

Report considered by the Executive Committee – 5 February 2014



Buckinghamshire & Milton Keynes Fire Authority

MEETING	Executive Committee
DATE OF MEETING	5 February 2014
OFFICER	David Skinner, Director of Finance and Assets
LEAD MEMBER	Councillor Andy Dransfield
SUBJECT OF THE REPORT	Medium Term Financial Plan (MTFP) 2014/15 – 2017/18.
EXECUTIVE SUMMARY	<p>Attached at Appendix A is the summary of the latest draft Medium Term Financial Plan (MTFP) 2014/15 to 2017/18.</p> <p>There are three scenarios in the summary representing three different council tax options (see Appendices A (i)-(iii));</p> <ul style="list-style-type: none"> (i) Council tax freeze; (ii) 2% Council tax increase each year; (iii) 1% Council tax decrease each year. <p>Each model includes the actual growth in the council tax base for 2014/15 and assumes a 0.75% increase in council tax base for each following year.</p> <p>Assumptions have been made for pay and inflation increases and future years’ government grants based on the latest information received from CLG. See Appendix B.</p> <p>The latest savings and growth bids identified by officers are summarised in Appendix C and D. These have been scrutinised by members of the business transformation board and senior management board as part of the budget challenge process.</p> <p>The provisional settlement was announced on 18 December 2013 and these latest figures are included in the summary. It is envisaged the final CSR announcement will be made in early January but dates are not yet known.</p> <p>Summary of changes since the last MTFP update;</p> <ul style="list-style-type: none"> • Adjustments to Government funding, specific grants and business rates as per the provisional settlement,

	<ul style="list-style-type: none"> • Adjustments to council tax base growth for 2014/15, • Inclusion of estimated control room costs for 2014/15, • 1% green book pay award from July 2013*, • 1% increase to Members allowances*, • Additional growth and savings bids as per the summaries at Appendix C and D <p><i>*Previous assumption of 1% pay award for grey book staff continues.</i></p> <p>The draft capital budget was discussed by the business transformation board and senior management board as part of the budget challenge process and is summarised at Appendix E.</p>
ACTION	Information.
RECOMMENDATIONS	<p>That Members:</p> <ol style="list-style-type: none"> 1. Consider the draft revenue budget and three different council tax options for 2014/15 to 2017/18 as set out in Appendix A (i)-(iii). 2. Consider the latest savings and growth bids at Appendix C and Appendix D. 3. Consider the draft capital budget for 2014/15 to 2017/18 at Appendix E.
RISK MANAGEMENT	<p>Management of our Financial resources is a key risk to the Authority. By projecting forward and monitoring our financial plans, we are in a better position to avoid and mitigate the risk of adverse financial consequences.</p>
FINANCIAL IMPLICATIONS	Included in the appendices.
LEGAL IMPLICATIONS	<p>The Local Government Act 2003 gives the responsible finance officer, namely the Treasurer of the Combined Fire Authority under Section 112 of the Local Government Finance Act 1988, the responsibility to report to members of the Authority on their assessment of the robustness of the estimates used within the budget and on the adequacy of reserves. This helps to inform members of the issues to be considered in advance of the budget decisions in February 2014.</p>

HEALTH AND SAFETY	No implications.
EQUALITY AND DIVERSITY	No implications.
USE OF RESOURCES	<p>The Medium Term Financial Plan identifies the financial resources required projected into the future based on the delivery of specific aims and objectives of the Authority as set out in the Public Safety Plan (PSP).</p> <p>Members, Senior Management Team and many staff will be involved in agreeing priorities and the budget setting process over the forthcoming months in line with the enclosed outline timetable.</p>
PROVENANCE SECTION & BACKGROUND PAPERS	<p>Background</p> <p>MTFP 2013/14 to 2016/17 - February 2013 CFA; Guidance issued to Cost Centre Managers on MTFP 2014/15 to 2017/18; MTFP 2014/15 to 2017/18 - Report to 20 November Executive Committee.</p>
APPENDICES	<p>Appendix A - (i)-(iii) – Summary of draft MTFP 2014/15 to 2017/18;</p> <p>Appendix B – Funding, pay and inflation increase assumptions;</p> <p>Appendix C – Summary of savings bids;</p> <p>Appendix D – Summary of growth bids;</p> <p>Appendix E – Draft capital budget 2014/15 to 2017/18</p>
TIME REQUIRED	10 minutes.
REPORT ORIGINATOR AND CONTACT	<p>Graham Young gyoung@bucksfire.gov.uk 01296 744429</p>