

Report of the Staffordshire Police, Fire and Crime Panel ('The Panel')

to the

Police, Fire and Crime Commissioner for Staffordshire ('The PFCC')

with regard to:

**The Police, Fire and Crime Commissioner for Staffordshire's Draft Fire and Rescue Service Budget and Precept 2020/21**

We are required under the Police Reform and Social Responsibility Act 2011 to consider, and report our views formally to you, on your proposed Budget/Precept for the Staffordshire Fire and Rescue Service for 2020/21. Accordingly we considered those proposals at our meeting on 10 February 2020.

We have the power to veto your Precept if we consider it to be too low or too high. In the event of the veto being exercised, a revised proposed Precept would be required from you.

You attended the 10 February 2020 Panel meeting accompanied by the Director of Finance (Section 151 Officer) for the Fire and Rescue Service.

In your introduction to the report you explained your decision to seek a 1.99% increase in the Precept( ie up to referendum limit) in order to provide a degree of flexibility within the Budgets to help accommodate a number of uncertainties such as the final pay award for Firefighters compared to the 3% assumption built into the budget for 2020/21, and the outcome of ongoing legal challenges around Firefighters' pensions.

You reported that the Service needs a total net revenue budget of £42.404m for 2020/2021, of which £14.618m was Settlement funding made up of the Revenue Support Grant, 1% allocation of local business rates and a top up of Business rates by Government. The balance (£27.785M) was to be met from the Precept hence your wish to apply the full 1.99% permitted increase (ie £1.51pa for a Band D property).

We queried the inclusion in the 2020/21 Budget of a £0.3m deficit in the current financial year and you gave assurances that measures would be implemented to achieve the necessary savings. The MTFS predicted a widening budget gap to £1.5m by 2024/25 reflecting the anticipated outcome of the next Comprehensive Spending Review and the effect which the Fair Funding Review might have on Staffordshire's funding position. We acknowledged the uncertainty created by Central Government only committing to one years' funding pending those Reviews but welcomed their continuation of Pension Grants into 2020/21 which provided 90% of the additional costs of Firefighter Pension Costs resulting from the 2016 Valuation of their Scheme.

We particularly noted the anticipated savings which would result from the Police and Fire and Rescue shared use of Fire Stations at Hanley and Tamworth, which had not been factored into budgets for 2020/21, and the re-investment of savings realised from Shared Service arrangements into three new fire safety audit roles within the Prevent Team. We will monitor the effect on future years' budgets of the new Governance arrangements for the Fire and Rescue Service.

The proposed Precept was supported by the Treasury Management, Reserves and Capital Strategies for the Service. Of particular note was the gradual reduction in the overall debt position over recent years and the fact that no additional borrowing would be required during 2020/21.

The Panel unanimously agreed to support the 1.99% increase in the Fire and Rescue Authority Precept for 2020/21.

A handwritten signature in black ink, appearing to read 'S. Sweeney', with a stylized flourish at the end.

S. Sweeney

Chairman  
Staffordshire Police, Fire and Crime Panel  
On behalf of the Staffordshire Police, Fire and Crime Panel.