SOUTH YORKSHIRE FIRE & RESCUE AUTHORITY

Meeting	**FIRE AND RESCUE AUTHORITY**
Meeting Date	**20 FEBRUARY 2023**
Report of	**CHIEF FIRE OFFICER / CHIEF EXECUTIVE AND CLERK AND TREASURER**
Report Sponsor(s)	**CLERK AND TREASURER**
Subject	**2023/24 ANNUAL REVENUE BUDGET & COUNCIL TAX SETTING**

BACKGROUND

The Fire and Rescue Authority (FRA) is required to approve the 2023/24 revenue budget and set the council tax and precept by the legislative deadline of 1st March each year.

This report sets out the implications of the Local Government Finance Settlement, the proposed 2023/24 revenue budget and an updated capital programme, including new 2023/24 capital investment schemes for member approval. Any new future years' investments will only be formally considered when the outcome of the next funding settlement, which is due late 2023, are known. Any essential additional investment decision over and above that requested in this report will be addressed separately by the FRA during the financial year, to avoid making decisions that may prove unaffordable and unsustainable. The impact on the Medium-Term Financial Plan 2023-26 (MTFP) and the strategy for the future use of the Authority's reserves are also considered.

In setting the council tax and budget, Members will need to consider the council tax options set out in the report and approve the 2023/24 Council Tax.

EXECUTIVE SUMMARY

Current Medium Term Financial Plan

When the Authority set its 2022/23 Budget at this time last year, no one could really predict the global economic crisis the country and the world now finds itself in.

At the start of 2023 inflation was in excess of 10%, the highest level for over 10 years, predominantly driven by the significant rise in energy prices as a result of the war in Ukraine. Fuel prices and other general costs have also increased significantly over the last 12 months. Interest rates have also risen by 3.5% over the past 12 months to 4% in January.

Furthermore, the cost of employee pay has also increased to keep up with the cost of inflation. Included within the 2022/23 budget was a provision of 2% for the increase in pay. Whilst support staff reached an agreement averaging 5.72%% for this year, at the time of writing this report, the pay award for Operational staff (fire fighters) is an offer of 7% from 1 July 2022 and 5% from 1 July 2023. This has yet to be agreed, with industrial action a distinct possibility if no agreement is reached.

Therefore, the updated MTFP is yet again set within the context of a number of ongoing uncertainties, risks and concerns for the Authority to consider:

- A one - year only finance settlement for 2023/24, with significant uncertainty surrounding future funding;
- A council tax precept flexibility option of £5 for 2023/24 only agreed at this stage;
- Future public sector funding reforms coupled with the current position of national public finances;
- Ongoing, unprecedented, negotiations with regards to employee pay awards;
- Supply chain issues and inflationary pressures, including interest rates, and the impact this will have on the running of the service;

Key Policy Considerations

As Members are aware, South Yorkshire Fire and Rescue (SYFR) needs to have enough resources available to provide an emergency response even in times of exceptional demand. This includes the ability to deal with large scale emergencies, a range of smaller incidents that may happen together and / or incidents that are of an extended duration. This resilience is vital to ensuring safe systems of work for our people.

With damaged public finances and the ongoing review of public sector funding distribution (delayed by at least 2 years), the challenge remains to balance sparse resources against these emerging risks. Whilst a balanced position can be achieved for 2023/24 through a combination of increased government funding, use of reserves and a proposed £5 increase in council tax, a programme of efficiency and savings is required to achieve a balanced position in future years. Despite the extraordinary and challenging circumstances facing public services, the Service is committed to bringing forward this programme during the next year.

This MTFP captures the following key and significant operating investments, some of which have already been implemented:

- Recruitment of more firefighters to enable the Service to match its operational strength to its establishment posts and optimise fire engine availability on more occasions;

- Business Fire Safety – we have invested in additional posts to ensure we are able to deal with the extra demands placed across all Fire and Rescue Services in this area;

- Community Safety Partnership Team – we have established these posts after successful trials to ensure we are working effectively with partners to better identify vulnerable residents and groups and to provide more targeted risk reduction activity; and

- Continue to invest in our infrastructure and assets e.g. new fire appliances, new firefighting kit and equipment to ensure we have the best available equipment to keep firefighters safe.

Updated Reserves Strategy

The Authority's General Reserve (incl. Operational Contingency), available to support the budget, is estimated to be at around £15 million at the end of 2022/23, including a £5m Minimum Working Balance together with an emerging risk reserve of £2.2m agreed at the start of 2022/23 to help address the rising cost pressures reported and future risks.

The reserves balance also includes resources set aside to fund the costs of the Immediate Detriment Pension Liability together with future borrowing costs. Included within this report is an updated Capital Programme, which is set within the framework of the Authority's Capital Investment Strategy and aligned to the approved Reserves Strategy. In addition, there are a number of new, but significant schemes that are prioritised based on essential operational need aligned to improving operational effectiveness over the medium to long term. These schemes, if supported, will be financed from long-term borrowing, the cost of which has been factored into the revenue budget MTFP.

There is however, a drawdown of some of these reserves, as highlighted in Section C of this report is required in order to achieve a balanced position for 2023/24 and allow the Authority and Service to agree an efficiency programme to address funding gaps.

As in previous years, the Service will provide Members with a series of regular financial updates in the run up to refreshing its MTFP including the efficiency programme as highlighted. The overall financial position for the Authority will continue to evolve and develop over time and therefore needs to remain as flexible as it can as the outcomes and implications from a number of significant events emerge as well as taking cognisance of any further management actions.

SYFR continues to be committed to providing the best possible service to the people of South Yorkshire within the resources available to it. Decisions regarding the Community Risk Management Plan (CRMP) are determined by fire risk, but ultimately, they need to be affordable and sustainable thus ensuring that there is proper alignment of financial, operational and resourcing plans respectively.

Updated Medium Term Financial Plan 2023 - 2026

The current proposed budget for 2023/24 and future forecast has been updated. This is following the announcement, late December 2022, of the provisional settlement and as a result, early February 2023, of the increased pay award offer for Operational Staff of 7% from 1 July 2022 and 5% from 1 July 2023. Funding was higher than anticipated and further adjustments to expenditure have resulted in a reduction in non-pay costs. This is offset by the significant increase in employee costs. The current forecast position over the period is as follows:

	2023/24 £m	**2024/25 £m**	**2025/26 £m**
Total Expenditure	64,280	66,515	67,633
Total Resources	(62,860)	(63,953)	(65,364)
(Surplus) / Gap	1,420	2,562	2,269

Key Assumptions

The above position is predicated on the following key assumptions:

- Provision for pay awards for Operations of 7% for 2022/23 and 5% for 2023/24 and Support 4% for 2023/24 and 2% hereafter;
- Government funding assumed at 2023/24 levels across the period, with inflation for the Revenue Support Grant and Top-Up grant only. This includes the continuation of the pensions grant;
- An increase in the operational staffing establishment in 2023/24 from 592 to 608;
- Contractual inflation assumed at 10% for 2023/24 reducing to 3% thereafter;
- Business rate income dependant on the 4 local districts;

- Average council tax base increases across the region of around 4,000 band D equivalent properties per annum;
- Total new planned capital investment of £28m over the period, of which £8m is required in 2023/24.

The above position is also based on council tax increases of 3% for 2024/25 reducing to 2% thereafter. Any change to this assumption will impact the above, particularly the future year gaps. For context each 1% increase in council tax precept equals £0.3m in additional resources.

The above is summarised further below and in more detail in Section's A-C of this document.

Area of Spend	**2023/24 £m**
2023/24 Opening Expenditure Budget	**57.877**
Additional Cost Pressures	
Employees	+5.114
Premises	+0.811
Transport	+0.325
Supplies and Services	-0.320
Capital Financing	+0.304
Other Expenses (incl. BMBC Recharge to FRA)	+0.062
Less: Income	+0.107
Total Cost Pressure	**+6.403**
Total Spending Requirement	**64.280**
Funded by:	
2023/24 Opening Resources	**-58.827**
Government's Finance Settlement	+1.006
Additional Council Tax	+1.845
Additional Business Rates	+1.182
Total Resources	**-62.860**
NET CONTRIBUTON FROM RESERVES	**1.420**

As a result of the cost pressures predicted in 2023/24 there is a net deficit of £1.420m. This will be addressed via a drawdown from the Emerging Risk reserve which was set aside specifically for this purpose. But there remains a deficit of £4.8m over the rest of the planning period. The Service has committed to bring forward an ongoing efficiency and savings plan to address this gap, for consideration during 2023/24. Available resources will also be continuously reviewed and updated once further details are announced following the ongoing funding review.

It is also worth noting that this position is predicated on an assumed maximum council tax increase of £5 in 2023/24, 3% in 2024/25 and a 1.99% increase thereafter. A £5 increase generates an additional £1.8m meaning that the overall deficit would increase should members be minded not to introduce the recommended council tax increase of £5. Further details are provided in Section C.

RECOMMENDATION(S)

Members are recommended to:

a) Approve the Authority's 2023/24 Revenue Budget at Appendix A;
b) Note the Treasurer's Section 25 Statement (Section H) in support of the budget;
c) Approve the Capital Investment Strategy (Appendix B) including the updated Capital Programme and new approvals as set out in Section E of this report;
d) Endorse the proposed approach for managing reserves as set out in Section D to this report, noting the decrease in reserves to address the funding gap in 2023/24;
e) Approve the Treasury Management and Investment Strategy at Section G;
f) Approve the fees and charges schedule for 2023/24 at Appendix D; and
g) Approve a Council Tax Increase of £5 for 2023/24 (Section C below).

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SECTION A: REVENUE BUDGET 2023/24

1. South Yorkshire Fire and Rescue Authority (SYFRA) set a Net Revenue Budget for 2022/23 of £57.877m and this has formed the base of the current Budget Baseline spend for 2023/24, which is estimated to be £64.280m, a net increase of £6.403m or 11%.

2. The 2022/23 Baseline Budget has been rolled forward allowing for:

   - Inflation both contractual and the current economic impact, significantly on utilities and fuel;
   - Support Staff pay awards and the potential pay award for Operational Staff not yet agreed:
   - Recognised budget pressures, including the ongoing effects of the pandemic and changes in employment law;
   - The ongoing effect of agreed savings proposals and other known cost reductions; and

3. The above combined results in an indicative spend requirement for 2023/24 of £64.280m. This broadly reflects the agreed planning assumptions submitted and agreed with Members in November 2022 and the results of the Provisional Settlement announced in December 2022. A summary of the MTFP report is presented at Section D of this report.

4. The table below sets out the main changes since the approved MTFP:

	£m
MTFP November 22 Planned Overspend	**3,090**
Change in Govt Funding – Settlement Dec 22	-2,361
Additional Govt Funding – One-off Services Grant	202
Change in Local Funding – Business Rates	-165
Change in Local Funding – Council Tax	-4
Additional Budget Requirement	658
Additional Contribution from Reserves	-1420
Budget Setting February 23	**0**

5. This next section sets out a headline analysis of the Budget Baseline Requirement and provides a narrative commentary to help Members understand the assumptions made in deriving the proposed spend figures in each year. A more detailed analysis for each area of spend is presented at Appendix A.

Area of Spend	2022/23 £m	2023/24 £m	Change from 2022/23 (£m / %)
Employees	47.437	52.551	+5.114m / +11%
Premises	3.727	4.538	+0.811m / +21.7%
Transport	0.996	1.320	+0.324m / +32.5%
Supplies and Services	4.230	3.910	-0.320m / -7.6%
Capital Financing	2.270	2.574	+0.304m / +13.4%
Other Expenses (incl. BMBC Recharge to FRA)	0.447	0.510	+0.063m / +14.1%
SPENDING REQUIREMENT	**59.107**	**65.403**	**+6.296m / +11%**
Less: Income	(1.230)	(1.123)	+0.107m/ +8.7%
NET SPENDING REQUIREMENT	**57.877**	**64.280**	**+6.403m / +11%**

REVENUE BUDGET 2023/24 – MAJOR VARIATIONS AGAINST 2022/23

6. The main variations between the 2023/24 proposed budget and the 2022/23 budget are outlined in the following paragraphs detailing each spend category. They are broadly reflective of the reasons presented in the recent MTFP update report approved by Members at its November 2022 meeting.

7. It should be noted that the following savings/efficiencies have been made within the 2023/24 budget. For 2024/25 onwards further savings/efficiencies will need to be identified to reduce the forecast deficit, which is currently identified, in order to maintain a balanced budget. This will be presented through an Efficiency Plan later in the year:

- Employees – (£0.160m) Potential savings on the indirect pensions budget and employee insurance and work with budget holders to align budgets to trends;
- Premises – (£0.451m) Estates and sustainability savings have been identified along with work with budget holders to align budgets to trends;
- Transport – (0.020m) Savings have also been made on transport insurance;
- Supplies & Services – (£0.320m) Reductions have been made in the areas of office equipment, furniture, services and ICT expenditure; and
- Capital Financing – (£0.078m) – As a result of the MTFP review of the future capital programme.

<u>Employees</u>

8. Employee related costs account for c.82% of the forecast gross spending requirement. These are estimated to be £52.551m in 2023/24, an increase of £5.114m from 2022/23. The main changes are presented by each category of staffing:

Wholetime Staffing

2022/23 Budget:	2023/24 Budget:	Increase
£32,928,739	£36,841,493	£3,912,754

9. The main reasons which explain this projected increase in spend are:

- As reported in the MTFP the forecast pay award for 2022/23 was 2%. Effective from 1st July each year. At the time of this report an offer of 5% has been rejected and a further offer of 7% is now under consideration, which was approximately £2m above forecast. This new offer also includes 5% for 2023/24 and we have forecast 4% for 2024/25 reducing to 2% in 2025/26.

- There has been a modest increase on the cost of overtime (£0.250m) to reflect the rising cost in this area. This will create a contingency in this area.

- Forecast establishment is set to increase from 592 to 608, which is the full establishment and aligned to the current CRMP.

- One further change, from the MTFP is an additional pressure as a result of the legal case Bear Scotland (£0.200m), relating to payments included within holiday pay calculations.

On Call Firefighters

2022/23 Budget:	2023/24 Budget:	Increase
£1,580,795	£1,879,632	£298,827

10. The increase from 2022/23, as with Wholetime Staffing, now reflects the full year effect of the forecast 2022/23 Operational pay award (7%) and the forecast 5% for 2023/24, reducing to 4% for 2024/25 and 2% for 2025/26.

11. Since November, as a result of continuous review of the deployment of On-Call firefighters, the budget has also been increased (£0.132m) due to nearing establishment numbers and the associated cost involved.

Control Staff

2021/22 Budget:	2022/23 Budget:	Increase
£1,374,201	£1,454,050	£79,849

12. There has been no change to the budget for Control from the MTFP other than the current pay award offer in line with Wholetime and On-Call Staffing. The increase is offset by a reduction aligning to the actual establishment.

Support Staff

2022/23 Budget:	2023/24 Budget:	Increase
£9,398,438	£10,410,716	£1,012,278

13. As reported in the MTFP, the increase reflects two main areas:

- The agreed pay award for support staff was an average 3.72% above the 2% forecast for 2022/23. The budget for 2023/24 includes the full year effect of this increase and a forecast 4% increase for 2023/24 and 2024/25 reducing to 2% in 2025/26.

- There is an element of growth to reflect proposals detailed in the Service investment Plan approved by the Authority in November. This growth is offset by some savings and efficiencies and the end of a number of temporary posts.

14. There is a change since the MTFP of an additional £0.134m as a result of the legal employment law case Bear Scotland.

Indirect Employee Costs

2022/23 Budget: £2,154,818	**2023/24 Budget:** £1,974,818	**Decrease** £180,00

15. There has been further savings identified since the MTFP (£0.020m). The reduction in budget relates to savings to offset growth in support staff salaries and continuous improvement work within individual budgets.

16. Members should note that there is a strong likelihood that such costs will increase principally resulting from the recent or likely outcomes from the significant pension legal cases including McCloud, Sergeant and Matthews. The complexity of the cases and the ongoing uncertainty regarding pension calculations will make financial planning more volatile until clarity of outcomes can be exemplified.

Premises Related Costs

2022/23 Budget: £3,727,325	**2023/24 Budget:** £4,537,367	**Increase** £810,042

17. As reported in the MTFP, the cost of premises related spend, mainly related to utilities, is expected to increase during the period. This has been updated with a reduction in forecast expenditure:

- 2022/23 has seen an unprecedented national and global increase in the cost of utilities, with a forecast overspend of approximately £1m. We also reported, in the MTFP, a significant forecast increase for 2023/24. However this has now been adjusted and a reduction in forecast of £0.950m has been included above.

- Savings to mitigate the increases are included with £0.250m included in 2023/24 as a result of work within the Estates team to reduce consumption and through the Sustainability Plan.

- The Service continues to positively address backlog maintenance issues through more intuitive, condition-driven planned lifecycle maintenance programmes. The impact of this and other work is a reducing budget from 2023/24 to reflect the savings and efficiencies now being achieved (£0.200m over the MTFP period).

Transport Related Costs

2022/23 Budget: £995,427	2023/24 Budget: £1,320,255	Increase £324,828

18. There has been no change since the MTFP. As with utility costs, fuels has seen a significant increase in 2022/23. The budget for 2023/24 reflects aligning costs to the 2022/23 level and a 10% inflationary increase. For the remaining of the MTFP inflation has been included as well as a reduction in fuel for the gradual, potential move to electric ancillary vehicles.

Supplies and Services Related Costs

2022/23 Budget: £4,230,047	2023/24 Budget: £3,910,047	Decrease £320,000

19. The decrease reported in the MTFP has reduced slightly due to the revised forecast in relation to airwaves.

20. The main reductions are:
    - £0.030m – Relating to ICT efficiencies to vire to support staff costs to fund the increase in establishment as agreed in the Service Investment Plan.
    - £0.280m – proposed savings/efficiencies under the equipment, furniture and materials budget, office expenses budget, services budget and the other miscellaneous budget.

Capital Financing Costs

2022/23 Budget: £2,269,531	2023/24 Budget: £2,574,032	Increase £304,501

21. There has been no change since the MTFP. For 2022/23 the budget reflects the Interest and Minimum Revenue Provision (MRP) (Principal) payable in relation the Service's loan debt outstanding and capital financing requirement. This borrowing was a result of previous decisions on financing capital spend and takes account of a sensible reduction in the Authority's under borrowing position aligned to the approved Treasury Management Strategy.

22. The capital financing budget also reflects the change in the MRP policy that was reviewed a few years ago and the significant savings that are generated; albeit on a reducing basis beyond the period of this medium-term plan. Non-budgeted savings arising from the change of policy have been held back in an earmarked (unusable) reserve to ensure all future costs are provided for.

23. The Capital Programme, reported in the MTFP has not changed and is expected to be financed mainly from external borrowing and these likely borrowing costs of this are built into this plan.

Other Expenses (including Barnsley MBC Service Level Agreement with the FRA)

2022/23 Budget:	2023/24 Budget:	Increase
£447,320	£510,134	£62,814

24. This line of spend principally relates to the provision of SYFRA Members related allowances, development and expenses, fees relating to the appointed Internal Auditor's RSM, fees relating to the appointed External Auditors Deloittes and the provision of services to South Yorkshire Fire and Rescue Authority (SYFRA) from Barnsley MBC officers.

25. The increase in budget from the MTFP relates to the inflationary increase of the service level agreement with Barnsley BMC and a forecast 150% increase in external audit fees.

Income

2022/23 Budget:	2023/24 Budget:	Decrease
(£1,229,566)	(£1,123,391)	£106,175

26. There is no change from the MTFP. The main constituent elements of income derive from secondments of firefighting personnel to other brigades or national programmes/projects, government grant and other contributions and investment income arising from cash balances invested in line with the approved Investment Strategy.

27. The reduction in income from Customer and Client receipts is forecast, however this is offset by an increase in investment income as a result of the increased interest rate. Government Grants are reducing over the term of the MTFP as the Firelink Grant is phased out 20% per year from 2022/23.

28. A schedule of proposed fees and charges for 2023/24 is presented at Appendix D for approval.

SECTION B: LOCAL GOVERNMENT FINANCE SETTLEMENT

29. South Yorkshire Fire and Rescue Authority (SYFRA) receives an annual Settlement Funding Assessment via the Department for Levelling Up Housing and Communities (DLUHC) that is comprised of Revenue Support Grant (RSG), Business Rates Top-Up Grant, the Government's projection of the Service's 1% share of the business rates income raised in South Yorkshire and any Section 31 Grant monies. The Home Office also fund the unreasonable cost element (estimated at 90%) of the firefighter pension superannuation costs in the form of a direct grant.

30. The provisional finance settlement was announced by DLUHC on 16th December 2022 and although SYFRA has not received any official notification on the pensions grant, it is anticipated that it will be the same as 2022/23. This has been assumed in the analysis provided below. Therefore, the overall position is largely the same as the one presented to the SYFRA in November's MTFP with the exception of the inclusion of the new "one-off" Service Grant" (further explanation is provided below).

31. The full position for 2023/24 is shown below compared to the 2022/23 settlement:-

	2022/23 £m	2023/24 £m	Change 22/23 to 23/24 £m
Revenue Support Grant	**8.716**	**9.600**	**+0.884**
Business Rates			
- Top Up	11.550	12.010	+0.460
- Retained	3.907	4.206	+0.299
	15.457	**16.216**	**+0.759**
S31 Grant	**1.753**	**2.770**	**+1.017**
Service Grant	**1.081**	**0.609**	**-0.472**
Pensions Grant	***2.756**	***2.756**	**0.000**
OVERALL GOVT. FUNDING	**29.763**	**31.951**	**+2.188**

32. The settlement does confirm that overall government funding will increase by £2.188m from 2022/23, predominantly as a result of a 10% inflationary increase in core funding. The component parts of the settlement are outlined in more detail below:

Revenue Support Grant (RSG)

33. Revenue Support Grant is a share of Total England Funding for Fire Authorities calculated by DLUHC. The share was originally derived from a baseline set in the 2013/14 Local Government Settlement. Whilst RSG has been regularly cut over recent years, there is an inflationary increase in 2023/24 based on the preceding September's Consumer Price Index (CPI) which was 10.1%.

Business Rates

34. Local Authorities collect all the business rates due on Commercial Properties in their area. As a way of partly devolving funding to Local Authorities, the Coalition Government agreed from 2013/14 that 50% of the business rates would be retained by local authorities and that as part of this new system, 2% of business rate income would fund Fire Authorities across England. As part of these system changes, the 4 South Yorkshire (SY) Districts pay over 1% of their retained business rate income directly across to SYFRA. The retained rates for 23/24 stands at £4.2m, an increase of £0.3m from 2022/23 reflecting business growth across the region.

Top Up grant

35. DLUHC also pay over a Top Up grant to SYFRA in accordance with the funding formula. This funds the difference between the spending needs in the SY area and the amount that is collected in business rates or received in RSG. Top-Up Grant has been increased by £0.5m and now stands at £12m in 2023/24.

Section 31 Grant

36. Section 31 income is paid by DLUHC to compensate for any policy changes they introduce (e.g. extending small business rate relief, capping inflation) so that Fire/ Local Authorities are not affected by any new burdens. S31 grant is expected to increase by £1m in 2023/24 reflecting inflation at 10% on the top up grant and the

business rate multiplier, both of which were frozen by government for the third year running.

Pension Grant

37. As mentioned previously, the Home Office also fund the additional superannuation costs of firefighters through direct grant based on 90% of the additional liability. It is anticipated that the Home Office will pay the pensions grant again in 2023/24 (£2.8m) although notification has yet to be received from the Home Office.

Service Grant

38. As part of the settlement, the Government announced a new one-off Service Grant. The Secretary of State for the DLUHC has made it clear that this resource should be treated as one-off pending a future review of its distribution.

Future LG Settlements

39. Government have yet again only provided funding certainty for 1 year. Future funding remains significantly uncertain especially given the damage caused to public finances following the COVID 19 pandemic and ongoing economic crisis.

SECTION C: PRECEPT INCOME

40. The Authority must set its precept and Council Tax by the prescribed legislative deadline. The precept income received by the Authority depends on the calculation of two factors - the Band D Council Tax set by the Authority multiplied by the Council Tax base estimated by each of the districts. The base for 2023/24 is estimated to be 370,064 properties, an increase of 4,111 properties since last year.

41. The settlement also confirmed that the Council Tax referendum limit would be set at £5 for Fire Authorities for 2023/24. This means that if the Authority wants to set a Council Tax above this level, it will need to undertake a referendum. The costs of carrying out a referendum are not known but are estimated at anywhere between £0.5m and £1m. Such costs would need to be taken into account when assessing income from Council Tax levels set above the referendum limit.

42. In considering whether to increase the Council Tax, Members need to be aware that the current financial plans are based on an assumption that the Council Tax would be increased by £5 in 2023/24, 3% in 2024/25 and a 1.99% increase thereafter. Illustrated in the table below are some of the potential options available to Members for 2023/24 and the impact this would have on the level of precept raised. Each 1% increase equates to additional income of around £0.3m (based on the current tax base).

43. Also shown is the impact on the taxpayer. It is also worth noting that any increase in the council tax has a compounding impact on the level of precept raised in future years and increases permanent resources available to fund any ongoing spending requirements.

44. The estimates for Council Tax Income are based on a composite collection rate of 95% (across all 4 South Yorkshire districts) to reflect the impact of the pandemic as well as other factors (e.g. Local Council Tax Support and additional Adult Social Care precept) and will require stringent monitoring during the course of the year.

	POTENTIAL COUNCIL TAX INCREASE					
	£0	**£1**	**£2**	**£3**	**£4**	**£5**
Council Tax Charge (£)	£77.58	£78.58	£79.58	£80.58	£81.58	£82.58
% Increase	-	1.29%	2.58%	3.87%	5.16%	6.44%
Council Tax Requirement	**£28,709,592**	**£29,079,657**	**£29,449,721**	**£29,819,785**	**£30,189,850**	**£30,559,914**
Additional Council tax raised	-	£370,064	£740,129	£1,110,193	£1,480,257	£1,850,322
MFTP Call on reserves	£3,640,386	£2,900,257	£2,530,193	£2,160,129	£1,790,064	£1,420,000

45. The current MFTP assumes a £5 council tax increase in 2023/24. This equates to an increase of less than 10p per week for a Band D household. It should be noted that the majority of properties in South Yorkshire are in Bands A or B meaning the annual and weekly increase will be less.

46. In addition to Council Tax increases, further funding is generated via the Collection Fund surplus account. A Collection Fund (CF) surplus is generated when Council Tax collection is higher than expected by the districts. A collection fund surplus of £0.348m has been included in the budgeted income for 2023/24.

47. A summary of the 2023/24 revenue budget, assuming an increase in council tax of £5, is outlined in the following table.

	£5 Council Tax Increase £m
Net Budget Requirement (from Appendix A)	**64.280**
Funding:	
RSG	9.600
Business Rates Top Up	12.010
Business Rates Retained	4.206
Section 31 Grant - Business Rates	2.770
Section 31 Grant - Pensions	2.756
One – Off Services Support Grant	0.609
Precept (based on a £5 increase in CT)	30.561
Council Tax Collection Fund Surplus	0.348
Total Resources	**62.860**
Estimated Budget Deficit	**1.420**
Band D Council Tax	**82.58**

48. It is recommended that the deficit estimated for 2023/24 be funded from the Emerging Risk reserve held in reserve pending an efficiency and savings plan for 2024/25 and beyond.

SECTION D: MEDIUM TERM FINANCIAL FORECAST

49. The MTFP sets out the framework for understanding the strategic, service and financial challenges SYFRA faces. It is a key part of the Authority's Budget and Policy Framework intended to ensure that financial resources are aligned to the delivery of SYFRA's objectives and priorities and ensuring its longer-term financial sustainability. The most recent MTFP 2023-2026 was agreed by SYFRA Members at their meeting on the 21 November 2022. In so doing, this allowed the Service to move forward the financial forecasts in light of recent national developments and local circumstances, but also included the effects of the Service's ongoing and rolling budget and savings process.

50. The MTFP has been revised to reflect the changes following the finance settlement in December and other assumptions:

	2023/24 £m	**2024/25 £m**	**2025/26 £m**
Expenditure			
Employees	52.552	54.574	55.627
Premises	4.537	4.673	4.684
Transport	1.320	1.302	1.213
Supplies & Services	3.910	3.910	3.910
Capital Financing	2.574	2.618	2.717
Other Expenses	0.510	0.517	0.517
Income	-1.123	-1.079	-1.035
TOTAL EXPENDITURE	**64.280**	**66.515**	**67.633**
Resources			
Government Grant	-21.610	-22.258	-22.703
One-off Service Grant	-0.609	-	-
Pension Grant	-2.756	-2.756	-2.756
Business Rates	-6.976	-6.811	-6.811
Council Tax	-30.909	-32.128	-33.094
TOTAL RESOURCES	**-62.860**	**-63.953**	**-65.364**
NET DEFICIT	**1.420**	**2.562**	**2.269**

51. The following key assumptions have been built into the above plan:

- Provision for pay awards for Operational Staff of 7% for 2022/23 and 5% for 2023/24 and Support Staff 4% 2023/24 and 2024/25 and 2% thereafter;
- An increase in the operational staffing establishment in 2023/24 from 592 to 608;
- Service improvement investment as part of workforce planning;
- Contractual inflation assumed at 10% for 2023/24 and 3% thereafter;
- Forecast increases on utilities in line with providers information;
- Government funding assumed at 2023/24 provisional levels across the period, adjusted for inflation, and continuation of the pensions grant);
- Average council tax base increased across the region of around 4,000 band D equivalent properties per annum;
- Council tax increases of £5.00 for 2023/24, 3% for 2024/25 and then 3% thereafter;
- Total new planned capital investment of £28m over the period.

52. The above forecast indicates a deficit of £1.420m 2023/24 and a further £4.8m over the planning period that needs to be addressed, to ensure balanced budgets, through the efficiency and improvement programme referred to elsewhere in this report

FINANCIAL RISKS TO THE MTFP

53. It is important to recognise that the plan will need to be kept under continuous review given the pace of change, not only at a local level, but also at a national and international level.

54. The following issues and risks are particularly relevant:

- Changes to assumed workforce planning profiles for wholetime firefighter retirements, sickness and other absences / modified duties and unplanned leavers may create financial variances and pressures e.g. additional unplanned overtime / expenses.

- The climate of Industrial Action provides uncertainties over additional costs

- Future pensions' employer contribution rates are expected to rise sharply although the full extent of the rise will only be known when the GAD actuarial valuation reports are made available – the next valuation is due in 2023. In addition, there are several high-profile legal cases e.g. McCloud and Sergeant that could have a lasting and equally adverse impact on these valuations.

- Inflation assumptions may change over the MTFP period. We are in an unprecedented time of high level of inflation. The impact on the current national and international situation has resulted in significant increases in gas and electric. These rates ae susceptible to change, either through further increases or decreases. In addition. The higher than anticipated pay award offers, to which only the Support Staff offer has been accepted coupled with higher than normal forecast awards for future years.

- Pension legal cases – there are as previously referenced a number of high profile cases that will increase future employer superannuation costs. For example the 'Immediate Detriment' cases arising out of the McCloud and Sargeant that will have a lasting and equally adverse impact on these valuations.

- Council tax assumptions included in the MTFP assume an annual increase of £5.00 for 2023/24, 3% for 2024/25 reverting back to 1.99% for 2025/26. However, this may be subject to change by legislation (Excessiveness Rules).

- The council tax base may change from assumptions leading to more or less precept income. The collection rates are also likely to be affected although this has been reflected in the assumptions.

- Managing the outcomes from the inspection by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS), Round 2, which for SYFR were published in January 2023.

- Managing the outcomes from the recent Government Consultation on the future governance and funding of England's Fire and Rescue Services.

SECTION E: CAPITAL INVESTMENT STRATEGY & PROGRAMME

55. The Authority's Capital Programme is set within the Authority's Capital Investment Strategy. The Capital Investment Strategy is a regulatory requirement and is attached at Appendix B to the report. It provides a mechanism by which capital expenditure and investment decisions are aligned over the medium-term planning period within the Authority's key annual and service improvement priorities and CRMP. It also sets the framework for the Authority's capital expenditure reflecting criteria including prioritisation, governance and asset and risk management. This also links to the Authorities other strategies and plans e.g. Treasury Management and Reserves Strategies.

56. As reported in the Authority's MTFP (November 2022), functional areas have been working up and refreshing their current Service and Asset Management plans, and as a result approval is required for the additional forecast of £25m, over the period of the plan and £6.6m for 2023/24 as shown in the table below.

57. The Capital Programme for 2022/23 was revised at Quarter 2 and reduced from £10.384m to £5.952m, which impacts the spend projections for 2022/23 – 2025/26. The latest spend projections for previously approved capital schemes and new proposals are shown in the table and narrative below. In summary, the Authority is continuing to look to invest in helping to ensure firefighters have the right, fit for purpose, emergency response appliances, equipment, support and training facilities and which will also help to future proof the infrastructure:

	22/23	23/24	24/25	25/26	Total 2023-2026
	£'000	£'000	£'000	£'000	£'000
New Builds & Major Refurbishment	583,609	4,400,000	6,300,000	4,000,000	14,700,000
Station Improvement Programme	1,916,023	1,425,000	1,375,000	1,300,000	4,100,000
TOTAL PREMISES	**2,499,632**	**5,825,000**	**7,675,000**	**5,300,000**	**18,800,000**
Appliances	1,710,000	1,792,000	1,460,000	1,460,000	4,712,000
Ancilliary Vehicles	665,000	549,500	1,370,000	10,000	1,929,500
TOTAL TRANSPORT	**2,375,000**	**2,341,500**	**2,830,000**	**1,470,000**	**6,641,500**
ICT Development	542,634	655,000	505,000	200,000	1,360,000
Control Collaboration Project	45,000	0	0	0	0
ESMCP System	0	33,000	0	0	33,000
TOTAL INFORMATION & COMMUNICATION	**587,634**	**688,000**	**505,000**	**200,000**	**1,393,000**
Op Equip & Personal Protective Equip (PPE	489,714	796,690	462,000	77,000	1,335,690
MTA PPE & Equipment	0	0	0	0	0
TOTAL OPERATIONAL EQUIPMENT	**489,714**	**796,690**	**462,000**	**77,000**	**1,335,690**
TOTAL CAPITAL SPEND	**5,951,980**	**9,651,190**	**11,472,000**	**7,047,000**	**28,170,190**
TOTAL APPROVED	**5,951,980**	**3,039,556**	**0**	**0**	**3,039,556**
TOTA FORECAST FOR APPROVAL	**0**	**6,611,634**	**11,472,000**	**7,047,000**	**25,130,634**

58. **Premises** – the Service are proposing forecast investment of £18.8m over the 3-year period or which £16.6m requires approval. This programme includes:

- Capital maintenance and renewal works as identified through the yearly estates conditions surveys and the Sustainability Plan;
- Major re-build at Elm Lane Station, as part of the modular build strategy;

- Major re-build/refurbishment works for a number of sites over the next three years;
- Enhance identified local training assets / facilities; and
- Further estates improvement works across the portfolio to continue to address health, safety, equality and welfare issues.

59. **Transport** – the Service are proposing £6.6m investment over the 3 year period, of which £6.5m requires approval. The Strategic Fleet Board have determined its replacement plans with focus on optimising appliance availability to best support future operational needs.

60. Aligned to the ongoing collaboration with South Yorkshire Police and the review of the Transport Strategy, the Joint Head of Vehicle Fleet Management continues to work with the Senior Leadership Team to determine future operational and resilience appliance needs. Annually the Service expects to order/receive 4 new appliances each year across the MTFP.

61. The investment put forward will also see the ongoing replacement of both Emergency Provided Cars for officers (where there is a contractual or business need), as well as aging ancillary vehicles that are required to support operations across the Service. This will include the potential for introducing electric vehicles where appropriate.

62. **ICT -** the Service are proposing investment, over the 3 year period of £1.4m. This investment includes ICT's continued work as part of the Digital Transformation Programme:

- ongoing upgrade and replacement of PC equipment, laptops, MDTs and tablets as part of the ongoing agile working provision and replacement programme;
- ongoing planned upgrade and replacement of the network, software, applications and ICT infrastructure;
- continuation of the digital transformation roadmap that is modernising and streamlining our ways of working including new solutions as part of the Sustainability Plan; and
- ongoing ESN / Control collaboration project.

63. **Operational Equipment** –, the Service are proposing investment of £1.4m, over the 3 year period of which £0.6m is required for approval. Investment is part of the continued work of operational steering groups in reviewing the operational equipment needs through the Service's Operational Research and Development Board.

64. The Service continues to identify and evaluate new technological developments that will improve operational effectiveness and firefighter safety. The ongoing renewal and replacement of existing operational equipment linked to providing an emergency response function and keeping firefighters safe, for example and including: Heavy lifting equipment, personal protection equipment, replacement breathing apparatus, door openers, pedal cutters and general equipment replacement as part of a rolling programme.

65. Assuming Members are minded to approve the above, the planned total capital investment, including pre-approved schemes for 2023/24 would be £9.651m. The cost of this programme will need to be largely funded through borrowing and provision has already been factored into the Authority's forecasts to reflect this amount.

SECTION F: RESERVES POSITION AND CURRENT STRATEGY

66. The Authority currently maintains both earmarked and general reserves. The level of earmarked reserves are reviewed as part of the budget process and again as part of the final accounts. Members will recall that the Medium-Term Financial Strategy report ‘reaffirmed’ the planned approach to managing reserves this being:

Step 1 Review the purpose and classification of each reserve held at 31 March 2023 to determine whether it still needs to be held or can be reduced/closed;

Step 2 Any available reserves that are identified from the review (or additional balances generated in the interim) be ‘ring-fenced’ in General Reserves until greater certainty is derived on the funding position; and

Step 3 The Section 151 Officer to review the level of minimum General Reserves required when greater certainty is acquired on the funding position for SYFRA.

67. It is both sensible and prudent for the Section 151 officer in formulating the updated Financial Plan to consider and reaffirm the level and adequacy of reserves after taking into account a number of considerations as outlined below:

a. Excessive balances can be an opportunity cost to the tax payer leading to additional spending on services not taking place or Council Tax precept increases being higher than they would otherwise be;

b. Retained balances earn income and can provide internal funding e.g. for capital spend rather than borrowing; and

c. Reserve levels that are too low, may put the Authority at risk if unexpected demands and risks/events occur at a relatively short notice (as witnessed through the Covid-19 pandemic and current economic pressures and could lead to an adverse audit opinion).

68. Having assessed the potential financial risks and the extent of the Authority’s likely exposure to those risks during the next 2 to 3 years, plus their impact on available balances, the Section 151 officer is able to propose the following approach to managing reserves, during the period 2023-2026.

69. In setting out and firming up this Plan, the Authority’s Useable Reserves position is presented in the table below. The balances have been updated from the MTFP that was presented to Members in November 2022, to adjust for:

- The re-profiling of the potential costs of Immediate Detriment Pension liabilities;
- The re-forecast of Government funding announced in late December 2022, which included inflationary increases for the RSG and Top-up Grant and a higher than forecast reduction in the Services Grant;
- The re-forecast of expenditure as a result of changes identified since November, mainly the projection of utilities costs and the revised pay award offer for Operational Staff; and
- The current (December 2022) forecast revenue underspend, which is detailed in the quarter 3 budget monitoring report.

Reserve	Forecast 31/03/2023 £'000	Forecast 31/03/2024 £'000	Forecast 01/04/2025 £'000	Forecast 01/04/2026 £'000
Insurance	1,242	1,242	1,242	1,242
Invest to Save	0	0	0	0
Budget Carry Forward Requests	711	0	0	0
Capital Investment - Committed	0	0	0	0
Safer Stronger Communities	252	0	0	0
Capital Reciepts Reserve	0	0	0	0
Revenue Grants Unapplied	0	0	0	0
Capital Grants Unapplied	0	0	0	0
Service Improvement Reserve	0	0	0	0
Rates Rebate Reserves	82	82	82	0
Immediate Detriment Pension Liability Reserve	3,548	2,048	328	0
Emerging Risk Reserve	2,262	842	0	0
USEABLE EARMARKED RESERVES	**8,097**	**4,214**	**1,652**	**1,242**
General	5,000	5,000	5,000	2,321
USEABLE GENERAL RESERVES	**5,000**	**5,000**	**5,000**	**2,321**
TOTAL USEABLE RESERVES	**13,097**	**9,214**	**6,652**	**3,563**
MRP	2,298	2,934	3,638	4,370
TOTAL UN-USEABLE RESERVES	**2,298**	**2,934**	**3,638**	**4,370**
TOTAL RESERVES	**15,395**	**12,148**	**10,290**	**7,933**

70. For the current financial year, the latest financial estimates suggest a deficit financial performance is expected, with a forecast overspend on the revenue budget of £1.693m. This is subject to the potential financial risks relating to the Operational Staff 2022/23 pay award, the potential of industrial action and associated costs and potential liabilities arising from pension and employment law legal cases.

71. Members will be subsequently asked to consider the short-term commitment to utilising the Emerging Risk Reserves, once audit confirmation as to the outturn performance is received (for the financial year ended 31 March 2023) and with due consideration of the Reserves Strategy and known / likely financial risks faced at that time and for the period up to 2024.

72. An updated Reserves Statement will form part of confirming the 2022/23 outturn position which will be disclosed in our year end Unaudited Statement of Accounts that are due to be published by the end May 2023.

SECTION G: TREASURY MANAGEMENT AND INVESTMENT STRATEGY 2023/24

73. The Treasury Management Strategy Statement is attached at Appendix C for Members' approval. The key objective of the strategy include:

- Ensuring the Authority's capital expenditure plans are prudent, affordable and sustainable over the longer-term;
- Ensuring that sufficient cash is available when needed to meet the Authority's spending commitments;
- Managing the Authority's exposure to interest rate and refinancing risk whilst maximising value for money, and

- Managing the investment of temporary surplus cash in a way that preserves the capital invested.

74. The following elements of the strategy require specific approval:

- The Treasury Management Policy Statement which sets out the overall policies, practices and objectives in relation to treasury management;
- The proposed Borrowing and Investment Strategies;
- The Authorised Limit for External Debt and Prudential Indicators demonstrating the affordability of capital investment plans;
- The Minimum Revenue Provision Statement setting out the proposed prudent method of charging the revenue account for the repayment of debt.

75. In accordance with the Revised CIPFA Treasury Management Code of Practice, the Strategy was discussed by the Audit and Governance Committee on 9 January 2022. The figures and indicators included within the Strategy reflect the approved and indicative 2022-2026 Capital Programme (including the new approvals outlined at Section E). Should capital expenditure plans change during the year, the prudential indicators included in the report will be recalculated.

76. The proposed Strategy, in summary, reflects the following:

Borrowing Strategy

77. Within the context of increasing economic uncertainty and interest rate volatility, the proposed strategy is to:
    a. **Maintain an appropriate proportion of fixed rate borrowing** in order to limit the Authority's exposure to interest rate risk (proposed targets in section 3 of the strategy);
    b. **Maintain a balanced maturity profile on long and short-term borrowing** to limit the Authority's exposure to refinancing risk (proposed limits in Appendix C of the strategy), and
    c. **Maintain an appropriate level of internal borrowing** in order to reduce the Authority's financing costs.

Investment Strategy

78. In order to safely manage the Authority's temporary surplus cash, the proposed strategy is to:
    - **Invest in only secure products and counterparties** in order to minimise the risk of loss (proposed limits in section 4 of the Strategy);
    - **Maintain an appropriate balance of liquid funds** to ensure that sufficient cash is available when needed, and
    - **Within this context, seek to optimise performance** in terms of yield.

MRP Statement

79. The MRP Statement is required to be approved each year as part of the Treasury Management Strategy Statement. A review of the Authority's MRP Policy was undertaken during 2017/18 and the 2023/24 MRP Statement is a continuation of this revised approach.

SECTION H: TREASURER'S SECTION 25 REPORT

80. Section 25 of the Local Government Act 2003 requires the Chief Finance Officer (Section 151 Officer under the Local Government Act 1972) to report to the Authority when setting the Council Tax on:

- the robustness of the estimates in the budget, and
- the adequacy of the proposed reserves

81. The Authority must have regard to this report when making decisions in respect of the budget and Council Tax (Precept).

82. The Budget proposed for 2023/24 has been framed within the Government's finance settlement.

Robustness of the estimates

83. A review of the estimating assumptions has been carried out in forming the 2023/24 budget in conjunction with the Chief Fire Officer. Whilst these assumptions are subject to risk, I consider that they are prudent at this stage based on the following comments:

- Pay inflation assumptions. The Service forecast a 2% pay award, in 2022/23, for both operational and support staff. The support staff award was agreed and implemented in December 2022, which equated to an average 5.72% increase. For operational staff, the revised offer of 5% was rejected with the potential for industrial action. Subsequently a revised offer of 7% has been made for 2022/23 and 5% for 2023/24. The Fire Brigade Union have since delayed industrial action and commenced a re-ballot of their members. At this point in time, these assumptions are considered to be prudent although negotiations have yet to be finalised.

- Interest Rates. Interest rates have increased steadily in year with the most recent increase, in February 2023 to 4%. The Fire Authorities treasury advisors and other commentators are predicting further interest rate increases early in 2023/24 but then will begin to fall over the planning period to around 2.5% by March 2026, though the timing and pace of those remains subject to debate. In view of this my advice remains to set a target of 70% of fixed rate borrowing per the Treasury Management Strategy.

- Inflation and supply chain issues. It is well publicised that inflation and supply chain issues have led to unprecedented increases in the cost of energy, fuel and construction costs. Current inflation stands in excess of 10% but this is expected to fall towards the end of 2023. The cost implications of such rises have been considered in the updated MFTP and are considered prudent.

- Council Tax Income Assumptions. The current plan assumes the full take up of the £5 council tax flexibility awarded to Fire Authorities for 2023/24. There is no indication at this time that this flexibility will continue in future years. Whilst Council Tax bases across the region are starting to see signs of recovery from the impact of the rise in inflation, interest rates and the current cost of living crisis being experienced by many may well have an impact on both the timing of future housing development and collection rates moving forwards. Current collection rates are averaging at 95% across the region. Given this risk, the position will need to be closely monitored during the year.

- Business Rates Income Assumptions. Under the current Business Rate Retention scheme, the Authority retains 1% of the total income collected. The current budget is based on the four SY districts own estimates of what they expect to collect. There continues to be high level of volatility to the business rates baselines. However, I do believe that the forecast business rates included within the budget are based on prudent assumptions although again the position will need to be closely monitored during the year.

84. The SYFRA's robust in year budget monitoring processes will ensure that the budget and the assumptions underpinning it are reviewed throughout the year. Any significant variations identified through this process will be brought to the Authority's attention.

Adequacy of the Authority's Reserves

85. A review of reserves has been carried out as an integral part of the 2023/24 Budget and the MTFP process. The conclusions from this review are set out elsewhere in this report.

86. The proposal to fund additional capital investment over the 3-year planning period via borrowing supports delivery of a sustainable balanced revenue budget and maintains general reserves at a level that I consider appropriate based on current assumptions.

87. I also consider the reserve already set aside to settle the potential Immediate Detriment Pension Liability cases to be still prudent based on the claims received to date although this will be monitored moving forwards.

88. The current MFTP shows a deficit in each year over the planning period. I recommend the use of reserves to bridge the gap identified for 2023/24. This will be allocated from the Emerging Risk Reserve that was set aside at the start of 2022/23 specifically for some of the cost pressures experienced during the year and into next. However, the use of this reserve is one-off and an efficiency programme is required to reduce the gap from 2024/25.

89. This position will be subject to continuous review and reassessment to ensure the current reserves utilisation remains appropriate. The current Minimum Working Balance (MWB) held by the Authority remains at £5.0m until 2025 based on current forecasts. However, an efficiency programme is required to maintain this thereafter, which I consider prudent.

Prudence & Affordability

90. The current Prudential Borrowing regime places a duty on the CFO to ensure that the financial impact of decisions to incur additional borrowing over and above that supported by Government are affordable both in the immediate future and over the longer term.

91. Consideration of all new capital schemes and their revenue impact (including the risk of changing interest rates) is therefore undertaken alongside other revenue service issues to ensure that resources are allocated in accordance with the Authority's overall priorities and within the overall funding available.

Medium Term Financial Plan and Budget Reduction Measures

92. As outlined at Section D, delivery of the Service's MTFP was considered in a separate report into SYFRA in November 2022. Their remains ongoing uncertainty of the future public sector financial landscape particularly the Government's announcement of yet another one year only settlement for 2023/24. Moreover the wider economic climate is also presenting challenges in terms of cost.

93. The current MFTP shows a cumulative deficit of £6.2m over the three year period. The deficit reported in 2023/24, as recommended in paragraph 88 above, can be addressed via a temporary drawdown of reserves however, I strongly recommend that the SYFRA, request an efficiency and savings plan be developed during 2023/24 by SYFRS to address future year deficits. Moreover, although further clarity may not materialise until the Government release its future funding intentions, further reports should also be brought to the Authority over the next year to the extent that these projections do change.

94. In summarising my advice, I would stress that the robustness of the estimates and adequacy of the reserves are satisfactory at the point of setting the budget but will be subject to ongoing review over the coming financial year.

CONTRIBUTION TO SERVICE PRIORITIES

☐ Community - Making people safer – working to prevent emergencies.
☐ Operations - Responding to emergencies – effectively and safely.
☐ People - Valuing people – those we serve and employ.
☒ Finance and Resources - Maximising efficiency – making our resources go further.

OPPORTUNITIES FOR COLLABORATION

☒ Yes
☐ No

If you have ticked 'Yes' please provide brief details in the box below and include the third party/parties it would involve:

Financial implications as a result of any known collaboration opportunities are included with financial predictions. All future implications will be included within future MTFP updates as and when known

CORPORATE RISK ASSESSMENT & BUSINESS CONTINUITY IMPLICATIONS

95. The Corporate Risk Register is inclusive of the risk surrounding the medium term financial strategy. Proper financial planning ensures that the Authority will be made aware of any issues that have financial implications at the earliest opportunity.

EQUALITY ANALYSIS COMPLETED

☐ Yes

If you have ticked 'Yes' please complete the below comment boxes providing details as follows:

Summary of any Adverse Impacts Identified:	Key Mitigating Actions Proposed and Agreed:

☐ No
☒ N/A

If you have ticked 'No' or 'N/A' please complete the comments box below providing details of why an EA is not required/is outstanding:

Equality impact assessments are carried out on individual proposals rather than on the funding of those proposals.

HEALTH AND SAFETY RISK ASSESSMENT COMPLETED

☐ Yes
☐ No
☒ N/A

If you have ticked 'No' or 'N/A' please complete the comments box below providing details of why a Health and Safety Risk Assessment is not required/is outstanding:

There are no known risks in relation to Health and Safety.

SCHEME OF DELEGATION

96. Under the South Yorkshire Fire and Rescue Authority Scheme of Delegation a decision *is required / *has been approved at Service level.

Delegated Power ☒ Yes
☐ No

If yes, please complete the comments box indicating under which delegated power?

Financial regulations: The provision of budgets and funding

IMPLICATIONS

97. Consider whether this report has any of the following implications and, if so, address them below: Industrial Relations, Financial, Legal, Asset Management, Environmental and Sustainability, Diversity, Communications and Health and Safety implications have been considered in compiling this report.

list of background documents		
2022/23 Annual Revenue Budget and Council Tax Setting Report Financial Performance Report Quarter 3 2022/23 Medium Term Financial Plan 2023 - 2026		
Report Author:	Name:	Sara Slater, Financial Services Manager, SYFR Steve Loach, Head of Financial Services, BMBC
	e-mail:	sslater@syfire.gov.uk Steveloach@barnsley.gov.uk
	Telephone	0114 2532330