

**Status of Report:**

**Public**

**Agenda Item: 8**

**Meeting: CFA**

**Date: 12<sup>th</sup> February 2020**

**Subject: Budget Strategy 2020/21 to 2021/22 – Formal Resolutions**

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

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

**For: Decision**

## **1. Purpose**

1.1 The Authority is required to set its Council Tax for 2020/21 and issue precepts to billing authorities before 1<sup>st</sup> March, under the Local Government Finance Act 1992.

## **2. Recommendations**

The Authority is recommended (subject to 2.15 below) to:

- 2.1 Approve the budget for 2020/21, 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 2020/21 from billing authorities. Therefore, it has been possible to add a further £190,000 to the budget, which will be added to general fund reserves for strike cover.
- 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 2020/21 is 329,412.37. [Item T in the formula in Section 42B of the Act].
- 2.7 Agree the following amounts be calculated for the year 2020/21 in accordance with Section 42A and Section 42B of the Act:
- (a) 39,653,000 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(2) of the Act.

- (b) 17,266,135 being the aggregate of the amounts which the Authority estimates for the items set out in Section 42A(3) of the Act.
- (c) £22,386,865 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) £67.9600 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 2020/21, 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 2020/21 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 12<sup>th</sup> 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.

### **Officers to Contact**

Rick Taylor, Chief Fire and Rescue Officer

[Rick.taylor@lfrs.org](mailto:Rick.taylor@lfrs.org)

0116 210 5555

Amy Oliver, Chief Accountant, Leicester City Council

[Amy.oliver@leicester.gov.uk](mailto:Amy.oliver@leicester.gov.uk)

0116 454 5667

Alison Greenhill, Treasurer

[Alison.greenhill@leicester.gov.uk](mailto:Alison.greenhill@leicester.gov.uk)

0116 454 5552

## Appendix 1

### Combined Fire Authority - Taxes and Precepts 2020/21 Appendix to Formal Resolution

<u>1. Tax per Band:-</u>	<b>Ratio</b>	<b>2019/20 Tax £</b>	<b>2020/21 Tax £</b>
A	6	44.4267	45.3067
B	7	51.8311	52.8578
C	8	59.2356	60.4089
D	9	66.6400	67.9600
E	11	81.4489	83.0622
F	13	96.2578	98.1644
G	15	111.0667	113.2667
H	18	133.2800	135.9200

### 2. Council Tax Bases 2019/20 & 2020/21

<b>Authority</b>	<b>2019/20 Tax Base</b>	<b>2020/21 Tax Base</b>	<b>Increase</b>
Blaby	33,441.71	33,886.49	444.78
Charnwood	56,462.40	57,607.20	1,144.80
Harborough	35,161.40	36,126.70	965.30
Hinckley & Bosworth	38,585.20	38,996.20	411.00
Leicester City	73,894.00	76,101.00	2,207.00
Melton	18,669.50	18,936.80	267.30
North West Leicestershire	33,678.00	34,585.00	907.00
Oadby & Wigston	17,423.20	17,520.50	97.30
Rutland	15,500.30	15,652.48	152.18
<b>Total</b>	<b>322,815.71</b>	<b>329,412.37</b>	<b>6,596.66</b>

### 3. Precept Levels 2019/20 & 2020/21

<b>Authority</b>	<b>2019/20 Precept £</b>	<b>2020/21 Precept £</b>	<b>Increase £</b>
Blaby	2,228,556	2,302,926	74,370
Charnwood	3,762,654	3,914,985	152,331
Harborough	2,343,156	2,455,171	112,015
Hinckley & Bosworth	2,571,318	2,650,182	78,864
Leicester City	4,924,296	5,171,824	247,528
Melton	1,244,135	1,286,945	42,810
North West Leicestershire	2,244,302	2,350,397	106,095
Oadby & Wigston	1,161,082	1,190,693	29,611
Rutland	1,032,940	1,063,743	30,803
<b>Total</b>	<b>21,512,439</b>	<b>22,386,865</b>	<b>874,426</b>

### 4. Council Tax Surpluses 2018/19 & 2019/20

<b>Authority</b>	<b>2018/19 Surplus/ (Deficit) £</b>	<b>2019/20 Surplus/ (Deficit) £</b>
Blaby	(1,751)	2,709
Charnwood	40,369	45,615
Harborough	14,342	36,770
Hinckley & Bosworth	5,087	1,599
Leicester City	62,000	35,000
Melton	(4,215)	(1,404)
North West Leicestershire	24,808	18,707
Oadby & Wigston	1,480	3,816
Rutland	2,570	4,110
<b>Total</b>	<b>144,690</b>	<b>146,922</b>