

# Essex Fire Authority

## Report to the Constituent Authorities of the meetings held on 12 February 2014 and 16 April 2014

### 1. BUDGET 2014/15.

#### LOCAL GOVERNMENT FINANCE SETTLEMENT

For 2014/15 the level of grant, including past years Council Tax freeze grant will be £33,850k some £2,272k lower than the current year, this is a reduction of 6.3%. The Government have confirmed that Council Tax freeze grants have now been included in our base funding.

#### SUMMARY OF GOVERNMENT FUNDING

From 2014-15 the allocation of Revenue Support Grant to local authorities will be calculated by increasing, decreasing, or maintaining ("scaling") the 2013-14 allocations in line with the level of that year's Revenue Support Grant. Revenue Support Grant will be equal to the local Government spending control total less the holdback and the uprated baseline funding level in 2013-14. This means that the Government has moved away from the funding block model previously used.

The table below summarises Government funding for 2014/15 in comparison with the current year:

	2013/14	2014/15			Change in Total Settlement Funding Level £m
	Total Settlement Funding Level £m	Revenue Support Grant £m	Baseline Funding Level (Business Rates) £m	Total Settlement Funding Level £m	
Fire and Rescue Funding	35.050	18.035	14.275	32.310	-2.740
2011-12 CT Freeze Compensation	1.072	0.631	0.437	1.068	-0.004
2013-14 CT Freeze Compensation		0.433		0.433	0.433
Returned Funding		0.039		0.039	0.039
<b>Total</b>	<b>36.122</b>	<b>19.138</b>	<b>14.712</b>	<b>33.850</b>	<b>-2.272</b>

#### NATIONAL NON-DOMESTIC RATES

Within the overall amount of funding there is an element funded by the Authority's share (1%) of national non-domestic rates. Decisions by the Government to extend relief for small businesses and other policy changes mean that a proportion (£132k for 2013/14) of the business rates expected for 2013/14 will be replaced by a Government grant. The exact implications of this policy for 2014/15 are unclear as the forecast level of business rates was not received from all billing authorities by 31 January. The Authority holds an earmarked reserve to manage this uncertainty and it is proposed that any shortfall or surplus in the announced level of Government funding is managed through this reserve.

## COUNCIL TAX

Since 2011/12 the Authority has accepted a Government grant to freeze Council Tax. With the exception of the grant for 2012/13 all of these grants are now included in our baseline Government funding. In addition there is a commitment that any freeze grants taken in future years will also be included in the baseline.

The longer term impact of a freeze in Council Tax is a lower level of precept income in future years. If the freeze continued until 2017/18 then this income would be £1.5m lower in comparison to an increase in the precept of 2% per annum, the increase allowed in 2013/14 before a local referendum is required. This is a relevant consideration because we expect to see a reduction in our Government grant funding in 2014/15 and subsequent years.

Should the Authority propose to increase council tax by an amount that will prompt a referendum then it has to consider whether it will bear any costs through doing so, and what the re-billing costs will be from the 14 billing authorities. It is estimated that a referendum could cost between £1.5m and £2m. It should also be noted that the regulations only allow the percentage increase to be included in the referendum, not the cash amount for different householders. After considering the draft budget paper the Audit Governance and Review Committee resolved to advise the Authority not to seek an increase in Council Tax that would exceed the referendum limit because of the high costs associated with a referendum and the potential need for re-billing.

For the purposes of this report figures have been presented showing the position with a Council Tax freeze, and two options for an increase of 1.49% and 1.90%. The additional income from these options in comparison with the Council Tax freeze grant are shown in the table below. It should be noted that the freeze grant is paid on a higher notional tax base reflecting the inclusion amounts paid as grant funding following the localisation of Council Tax support.

Options	Freeze Grant	1.49% Increase	1.90% Increase
Band D Council Tax	£66.42	£67.41	£67.68
Increase in Band D Council Tax	£0.00	£0.99	£1.26
Estimated Tax Base	586,481	586,481	586,481
Projected Council Tax 2014/15	£38,954k	£39,535k	£39,693k
Freeze Grant	£433k	£0k	£0k
<b>Total Increase in 2014/15</b>	<b>£433k</b>	<b>£581k</b>	<b>£739k</b>

## TAX BASE

The position regarding the tax base of the Authority has been more uncertain than in previous years. Until 2013/14 the annual movement in the tax base as reported in the October Council Tax Base returns from billing authorities has been a good proxy for the movement in the final tax base figure. The net saving in the cost of Council Tax support means that billing authorities are putting in place schemes that mean they need to collect a proportion of Council Tax from tax payers where previously the amount was paid in full by the Government. There has been monitoring of the progress in collection during 2013/14 and in most cases the support schemes in place are unchanged for 2014/15.

In 2013/14 the Authority has aligned itself with the County Council and the Police and Crime Commissioner and agreed with the billing authorities to share 25% of the precepting authorities

gains from technical changes in Council Tax with the billing authority. The Authority will continue to support these arrangements in 2014/15.

In 2013/4 we took a cautious approach on the level of Council Tax income. This level was exceeded and for 2014/15 there has been a further 1.9% growth in the tax base with most of the billing authorities reporting positive balances on the collection account for 2013/14.

Following the February meeting of the Fire Authority, Members agreed the below;

	<b>2013/14 Budget</b>	<b>2014/15 Council Tax Freeze Budget</b>
<b>Net Expenditure</b>	£74,545k	<b>£73,271k</b>
Decrease from 2013/14		-£1,274k
Precept	£38,233k	£38,954k
Band D Council Tax	£66.42	<b>£66.42</b>
Increase from 2013/14		<b>0.00%</b>

1. Approved a net expenditure budget of £73.271m (with a Council Tax Freeze),
2. Approved a precept of £38.954m (with a Council Tax Freeze),
3. Approved Band D Council Tax of £66.42 (the same since 2010/11)

<b>Council Tax Band</b>	<b>2014/15 No Increase</b>
A	£44.28
B	£51.66
C	£59.04
<b>D</b>	<b>£66.42</b>
E	£81.18
F	£95.94
G	£110.70
H	£132.84

4. Approved a capital expenditure budget of £13.379m in 2014/15.

## **2. CHARGING.**

Section 19 of the Fire and Rescue Act 2004 makes provision for charging, provided that the amount of the charge is set by the Authority and that the income from charges does not exceed the costs incurred. The Fire and Rescue Services (England) Order 2004 (SI 2135/2004) provides the details of the activities that may be charged for.

Section 10 of the Localism Act 2011 amends the 2004 act to allow the Authority to charge for the attendance in response to automatic fire alarms (AFAs) where there is no fire and there are

persistent false alarms. There are no proposals for the Authority to consider charging at this time because it is not the Authority's policy to respond to such incidents unless specific risks are present, or the AFA call is supported by a confirmation of a fire. The option to charge for such calls will be considered as part of any future review of the policy on attendance at AFAs.

The charges were increased by 2.5% in 2013, the first increase since 2010 because of the freeze in pay for that period. The proposed increases of 2.0% (rounded to the nearest pound) reflect an allowance for an increase in costs. Income from charges in the year to 31 March 2014 is some £120k. Some 70% of this is for testing of hydrants and fire mains with the balance for the provision of fire reports and the time of officers. The charges for the time of officers have been re-analysed and specific charges for each role will be used.

# Special Service Charges from 1 MAY 2014



## Essex County Fire & Rescue Service

		SI 2135/2004 Reference	2014 Charge £	VAT £	GROSS £
<b>1 - NON EMERGENCY SERVICES</b>					
CHEMICAL /HAZARDOUS INCIDENTS	(COMMERCIAL)	3	398.00	79.60	477.60
SUBSEQUENT RECOVERY OF COSTS INCURRED WILL BE DETERMINED BY THE NATURE AND DURATION OF THE INCIDENT					
EFFECTING AN ENTRY INTO PREMISES OR LIFTS	(COMMERCIAL)	5,6	209.00	41.80	250.80
EFFECTING AN ENTRY INTO PREMISES OR LIFTS	(DOMESTIC)	5,6	68.00	13.60	81.60
REMOVE/MAKE SAFE TV AERIAL	(COMMERCIAL)	10	347.00	69.40	416.40
REMOVE/MAKE SAFE TV AERIAL	(DOMESTIC)	10	68.00	13.60	81.60
HIRING OR PROVISION OF EQUIPMENT, VEHICLES OR PREMISES (eg THERMAL IMAGE CAMERA & OPERATOR)	PER DAY OR PART DAY	1	209.00	41.80	250.80
<b>2 - ANIMAL RESCUE</b>					
PROVISION OF FIREFIGHTERS FOR ANIMAL RESCUE	FIRST HOUR	7	209.00	41.80	250.80
	SECOND AND SUBSEQUENT HOURS OR PART THEREOF		131.00	26.20	157.20
Charges may be waived at the discretion of the Officer in Charge of the Incident					
<b>3 - PERSONNEL</b>					
INTERVIEWS WITH OFFICERS and NON-UNIFORMED DIRECTORS (RELATING TO INCIDENTS, SOLICITORS, INSURANCE COMPANIES, ETC)	PER HOUR, OR PART THEREOF (IRRESPECTIVE OF RANK or GRADE)	11	199.00	39.80	238.80
UNIFORMED PERSONNEL	PER HOUR, OR PART THEREOF				
	Firefighter		28.00	5.60	33.60
	Crew Manager		30.00	6.00	36.00
	Watch Manager "A"		32.00	6.40	38.40
	Watch Manager "B"		33.00	6.60	39.60
	Station Manager "A" - Flexi-Duty		42.00	8.40	50.40
	Station Manager "B" - Flexi-Duty		44.00	8.80	52.80
	Group Manager "A" - Flexi-Duty		47.00	9.40	56.40
	Group Manager "B" - Flexi-Duty		51.00	10.20	61.20
	Area Manager "B" Flexi-Duty		58.00	11.60	69.60
NON UNIFORMED PERSONNEL	PER HOUR, OR PART THEREOF (IRRESPECTIVE OF GRADE)		27.00	5.40	32.40
NB - THE ABOVE CHARGES ARE SUBJECT TO ADDITION IN ANY CASE WHERE THE USE OF LABOUR, MATERIALS, VEHICLES etc RENDERS THE CHARGES SPECIFIC CLEARLY INAPPROPRIATE					
<b>4 - WATER SERVICES SECTION</b>					
TESTING OF FIRE HYDRANT		2	27.00	5.40	32.40
DRY RISER WET TESTS - INITIAL		2	261.00	52.20	313.20
ADDITIONAL RISER IN SAME BUILDING		2	188.00	37.60	225.60
MANUAL LABOUR - PER HOUR		2	15.00	3.00	18.00
MATERIALS	COST + 10%				
FLOW AND PRESSURE TEST - PER HOUR		2	89.00	17.80	106.80
HIRE OF 25MM HOSE REEL - PER WEEK		2	15.00	3.00	18.00
HIRE OF BRANCH JET - PER WEEK		2	15.00	3.00	18.00
STAND PIPE - PER WEEK		2	73.00	14.60	87.60
<b>5 - MEDIA COSTS</b>					
USE OF ECFRS COPYRIGHT MEDIA - STILL IMAGES	Charges are waived if source is acknowledged	8	73.00	0.00	60.00
USE OF ECFRS COPYRIGHT MEDIA - VIDEO IMAGES	Charges are waived if source is acknowledged	8	288.00	0.00	250.00
Note - All charges may be waived at the discretion of the Officer in Charge of the Incident					

### 3. ALL TERRAIN VEHICLES

Essex County Fire & Rescue Service is investigating a range of opportunities where the fire service can support local communities, County, District, Borough and Parish Councils to promote our role as a Public Service.

The Service has now leased three Rescuemax all-terrain vehicles which are located at Wivenhoe, Hawkwell and Brentwood fire stations. These vehicles were deployed in January 2014 and were immediately available for snow clearance or gritting duties in local communities.

The Rescuemax all-terrain vehicle has the potential for multiple applications within the Fire & Rescue Service context and for that reason this project will run for six to eight months with an evaluation at the end to determine if the project has been successful and if so Essex County Fire Rescue Service will look at a business case for supporting further investment in this capability in the future.

Our intention is to engage with Essex Fire Authority Members, District, Borough and Parish Councillors and discuss the potential of clearing snow in the winter and culverts in the summer, around our local communities by using our Rescuemax all-terrain vehicles. There is absolutely no intention to duplicate work undertaken by Essex County Council Highways or the work of the two Unitary Authorities; the aim is to supplement this work in a given locality. This will be a risk based, prioritisation of key community assets, some examples would be our Health Services - Hospitals, Doctors Surgeries, our Schools (which will help our local economy by allowing families to go to work), establishments housing and caring for elderly/infirm or where services such as 'meals on wheels' require access to premises, high street shop traders etc. to name but a few.

Currently the Service has based 3 x JCB Rescuemax vehicles for the trial period, along with 3 x Snowblades and 3 x Salt Spreaders which have been purchased from Briggs Equipment Ltd. These vehicles were fully kitted out to respond by Tuesday 28<sup>th</sup> January 2014 ready to encounter inclement weather from that date. The locations for these Rescuemax vehicles have initially been identified for the winter deployment as Wivenhoe, Hawkwell and Brentwood Fire Stations and we have worked with Local Councillors to undertake risk assessments and prioritisation of key, local community assets.

Once the winter period moves into spring and the risk of snow and ice has subsided, Officers will be exploring the potential that the Rescuemax all-terrain vehicle has in support of off-road firefighting operations. For this purpose the snow blades and salt spreaders will be removed and the 'Firebug' system, (a diesel driven, low volume, high pressure pump, self-contained water tank, hoses and branches), will be fitted. It is likely that the locations chosen to support off-road firefighting operations will be different to those chosen for winter operations.

**Councillor Anthony Hedley**  
**Chairman**