

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

19 FEBRUARY 2018

1. BUDGET AND PRECEPT 2018/2019 AND BUDGET FORECAST 2019/2020 TO 2020/2021 - AMENDMENT

Report of the Treasurer.

RECOMMENDED

1.1 THAT the following amendment be approved:-

- 1.1.1 The Authority's Net Revenue Budget for 2018/2019 of £95.477m which includes a Council Tax requirement of £41.305m, set out in Appendix A, together with the associated precept levels, set out in Appendix B, resulting in a Band D Precept increase of 2.99%.

2. PURPOSE OF REPORT

Approval is sought to amend the 'Budget and Precept 2018/2019 and Budget Forecast 2019/2020 to 2020/2021' report approved by the West Midlands Fire and Rescue Authority at its meeting on 19 February 2018 to reflect Wolverhampton City Council's Tax Base of 62,959.19.

3. BACKGROUND

- 3.1 Wolverhampton City Council approved their Council Tax Base at its meeting of the Cabinet (Resources) Panel on 16 January 2018 at 62,816.47. This was subsequently amended to 62,959.19 but the original Council Tax Base of 62,816.47 was reflected in the report to the Authority on 19th February.
- 3.2 The impact of an increase in the Council Tax Base by 142.72 on the Authority is additional precept income from Wolverhampton City Council of approximately £8.4k.
- 3.3 Sections 4 & 5 and Appendices A & B of the original Authority report have been amended to reflect the revised Council Tax Base figure for Wolverhampton City Council.

4. **PRECEPT 2018/2019**

- 4.1 Under the Council Tax arrangements, the allocation of the total sum required by the Authority between constituent District Councils is based on the relevant tax base for each District.
- 4.2 All District Councils have now formally set their Council Tax base and have notified the Authority accordingly. The total relevant Council Tax base for the Authority is 701,960.99 (689,149.00 in 2017/18).
- 4.3 The appropriate precept has now been calculated for each District and is set out in Appendix B, paragraph 1.4, for the Authority's approval.
- 4.4 The Council Tax at Band D for 2018/19 would be £58.84, an increase of 2.99% (£1.70) per annum.

5. **FUNDING OF EXPENDITURE 2018/2019**

The final figures from external funding sources have now been notified and are included in the table below:

	£000
Core Funding	53,030
Section 31 Grant	676
Share of Collection Fund Surplus / (Deficit)	466
Council Tax (met by Districts)	41,305
Net Revenue Budget	95,477

In addition to external funding, it is estimated that the Authority will generate income of £3.877m (£3.334m in 2017/18) (Appendix D).

APPENDIX A**WEST MIDLANDS FIRE AND RESCUE AUTHORITY****SUMMARY OF 2017/2018 AND 2018/2019 BUDGET**

	Original Budget 2017/18	Revised Budget 2017/18	Original Budget 2018/19
	£000s	£000s	£000s
<u>Expenditure</u>			
Employees	83,360	84,093	85,215
Premises	5,213	5,364	5,643
Transport	1,358	1,321	1,340
Supplies & Services	7,203	7,768	7,304
Capital Financing	15,527	9,078	15,620
Appropriations to Reserves	100	412	100
Total Expenditure	112,761	108,036	115,222
<u>Income</u>			
Core Funding (Formula Grant)	(54,703)	(54,703)	(53,030)
Other Government Grant	(1,045)	(1,606)	(1,890)
Income from Services	(3,334)	(3,381)	(3,877)
Collection Fund (Surplus) / Deficit	(768)	(768)	(466)
Appropriations from Reserves	(13,534)	(8,201)	(14,654)
Total Income	(73,384)	(68,659)	(73,917)
COUNCIL TAX REQUIREMENT	39,377	39,377	41,305
Collection Fund Surplus / (Deficit)	768	768	466
Core Funding (Formula Grant)	54,703	54,703	53,030
Section 31 Grant	-	-	676
NET REVENUE BUDGET	94,848	94,848	95,477

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

BAND D PRECEPT INCREASE OF 2.99%

- 1.1 THAT it be noted that the constituent District Councils have formally set their Council Tax bases for the year 2018/2019 in accordance with Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 made under Section 33(5) of the Local Government Finance Act 1992 as follows:

	Tax Base
Birmingham	248,838.00
Coventry	80,815.40
Dudley	91,427.39
Sandwell	72,206.05
Solihull	75,972.00
Walsall	69,742.96
Wolverhampton	62,959.19
	<hr/> 701,960.99 <hr/>

- 1.2 THAT the following amounts be now calculated by the Authority for the year 2018/2019 in accordance with Sections 40 to 48 of the Local Government Finance Act 1992:

- 1.2.1 £115,222,000 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(2)(a) to (d) of the Act.
- 1.2.2 £73,917,295 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(3)(a) to (b) of the Act.
- 1.2.3 £41,304,705 being the amount by which the aggregate at 1.2.1 above exceeds the aggregate at 1.2.2 above calculated by the Authority in accordance with Section 42A(4) of the Act as its council tax requirement for the year.
- 1.2.4 £58.84 being the amount at 1.2.3 above divided by the total amount at 1.1 above, calculated by the Authority in accordance with Section 42B(1) of the Act as the basic amount of its Council Tax for the year.

1.3	<u>Valuation Bands</u>	£ (to 6 decimals)	£ (rounded to 2 decimals)
	A	39.227921	39.23
	B	45.765907	45.77
	C	52.303894	52.30
	D	58.841881	58.84
	E	71.917855	71.92
	F	84.993828	84.99
	G	98.069802	98.07
	H	117.683762	117.68

being the amounts given by multiplying the amount at 1.2.4 above by the number which in the proportion set out in Section 5(1) of the Act is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Authority in accordance with Section 47(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

1.4 Resultant precepts:

	£
Birmingham City Council	14,642,096
Coventry City Council	4,755,330
Dudley MBC	5,379,760
Sandwell MBC	4,248,740
Solihull MBC	4,470,336
Walsall MBC	4,103,807
Wolverhampton City Council	<u>3,704,636</u>
Total	<u>41,304,705</u>

being the amounts given by multiplying the amount at 1.2.4 above by the appropriate tax base at 1.1 above in accordance with section 48(2) of the Act, as the amount of precept payable by each constituent District Council.

1.5 THAT the precept for each District Council as calculated at 1.4 above be issued in accordance with Section 40 of the Local Government Finance Act 1992.