

Status of Report: Public

Meeting: Combined Fire Authority

Date: 10th February 2021

Subject: Budget Strategy 2021/22 to 2022/23 – Formal Resolutions

Report by: The Chief Fire and Rescue Officer / The Treasurer

Author: Amy Oliver (Chief Accountant, Leicester City Council)

For: Decision

Purpose

1. The Authority is required to set its Council Tax for 2021/22 and issue precepts to billing authorities before 1st March, under the Local Government Finance Act 1992.

Recommendation

2. The Authority is recommended (subject to 2.14 below) to:
 - 2.1 Approve the budget for 2021/22, and the budget strategy described in the report, subject to changes which reflect final rates figures notified by billing authorities, as now reported by the Treasurer (and which are reflected in this resolution).
 - 2.2 Note that the final position has improved due to receipt of rates figures for 2021/22 from billing authorities. Therefore, it has been possible to add a further £238,000 to the budget, which will be added to the budget strategy reserve to support future financial pressures.
 - 2.3 Approve the capital programme described at paragraph 9, and authorise the Chief Fire and Rescue Officer to commit expenditure on schemes;
 - 2.4 Note the earmarked reserves described at paragraph 11;
 - 2.5 Note that no comments have been received on the draft budget from consultees;
 - 2.6 Note that the aggregate of the taxbases communicated by billing authorities for 2021/22 is 329,286.36. [Item T in the formula in Section 42B of the Act].
 - 2.7 Agree the following amounts be calculated for the year 2021/22 in accordance with Section 42A and Section 42B of the Act:

- (a) £41,915,000 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(2) of the Act.
- (b) £19,098,748 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(3) of the Act.
- (c) £22,816,252 being the amount by which (a) above exceeds (b) above, calculated by the Authority in accordance with Section 42A(4) of the Act as its Council Tax Requirement for the year. [Item R in the formula in Section 42B of the Act].
- (d) £69.2900 being the amount at (c) above (Item R) divided by the amount at 2.6 above (Item T), calculated by the Authority in accordance with Section 42B of the Act as the basic amount of its Council Tax for the year.

2.8 Agree that the Authority, in accordance with section 40 of the Act, issues precepts to each billing authority stating:-

- (a) the amounts shown in the appendix to this resolution as the tax payable for each band;
- (b) the amounts shown in the appendix as the precept payable by each authority.

2.9 Note the view of the Treasurer that reserves are adequate during 2021/22, and that estimates used to prepare the budget are robust;

2.10 Approve the treasury strategy and prudential indicators described in paragraph 14 of the report, and Appendices 3 and 4;

2.11 Approve the proposed capital strategy described in paragraph 15 of the report and Appendix 4, and confirm that the CFA would not wish to undertake commercial investment;

2.12 Note the equality implications arising from the budget, as described at paragraph 16;

2.13 Approve the scheme of virement described at Appendix 5 to the report.

2.14 Determine under Section 52ZB of the Act, that the relevant basic amount of council tax for 2021/22 is not excessive in accordance with principles issued under section 52ZC of the Act and expected to be approved by Parliament (being an increase of less than 2%); and that in the event that the local government finance settlement has not been approved by 10th February, delegate the making of this determination to the Chief Fire Officer.

2.15 Note that should the Chief Fire Officer not be able to make the determination referred in 2.14 above, that resolutions 2.1 to 2.13 above shall be deemed not to be approved, and that an emergency meeting of the CFA shall be convened.

Appendix

Combined Fire Authority – Taxes and Precepts 2021/22 Appendix to Formal Resolution.

Officers to Contact

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Combined Fire Authority - Taxes and Precepts 2021/22
Appendix to Formal
Resolution

<u>1. Tax per Band:-</u>	Ratio	2020/21 Tax £	2021/22 Tax £
A	6	45.3067	46.1933
B	7	52.8578	53.8922
C	8	60.4089	61.5911
D	9	67.9600	69.2900
E	11	83.0622	84.6878
F	13	98.1644	100.0856
G	15	113.2667	115.4833
H	18	135.9200	138.5800

2. Council Tax Bases 2020/21 & 2021/22

Authority	2020/21 Tax Base	2021/22 Tax Base	Increase/ (Decrease)
Blaby	33,886.49	33,977.11	90.62
Charnwood	57,607.20	58,286.90	679.70
Harborough	36,126.70	36,356.10	229.40
Hinckley & Bosworth	38,996.20	38,719.60	(276.60)
Leicester City	76,101.00	74,806.00	(1,295.00)
Melton	18,936.80	19,088.38	151.58
North West Leicestershire	34,585.00	34,841.00	256.00
Oadby & Wigston	17,520.50	17,558.70	38.20
Rutland	15,652.48	15,652.57	0.09
Total	329,412.37	329,286.36	(126.01)

3. Precept Levels 2020/21 & 2021/22

Authority	2020/21 Precept £	2021/22 Precept £	Increase £
Blaby	2,302,926	2,354,274	51,348
Charnwood	3,914,985	4,038,699	123,714
Harborough	2,455,171	2,519,114	63,943
Hinckley & Bosworth	2,650,182	2,682,881	32,699
Leicester City	5,171,824	5,183,308	11,484
Melton	1,286,945	1,322,634	35,689
North West Leicestershire	2,350,397	2,414,133	63,736
Oadby & Wigston	1,190,693	1,216,642	25,949
Rutland	1,063,743	1,084,567	20,824
Total	22,386,865	22,816,252	429,386

4. Council Tax Surpluses 2019/20 & 2020/21

Authority	2019/20 Surplus/ (Deficit) £	2020/21 Surplus/ (Deficit) Yr1 £
Blaby	2,709	(18,083)
Charnwood	45,615	641
Harborough	36,770	4,978
Hinckley & Bosworth	1,599	(19,389)
Leicester City	35,000	(68,575)
Melton	(1,404)	(11,753)
North West Leicestershire	18,707	(28,343)
Oadby & Wigston	3,816	(7,672)
Rutland	4,110	(2,813)
Total	146,922	(151,009)