



CAMBRIDGESHIRE
& PETERBOROUGH
FIRE AUTHORITY

BUDGET BOOK 2020/21

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Budget Overview

Background

The funding formula for 2020/21 contains:

- Revenue Support Grant; and
- Baseline Funding (Business Rates);

Revenue Support Grant

The Revenue Support Grant has been increased by £0.044 million, over that received in 2019/20. This is a one year settlement. Funding has been assumed to stay flat in the medium term.

Localised Business Rates

All single purpose fire and rescue authorities are funded through a two percent share of each district or unitary council's business rates income and topped up by central government. A safety net and tariff/top-up is applied to this funding to ensure no service makes excess gains or losses through this funding. The funding for Cambridgeshire Fire was impacted by a top up adjustment of £2.424m through this adjustment mechanism.

Comprehensive Spending Review (CSR)

The comprehensive spending review has been delayed and is now not expected to be implemented until late 2020. The implications of this review should be known for the 2021/22 budget cycle.

What does it mean?

In summary the Authority will receive a total grant, including Business Rate Contributions, of £9,371k. In addition, all local authorities within Cambridgeshire has signed up to the principle of Business Rates pooling. The system seeks to enable local authorities to benefit from a share of the increases in business rates. The baseline funding levels are guaranteed.

The Revenue Support Grant and Business Rate Contributions and grants represent £6,947k of this total. This is an increase of £252k over the grant received in 2019/20, equivalent to 3.8%.

The budget has been prepared for the medium term after making a number of assumptions, which are:

- A 1.91% increase in Council Tax for 2020/21;
- Non pay inflation will be 1%

The detailed medium term estimates for the next three financial years, as shown on page 4, include assumptions on the Comprehensive Spending Review.

The Budget Build-up: Revenue Expenditure

The budget is built using the input of each budget holder; each budget is reviewed and amended at specific budget holder and finance meetings. The information from each group is then consolidated into the final budget.

Summary of Revenue Expenditure

2019/20 Budget £000		2020/21 Budget £000
	Expenditure	
24,755	Employees	25,687
1,484	Premises	1,563
4,369	Supplies and Services	4,333
487	Transport	488
150	Agency Costs	152
1,273	Capital Financing	1,036
32,518	Total Expenditure	33,259
-2,741	Income	-2,979
29,777	Net Expenditure	30,280

Attached at Appendix 2 is a detailed expenditure forecast.

Inflation

The anticipated costs of inflation between 2019/20 and 2020/21 are £428k, an average of 1.4%.

Pay awards for employees is forecast at 2%.

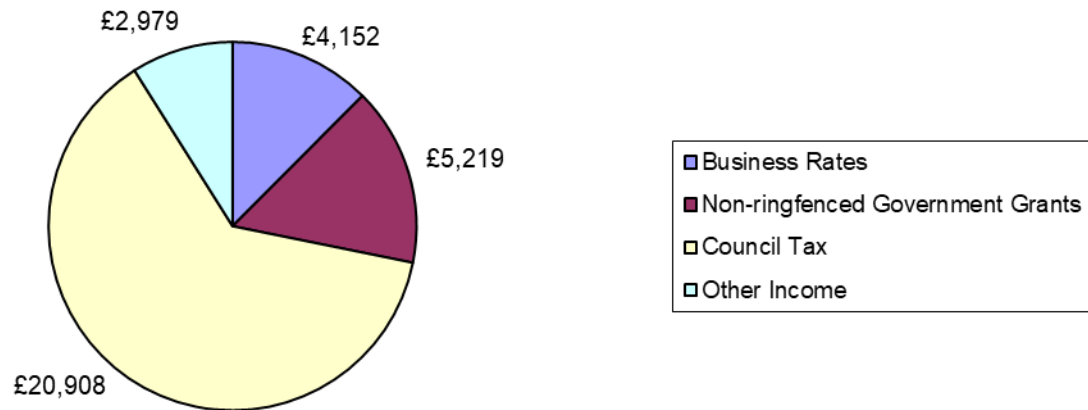
Financing the Budget

	£'000	%
Adjusted Budget 2019/20	29,777	
Inflation and Pressures	428	1.4
Budget Variations	304	1.0
Service pressures/efficiencies	-230	-0.8
Budget Requirement 2020/21	30,279	
Less:		
Transfer from reserves	0	
RSG & NNDR	-9,371	
Recommended Precept 2019/20	20,908	

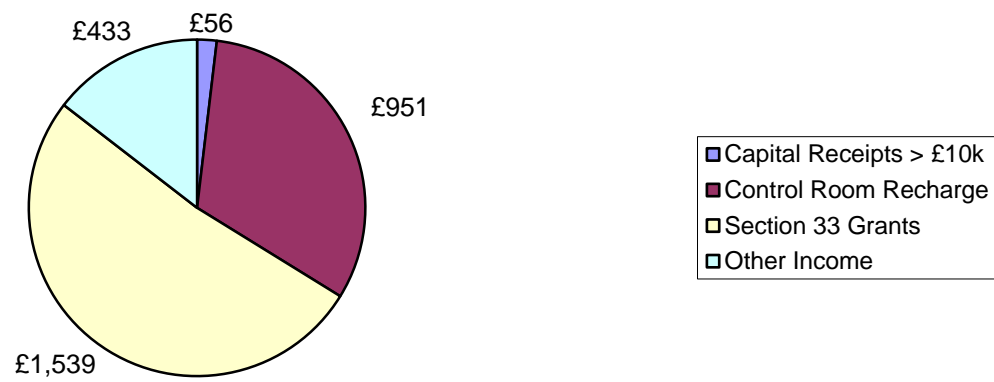
The following page shows the medium term revenue forecast detailing the anticipated budget requirements and the indicative Authority tax rates for 2020/21 to 2022/23.

	Estimate	2020/21	Forecast	Forecast
	£'000	Incr.%	2021/22 £'000	2022/23 £'000
Budget (previous year)	29,777		30,279	29,694
Wholetime Firefighters Pay	254			
Retained Firefighters Pay	56			
Fire Control Pay	31		-1	0
Local Government Employees Pay (LGEs)	130		-4	0
Other Price inflation	-43			
Inflation	428	1.4%	550	544
LGE Staff	76			
Control Room Staff	66			
Firefighters	237		0	
Operational Activity	-7		0	
Insurances	0			
Capital Charges	-5		170	127
Other	-63		18	21
Budget Variations	304	1.0%	188	148
Service Pressures/Efficiency Savings				
Budget Holder Savings	-230	-0.8%	-1,323	272
Service Pressures/Efficiency Savings	-230	-0.8%	-1,323	272
Budget Requirement	30,279	1.7%	29,694	30,658
Less:				
Settlement Amendments	0			
RSG	-2,795			
Transfer to Special Grant re localisation Reserve	0			
Developer Revenue Grant Contributions			0	0
NNDR Related Grant (Top Up Grant)	-2,424		-3,816	-3,854
National Non-domestic Rates	-4,152		-4,194	-4,236
Transfer from reserves	0		0	0
Fire Authority Precept	20,908		21,684	22,568
Tax Base	290,021		292,044	295,348
Band D Tax	£72.09		£74.25	£76.41
Year on Year Increase	1.91%		3.0%	2.9%

How we are funded (£'000)



Analysis of other income (£'000)



The Budget Build-up: Capital Expenditure

The Prudential Code, introduced as part of the Local Government Act 2003, requires authorities to ensure capital expenditure is both prudent and affordable.

The Capital Budget for 2020/21 amounts to £3.454m and is summarised below:

Schemes	£'000
Vehicles including Fire Appliances	1,250
Property Schemes	1,220
Operational Equipment	209
IT and Communications	775
Total Expenditure	3,454

A schedule setting out the medium term capital programme for 2020/21 to 2023/24 is shown on the next page.

The Capital Programme has been prepared after considering the Authority's Asset Management Plan.

The revenue budget accounts for the financing costs of the schemes in 2020/21 and future years.

A summary of how the Capital Programme will be financed is shown below:

	£'000
PWLB Loan	1,616
Capital Receipts	233
Revenue Contribution	724
Transfer from reserves	881
Total Financing	3,454

DRAFT SUMMARY MEDIUM TERM CAPITAL PROGRAMME 2020/21 TO 2023/24

	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000
CAPITAL EXPENDITURE (details – Appendix 3)				
Vehicle Replacement Programme	1,250	2,075	1,600	1,392
Equipment	209	272	195	211
Property Maintenance & Land	1,220	1,270	1,210	848
IT & Communications	775	775	350	350
TOTAL EXPENDITURE	3,454	4,392	3,355	2,801
FINANCED BY:				
Loan	1,616	2,987	2,164	1,836
Capital Receipts	233	457	375	237
Revenue Contribution to Capital Outlay (RCCO)	724	948	816	728
Transfer from Reserves	881	-	-	-
Capital Grants	-	-	-	-
TOTAL RESOURCES	3,454	4,392	3,355	2,801

Treasury Management Strategy Statement

The Local Government Act 2003 (The Act), supporting regulations and CLG Guidance require the Authority to 'have regard to' the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice to set Prudential and Treasury Indicators for the next three years to ensure that the Authority's capital investment plans are affordable, prudent and sustainable.

The Act therefore requires the Authority to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy (as required by Investment Guidance subsequent to the Act). This sets out the Authority's policies for managing its investments and for giving priority to the security and liquidity of those investments.

CIPFAs Code of Practice on Treasury Management has been adopted by this Authority. This strategy statement has been prepared in accordance with the Code.

The Overview and Scrutiny Committee has responsibility to ensure the effective scrutiny of the Treasury Management Policy (TMP) and strategies and will be provided with update reports during the year. As a minimum a mid-year report will be presented.

The Act therefore requires the Authority to set out its treasury strategy for borrowing and to prepare an Annual Investment Strategy; this sets out the Authority's policies for managing its investments and for giving priority to the security and liquidity of those investments.

The suggested strategy for 2020/21 in respect of the following aspects of the treasury management function is based upon the Treasury Officers' views on interest rates, supplemented with leading market forecasts provided by the Authority's treasury advisor. The strategy covers:

- The current treasury position;
- Prospects for interest rates;
- Treasury limits in force which will limit the treasury risk and activities of the Authority including Prudential and Treasury Indicators;
- The borrowing strategy;
- The Minimum Revenue Provision;
- The investment strategy;
- The credit worthiness policy;
- Policy on the use of external service providers.

It is a statutory requirement under Section 33 of the Local Government Finance Act 1992, for the Authority to produce a balanced budget. In particular, Section 32 requires a local authority to calculate its budget requirement for each financial year to include the revenue costs that flow from capital financing decisions. This therefore means that increases in capital expenditure must be limited to a level whereby increases in charges to revenue from:

- increases in interest charges caused by increased borrowing to finance additional capital expenditure and;
- any increases in running costs from new capital projects are limited to a level which is affordable within the projected income of the Authority for the foreseeable future.

It is a statutory duty under Section 3 of the Local Government Act 2003 and supporting regulations, for the Authority to determine and keep under review how much it can afford to borrow. The amount so determined is termed the “Affordable Borrowing Limit”. The Authorised Limit represents the legislative limit specified in the act.

The Authority must have regard to the Prudential Code when setting the Authorised Borrowing Limit, which essentially requires it to ensure that total capital investment remains within sustainable limits and in particular, that the impact upon its future Authority tax levels is ‘acceptable’.

Whilst termed an “Affordable Borrowing Limit”, the capital plans to be considered for inclusion incorporate those planned to be financed by both external borrowing and other forms of liability, such as credit arrangements. The authorised limit is to be set, on a rolling basis, for the forthcoming financial year and two successive financial years.

The following Prudential and Treasury Indicators are relevant for the purposes of setting an integrated treasury management strategy.

	2020/21 £m	2021/22 £m	2022/23 £m
Affordable Borrowing Limit			
Total Budget excl. capital	29.243	28.266	29.236
Total Budget incl. capital	30.279	29.694	30.658
Difference	1.036	1.428	1.422
Band D Impact	£3.57	£4.89	£5.17
Band D Authority Tax	£72.09	£74.25	£76.41
Band D Increase	£1.35	£2.16	£2.16

	2020/21 £m	2021/22 £m	2022/23 £m
Capital Financing Requirement	5.059	7.839	9.746
Operational Boundary	7.037	10.024	12.188
Authorised Limit	8.537	11.524	13.688
Upper limit for fixed rate interest exposure	100%	100%	100%
Upper limit for variable rate interest exposure	100%	100%	100%

	Upper Limit	Lower Limit
Maturity Structure of new Fixed Rate borrowing in 2019/20:		
Under 12 months	100%	0%
12 to 24 months	100%	0%
24 months to within 5 years	100%	0%
5 to 10 years	100%	0%
10 years and above	100%	0%

The Authority's current portfolio position at 31/12/19 comprised:

	Source	Principal £m	Rate
Fixed Rate Funding	PWLB	1.700	4.25%
Fixed Rate Funding	PWLB	1.500	4.55%
Gross Debt		3.200	
Total Investments		17.345	
Net Investment		14.145	

The anticipated borrowing requirements of the Authority are detailed below:

	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m
New Borrowing	1,616	2,987	2,164	1,836
Alternative Financing	0	0	0	0
Replacement Borrowing	0	0	0	0
Total	1,616	2,987	2,164	1,836

Prospects for Interest Rates

The Authority has appointed Link Treasury Services Ltd, as treasury adviser to the Authority and part of their service is to assist the Authority to formulate a view on interest rates. The following gives the Sector central view.

Sector Bank Rate Forecasts for financial year ends (March)

- 2019/ 2020 0.75%
- 2020/ 2021 1.00%
- 2021/ 2022 1.00%
- 2022/ 2023 1.25%

PWLB maturity rates have been on a rising trend over the last quarter (ending December 2019). The 50 year PWLB target (certainty) rate for new long term borrowing started the quarter at 2.20% and ended at 3.10%, this is expected to rise to 3.5% by March 2021. The 25 year rate is expected to be 3.3% until March 2020 and rise further reaching 3.6% by March 2021. The 5 year rates are expected to be 2.4% until March 2020 then to gradually rise to reach 2.6% by March 2021.

Link Treasury Services Ltd's report quarter ending December 2019 stated that after the August 2018 Bank Rate increase to 0.75% the MPC had since put any further action on hold until after the Brexit fog had cleared. While the general election in December 2019 has provided political certainty leading to implementation of the UK leaving the EU on 31.1.20, there is still much uncertainty on what sort of trade deal may be agreed by the end of 2020 and its likely impact on the UK economy. The current forecast of the Bank Rate is expected to rise by 0.25% by March 2021 to 1.00% and staying at this level through to March 2022.

These forecasts are based on a central assumption that there will be some sort of muddle through agreement on a reasonable form of Brexit. Bank rate forecasts will have to change if this assumption does not materialise e.g. a no deal Brexit could prompt MPC to do an immediate cut of Bank Rate. All other forecasts for investment and borrowing rates would also have to change.

The overall balance of risks to economic recovery in the UK is probably even, but dependent on a successful outcome of negotiations on a trade deal. The balance of risks to increase the Bank Rate and shorter term PWLB rates are broadly similarly to the downside. In the event that a Brexit deal is agreed with the EU and approved by Parliament, the balance of risks to economic growth and to increases in Bank Rate is likely to change to the upside.

Borrowing Strategy

The Authority is currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt, as cash supporting the reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as investment returns are low and counterparty risk is high.

This Authority's total investments exceed gross debt with net investments of £14,145m. The general aim of this treasury management strategy is to reduce this total over the next three years in order to reduce the credit risk incurred by holding investments. Another factor which will be carefully considered is the difference between borrowing rates and investment rates to ensure the Authority obtains value for money once an appropriate level of risk management has been attained to ensure the security of its investments.

Against this background and the risks within the economic forecast caution will be adopted with the 2020/21 treasury operations - the aim will be to minimize debt interest costs. The

Treasurer, in conjunction with the Authorities treasury advisor, will continually monitor the interest rate market and adopt a pragmatic approach to changing circumstances.

The Authority will not borrow more than or in advance of its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be considered carefully to ensure value for money can be demonstrated and that the Authority can ensure the security of such funds. Borrowing in advance of need will only be undertaken where there is a clear business case for doing so for the current capital programme or to finance future debt maturities.

Investment Policy

The Authority will have regard to the MHCLG's Guidance on Local Government Investments, ("The Guidance") and the 2011 revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes, ("the CIPFA TM Code"). The Authority's investment priorities are:

- the security of capital;
- the liquidity of its investments.

The Authority will also aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity. The risk appetite of this Authority is low in order to give priority to security of its investments.

The borrowing of monies purely to invest or on-lend and make a return is unlawful and this Authority will not engage in such activity.

Investment instruments used in the financial year will be selected in accordance with the Treasury Management Policy and advice from the Authority's treasury advisors. Counterparty limits will be as set through the Authority's Treasury Management Policy.

Creditworthiness Policy

This Authority uses the creditworthiness service provided by Sector Treasury Services. This service uses a sophisticated modelling approach with credit ratings from all three rating agencies - Fitch, Moodys and Standard and Poors, forming the core element. The credit ratings of counterparties are supplemented with the following overlays:

- credit watches and credit outlooks from credit rating agencies;
- credit default swap (CDS) spreads, to give early warning of likely changes in credit ratings;

- sovereign ratings to select counterparties from only the most creditworthy countries.

This modelling approach combines credit ratings, credit watches, credit outlooks and CDS spreads in a weighted scoring system for which the end product is a series of colour code bands which indicate the relative creditworthiness of counterparties. These colour codes are also used by the Authority to determine the duration for investments and are therefore referred to as durational bands. The Authority is satisfied that this service now gives a much improved level of security for its investments. It is also a service which the Authority would not be able to replicate using in house resources.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate.

All credit ratings will be monitored regularly and always before an investment is made. The Authority is alerted to changes to ratings of all three agencies through its use of the Sector creditworthiness service.

- If a downgrade results in the counterparty/investment scheme no longer meeting the Authority's minimum criteria, its further use as a new investment will be withdrawn as soon as is possible.
- In addition to the use of Credit Ratings the Authority will be advised of information in movements in CDS against the iTraxx benchmark and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Authority's lending list.

The Authority will only use approved counterparties from countries with a minimum sovereign credit rating of AA- from Fitch Ratings, (or equivalent from other agencies if Fitch does not provide).

Investments Strategy

Bank Rate was increased to 0.75% in August 2018 and is expected to increase by 0.25% to 1.00% in Quarter 4 of 2020.

Owing to the continuing low returns on investments, reserves will be used to finance future capital expenditure, rather than taking out further loans, thereby securing future savings by reducing the requirement for debt financing.

At the end of the financial year, the Authority will report on its investment activity as part of its annual Treasury Report.

Treasury Management Consultants

The Authority uses Link Treasury Services Ltd as its external treasury management advisers.

The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon our external service providers.

It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

Scheme of Delegation and Role of Section 151 Officer

This Authority delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Policy and Resources Committee. The execution and administration of treasury management decisions is delegated to its Treasurer who will act in accordance with the organisation's policy statement and TMPs and if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

This organisation nominates the Policy and Resources Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

Minimum Revenue Provision Policy Statement

The Authority is required to pay off an element of its accumulated capital spend each year through a revenue charge. This is called the minimum revenue provision.

The Authority implemented MHCLG's Minimum Revenue Provision, (MRP), guidance in 2008/09 and will assess its MRP for 2020/21 in accordance with the main recommendations contained within the guidance issued by the Secretary of State under section 21(1A) of the Local Government Act 2003.

A substantial proportion of the MRP for 2020/21 relates to pre April 2008 debt liability that will continue to be charged at the rate of 4%, in accordance with option 2 of the guidance. Certain expenditure reflected within the debt liability at 31 March 2020 will under delegated powers be subject to MRP under option 3, which will be charged over a period which is reasonably commensurate with the estimated useful life applicable to the nature of expenditure, using the equal annual instalment method. For example, capital expenditure on a new building, or on the refurbishment or enhancement of a building, will be related to the estimated life of that building.

Estimated life periods will be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the guidance, these periods will generally be adopted by the Authority. However the Authority reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

As some types of capital expenditure incurred by the Authority are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.

Chief Financial Officer's Statement

Statutory Declarations

Chief Financial Officer's Statement

Section 25 of the Local Government Act 2003 requires that an Authority's Chief Financial Officer reports to the Authority when it is considering its budget and Authority tax. The report must deal with the robustness of the estimates and the adequacy of reserves allowed for in the budget proposals, so that Members will have authoritative advice available to them when they make their decisions.

Section 25 also requires members to have regard to the report in making their decisions.

Robustness of Estimates

The budget process has involved members, the Senior Management Team and all budget holders within the Service. The finance team has assisted all budget holders in a thorough scrutiny and challenge of the budget recommended to the Authority.

The Budget Book details and explains all Service pressures, as well as identifying areas for savings. These pressures and savings have been incorporated into the Medium Term Financial Plan.

In coming to a decision to include funding for unavoidable service pressures and savings in the budget, specific financial risks were identified. It is anticipated that these risks can be managed using contingencies and, if necessary, reserves. This is consistent with the Authority's Medium Term Financial Strategy.

The budget has been subject to consultation. A press release was sent to all media outlets in Cambridgeshire. The news release was also published on the Authority's website with details of how comments on the budget proposals could be made.

In my view, the robustness of the estimates has been ensured by the budget setting process, which has enabled all practical steps to be taken to identify and make provision for the Fire Authority's commitments in 2020/21.

Adequacy of Reserves

CIPFA has published a Guidance Note on Local Authority Reserves and Balances; it is the responsibility of the Treasurer to advise the Authority concerning the level of reserves and the protocols for their establishment and use.

Reserves are required to provide the Authority with financial flexibility when dealing with unexpected circumstances. Specific reserves should also be set aside to provide for known or predicted liabilities.

The Authority maintains a General Reserve to cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing. It acts as a contingency to be used in the event of unexpected emergencies or unforeseen spending.

At 31 March 2019, the Authority's usable General Reserve balance was £2,506k, representing 8.3% of net revenue budget. The General Reserve will be used in accordance with the Medium Term Financial Strategy.

The Authority also maintains three earmarked reserves to fund known or predicted liabilities. These reserves are a Property Development Reserve to finance the future capital programme relating to properties and avoid borrowing or poor return on investments, a Community Safety Reserve to allow for the continuation of the Home Smoke Alarm Initiative, and a Wholetime Recruitment Reserve to provide for any non-controllable changes in the year, relating to operations.

The Property Development Reserve is currently £8,406k. The current rate of return on cash investments is poor and it would therefore be prudent to review property requirements. There are already plans in place to fund the approved capital programme in relation to property, from reserves. The cost of borrowing is greater than the return on cash investments, it is therefore more cost effective to use funds currently held.

A Community Safety Reserve of £200k will be managed as a fund on behalf of the Authority. Release of funds will be subject to a successful bidding process made by partner organisations. Any bid will have to meet success criteria that will be based around community risk reduction.

The Wholetime Recruitment Reserve of £975k is being maintained at this level. This will allow release of revenue but provides for any non-controllable changes in the year, relating to operations and be financed from this reserve.

The level of reserves is important, not only for the budget 2020/21 but also in formulating the Medium Term Financial Strategy. The table below provides a detailed estimate on how reserves will be used over the medium term.

In my view, if the Fire Authority accepts the proposed budget, then the level of reserves currently held will be adequate.

Estimated General / Earmarked Reserve Breakdown 2019/20

	18/19	19/20	20/21	21/22	22/23	Narrative
	£'000	£'000	£'000	£'000	£'000	
Estimated Reserves at Start of Financial Year	12,933	12,911	10,970	10,770	8,770	
Property Development Reserve	8,463	8,406	7,196	5,196	7,196	The Property Development Reserve is earmarked to fund major property improvement and new capital schemes. The Monkswood training centre development is awaiting planning (expected 7th Feb). SHQ and Huntingdon are in the design phase at this stage.
Capital Financing Property Improvements	57	1,210				2018/19 Year-end Capital position will determine actual requirement
General Reserve	2,471	2,506	1,775	1,775	1,775	
Capital Financing	35	731				
Community Safety Reserve	200	200	-	-	-	This reserve is held to fund specific projects and programmes. It will be called upon when required but it is not expected to be held for the long-term.
Operational Firefighter Reserve	975	975	975	975	975	The Service is currently over-established for Firefighters and this reserve will be used to cover any overspend in the short-term.
Pension Reserve	824	824	824	824	824	This reserve is held to fund ill health retirements that are often unexpected.
Estimated Reserves at Year end	12,911	10,970	10,770	8,770	10,770	
General Reserves at Year end	2,506	1,775	1,775	1,775	1,775	
Earmarked Reserves at year end	10,405	9,195	8,995	6,995	8,995	

Proposed Recommendations

1. That approval is given to a Fire Authority budget requirement of £30,279,440.
2. That approval is given to a recommended Fire Authority precept for Authority Tax from District Authorities and Peterborough City Authority of £20,907,619.
3. That approval be given to an Authority Tax for each band of property, based on the number of band D equivalent properties notified to the Fire Authority by the District Authorities and Peterborough City Authority (290,021):

Band	Authority Tax	Band	Authority Tax
A	£48.06	E	£88.11
B	£56.07	F	£104.13
C	£64.08	G	£120.15
D	£72.09	H	£144.18

4. That approval is given to the Prudential and Treasury Indicators as set out on page 9.
5. That approval is given to the Treasury Management Strategy Statement on pages 8 to 13.
6. That approval is given to the Capital Programme detailed at page 6.
7. That approval is given to the Minimum Revenue Provision Policy Statement detailed at page 14.

DRAFT DETAILED MEDIUM TERM CAPITAL PROGRAMME 2020/21 TO 2023/24

	2020/21		2021/22		2022/23		2023/24	
	No.	£'000	No.	£'000	No.	£'000	No.	£'000
Vehicle Replacement Programme								
Water Tender/Rescue Pumps	3	735	3	735	3	735	3	735
Multistar (Aerial Appliance)	-	-	-	-	-	-	-	-
Service Vehicles (Cars)	15	465	28	542	35	786	15	357
Small/Derived Van	-	-	12	146	2	27	-	-
Medium Van's	2	45	5	113	-	-	2	45
Large Van	-	-	2	52	2	52	-	-
Personnel Carrier/MPV	-	-	1	24	-	-	-	-
Rescue Vehicle	-	-	2	207	-	-	-	-
Foam Water Carrier	-	-	-	-	-	-	1	256
Car Transporter	1	5	-	-	-	-	-	-
Command Support Unit	-	-	1	256	-	-	-	-
Total Vehicle Replacement Programme	21	1,250	54	2,075	42	1,600	21	1,393
Equipment								
Heavy Duty Combi's	6	90	11	165	1	15	-	-
Appliance Ladders	3	22	3	22	3	22	3	22
BA Compressors (Large)	-	-	-	-	-	-	1	22
BA Compressors (Small)	-	-	-	-	3	42	3	42
New workshop ramp	1	12	-	-	-	-	-	-
MARS units	-	-	-	-	-	-	-	-
Thermal Cameras	14	67	14	67	14	67	14	67
Hot Fire Containers	-	-	-	-	-	-	1	40
LPP's (Light Portable Pumps)	3	18	3	18	3	18	3	18
Airbags	-	-	-	-	-	-	-	-
Defibrillators	-	-	-	-	35	31	-	-
Total Equipment	27	209	31	272	59	195	25	211

DRAFT DETAILED MEDIUM TERM CAPITAL PROGRAMME 2020/21 TO 2023/24 (Cont.)

	2020/21 £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000
Property Maintenance and Land				
SHQ – External repair and maintenance	220	-	-	-
SHQ – Internal update	55	-	-	-
SHQ – Car park extension	100	-	-	-
Cambourne – provision of On-Call facilities	45	-	-	-
Cambridge – Appliance bay floor	50	-	-	-
Ely – Station refurbishment and upgrade	200	-	-	-
Gamlingay - Station refurbishment and modernisation	100	-	-	-
Linton - Station refurbishment and welfare facilities	-	-	-	60
Manea - Station refurbishment and welfare facilities	-	-	-	60
March – Roof replacement	-	-	-	50
Papworth - Station refurbishment and welfare facilities	-	-	-	80
Ramsey – Station modernisation	-	70	-	-
Sawston – Station modernisation	-	50	-	-
St Neots – Station refurbishment and upgrade	150	-	-	-
Stanground and Dogsthorpe – Training facility	-	200	-	-
Thorney – Roof and outdoor areas	-	-	-	30
Wholetime station drill yards	-	300	-	-
Investment in On-call sites (IRMP)	-	200	-	-
On-call replacement roof programme	-	300	-	-
Wholetime replacement roof programme	-	-	270	-
Environmental invest to save	100	-	-	-
Electrical upgrades	-	-	200	-
Heating systems	-	-	240	-
Community Safety functional building	-	-	350	-
Various TBC	-	-	-	68
Enhancement/Contingency	200	150	150	500
Total Property Maintenance and Land	1,220	1,270	1,210	848
IT and Communications				
Essential system enhancements	775	775	350	350
Total IT and Communications	775	775	350	350

2019/20 £'000		2020/21 £'000
	Expenditure	
17,778	Firefighters and Control Room Staff	18,408
6,486	Support Staff	6,718
434	Training	503
57	Other Staff Costs	58
24,755	Total Employee Costs	25,687
329	Repairs and Maintenance	346
305	Heating and Lighting	320
161	Cleaning Contract	168
689	Rents and Rates	729
1,484	Total Premises Costs	1,563
118	Office Equipment and Furniture and Fitting	82
947	IT Equipment	974
387	Clothing and Uniform	388
1,010	Communications	967
360	Mutual Protection	368
67	Subscriptions	58
34	Corporate Support	34
77	Community Safety	78
80	Fire Protection Expenses	85
99	Health and Safety	90
101	Members Fees	103
91	Audit Fees	97
88	Legal Fees	90
201	Consultant Fees	204
47	Printing and Stationery	48

	Cont.....	
2019/20		2020/21
£'000		£'000
17	Postage	17
73	Travel and Subsistence	73
30	Advertising	31
100	Hydrants/BA Maintenance	101
167	Operational Equipment/Infrastructure	166
106	Project Delivery Costs	108
169	Other Supplies and Services	171
4,369	Total Supplies and Services Costs	4,333
69	Car Allowances	69
281	Petrol, Oil and Tyres	278
137	Repair and Maintenance of Vehicles	141
487	Total Transport Costs	488
127	Section 2 and 12 Charges	129
23	Service Level Agreements	23
150	Total Agency Charges	152
1,273	Capital Financing	1,036
1,273	Total Capital Charges	1,036
-64	Capital Receipts > £10k	-56
-899	Control Room Recharge	-951
-1,342	Section 33 Grants	-1,539
-436	Other Income	-433
-2,741	Total Income	-2,979
29,777	Net Revenue Expenditure	30,280