

**TO:** Policy and Resources Committee

**FROM:** Deputy Chief Executive Officer - Matthew Warren

**PRESENTING OFFICER(S):** 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 Policy and Resources Committee with the draft budget and precept for 2019/20.

### **2. Recommendation**

- 2.1 The Committee is asked to endorse the draft budget and approve that the Service consults on the proposed precept increase (attached at Appendix 1).

### **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 draft revenue budget, attached at Appendix 1, is subject to change owing to final figures being unavailable for council tax collection funds and non-domestic rates from each district; some internal adjustments may also be required during the draft stage.
- 4.2 The Service received its draft settlement for 2019/20 on 13 December 2018. The final budget will be presented to the Fire Authority for approval in February 2019, along with feedback from the budget consultation process.

## **5. Budget Considerations**

- 5.1 The budget has been built assuming an increase in council tax of 3%. At the time of writing, there is still uncertainty around funding for the firefighter pension scheme. The uncertainty is a result of the changes in SCAPE (superannuation contributions adjusted for past experience) rate of the scheme which effectively means that the Government anticipate the gap in pension will be greater in future years, so the employer rate will increase. It is anticipated that Treasury will provide a S31 grant for some of the gap but not all. Therefore, it is expected that there will be some burden for fire authorities; the attached budget does not include the additional potential burden of pensions.
- 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 detailed budget build is attached at Appendix 2 and provides a line by line breakdown of the draft budget, showing the current year budget and the proposed 2019/20 budget.
- 5.4 Attached in Appendices 3 and 4 are the summary and 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.
- 5.5 The final budget, depending on final adjustments regarding the pension gap and final tax base information will seek to use some of the General Reserve to balance the budget for 2019/20.

## BIBLIOGRAPHY

Source Document	Location	Contact Officer
Budget Preparation Papers 2019/20	HQ Hinchingsbrooke Cottage Brampton Road Huntingdon	Matthew Warren 01480 444619 <a href="mailto:matthew.warren@cambsfire.gov.uk">matthew.warren@cambsfire.gov.uk</a>

	Estimate	2019/20	Forecast	Forecast	Forecast	Forecast	Forecast
	£'000	Incr.%	2020/21	2021/22	2022/23	2023/24	2024/25
			£'000	£'000	£'000	£'000	£'000
<b>Budget (previous year)</b>	<b>28,422</b>		<b>28,890</b>	<b>29,520</b>	<b>29,240</b>	<b>30,191</b>	<b>31,158</b>
Wholetime Firefighters Pay	226						
Retained Firefighters Pay	50						
Fire Control Pay	31		215	0	0	0	0
Local Government Employees Pay (LGEs)	121		-1	0	0	0	0
Other Price inflation	175						
<b>Inflation</b>	<b>603</b>	<b>2.1%</b>	<b>731</b>	<b>528</b>	<b>523</b>	<b>540</b>	<b>557</b>
LGE Staff	295						
Control Room Staff	-16						
Firefighters	-8		0				
Operational Activity	33		0				
Insurances	-64						
Capital Charges	46		180	204	462	0	0
Other	5		17	22	54	0	0
<b>Budget Variations</b>	<b>291</b>	<b>1.0%</b>	<b>197</b>	<b>226</b>	<b>516</b>	<b>0</b>	<b>0</b>
<b>Service Pressures/Efficiency Savings</b>							
Budget Holder Savings	-426	-1.5%	-298	-1,034	-88	427	454
<b>Service Pressures/Efficiency Savings</b>	<b>-426</b>	<b>-1.5%</b>	<b>-298</b>	<b>-1,034</b>	<b>-88</b>	<b>427</b>	<b>454</b>
<b>Budget Requirement</b>	<b>28,890</b>	<b>1.6%</b>	<b>29,520</b>	<b>29,240</b>	<b>30,191</b>	<b>31,158</b>	<b>32,169</b>
<b>Less:</b>							
RSG	-2,751		-2,750				
Top-up Grant	-2,385		-2,240	-3,816	-3,854	-3,892	-3,931
National Non-domestic Rates	-3,632		-3,668	-3,705	-3,742	-3,779	-3,817
Transfer from reserves	-36						
<b>Fire Authority Precept</b>	<b>20,086</b>		<b>20,862</b>	<b>21,719</b>	<b>22,595</b>	<b>23,487</b>	<b>24,421</b>
<b>Tax Base</b>	<b>283,943</b>		<b>286,527</b>	<b>289,706</b>	<b>292,947</b>	<b>295,876</b>	<b>298,835</b>
<b>Band D Tax</b>	<b>£70.74</b>		<b>£72.81</b>	<b>£74.97</b>	<b>£77.13</b>	<b>£79.38</b>	<b>£81.72</b>
<b>Year on Year Increase</b>	<b>2.88%</b>		<b>2.9%</b>	<b>3.0%</b>	<b>2.9%</b>	<b>2.9%</b>	<b>2.9%</b>

2018/19 £'000		2019/20 £'000
	<b>Expenditure</b>	
15,995	Firefighters and Control Room Staff	16,334
6,033	Support Staff	6,448
418	Training	434
55	Other Staff Costs	57
<b>22,501</b>	<b>Total Employee Costs</b>	<b>23,273</b>
325	Repairs and Maintenance	329
282	Heating and Lighting	305
155	Cleaning Contract	161
640	Rents and Rates	689
<b>1,402</b>	<b>Total Premises Costs</b>	<b>1,484</b>
116	Office Equipment and Furniture and Fitting	118
921	IT Equipment	947
382	Clothing and Uniform	387
996	Communications	986
422	Mutual Protection	360
63	Subscriptions	67
33	Corporate Support	34
133	Community Safety	136
78	Fire Protection Exps	80
117	Health and Safety	119
102	Members Fees	101
0	Fire Service College	0
70	Audit Fees	71
86	Legal Fees	88
201	Consultant Fees	201
46	Printing and Stationery	47

2018/19 £'000		2019/20 £'000
16	Postage	17
72	Travel and Subsistence	73
34	Advertising	30
98	Hydrants/BA Maintenance	100
168	Operational Equipment/Infrastructure	172
104	Project Delivery Costs	106
151	Other Supplies and Services	154
<b>4,409</b>	<b>Total Supplies and Services Costs</b>	<b>4,394</b>
65	Car Allowances	69
255	Petrol, Oil and Tyres	281
133	Repair and Maintenance of Vehicles	137
<b>453</b>	<b>Total Transport Costs</b>	<b>487</b>
124	Section 2 and 12 Charges	127
22	Service Level Agreements	23
<b>146</b>	<b>Total Agency Charges</b>	<b>150</b>
1,443	Capital Financing	966
<b>1,443</b>	<b>Total Capital Charges</b>	<b>966</b>
-189	Capital Receipts > £10k	-64
-896	Control Room Recharge	-887
-468	Section 33 Grants	-529
-379	Other Income	-384
<b>-1,932</b>	<b>Total Income</b>	<b>-1,864</b>
<b>28,422</b>	<b>Net Revenue Expenditure</b>	<b>28,890</b>

**MEDIUM TERM CAPITAL PROGRAMME 2019/20 TO 2022/23**

<b>CAPITAL EXPENDITURE</b>	2019/20 £ Forecast	2020/21 £ Forecast	2021/22 £ Forecast	2022/23 £ Forecast
Vehicle Replacement Programme**	1,444,000	1,120,000	1,940,000	1,472,000
Equipment	292,000	209,000	272,000	195,000
Property Maintenance & Land	1,210,000	500,000	500,000	500,000
IT & Communications	350,000	350,000	350,000	350,000
<b>TOTAL EXPENDITURE</b>	<b>3,296,000</b>	<b>2,179,000</b>	<b>3,062,000</b>	<b>2,517,000</b>
	0	0	0	1,000
<b>Financed by:-</b>				
Loan	2,026,708	1,623,708	2,594,708	2,112,586
Capital Receipts	-262,000	-110,000	-171,000	-263,000
Revenue Contribution to Capital Outlay (RCCO)	650,292	665,292	638,292	667,414
Transfer from Reserves	881,000	0	0	0
Capital Grants	0	0	0	0
<b>TOTAL RESOURCES</b>	<b>3,296,000</b>	<b>2,179,000</b>	<b>3,062,000</b>	<b>2,517,000</b>

<b>VEHICLE REPLACEMENT PROGRAMME</b>			FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027
<b>TYPE OF VEHICLE</b>	<b>Current Held</b>	<b>LIFE SPAN</b>	<b>Forecast No. 2019/20</b>	<b>Forecast No. 2020/21</b>	<b>Forecast No. 2021/22</b>	<b>Forecast No. 2022/23</b>	<b>Forecast No. 2023/24</b>	<b>Forecast No. 2024/25</b>	<b>Forecast No. 2025/26</b>	<b>Forecast No. 2026/27</b>	<b>Forecast No. 2027/28</b>
Rescue Pumps	21	15	0	3	3	3	3	3	3	3	3
Water Tender	20	15	0	0	0	0	0	0	0	0	0
Water Tender (Alternative Appliances)	0	15	0	0	0	0	0	0	0	0	0
Multistar (Aerial Appliance)	2	15	1	0	0	0	0	0	0	0	0
CFO	1	2	0	1	0	1	0	1	0	1	0
DIRECTORS	2	3	2	0	0	1	0	0	1	0	0
Area Commanders	3	3	2	0	1	2	0	1	2	0	1
FDS/Staff Large Estates (Passat's )	32	3	10	10	10	11	10	10	11	10	10
FDS Small Estates (Golf's/cars)	8	3	5	0	2	5	0	2	5	0	2
Fleet Small Estates (Golf's)	14	3	4	4	6	4	4	6	4	4	6
Fleet Small Cars (Ups)	19	3	10	0	9	10	0	9	10	0	9
Small Van's (VW Caddy)	9	3	2	0	5	2	0	5	2	0	5
Small Van's (Peugeot)	5	3	0	0	5	0	0	5	0	0	5
Derived Van (VW)	4	3	0	0	2	0	0	2	0	0	2
Medium Van's (VW Transporters Inc Pick up van)	8	3	0	2	5	0	2	5	0	2	5
Large Van (Crafters)	4	3	2	0	2	2	0	2	2	0	2
Personnel Carrier/MPV (TC)	2	3	0	0	1	0	0	1	0	0	1
RV's (Mercedes Sprinter)	3	5	0	0	2	0	0	0	0	2	0
Command Support Unit(Control Unit)	1	10	0	0	1	0	0	0	0	0	0
Foam Water Carrier	1	15	0	0	0	0	1	0	0	0	0
Car Transporter (Trailer)	1	10	0	1	0	0	0	0	0	0	0
<b>TOTAL VEHICLES</b>	<b>160</b>		<b>38</b>	<b>21</b>	<b>54</b>	<b>41</b>	<b>20</b>	<b>52</b>	<b>40</b>	<b>22</b>	<b>51</b>



			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
			£	£	£	£	£	£	£	£	£
Rescue Pumps		15	0	716,900	716,900	716,900	716,900	716,900	716,900	716,900	716,900
Water Tender		15	0	0	0	0	0	0	0	0	0
Water Tender (Alternative Appliances)		10	0	0	0	0	0	0	0	0	0
Multistar (Aerial Appliance)		15	724,800	0	0	0	0	0	0	0	0
CFO		2	0	47,500	0	47,500	0	47,500	0	47,500	0
DIRECTORS		3	79,062	0	0	41,400	0	0	41,400	0	0
Area Commanders		3	57,200	0	28,600	57,200	0	28,600	57,200	0	28,600
FDS/Staff Large Estates (Passat's )		3	251,500	251,500	251,500	276,700	251,500	251,500	276,700	251,500	251,500
FDS Small Estates (Golf's/cars)		3	104,600	0	41,800	104,600	0	41,800	104,600	0	41,800
Fleet Small Estates (Golf's)		3	64,200	64,200	96,200	64,200	64,200	96,200	64,200	64,200	96,200
Fleet Small cars (Up's)		3	92,000	0	82,800	92,000	0	82,800	92,000	0	82,800
Small Van's (VW Caddy)		5	25,300	0	63,200	25,300	0	63,200	25,300	0	63,200
Small Van's (Peugeot)		5	0	0	45,900	0	0	45,900	0	0	45,900
Derived Van		5	0	0	26,400	0	0	26,400	0	0	26,400
Medium Van's (VW Transporters Inc Pick up van)		5	0	35,700	89,200	0	35,700	89,200	0	35,700	89,200
Large Van (Crafters)		5	45,100	0	45,100	45,100	0	45,100	45,100	0	45,100
Personnel Carrier/MPV (TC)		3	0	0	22,700	0	0	22,700	0	0	22,700
RV's (Mercedes Sprinter)		10	0	0	191,900	0	0	0	0	191,900	0
Command Support Unit(Control Unit)		10	0	0	237,500	0	0	0	0	0	0
Foam Water Carrier		15	0	0	0	0	237,500	0	0	0	0
Car Transporter		10	0	4,400	0	0	0	0	0	0	0
<b>FINANCED FROM CAPITAL RESOURCES</b>			1,443,762	1,120,200	1,939,700	1,470,900	1,305,800	1,557,800	1,423,400	1,307,700	1,510,300

<b>CAMBRIDGESHIRE FIRE &amp; RESCUE SERVICE</b>							
<b>CAPITAL PROGRAMME: LAND &amp; BUILDINGS</b>							
				2019/20	2020/21	2021/22	2022/23
				£	£	£	£
<b>CAPITAL PROGRAMME APPROVED</b>							
<b>BY FIRE AUTHORITY</b>							
		Cottenham					
		Re-surfacing		35,000			
		Dogsthorpe, Peterborough					
		Re-surfacing		85,000			
		Reroofing of appliance bay & wash d		100,000			
		Ely					
		Welfare facilities upgrade					
		Gamlingay					
		Re-surfacing		45,000			
		Kimbolton					
		Replacement Drill tow er					
		Re-surfacing					
		Roofing replacement					
		Linton					
		Replacement Roofing		60,000			
		Littleport					
		Replacement Drill tow er					
		Ramsey					
		Re-surfacing		30,000			
		Saw try					
		Extension to drill yard and car park					
		Replacement Drill tow er					
		Removal of tank room		25,000			
		Soham					
		Replacement Drill tow er					
		St Ives					
		Repalcement heating boiler		50,000			
		Replace concrete drill tow er		75,000			
		St Neots					
		Storage, gym (ass training)					
		Thorney					
		Replacement Drill tow er					
		Whittlesey					
		Replacement Drill tow er					
		Re-surfacing		80,000			
		Wisbech					
		Smoke house		110,000			
		Various (TBC)		75,000			
		Enhancement/Contingency		440,000	500,000	500,000	500,000
				<b>1,210,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>

[illegible]

CAPITAL EXPENDITURE			2019/20	2020/21	2021/22	2022/23	2023/24
			No.	No.	No.	No.	No.
Heavy Duty Combi's	10		15	6	11	1	0
Appliance Ladders	15		0	3	3	3	3
BA Compressors (Large)	10		0	0	0	0	1
BA Compressors (Small)	10		0	0	0	3	3
New workshop ramp	10		0	1	0	0	0
MARS units	7		0	0	0	0	0
Thermal Cameras	5		14	14	14	14	14
Hot Fire Containers	7		0	0	0	0	1
LPP's	15		0	3	3	3	3
Airbags	10		0	0	0	0	0
Defibrillators	5		0	0	0	35	0
TOTAL			29	27	31	59	25
CAPITAL EXPENDITURE			2019/20	2020/21	2021/22	2022/23	2023/24
			£	£	£	£	£
Heavy Duty Combi's	10		225,000	90,000	165,000	15,000	0
Appliance Ladders	15		0	21,780	21,780	21,780	21,780
BA Compressors (Large)	10		0	0	0	0	22,000
BA Compressors (Small)	10		0	0	0	42,000	42,000
New workshop ramp	10		0	12,360	0	0	0
MARS units	7		0	0	0	0	0
Thermal Cameras	5		67,060	67,060	67,060	67,060	67,060
Hot Fire Containers	7		0	0	0	0	40,000
LPP's	15		0	18,000	18,000	18,000	18,000
Airbags	10		0	0	0	0	0
Defibrillators			0	0	0	31,500	0
TOTAL			292,060	209,200	271,840	195,340	210,840