



Buckinghamshire & Milton Keynes Fire Authority

MEETING	Fire Authority
DATE OF MEETING	19 October 2016
OFFICER	Mark Hemming, Deputy Director of Finance and Assets
LEAD MEMBER	Councillor Adrian Busby
SUBJECT OF THE REPORT	2017-18 Local Government Finance Settlement: Technical Consultation
EXECUTIVE SUMMARY	<p>The Consultation seeks views on two key areas of the local government finance settlement</p> <ol style="list-style-type: none"> i. the distribution of central resources ii. changes to local resources. <p>The distribution of central resources section reaffirms the Government's commitment to the multi-year settlement deal and seeks views on what other additional grants should be considered for inclusion in the offer. The current offer includes only the Revenue Support Grant, business rates top-up payments, Rural Services Delivery Grant and the Transition Grant. Our proposed response to the consultation will ask the Government to consider including the Fire Revenue Grant in this offer. The paper also seeks views on the distribution of the Better Care Fund. This is not applicable to the Authority so no response will be offered in that respect.</p> <p>The changes to local resources section covers council tax referendum principles, adjustments for business rates revaluations, adjustments for 100% business rates retention and transfers of funding. The last three of these are technical adjustments that seem reasonable and will have minimal impact on the Authority, so no response will be offered to those questions.</p> <p>The section on council tax referendum principles covers both the principles to be applied to principal local authorities and also seeks views on the potential to extend the principles to some parish and town councils. We propose to only respond to the principles in relation to principal authorities, as this is the area directly relevant to this Authority.</p> <p>The Consultation proposes that principal authorities will only be allowed to increase council tax by less than 2% with the following exceptions:</p> <ul style="list-style-type: none"> • Authorities with responsibility for adult social

	<p>care can continue to raise an additional 2% precept</p> <ul style="list-style-type: none"> • Shire district councils will be allowed increases of less than 2% or up to and including £5, whichever is higher • Police and Crime Commissioners (PCCs) in the lowest quartile will be allowed increases of less than 2% or up to and including £5, whichever is higher. <p>There is currently no exception within the Consultation that would allow fire and rescue authorities to raise council tax by more than 1.99%. The proposed response asks the Government to grant the same freedom to fire and rescue authorities that it has done to PCCs i.e. an increase of up to and including £5 for the fire and rescue authorities in the lowest quartile.</p>
ACTION	Decision.
RECOMMENDATIONS	That the proposed response to the consultation be approved.
RISK MANAGEMENT	No direct impact.
FINANCIAL IMPLICATIONS	<p>In 2016/17 BMKFA had the lowest precept of any non-metropolitan combined fire and rescue authority. The band D equivalent charge is £59.70. The total council tax receivable for 2016/17 (excluding prior year's surpluses) is £17.4m.</p> <p>The current medium-term financial plan assumes that council tax will be increased by 1.99% every year. For 2017/18 (and assuming growth in the tax base of 2%) this would result in total council tax receipts of £18.1m.</p> <p>If the band D equivalent was increase by £5 for 2017/18 (again assuming growth in the tax base of 2%) the total council tax receipts would be £19.2m.</p> <p>This would provide the Authority with an additional £1.1m compared to the current MTFP assumptions for 2017/18.</p>
LEGAL IMPLICATIONS	None arising from the recommendation.
CONSISTENCY WITH THE PRINCIPLES OF COLLABORATION	No direct impact.
HEALTH AND SAFETY	No direct impact.
EQUALITY AND DIVERSITY	No direct impact.

USE OF RESOURCES	See Financial Implications.
PROVENANCE SECTION & BACKGROUND PAPERS	None.
APPENDICES	Appendix A – The 2017-18 Local Government Finance Settlement: Technical Consultation Paper Appendix B - Proposed Response to the Consultation
TIME REQUIRED	10 minutes.
REPORT ORIGINATOR AND CONTACT	Mark Hemming mhemming@bucksfire.gov.uk 01296 744687