

Hereford & Worcester Fire Authority
Policy & Resources Committee: 25-Jan-2017
Medium Term Financial Forecasts: Funding Forecast

Col		2017/18 MTFP £m	2018/19 Forecast £m	2019/20 Forecast £m
Row		2	3	4
	<u>Revised MTFP - as approved Dec 2016</u>			
1	Assumed Business Rate increase	2.00%	2.00%	2.00%
2	Indicative Grant Reductions	-17.70%	-10.00%	-5.50%
3	Assumed Tax-base Increase	1.35%	1.27%	1.25%
4	Assumed Band D Tax Increase	1.96%	1.96%	1.96%
5	Consolidated Revenue Support Grant	(6.014)	(5.413)	(5.118)
6	Transitional Grant	(0.142)		
7	Fire Revenue Grant	(1.097)	(0.967)	(0.837)
8	Rural Services Delivery Grant	(0.088)	(0.067)	(0.088)
9	Retained Business Rates	(2.283)	(2.329)	(2.375)
10	Council Tax Precept	(21.548)	(22.249)	(22.970)
11	PROJECTED RESOURCES	(31.172)	(31.025)	(31.388)
	<u>Changes</u>			
12	Assumed Business Rate increase	-10.60%		
13	Indicative Grant Reductions	3.40%	0.70%	0.70%
14	Assumed Tax-base Increase	0.20%	-0.07%	0.05%
15	Assumed Band D Tax Increase			
16	Consolidated Revenue Support Grant	(0.252)	(0.268)	(0.288)
17	Transitional Grant			
18	Fire Revenue Grant			
19	Rural Services Delivery Grant			
20	Retained Business Rates	0.236	0.235	0.232
21	Council Tax Precept	(0.042)	(0.032)	(0.038)
22	Council Tax Surpluses	(0.235)		
23	PROJECTED RESOURCES	(0.293)	(0.065)	(0.094)
	<u>Proposed MTFP - Feb 2017</u>			
24	Assumed Business Rate increase	-8.60%	2.00%	2.00%
25	Indicative Grant Reductions	-14.30%	-9.30%	-4.80%
26	Assumed Tax-base Increase	1.55%	1.20%	1.30%
27	Assumed Band D Tax Increase	1.96%	1.96%	1.96%
28	Consolidated Revenue Support Grant	(6.266)	(5.681)	(5.406)
29	Transitional Grant	(0.142)		
30	Fire Revenue Grant	(1.097)	(0.967)	(0.837)
31	Rural Services Delivery Grant	(0.088)	(0.067)	(0.088)
32	Retained Business Rates	(2.047)	(2.094)	(2.143)
33	Council Tax Precept	(21.590)	(22.281)	(23.008)
34	Council Tax Surpluses	(0.235)		
35	PROJECTED RESOURCES	(31.465)	(31.090)	(31.482)

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Medium Term Financial Forecasts: Expenditure Need

Col		Revised MTFP Oct 2016 £m	Inflation	LGPS Revalued	PPL Phasing	Capital Financing	Proposed MTFP Feb 2017 £m
Row		2	3	4	5	6	7
1	2016-17 CORE BUDGET	31.693					31.693
2	2016/17 Pay Awards were 1%	(0.200)	(0.081)				(0.281)
3	2016/17 Base Inflation Saving	(0.150)	(0.006)				(0.156)
4	HQ Rental Service Charges	(0.050)					(0.050)
5	Amended Core Budget	31.293	(0.087)	0.000	0.000	0.000	31.206
	<u>Cost Pressures</u>						
6	Pay Awards	0.227					0.227
7	General Inflation Contingency	0.200					0.200
8	LGPS Revaluation	0.020		0.070			0.090
9	Capital Programme	0.036				(0.100)	(0.064)
10	"Apprentice" Levy	0.070					0.070
	<u>Savings</u>						
11	FDS Review	(0.031)			0.031		0.000
12	JPV Savings	(0.042)					(0.042)
13	Other	(0.010)					(0.010)
14	2017/18 EXPENDITURE NEED	31.763	(0.087)	0.070	0.031	(0.100)	31.677
	<u>Cost Pressures</u>						
15	Pay Awards	0.227					0.227
16	General Inflation Contingency	0.300					0.300
17	LGPS Revaluation	0.020		(0.010)			0.010
18	Capital Programme	(0.067)				(0.200)	(0.267)
	<u>Savings</u>						
19	JPV Savings	(0.032)					(0.032)
20	ESMCP Provision	(0.020)					(0.020)
21	2018/19 EXPENDITURE NEED	32.191	(0.087)	0.060	0.031	(0.300)	31.895
	<u>Cost Pressures</u>						
22	Pay Awards	0.227					0.227
23	General Inflation Contingency	0.300					0.300
24	LGPS Revaluation	0.020		(0.010)			0.010
25	Capital Programme	0.061				0.300	0.361
26	FF Pensions Employers Contribution Rates	0.315					0.315
	<u>Savings</u>						
27	JPV Savings	(0.069)					(0.069)
	2019/20 EXPENDITURE NEED	33.045	(0.087)	0.050	0.031	0.000	33.039

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Medium Term Financial Forecasts: Earmarked Reserves

	Balance 31-Mar-16 £m	Excepted Usage	Un-allocated Balance £m	Notes
Pensions	0.422		0.422	
Operational Activity	0.600		0.600	
Insurance	0.130		0.130	to meet long-tail claims
Pens Tribunal	0.400		0.400	timing uncertain
Property Maintenance	0.213	PPL to manage expenditure in 2016/17	(0.213)	0.000
Fire Control	0.267	to fund completion of C&C	(0.267)	0.000
Equipment	0.394	Funding Cutting gear	(0.394)	0.000
Capital Financing	0.575	Funding Cutting gear	(0.575)	0.000
Fleet Funding	0.042	to be used in 2016/17	(0.042)	0.000
NNDR	0.046	Planned use in MTFP	(0.046)	0.000
YFA	0.017		(0.017)	0.000
ICP Workwear	0.004		(0.004)	0.000
New Dimensions	0.381	funding HVP accommodation	(0.140)	0.241 for New Dimensions issues
	3.491		(1.698)	1.793
CSR Phasing	1.185	Planned use in MTFP	(0.960)	0.225
Development	0.311			0.311
Bud Red	4.677	Planned use in MTFP	(2.353)	2.324
	6.173		(3.313)	2.860
	9.664		(5.011)	4.653