

TO: Cambridgeshire and Peterborough Fire Authority

FROM: Deputy Chief Executive Officer - Matthew Warren

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DRAFT FIRE AUTHORITY BUDGET 2019/20

1. Purpose

- 1.1 The purpose of this report is to present the Fire Authority with the proposed budget and precept for 2019/20.

2. Recommendation

- 2.1 The Authority is asked to review the budget book attached at Appendix 1 and approve the recommendations detailed on Page 18 within it.

3. Risk Assessment

- 3.1 **Economic/Political** – the efficiency plan was approved and the current comprehensive spending review period cuts are forecast to be achieved. The budget will need to be set at a level that falls within the efficiency plan and keeps council tax increases within defined capping limits.

4. Background

- 4.1 The Service received its draft settlement for 2019/20 on 13 December 2018. The draft Authority budget was presented to the Policy and Resources Committee for endorsement in December 2018; the Committee endorsed the proposed budget and associated precept increase of 2.88%.
- 4.2 A consultation process on the proposed council tax increase has been undertaken and feedback from this process will be presented orally at the Authority meeting.

5. Budget Considerations

- 5.1 The budget has been built including an additional burden for the Authority associated with the changes to the Firefighter Pension Scheme SCAPE (superannuation contributions adjusted for past experience) rate. This change has resulted in an increase in the employer contribution rate to 30.2%. Whilst the Treasury has provided the Authority with a Section 31 grant to cover some of this burden, the grant of £1.144m still leaves the

Authority with a gap of £290k. The budget attached shows this pressure funded by using the Pension Reserve. At this stage it is not known how the gap will be funded in the future although there are indications that it will be wrapped up with the comprehensive spending review process.

- 5.2 Pay inflation has been forecast at 2% for the next financial year. However the actual inflation figure is subject to negotiation with the various representative bodies so may be subject to change. In addition to inflation, there are a small number of new posts contained within the budget; a new post which supports the maintenance of the community risk database and a new ICT Shared Services structure that includes a database analyst and a dedicated ICT project manager. These posts are jointly funded between ourselves and Bedfordshire Fire and Rescue Service.
- 5.3 The budget also accounts for the additional costs associated with the revised maternity arrangements, presented and endorsed by the Policy and Resources Committee in December 2018. The Committee requested that the estimated additional costs of £47k were included within the budget. These costs are funded by drawing from reserves during 2019/20.
- 5.3 The detailed budget build, included on pages 21 and 22 of the budget book, provides a line by line breakdown of the proposed budget, showing the current year budget and the proposed 2019/20 budget.
- 5.4 Attached at pages 19 and 20 of the budget book are the detailed capital budgets for 2019/20. The major change for 2019/20 is the purchase of two new aerial appliances. However there was an assumption made within the capital programme, approved in February 2018 that they would be ordered in separate financial years. This method of implementation will cause operational training challenges and therefore the purchase of the second appliance has been brought forward from 2023/24. To enable this to be funded from next year's capital programme the purchase of three new rescue appliances has been deferred whilst a formal review of the new smaller appliances is undertaken. The replacement of the first appliance is in the current financial years' capital programme that will be slipped into 2019/20.

BIBLIOGRAPHY

Source Documents	Location	Contact Officer
Budget Preparation Papers 2019/20	Headquarters Hinchingsbrooke Cottage Brampton Road Huntingdon	Matthew Warren 01480 444619 matthew.warren@cambsfire.gov.uk