



AGENDA ITEM: 10

NORTH WALES FIRE AND RESCUE AUTHORITY EXECUTIVE PANEL

13th July 2009

Budget prospects for 2010/11

Report by Dawn Docx, Deputy Chief Fire Officer

Purpose of Report

- 1 This paper is an early opportunity to set out significant known budget pressures for 2010/11 and beyond. It is not possible for all of these pressures to be quantified at this stage, but where possible these have been included to produce an indicative budget for next year.

Background

- 2 In order to assist the Fire and Rescue Authority's budget setting process this paper lists those major funding pressures facing the Service next year.
- 3 The starting point is the revenue budget for 2009/10 which is £31,311,563 million. Members should be aware that this was an increase of 3.21% which met the annual pay awards and included funding for those pressures which were unavoidable, such as, the required underpinning of the budget, job evaluation and the funding of community safety through the transfer of funding from ALP posts.
- 4 We know that it is likely that the pay award for Firefighters will be 1.25% for 2009/10. If we assume that it will continue at that level for 2010/11 and that support staff pay is at a similar level, taking into account inflation at a presumed level of 2.3%, we would need a budget of £31,789,867 to stand still.

- 5 In addition the Service will be faced with the following pressures:
- Revenue cost of Firelink, the replacement radio system, which will be introduced in November 2009. Even at this late stage we do not know how much this will cost. Initial discussions were between £500K and £1 million.
 - The revenue costs of the new ICT infrastructure of approximately £369,000.
 - The cost of borrowing capital.
- 6 Therefore, there will be a need for a budget of £32,790,000 which would be an increase of 4.7%. This has to be considered in light of a RSG settlement which is likely to be much lower.

Recommendation

- 7 Members to note the above pressures and indicate what further information they would like to receive at future meetings.