

Hereford & Worcester Fire and Rescue Authority
Budget 2011/12 : Revenue Budget

	£m
2010/11 Net Budget Requirement	31.394
Base changes	
less one off strengthening of balances in 2010/11	(0.271)
Impact of 2010/11 Pay Award	(0.150)
LGPS Increased Contribution Rate	0.020
Non-Pay Inflation (average 3%)	0.308
	(0.093)
Other Increases	
Impact of Asset Management Plan & Fleet Strategy	0.201
Expiry of Grant	0.090
Additional RDS Training	0.095
Property Maintenance	0.055
Firelink net Service Costs	0.046
Fire Control Pay - Staff returned from cancelled RCC Project	0.046
One Off - Additional Public Holiday	0.020
	0.553
Other Savings	
Reduction in ACFO post	(0.140)
Council Tax Freeze Grant	(0.519)
	(0.659)
RECOMMENDED NET BUDGET REQUIREMENT	31.195

Hereford & Worcester Fire and Rescue Authority

Budget 2011/12 : Explanation of Variations in Appendix 1

Less : One-Off Strengthening of Balances

As the final tax-base figures from Billing Authorities were significantly better than forecast, and there was a considerable net surplus on the collection fund, the additional resource was used to increase revenue balances as a one off measure.

Impact of 2010/11 Pay Awards

As there were no pay awards in 2010/11 the base budget provision has a consequential saving in 2011/12 budgets.

LGPS - Increased Contribution Rate

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

Non-pay inflation

Averages 3% overall, with higher provision for fuel, business rates and utilities.

Impact of Asset Management Plan & Vehicle Strategy

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 current Treasury Management position in relation to risk and consequent interest receivable.

Expiry of Grant

Planned ending of use of LPSA1 Reward Grant to support Community Safety Initiatives.

Additional RDS Training

Provision to increase RDS staff training time

Property Maintenance

Provision for additional maintenance costs as investment in major refurbishment is over a longer timescale than was previously expected,

Firelink Net Service Costs

The FRS begins to pay for the significant cost of the new radio system (Firelink) in 2011/12. Although this is partially offset by grant from DCLG, the figure represents the net extra cost after grant and savings from the old system are taken into account.

Reduction in ACFO post

The removal of 20% of the senior management team (25% of the operational posts) and redistribution of roles, tasks and responsibilities amongst the remaining staff, without any compensating salary increases.

Fire Control Pay

During 2010/11 a small number of Control staff were working on preparation for the introduction of a regional Control Centre. Part of the costs of these staff were funded by the national RCC project. As this project has now been cancelled, this funding is no longer available.

Additional Public Holiday

Staff actually working on public holidays are paid a premium rate for work on that day; the extra public holiday in 2011 has a direct financial cost.

Council Tax Freeze Grant

As a consequence of not increasing the Council Tax Precept the FRA is eligible for this government grant, equal to 2.5% of the 2011/12 precept. Regulations require that it is shown as income in the Net Budget Requirement figure rather than with other government grants.

Hereford & Worcester Fire and Rescue Authority**Budget 2011/12** : Personnel Budget

	Wholetime Firefighters FTE	Retained Firefighters H/C	Control Room Staff FTE	Non- Uniformed Support FTE	TOTAL
Core Budget 2010-11	314.0	369.0	25.0	130.7	838.7
Removal of ACFO and PA posts	(1.0)			(1.0)	(2.0)
Included in Budget 2011-12	313.0	369.0	25.0	129.7	836.7

Hereford & Worcester Fire and Rescue Authority
Budget 2011/12 : Revenue Budget Allocation

	2010/11 Budget FRA Feb 10 £m	Internal Re-Alloc £m	Base Changes £m	Other Increases £m	Other Savings £m	2011/12 Budget FRA Feb 11 £m
Wholetime Pay	14.031	(0.018)		0.018	(0.108)	13.923
Retained Duty Staff Pay	3.038			0.097		3.135
Control Pay	0.711	0.038	0.003	0.046		0.798
Support Pay	3.918	0.014	0.017	0.090	(0.025)	4.014
Pay Contingency	0.170	(0.020)	(0.150)			0.000
Other Employee Costs	21.868	0.014	(0.130)	0.251	(0.133)	21.870
FF Pensions - Non Funded Costs	0.036					0.036
	0.738					0.738
SUB-TOTAL : Employee Costs	22.642	0.014	(0.130)	0.251	(0.133)	22.644
Urban Search & Rescue (USAR) - total cost	0.880					0.880
SUB-TOTAL : USAR	0.880	0.000	0.000	0.000	0.000	0.880
Performance Management	0.132	(0.005)	0.004			0.131
Organisational Development	0.240		0.007			0.247
FRA Costs	0.126		0.004			0.130
Personnel	0.304		0.009			0.313
	0.802	(0.005)	0.024	0.000	0.000	0.821
Community Safety - Prevention	0.343	(0.014)	0.010			0.339
Community Safety - Technical Fire Safety	0.031		0.001			0.032
Community Safety - Intervention Policy	0.068		0.002			0.070
Approved Centre	0.009		0.000			0.009
Training	0.627	(0.031)	0.020			0.616
	1.078	(0.045)	0.034	0.000	0.000	1.067
Operational Logistics	0.949	0.033	0.029		(0.000)	1.010
Fleet	0.527	(0.026)	0.050		(0.001)	0.550
IT	0.563		0.017			0.580
Comms	0.368		0.011			0.379
Insurances	0.312					0.312
Legal Services	0.061	(0.003)	0.002			0.060
Facilities Management	1.363	0.027	0.131	0.055		1.576
Finance	0.301	(0.008)	0.010			0.303
	4.443	0.024	0.249	0.055	(0.002)	4.770
Capital Financing	2.205			0.201	(0.006)	2.400
RCC Project	0.238	(0.238)				0.000
Firelink - Net Running Costs	0.000			0.046		0.046
Senior Management Board	0.020	0.013	0.001			0.033
	2.463	(0.226)	0.001	0.247	(0.006)	2.479
SUB-TOTAL : Other Running Costs	8.787	(0.252)	0.308	0.302	(0.007)	9.138
Special Grants	(1.186)	0.238			(0.519)	(1.467)
	(1.186)	0.238	0.000	0.000	(0.519)	(1.467)
CORE-BUDGET	31.123	(0.000)	0.178	0.553	(0.659)	31.195
Strengthening of Balances	0.271		(0.271)			0.000
NET BUDGET REQUIREMENT	31.394	(0.000)	(0.093)	0.553	(0.659)	31.195

Consolidation of Budget Movements from Appendix 1

Less One-off Strengthening of Balances	(0.271)		
Impact of 2010/11 Pay Award	(0.150)		
LGPS Increased Contrib. Rate	0.020		
Non-Pay Inflation	0.308		
Impact of Asset Management Plan & Fleet Strategy		0.201	
Expiry of Grant		0.090	
Additional RDS Training		0.095	
Property Maintenance		0.055	
Firelink net Service Costs		0.046	
Reduction in ACFO post			(0.140)
Fire Control Pay - Staff returned from cancelled RCC Project		0.046	
One Off - Additional Public Holiday		0.020	
Council Tax Freeze Grant			(0.519)
	(0.093)	0.553	(0.659)

Hereford & Worcester Fire and Rescue Authority**Budget 2011/12 : Capital Programme**

	BUDGET	PROGRAMME			TOTAL £m
	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m	
Vehicle Programme					
Routine Replacements (Pumps)	0.820	0.615	0.615	0.615	2.665
Routine Replacements (4WD)		0.150			0.150
Routine Replacements (Off-Road)			0.020		0.020
Command Unit			0.350		0.350
	0.820	0.765	0.985	0.615	3.185
Major Building Schemes					
Provision for future Business Cases	3.000	2.500	3.500	3.500	12.500
	3.000	2.500	3.500	3.500	12.500
Other Schemes					
Property, Information Technology, Communications etc.	0.600	0.600	0.600	0.600	2.400
	0.600	0.600	0.600	0.600	2.400
Annual Total	4.420	3.865	5.085	4.715	18.085

Excludes impact of any slippage from 2010/11

Hereford & Worcester Fire and Rescue Authority**Budget 2011/12 : Precept Calculation**

Tax-base : Band D Equivalent	
Bromsgrove	36,548.42
Herefordshire	71,465.84
Malvern Hills	30,529.59
Redditch	27,569.18
Worcester	32,991.00
Wychavon	47,651.91
Wyre Forest	35,105.00
	281,860.94
	£
Net Budget Requirement	31,195,400.00
Share of National Non-Domestic Rates (Business Rates)	7,949,813.00
Revenue Support Grant	2,457,310.00
Total Financing Grants	10,407,123.00
Gross Precept Requirement	20,788,277.00
Collection Fund Surpluses	(30,789.93)
Net Precept Requirement	20,757,487.07
Tax-base - Band D Equivalent	281,860.94
Precept - Band D Equivalent	£ 73.6444
	£ 73.64
Total Precept on Billing Authorities	£
Bromsgrove	2,691,587.40
Herefordshire	5,263,060.75
Malvern Hills	2,248,334.12
Redditch	2,030,316.43
Worcester	2,429,603.25
Wychavon	3,509,297.55
Wyre Forest	2,585,287.57
	20,757,487.07

2010/11	£73.64
change	0.00%

Equivalent to Tax at Band	Ratio to Band D	£
A	6/9	£ 49.1000
B	7/9	£ 57.2800
C	8/9	£ 65.4600
D	9/9	£ 73.6400
E	11/9	£ 90.0100
F	13/9	£ 106.3800
G	15/9	£ 122.7400
H	18/9	£ 147.2800

2010/11 Tax	change
£ 49.10	0.00%
£ 57.28	0.00%
£ 65.46	0.00%
£ 73.64	0.00%
£ 90.01	0.00%
£ 106.38	0.00%
£ 122.74	0.00%
£ 147.28	0.00%

Hereford & Worcester Fire and Rescue Authority
Medium Term Financial Forecasts

		2012/13 Forecast £m	2013/14 Forecast £m	2014/15 Forecast £m	
Prior Year Net Budget Requirement		31.195	32.645	33.756	
Less one-off 2011/12 Public Holiday		(0.020)			
		31.175	32.645	33.756	
Cost Pressures					
Contingency for Pay Awards (average 2%)		0.356	0.452	0.456	
General Inflation Contingency (average 3%)		0.300	0.300	0.300	
LGPS - Increased Contribution Rate		0.020	0.020	0.020	
		0.676	0.772	0.776	
Capital Programme					
Impact of Asset Management Plan & Fleet Strategy		0.229	0.250	0.250	
		0.229	0.250	0.250	
Consequences of National Projects					
Firelink - Net Cost				0.007	
Firelink - ending of Special Grant			0.289		
FiReControl - Legacy issues		0.565	(0.200)		
		0.565	0.089	0.007	
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			0.0%	0.0%	0.0%
Tax-base Increase			0.0%	0.0%	0.0%
Grant Change			1.7%	-6.2%	-6.2%
Band D Tax		£ 73.64	£ 73.64	£ 73.64	£ 73.64
Tax-base		281,860.94	281,860.94	281,860.94	281,860.94
Council Tax Yield		£m (20.757)	(20.755)	(20.755)	(20.755)
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)	(31.339)	(30.687)	(30.075)
BUDGET GAP			1.306	3.069	4.714

Hereford & Worcester Fire and Rescue Authority
Medium Term Financial Forecasts - with future precept increases

		2012/13 Forecast £m	2013/14 Forecast £m	2014/15 Forecast £m
Prior Year Net Budget Requirement		31.195	32.645	33.756
Less one-off 2011/12 Public Holiday		(0.020)		
		31.175	32.645	33.756
Cost Pressures				
Contingency for Pay Awards (average 2%)		0.356	0.452	0.456
General Inflation Contingency (average 3%)		0.300	0.300	0.300
LGPS - Increased Contribution Rate		0.020	0.020	0.020
		0.676	0.772	0.776
Capital Programme				
Impact of Asset Management Plan & Fleet Strategy		0.229	0.250	0.250
		0.229	0.250	0.250
Consequences of National Projects				
Firelink - Net Cost				0.007
Firelink - ending of Special Grant			0.289	
FiReControl - Legacy issues		0.565	(0.200)	
		0.565	0.089	0.007
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		2.5%	2.5%	2.5%
Tax-base Increase		0.0%	0.0%	0.0%
Grant Change		1.7%	-6.2%	-6.2%
Band D Tax	£ 73.64	£ 75.48	£ 77.37	£ 79.30
Tax-base	281,860.94	281,860.94	281,860.94	281,860.94
Council Tax Yield	£m (20.757)	(21.274)	(21.806)	(22.351)
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)	(31.858)	(31.738)	(31.671)
BUDGET GAP		0.787	2.018	3.118