

Hereford & Worcester Fire Authority: Feb 2022

Revenue Budget 2022/23

Col	(2)	(3)
Row		
	Core Budget £	Financing £
1	2021/22 Approved Feb 2021	35,056,000 (35,187,000)
2	Amendments to Business Rates	124,000
3	Taxation Income Guarantee Grant Reserve	116,000
4	2021/22	35,056,000 (34,947,000)
5	Pay Awards Apr 2021	53,000
6	Pay Awards Jul 2021 (Full year)	286,000
7	Pay Awards Apr 2022 (2%)	86,900
8	Pay Awards Jul 2022 (2%) (Part Year)	281,100
9	Increase in National Insurance Rates	212,000
10	General Inflation	281,000
11	Additional Fuel/Utilities Inflation	185,000
12	LGPS Revaluation	2,000
13	Capital Programme	410,000
14		1,797,000
15	2022/23 Core Budget	36,853,000
	Funding	Original Revised
16	(RSG) Revenue Support Grant	(2,144,100) (2,144,100)
17	(BRTUG) Business Rate Top Up Grant	(3,372,300) (3,372,300)
18	2022/23 Services Grant	(392,100) (392,100)
19	(RSDG) Rural Services Delivery Grant	(114,500) (114,500)
20	S31: Fire Revenue Grant - New Dimensions	(820,000) (820,000)
21	S31: Fire Revenue Grant - Firelink	(182,000) (182,000)
22	S31: Pension Grant	(1,568,000) (1,568,000)
23	S31 - under indexation of multiplier (BRTUG)	(277,100) (344,700) X
24	Council Tax Precept	(25,568,100) (25,568,100)
25	Council Tax Collection Fund	(253,500) (253,500)
26	Business Rates baseline	(2,315,400) (2,315,400)
27	Local Forecasts (to NNDR1)	250,900 185,800 X
28	S31 - under indexation of multiplier (RBR)	(190,200) (217,600) X
29	S31 - Business Rate Reliefs	(471,300) (554,500) X
30	Business Rate Collection Fund	803,100 648,600 X
31	2022/23 Core Funding	(36,614,600) (37,012,400)
32	Balance	238,400 (159,400)
33	from TIG Reserve (CT)	(14,000) (14,000)
34	from TIG Reserve (RBR)	(35,000) (35,000)
35	to Broadway FS Reserve	208,400 X
36	To/(From) Budget Reduction Reserves	(189,400) 0 X
37		0 0

Hereford & Worcester Fire Authority: Feb 2022

Revenue Budget Allocation 2022/23

Col. Line		(2) 2021/22 Original Allocation £	(3) 2021/22 Updated NNDR £	(4) 2021/22 Approved Rellocation £	(5) 2021/22 Base Allocation £	(6) 2022/23 Re- focusing £	(7) 2022/23 Funding Changes £	(8) 2022/23 Appendix 3 Changes £	(9) 2022/23 Total Allocation £
1	Wholtime Firefighter Pay/NI/Pension	13,869,000		69,900	13,938,900	(145,900)		355,600	14,148,600
2	Retained Fire-fighter Pay	4,082,000		20,600	4,102,600			77,400	4,180,000
3	Control Pay	895,000		4,500	899,500			22,800	922,300
4	Support Pay	4,280,000		11,000	4,291,000	138,300		44,200	4,473,500
5	Other Employee Costs	120,000			120,000				120,000
6	Unfunded Pension Costs	1,035,000			1,035,000				1,035,000
7	Employee Related	24,281,000	0	106,000	24,387,000	(7,600)	0	500,000	24,879,400
8	Strategic Management	105,000		500	105,500				105,500
9	New Dimensions	45,000		1,400	46,400				46,400
10	Operational Policy	48,000		(10,200)	37,800				37,800
11	Protection (Technical Fire Safety)	18,000		(200)	17,800				17,800
12	Prevention (Community Safety)	209,000		4,000	213,000	87,600			300,600
13	Training	533,000		88,500	621,500				621,500
14	Operational Logistics/Fleet	1,593,000		144,000	1,737,000				1,737,000
15	Property/Facilities Management	1,812,000		(6,500)	1,805,500				1,805,500
16	PCC Charges	491,000		(11,200)	479,800				479,800
17	PCC Charges - Capitalised	(102,000)		2,300	(99,700)				(99,700)
18	Information & Comms Technology	2,081,000		(77,300)	2,003,700				2,003,700
19	Policy & Information	58,000		16,300	74,300				74,300
20	Corporate Communications	23,000		5,300	28,300				28,300
21	Human Resources/Personnel	471,000		(18,200)	452,800				452,800
22	Authority Costs	61,000		300	61,300				61,300
23	Committee Services	1,000		(300)	700				700
24	Legal Services	38,000		(200)	37,800				37,800
25	Insurances	370,000		(8,200)	361,800				361,800
26	Finance (FRS)	143,000		(3,600)	139,400				139,400
27	Finance SLA	90,000		(1,700)	88,300				88,300
28	Unallocated Savings	(232,000)		191,000	(41,000)				(41,000)
29	Running Costs	7,856,000	0	316,000	8,172,000	87,600	0	0	8,259,600
30	Capital Financing	2,497,000			2,497,000	(80,000)		410,000	2,827,000
31	Capital Financing	2,497,000	0	0	2,497,000	(80,000)	0	410,000	2,827,000
32	Pay Award Provision Jul 2020 FYE	95,000		(95,000)	0				0
33	Pay Award Provision 21/22 - Chancellor	11,000		(11,000)	0				0
34	Inflation Contingency 21/22	316,000		(316,000)	0				0
35	Pay Award Provision Apr 2021 (1.5%)	0			0			53,000	53,000
36	Pay Award Provision Apr 2022 (2%)	0			0			86,900	86,900
37	Pay Award Provision Jul 2022 (2%)	0			0			281,100	281,100
38	Inflation Contingency 22/23	0			0			466,000	466,000
39	Provisions/Contingencies	422,000	0	(422,000)	0	0	0	887,000	887,000
40	Core Budget	35,056,000	0	0	35,056,000	0	0	1,797,000	36,853,000
									Revised
41	(RSG) Revenue Support Grant	(2,080,300)			(2,080,300)		(63,800)		(2,144,100)
42	(BRTUG) Business Rate Top Up Grant	(3,372,300)			(3,372,300)		0		(3,372,300)
43	2022/23 Services Grant	0			0		(392,100)		(392,100)
44	(RSDG) Rural Services Delivery Grant	(114,500)			(114,500)		0		(114,500)
45	S31: Fire Revenue Grant - New Dimensions	(820,000)			(820,000)		0		(820,000)
46	S31: Fire Revenue Grant - Firelink	(205,000)			(205,000)		23,000		(182,000)
47	S31: Pension Grant	(1,568,000)			(1,568,000)		0		(1,568,000)
48	S31 - under indexation of multiplier (BRTUG)	(175,700)			(175,700)		(169,000)		(344,700)
49	Council Tax Precept	(24,600,100)			(24,600,100)		(968,000)		(25,568,100)
50	Council Tax Collection Fund	119,700			119,700		(373,200)		(253,500)
51	LCTSS Grant	(371,500)			(371,500)		371,500		0
52	(TIG) Taxation Income Guarantee Grant (CT)	(66,000)		66,000	0		0		0
53	Business Rates baseline	(2,315,400)			(2,315,400)		0		(2,315,400)
54	Local Forecasts (to NNDR1)	(37,400)	(26,800)		(64,200)		250,000		185,800
55	S31 - under indexation of multiplier (RBR)	(88,500)	(35,500)		(124,000)		(93,600)		(217,600)
56	S31 - Business Rate Reliefs	(111,100)	(149,600)		(260,700)		(293,800)		(554,500)
57	Business Rate Collection Fund	661,100	343,900		1,005,000		(356,400)		648,600
58	(TIG) Taxation Income Guarantee Grant (RBR)	(42,000)	(8,000)	50,000	0		0		0
59	Total Funding	(35,187,000)	124,000	116,000	(34,947,000)	0	(2,065,400)	0	(37,012,400)
60	Structural Gap(Surplus)	(131,000)	124,000	116,000	109,000	0	(2,065,400)	1,797,000	(159,400)
61	from TIG Reserve (CT)			(66,000)	(66,000)		52,000		(14,000)
62	from TIG Reserve (RBR)			(50,000)	(50,000)		15,000		(35,000)
63	to Broadway FS Reserve								208,400
64	to/(From) Budget Reduction Reserve	131,000	(124,000)		7,000		(7,000)		0
65	Use of Reserves	131,000	(124,000)	(116,000)	(109,000)	0	60,000	0	159,400
66	Net	0	0	0	0	0	(2,005,400)	1,797,000	0

Hereford & Worcester Fire Authority: Feb 2022

Medium Term Financial Forecasts

Col Row		(2) 2022/23 Budget	(3) 2023/24 Forecast	(4) 2024/25 Forecast
1	Assumed Business Rate increase	0.00%	2.00%	2.00%
2	Assumed Tax-base Increase	1.90%	1.10%	1.20%
3	Assumed Band D Tax Increase	1.96%	1.96%	1.96%
4	2022/23 CORE BUDGET	£ 36,853,000	£ 36,853,000	£ 36,853,000
5	<u>Pay Awards & Inflation</u>			
6	Pay Awards - Jul 2022 FYE (2%)		93,700	93,700
	Pay Awards - Apr 2023 (2%)		92,300	92,300
	Pay Awards - Jul 2023 PYE (2%)		294,400	294,400
	Pay Awards - Jul 2023 FYE (2%)			98,100
	Pay Awards - Apr 2024 (2%)			94,100
	Pay Awards - Jul 2024 PYE (2%)			300,300
7	General Inflation Contingency		317,000	611,000
8	LGPS Revaluation		3,000	6,000
9	FFPS Revaluation (estimate)			400,000
	<u>Efficiencies & Other Savings</u>			
12	Wyre Forest Hub		(50,000)	(50,000)
11	Ill Health Pension Charges		(40,000)	(40,000)
10	Capital Programme		6,000	187,000
13	GROSS BUDGET	36,853,000	37,569,400	38,939,900
	Funding	Revised	Revised	Revised
14	(RSG) Revenue Support Grant	(2,144,100)	(2,187,000)	(2,230,700)
15	(BRTUG) Business Rate Top Up Grant	(3,372,300)	(3,439,700)	(3,508,500)
16	2022/23 Services Grant	(392,100)	(392,100)	(392,100)
17	(RSDG) Rural Services Delivery Grant	(114,500)	(114,500)	(114,500)
18	S31: Fire Revenue Grant - New Dimensions	(820,000)	(820,000)	(820,000)
19	S31: Fire Revenue Grant - Firelink	(182,000)	(182,000)	0
20	S31: Pension Grant	(1,568,000)	(1,568,000)	(1,568,000)
21	S31 - under indexation of multiplier (BRTUG)	(344,700)	(351,600)	(358,600) X
22	Council Tax Precept	(25,568,100)	(26,382,100)	(27,195,100)
23	Council Tax Collection Fund	(253,500)	87,800	0
24	Business Rates baseline	(2,315,400)	(2,361,700)	(2,408,900)
25	Local Forecasts (to NNDR1)	185,800	189,500	193,300 X
26	S31 - under indexation of multiplier (RBR)	(217,600)	(222,000)	(226,400) X
27	S31 - Business Rate Reliefs	(554,500)	(565,600)	(576,900) X
28	Business Rate Collection Fund	648,600	493,900	320,300 X
29	PROJECTED RESOURCES	(37,012,400)	(37,815,100)	(38,886,100)
30	STRUCTURAL BUDGET GAP	(159,400)	(245,700)	53,800
31	from TIG Reserve (CT)	(14,000)	(14,000)	
32	from TIG Reserve (RBR)	(35,000)	(35,000)	
		(49,000)	(49,000)	0
33		(208,400)	(294,700)	53,800
34	to Broadway FS Reserve	208,400	294,700	X
35	To/(From) Budget Reduction Reserve			(53,800) X
36	RESIDUAL BUDGET GAP	0	0	0

Hereford & Worcester Fire Authority: Feb 2022

Medium Term Financial Forecasts - Risks

	b	d	e	f
		2022/23 Budget £m	2023/24 Forecast £m	2024/25 Forecast £m
1 <u>Freezing of Council Tax 2022/23</u>				
MTFP Gap/(Surplus) before Reserves		(0.208)	(0.295)	0.054
reduction in Funding		0.492	0.506	0.523
Adjusted Gap/(Surplus)		0.284	0.211	0.577
2 <u>Improvement in Business Rate Collection Fund</u>				
MTFP Gap/(Surplus) before Reserves		(0.208)	(0.295)	0.054
reduction in Funding			(0.477)	(0.354)
Adjusted Gap/(Surplus)		(0.208)	(0.772)	(0.300)
3 <u>5% per year cut in SFA</u>				
MTFP Gap/(Surplus) before Reserves		(0.208)	(0.295)	0.054
reduction in Funding			0.391	0.790
Adjusted Gap/(Surplus)		(0.208)	0.096	0.844
4 <u>25% per year cut in RSG</u>				
MTFP Gap/(Surplus) before Reserves		(0.208)	(0.295)	0.054
reduction in Funding			0.547	1.116
Adjusted Gap/(Surplus)		(0.208)	0.252	1.170
5 <u>10% per year cut in SFA</u>				
MTFP Gap/(Surplus) before Reserves		(0.208)	(0.295)	0.054
reduction in Funding			0.782	1.580
Adjusted Gap/(Surplus)		(0.208)	0.487	1.634
6 <u>15% per year cut in SFA</u>				
MTFP Gap/(Surplus) before Reserves		(0.208)	(0.295)	0.054
reduction in Funding			1.173	2.231
Adjusted Gap/(Surplus)		(0.208)	0.878	2.285
7 <u>Additional 1% pay award per year</u>				
MTFP Gap/(Surplus) before Reserves		(0.208)	(0.295)	0.054
increase in expenditure		0.140	0.381	0.627
Adjusted Gap/(Surplus)		(0.068)	0.086	0.681
<i>Additional pay award cost will be less if not in every year.</i>				
8 <u>0.1% per year additional increase in tax-base</u>				
MTFP Gap/(Surplus) before Reserves		(0.208)	(0.295)	0.054
reduction in Funding			(0.026)	(0.054)
Adjusted Gap/(Surplus)		(0.208)	(0.321)	0.000

SFA = Settlement Funding Assessment - the figure which government determines will be funded from Retained Business Rates, Business Rate Top Up Grant and Revenue Support Grant.

RSG - Revenue Support Grant, one of the elements that make up SFA.

Hereford & Worcester Fire Authority: Feb 2022

Council Tax Requirement Calculation 2022/23

	2022/23 Expenditure	2022/23 Income	2022/23 Total	
Core Budget	£36,928,800.00	(£75,800.00)	£36,853,000.00	
Less: Formula/Support Grants:				
(RSG) Revenue Support Grant		(£2,144,127.00)	(£2,144,127.00)	
(BRTUG) Business Rate Top Up Grant		(£3,372,278.00)	(£3,372,278.00)	
2022/23 Services Grant		(£392,095.00)	(£392,095.00)	
S31: Under-indexation of multiplier (BRTUG)		(£344,700.00)	(£344,700.00)	X
Less: Other Grants				
(RSDG) Rural Services Delivery Grant		(£114,514.00)	(£114,514.00)	
S31: Fire Revenue Grant (New Dimensions)		(£820,000.00)	(£820,000.00)	
S31: Fire Revenue Grant (Firelink)		(£182,000.00)	(£182,000.00)	
S31: Pension Grant		(£1,568,000.00)	(£1,568,000.00)	
Less: Retained Share of Business Rates (1%)				
Business Rates baseline		(£2,315,419.00)	(£2,315,419.00)	
Local Forecasts (to NNDR1)		£185,771.00	£185,771.00	X
S31 - under indexation of multiplier (RBR)		(£217,658.00)	(£217,658.00)	X
S31 - Business Rate Reliefs		(£554,471.00)	(£554,471.00)	X
Business Rate Collection Fund		£648,645.00	£648,645.00	X
	£36,928,800.00		£36,928,800.00	S42A (2)(a)
		(£11,266,646.00)	(£11,266,646.00)	S42A (3)(a)
Reserves Movements				
To/(from) Broadway Reserve	£208,432.00			
To/(from) Budget Reduction Reserves		£0.00		
from TIG Reserve (CT)		(£14,000.00)		
from TIG Reserve (RBR)		(£35,000.00)		
	£208,432.00		£208,432.00	S42A (2)(c)
		(£49,000.00)	(£49,000.00)	S42A (3)(b)

GROSS PRECEPT	£25,821,586.00	#REF!
Less: Collection Fund Deficits/(Surpluses)		
Bromsgrove	(£65,913.06)	
Herefordshire	(£60,000.00)	
Malvern Hills	£0.00	
Redditch	(£66,447.64)	
Worcester	(£15,663.00)	
Wychavon	(£42,665.00)	
Wyre Forest	(£2,819.00)	
Total Collection Fund Deficit/(Surplus)	(£253,507.70)	S42A (10)

COUNCIL TAX REQUIREMENT	£25,568,078.30	S42A (4)
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Tax-base : Band D Equivalent		
Bromsgrove	37,511.05	
Herefordshire	70,252.52	
Malvern Hills	32,119.11	
Redditch	26,546.63	
Worcester	32,528.20	
Wychavon	52,818.58	
Wyre Forest	34,220.00	285,996.09
Precept - Band D Equivalent	£89.400097	
Band D (rounded to 2 decimal places)	£ 89.40	S42B

Equivalent to Tax at Band (Ratio to Band D)	2021/22	increase	2022/23	
A 6/9	£ 58.4500	1.97%	£ 59.6000	S47
B 7/9	£ 68.2000	1.95%	£ 69.5300	S47
C 8/9	£ 77.9400	1.96%	£ 79.4700	S47
D 9/9	£ 87.6800	1.96%	£ 89.4000	S47
E 11/9	£ 107.1600	1.97%	£ 109.2700	S47
F 13/9	£ 126.6500	1.96%	£ 129.1300	S47
G 15/9	£ 146.1300	1.96%	£ 149.0000	S47
H 18/9	£ 175.3600	1.96%	£ 178.8000	S47

Total Precept on Billing Authorities	S48	
Bromsgrove	£3,353,491.52	S48
Herefordshire	£6,280,582.13	S48
Malvern Hills	£2,871,451.56	S48
Redditch	£2,373,271.31	S48
Worcester	£2,908,024.25	S48
Wychavon	£4,721,986.20	S48
Wyre Forest	£3,059,271.33	S48
	£25,568,078.30	
	£0.00	

Hereford & Worcester Fire Authority: Feb 2022**Reserves Strategy**

Col		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Row				Approved	Probable	Budget	MTFP	MTFP	Estimated
			£m	31-Mar-21	2021/22	2022/23	2023/24	2024/25	31-Mar-25
				£m	£m	£m	£m	£m	£m
	<u>Future Expenditure Reserves</u>								
1	Sustainability Reserve			0.310		(0.310)			0.000
2	Organisational Excellence Reserve	NOG Implementation	0.600						
3		Command Competence	0.280						
4		FI Accrediation	0.160	1.040	(0.088)	(0.528)	(0.424)	(0.458)	0.000
5	C&C Reserve			1.527		(0.153)	(0.916)		0.000
6	ESMCP Reserve			1.099			(1.099)		0.000
7	RPE Reserve			1.000		(0.500)	(0.500)		0.000
8	Broadway Reserve			0.981	(0.050)	(0.481)	(0.450)		0.000
9	On Call Recruitment Reserve			1.000	(0.010)	(0.250)	(0.325)	(0.325)	0.090
10	ICT Replacements Reserve	Intel	0.500						
11		Equip Tracking	0.500						
12		Station end Equip	0.200	1.200		(0.325)	(0.875)		0.000
13	Capital Projects Reserve	STF (top up)	0.250						
14		Training Relocation	0.650	0.900		(0.325)	(0.575)		0.000
15	Property Maintenance Reserve	Planned Mntnce	0.562						
16		Station Refurbs	0.250	0.812	(0.220)	(0.470)	(0.122)		0.000
17	Pension Tribunal Reserve			0.400		(0.400)			0.000
18	Development Reserve	Development Reserve	0.121						
19		Alliance Reserve	0.189	0.310					0.310
20	Pensions Reserve			0.216					0.216
21	Protection Grants Reserve	20/21 Building Risk Review	0.060						
22		20/21 Protection Uplift	0.092						
23		20/21 Grenfell Infrastructure	0.037						
24		20/21 Accreditation	0.012	0.201	(0.087)	(0.114)			0.000
25	Safety Initiatives Reserve			0.110	(0.050)	(0.020)	(0.020)	(0.020)	0.000
26	Fire Prevention Reserve			0.231	(0.164)	(0.049)	(0.018)		0.000
27	Equipment Reserve			0.190					0.190
28				11.527	(0.669)	(3.925)	(5.324)	(0.803)	0.806
	<u>Other Specific Reserves</u>								
29	Operational Activity Reserve			0.600					0.600
30	Insurance Excess Reserve			0.130					0.130
31				0.730	0.000	0.000	0.000	0.000	0.730
	<u>Budget Reduction Reserves</u>								
32	Budget Reduction Reserve			1.428	0.026			(0.054)	1.400
33	Budget Reduction Reserve (Covid-19)			0.602					0.602
34	TIG Reserve			0.146	(0.048)	(0.049)	(0.049)		0.000
35				2.176	(0.022)	(0.049)	(0.049)	(0.054)	2.002
36	Total Earmarked Reserves			14.433	(0.691)	(3.974)	(5.373)	(0.857)	3.538
37	General (Un-earmarked) Reserves			1.538					1.538
	Total Reserves			15.971	(0.691)	(3.974)	(5.373)	(0.857)	5.076

Earmarked Reserves

	Base MTFP Feb-21 £m	Revised MTFP Jun-21 £m	NEW MTFP Feb-22 £m
Forecast 31-Mar-2021	13.260	14.433	14.433
Forecast 31-Mar-2022	10.684	12.314	13.742
Forecast 31-Mar-2023	7.321	7.474	9.768
Forecast 31-Mar-2024	5.604	3.256	4.395
Forecast 31-Mar-2025	5.249	1.841	3.538