	2025/27
Incremental Impact on Band D	£ -	£ -	£ -	£ 0.82

PRUDENTIAL INDICATORS FOR TREASURY MANAGEMENT

8. Treasury Management Code of Practice

The Fire Authority has adopted the Chartered Institute of Public Finance and Accountancy (CIPFA): Code of Practice for Treasury Management in the Public Services.

The Treasury Management function is carried out on behalf of the Authority by Worcestershire County Council, who have also adopted the Treasury Management Code of Practice.

9. Fixed Interest Rate Exposures

It is recommended that the Fire Authority sets an upper limit on its fixed interest rate exposures as follows.

Upper limits for net principal sums outstanding at fixed rates

	2023/24	2024/25	2025/26	2026/27
Fixed Interest Rate Exposure	£000	£000	£000	£000
Upper Limit	27,000	28,000	30,000	34,000

This represents the position that all of the Fire Authority's authorised external borrowing may be at a fixed rate at any one time.

10. Variable Interest Rate Exposures

It is recommended that the Fire Authority sets an upper limit on its variable interest rate exposures as follows.

Upper limits for net principal sums outstanding at variable rates

	2023/24	2024/25	2025/26	2025/26
Variable Interest Rate Exposure	£000	£000	£000	£000
Upper Limit	7,000	7,000	8,000	9,000

This is the maximum external borrowing judged prudent by the Treasurer that the Fire Authority should expose to variable rates.

11. Maturity Structure of Borrowing

It is recommended that the upper and lower limits for the maturity structure of borrowings are as follows:

Amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate.

Period of Maturity	Upper Limit	Lower Limit
	%	%
Under 12 months	25	0
12 months and within 24 months	25	0
24 months and within 5 years	50	0
5 years and within 10 years	75	0
10 years and above	95	25

12. Investments for longer than 364 days

It is recommended that the upper limits of total principal sums invested for periods longer than 364 days are £5 million for each year.

Minimum Revenue Provision (MRP) Policy

To continue the policy previously adopted i.e.:

1. Vehicle Expenditure before 2008/09 – MRP on a proxy Asset Life basis using original cost, less cumulative MRP, over the remaining useful life of the individual vehicle types.
2. Expenditure before 2008/09, (other than vehicles) - MRP on a proxy Asset Life basis using original cost, less cumulative MRP over average asset life as above
3. All expenditure from 2008/09 onwards - MRP using an Asset life basis:
 - Buildings over 50 years – per depreciation policy (or a shorter period taking account of remaining useful life);
 - IT equipment over 5 years - reflecting average life
 - Other Equipment over 7 years – reflecting actual average usage within the FRS;
 - Vehicles – on actual estimated life of each vehicle type

This means that after a specified time (depending on the life expectancy of the individual asset) there will be no further charge to the Revenue Account for MRP in relation to these assets. For a significant proportion of pre-2008/09 assets this point had been reached by 2014/15, but a residual annual charge of £0.150m will be chargeable annually until 2057/58.

Hereford & Worcester Fire Authority: Feb 2024

Amended Revenue Budget 2024/25

Col Row	(2) Core Budget £	(3) Financing £	(4) from TIG Grant Reserve £	(5) to Capital Projects Reserve £	(6) to/(from) Bud Red. Reserve £	(7) £	
1	2023/24 Approved Feb 2023	39,396,800	(40,114,700)	(46,000)	289,900	474,000	0
2	Adjustment agreed P&R Committee - May 2023 #	575,000	15,300			(590,300)	0
3	2023/24	39,971,800	(40,099,400)	(46,000)	289,900	(116,300)	0
		Provisional		Change		Final	
4	Provision for April 2024 pay award	310,600				310,600	
5	Full Year Effect of Jul 2023 pay award	285,000				285,000	
6	Provison for Jul 2024 pay award (4%) - PYE	630,300				630,300	
7	General Inflation Provision	623,400				623,400	
7a	Additional Expenditure - Protection	0			146,200	146,200	X
7b	Potential Additional Pensions Admin Costs	0			79,600	79,600	X
8	Impact of new Fire Standards	65,000				65,000	
9	Increase in FFPS contribution rates	1,234,700				1,234,700	
10	Revised Audit Fees - new national contract	60,000				60,000	
11	Capital Programme	181,000				181,000	
12		3,390,000		0	225,800	3,615,800	
13	2023/24 Core Budget	43,361,800		0	225,800	43,587,600	
	Funding						
14	(RSG) Revenue Support Grant	(4,086,410)		0		(4,086,410)	
15	(BRTUG) Business Rate Top Up Grant	(3,537,923)		0		(3,537,923)	
16	S31 - under indexation of multiplier	(1,210,237)		0		(1,210,237)	
17	Services Grant	(36,196)		(3,515)		(39,711)	X
18	Funding Guarantee Grant	(968,516)		66,815		(901,701)	X
19	(RSDG) Rural Services Delivery Grant	(148,984)		0		(148,984)	
20	S31: 2024/25 Pension Grant	(1,160,000)		27,372		(1,132,628)	X
21	S31: Fire Revenue Grant - New Dimensions	(824,200)		24		(824,176)	X
22	S31: Fire Revenue Grant - Firelink	(91,000)		18,492		(72,508)	X
22a	S31 - One-Off Pension Admin Grant	0			(79,642)	(79,642)	X
22b	S31 - One-Off Protections Grant	0			(146,204)	(146,204)	X
23	Council Tax Precept - with 3% increase	(28,211,313)				(28,211,313)	
24	Council Tax Collection Fund	(129,706)				(129,706)	
25	Business Rates baseline	(2,608,900)		6,000		(2,602,900)	
26	Local Forecasts (to NNDR1)	128,600		29,700		158,300	
27	S31 - Business Rate Reliefs	(671,200)		94,000		(577,200)	
28	Business Rate Collection Fund	50,000		165,400		215,400	
29	2023/24 Core Funding	(43,505,985)		404,288	(225,846)	(43,327,543)	
30	Balance	(144,185)		404,288	(46)	260,057	
31							
32							
33	To/(From) Budget Reduction Reserves	144,185		(404,288)	46	(260,057)	
34		0		0	0	0	

Adjustment agreed P&R Committee - May 2023 was to meet costs of final pay settlement agreed just after the Authority meeting and to account for late changes to business rate information, also notified after the Authority meeting and some time after the statutory deadline for data to be provided.

Hereford & Worcester Fire Authority: Feb 2024

Amended Revenue Budget Allocation 2024/25

Col. Line	(7) 2024/25 Total Allocation £	(8) Late Funding Changes £	(9) 2024/25 Total Allocation £
1	16,070,300		16,070,300
2	4,874,200		4,874,200
3	1,015,800		1,015,800
4	5,364,600		5,364,600
5	90,000		90,000
6	1,035,000		1,035,000
7	28,449,900	0	28,449,900
8	108,700		108,700
9	62,200		62,200
10	40,500		40,500
11	39,500		39,500
12	290,400		290,400
13	598,500		598,500
14	1,382,800		1,382,800
15	683,500		683,500
16	2,261,600		2,261,600
17	454,500		454,500
18	(98,200)		(98,200)
19	2,220,400		2,220,400
20	84,900		84,900
21	48,400		48,400
22	690,000		690,000
23	58,300		58,300
24	39,700		39,700
25	456,600		456,600
26	141,700		141,700
27	151,600		151,600
27a	0	146,200	146,200
27b	0	79,600	79,600
28	9,715,600	225,800	9,941,400
29	3,014,000		3,014,000
30	3,014,000	0	3,014,000
33	333,000		333,000
35	285,000		285,000
36	310,600		310,600
37	630,300		630,300
39	623,400		623,400
40	2,182,300	0	2,182,300
41	43,361,800	225,800	43,587,600
42	(4,086,410)		(4,086,410)
43	(3,537,923)		(3,537,923)
44	(1,210,237)		(1,210,237)
45	(36,196)	(3,515)	(39,711)
46	(968,516)	66,815	(901,701)
47	(148,984)		(148,984)
49	(1,160,000)	27,372	(1,132,628)
50	(824,200)	24	(824,176)
51	(91,000)	18,492	(72,508)
51a	0	(79,642)	(79,642)
51b	0	(146,204)	(146,204)
52	(28,211,313)	0	(28,211,313)
53	(129,706)	0	(129,706)
54	(2,608,900)	6,000	(2,602,900)
55	128,600	29,700	158,300
56	(671,200)	94,000	(577,200)
57	50,000	165,400	215,400
58	(43,505,985)	178,442	(43,327,543)
59	(144,185)	404,242	260,057
62	144,185	(404,242)	(260,057)
63	144,185	(404,242)	(260,057)
64	0	0	(0)

Hereford & Worcester Fire Authority: Feb 2024 Amended Medium Term Financial Forecasts

Col Row		(2) 2024/25 Budget	(3) 2025/26 Forecast	(4) 2026/27 Forecast
1	Assumed Business Rate increase		2.00%	2.00%
2	Assumed Increase in funding Grants		2.00%	2.00%
3	Assumed Tax-base Increase	0.65%	1.06%	1.06%
4	Assumed Band D Tax Increase	2.99%	1.99%	1.99%
		£	£	£
5	2023/24 CORE BUDGET	39,971,800	39,971,800	39,971,800
6	Provision for April 2024 pay award	310,600	310,600	310,600
7	Provision for April 2025 pay award (2%)		119,200	119,200
8	Provision for April 2026 pay award (2%)			121,500
9	Full Year Effect of Jul 2023 pay award	285,000	285,000	285,000
10	Provison for Jul 2024 pay award (4%)	630,300	843,500	847,900
11	Provison for Jul 2025 pay award (2%)		324,600	432,800
12	Provison for Jul 2026 pay award (2%)			331,100
13	General Inflation Provision	623,400	930,000	1,245,500
14	Impact of new Fire Standards	65,000	65,000	65,000
15	Increase in FFPS contribution rates	1,234,700	1,259,400	1,284,600
16	Revised Audit Fees - new national contract	60,000	60,000	60,000
17	Ill Health Pension Charges reduction		(40,000)	(40,000)
17a	Additional Expenditure - Protection	146,200		X
17b	Potential Additional Pensions Admin Costs	79,600		X
18	Capital Programme	181,000	381,000	581,000
19	Capital Programme - additional costs of Hereford FS			170,000
20	GROSS BUDGET	43,587,600	44,510,100	45,786,000
	Funding			
21	(RSG) Revenue Support Grant	(4,086,410)	(4,168,100)	(4,251,500)
22	(BRTUG) Business Rate Top Up Grant	(3,537,923)	(3,608,700)	(3,680,900)
23	S31 - under indexation of multiplier	(1,210,237)	(1,234,400)	(1,259,100)
24	Services Grant	(39,711)	(40,500)	(41,300) X
25	Funding Guarantee Grant	(901,701)	(919,700)	(938,100) X
26	(RSDG) Rural Services Delivery Grant	(148,984)	(152,000)	(155,000)
27	S31: 2024/25 Pension Grant	(1,132,628)	(1,132,600)	(1,183,200) X
28	S31: Fire Revenue Grant - New Dimensions	(824,176)	(824,200)	(824,200)
29	S31: Fire Revenue Grant - Firelink	(72,508)	(35,000)	0 X
29a	S31 - One-Off Pension Admin Grant	(79,642)		X
29b	S31 - One-Off Protections Grant	(146,204)		X
30	Council Tax Precept - with 3% increase	(28,211,313)	(29,077,600)	(29,976,500)
31	Council Tax Collection Fund	(129,706)	0	0
32	Business Rates baseline	(2,602,900)	(2,655,000)	(2,708,100)
33	Local Forecasts (to NNDR1)	158,300	161,500	164,700
34	S31 - Business Rate Reliefs	(577,200)	(588,700)	(600,500)
35	Business Rate Collection Fund	215,400	50,000	50,000
36	PROJECTED RESOURCES	(43,327,543)	(44,225,000)	(45,403,700)
37	Balance	260,057	285,100	382,300
38	Potential to/(from) Use of Budget Reduction Reserve	(260,057)	(285,100)	(382,300) X
39		(260,057)	(285,100)	(382,300)

Hereford & Worcester Fire Authority: Feb 2024

Amended Medium Term Financial Forecasts - Potential Impacts

Col Row	(2) 2024/25 Budget £	(3) 2025/26 Forecast £	(4) 2026/27 Forecast £
1	260,057	285,100	382,300
	Deficit/(Surplus) from Appendix 4		
	Potential for Investment		
	The MTFP is based on increasing Council Tax by 1.99% in 2025/26 and 2026/27 as was indicated to be the referendum limit. Indications are that this limit will rise to 2.99%		
2		(296,500)	(305,600)
3			(308,600)
4	260,057	(11,400)	(231,900)
	But Potential Cost Risks		
5		164,000	390,600
6		59,500	62,600
7	260,057	212,100	221,300

Hereford & Worcester Fire Authority: Feb 2024

Amended Council Tax Requirement Calculation 2024/25

	2024/25 Expenditure	2024/25 Income	
Core Budget	£43,663,400.00	(£75,800.00)	£43,587,600.00 Core
Less: Formula/Support Grants:			
(RSG) Revenue Support Grant		(£4,086,410.07)	
(BRTUG) Business Rate Top Up Grant		(£3,537,922.77)	
Services Grant		(£39,710.75)	
Funding Guarantee Grant		(£901,700.99)	
S31: Under-indexation of multiplier		(£1,210,231.66)	
Less: Other Grants			
(RSDG) Rural Services Delivery Grant		(£148,984.00)	
S31: Fire Revenue Grant (New Dimensions)		(£824,175.81)	
S31: Fire Revenue Grant (Firelink)		(£72,507.87)	
S31: 2024/25 Pension Grant		(£1,132,628.22)	
S31: One-Off Pension Admin Grant		(£79,641.73)	
S31: One-Off Protections Grant		(£146,203.69)	
Less: Retained Share of Business Rates (1%)			
Business Rates baseline		(£2,602,892.02)	
Local Forecasts (to NNDR1)		£158,275.02	
S31 - Business Rate Reliefs		(£577,154.00)	
Business Rate Collection Fund		£215,364.00	
	£43,663,400.00		£43,663,400.00 S42A (2)(a)
		(£15,062,324.56)	(£15,062,324.56) S42A (3)(a)
Reserves Movements			
to/(from) budget reduction reserve	(£260,057.05)		
	(£260,057.05)		(£260,057.05) S42A (2)(c)
		£0.00	£0.00 S42A (3)(b)
GROSS PRECEPT			£28,341,018.39
Less: Collection Fund Deficits/(Surpluses)			
Bromsgrove		(£17,875.34)	
Herefordshire		£0.00	
Malvern Hills		£0.00	
Redditch		(£33,705.20)	
Worcester		(£5,062.00)	
Wychavon		(£106,247.00)	
Wyre Forest		£33,184.00	
Total Collection Fund Deficit/(Surplus)			(£129,705.54) S42A (10)
COUNCIL TAX REQUIREMENT			£28,211,312.85 S42A (4)
Tax-base : Band D Equivalent			
Bromsgrove		37,997.70	
Herefordshire		71,999.97	
Malvern Hills		33,047.15	
Redditch		26,317.10	
Worcester		33,002.00	
Wychavon		52,914.22	
Wyre Forest		34,902.00	290,180.14
Precept - Band D Equivalent			£97.219999
Band D (rounded to 2 decimal places)			£ 97.22 S42B
Equivalent to Tax at Band (Ratio to Band D)	2023/24	increase	2024/25
A 6/9	£ 62.9300	2.99%	£ 64.8100 S47
B 7/9	£ 73.4200	3.00%	£ 75.6200 S47
C 8/9	£ 83.9100	2.99%	£ 86.4200 S47
D 9/9	£ 94.4000	2.99%	£ 97.2200 S47
E 11/9	£ 115.3800	2.98%	£ 118.8200 S47
F 13/9	£ 136.3600	2.98%	£ 140.4300 S47
G 15/9	£ 157.3300	2.99%	£ 162.0300 S47
H 18/9	£ 188.8000	2.99%	£ 194.4400 S47
Total Precept on Billing Authorities S48			
Bromsgrove			£3,694,136.35 S48
Herefordshire			£6,999,836.99 S48
Malvern Hills			£3,212,843.88 S48
Redditch			£2,558,548.43 S48
Worcester			£3,208,454.40 S48
Wychavon			£5,144,320.40 S48
Wyre Forest			£3,393,172.40 S48
			£28,211,312.85
			£0.00

Hereford & Worcester Fire Authority: Feb 2024

Amended Reserves Strategy

Col	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Row		Actual at	Probable	Budget	MTFP	MTFP	MTFP	Estimate at
		31-Mar-23	2023/24	2024/25	2025/26	2026/27	2027/28	31-Mar-28
		£m	£m	£m	£m	£m	£m	£m
	Future Expenditure Reserves							
1	Capital Projects Reserve	3.388	(0.872)	(1.645)	(0.870)			0.001
2	C&C Reserve	1.448	(0.473)	(0.643)				0.332
3	ICT Replacements Reserve	1.239	(0.464)	(0.419)	(0.061)	(0.023)	(0.045)	0.227
4	ESMCP Reserve	1.032					(1.032)	0.000
5	RPE Reserve	1.000	(0.261)	(0.700)	(0.039)			0.000
6	On Call Recruitment Reserve	0.671	(0.463)	(0.090)	(0.090)	(0.025)		0.003
7	Organisational Excellence Reserve	0.558	(0.292)	(0.200)	(0.014)			0.052
8	Property Maintenance Reserve	0.534	(0.090)	(0.148)	(0.148)	(0.148)		0.000
9	Pension Tribunal Reserve	0.400						0.400
10	Development Reserve	0.310	(0.056)	(0.056)				0.198
11	Sustainability Reserve	0.286	(0.286)					0.000
12	Pensions Reserve	0.244	(0.049)	(0.051)	(0.052)	(0.053)	(0.039)	0.000
13	Protection Grants Reserve	0.228	(0.012)	(0.195)	(0.021)			(0.000)
14	Fire Prevention Reserve	0.157	(0.123)	(0.034)				0.000
15	Equipment Reserve	0.189						0.189
16	Safety Initiatives Reserve	0.138			(0.144)	0.006		0.000
17		11.822	(3.441)	(4.181)	(1.439)	(0.243)	(1.116)	1.402
	Other Specific Reserves							
18	Operational Activity Reserve	0.600						0.600
19	Insurance Excess Reserve	0.130						0.130
20		0.730	0.000	0.000	0.000	0.000	0.000	0.730
	Budget Reduction Reserves							
21	Budget Reduction Reserve	1.732	(0.116)	(0.260)	(0.285)	(0.382)		0.689
22	TIG Reserve	0.046	(0.046)					0.000
23		1.778	(0.162)	(0.260)	(0.285)	(0.382)	0.000	0.689
24	Total Earmarked Reserves	14.330	(3.603)	(4.441)	(1.724)	(0.625)	(1.116)	2.821
25	General (Un-earmarked) Reserves	1.538						1.538
26	Total Reserves	15.868	(3.603)	(4.441)	(1.724)	(0.625)	(1.116)	4.359
	Earmarked Reserves	31-Mar-23	31-Mar-24	31-Mar-25	31-Mar-26	31-Mar-27	31-Mar-28	
27	This MTFP	14.330	10.727	6.286	4.562	3.937	2.821	
28	MTFP - Feb 2023	14.142	9.103	4.695	4.622	3.563	n/a	