

MERSEYSIDE FIRE AND RESCUE AUTHORITY

BUDGET AUTHORITY COMMITTEE

23 FEBRUARY 2023

MINUTES

Present: Councillors L Byrom, B Kenny, J Roberts, L Rennie, A Makinson, D Hanratty, H Gorman, L Maloney, H Malone, E Finneran, G Wood, S Connor, J Grace, P Tweed, L Thompson

Also Present: Chief Fire Officer Phil Garrigan, Monitoring Officer Ria Groves, Director of Finance and Procurement Ian Cummins

Apologies of absence were received from: T Dickinson, A Rothery, L Hinnigan and Mr Anthony Boyle

1. Preliminary Matters

The Chair placed on record the Authority's condolences for the loss of Fire Fighter Barry Martin who died in a fire in Edinburgh. The Committee also wished to thank those staff who had recently been deployed in Turkey to help with the earthquake relief, noting their bravery and the excellent work they had done. Members were reminded that it was one year on from the start of the war in Ukraine and there was a moment of reflection for all those involved.

Members considered the identification of declarations of interest, any urgent additional items, and any business that may require the exclusion of the press and public.

RESOLVED that:

- a) no declarations of interest were made by individual Members in relation to any item of business on the agenda
- b) no additional items of business to be considered as matters of urgency were determined by the Chair; and
- c) no items of business required the exclusion of the press and public during consideration thereof because of the possibility of the disclosure of exempt information.

2. Minutes of the Previous Meeting - Authority meeting

RESOLVED that the minutes of the last meeting held on 27th October 2022 were approved as an accurate record.

3. Asset Management Plans

Chief Fire Officer, Phil Garrigan presented the Asset Management Plan which sought to align the Authority's physical assets and systems with its corporate aims and objectives over the next five years.

With regards to the Authority's estate, it was noted that there had been significant investment over the last ten years with the completion of seven fire stations, the JCC, refurbishment of Service Headquarters and other projects across the estate.

Chief Fire Officer, Phil Garrigan advised Members the Authority's aspirations were also featured in the report with acknowledgement of the refurbishment works due to take place in various stations as well as the creation of the new Training and Development Academy (TDA).

Members were advised that the Authority was seeking to provide a more agile approach to working for its staff as detailed in the ICT section of the report.

Councillor Makinson asked for clarification in relation to Bromborough Fire Station which was due to have £1.2million worth of refurbishment but was also highlighted for a potential merge with Heswall to a different site. The Chief Fire Officer explained that merging those stations had been considered in the previous Integrated Risk Management Plan (IRMP) but Wirral Council's plans for possible residential and commercial development in Bromborough has led to a pause in order to better understand the needs and risks in that area based on the Wirral local plan. With the potential merge superseded, the station will require refurbishment works to ensure it was fit for purpose.

The refurbishment works planned for Aintree and Croxteth were also queried due to the imminent opening of the new TDA. It was explained that the new facility would be operational in 2024 and the work outlined for Croxteth and Aintree stations was minimal and reflective of the forthcoming changes.

Cllr Hanratty also queried what happened to vehicles identified for disposal and if there was any remit to send them to other parts of the world. The Chief Fire Officer, Phil Garrigan noted that in the last 12 months, the Authority had released three fire engines to support Ukraine as part of the deployment of 70 vehicles delivered and coordinated by MFRS. The Authority had been approached by Ukraine for additional support due to the ongoing war and continued loss of firefighters, stations and engines and the Authority was continuing to provide support. It was explained that wherever possible, vehicles were redirected to parts of the world that could benefit from that provision with some smaller ancillary vehicles being redirected back into the fire service or scrapped dependent on their condition.

The Committee were advised that the Authority was considering how to use alternative fuels for its vehicle fleet were appropriate and that reducing its carbon footprint formed part of the Authority's decision-making process.

RESOLVED that the revised asset Management Plan Provided as Appendices to this report be approved.

4. Merseyside Fire and Rescue Authority Budget and Financial Plan 2023/2024 – 2027/2028

The Chair of the Authority thanked the finance department for preparing the budget papers, noting it had been an 'interesting few years' for the Authority with a considerable amount of 'turbulence'.

The Committee noted increased flexibility for the Fire Service to generate funding through a precept, but Members felt that generating this funding through taxation was unfair and instead it should have been made available by Government directly.

The Chair highlighted the pay settlement and rising utility bills as potential challenges to the budget and noted the Authority's reluctance to reduce training or the establishment to meet these costs.

The staff were thanked for their continued hard work, going the extra mile and keeping Merseyside safe.

Members were advised that the Labour Group Budget Resolution sought to gradually increase the establishments and available fire appliances, maintain the workforce, and modernise equipment. It was noted that lobbying the government for increased financial support would continue.

Ian Cummins, Director Head of Finance and Procurement then presented the 2023/24 – 2027/28 Medium Term Financial Plan and proposed budget for 2023/24-2024. Members were advised that to maintain a balanced 2023/2024 Budget the Council Tax Precept would need to be increased by £5, the maximum allowed before holding a referendum.

The Chief Fire Officer noted how progressive the budget was as it sought to invest in front line services, protect the number of firefighters and appliances to ensure the public were protected to the best of the Authority's ability. The proposed budget allowed the Authority to maintain current staffing and continue with its aspirations of a new TDA whilst allocating funding to manage risks from contaminants and alternative fuels, whilst supporting technological advancement.

The Chair of the Authority moved the proposed budget resolution. The resolution was seconded by Cllr Maloney. Members welcomed the budget

through a unanimous vote and placed on record their thanks to all staff at the Authority.

RESOLVED that :

- a) the 2023/24 service budget set out in the report be noted;
- b) the lobbying of government undertaken by the authority to secure council tax flexibility and an inflation-reflective increase in grants for 2023/24 be noted;
- c) the Director of Finance and Procurement's recommendation on maintaining the current level of general fund balance at £3.000m, and maintaining the reserves as outlined in Paragraph 150 to 158 of this report be endorsed;
- d) the current plan to increase the precept by £5.00 (6%) for 2023/2024, raising the Band D Council Tax from £83.61 to £88.61 and confirm the strategy for future precept rises (the plan assumes further increases of just under 3% in 2024/25 and then just under 2% in each year thereafter) be endorsed; the assumptions in developing a five-year financial plan outlined in the report and approve the 2023/2024 budget estimate of £67.921m be endorsed;
- e) the 2023/2024 – 2027/2028 updated Medium Term Financial Plan (MTFP) outlined in the report and summarised in Appendix C be approved
- f) the discretionary fees and charges uplift detailed in the report and summarised in Appendix E be approved
- g) the capital strategy and investment strategy as summarised in Appendix B of this report be approved
- h) the Minimum Revenue Provision (MRP) strategy for 2023/2024 as detailed in paragraph 88 to 97 be approved
- i) the prudential indicators relating to the proposed capital programme, detailed in paragraphs 103 to 105 of this report be noted.
- j) the recommendation that the Treasury Management Strategy detailed in Section F and the Treasury Management indicators set out below be approved: -
 - I. External Debt
 - II. Operational Boundary for Debt
 - III. Upper limits on fixed interest rate exposure
 - IV. Upper limits on variable rate exposure
 - V. Limits on the maturity structure of debt
 - VI. Limits on investments for more than 364 days

- k) the recommendations above provide an approved framework within which officers undertake the day-to-day capital and treasury management activities be noted; and
- l) the proposed Budget Resolution 2023/2024, be approved as follows:

Merseyside Fire and Rescue Authority Budget and Medium Term Financial Plan Resolution 2023/2024 – 2027/2028

1. The Authority has a proven track record in managing its financial affairs well and making the tough choices to balance the budget.
2. Over the 2010/2011 – 2019/2020 period Merseyside Fire and Rescue Authority (the Authority) suffered one of the largest cuts in Government funding of any Fire and Rescue Service in the country. The Authority faced-up to the Government funding cuts and had no choice over that period but to approve an unavoidable reduction in the operational front line, with reductions in:-
 - The firefighter establishment, that reduced from 1,000 full time equivalents (FTE) to 620 FTEs, 38% lower,
 - The number of fire stations reduced from 26 full time stations to 22 maintained by a variety of demand led duty cover systems,
 - The number of appliances available reduced from 42 wholetime fire appliances immediately available and 1 retained (43 appliances in total) to 26.
3. In 2019/2020 – 2022/2023 the Authority's new Chair and Vice Chairs together with a new Principal Officer team looked to reverse some of the cuts in Operational Response and Protection services. The Authority has:-
 - Increased the firefighter numbers on Merseyside by an additional 22 posts, to 642,
 - Increased the number of retained (on call) contract holders,
 - Introduced new duty systems which avoided the proposed closure of Liverpool City and Wallasey overnight
 - Increased fire engine/appliance availability from 26 to 31,
 - Introduced a new fire engineer post to work with partners ensuring the safety of residents in high-rise buildings.
 - Introduced specialist teams to deal with all foreseeable risk,

- Increased investment in specialist appliances and other operational equipment,
 - Approved a new £39m Training and Development Academy and Hybrid Station with rescue capability.
4. These bold plans were in response to emergent and foreseeable risk from fire and other emergencies, particularly the services ability to respond to large and/or protracted incidents, as well as the need to enhance protection functions in the light of the Grenfell Tower fire, the Manchester terror attack and other major incidents.
5. The 2023/2024 Budget continues to build on that foundation with further investment in the frontline being proposed, leading to;
- An increase in supervisory management provision through the creation of a further 20 new Crew Manager roles,
 - An improvement in the firefighter training resources at the TDA,
 - The number of retained contracts being established to underpin the Hybrid/DCWTR Duty system (reflecting the IRMP 2021/24 goal of having 32 fire engines available),
 - Despite the financial challenge to fund the increased 2022/2023 firefighter pay award of 7%, the Authority through prudent financial management will maintain the operational establishment at 642 FTE.
 - The increase in Control staff into the permanent establishment, 32 to 35 posts (including the Station Manager post),
 - A specific allocation of budget to deal with the risks posed by alternative fuels (Lithium Batteries) and the risks posed by contaminants to firefighters.
6. The investment the Authority has made in the Service since 2019/2020 has ensured Merseyside Fire and Rescue Service continues to be one of the best, if not the best fire and rescue services' in the country. In the last HMICFRS inspection the Service scored an unprecedented three 'Outstanding' judgements across the eleven sub themes for its work preventing fires and other emergencies, its response to major and multi-agency incidents and for making the best use of its resources.
7. The Authority remains concerned that the impact of the previous service reductions due to Government funding cuts went too far and they are steadfast in their ambition to build back into the Service. The permanent investment it has managed to put into the Service since 2019/20 only

delivers some of the additional resources it believes are required. The Authority also calls upon the Government to make the temporary 2020/21 – 2022/23 Protection Services grants, that allowed a short-term investment in these services, permanent.

8. The 2023/2024 Government funding settlement is another one-year settlement, the Authority urge the Government to reinstate the multi-year approach for 2024/2025 and beyond. Alongside the lateness of funding notifications, 19th December, short-term funding for functions such as Protection Services is a major barrier to effective financial planning and fails to provide a permanent solution to the fundamental challenges facing the Authority.
9. The 2023/2024 Government Funding settlement and increase in grants to cover the business freeze will see the Authority receive approximately a 10.8% increase on its 2022/2023 settlement. While a 10.8% increase in Government funding would normally be welcomed, the Authority and Country have and continue to face a period of significant inflationary pressure, particularly around energy, fuel and pay, that has meant a large part of the Settlement increase will have to be used to cover 2022/2023 – 2023/2024 inflationary pressures rather than for improving services.
10. The Authority welcomes the Government's intention to address the engrained challenges that underpin regional inequality and this is essential for the success of the "levelling-up" agenda. The most fundamental intervention is for the Government to reassess the quantum of funding available in the longer-term, and to ensure that key services are funded based on local levels of need and deprivation. Failure to do this will put the rights of the most vulnerable in society at risk. There is a direct correlation between levels of deprivation and fire deaths. The Authority's adoption of the Socio Economic Duty as detailed in the Equalities Act 2010 reinforces this commitment.
11. The Authority has always been opposed to the application of council tax referendum principles as they are bureaucratic, undemocratic and have no reference to underlying inflation or demand for local services. The Authority would prefer to see the referendum principles abolished, allowing individual authorities to set their own levels of council tax. The Authority welcomes the additional flexibility around the £5.00 precept flexibility for 2023/2024.
12. The Authority is concerned that a reliance upon considerable council tax rises and the inclusion of council tax in Core Spending Power means that the burden of paying for local services is being progressively passed on to local council taxpayers. This means that funding increasingly fails to be matched to local need. This is not "levelling-up" and is inherently unfair – as local authorities with a small council tax base only benefit financially in a very limited way.
13. The Authority understands that the Government is looking at reforms to the local government funding formula and to determine an up-to-date assessment of the needs of each local / fire authority. The outcome of the

fair funding review will feed into the future Government funding assessment for the Authority. The Authority would ask that the Government provide sufficient permanent funding, based on a fair funding system that properly reflects local levels of need and deprivation. Also, the delay in the fair funding review until at least 2025/2026 is disappointing.

14. In order to protect the investment the Authority has made and plans to make in the Service, the Authority proposes a council tax increase of £5.00.
15. The effect of the budget on the council tax will be a ***Band D Council Tax of £88.61, which equates to an increase of 10p per week on the 2022/2023 figure.***
16. Most people in Merseyside will pay ***Band A Council Tax of £59.07, which equates to an increase 6p per week on the 2022/2023 figure.***
17. The Authority recognises that the Fire and Rescue Service is required to resource on the basis of risk not demand. However, it also appreciates that Merseyside faces more demands than most other services due to the high levels of deprivation that its communities experience. We urge this Government to reflect on the impact the last 10+ years of cuts are having on the Fire and Rescue Service and properly review all risks facing the country in the light of emerging risks (for example, a heightened terrorist threat or responding to increased flooding events through climate change). We would hope that resources are allocated in a way that allow Merseyside to continue to respond effectively to local and national threats.
18. Future Government funding cuts may force the Authority to make further reductions in frontline services, therefore the Authority will continue to lobby the Government against the level of cuts in funding made since 2010/2011 and highlight the consequences that further cuts will have on the effective delivering of a vital emergency service.
19. The Authority has undertaken a process of lobbying more extensively than any other Authority in the Country and we believe this may have avoided further and deeper cuts and our views on future funding have been heard at the highest levels of Government. The Authority has said it will not allow these unsafe levels of cuts to just roll over us, but we will use every political device we can to improve funding so as to maintain the highest levels of public and staff safety here on Merseyside. Our position as a service delivery lead partner with the Home Office (HO), has put us as a super authority, we will develop this relationship as positively as possible.

The Financial Plan

20. In order to balance the financial plan the Authority will adopt the following strategy

- Prepare a five-year financial plan based on the final Local Government Finance Settlement figures announced on 6th February 2023, that;
 - i. deals with the financial challenge arising from the known Government funding support up to 2023/2024, and
 - ii. although the financial plan has projected Authority spend and Government funding up to 2027/2028, the 2024/2025 and future years' estimates are based on assumptions that are unpredictable as future Government funding for the Fire and Rescue Service is subject to a number of Government reviews and the national economic performance. Therefore, the Authority has agreed to note any financial challenge in future years at this point and will deal with any financial issues in future budget rounds.
 - Invests nearly £0.4m back into frontline resilience and improving firefighter safety.
 - Invests £0.3m into core enabling services to recruit and retain the best employees than can ensure the needs of the Authority are met.
 - Includes a provision for a 7% firefighter 2022/23 pay award.
 - That assumes a 5% pay award for all staff in 2023/2024, and 2.5% future years annual pay award for all of its staff.
 - Continue to invest in the infrastructure of the Service and required operational asset refresh.
 - The MTFP includes the Service proposals included in the 2021 – 2024 IRMP.
 - To set council tax increases in line with its financial plan of £5.00 in 2023/2024, just under 3% for 2024/2025 and just under 2% thereafter, (based on anticipated referendum limits).
 - The Authority will continue where possible to identify additional efficiencies to re-invest in the front line, and to focus its search for efficiencies on collaboration, management, support services costs and other technical reviews.
21. Authority Members' have been committed to reducing their own costs and following thirteen years of a freeze to allowances', this has delivered an annual saving of £24,000. In 2022/2023, given the forecast inflationary pressures facing the Country the reality was the freeze in allowances had to end. As the inflationary pressures are expected to continue Members' allowance will be uplifted in 2023/2024. The inflation provision within the budget includes funding for an inflation indexation for members'

allowances based on the previous year's firefighter pay award or the NJC grey book recommendation. Members will consider the scheme of allowances for 2023/2024 at the AGM meeting in June 2023.

22. Noting that there is risk in the Authority's current plan, in particular around the assumptions over future pay increases and Government funding.
23. The Authority recognises that the Chief Fire Officer needs to consider any recommendations on future national fire and rescue practices, Fire and Rescue National Framework guidelines, Fire Standards Board, and ongoing local challenges. It therefore recognises that the Chief Fire Officer will need to continue to manage operational crewing levels and appliance availability on a dynamic basis using a variety of response systems where necessary under his delegated powers as the financial plan proceeds to delivery.

IRMP

24. The proposed 2023/2024 – 2027/2028 MTFP takes into account the proposals in the 2021 – 2024 Integrated Risk Management Plan (IRMP). The IRMP may need to consider at the relevant time the consequences of future Government funding settlements, if applicable.

Council Tax

25. The Authority had already assumed a council tax increase at the maximum level allowed by the Government before a referendum was required. The Government has confirmed that the threshold for 2023/2024 is an increase of £5.00.
26. Because of the cuts in its frontline services, arising from previous Government funding reductions, the Authority must protect and invest in MFRS in order to maintain the safety and protection of the Merseyside community. It has therefore had no choice but to stick with its plan and increase council tax to the maximum allowed before a referendum is required. In 2023/2024, the Authority has approved an increase of £5.00 to minimise the impact on the services to Merseyside in the future.
27. The impact of the budget on the council tax will be a Band D Council Tax of £88.61, an increase of 10p per week on the 2022/2023 figure.
28. Most people in Merseyside will pay Band A Council Tax of £59.07, an increase 6p per week on the 2022/2023 figure.

Interoperability with Blue Light Partners

29. This Authority is fully committed to closer collaboration with our emergency service colleagues across the county. Many collaborative successes have been achieved so far including: -

- (i) The delivery of the Joint Command and Control Centre with Merseyside Police,
 - (ii) Sharing 7 sites with North West Ambulance Service (NWAS) including NWAS Hazardous Area Response Team working alongside the Search and Rescue Team,
 - (iii) The creation of a Joint Police and Fire Station in Knowsley,
 - (iv) Extensive joint planning and exercising,
 - (v) Support to Health partners throughout the period of the pandemic.
30. The Authority instructs the Chief Fire Officer to continue to build upon this success and in particular, to actively seek out opportunities of working with NWAS and Merseyside Police around sharing buildings, and other assets, demand management and corporate service functions.

Working with other Partners

31. The Authority will continue to work in partnership with each District Council in order to explore opportunities in which will mutually benefit each Authority in dealing with these and future financial challenges.
32. The Authority will examine the impacts of the devolution agenda and how best we can understand and develop constructive dialogue with the Liverpool City Region Combined Authority.

Reserves

33. The Authority has prudently planned to meet its financial challenges over the medium term. The plan the Authority proposes is based upon the key assumptions around changes to grant, pay, and pension costs.
34. The Authority recognises that there are substantial risks associated with these assumptions and that, particularly in light of the current economic climate; it is not unreasonable to expect a significant degree of financial uncertainty and risk which will vary across the life of the financial plan. The Authority will therefore set a medium term financial plan based upon these key assumptions recognising that it may need to vary that plan to cope with changes arising. To mitigate some of these risks specific reserves have been established such as Inflation (*pay award risk*) and Smoothing (*future Government funding levels*) reserves.
35. The Authority seeks to provide its firefighters and other staff with the right equipment, personal protective equipment (PPE), vehicles, and training facilities to enable them to fulfil their role safely and at the best standard possible. As the Government does not make any capital funding available, the Authority has a strategy of building up the Capital Reserve to fund a significant proportion of this investment to maintain borrowing at an affordable and sustainable level.

36. The Authority established a £1.8m recruitment reserve to fund the recruitment of new firefighters in advance of the expected firefighter retirements, as it expects significant numbers of the current workforce to retire over the next five or so years. This will ensure the Chief Fire Officer has sufficient competent firefighters. The Authority believes that a wholetime (with retained) professionally trained workforce is the most resilient and effective way of delivering a Fire and Rescue Service to its communities and is fully committed to maintaining this approach.
37. The reinvestment in frontline provision made in 2019/20 – 2022/2023 has ensured the services response standard has been met throughout the period of the pandemic.
38. In light of the risks within the financial plan, the Authority therefore agrees to maintain the reserves as set out in Appendix B to this resolution and maintain a general revenue reserve of £3.0m.

Capital Programme

39. The Authority approves the Capital Programme as set out in CFO/063/22 which includes a total investment of over £54.952m over 2023/2024 – 2027/2028 period. The programme for 2023/2024 shall be approved as £36.263m.
40. The Authority notes the prudential indicators that this programme produces and recognises that the proposed capital investment programme is prudent, sustainable and the borrowing affordable. This programme makes use of the freedoms available to the Authority under the prudential regime and proposes 'prudential' borrowing of £25.657m in 2023/2024 as part of a total borrowing of £42.846m across the life of the plan.
41. In the light of the capital programme and the prudential indicators, agree the Treasury Management Strategy and the indicators set out in that strategy for: -
 - (i) External Debt
 - (ii) Operational Boundary for Debt
 - (iii) Upper limits on fixed interest rate exposure
 - (iv) Upper limits on variable rate exposure
 - (v) Limits on the maturity structure of debt
 - (vi) Limits on investments for more than 364 days

Basic calculations

42. Following consideration of the report of the Director of Finance and Procurement (CFO/063/22) and having taken into account views expressed in consultations, and all other relevant matters, pursuant to the Local Government Finance Act 1992, as amended, (the "Act"), the Authority

determines its budget requirement for the financial year 2023/2024 as follows.

43. Approves the capital expenditure programme for the financial year 2023/2024 for the total of £36.263m as set out in report CFO/063/22 and the five-year programme totalling investment of £54.952m, and in this respect notes the advice of the Director of Finance and Procurement that the programme is prudent, sustainable and the borrowing affordable.

44. The Authority resolves as follows:

(a) It be noted that on 23rd February 2023, the Authority calculated the Council Tax Base 2023/2024 for the whole Authority area as 387,892.01 [Item T in the formula in Section 42B of the Local Government Finance Act 1992, as amended (the "Act")].

(b) That the following amounts be calculated for the year 2023/2024 in accordance with sections 40 to 47 of the Act:

The Authority calculates the aggregate of: (A)

- the expenditure which it estimates it will incur in the financial year 2023/2024 in performing its functions and will charge to the revenue account for the year in accordance with proper practices under S42A (2) (a) of the Act as £88.186m,
- the allowance as the Authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to the revenue account for the year 2023/2024 in accordance with proper practices under S42A (2) (b) of the Act as £0.000m,
- the financial reserves which the Authority estimates it will be appropriate to raise in the year for meeting its estimated future expenditure for 2023/2024 under S42A (2) (c) of the Act as £0.068m,
- the financial reserves as are sufficient to meet so much of the amount estimated by the Authority to be a revenue account deficit for any earlier financial year as has not been already provided for under S42A (2) (d) of the Act as £0.000m.

The Authority must also calculate the aggregate of: (B)

- the income which it estimates will accrue to it in the year 2023/2024 and which it will credit to a revenue account for the year in accordance with proper practices, other than income which it estimates will accrue to it in respect of any precept issued by it under S42A (3) (a) of the Act as £47.498m,
- The amount of the financial reserves which the Authority estimates that it will use in order to provide for the items mentioned in S42 (2) (a and b) under S42A (3) (a) of the Act as £6.385m.

If the aggregate calculated under A above exceeds that calculated under B above, the Authority must calculate the amount equal to the difference; and the amount so calculated is to be its council tax requirement for the year under S42A (4) (Item R in the formula in S42B of the Act).

The Authority calculates the basic amount of its council tax by dividing the aggregate amount of S42A (4) (item R) divided by the council tax base (item T) above. The council tax requirement for 2023/2024 is £34,371,111 and the council tax base is 387,892.01, which is equal to £88.61 precept for a Band D property. This calculation meets the requirements under S42B of the Act.

45. The Authority calculates the council tax sums pursuant to S47 of the Act as follows:

2023/24	Property Band		Increase	
£			£	%
£59.07	For properties in Band	A	3.33	5.97
£68.92	For properties in Band	B	3.89	5.98
£78.76	For properties in Band	C	4.44	5.97
£88.61	For properties in Band	D	5.00	5.98
£108.30	For properties in Band	E	6.11	5.98
£127.99	For properties in Band	F	7.22	5.98
£147.68	For properties in Band	G	8.33	5.98
£177.22	For properties in Band	H	10.00	5.98

46. The Authority calculates the precept amounts payable by each constituent district council pursuant to S48 of the Act as follows:-

PRECEPT		AUTHORITY
£		
10,146,407	Payable by	LIVERPOOL
8,469,793	Payable by	WIRRAL
4,724,419	Payable by	ST.HELENS
7,590,652	Payable by	SEFTON
3,439,840	Payable by	KNOWSLEY
34,371,111		

47. The Authority requests the Director of Finance and Procurement to arrange for precepts to be issued to the constituent district councils pursuant to S40 of the Act before 1st March 2023, such sums to be payable by 10 equal instalments on or before the following dates:

Friday	21/04/2023
Thursday	01/06/2023

Friday	07/07/2023
Monday	14/08/2023
Wednesday	20/09/2023
Thursday	26/10/2023
Friday	01/12/2023
Friday	12/01/2024
Monday	19/02/2024
Friday	15/03/2024

48. The Authority notes that the Director of Finance and Procurement has advised that the 2023/2024 budget is based upon robust estimates.

Appendix A – 2022/2023 Budget & Financial Plan to 2027/2028

2023/24 - 2027/28 MTFP					
	2023/24	2024/25	2025/26	2026/27	2027/28
FORECAST NET SPEND IN CURRENT MTFP	64,201	66,750	68,190	69,666	69,666
2023/24 MTFP Issues to build in future MTFP:-					
Impact of 2022/23 Pay Awards above 2.5% assumption;					
Uniform 7%	1,706	1,706	1,706	1,706	1,706
Non-Uniform (£1,925)= 6.5% pay bill increase	465	465	465	465	465
Assume 5% Pay Awards in 23/24 (increase of 2.5%)					
Uniform 5%	729	972	972	972	972
Non-Uniform 5%	310	310	310	310	310
Reduction In Employers NI (1.25%)	-336	-336	-336	-336	-336
Reduction in Services Grant £1.388m to £0.814m	574	574	574	574	574
Impact of Higher Energy / Price inflation 22/23;					
Energy (22/23 increase - assumed increase reduction from 2026/27)	850	850	850	400	400
Contracts / Other	250	250	250	250	250
General Infation impact	232	232	232	232	232
2027/28 Inflation provision					1,600
MRP/Interest - inflationary impact on cost of capital goods	0	100	100	150	150
Loss of Firelink Grant over 2023/24 - 2025/26	110	161	216	270	270
Increase in Bus Rates Multiplier s31 compensation grant	-1,500	-1,500	-1,500	-1,500	-1,500
Provision for increasing Control and Operational establishment to improve resilience, training and response	334	334	334	334	334
Provision for review of Establishment to meet recruitment/retention challenges	300	300	300	300	300
Efficiency Target (Procurement, Interest Payments, Inflation, other)	-380	-380	-380	-380	-380
Copyright Licensing Fee/ Agile Working / Ops ICT / POD ICT	77	57	57	57	57
Innovation Budget based on Firefighter Safety requirements	50	50	50	50	50
Reverse 2023/24 planned Collection Fund Reserve use	89				
Additional Bus Rates compensation funding	-140	-250	-250	-250	-250
	3,720	3,895	3,950	3,604	5,204
FORECAST NET SPEND IN PROPOSED MTFP	67,921	70,645	72,140	73,270	74,870
FORECAST FUNDING IN CURRENT MTFP					
Government Funding-Settlement Funding Assessment:					
Top Up Grant .	-16,428				
CLG Estimate of Local Business Rate Share	-4,462				
Baseline Funding Level	-20,890				
Baseline Funding- Assume 2024/25 increase by Sept CPI 024, (pay assumption) then 1% from 2025/26		-21,412	-21,626	-21,842	-22,060
Revenue Support Grant	-12,759				
RSG assume 24/25 by 2.5% (sept 24 CPI) then 1%		-13,078	-13,209	-13,341	-13,474
Assumed Government Funding-Settlement Funding Assessment	-33,649	-34,490	-34,835	-35,183	-35,534
Adjustment forecast Business Rates yield based on NNDR1					
Adjust for Local Business Rate income forecast from Districts	400	100	0	0	0
Collection Fund deficit	-197				
Adjustment to Local Business Rates income forecast	203	100	0	0	0
Council Tax -					
Base Precept Income	-31,689	-34,371	-35,572	-36,458	-37,365
Council Tax Base increase of 2.35% p.a. in 2023/24, then 0.5% p.a.	-743	-172	-178	-182	-187
Precept Increase of just £5 (=6%) in 23/24, then 3% in 24/25, then 2% p.a.	-1,939	-1,029	-708	-725	-744
Council Tax Collection Fund (surplus)/deficit	-104				
Forecast Council Tax Income	-34,475	-35,572	-36,458	-37,365	-38,296
TOTAL FUNDING	-67,921	-69,962	-71,293	-72,548	-73,830
Forecast (Surplus) / Deficit	0	683	847	722	1,040

Appendix B- Reserves

Committed Reserves														
	Balance C/fwd From 2022/23	Re-align ment	Revised Balance C/fwd from 2022/23	Estimated 2023/24 Use	Estimated 2024/25 Use	Estimated 2025/26 Use	Estimated 2026/27 Use	Estimated 2027/28 Use	Estimated 2028/29 Use	Estimated 2029/30 Use	Estimated 2030/31 Use	Estimated 2031/32 Use	Estimated 2032/33 Use	Held to Cover Risk
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Emergency/ Related Reserves														
Bellwin / Emergency Planning	222		222											222
Insurance Reserve	499		499											499
Modernisation Challenge														
Smoothing Reserve	1,788	-788	1,000											1,000
Pensions Reserve	590		590		-375	-215								0
Recruitment Reserve	1,450	300	1,750		-300	-300	-300	-300	-300	-250				0
Invest to Save / Collaborations	282		282		-282									0
Collection Fund Reserve	1,114	-884	250											250
Capital Investment Reserve														
New TDA & Station	6,316		6,316	-6,316										0
Other	785	1,202	1,987	0	-1,890	-150	0							-53
PEI Annuity Reserve	1,373		1,373	-69	-75	-80	-90	-100	-110	-120	-130	-140	-150	309
Specific Projects														
Community Sponsorship	55		55		-55									0
Equipment Reserve	195		195		-195									0
Community Engagement	2		2		-2									0
Training Reserve	50	150	200		-200									0
Health and Wellbeing	0		0											0
Inflation Reserve	1,650		1,650											1,650
Clothing	90		90		-90									0
Ringfenced Reserves														
Community Risk Management	305		305		-155	-150								0
Energy Reserve	201		201	68										269
New Dimensions Reserve	39		39		-39									0
Forecast Use of Reserves														
	17,006	0	17,006	-6,317	-3,658	-895	-390	-400	-410	-370	-130	-140	-150	4,146
Earmarked Reserves Bal C/fwd														
	17,006	0	17,006	10,689	7,031	6,136	5,746	5,346	4,936	4,566	4,436	4,296	4,146	4,199
General Revenue Reserve														
	3,000	0	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Total Reserves	20,006	0	20,006	13,689	10,031	9,136	8,746	8,346	7,936	7,566	7,436	7,296	7,146	7,199

Close:13.40

The next meeting will take place after the AGM in June when the dates will be confirmed.