



**DORSET & WILTSHIRE
FIRE AND RESCUE
AUTHORITY**

Item 21/09

MEETING	Dorset & Wiltshire Fire and Rescue Authority
DATE OF MEETING	11 February 2021
SUBJECT OF THE REPORT	Budget and Precept Implications 2021-22
STATUS OF REPORT	For open publication
PURPOSE OF REPORT	For consideration and approval
EXECUTIVE SUMMARY	<p>This report sets out the revenue and capital budget requirements for 2021-22. The overall level of central funding we expect for 2021-22, our Settlement Funding Assessment from Government, is £14.322m, an increase of £21k or 0.15% compared to 2020-21. This is based on the Provisional Local Government Finance Settlement and includes estimated business rates income. The final amounts are expected to be confirmed in early February when the Final Settlement is published and the local billing authorities advise us of actual business rates payments.</p> <p>Local funding raised through council tax will be lower than would normally be expected due to the impact of the Covid-19 pandemic. The taxbase for the Authority shows a reduction of 0.7% compared to 2020-21 due to increased local council tax support requests. The Government has provided a one-off grant of £700k to help mitigate this impact.</p> <p>In spite of continued efforts by this Authority and the Fire Sector to lobby for a £5 de-minimis increase in the fire precept, a 2% referendum threshold for fire authorities has been maintained for the coming year. This allows the Band D Fire Precept to be increased to a maximum of £77.88, an increase of £1.52 (or just less than 3p per week) and the Authority is</p>

	<p>recommended to approve this increase. On that basis overall local funding will be £42.9m, and overall funding £57.031m.</p> <p>Through the Resourcing and Savings Programme, Officers have been able to find additional budget savings of £1.5m for 2021-22 as detailed in the report. This enables the Authority to set a balanced budget, with a net revenue budget requirement of £57.031m for 2021-22.</p> <p>Capital investment requirements have also been reviewed, leading to a reduction in anticipated capital spend over the next five years. The capital programme for 2021-22 totals £9.068m. Capital financing costs are an area of concern and the Reserves Strategy includes plans to establish a capital funding reserve to help reduce the need for future external borrowing.</p>
<p>RISK ASSESSMENT</p>	<p>The Authority, through its Medium Term Finance Plan, is able to achieve a balanced budget position for 2021-22, within the context of the Governments’ fiscal policy.</p> <p>Future funding remains a concern, particularly with the further one year only Finance Settlement for 2021-22. Continued uncertainty surrounding the wider economy, particularly impacts from the Covid-19 pandemic and the UK’s exit from the European Union, are also significant concerns. These will undoubtedly impact on future pay and price inflation.</p>
<p>COMMUNITY IMPACT ASSESSMENT</p>	<p>None for the purposes of this report.</p>
<p>BUDGET IMPLICATIONS</p>	<p>These are contained within the body of the report.</p>
<p>RECOMMENDATIONS</p>	<p>It is recommended that the Authority:</p> <ol style="list-style-type: none"> 1. Approve the revenue budget of £57.031m and capital budget of £9.068m for 2021-22. 2. Approve the basic amount of Band D Fire Precept for the Dorset & Wiltshire Fire and Rescue Authority at £77.88 for 2021-22. 3. Authorise the Treasurer to issue precept notices on the Bournemouth, Christchurch and Poole Council,

	<p>Dorset Council, Swindon Borough Council and Wiltshire Council.</p> <p>4. Approve the Medium Term Finance Plan 2021-22 to 2024-25.</p>
<p>BACKGROUND PAPERS</p>	<p>Provisional local government finance settlement: England, 2021-22, Ministry of Housing, Communities and Local Government (MHCLG), 17 December 2020</p>
<p>APPENDICES</p>	<p>Appendix A - Financial Summary 2021-22</p> <p>Appendix B - Precept Requirements 2021-22</p> <p>Appendix C - Medium Term Finance Plan 2021-22 to 2024-25</p>
<p>REPORT ORIGINATOR AND CONTACT</p>	<p>Name: Ian Cotter, Head of Financial Services and Treasurer</p> <p>Email: ian.cotter@dwfire.org.uk</p> <p>Tel no: 01722 691109</p>

1. Introduction

- 1.1 This report provides the final position for the revenue and capital budget requirements for 2021-22. The budget and Band D Fire Precept recommendations are based on the Financial Principles previously approved by the Authority.
- 1.2 There are a number of issues and financial implications presented to the Authority in this report, and these are based on best information and professional forecasts. At the time of writing the report we have used provisional sums in respect of business rates income, whilst we await final confirmation of amounts from the billing authorities. Billing authorities are required to notify us by the 31 January 2021.

2. Funding issues

2.1 Local Government Finance Settlement 2021-22

- 2.1.1 The Provisional Local Government Finance Settlement for 2021-22, providing details of our Settlement Funding Assessment (SFA), was published on 17 December 2020, with a 4-week consultation period closing on 16 January 2021. The Final Settlement is expected to be announced in early February 2021 and Members will be informed of any significant changes from the Provisional Settlement.
- 2.1.2 The SFA consists of estimates of the local share of business rates (the Baseline Funding Level (BFL)), and Revenue Support Grant (RSG). The provisional figure for this Authority's SFA for 2021-22 is £14.332m. This is an increase of £21k or 0.15% compared to the SFA for 2020-21 and is in line with our expectation from the Spending Review announcement made in November 2020. The breakdown of the SFA is shown below.

Table 1 – Settlement Funding Assessment	2021-22 £m	2020-21 £m	Difference £m
Total SFA	14.332	14.311	+0.021
<i>made up of:</i>			
- Revenue Support Grant (RSG)	3.878	3.857	+0.021
- Baseline Funding Level (BFL)	10.454	10.454	+0.000

- 2.1.3 The Baseline Funding Level (BFL) is split between an assumed level of business rates income and a top up grant payment from Government. Both elements have been maintained in the SFA calculation at the 2020-21 amount, but the actual amount of business rates income that we receive is always subject to some uncertainty, and only confirmed in late January by the local billing authorities. As with council tax collection rates, the Covid-19 pandemic has impacted business rates collection. This position is then further complicated by the additional business rates relief measures put in place by the Government in response to the pandemic.

This report assumes that any shortfall in actual business rates will be compensated for by Government through additional Section 31 grant funding. Any net difference will have to be funded from reserves and balances.

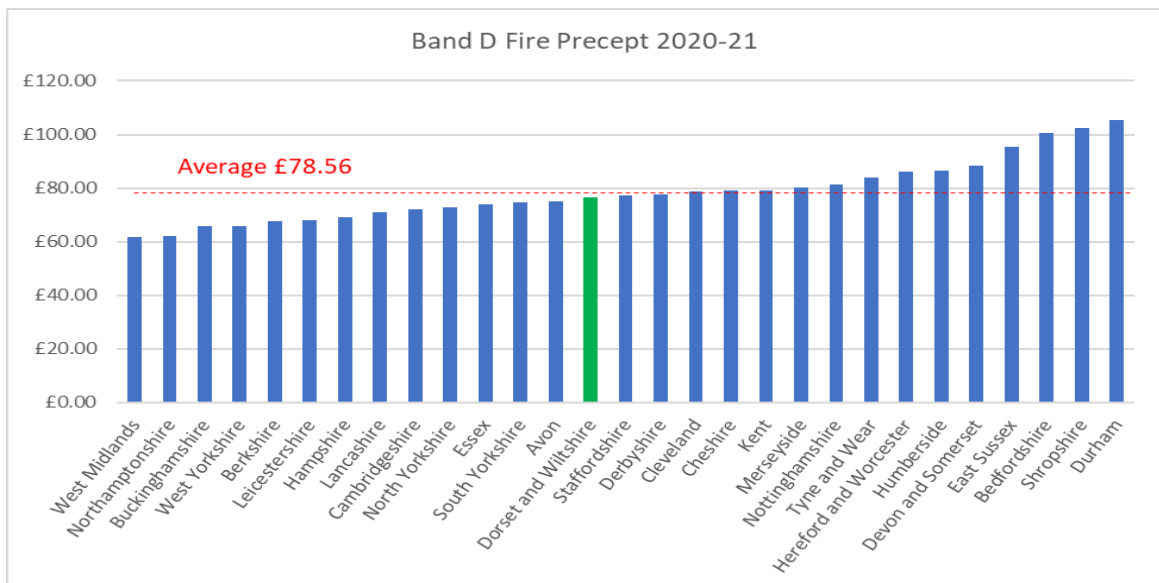
2.1.4 The proposed Fair Funding Review has been delayed further and will now not be implemented until 2022-23 at the earliest. The review will set new funding baselines for every local authority, including fire and rescue authorities, as well as changes to the business rate retention scheme.

2.2 Local funding

2.2.1 The Authority has a history of being a low funded, low spending Authority. Currently, only 25% of our funding is provided centrally, with the remaining 75% coming from local council tax funding. This reflects the £5m reduction in central funding that the Authority has seen since 2015-16.

2.2.2 The low level of central funding inevitably places pressure on levels of fire precept, but our level of precept (£76.36 in 2020-21) is still below the national average of £78.56 for all standalone FRAs (see Chart 1 below).

Chart 1: Band D fire precept 2020-21 (all standalone fire authorities)



2.2.3 For some time now Members and Officers have been putting forward the case for local council tax flexibility and the option for a £5 de-minimis increase in the fire precept. The Spending Review bid submitted jointly by the National Fire Chiefs Council (NFCC) and Local Government Association (LGA) again put forward this option.

2.2.4 In spite of these efforts there has so far been no change in approach from the Government. The provisional finance settlement consultation document included the following referendum principles for 2021-22:

- a core principle of up to 2%, applicable to shire counties, unitary authorities, London borough, the Greater London Authority general precept, and fire authorities
- a bespoke council tax referendum principle of 2% or £5, whichever is higher, for shire district councils
- an adult social care precept at an additional 3%, with an option to defer some or all of its use into 2022-23
- a referendum principle of £15 for Police and Crime Commissioners
- no referendum principles for mayoral combined authorities or parishes.

2.2.5 The Provisional Settlement Consultation document again asked for views on this package of referendum principles and our response continues to put forward the compelling case for a £5 de-minimis increase for Fire. Section 4.5 illustrates the financial impact of a £5 increase for this Authority.

2.2.6 Total fire precept funding is also dependent on increases in the taxbase, i.e. the number of Band D equivalent households in the Authority area. Taxbase levels have been significantly affected by the Covid-19 pandemic and increased levels of local council tax support requests. On average across the whole of the Authority area our taxbase for 2021-22 has fallen by approximately 0.7%. Compared to our general financial principle of 1% increases, this equates to a reduction in income of £739k. The Ministry of Housing, Communities and Local Government (MHCLG) has provided additional financial support for 2021-22 to help mitigate this shortfall and for this Authority £700k has been provided.

2.2.7 It is not yet clear what our taxbase might look like over the next few years, as the economy eventually recovers from the Covid-19 pandemic, or whether the Government will provide further support in future years, until taxbase numbers return to more normal levels. Our MTFP assumption for future growth is currently 1%, and each 1% variation is worth approximately £438k.

2.2.8 There are also one-off collection fund surpluses and deficits reported by the billing authorities, which offset or add to the amount council tax income collected each year. Again, the Covid-19 pandemic has severely affected collection levels in 2020-21, and overall, our share of local deficits is £656k, compared to a surplus of £176k for 2020-21. Ordinarily this deficit would have to be funded entirely through the 2021-22 revenue budget, but new legislation has been enacted which requires all local authorities to spread any 2020-21 deficits over a 3-year period. The charge for 2021-22 is £234k, with £211k then being charged in 2022-23 and 2023-24. MHCLG is providing a local tax guarantee which will fund 75% of irrecoverable council tax and business rates collection deficits via a special grant. We do not know the full details of this guarantee yet or how much funding might be received locally.

2.3 Funding summary

2.3.1 In view of the final finance settlement, the lack of a £5 de-minimis option for increasing the fire precept and the medium term financial projection, Members are asked to approve increasing the Band D Fire Precept by 1.99%, i.e. below the 2% referendum threshold and in line with Governments Core Spending Power expectations.

2.3.2 On that basis, the projected level of funding available for 2021-22 is £57.031m as shown in table 2 below. If the level of fire precept was to be frozen at the 2020-21 amount of £76.36 total funding would be £838k less, at £56.193m, significantly impacting on longer-term financial sustainability.

Table 2 - Total Funding 2021-22	
Taxbase	551,268
Band D Fire Precept (£)	£77.88
Fire Precept (£m)	42.933
Collection Fund Surplus/Deficit(-) (£m)	(0.234)
Revenue Support Grant (RSG) (£m)	3.878
BRR and Top Up grant (£m)	10.454
Total Funding (£m)	57.031

3. Budget requirement 2021-22

3.1 In determining the 2021-22 budget requirement there are a number of influencing factors, outside of the issues around precepts and Government funding. The main factors are considered below.

3.2 Resourcing and Savings Programme

3.2.1 Members will be aware, following the financial update in September and the seminars held in December and January, that Officers have been taking an in-depth look at Service finances during 2020, through the Resourcing and Savings Programme. The drivers for the Programme have been:

- Deliver further financial savings
- Maintain our statutory responsibilities
- Maintain the sound reputation of the Service and ratings from Inspection
- Address the issues arising from the Strategic Assessment of Risk
- Protect reserves to better support future reform and deliver further savings.

3.2.2 Through the programme we have:

- Costed all functions and budget lines across all departments, with some further savings achieved, including where we have been able to capitalise on opportunities arising from Covid-19, such as reduced fuel costs
- Conducted in-depth and focused response reviews, based upon evidence, and discussions with staff and their representative bodies
- Additionally, we have asked staff for their suggestions for savings and considered them all
- Established a value for money working group to explore specific issues.

3.2.3 Table 3 summarises the budget changes being made through the RSP work, along with other budget changes.

3.3 Other budget issues and risks

3.3.1 Staffing costs represent a significant element of the overall budget requirement. Based on our agreed financial principles we would ordinarily assume a 2% pay awards for all staff groups for next year, but following the Spending Review, Members will be aware that the Government is signalling a public sector pay freeze for 2021-22. Whilst being cognisant of this, the Fire and Local Government sectors are subject to separate national negotiation through their respective National Joint Council (NJC) bodies. We believe it is prudent to include some pay award provision in the budget but have reduced the assumption to 1% for 2021-22. Any increase above this would initially be funded from reserves and would clearly have a considerable ongoing base budget impact that would require funding from 2022-23. A 1% variation in the pay award is worth approximately £475k.

3.3.2 As Members are aware our employer pension costs have increased significantly in the last two years, firstly as a result of the latest valuation of the Firefighters' Pension Scheme (FPS), and then an increase in rates following the latest triennial Local Government Pension Scheme (LGPS) valuation. The Government has funded 90% of the additional FPS cost by way of special grant in 2019-20 and 2020-21 with this Authority receiving £2.7m. Through the Spending Review 2020, this pension funding is now included in the Home Office funding baseline, providing greater certainty over its continuation in future years. It has been indicated that the funding may move to our main Settlement Funding Assessment total from April 2022, however, this has not been confirmed.

3.3.3 We are likely to see a further increase in employer contribution rates for the FPS from April 2023 as the scheme picks up the costs associated with the McCloud remedy, associated with the age discrimination judgement and other FPS scheme valuation changes. Employer costs are estimated at £4.6m, at the 2015 scheme employer contribution rate of 28.8%. As an indication, an increase by 1% point

would therefore cost around £160k per year, but we simply do not know what the impact might be at this stage.

- 3.3.4 Taking account of the savings so far identified, the other budget issues and risks and the one-off additional grant funding being made available for 2021-22, we are able to reduce the 2021-22 net budget requirement by £2.21m as indicated in table 3 below. Ongoing budget reductions amount to just over £1.8m.

Table 3	2021-22	2022-23	2023-24	2024-25
	£m	£m	£m	£m
Resourcing & Savings Programme changes:				
Capital financing	£0.660	£0.581	£0.747	£0.815
Workforce planning	£0.075	£0.200	£0.125	£0.000
Technical rescue	(£0.034)	£0.031	£0.032	£0.032
4 th Aerial ladder platform	£0.000	£0.000	£0.000	£0.100
2 nd Away appliances	£0.000	£0.200	£0.204	£0.253
Protection	(£0.191)	(£0.391)	(£0.311)	(£0.311)
Prevention	£0.186	£0.171	£0.160	£0.160
Other net changes	£0.379	£0.547	£0.414	£0.314
Other budget changes:				
1% pay award saving	£0.383	£0.476	£0.486	£0.496
Local Council Tax Support grant	£0.700	£0.000	£0.000	£0.000
Rural Services Support grant	£0.052	£0.000	£0.000	£0.000
TOTAL	£2.210	£1.815	£1.857	£1.859

- 3.4 Overall, the net budget requirement for 2021-22 is therefore £57.031m as summarised below:

Table 4 – Budget requirement 2021-22	Service budget
	2021-22
	£m
Revenue budget	
- Employees	49.322
- Premises	3.828
- Transport	1.278
- Supplies & services	5.063
- Agency & contracted out	2.285
- Democratic representation	0.110
- Capital financing/leasing	3.287
- Income	-7.544
- Transfers to/from Reserves	-0.598
Net budget requirement	57.031

4. Medium Term Finance Plan (MTFP)

4.1 The Medium Term Finance Plan 2021-22 to 2024-25 shown at Appendix C is also recommended for approval. The MTFP supports the delivery of the Community Safety Plan proposals, which set out the key challenges and risks facing us, along with how we intend to meet and reduce them. This is further supported by our bi-annual Strategic Assessment of Risk. The MTFP is also based on a series of Financial Principles, information from our constituent authorities and Service spending proposals.

4.2 The Financial Principles currently adopted in the plan are as follows:

Table 5	2020-21	2021-22	2022-23 onwards	financial impact of 1% variation
1. Change in government funding settlement	+1.6%	+0.15%	-5.0%	£143k
2. Change in council taxbase	+0.88%	-0.71%	+1.0%	£438k
3. Council tax referendum threshold	+2.0%	+2.0%	+2.0%	
4. Change in Band D council tax	+1.99%	+1.99%	+1.99%	£428k
5. Pay award - Uniformed	+2.0%	+1.0%	+2.0%	£350k
6. Pay award - Corporate	+2.75%	+1.0%	+2.0%	£125k
7. Non-pay inflation	+1.0%	+1.0%	+1.0%	£150k
8. Any residual revenue budget gap will require funding from the use of reserves				
9. Maintain General Balances at 5% or £2.5m				

4.3 Based on our budget requirement and these assumptions the indicative net budget position over the medium term is as follows:

Table 6	2021-22 £m	2022-23 £m	2023-24 £m	2024-25 £m
Total funding	57.031	57.630	58.280	59.214
Estimated net service budget	57.031	59.076	60.537	62.322
Budget surplus(+)/deficit(-)	£0.000	-£1.446	-£2.257	-£3.108

- 4.4 Our assumption about future funding cuts impacts significantly on the projections shown, but without a multi-year settlement from Government, it is difficult to predict what the actual position might look like. If we look at a scenario where our government funding does not reduce by 5% each year, a 'flat cash' scenario, the medium term projections would like this:

Table 7	2021-22 £m	2022-23 £m	2023-24 £m	2024-25 £m
Total funding	57.031	58.346	59.677	61.268
Estimated net service budget	57.031	59.076	60.537	62.322
Budget surplus(+)/deficit(-)	£0.000	-£0.730	-£0.860	-£1.064

- 4.5 Of course, we are continuing to lobby for increased flexibility around the fire precept. Table 8 below illustrates the beneficial impact of a £5 increase in the fire precept from 2022-23, which would deliver over £1.9m of additional funding.

Table 8	2021-22 £m	2022-23 £m	2023-24 £m	2024-25 £m
Total funding	57.031	59.550	60.259	61.253
Estimated net service budget	57.031	59.076	60.537	62.322
Budget surplus(+)/deficit(-)	£0.000	+£0.474	-£0.278	-£1.069

5. Reserves and balances

- 5.1 The Service will need to use its reserves and balances in order to provide a sustainable long-term financial position. Full details of our Reserves and Balances strategy are included in the MTFP (Appendix C).

5.2 General balances and reserves

- 5.2.1 General balances are set aside as a safety net to cover unplanned and unbudgeted costs. The Authority needs to maintain separate reserves and balances to help deal with unexpected contingencies and specific risks that cannot be managed within the annual revenue budget, and to provide a working balance to help manage cash flow fluctuations arising from their normal business activities.
- 5.2.2 General Balances at the start of 2020-21 amounted to £2.792m, increasing to £2.844m by the end of the financial year, in line with the Financial Principle of maintaining General Balances at 5% of revenue budget or £2.5m, whichever is the greater. We continue to review general balances risk assessment on an annual basis as part of the budget setting cycle.

5.3 Other earmarked reserves

- 5.3.1 The Authority has a number of other reserves that are maintained to help to deal with specific risks that cannot be managed within the annual revenue budget. This includes some of those items highlighted in our Strategic Assessment of Risk, such as the Emergency Services Mobile Communications Programme (ESMCP) and Network Fire Services Partnership (NFSP) projects.
- 5.3.2 Previously, we have been able to use some reserves to offset long term borrowing in supporting our capital investment plans. The planned savings in the revenue budget allow us to release £2.7m from our Transformation Reserve to support future capital investment. Following review, £319k can also be released from other reserves that are no longer required for their original purpose. Along with £100k that is included in the revenue budget as an ongoing contribution to capital reserves, we are able to create a capital reserve fund of just over £4m to support future capital investment and reduce borrowing costs. We will also look to add to this reserve where we are able to find additional revenue budget savings moving forward.
- 5.3.3 This as a sensible change to the reserves strategy, helping to reduce future strain on the revenue budget. We can begin making these changes in the current financial year and will update Members later in the year on how this fund can best be utilised.

6. Capital programme

6.1 Capital expenditure summary

- 6.2 Draft capital expenditure requirements for 2020-21 to 2024-25 are shown in table 9 below. The revised capital programme for 2020-21, as reported to the Authority in December 2020, totalled £7.357m and the current estimate of spend is £7.039m. The capital budget for 2021-22 recommended for approval is £9.068m.

Table 9: Capital Programme 2020-21 to 2024-25

Table 9	Current Estimate 2020-21 £m	Indicative Budget 2021-22 £m	Indicative Budget 2022-23 £m	Indicative Budget 2023-24 £m	Indicative Budget 2024-25 £m
Capital Expenditure					
Estates	1.019	1.136	0.750	0.750	0.750
Vehicles	4.706	6.382	2.139	2.055	5.510
Equipment	0.269	0.526	0.114	0.150	0.150
ICT	1.045	1.024	0.636	0.275	0.325
TOTAL	7.039	9.068	3.639	3.230	6.735

Financed by					
Prudential borrowing	6.884	8.912	3.639	3.230	6.735
Capital reserves	0.000	0.000	0.000	0.000	0.000
Other earmarked reserves	0.155	0.156	0.000	0.000	0.000
TOTAL	7.039	9.068	3.639	3.230	6.735

6.3 Estates

6.3.1 The 2021-22 programme includes the outcomes of independently undertaken property conditions survey, identifying the property assets in most need of attention now and over the next few years, based on risk and priority. This reflects a 7-year refresh cycle, increased from the previous 5-year refresh cycle, but still within professional guidelines. The current Estates programme does not include any provision for major station replacements/enhancements or make any provision for our vision of a centralised training centre.

6.4 Vehicles

6.4.1 Vehicles are regularly reviewed and are subject to the long-term vehicle replacement policy. The 2021-22 capital programme includes the completion of the project to replace nineteen large fire appliances, which has been delayed as a result of the pandemic. Over the next 5 years there is provision to replace a further twenty-five large fire appliances and eight 4x4 fire appliances. The programme takes account of the reviews in the Resourcing and Savings Programme presented at the recent Members seminar. This included not replacing some second away appliances and removing the cost of purchasing a fourth new aerial appliance, estimated at £715k. The new programme assumes no 'white' fleet replacements over the next two financial years as we look to reduce the capital programme and re-assess our requirements post-pandemic.

6.5 Equipment

6.5.1 The programme for equipment is made up of operational equipment and personal protective equipment (PPE) requirements. 2020-21 has seen the final completion of the major refresh of PPE costing approximately £1.6m. We had been planning for a major breathing apparatus (BA) replacement for 2023-24 at a similar cost of circa £1.6m, but this can now be significantly reduced. Carrying out a BA refresh during 2021-22 at a cost of £60k will extend the life of our current BA sets to 2031.

6.6 Information Technology and Communications

6.6.1 Ongoing ICT requirements are aligned to the ICT Strategy and this includes IT hardware and software replacements, communications equipment, systems and infrastructure. The current iteration of the 'ICT Roadmap' provides the indicative cost plan to 2024-25.

6.7 Capital financing

6.7.1 Capital expenditure can be financed from a variety of sources, including capital receipts, direct revenue contributions, reserves, specific grants and through prudential borrowing. The current funding plans are shown in Table 9 on page 12.

6.7.2 Clearly any external borrowing comes at a cost, and the borrowing required to support the capital programme is one of the reasons for the increases in the revenue budget requirement shown in the MTFP. As I have outlined in paragraph 5.3.2, the Reserves Strategy can be amended to allow funding to be set aside from other reserves and savings to create a fund to reduce the need for external borrowing. This will help to reduce the forecast capital financing costs, easing pressure on the revenue budget MTFP projections.

7. Statutory declarations

7.1 Robustness of the estimates

7.1.1 Under Section 25 of the Local Government Act 2003, the Treasurer, as designated under Section 151 of the Local Government Act 1972 and Section 112 of the Local Government Finance Act 1988, is required to report to the Authority when setting its Band D Fire Precept on two issues:

- the robustness of the estimates included in the budget and
- the adequacy of the financial reserves in the budget.

7.1.2 There are also a range of other safeguards aimed at ensuring local authorities do not over commit themselves financially. These include:

- The Chief Financial Officer's powers under Section 14 of the Local Government Act 1988, which requires a report to the Authority if there is or is likely to be unlawful expenditure or an unbalanced budget;
- The Local Government Finance Act 1992 which requires a local authority to calculate its budget requirement for each financial year, including the revenue costs which flow from capital financing decisions. The Act also requires an Authority to budget to meet its expenditure after taking into account other sources of income. This is known as the 'balanced budget requirement'; and,

- The Prudential Code, introduced under the Local Government Act 2003, which applies to capital financing and treasury management decisions.

7.1.3 Whilst budgets are based on realistic assumptions, some budgets are subject to a degree of estimating error as actual expenditure can be affected by factors outside of the Authority's control, for example major incidents. The estimates have been prepared on an incremental basis, based on existing commitments, adjusted for inflation, increments and other unavoidable cost-drivers, and taking into account variations in service provision.

7.1.4 The revenue and capital budgets can be regarded as robust. Although there are risks in the 2021-22 budget, as with any budget, those risks are manageable, and have been taken into account in advising on the level of general reserves at this time.

8. Summary & key messages

8.1 The Service's revenue budget requirement for 2021-22 is £57.031m and the Capital Programme requirement is £9.068m.

8.2 In order to meet this budget requirement and taking into account the level of funding provided in the Local Government Finance Settlement, Members are asked to approve a Band D Fire Precept of £77.88 for 2021-22. This represents an increase of £1.52 (or just less than 3p per week). This is recommended as the most prudent and sustainable option currently available, in the face of ongoing financial pressures beyond 2021-22.

8.3 Officers will take the work of the Resourcing and Savings Programme forward in 2021 as we prepare for the next Spending Review. Members will be updated on the progress this important work through a series of seminars.

February 2021