

**BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY
BUCKINGHAMSHIRE FIRE AND RESCUE SERVICE**



Director of Legal & Governance, Graham Britten
Buckinghamshire Fire & Rescue Service
Brigade HQ, Stocklake, Aylesbury, Bucks HP20 1BD
Tel: 01296 744441

Chief Fire Officer and Chief Executive
Louise Harrison

To: The Members of the Executive Committee

27 January 2025

Dear Councillor

Your attendance is requested at a meeting of the **EXECUTIVE COMMITTEE** of the **BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY** to be held in the **PARALYMPIC ROOM, BUCKINGHAMSHIRE COUNCIL, THE GATEWAY OFFICES, GATEHOUSE ROAD, AYLESBURY, BUCKS. HP19 8FF** on **WEDNESDAY 5 FEBRUARY 2025 at 10.00 AM** when the business set out overleaf will be transacted.

Yours faithfully

A handwritten signature in black ink that reads 'Graham Britten'.

Graham Britten
Director of Legal and Governance

Health and Safety:

There will be limited facilities for members of the public to observe the meeting in person. A recording of the meeting will be available after the meeting, at the web address provided overleaf.

Chairman: Councillor Rouse

Councillors: Bailey, Banks, Hall, Lambert, Lancaster, McLean and Walsh

**MEMBERS OF THE PRESS AND
PUBLIC**

Please note the content of Page 2
of this Agenda Pack.

To contact our Communication
Team, please email
cteam@bucksfire.gov.uk



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Recording of the meeting

The Authority supports the principles of openness and transparency. To enable members of the press and public to see or hear the meeting, this meeting will be recorded. Please visit:

<https://www.youtube.com/channel/UCWmIXPWAscxpL3vIiv7bh1Q>

The Authority also allows the use of social networking websites and blogging to communicate with people about what is happening, as it happens.

Adjournment and Rights to Speak – Public

The Authority may adjourn a Meeting to hear a member of the public on a particular agenda item. The proposal to adjourn must be moved by a Member, seconded and agreed by a majority of the Members present and voting.

A request to speak on a specified agenda item should be submitted by email to gbritten@bucksfire.gov.uk by 4pm on the Monday prior to the meeting. Please state if you would like the Director of Legal and Governance to read out the statement on your behalf, or if you would like to be sent a 'teams' meeting invitation to join the meeting at the specified agenda item.

If the meeting is then adjourned, prior to inviting a member of the public to speak, the Chairman should advise that they:

- (a) speak for no more than four minutes,
- (b) should only speak once unless the Chairman agrees otherwise.

The Chairman should resume the Meeting as soon as possible, with the agreement of the other Members present. Adjournments do not form part of the Meeting.

Rights to Speak - Members

A Member of the constituent Councils who is not a Member of the Authority may attend Meetings of the Authority or its Committees to make a statement on behalf of the Member's constituents in the case of any item under discussion which directly affects the Member's division, with the prior consent of the Chairman of the Meeting which will not be unreasonably withheld. The Member's statement will not last longer than four minutes. Such attendance will be facilitated if requests are made to enquiries@bucksfire.gov.uk at least two clear working days before the meeting.

Statements can be read out on behalf of the Member by the Director of Legal and Governance, or the Member may request a 'teams' meeting invitation to join the meeting at the specified agenda item.

Where the Chairman of a Committee has agreed to extend an invitation to all Members of the Authority to attend when major matters of policy are being considered, a Member who is not a member of the Committee may attend and speak at such Meetings at the invitation of the Chairman of that Committee.

Questions

Members of the Authority, or its constituent councils, District, or Parish Councils may submit written questions prior to the Meeting to allow their full and proper consideration. Such questions shall be received by the Monitoring Officer to the Authority, *in writing*, at least two clear working days before the day of the Meeting of the Authority or the Committee.

EXECUTIVE COMMITTEE

TERMS OF REFERENCE

1. To make all decisions on behalf of the Authority, except in so far as reserved to the full Authority by law or by these Terms of Reference.
2. To assess performance of the Authority against agreed organisational targets.
3. To determine matters relating to pay and remuneration where required by collective agreements or legislation.
4. To select on behalf of the Authority-the Chief Fire Officer and Chief Executive, and deputy to the Chief Fire Officer and Chief Executive, or equivalent, taking advice from suitable advisers and to make recommendations to the Authority as to the terms of appointment or dismissal.
5. To consider and make decisions on behalf of the Authority in respect of the appointment of a statutory finance officer; a statutory monitoring officer; and any post to be contracted to “Gold Book” terms and conditions in whole or in part taking advice from the Chief Fire Officer and suitable advisers.
6. To act as the Employers’ Side of a negotiating and consultation forum for all matters relating to the employment contracts of the Chief Fire Officer and Chief Executive, deputy to the Chief Fire Officer and Chief Executive, or equivalent; and where relevant, employees contracted to “Gold Book” terms and conditions in whole or in part.
7. To hear appeals if required to do so in accordance with the Authority’s Policies.
8. To determine any human resources issues arising from the Authority’s budget process and improvement programme.
9. To determine policies, codes or guidance:
 - (a) after considering recommendations from the Overview and Audit Committee in respect of:
 - (i) regulating working relationships between members and co-opted members of the Authority and the employees of the Authority; and
 - (ii) governing the conduct of employees of the Authority
 - (b) relating to grievance, disciplinary, conduct, capability, dismissals and appeals relating to employees contracted to “Gold Book” terms and conditions in whole or in part.
10. To form a Human Resources Sub-Committee as it deems appropriate.

AGENDA

Item No:

1. Apologies

2. Minutes

To approve, and sign as a correct record the Minutes of the meeting of the Executive Committee held on 13 November 2024 (Item 2) **(Pages 7 - 16)**

3. Matters Arising from the Previous Meeting

The Chairman to invite officers to provide verbal updates on any actions noted in the Minutes from the previous meeting.

4. Disclosure of Interests

Members to declare any disclosable pecuniary interests they may have in any matter being considered which are not entered onto the Authority's Register, and officers to disclose any interests they may have in any contract to be considered.

5. Questions

To receive questions in accordance with Standing Order SOA7.

6. Medium Term Financial Plan (MTFP) 2025/26 to 2029/30

To consider Item 6 **(Pages 17 - 32)**

7. The Prudential Code, Prudential Indicators and Minimum Revenue Provision (MRP)

To consider Item 7 **(Pages 33 - 44)**

8. Response to The Provisional Local Government Finance Settlement 2025-26: Consultation

To consider Item 8 **(Pages 45 - 90)**

9. Budget Monitoring Report April 2024 - December 2024

To consider Item 9 **(Pages 91 - 104)**

10. Members' Allowances

To consider Item 10 (**Pages 105 - 122**)

11. Exclusion of Public and Press

To consider excluding the public and press representatives from the meeting by virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, as the minutes contain information relating to any individual; and Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as the minutes contain information relating to the financial or business affairs of a person (including the Authority); and on these grounds it is considered the need to keep information exempt outweighs the public interest in disclosing the information.

12. Exempt Minutes

To approve, and sign as a correct record the Exempt Minutes of the meeting of the Executive Committee held on 13 November 2024 (Item 12)

13. Date of next meeting

To note that the next meeting of the Executive Committee will be held on Wednesday 19 March 2025 at 10 am.

If you have any enquiries about this agenda please contact: Katie Nellist (Democratic Services Officer) – Tel: (01296) 744633 email: knellist@bucksfire.gov.uk

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Buckinghamshire & Milton Keynes Fire Authority

Minutes of the Meeting of the EXECUTIVE COMMITTEE of the BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY held on WEDNESDAY 13 NOVEMBER 2024 at 10.00 AM.

Present: Councillors Banks, Hall (part), Lambert, Lancaster, McLean (Vice-Chairman), Rouse (Chairman), Stuchbury (Substitute) and Walsh (part)

Officers: L Harrison (Chief Fire Officer), S Tuffley (Deputy Chief Fire Officer), G Britten (Director of Legal and Governance), M Hemming (Director of Finance and Assets), A Hussain (Deputy Director of Finance and Assets), D Buchanan (Assistant Chief Fire Officer) A Carter (Head of Technology, Transformation and PMO), R Davidson (Director of Human Resources and Organisational Development), P Scanes (Head of Prevention and CRMP) and K Nellist (Democratic Services Officer)

Apologies: Councillor Bailey (Councillor Stuchbury substituting)

The Chairman advised the Committee that the meeting was being recorded and would be uploaded on to the Authority's YouTube channel after the meeting.

<https://www.youtube.com/channel/UCWmIXPWAscxpL3vIiv7bh1Q>

The Chairman welcomed new Member Councillor James Lancaster to his first meeting and welcomed Simon Tuffley to his new role as Deputy Chief Fire Officer and Doug Buchanan to his temporary role as Assistant Chief Fire officer.

EX21 MINUTES

RESOLVED -

That the Minutes of the Executive Committee meeting held on Wednesday 11 September 2024, be approved, and signed by the Chairman as a correct record.

EX22 MATTERS ARISING FROM THE PREVIOUS MINUTES

EX16 PERFORMANCE MANAGEMENT Q1 2024/25 – a Member asked if a list of KPI's that had been taken out, could be emailed to members – The Data Intelligence Team Manager advised this had been done.

EX23 DISCLOSURE OF INTERESTS

None.

EX24 LATE URGENT ITEM - His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) – Buckinghamshire Fire and Rescue Service (BFRS) 2023-2025 Revisit Update

By reason of the HMICFRS 'Causes of Concern Progress Letter' addressed to the Chief Fire Officer being published on Friday 8 November, this item was considered by the Committee so that the Committee could receive and note the letter.

The Chairman advised Members that HMICFRS revisited the Service and issued an updated letter on Friday 8 November 2024. The Chairman and Chief Fire Officer had attended the Fire Performance and Oversight Group (FPOG) which was part of the oversight of the Service during the engage process. The feedback received was excellent noting the progress that had been made. HMICFRS were due to revisit in January, and it was clear from the meeting that the indication was, if the trajectory continued, the Service would get more positive feedback from the meeting. The Chairman wanted to put on record his thanks to the Chief Fire Officer and the team overall. There had been an incredible amount of work over the last year making progress on these items and it was clear that the Service had done a lot to rebuild confidence with HMICFRS.

The Chief Fire Officer also reiterated her thanks to the team who had worked extremely hard, and HMICFRS had commented on the speed and the progress that had been made, a testament to the hard work and focus the team had put in.

The Head of Technology, Transformation and PMO advised Members that following the round three inspection in 2023, the Service was issued with three causes of concern in Prevention, Protection and EDI. During May and September, HMICFRS revisited the Service to check on progress. In summary, HMICFRS acknowledged the Service had made progress in all three areas and confirmed that all Prevention recommendations were now complete, and the Prevention cause of concern was now closed. There would be a virtual revisit in January 2025 and that would focus predominantly on Protection and EDI.

(Councillor Hall joined the meeting)

A Member asked when the Service would be able to say that all actions were complete.

The Head of Technology, Transformation and PMO advised that for every action, there was a measure for success which included KPI's. When an action was closed, the KPI progress would be

tracked. There were three EDI actions in progress, which would be completed by the end of the financial year. HMICFRS would continue to review it but would not close it until the Service had its next full inspection and the Service would not get clarity on when that would be until early next year.

A Member asked if updates would continue to be brought to Members.

The Head of Technology, Transformation and PMO advised that updates would continue to be brought to the Overview and Audit Committee, the Executive Committee if needed, and the Fire Authority.

A Member asked if officers had thought of asking another Service to come in, or an alternative group of people, and review what was being done, so that the Service, was more prepared for the next HMICFRS visit.

The Head of Technology, Transformation and PMO advised that the Service did look at options for peer reviews, and Protection had received a peer review.

The Assistant Chief Fire Officer advised there had been a lot of engagement with different services and the National Fire Chiefs Council (NFCC). Derbyshire Fire and Rescue Service was brought in around the work done on the Protection Action plan, to see if the actions being brought in were the right ones. Arrangements had been made for Surrey Fire and Rescue Service to come in and do a peer review over the next couple of months.

The Director of Human Resources and Organisational Development advised Members that the Service had asked Derbyshire Fire and Rescue Service to come in and do a peer review looking at employee relations standards in terms of case management policies, disciplinaries and grievances and how the Service handles cases and they would be coming in November/December to do a review.

The Chairman asked if the breadth of support that had been taken could be shared with Members.

The Chairman also wanted to say publicly, that officers should not be too hard on themselves regarding Protection, it was a new cause for concern, and it was clear from the FPOG meeting that HMICFRS recognised the progress that had been made, but a high bar had been set around it being sustainable, and the letter reflected the progress made.

A Member asked if there was a good sustainable budget provision to ensure that progress continued.

Head of
Technology,
Transformation
and PMO

The Director of Finance and Assets advised that in terms of sustainability and the budget moving forward, Members would be aware the Service was currently producing its Community Risk Management Plan (CRMP) for the next five years, which would come before Members at the December Fire Authority meeting. In terms of a peer review, it had been externally assured by a company called Mazars who had looked at how it aligned with both fire standards and recommendations from HMICFRS. As part of producing the CRMP, all HMICFRS feedback had been taken on board. When the budget was presented to Members in February, they would see it aligns with the CRMP to ensure that all strategies aligned to moving the Service where it needed to be and were sustainable moving forward both in terms of delivery and budget.

RESOLVED –

That the HMICFRS update, and the Buckinghamshire Fire and Rescue Service: Causes of concern progress letter 8 November 2024 (Appendix 1), be noted.

EX25 BUDGET MONITORING REPORT APRIL 2024–SEPTEMBER 2024

The Lead Member for Finance and Assets, Information Security and IT advised that the Authority was in a better position thanks to the wholetime headcount remaining above 300 and interest rates remaining higher than were anticipated at this stage. Bank costs were starting to level off, and significant investment had been put in new roles and resources which was helping the Service on its improvement journey.

The Deputy Director of Finance and Assets advised Members that the report at Appendix A outlined the Authority's revenue and capital spending as of 30 September 2024, along with the projected financial year-end position. The budget of £39.470k, compared to the forecast outturn of £38.635k, indicated a projected year-end underspend of £835k. This underspend was mainly due to lower direct employee costs, resulting from reduced bank (overtime) and on-call costs, as well as vacant support positions. Additionally, higher than expected investment returns, driven by the Bank of England's base rate falling more slowly than forecast, had contributed to this favourable variance.

In terms of capital, all operations and staff from Unit 7 had been relocated, and the building was handed back to the landlord on 30th September 2024. In terms of property works, Appendix B provided a detailed plan of works for 2024/25. To date, various work had been completed at stations and HQ which was detailed in the appendix.

The other area of significant capital expenditure was in fire appliances and equipment. Spending to date on fire appliances and equipment included the purchase and delivery of hydraulic sets, fireground radios, BA equipment and first and second stage payments for three fire appliances. The three fire appliances and a workshops van were due to be built and delivered in the third quarter of 2024/25. Orders for boats and trailers would be placed soon following completion of the procurement process.

A Member asked if the cut in Council Tax in 2015, was still affecting the bottom line.

The Deputy Director of Finance and Assets advised that officers focussed on what the Authority had now and what it would have for the future to ensure there was a sustainable budget for the future. The precept had been increased twice by £5 and this had helped to maintain reserves.

A Member asked if there was any indication of whether the Authority would get precept flexibility moving forward.

The Director of Finance and Assets advised that with regard to precept flexibility for the coming year, it was still to be decided. It was hoped that a policy statement would be put out later this month which would give an indication of potential referendum limits.

A Member asked about Stokenchurch Fire Station should it continue to be maintained with a new roof, guttering and downpipe if it was not going to be featured in the future, was that an investment that needed to be done. The Member was not saying the Station should be closed.

The Members asked why Gerrards Cross and Buckingham Fire Station's EDI wellbeing spaces were not being started until March 2025.

The Director of Finance and Assets advised that as stated in the report, there had been a number of emergency works this year which had to be addressed more urgently, and that was part of the reason why Stokenchurch had been put off, as well as looking at the longer term future of these stations in terms of what to do with them.

Gerrards Cross and Buckingham were new pieces of work that were not originally on the plan for this year. Every station had received a property standard review to see where the gaps were. In terms of EDI, these were day crewed stations, but, were now being used differently to what they were originally designed for when they were built 30-40 years ago.

A Member asked about fire appliances and equipment, in terms of capital, were officers confident that the Authority would be on track for three fire appliances, two wildfire units, two boats and trailers to be delivered in this financial year.

The Deputy Director of Finance and Assets advised that he had received confirmation that they would be delivered no later than quarter four. With regard to the wildfire units, potentially the Service should get one by the end of the financial year and in terms of the boats and trailers, the order had only just been placed, so it was likely that they would slip into the next year, to be received soon after March 2025.

A Member asked about the 2022/23 condition survey and asked if a condition survey was undertaken every year as the work had slipped at High Wycombe Fire Station and had now been carried forward.

The Director of Finance and Assets advised that in terms of condition surveys, it was not something that was done every year. They were done once every five years in terms of looking at all of the estate and were carried out by someone externally. They look at everything and give the Service a full list which was scheduled over a five-year programme. High Wycombe Fire Station was one of the biggest items. There was a whole history there going back about ten years, the Council wanted the Service to move, then it did not, then it did. No significant work had been done to the Station other than for employee welfare. Ideally it would be knocked down and rebuilt from scratch, but the Authority does not have the money to do that, but an options paper on the site would be brought to Members next year.

The Chairman asked that the wildfire units should now be referred to as rural firefighting vehicles because they do more than just deal with wildfires.

The Director of Finance and Assets advised that officers would look at how they were badged, as they could be multifunctional as well.

The Chairman asked about the wholetime establishment road map, could officers give Members a look back at the number of transferees, or direct recruitment over the previous quarter or six months, as it looked like there would be no recruitment between February 2025 and September 2025. Were officers confident that the establishment figure would be maintained over the next twelve months.

The Director of Finance and Assets advised that in terms of the look back at recruitment, there may be slight dips, but that was purely a timing issue as to when the Service could get slots for

training at the college and timing of recruitment campaigns. This was something that was continually monitored and even more closely moving forward under the new Service Delivery Group for people.

The Chairman asked that looking at the capital programme for Broughton Beaconsfield and Buckingham Fire Stations, the end dates were December 2024 where the commentary was out for quotations, and it was already mid-November. Would all the work be completed by the end of December 2024.

The Director of Finance and Assets advised that the report was written at the end of September and work had progressed since then and the team were hopeful of hitting the December deadline.

RESOLVED –

That the provisional outturn forecast for the Authority as of 30 September 2024 be noted.

(The Deputy Director of Finance and Assets, the Head of Technology, Transformation and PMO and the Head of Prevention and CRMP left the meeting).

EX26 REWARD AND RECOGNITION REVIEW

The Director of Human Resources and Organisational Development advised Members that in accordance with good practice and the Scheme of Conditions of Service of the National Joint Council for Brigade Managers of Fire and Rescue Services (the Gold Book), a review of Senior Management bonus pay had been undertaken. It was recommended that bonus payments were not to be paid to the Senior Management Team in the current financial year. Subject to the Executive Committee approval, a review and benchmarking exercise of Reward and Recognition would commence.

Previous work had been undertaken by Southeast Employers, focusing on pay scales for support staff and also looking at employee allowances. Further work needed to be undertaken to review reward and recognition within the Service.

The Director of Human Resources and Organisational Development advised Members that a full review of all policies and procedures, employment offer for all staff allowances across the board would be undertaken. Southeast Employers had completed some work which was being reviewed to see what had been produced, and understand what they were recommending, but there needed to be a more holistic review of the employment offer to all staff, and that was the purpose of this paper, approval to take it forward.

The Director of Finance and Assets advised Members that the work the Southeast Employers had done in the past was purely around

the Senior Management Team merit awards and certain analysis of what others were paying out performance against. The Service had not used them for that purpose the last few years but had done the work internally. The work being referred to now, was a much broader look at pay, reward and recognition across all staff, not just the Senior Management Team. The work the Southeast Employers were doing this time, was much broader.

A Member asked if Southeast Employers were the only body who could undertake this work, would there be a tendering process to see what other organisations could do the work.

The Director of Human Resources and Organisational Development said that would be the next stage.

A Member asked if the wording could be changed from 'bonus' to potentially 'rewards and recognitions' rather than 'potential future bonus payments'.

The Chairman asked if officers could look at the timeline in the back of the paper, could it be done a bit faster. The reason being that it would be going to the Annual Meeting in June for new Members, it would be better to be brought to an earlier meeting in April or May.

RESOLVED –

That bonus payments are not paid to the Senior Management Team in the current financial year.

That a review of Reward and Recognition processes for BFRS staff be undertaken.

EX27 EXCLUSION OF PUBLIC AND PRESS

RESOLVED –

It was moved and resolved that the public and press representatives be removed from the meeting by virtue of Paragraph 1 of Part 1 of Schedule 12A of the Local Government Act 1972, as the report contains information relating to any individual; and Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as the report contains information relating to the financial or business affairs of a person (including the Authority); and on these grounds it is considered the need to keep information exempt outweighs the public interest in disclosing the information.

EX28 EXEMPT MINUTES

RESOLVED -

Director of Human Resources and Organisational Development

That the Exempt Minutes of the Executive Committee meeting held on Wednesday 11 September 2024, be approved, and signed by the Chairman as a correct record.

(Councillor Walsh left the meeting)

EX29 STANDARDS OF BEHAVIOUR AND UPDATE ON DISCIPLINARY AND GRIEVANCE PROCESSES

RESOLVED -

The Committee considered the report, details of which are noted in the exempt minutes.

(all officers with the exception of the Director of Legal and Governance, Director of Human Resources and Organisational Development, Director of Finance and Assets and the Democratic Services Officer left the meeting)

EX30 CHIEF FIRE OFFICER / CHIEF EXECUTIVE REMUNERATION

RESOLVED -

The Committee considered the report, details of which are noted in the exempt minutes.

EX31 DATE OF NEXT MEETING

To note that the next meeting of the Executive Committee will be held on Wednesday 5 February 2025 at 10 am.

THE CHAIRMAN CLOSED THE MEETING AT 11.25 AM

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Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 5 February 2025

Report title: Medium Term Financial Plan (MTFP) 2025/26 to 2029/30

Lead Member: Councillor Matthew Walsh

Report sponsor: Mark Hemming, Director of Finance and Assets

Author and contact: Asif Hussain, ahussain@bucksfire.gov.uk, 01296 744421

Action: Decision

Recommendations:

That the recommendations below be approved for submission to the Authority:

1. It is recommended that:
 - (a) the report and Statement of the Chief Finance Officer (see section 8 of Annex A) be noted.
 - (b) a Council Tax precept of £84.46 for a band D equivalent property (equal to an increase of approximately 10p per week) and the revenue budget as set out in Appendix 1 be approved.
 - (c) the capital programme as set out in Appendix 2 be approved.

Executive summary:

The main report (Annex A) presents the proposed revenue and capital Medium Term Financial Plan (MTFP) for the financial years 2025/26 to 2029/30. The MTFP is closely linked to the Service's new Community Risk Management Plan (CRMP) 2025-2030, which will go-live on 1 April 2025.

On 28 November 2024, the Government published the local government finance policy statement 2025/26, which sets out the intentions for the local government finance settlement for the upcoming year. The provisional settlement was announced on 18 December 2024, which detailed the funding allocations that have been incorporated into the MTFP. Final confirmation of the settlement is expected in February 2025 and any changes in the provisional to final settlement will be presented in a revised Appendix 1 at the meeting.

In 2022/23 the government allowed additional precept flexibilities for lower-quartile Fire and Rescue Authorities (FRAs) to increase the precept by £5, and in 2023/24 extended this flexibility to all FRAs. In 2024/25 the maximum increase was effectively limited to 3%. This year, the Authority continued to lobby alongside the National Fire Chiefs Council for £5 precept flexibility in 2025/26 to deal with the continuous financial pressures being faced by FRA's. As per the provisional settlement, the Fire sector have been successful in this lobbying and therefore the referendum threshold is £5.

Revenue Support Grant (RSG) which now includes the previous pension grant (£1.206m) will increase in line with Consumer Price Index (CPI) as of September 2024. The Firelink grant will reduce by 20% and 2025/26 will be the final year we will receive Firelink grant. This will result in the USAR grant being the only fire specific grant we will receive from 2026/27 and beyond.

The service saw a significant reduction in Services Grant last year which reduced by 84% and this year it has been reduced to zero. Another grant that has ceased this year is the minimum funding guarantee, which was introduced in 2024/25 for all local authorities, and equated to £0.598m for Buckinghamshire Fire and Rescue.

The Autumn Budget 2024 introduced significant changes to National Insurance Contributions (NICs). Employer NICs will increase from 13.8% to 15%, with the payment threshold lowered from £9,100 to £5,000 per annum. This will directly impact employer contributions and indirectly increase supply/service costs due to suppliers raising their charges to cover their increased NICs. The Provisional Settlement confirmed £515 million funding for local government (including CCA/CAs but excluding police and education services). However, initial estimates suggest this will only cover between 30% to 52% of the direct costs only, leaving a funding gap of £0.250m to £0.350m that the Service will need to fund.

With the introduction of the Non-Domestic Rating Act 2023, this has given ministers the power to set the small and standard business rating multipliers separately from one another. Until 2023/24, these two multipliers had to be increased (or frozen) by the same percentage. Local authorities will continue to be compensated for the freeze in the Business Rates Multipliers in 2025/26, seeing the sum of Baseline Funding Levels (BFLs) and an increase in compensation grant for under indexation of the Business Rates Multiplier rise in line with CPI.

Key assumptions are detailed in Section 4 of Annex A and are based on information received to date.

The Ministry of Housing, Communities and Local Government (MHCLG) has released a consultation on funding reform. The Autumn 2024 Budget outlined the Government's plan to implement a comprehensive set of reforms aimed at placing local government on a more sustainable footing. The Budget also committed to a deprivation-based funding approach for 2025/26 for some elements of funding, with broader reforms planned through a multi-year settlement starting from 2026/27.

Council tax collection funds have been improving since the start of the pandemic where they were adversely impacted, and the tax base reduced. We have seen the council tax base slowly increase since the pandemic and surpass the average increase (in previous years) of 1.6%. However, for 2025/26, we have seen a reduction in the council tax base increase (1.38%) compared to previous years but still a respectable increase and not far off from our assumption of 1.6%.

This year the budget adopted the zero-based budget setting process involving the Lead Members who were provided with the overview of the budget and assumptions. The budget setting process was scrutinised by Officers and Lead Members to ensure only

proposals which added value for money and in line with the CRMP priorities were approved.

The revenue budget for 2025/26 and indicative figures for future years are shown in Appendix 1.

It should also be noted that the figures for council tax and business rates are provisional. The statutory deadline for the billing authorities to provide this information to the Authority is 31 January 2025. Any changes to the figures will be presented in a revised Appendix 1 at the meeting.

Appendix 2 shows the latest summary of the capital programme for 2025/26 and approved schemes for the following years.

Appendix 3 provides further detail on the level of council tax chargeable for each band if the Authority accepts the recommendation to increase the band D by £5.

Financial implications: All financial implications are shown in the main body of the report.

Risk management: Management of Financial resources is a key risk to the Authority. By projecting forward and monitoring the financial plans, we are in a better position to avoid and mitigate the risk of adverse financial consequences.

Legal implications: The Local Government Act 2003 gives the responsible finance officer, namely the Chief Finance Officer of the Combined Fire Authority under s112 of the Local Government Finance Act 1988, the responsibility to report to Members of the Authority on their assessment of the robustness of the estimates used within the budget and on the adequacy of reserves.

Members must have regard to the report of the Chief Finance Officer in respect of the above and the highlighted associated risks before considering the recommendations as set out in the report.

Privacy and security implications: No direct impact.

Duty to collaborate: No direct impact.

Health and safety implications: No direct impact.

Environmental implications: No direct impact.

Equality, diversity, and inclusion implications: No direct impact.

Consultation and communication: None.

Background papers:

Medium Term Financial Plan (MTFP) 2024/25 to 2028/29 and Revised Appendices, Fire Authority, 14 February 2024: <https://bucksfire.gov.uk/wp-content/uploads/2024/03/fire-authority-agenda-and-reports-14-february-2024.pdf>

Appendix	Title	Protective Marking
Annex A	Medium Term Financial Plan 2025/26 to 2029/30	None
Appendix 1-4	Appendix 1 – MTFP Budget Model and Reserves Position Appendix 2 – Capital Programme Summary Appendix 3 – Council Tax Rates Appendix 4 – Risk Assessment of the Adequacy of General Reserves	

Annex A – Medium Term Financial Plan (MTFP) 2025/26 to 2029/30

1. Introduction

- 1.1. The purpose of this report is to present the proposed revenue and capital Medium Term Financial Plan (MTFP) 2025/26 to 2029/30.
- 1.2. The MTFP is closely linked to the Service's new Community Risk Management Plan (CRMP) 2025-2030, which will go-live on 1 April 2025. The MTFP details the resources available to facilitate this Plan.
- 1.3. As part of the Fire Authority's Terms of Reference and MTFP, the Authority reviews and sets a balanced budget each year in line with corporate priorities. The MTFP is expressed as a detailed annual budget for the first year, with outline indicative budgets for the following four years.
- 1.4. Under Section 25 of the Local Government Act 2003 the Chief Finance Officer (as S.112 Chief Finance Officer of the Local Government Finance Act 1988) is required to report to Members on:
 - The robustness of the estimates made for the purposes of the calculations of the budget
 - The adequacy of the proposed financial reserves
- 1.5. The Local Government Act 2003 requires that Members have regard to the report in making their decisions (see section 8).
- 1.6. Section 42A of the Local Government Finance Act 1992 also requires the Authority to have regard to the level of reserves for meeting estimated future expenditure when calculating the net budget requirement.

2. Local Government Finance Settlement 2025 to 2026

- 2.1. The Revenue support grant will increase in line with the change in the Consumer Price Index (CPI) between September 2023 and September 2024 which is 1.7%. The old pension grant has also been incorporated into the RSG on a flat cash basis since 2024/25 and will also increase in line with CPI.
- 2.2. With the introduction of the Non-Domestic Rating Act 2023, this has given ministers the power to set the small and standard business rating multipliers separately from one another. Until 2023/24, these two multipliers had to be increased (or frozen) by the same percentage. Local authorities will continue to be compensated the difference between the freeze and the increase expected in line with CPI.
- 2.3. The Ministry of Housing, Communities and Local Government (MHCLG) has released a consultation on funding reform. The Autumn 2024 Budget outlined the Government's plan to implement a comprehensive set of reforms aimed at placing local government on a more sustainable footing. The Budget also committed to a deprivation-based funding approach for some funding streams in 2025/26, with broader reforms planned through a multi-year settlement starting from 2026/27.
- 2.4. In 2023 the Government announced that the Government Actuary Department had completed its valuation of Firefighters' Pension Scheme (England) and published the results of the 2020 Valuation. As a result of this review the employer contribution rate rose to 37.6% of pensionable pay from 1 April 2024 to 31 March 2027. The

Treasury fully funded this cost last year and have confirmed they will continue to do so on a flat cash basis for 2025/26. It is uncertain if this will be fully funded in future years or if it will be incorporated into the revenue support grant as per the previous pension grant.

- 2.5. The Autumn Budget 2024 introduced significant changes to National Insurance Contributions (NICs). Employer NICs will increase from 13.8% to 15%, with the payment threshold lowered from £9,100 to £5,000 per annum. This will directly impact employer contributions and indirectly increase supply/service costs due to suppliers raising their charges to cover their increased NICs. The Provisional Settlement confirmed £515 million funding for local government (including CCA/CAs but excluding police and education services). However, initial estimates suggest this will only cover between 30% to 52% of the direct costs only, leaving a funding gap of £0.250m to £0.350m that the Service will need to fund.
- 2.6. As part of this year's announcement, the Government published headline changes in core spending power between 2024/25 and 2025/26 for every authority. The headline change published for Buckinghamshire Fire and Rescue Service was an increase of 4.2% in cash terms.
- 2.7. This is based on the assumption that the Authority will increase its Band D council tax in 2025/26 by 6.29% (£5).

3. Council Tax and Business Rates

- 3.1. In publicly declaring core spending power figures, the Government has clearly set an expectation that local authorities will continue to increase council tax every year by the maximum amount permissible.
- 3.2. The Council tax was increased by £5 in 2022/23 and 2023/24. For 2024/25, the referendum threshold had reverted back to 3%. This year, the Authority continued to lobby alongside the National Fire Chiefs Council for £5 precept flexibility in 2025/26 to deal with the continuous financial pressures being faced by FRA's. As per the provisional settlement, the Fire sector have been successful in lobbying and therefore the referendum threshold is £5.
- 3.3. The Authority currently sets a band D equivalent precept of £79.46 per annum (approx. £1.52 per week). This is significantly below the national average and one of the lowest precepts of any combined fire authority.
- 3.4. Council tax chargeable for each band should the Authority resolve to increase the band D by £5 (6.29%) is shown in Appendix 3.

4. Risk Factors in Budget Assumptions

- 4.1. The budget proposed for 2025/26 at Appendix 1 has been compiled by looking in detail at current spending and future plans and applying the zero-based budgeting methodology.
- 4.2. This year the budget setting process involved the Lead Members who were provided with the detailed budget and assumptions. The budget setting process was scrutinised by Officers and Lead Members to ensure only proposals which added value for money and are in line with the CMRP priorities were approved.

- 4.3. The service adopted a zero-based budget approach whereby every line of budget was reviewed and challenged by the appropriate officers. This resulted in significant savings being identified which have been reallocated in the budget to reduce the impact of inflationary pressures.
- 4.4. Included within the budget is the increase in revenue contribution to the Thames Valley Fire Control Service (TVFCS) which is a joint control room operated by the three Thames Valley FRS. Buckinghamshire FRS contribution towards the revenue expenditure for the TVFCS has increased by £14k per annum (£1.014m for 2025/26) which has been included in the MTFP.
- 4.5. The Service had previously been notified that the grant funding for the Urban Search and Rescue (USAR) capability hosted at Aylesbury would end on 31 March 2025. With the support of the local MPs, the Fire Authority challenged this decision and were successful in the funding being reinstated for 2025/26. We have now assumed this funding will continue for the foreseeable future but this has yet to be officially confirmed.
- 4.6. Uncertainty continues to persist regarding the level of inflation that the Service will be subject to over the coming years. Given that almost three-quarters of the budget relates to direct employee costs, pay inflation has a hugely significant impact on the Services budget.
- 4.7. Areas where budgets have changed significantly from previous years have been subject to a series of challenges by Officers and Members. Risks which have been identified are to be covered from the reserves.
- 4.8. The detailed costs and funding are based on the updated budget requirement including the annual uplift assumptions below:

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Council tax precept	2.98%	6.29%	2.99%	2.99%	2.99%	2.99%
Council tax base	1.6%	1.38%	1.6%	1.6%	1.6%	1.6%
Settlement Funding Assessment	6.7%	1.7	2%	2%	2%	2%
Pay Award	4%	2%	2%	2%	2%	2%

5. Capital

- 5.1. The revenue impact of the capital programme has been factored into the base revenue budget requirement. This includes an annual revenue contribution to capital (RCCO), details of which are shown in Appendix 1.
- 5.2. The table at Appendix 2 details the approved capital programme for 2024/25, the estimated provisional outturn position and any proposed slippage to the programme. Any slippage is then added to the new budget requests for 2025/26 to give a total capital budget requirement of £8.5m for 2025/26. This figure includes indicative funding relating to points raised in 5.3.

- 5.3. The capital programme includes indicative funding relating to a proposed local training facility and an options appraisal for High Wycombe Fire Station. Both of these will have a separate business case submitted which will be subject to approval before potential commencement of these projects.
- 5.4. The Authority should also take cognisance of the prudential indicators when approving the capital programme (submitted as a separate paper at this meeting).

6. Scrutiny and Challenge Process

- 6.1. All budget changes have been determined based on a series of challenge panels held by officers and then Members during the MTFP process.
- 6.2. As part of the scrutiny process, the service has been able reallocate resources and use the additional precept flexibility/funding to invest in the following areas;
- Professional Investigator Role
 - Upgrades to Learning Management System
 - Contaminants Management
 - Community Engagement
 - Local Training Facility (subject to approval of business case)
 - High Wycombe Fire Station – Options appraisal

7. Adequacy of Reserves

- 7.1. The Reserves Strategy is now incorporated within the Financial Strategy which was approved by the Fire Authority at its meeting on 9 December 2020 (<https://bucksfire.gov.uk/documents/2020/11/item-7c-fire-authority-9-december-2020.pdf/>). Given the significant uncertainty that persists around inflation and other subsequent events that have occurred, the level of the General Fund has been reviewed. The current calculation of the risk assessed amount can be seen in Appendix 4.
- 7.2. The latest forecast balances and reserves at year-end 2024/25 are:
- General Fund Balance - £2.0m
 - Earmarked Reserves - £5.3m*
 - Capital Reserves - £6.2m

* The earmarked reserves balance excludes the amount held by Oxfordshire County Council relating to the Thames Valley Fire Control Service.

8. Statement of the Chief Finance Officer

- 8.1. The purpose of this statement is to comply with the requirements of the Local Government Act 2003 whereby the Chief Finance Officer, in the Fire Authority's case the Director of Finance and Assets and Chief Finance Officer, must report on:
- The robustness of the estimates made for the purposes of the calculations of the budget and;
 - The adequacy of the proposed financial reserves;
 - In recommending the budget to the Authority, Members must have regard to this report when making decisions in connection with which it is made.

- 8.2. Given the level of the General Fund Balance and earmarked reserves available, the prudent approach to the budget setting process for the next financial year and the controls for budget management, it is my conclusion as Chief Finance Officer for the Authority that, subject to approval of recommendation 1(b), there is sufficient capacity in the reserves to cope with the financial risks the Authority faces for 2025/26 and future years and that the methodology applied provides the necessary assurance to the Authority about the robustness of the estimates used in constructing the budget.

Appendix 1 – MTFP Model

The model below is based on the assumptions detailed in Sections 3 and 4 and all significant budget movements have been subjected to Officer and Member scrutiny as noted in Section 6.1. The statutory deadline for the billing authorities to provide Council Tax and business rates information to the Authority is 31 January 2025. Any changes to these figures will be presented in a revised Appendix 1 at the meeting.

Directorate	2024/25 Approved Budget £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000
Base Budget	0	39,470	42,715	43,627	45,048	46,669
Inflation Adjustment	0	453	970	999	1,029	1,060
Corporate Core	864	490	91	-200	0	0
Statutory Accounting	452	-52	0	0	0	0
Delivery, Corporate Development & Planning	28,579	-845	349	455	348	351
Peoples Directorate	630	2,390	0	0	0	0
Finance & Assets	7,252	115	321	350	0	-156
RCCO	1,693	694	-819	-183	244	430
Net Budget Requirement	39,470	42,715	43,627	45,048	46,669	48,354
Settlement Funding Assessment (SFA)	-11,269	-11,550	-11,745	-12,041	-12,237	-12,431
Services Grant	-36	0	0	0	0	0
Council Tax Receipts Surplus/Deficit	-101	-414	-150	-150	-150	-150
Fire Specific Grants	-933	-877	-817	-817	-817	-817
Council Tax Receipts	-26,091	-28,116	-29,418	-30,783	-32,208	-33,699
Fire Pensions Grant	-1,107	-1,107	-1,107	-1,107	-1,107	-1,107
National Insurance Grant	0	-150	-150	-150	-150	-150
Minimum Funding Guarantee	-598	0	0	0	0	0
Transfers to/(from) Reserves	665	-501	-240	0	0	0
Total Funding Available	-39,470	-42,715	-43,627	-45,048	-46,669	-48,354

Appendix 1a – Reserves Position

Reserves Position	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000
General Fund Balance	-2,040	-2,040	-2,040	-2,040	-2,040	-2,040
Other Earmarked Reserves (excluding Control Room Res.)	-5,290	-240	0	0	0	0
Capital and Transformation Reserves	-6,221	-4,680	-1,321	-659	-628	-1,753
Total	-13,551	-6,960	-3,361	-2,699	-2,668	-3,793

Appendix 2 – Capital Programme

The table below summarises the capital programme from 2024/25 through to 2029/30 and is based on the revenue contribution to capital levels shown in Appendix 1:

Capital Programme	2024/25 £000	2025/26 £000	2026/27 £000	2027/28 £000	2028/29 £000	2029/30 £000
Property	700	6,516	4,360	4,219	250	250
Hydraulic Equipment	70	54	59	85	90	95
Operational Equipment	95	100	105	110	115	120
Operational Red Fleet Vehicles (Fire Appliances)	887	0	311	326	343	360
Operational Red Fleet Vehicles (Specials)	440	350	0	760	760	0
Operational White Fleet Vehicles	0	78	0	0	0	0
BA and Associated Equipment	90	0	0	0	0	0
ICT	150	105	92	97	102	109
Slippage (Approved July 2024 Executive Committee)	1,300					
In-year Movements	40					
Current Year Slippage Forecast	-1,274	1,274				
Forecast Overspend	126					
Total Expenditure	2,624	8,477	4,927	5,597	1,660	934
Funding b/fwd	-6,750	-6,221	-4,680	-1,321	-659	-628
In Year Funding	-2,095	-6,936	-1,568	-4,935	-1,629	-2,059
Funding (Available)/Deficit	-6,221	-4,680	-1,321	-659	-628	-1,753

Note 1 – Figures highlighted in BLUE are currently only indicative and are not being considered at this stage of the process.

Note 2 – Figures highlighted in GREEN include amounts provisionally set aside for a local training facility and refurbishment/rebuild of High Wycombe Fire Station each of which are subject to a future business cases and in the case of High Wycombe, an options appraisal paper.

Appendix 3 – Council Tax Rates

If the band D equivalent council tax were increased by 6.29% for 2025/26, the following rates would apply to properties in each band:

Bands	Per Week (£)	Per Month (£)	Per Year (£)
A	£1.08	£4.69	£56.31
B	£1.26	£5.47	£65.69
C	£1.44	£6.26	£75.08
D	£1.62	£7.04	£84.46
E	£1.98	£8.60	£103.23
F	£2.34	£10.17	£122.00
G	£2.70	£11.73	£140.77
H	£3.24	£14.08	£168.92

This would represent an annual increase of £3.34 per annum on a band A, £5.00 per annum on a band D and £10.00 per annum on a band H property.

The following table shows the increase in each band (rounded to the nearest pence).

Bands	Per Week (£)	Per Month (£)	Per Year (£)
A	0.06	0.28	3.34
B	0.07	0.32	3.89
C	0.09	0.37	4.45
D	0.10	0.42	5.00
E	0.12	0.51	6.11
F	0.14	0.60	7.22
G	0.16	0.69	8.34
H	0.19	0.84	10.00

Appendix 4 – Risk Assessment of the Adequacy of General Reserves

The table below shows the calculation of the amount required to be held in the General Fund:

Budget Assumptions	Financial standing and management assessment/impact	Comments	Amount Required £000
The treatment of inflation and interest rates	The overall financial standing of the authority (level of borrowing, debt outstanding, council tax collection rates etc.). Rises in the prices of some commodities, e.g. fuel, highlight the relevance of using a number of inflation rates in the budget and financial strategy, and considering whether general reserves are adequate to deal with unexpected increases. Volatility in the financial markets also points to the need to consider investment and borrowing risks and their impact on income.	Significant uncertainty persists regarding the level of inflation (both pay and non-pay). Amount required to be held in general reserve estimated as circa 2% of net budget requirement.	850
The treatment of demand led pressures and resilience in spate conditions.	The authority's capacity to manage in-year budget pressures, and its strategy for managing both demand and service delivery in the longer term.	An amount has been set aside to help fund any recommendations that may come from the Grenfell Tower inquiry or the McCloud/Sargeant judgement. This also includes an amount associated with providing resilience in spate conditions.	100
The treatment of planned efficiency savings/productivity gains	The strength of the financial information and reporting arrangements. The authority should also be in a position to activate contingency plans should the reporting arrangements identify that planned savings or gains will either not be achieved or be delayed.	A key future efficiency within the Medium-Term Financial Plan is the efficiency saving relating to bank costs and over the border costs. However, these amounts can be potentially volatile so an amount should be held in the General Fund to mitigate the associated risk.	200

Budget Assumptions	Financial standing and management assessment/impact	Comments	Amount Required £000
The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments	The authority's virement and end of year procedures in relation to budget under/overspends at authority and department/directorate level. Risk management measures in relation to partnerships, including consideration of risk allocation. Contract provisions designed to safeguard the authority's position in the event of problems arising from outsourcing arrangements.	This amount is based on circa 10% of the total estimated expenditure on the capital programme for 2025/26. This figure has increased compared to previous years due to the indicative funding allocated for the local training facility.	840
The availability of reserves, government grants and other funds to deal with major contingencies and the adequacy of provisions	The adequacy of the authority's insurance arrangements to cover major unforeseen risks. When considering insurance cover, the structure of the cover as well as the overall level of risk should be taken into account. Risk assessments should be used when balancing the levels of insurance premiums and reserves.	The insurance excess is set at £5,000 for the majority of claims. There is a risk that there may be a large number of high value claims. This value assumes ten claims over £5,000 in any one year.	50
Total Required			2,040

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Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 5 February 2025

Report title: The Prudential Code, Prudential Indicators and Minimum Revenue Provision (MRP)

Lead Member: Councillor Matthew Walsh

Report sponsor: Mark Hemming, Director of Finance & Assets

Author and contact: Marcus Hussey mhussey@bucksfire.gov.uk

Action: Decision.

Recommendations: That the Executive Committee approve the recommendations below for submission to the Fire Authority.

That the Authority be recommended to approve:

1. the Prudential Indicators for 2025/26
2. the Minimum Revenue Provision policy statement

Executive summary:

This report is being presented as the Prudential Indicators and Minimum Revenue Provision policy statement are required to be approved by the Fire Authority and to support the Medium-Term Financial Plan (MTFP).

The Authority has already made sufficient revenue provision to cover the repayment of its gross borrowing. The Authority has no plans for additional external borrowing in the foreseeable future, according to the current MTFP.

It is recommended that the Authorised Limit for 2025/26 is set at £2.5m higher than the Operational Boundary Limit to allow for the effective management of cashflow and the implementation of IFRS 16 Leasing from 1 April 2024.

Financial implications:

The decision on the prudential indicators sets out the financial limits within which the Authority will operate in future years.

The minimum revenue provision is a statutory charge against the General Fund, estimated at £47k for 2025/26 (no change from 2024/25).

The impact of the Prudential Code will allow the Authority to make informed choices between revenue and capital financing of procured services, to encourage invest to

save schemes and will only allow capital investment to proceed where the Authority can fund projects within prudential limits.

Making sufficient minimum revenue provision ensures that when borrowing matures, cash is available to make the repayment. This ensures that the Authority does not need to borrow additional money to repay existing loans.

Risk management:

The Prudential Code was established to ensure that capital investment plans are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. The indicators presented here demonstrate that the current plans for capital investment meet these criteria and present an acceptable level of risk to the Authority.

Minimum revenue provision is a statutory charge to the General Fund, which ensures that an Authority has sufficient cash balances to repay borrowing upon maturity, reducing the refinancing risk.

There are no direct staffing implications.

Legal implications:

The Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, SI 2003/3146 make provision for capital finance and accounts under the Local Government Act 2003 requiring the authority to have regard to the 'Prudential Code for Capital Finance in Local Authorities' when determining, under the Local Government 2003 Act, how much money it can afford to borrow; and require the Authority to determine for the current financial year an amount of minimum revenue provision which it considers to be prudent.

Privacy and security implications:

No direct impact.

Duty to collaborate:

No direct impact.

Health and safety implications:

No direct impact.

Environmental implications:

No direct impact.

Equality, diversity, and inclusion implications:

No direct impact.

Consultation and communication:

No direct impact.

Background papers:

Realignment of Reserve Balances to Facilitate the Medium Term Financial Plan, Executive Committee, 18 November 2015, agenda item 6:

https://bucksfire.gov.uk/wp-content/uploads/2024/03/181115_exec_committee_papers.pdf (from p.23)

Appendix	Title	Protective Marking
1	The Prudential Code, Prudential Indicators and MRP	

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The Prudential Code, Prudential Indicators and Minimum Revenue Provision

2025/26

Buckinghamshire & Milton Keynes Fire Authority

Contents

Prudential Indicators	Page 2
Summary Table of Prudential Indicators	Page 6
Minimum Revenue Provision (MRP) Policy Statement	Page 7

Prudential Indicators

1.0 Indicators for Affordability

1.1 The ratio of financing costs to net revenue stream

This indicator measures the percentage of the net revenue funding used to finance external debt. As no future external borrowing is planned and a decision was made to reallocate reserves to reduce the capital financing requirement in 2015/16, the ratio of financing costs to net revenue stream will remain consistently low. However, as per the Medium-Term Financial Plan 2025/26 to 2029/30, during 2027/28 the remaining voluntary revenue provision of £3.55m is forecast to be reversed.

Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Ratio of financing costs to net revenue stream	-1.98%	-1.11%	-0.79%	0.03%	-0.01%

2.0 Indicators for Prudence

2.1 Gross borrowing and the Capital Financing Requirement

The table below shows gross borrowing and the capital financing requirement (CFR). The Authority should ensure that gross borrowing does not, except in the short term, exceed the CFR. However, due to the reallocation of reserves to reduce the CFR (excluding finance lease) to zero (see Provenance Section & Background Papers) gross borrowing will exceed CFR for the medium term. This situation will exist until either borrowing is repaid, or if the voluntary revenue provision previously made is reversed.

Gross borrowing at the start of 2023/24 financial year was £6.177m. The figures shown below indicate the maximum level of borrowing during the year (i.e. repayments will reduce the limit for the following year):

Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Gross borrowing (£000)	6,177	4,550	4,550	4,550	4,550
Capital financing requirement (£000)	1,449	1,402	1,355	1,308	4,811

The graph below provides an overview of gross borrowing from Public Works Loan Board across Fire Services in England as of 31st March 2024.



3.0 Indicators for Capital Expenditure

3.1 Capital Expenditure and Financing

This indicator shows the expected level of capital expenditure for future years:

Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Capital expenditure (£000)	2,307	2,633	8,477	4,927	5,597

The table below summarises the above capital expenditure plans and how these plans are being financed by capital resources, revenue resources, reallocation of reserves and reversal of voluntary revenue provision

Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Capital Receipts	3,538	0	0	0	0
Capital Reserves	-3,101	940	1,557	3,351	557
Revenue Contribution to Capital	1,870	1,693	2,397	1,576	1,490
Reallocation of Existing Reserves	0	0	4,549	0	0
Reversal of Voluntary Revenue Provision	0	0	0	0	3,550

3.2 Capital Financing Requirement (CFR)

The CFR reflects the Authority's underlying need to borrow. This figure was reduced down to the level of the finance lease by the reallocation of reserves (see Background Papers). No additional external borrowing is planned in the medium term. As noted earlier, the figure for 2027/28 includes the forecast reversal of the remaining voluntary revenue provision as per the latest MTFP. The CFR should be looked at in relation to gross borrowing, as detailed in Section 2.1:

Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Capital financing requirement (underlying need to borrow for a capital purpose) (£000)	1,449	1,402	1,355	1,308	4,811

4.0 Indicators for External Debt

4.1 Authorised Limit

This is the maximum limit on borrowing and other long-term liabilities. From 2024/25, the authorised limit for other long-term liabilities factors in an estimated additional amount of £500k to account for the lease liabilities following the implementation of IFRS 16 Leasing. This amount cannot be exceeded without approval from the Fire Authority:

Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Authorised limit for borrowing (£000)	8,177	6,550	6,550	6,550	6,550
Authorised limit for other long-term liabilities (£000)	1,449	1,902	1,855	1,808	1,761
Authorised limit for external debt (£000)	9,626	8,452	8,405	8,358	8,311

4.2 Operational Boundary

This indicator shows the most likely estimate of debt for future years:

The actual external debt for the year ending 31 March 2024 was **£7.626m**.

Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Operational boundary for borrowing (£000)	6,177	4,550	4,550	4,550	4,550
Operational boundary for other long-term liabilities (£000)	1,449	1,402	1,355	1,308	1,261
Operational boundary for external debt (£000)	7,626	5,952	5,905	5,858	5,811

5.0 Indicators for Treasury Management

5.1 Adoption of CIPFA's Treasury Management in the Public Services: Code of Practice and Cross-Sectorial Guidance Notes

The aim is to ensure that treasury management is led by a clear and integrated forward treasury management strategy, and a recognition of the pre-existing structure of the Authority's borrowing and investment portfolios.

5.2 Upper limit on fixed interest rate exposures

This indicator shows the Authority's upper limit of the net exposure to fixed interest rates. Currently all borrowing is at a fixed rate of interest:

Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Upper limit on fixed interest rate exposures	100%	100%	100%	100%	100%

5.3 Upper limit on variable interest rate exposures

This indicator shows the Authority's upper limit of net exposure to variable interest rates:

Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Upper limit on variable interest rate exposures	20%	30%	30%	30%	30%

5.4 Maturity structure of fixed rate borrowing

This indicator shows the repayment profile of fixed rate borrowing. All loans are repayable on maturity:

Indicator	Actuals 2023/24		Estimate 2024/25		Estimate 2025/26		Estimate 2026/27		Estimate 2027/28	
	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit	Lower Limit	Upper Limit
Maturity structure of fixed rate borrowings										
Under 12 months	0%	0%	0%	0%	0%	0%	0%	0%	0%	22%
12 months and within 24 months	0%	0%	0%	0%	0%	0%	0%	22%	0%	0%
24 months and within five years	0%	19%	0%	22%	0%	22%	0%	14%	0%	14%

five years and within 10 years	0%	27%	0%	30%	0%	30%	0%	16%	0%	16%
20 years and within 30 years	0%	42%	0%	48%	0%	48%	0%	48%	0%	48%
30 years and within 40 years	0%	12%	0%	0%	0%	0%	0%	0%	0%	0%

5.5 Total principal sums invested for periods longer than 365 days

The purpose of this indicator is for the Authority to contain its exposure to the possibility of loss that might arise as a result of it having to seek early repayment or redemption of principal sums invested. The Authority currently has no investments over a period longer than 365 days.

Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Total principal sums invested for periods longer than 364 days (£000)	0.00	0.00	0.00	0.00	0.00

5.6 Credit Risk

The duration of any investment with a counterparty will be restricted as advised by the Authority's treasury management advisors, Link Asset Services. The advisors will base their assessment of credit risk based on credit ratings provided by the major agencies, as well as reviewing credit default swaps (a proxy measure for the markets perceived risk of default).

Summary Table of Prudential Indicators

For reference, the following table summarises the key indicators detailed in Appendix 1 in a single table:

	Indicator	Actuals 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28
Indicators for Affordability						
1.1	Ratio of financing costs to net revenue stream	-1.98%	-1.11%	-0.79%	0.03%	-0.01%
1.2	The incremental impact of capital investment decisions on the council tax	0.00	0.00	0.00	0.00	0.00
Indicators for Prudence						
2.1	Gross borrowing (£000)	6,177	4,550	4,550	4,550	4,550
Indicators for Capital Expenditure						
3.1	Capital expenditure (£000)	2,307	2,633	8,477	4,927	5,597
3.2	Capital financing requirement (underlying need to borrow for a capital purpose) (£000)	1,449	1,902	1,355	1,308	4,811
Indicators for External Debt						
4.1	Authorised limit for external debt (£000)	9,626	8,452	8,405	8,358	8,311
4.2	Operational boundary for external debt (£000)	7,626	5,952	5,905	5,858	5,811
Indicators for Treasury Management						
5.2	Upper limit on fixed interest rate exposures	100%	100%	100%	100%	100%
5.3	Upper limit on variable interest rate exposures	20%	30%	30%	30%	30%
5.5	Total principal sums invested for periods longer than 364 days (£000)	0.00	0.00	0.00	0.00	0.00

The actual external debt for the year ending 31 March 2024 was £7.626m. The projected external debt for the year ending 31 March 2025 is £5.952m (both figures include the finance lease liability).

The following indicators are not shown above:

- 5.1 – the Authority has adopted CIPFA’s Treasury Management Code
- 5.4 – details of the maturity structure of fixed rate borrowing
- 5.6 – narrative regarding credit risk

Minimum Revenue Provision (MRP) Policy Statement

The two methods for calculating prudent provision are set out below and were approved by members in 2008/09. Regulation 28 of the 2003 Regulations (as amended by regulation 4 of the 2008 Regulations) requires a local authority to calculate for the current financial year an amount of MRP which it considers to be prudent. The Secretary of State recommends that, for the purposes of regulation 4 the prudent amount of provision should be determined in accordance with one of four options, two of which were agreed by members in 2008/09 and are outlined below.

The broad aim of prudent provision is to ensure that debt is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits (asset life).

(a) CFR Method

MRP is equal to 4% of the Capital Financing Requirement (CFR) at the end of the preceding financial years. Since the CFR (excluding finance lease) is now at zero, this method is no longer applicable (for finance leases, the MRP requirement is regarded as met by a charge equal to the element of the rent that goes to write down the Balance Sheet liability).

(b) Asset Life Method

Since 1 April 2008, where capital expenditure on an asset is financed wholly or partly by borrowing or credit arrangements, MRP is to be determined by reference to the life of the asset, based on an equal instalment method. This amount is projected to be nil for 2025/26.

Where assets have been purchased utilising Capital grants or Revenue Contributions no MRP calculation is required. Only assets purchased utilising borrowing require an MRP charge.

The asset life method calculation requires estimated useful lives of assets to be input into the calculations. These life periods will be determined by the Director of Finance and Assets & Treasurer, regarding the statutory guidance and advice from professional valuers.



Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 5 February 2025

Report title: Response to The Provisional Local Government Finance Settlement 2025-26: Consultation

Lead Member: Councillor Matthew Walsh

Report sponsor: Mark Hemming, Director of Finance and Assets

Author and contact: Mark Hemming - mhemming@bucksfire.gov.uk

Action: Noting

Recommendations: That the response to the consultation be noted.

Executive summary:

The Consultation was published on 18 December 2024, with a deadline for responses of 15 January 2025. In accordance with the Scheme of Delegation to Officers, the response was discussed with the Chairman and Lead Member before submission. This paper details the content of the submission for the attention of the Committee.

The Consultation sought views on a number of areas, including the distribution of Revenue Support Grant, council tax referendum principles, introduction of the Recovery Grant and the repurposing of grant funding in 2025/26.

Financial implications: The financial implications of the provisional settlement have been factored into the medium-term financial plan, which is also being presented to the Executive Committee on 5 February 2025.

Risk management: No direct impact.

Legal implications: The Chief Fire Officer may make a formal response on behalf of the Authority to a Government Consultation Paper provided that such a response is subsequently referred to the appropriate committee for their attention.

Privacy and security implications: No direct impact.

Duty to collaborate: No direct impact.

Health and safety implications: No direct impact.

Environmental implications: No direct impact.

Equality, diversity, and inclusion implications: No direct impact.

Consultation and communication: No direct impact.

Background papers: None

Appendix	Title	Protective Marking
1	Provisional local government finance settlement 2025 to 2026_ consultation - GOV.UK	None
2	Response to the Consultation	None



Ministry of Housing,
Communities &
Local Government

Open consultation

Consultation: provisional local government finance settlement 2025 to 26

Published 18 December 2024

Applies to England

Contents

Scope of the consultation

Basic information

About this consultation

1. Summary of proposals
2. Distribution of the Settlement Funding Assessment
3. Funding simplification
4. Council tax
5. Recovery Grant
6. Distribution of adult and children's social care resources
7. Other Grants – New Homes Bonus, Rural Services Delivery Grant, Services Grant and funding floor
8. Impacts of these proposals

9. The International Financial Reporting Standard 9

Annex A: Personal data

Annex B: Address details and list of consultation questions

Annex C: Glossary of technical terms



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This publication is available at <https://www.gov.uk/government/consultations/consultation-provisional-local-government-finance-settlement-2025-to-2026/consultation-provisional-local-government-finance-settlement-2025-to-26>

Scope of the consultation

Topic of this consultation

This consultation seeks views on the proposals for the local government finance settlement for 2025-26.

Scope of this consultation

This consultation seeks views, in particular from representatives of local government, on proposals for the local government finance settlement for 2025-26.^[footnote 1] The settlement is an annual process to distribute core resources to local government and consists of grant, council tax and locally retained business rates. Following consultation, the government will determine the final amounts of the Revenue Support Grant, and the section 31 grants distributed alongside the settlement, and their allocations to receiving authorities and the specified body, as part of determining the overall allocation of this year's settlement made to each local authority in England.

This consultation document, together with accompanying documents including the draft Local Government Finance Report for 2025-26, notifies representatives of local government and members of the public of the government's proposals for policies across the upcoming settlement. This includes: the general nature of the basis of Revenue Support Grant distribution; the general nature of the basis of the calculation of 'tariff' and 'top up' payments that form part of the business rates retention system; the determination of the 'central' and 'local share' of business rates for 2025-26; the general nature of the basis of the distribution of section 31 grants alongside the settlement; and council tax referendum principles set through the settlement process.

On 28 November, the government published a policy statement setting out the government's intentions for the 2025-26 settlement and the direction of travel to fix the foundations of local government in 2026-27 and beyond. This consultation builds on and invites views on the proposals set out in that statement for 2025-26 only.

A consultation on the objectives and principles of updating how local authorities are funded through the local government finance settlement has been launched alongside this consultation: [Local authority funding reform:](#)

[objectives and principles \(https://www.gov.uk/government/consultations/local-authority-funding-reform-objectives-and-principles\)](https://www.gov.uk/government/consultations/local-authority-funding-reform-objectives-and-principles)

Geographical scope

These proposals relate to England only.

Basic information

Body responsible for the consultation

Local Government Finance Directorate within the Ministry of Housing, Communities and Local Government (the “Department”).

Duration

This consultation will last for 4 weeks from 18 December 2024 to 15 January 2025

Enquiries

For any enquiries about the consultation please contact:
lgfcorrespondence@communities.gov.uk

How to respond

We strongly request you respond through the following online form:

[Provisional local government finance settlement 2025-26 consultation - Citizen Space \(https://consult.communities.gov.uk/local-government-](https://consult.communities.gov.uk/local-government-provisional-local-government-finance-settlement-2025-26-consultation-citizen-space)

If you are unable to use the online form, you can email your response to the questions found in Annex B of this consultation document to:

lgfcorrespondence@communities.gov.uk

Responses via correspondence must make clear whether you disagree or agree with each question to ensure the statistics we collect following the consultation accurately reflect the views of local government. We will categorise responses as 'do not have a view' where written responses are unclear. It would be very useful if you could confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name
- your position (if applicable)
- the name of organisation (if applicable)
- an address (including post-code)
- an email address
- a contact telephone number

About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Environmental Information Regulations 2004 and UK data protection legislation). In certain circumstances this may therefore include personal data when required by law.

If you want the information that you provide to be treated as confidential, please be aware that, as a public authority, the Department is bound by the information access regimes and may therefore be obliged to disclose all or some of the information you provide. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance

that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Ministry for Housing, Communities and Local Government will at all times process your personal data in accordance with UK data protection legislation and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. A full privacy notice is included below.

Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the consultation principles? If not, or you have any other observations about how we can improve the process please, contact us via the [Complaints Procedure \(https://www.gov.uk/government/organisations/ministry-of-housing-communities-local-government/about/complaints-procedure\)](https://www.gov.uk/government/organisations/ministry-of-housing-communities-local-government/about/complaints-procedure).

1. Summary of proposals

1.1 Introduction

1.1.1 This consultation paper sets out the government's proposals for the 2025-26 local government finance settlement.

1.1.2 This chapter provides a summary of the proposals contained within the 2025-26 provisional local government finance settlement. The provisional settlement sets out the government's proposed distribution of resources for the 2025-26 financial year. This formal consultation forms a key part of the provisional settlement. The government will consider views from representatives of local government offered in response to this consultation. The government will then publish a response to the consultation in the new year, as part of the final local government finance settlement, which will notify all local authorities in England of their final settlement allocations.

1.2 Spending Review 2024 and updating the system

1.2.1 On 30 October 2024, the Chancellor set out her Autumn Budget and announced the outcome of Spending Review 2024. This Spending Review set departmental expenditure limits for 2025-26 and announced over £4 billion in additional funding for local government services. This included £1.3 billion which will go through the settlement.

1.2.2 Beyond the settlement, the extra funding announced at the Autumn Budget includes a guarantee that local authorities in England will receive at least £1.1 billion in total in 2025-26 from the new Extended Producer Responsibility for packaging (pEPR) scheme, with each local authority guaranteed at least the level of income indicated in November's provisional local payment figures. For social care funding delivered outside the settlement, it also includes an almost £1 billion increase to special educational needs and disabilities (SEND) and alternative provision funding, and £44 million of new funding to pilot a Kinship Allowance and create hundreds of new foster placements. Local government will also see £233 million of additional funding for homelessness services.

1.2.3 The policy statement the government published on 28 November 2024 gave councils notice of our proposals for the 2025-26 local government finance settlement, including how we intend to deliver the £1.3 billion additional funding announced at the Chancellor's 2024 Budget.

1.2.4 Following the policy statement, the government confirmed on 18 December an increase of over £700 million in funding, bringing the total additional grant funding that will be delivered to local authorities in England through this year's settlement to over £2 billion. The increase of more than £700 million includes:

- a further £200 million in the Social Care Grant to address pressures, taking the total uplift in the Social Care Grant in 2025-26 to £880 million;
- an uplift to the Children's Social Care Prevention Grant, a new grant announced at the policy statement, to £263 million. This uplift will be reflected in allocations at the final settlement and will make funding available for Family Group Decision Making;
- £515 million of new funding to support councils with the costs associated with the increase in employer National Insurance Contributions (NICs). Allocations will be based on 2023-24 Revenue Outturn data and published at the final settlement. We are working directly with councils not included within the most recent RO release. A [methodology note \(https://www.gov.uk/government/publications/explanatory-note-on-the-national-insurance-contribution-compensation-2025-to-2026\)](https://www.gov.uk/government/publications/explanatory-note-on-the-national-insurance-contribution-compensation-2025-to-2026) has been published as part of the provisional settlement to help authorities plan for how much they can expect to receive.

1.2.5 The policy statement also contained important information about our plans for future years. This has supported councils' budget setting processes by giving early certainty over their funding. The [consultation on the objectives and principles of funding reform](https://www.gov.uk/government/consultations/local-authority-funding-reform-objectives-and-principles) (<https://www.gov.uk/government/consultations/local-authority-funding-reform-objectives-and-principles>) has been launched alongside this consultation.

1.2.6 The proposals in this document begin to address the challenges facing local government by ensuring that funding goes to the places that need it most, while providing stability and protections to ensure that no local authority sees a reduction in their Core Spending Power in 2025-26. This consultation proposes difficult decisions that will achieve value for money and improve the overall sustainability of the sector, by targeting the places and services that need it most. This settlement reflects the government priorities of protecting taxpayers from excessive council tax increases and providing necessary funding for local authorities.

1.2.7 For 2025-26, this means that overall we are making available to local government in England a real-terms increase of 3.5% in Core Spending Power. Total Core Spending Power provided through the local government finance settlement for 2025-26 will be £69 billion, an increase of almost £4 billion on 2024-25. This Core Spending Power increase does not include the £515 million in additional funding for NICs or the £13 million uplift to the Children's Social Care Prevention Grant.

1.3 Dedicated Schools Grant (DSG) statutory override

1.3.1 At Autumn Budget, the government announced an almost £1 billion increase to SEND and alternative provision funding. This is an important step in realising the government's vision to reform England's SEND provision to improve outcomes and return the system to financial sustainability. The government will work closely with parents, teachers and local authorities to take forward this work.

1.3.2 The government recognises the strain that the rising costs of SEND provision are putting on local government. In particular, the impact of the Dedicated Schools Grant (DSG) deficits on councils' finances. We will work with the sector on a way forward. The government intends to set out plans for reforming the SEND system in further detail next year. This will include details of how the government will support local authorities to deal with their historic and accruing deficits and any transition period from the current SEND system to the reformed system. This will inform any decision to remove the statutory override. This will be underpinned by our objective to ensure local authorities can deliver high quality services for children and young people with SEND in a financially sustainable way. We will continue to work with the sector on the detail of our approach.

1.4 Summary of proposals included in the 2025-26 provisional settlement

1.4.1 Chapter 2 – Distribution of Settlement Funding Assessment (SFA): this chapter outlines the government’s proposals for distributing core settlement resources in 2025-26.

- Local authorities will see an increase in the total of baseline funding levels (BFLs) and under-indexation compensation grant as if both business rating multipliers had increased by CPI; [\[footnote 3\]](#)
 - BFLs will increase to reflect the increase of the standard multiplier, accounting for the fact that authorities have different shares of gross rates subject to the small and standard multipliers;
 - Local authorities will be compensated for the freeze in the small business rates multiplier in 2025-26 via an increase to the calculation for under-indexation compensation;
- Before rolling in grants, we propose to provide a uniform percentage increase in Revenue Support Grant (RSG) allocations from 2024-25, in line with the change in the CPI between September 2023 and September 2024; and
- There will be no ‘negative Revenue Support Grant’.

1.4.2 Chapter 3 – Funding simplification: this chapter details the government’s proposals to simplify the local government funding landscape in 2025-26 through grant consolidation.

- We propose to roll in 4 grants into the Revenue Support Grant – maintaining their existing distributions. The grants comprise of 3 MHCLG grants – the Transparency Code, Electoral Integrity Programme and Tenant Satisfaction Measures grants (together, worth £12.1 million) – and the Department for Education’s (DfE) Extended Rights to Home to School Transport grant (£54 million);
- MHCLG’s Domestic Abuse Safe Accommodation Grant (uplifted by £30 million to a total of £160 million) will be consolidated as a new, separate line in the settlement, maintaining its existing distribution;
- Funding for several existing DfE Children’s Social Care programmes, including the Supporting Families programme (£253.5 million), Supported Accommodation Reforms (£94.5 million), Staying Put (£33.3 million), Virtual School Heads Extension for Previously Looked After Children (£7.6 million), the Leaving Care Allowance uplift (£13.4 million) and Personal Advisor Support for Care Leavers (£12.1 million) will be consolidated into a single Children and Families Grant worth £414 million. This funding will retain its 2024-25 allocations in 2025-26 and will not be included in Core Spending Power for 2025-26.

1.4.3 Chapter 4 – Council tax: this chapter details the government’s intentions for council tax referendum principles in 2025-26 which apply to

the increase in the band D council tax charge set by a local authority.

- In line with OBR forecasts, maintaining the core council tax referendum limit of up to 3% from April 2025. Councils can set higher increases if they wish, via the consent of a local referendum;
- In addition, local authorities with social care responsibilities will again be able to set an adult social care precept of up to 2% without a referendum;
- A bespoke council tax referendum principle of up to 3% or £5, whichever is higher, for shire districts;
- No council tax referendum principle for mayoral combined authorities (MCAs);
- No council tax referendum principle for town and parish councils;
- A £5 referendum principle for fire and rescue authorities; and
- A £14 referendum principle for police authorities and police and crime commissioners.

It is for individual authorities to determine whether to use the flexibilities set out above, taking into consideration the pressures on households.

1.4.4 Chapter 5 – Recovery Grant

- We will introduce a new, one-off Recovery Grant, worth £600 million, to target places with greater need and demand for services (we have used deprivation as a proxy for this), and less ability to raise income locally.

1.4.5 Chapter 6 – Distribution of adult and children’s social care resources: this chapter sets out the government’s proposals for making specific funding available for social care services.

- In 2025-26, £5.9 billion will be provided through the **Social Care Grant**, supporting both adult and children’s social care – whilst equalising for the adult social care precept. This is an increase of £880 million compared to 2024-25. The majority of this additional funding will be allocated using our adult social care relative needs formula, while £240 million will be used to equalise the variation in yield from the adult social care precept.
- £2.6 billion will be distributed through the **Local Authority Better Care Grant**. This is a single grant, which consolidates the previous Discharge Fund (£500 million) into the grant which was previously the improved Better Care Fund (iBCF) (£2.1 billion). Like its predecessors this grant will be required to be pooled into the Better Care Fund (BCF). The objectives and conditions of the BCF will be set out in the 2025-26 BCF policy framework, which will be published shortly.
- £1.05 billion in 2025-26 will be distributed for adult social care through the **Market Sustainability and Improvement Fund (MSIF)**;
- A new **Children’s Social Care Prevention Grant**, worth £250 million, will fund the national rollout of Family Help - a whole-family, preventative service. This will be distributed through a children’s need-based formula,

which will allocate funding according to estimated need for children's social care services. At the final settlement we will uplift the Children's Social Care Prevention Grant to £263 million to fund the rollout of mandatory Family Group Decision Making.

1.4.6 Chapter 7 – Other grants: this chapter explains the government's proposals for the New Homes Bonus (NHB), Rural Services Delivery Grant (RSDG), the Services Grant and the funding floor.

- There will be a final round of NHB payments in 2025-26. There will be no change to the calculations process, and allocations for 2025-26 will continue to be made in the usual way;
- The Rural Services Delivery Grant, which was worth £110 million in 2024-25, will be repurposed. The government believes this grant is outdated and does not properly assess rural need;
- The Services Grant will also be repurposed to direct funding where it is needed most and further simplify the system, by removing a grant which has significantly reduced in value in recent years. In 2024-25, the Services Grant was worth around a tenth of its value in 2022-23 (£822 million);
- The proposed funding floor will guarantee that no local authority, including any affected by these decisions, sees a reduction in their Core Spending Power in 2025-26, after taking into account the increase in council tax levels;
- In addition, the government intends to distribute £3 million to authorities who continue to be affected by increased Internal Drainage Board levies. The distribution of this funding will be confirmed later in the financial year, as in previous years;
- The government intends to maintain the additional funding that the island authorities received in 2024-25;
- The government will also hold back a small amount of grant funding as contingency in line with previous years. The government will make clear how this contingency funding will be allocated at the final settlement.

1.4.7 Chapter 8 – Impacts of these proposals: this chapter invites views and evidence on the impact that the government's proposals may have on persons who share a protected characteristic.

1.4.8 Chapter 9 – The International Financial Reporting Standard 9: this chapter invites views on the government's proposal to not extend the IFRS 9 statutory override beyond its current end date of 31 March 2025.

1.5 Additional information

1.5.1 All responses to this consultation will be given full consideration. However, we are best able to analyse responses submitted via the online survey. If you are unable to use the online survey, responses via correspondence must make clear whether you disagree or agree with each question to ensure the statistics we collect following the consultation accurately reflect the views of respondents. We will categorise responses as 'do not have a view' where written responses are unclear. An online survey link and return address for responses to this consultation, along with a full list of consultation questions, is included in Annex B. A glossary of technical terms can be found in Annex C.

1.5.2 We encourage all respondents to reply to all questions, regardless of whether you are directly impacted by the proposals, in order that this government can assess the views of respondents as a whole.

1.6 Allocations for proposals

1.6.1 The supporting tables accompanying this consultation show the allocations for the proposals for individual local authorities. They do not include the further funding for National Insurance contributions (NICs), worth £515 million or for Family Group Decision Making, worth £13 million, as announced on 18 December and outlined in paragraph 1.2.4. This funding will be reflected in Core Spending Power figures at the final settlement. These proposals represent the government's intentions, and the figures are based on available information.

1.6.2 Data changes, new information or errors identified by either the Department or local authorities between the publication of this consultation paper and the calculation of the final local government finance settlement may lead to changes to individual local authority allocations. The government encourages local authorities to check their individual allocations. We ask local authorities to contact the Department with any concerns over the accuracy of their individual allocations. We will set out the final local authority allocations at the final settlement, following the conclusion of this consultation.

2. Distribution of the Settlement Funding Assessment

2.1 Introduction

2.1.1 This chapter outlines the government's proposals for distributing the Settlement Funding Assessment (SFA) in 2025-26, which is comprised of Revenue Support Grant (RSG) and baseline funding levels (BFLs).

2.2 Business rates retention

2.2.1 When the business rates retention system was introduced in 2013-14, the government committed that BFLs and business rates baselines (BRBs), which are used to determine tariffs and top-ups, would be fixed in real terms until the system was reset, but with adjustments in response to business rates revaluations. The government confirmed in the policy statement, published on 28 November 2024, that we intend to reset the business rates retention system in 2026-27. This will help to fundamentally improve the way we fund councils and direct funding to where it is most needed, based on an up-to-date assessment of need, and the ability of areas to raise income from local taxes. Further detail will be set out in the consultation on the objectives and principles of the government's proposed approach which has launched alongside this consultation.

2.2.2 The business rates revaluation took effect from 1 April 2023, with the concurrent transferral of relevant properties from local lists to the central list. Unmitigated, these would lead to changes in the amount of business rates income collected and retained under the business rates retention system.

2.2.3 The previous [government confirmed](https://www.gov.uk/government/consultations/technical-adjustment-to-the-business-rates-retention-system-consultation/technical-adjustment-to-the-business-rates-retention-system-in-response-to-the-2023-revaluation-and-central-list-transfers) (<https://www.gov.uk/government/consultations/technical-adjustment-to-the-business-rates-retention-system-consultation/technical-adjustment-to-the-business-rates-retention-system-in-response-to-the-2023-revaluation-and-central-list-transfers>) that it would adjust each local authority's top-up or tariff to ensure that, as far as practicable, a local authority's retained income from business rates is no more, or less, than it would have been had the revaluation not taken place. It also confirmed that it will compensate authorities for their losses from the transferral of properties to the central list. 2025-26 is the last year of the technical adjustment in response to the 2023 revaluation. Therefore, we are continuing the previous government's approach as set out in its [technical consultation](https://www.gov.uk/government/consultations/technical-adjustment-to-the-business-rates-retention-system-consultation/technical-adjustment-to-the-business-rates-retention-system-in-response-to-the-2023-revaluation-and-central-list-transfers) (<https://www.gov.uk/government/consultations/technical-adjustment-to-the-business-rates-retention-system-consultation/technical-adjustment-to-the-business-rates-retention-system-in-response-to-the-2023-revaluation-and-central-list-transfers>) on the matter, each local authority will receive its final revaluation adjustment value.

2.2.4 The Autumn Budget announced that the small business rates multiplier has been frozen for 2025-26 at 49.9p, and the standard business

rates multiplier will increase to 55.5p. The government will compensate local authorities for the reduction in income, resulting from the decision to freeze the small business rates multiplier. We will continue to align this level of compensation with the default link, established by previous government policy in 2018-19, between the small business rates multiplier and the Consumer Price Index (CPI) measure of inflation between September 2023 and September 2024. This inflationary uplift will be paid through under-indexation grant. Separately, baseline funding levels (BFLs) will increase by applying the rise in standard multiplier to a weighted proportion of each individual local authority's BFL. Increases will be applied via a weighted average, specific to each local authority, to account for the fact that authorities have different shares of business rates income attributable to the small and standard multiplier.

2.2.5 There will be no 'negative Revenue Support Grant' in this settlement. This is consistent with the previous government's commitment, made during the implementation of the business rates retention system in 2013-14, that local authorities' retained business rates baselines would be fixed in real terms until the business rates system was reset. [\[footnote 4\]](#)

2.2.6 All current region-wide enhanced business rates retention arrangements will continue for 2025-2026. Under existing arrangements, some local authorities work collaboratively with MCAs in their area to ensure a portion of the extra income is directed to the local growth priorities across the wider region. The current patchwork of business rate retention arrangements allows only certain areas to benefit from enhanced retention of growth in business rates. As part of the government's reform of funding for local government, we will consider how a new model of business rate retention could better and more consistently support Strategic Authorities to drive growth.

2.2.7 In 2024-25, every authority in England will receive a share of £100 million accumulated surplus from the business rates levy account. This will be distributed on a one-off basis based on each local authority's 2013-14 Settlement Funding Assessment in line with relevant legislation. Local authorities will receive payment for their share of the £100 million levy account surplus by 31 March 2025. Detailed allocations for each local authority will be published at the final local government finance settlement.

2.3 Distribution of Revenue Support Grant

2.3.1 To provide stability in local authority allocations, the government proposes to increase 2024-25 Revenue Support Grant levels in line with the September 2023 to September 2024 change in the Consumer Price Index (CPI). This increase is worth around £50 million. This is before accounting

for the grants we propose to roll into Revenue Support Grant, as explored in chapter 3.

Question 1

Do you agree with the government's proposals for the Settlement Funding Assessment, including payment of Revenue Support grant and the basis of calculation of tariffs and top ups, in 2025-26?

3. Funding simplification

3.1 Introduction

3.1.1 This chapter details the government's proposals to simplify the local government funding landscape in 2025-26 through grant consolidation.

3.1.2 The government is committed to resetting the relationship with local government, and as part of this, we intend to radically simplify and de-ringfence the funding paid out to the sector – consolidating grants into the settlement wherever possible. This will give local authorities greater certainty and greater freedom to deliver their own priorities, as well as our national priorities. The proposals for rolling grants into the 2025-26 settlement outlined below represent only the first stage of this work, and we intend to go much further on funding simplification at the 2026-27 settlement.

3.2 Rolling in grants to the Revenue Support Grant

3.2.1 For 2025-26 we propose to consolidate 4 grants into the Revenue Support Grant: three MHCLG New Burdens grants, totalling £12.1 million, and one DfE grant worth £54 million:

- Electoral Integrity Programme (£4.6 million);
- Tenant Satisfaction Measures (£3.9 million);
- Transparency Code grant (£3.6 million); and
- Extended Rights to Home to School Transport grant (£54 million).

These grants will maintain their existing distributions. We have restated historic Core Spending Power (CSP) where applicable for rolled in grants to provide a reasonable year on year comparison of CSP.

3.3 The Domestic Abuse Safe Accommodation Grant

3.3.1 We propose to consolidate the Domestic Abuse Safe Accommodation grant (worth £160 million, which reflects an uplift of £30 million for 2025-26) as a new, separate line in the settlement, maintaining its existing distribution.

3.4 Children and Families Grant

3.4.1 The government proposes to consolidate 6 children's social care programmes previously funded by the Department for Education into a new Children and Families Grant. The total of this grant is £414 million, including £253.5 million for Supporting Families. The programmes include:

- Supporting Families (£253.5 million);
- Supported Accommodation Reforms - New Burdens to LAs (£94.5 million);
- Staying Put (£33.3 million);
- Virtual School Heads Extension for previously looked after children (£7.6 million);
- Leaving Care Allowance uplift (£13.4 million); and
- Personal Advisors (£12.1 million).

3.4.2 Funding for each component will maintain its 2024-25 distribution to local authorities in 2025-26. This grant will not form part of Core Spending Power in 2025-26.

3.4.3 Conditions placed on the Children and Families Grant will be published in full alongside the final settlement. The government expects that this grant will support local authorities that are currently spending on preventative services to continue their level of spend.

3.5 Local Authority Better Care Grant

3.5.1 The £500 million Discharge Fund which was allocated to local government in 2024-2025, has been consolidated into the Local Authority Better Care Grant. The Local Authority Better Care Grant was formerly known as the Improved Better Care Fund (valued at £2.1 billion in 2024 to 2025) and, together with the consolidated Discharge Fund, forms the minimum local government revenue contribution to the Better Care Fund, with a value of £2.6 billion in 2025 to 2026. Further details are set out in chapter 6 which covers the distribution of adult and children's social care resources.

Question 2

Do you agree with the government's proposals to consolidate grants into the local government finance settlement in 2025-26?

4. Council tax

4.1 Council tax

4.1.1 Whilst the framework for council tax is set by the government, decisions on council tax levels are a matter for councils. The government is committed to ensuring residents will have the final say over excessive council tax increases, continuing the policy of the previous government. The council tax referendum provisions are not a cap, nor do they force councils to increase to the threshold level. Should a referendum on excessive increases be held by a council, they will be able to make the case for higher increases to their local electorate. The excessive increase can only be made if a majority of the local electorate agree to it.

4.2 Council tax referendum principles

4.2.1 Referendum principles apply to the increase in the band D council tax charge set by a local authority. For 2025-26 the government proposes a core referendum threshold of 3%. Local authorities with social care responsibilities will also be able to set an additional adult social care precept of up to 2% per year without a referendum. This approach maintains the policy of the previous government and is in line with the OBR forecast.

4.2.2 The following flexibilities are also proposed:

- A bespoke flexibility of up to 3% or £5, whichever is higher, without a referendum for shire districts;
- Fire and rescue authorities will be able to set an increase of up to £5 without a referendum;
- Police authorities and police and crime commissioners (PCC) will be able to set an increase of up to £14 without a referendum.

4.2.3 As with previous years, where a council in need of exceptional financial support views additional council tax increases as critical to maintaining their financial sustainability, the government will consider requests for bespoke referendum principles. Local proposals will be considered on a case-by-case basis. The government expects that additional increases would only be agreed in exceptional circumstances, and following careful consideration of a councils' specific circumstances, such as their existing levels of council tax relative to the average, the potential impact on local taxpayers, and the strength of plans to protect vulnerable people.

4.2.4 The referendum principles will be subject to the approval of the House of Commons alongside the final local government finance settlement. It is for individual authorities to determine whether to use the flexibilities, taking into consideration the pressures many households are facing.

4.3 Council tax referendum principles for mayoral combined authorities

4.3.1 To date, the government has not set referendum principles for mayoral combined authorities, except where the Mayor exercises police and crime commissioner functions, in which case the PCC principle has been applied to the police precept.

4.3.2 The government proposes to continue this approach in 2025-26 in the expectation that mayors will charge a level of council tax that is affordable and proportionate to their needs. In line with the referendum principle for police and crime commissioners, we propose to set a £14 threshold for the PCC component of the Greater Manchester, West Yorkshire and York and North Yorkshire Combined Authorities' precepts.

4.4 Council tax referendum principles for town and parish councils

4.4.1 To date, no referendum principles have been set for town and parish councils. This approach was contingent on town and parish councils taking all available steps to mitigate the need for council tax increases. The government proposes to continue with this approach.

Question 3

Do you agree with the proposed package of council tax referendum principles for 2025-26?

5. Recovery Grant

5.1 Recovery Grant

5.1.1 The government will introduce a new, one-off Recovery Grant, worth £600 million, to target places with greater need and demand for services (we have used deprivation as a proxy for this), and less ability to raise income locally. This will start to correct the unfairness of the current system by putting councils in these areas on a more stable footing. The grant lays the foundations for funding reform, ahead of bringing forward more fundamental improvements to the way we fund councils, based on an up-to-date assessment of need and resources, from 2026-27. This grant will not be ringfenced, nor will we impose grant conditions on its use.

5.1.2 The government is clear that this grant is not full reform. The formulas in the current system were last updated in 2013-14, some include data from 2001. In this context, the government believes that action must be taken this year. We recognise that the metrics in this grant will not be as sophisticated as a fully updated assessment of need, but deprivation is the best available proxy. The initial consultation on the objectives and principles of funding reform, that has been launched alongside this consultation, proposes a much fuller and sophisticated assessment of need and resources.

5.1.3 The Recovery Grant will be distributed using a simple formula, based on the most recent publicly available deprivation, population and taxbase metrics. The grant will support places where, weighted by population, deprivation outweighs council tax raising ability. The grant is intended to be highly targeted, meaning that not all authorities will receive an allocation. A [technical note on the formula's methodology](https://www.gov.uk/government/publications/technical-note-on-recovery-grant-methodology-2025-to-2026) (<https://www.gov.uk/government/publications/technical-note-on-recovery-grant-methodology-2025-to-2026>) has been published alongside this consultation.

5.1.4 To ensure the grant is spread more evenly between areas with greater demand and need for services, and less ability to raise income through council tax locally, allocations are capped at 3% of Core Spending Power. To ensure that all authorities in scope receive a meaningful allocation, we have applied a de minimis allocation of £10,000. The funding remaining after imposing the cap and de minimis is then redistributed to all local authorities remaining within the limits.

Question 4

Do you agree with the government's proposals to introduce the Recovery Grant for 2025-26?

6. Distribution of adult and children's social care resources

6.1 Social care

6.1.1 The government recognises the important role councils have in commissioning and delivering adult and children's social care services. To support social care authorities to deliver these key services in light of pressures, the government has announced a further £200 million for adult and children's social care. This is in addition to the funding for social care set out at the policy statement, as outlined in chapter 1. This will be allocated via the Social Care Grant, bringing the total increase in the Social Care Grant to £880 million next year. We will make available up to £3.7 billion additional funding for social care authorities in 2025-26.

6.1.2 Councils should use their resources to support social care outcomes and to provide services which help people stay at home, where possible councils should invest in preventative approaches to low level community care.

6.1.3 We expect local authority spending on adult social care to increase to reflect demand and cost pressures. The Department of Health and Social Care (DHSC) will monitor local authority budgets and spending in 2025-26, with an expectation that local authorities make appropriate use of the following sources of income to support adult social care outcomes:

- Grant funding for adult social care as part of Market Sustainability and Improvement Fund (MSIF), Local Authority Better Care Grant, and an

appropriate share of Social Care Grant.

- An appropriate share of £600 million 'Recovery Grant' and £50 million uplift to Revenue Support Grant funding.
- The resources raised in 2025-26 from the adult social care precept, which makes available around £650 million.
- We also expect local authorities to make use of increases in other income, including an appropriate share of the 3% council tax uplift, which makes available around £970 million.

6.1.4 DHSC will publish monitoring data and facilitate additional conversations to support councils, where required. DHSC will continue to work with the Care Quality Commission to assess local authority performance.

6.2 Social Care Grant

6.2.1 The government proposes to increase allocations of the Social Care Grant to £5.9 billion in 2025-26. This is an increase of £880 million compared to 2024-25. As with the current grant, the Social Care Grant can be used on either adult or children's social care services.

6.2.2 The government intends to use £240 million of the total increase to maintain the component of the Social Care Grant which is used to equalise the variation in yield from the adult social care precept, in recognition of the differing abilities to generate income from council tax increases. This year we are increasing the rate of equalisation to reflect the growth of the taxbase since adult social care precept equalisation was introduced. The remaining Social Care Grant funding will be distributed using the adult social care relative needs formula.

6.2.3 The government proposes that the Social Care Grant remains ringfenced for adult and children's social care.

6.3 Local Authority Better Care Grant

6.3.1 In 2025-26, local authorities will receive £2.6 billion through the Local Authority Better Care Grant to provide their minimum revenue contribution to the Better Care Fund (BCF). This grant has been created following the consolidation of the two previously existing grants known as the improved Better Care Fund (iBCF) and the Discharge Fund.

6.3.2 The grant will be required to be pooled as part of the BCF and will be distributed using the current iBCF methodology. The forthcoming BCF policy framework for 2025-26 will set out further details on how local authorities should work with their local NHS partners and wider public services to plan their integrated use of the BCF. Supporting the recovery of urgent and emergency care services remains a priority, and local areas will be expected to use the grant to reduce delayed hospital discharges, as part of meeting the objectives that will be set out in the framework.

6.4 Market Sustainability and Improvement Fund

6.4.1 The government is making £1.05 billion available for local authorities for adult social care, as part of the Market Sustainability and Improvement Fund (MSIF).

6.4.2 The government proposes to distribute this funding using the existing adult social care relative needs formula.

6.4.3 As with the fund in 2023-24 and 2024-25, there will be reporting requirements placed on the MSIF; the Government will provide further details on reporting and grant conditions in due course.

6.5 Children's Social Care Prevention Grant

6.5.1 The government is putting £250 million of new funding into a new Children's Social Care Prevention Grant. This will be used, alongside funding in the Children and Families Grant (see chapter 3), to invest in the national rollout of Family Help. Family Help is a preventative, whole-family service. Families experiencing complex challenges will be supported through one multi-agency child protection team, that will provide a single, joined up offer of help and protection.

6.5.2 The Children's Social Care Prevention Grant will be distributed using a children's needs-based formula, which will allocate funding according to estimated need for children's social care services. Alongside the interim formula, the variation in the cost of delivering services and the ability of local authorities to raise resources locally has also been taken into account to determine the grant allocations. An [explanatory note on the formula's methodology](https://www.gov.uk/government/publications/explanatory-note-on-childrens-social-care-prevention-grant-methodology) (<https://www.gov.uk/government/publications/explanatory-note-on-childrens-social-care-prevention-grant-methodology>) has been published alongside this consultation.

6.5.3 Conditions placed on the Children’s Social Care Prevention Grant will be published alongside the final settlement.

6.5.4 At the final settlement we will uplift the Children’s Social Care Prevention Grant to £263 million. This will be used to rollout mandatory Family Group Decision Making. Further details will be set out in the final settlement.

6.5.5 The two separate grants for children’s social care in 2025-26, the Children’s Social Care Prevention Grant and the Children and Families Grant (see chapter 3), is a transitional arrangement. In 2026-27, we will merge these grants and explore further consolidation in children’s services.

Question 5

Do you agree with the government’s proposals on funding for social care as part of the local government finance settlement in 2025-26?

Question 6

Do you agree with the government’s proposal to allocate £250 million in a new Children’s Social Care Prevention Grant to invest in family help?

7. Other Grants – New Homes Bonus, Rural Services Delivery Grant, Services Grant and funding floor

7.1 New Homes Bonus

7.1.1 There will be a new round of New Homes Bonus (NHB) payments in 2025-26. NHB was introduced in 2011 to provide an incentive for local authorities to encourage housing growth in their areas by rewarding local authorities for net additional homes added to the council tax base.

7.1.2 The government is not intending to change the calculation process for the NHB for 2025-26. The NHB payments will be calculated as units for reward above a payments baseline of 0.4%, multiplied by the average Band D council tax payment, with an additional payment made for affordable homes. In two-tier areas, the annual payment will be split: 80% for shire districts and 20% for shire counties.

7.1.3 New legacy commitments ceased to be made in allocations from 2020-21, and the government confirmed in February 2021 that it did not intend to reintroduce legacy payments. These 2025-26 payments will not attract new legacy commitments.

7.1.4 As in previous years, the allocations for 2025-26 will be funded through a top slice of the Revenue Support Grant. We expect this will be £290 million, although, as in recent years, this may change for the final local government finance settlement following confirmation of the data which local authorities provide.

7.1.5 It is the government's intention that 2025-26 will be the final year of the NHB in its current format and councils should consider this in their financial planning. The government is consulting on the NHB beyond 2025-26 as part of the [consultation on the principles and objectives of funding reform \(https://www.gov.uk/government/consultations/local-authority-funding-reform-objectives-and-principles\)](https://www.gov.uk/government/consultations/local-authority-funding-reform-objectives-and-principles) which has been launched alongside this consultation.

7.2 Redirecting funding where it is most needed – repurposing grants and providing a funding floor

7.2.1 The government proposes to repurpose the Rural Services Delivery Grant, which was worth £110 million in 2024-25. The Rural Services Delivery Grant does not properly account for rural need and a large number of predominantly rural councils receive nothing from it – that's clearly not right and a sign we need to allocate funding more effectively. The government is keen to hear from councils about how best to consider the impact of rurality on the costs of service delivery, and demand, as part of the [consultation on the principles of local authority funding reform \(https://www.gov.uk/government/consultations/local-authority-funding-reform-objectives-and-principles\)](https://www.gov.uk/government/consultations/local-authority-funding-reform-objectives-and-principles) that launched on the 18 December.

7.2.2 The government proposes to repurpose the Services Grant to support the government's ambitions to reduce the number of small funding pots in the local government finance system, in response to calls from the sector. This grant has reduced significantly in recent years: in 2024-25, the Services Grant was worth £87 million, around a tenth of its initial quantum of £822 million in 2022-23.

7.2.3 The government will guarantee that no local authority sees a reduction in their Core Spending Power in 2025-26 after taking into account the increase in council tax levels by applying a funding floor. This funding floor assumes that local authorities will use their council tax flexibility.

7.2.4 The government assesses that the proposed funding floor will provide the protections required for authorities to sustain their services between years, whilst recognising that we must begin the process of redirecting funding to where it is needed the most ahead of implementing more fundamental reform from 2026-27.

7.2.5 Together, this will allow us to deliver the proposals set out in this consultation and begin redirecting as much funding as possible to the places that need it most. As usual, all grant funding is considered in the round, and it is not possible to pinpoint where funding from repurposed grants has been redirected.

7.3 Remaining funding

7.3.1 The government intends to distribute £3 million to authorities who continue to be affected by increased Internal Drainage Board levies. The distribution of this funding will be confirmed later in the financial year once this year's Internal Drainage Board levy data becomes available, as in previous years. As in previous years, this funding will not form part of Core Spending Power.

7.3.2 In 2025-26, the government will maintain the 2024-25 increase in funding that the island authorities. The Isle of Wight will continue to receive the £4 million additional funding it received in 2024-25, whilst the Isles of Scilly will retain its £150,000.

7.3.3 In addition, the government intends to hold back a small proportion of grant funding as contingency. This is the same approach as previous years, where contingency has been used to cover, for example, adjustments to New Homes Bonus allocations following updated data. In the interests of transparency, the government will make clear how this contingency funding has been allocated at final settlement.

Question 7

Do you agree with the government's proposals for New Homes Bonus in 2025-26?

Question 8

Do you agree with the government's proposals to repurpose grants in order to target funding where it is needed most in 2025-26?

8. Impacts of these proposals

8.1 Public Sector Equality Duty

8.1.1 Public bodies have a duty under the Equality Act 2010 to consider the needs of people who share particular protected characteristics. These are: age, disability, sex, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sexual orientation.

8.1.2 We have considered the equalities impacts of the proposals and decisions in the provisional local government finance settlement for 2025-26. The government intends to include a summary of the equalities impacts of its proposals as part of the response to this consultation. As usual, the government response, which will include the summary of responses and the summary of equalities impacts, will be published alongside the final settlement.

8.1.3 We would be grateful for views on the impact of the proposals contained in this consultation document on the three aims under the Public Sector Equality Duty to:

- Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;
- Advance equality of opportunity between people who share a particular protected characteristic and people who do not share it; and
- Foster good relations between people who share a particular protected characteristic and people who do not share it.

8.2 Foreseeable impacts of proposals on people who share protected characteristics

8.2.1 The government has considered the relative impacts of the funding distribution on persons who share different protected characteristics by assessing the distribution of Core Spending Power (CSP) between local authorities and the characteristics of the people that live in the local authority areas.

8.2.2 Councils provide various services which people that share a protected characteristic will benefit from. Changes in the amount of flexible funding available to local authorities – whether an increase or a reduction – will

affect a local authority's ability to provide these services, and therefore impact those persons sharing protected characteristics.

8.2.3 Local authorities understand the needs of their communities best and decide on how their resources are allocated. It is not, therefore, possible to say for certain how changes in funding will affect specific groups of persons sharing a protected characteristic, as this will be dependent on decisions that are made locally. We can, however, make reasonable assumptions about how changes in funding will affect changes in service delivery, in turn affecting service users.

8.3 Proposed mitigations on people who share protected characteristics

8.3.1 As part of the provisional local government finance settlement, the government is proposing an increase in the funding available to local authorities.

8.3.2 We will be providing local authorities with a funding floor which ensures that no authority will see a reduction in their Core Spending Power in 2025-26, after taking into account the increase in council tax levels. This will help sustain service provision between years and can be used to mitigate any potential impacts on members of protected groups.

8.3.3 We are increasing grant funding within the settlement. We expect that the increase in adult social care funding will have a positive equalities impact for protected groups, such as older age groups or people with disabilities, who are more likely to use these services. We also expect that the new Children's Social Care Prevention Grant will have a positive impact on 0-19 year olds, in addition to parents who use Family Hubs. Family hubs will advance equality of opportunity as there will be an increase in health appointments, group activities which help increase skills for children with additional needs.

8.3.4 Council tax referendum principles will strike a balance between protecting taxpayers (and the potential negative equalities impact of excessive increases) and funding services.

Question 9

Do you have any comments on the impact of the proposals outlined in this consultation document on persons who share a protected characteristic? Please identify which protected characteristic you believe will be impacted by the proposals, and provide evidence to support your comments.

9. The International Financial Reporting Standard 9

9.1 The International Financial Reporting Standard 9

9.1.1 Since 2018, a statutory accounting override (“the override”) has been in place that allows councils to disapply part of International Financial Reporting Standard 9 (IFRS 9), which would otherwise require councils to make provision in their budgets for changes in value (gains or losses) of certain types of financial investments (pooled investment funds). The override was put in place by the previous government in response to councils’ concerns that this requirement would adversely affect their financial position and to provide time for councils to prepare for full compliance with IFRS 9. The original override was a temporary measure due to end 31 March 2023, later extended by 2 years following consultation with the sector. The override is currently due to end March 2025.

9.1.2 The government recognises that there are differing views within the sector, regulators and other stakeholders as to whether the override should continue or be allowed to elapse. Many councils are in favour of the override being made permanent, while others have highlighted the importance of complying with IFRS 9 to improve transparency and encourage robust risk management of investments. It is the government’s view that it is important that councils comply with good accounting practice and manage the risks of their investments effectively, and therefore the government is minded to not extend the override beyond March 2025. Councils would then need to comply with the requirements of IFRS 9 from financial year 2025-26.

Question 10

Do you agree with the government’s proposal to not extend the IFRS 9 statutory override beyond its current end date of 31 March 2025?
Please specify the financial impact, if any, on your council and any implications with respect to financial sustainability.

Annex A: Personal data

The following is to explain your rights and give you the information you are be entitled to under UK data protection legislation.

Note that this section only refers to personal data (your name, contact details and any other information that relates to you or another identified or identifiable individual personally) not the content otherwise of your response to the consultation.

1. The identity of the data controller and contact details of our Data Protection Officer

The Ministry of Housing, Communities and Local Government (MHCLG) is the data controller. The Data Protection Officer can be contacted at dataprotection@communities.gov.uk or by writing to the following address:

Data Protection Officer
Ministry of Housing, Communities and Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF

2. Why we are collecting your personal data

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

3. Our legal basis for processing your personal data

The Data Protection Act 2018 states that, as a government department, MHCLG may process personal data as necessary for the effective performance of a task carried out in the public interest i.e. a consultation. This consultation fulfils the mandatory statutory requirements to consult under sections 78(5), 78A(3) and paragraph of Schedule 7B of the Local Government Finance Act 1988.

The collection of your personal data is lawful under article 6(1)(e) of the UK General Data Protection Regulation as it is necessary for the performance by MHCLG of a task in the public interest-in the exercise of official authority vested in the data controller. Section 8(d) of the Data Protection Act 2018

states that this will include processing of personal data that is necessary for the exercise of a function of the Crown, a Minister of the Crown or a government department i.e. in this case a consultation.

4. With whom we will be sharing your personal data

Other government departments including:

- Attorney General's Office
- Cabinet Office
- Department for Business and Trade
- Department for Culture, Media and Sport
- Department for Education
- Department for Energy Security and Net Zero
- Department for Environment, Food and Rural Affairs
- Department for Science, Innovation and Technology
- Department for Transport
- Department for Work and Pensions
- Department of Health and Social Care
- Foreign, Commonwealth and Development Office
- His Majesty's Treasury
- Home Office
- Ministry of Defence
- Ministry of Justice
- Northern Ireland Office
- Office of the Advocate General for Scotland
- Office of the Leader of the House of Commons
- Office of the Leader of the House of Lords
- Office of the Secretary of State for Scotland
- Office of the Secretary of State for Wales
- UK Export Finance

MHCLG may appoint a 'data processor', acting on behalf of the department and under our instruction, to help analyse the responses to this consultation. Where we do, we will ensure that the processing of your personal data remains in strict accordance with the requirements of the data protection legislation.

5. For how long we will keep your personal data, or criteria used to determine the retention period

Your personal data will be held for 2 years from the closure of the consultation.

6. Your rights, e.g. access, rectification, restriction, objection

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right:

- a. to see what data we have about you
- b. to ask us to stop using your data, but keep it on record
- c. to ask to have your data corrected if it is incorrect or incomplete
- d. to object to our use of your personal data in certain circumstances
- e. to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/> (<https://ico.org.uk/>), or telephone 0303 123 1113.

Please contact us at the following address if you wish to exercise the rights listed above, except the right to lodge a complaint with the ICO:
dataprotection@communities.gov.uk or

Knowledge and Information Access Team
Ministry of Housing, Communities and Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF

7. Your personal data will not be sent overseas

8. Your personal data will not be used for any automated decision making

9. Your personal data will be stored in a secure government IT system

We use a third-party system, Citizen Space, to collect consultation responses. In the first instance, your personal data will be stored on their secure UK-based server. Your personal data will be transferred to our secure government IT system as soon as possible, and it will be stored there for 2 years before it is deleted.

Annex B: Address details and list of consultation questions

We strongly request responses through the following online form:

[Provisional local government finance settlement 2025-26 consultation - Citizen Space \(https://consult.communities.gov.uk/local-government-finance/provisional-lgf-settlement-2025-26\)](https://consult.communities.gov.uk/local-government-finance/provisional-lgf-settlement-2025-26)

If you are unable to use the online survey, responses via correspondence must make clear whether you disagree or agree with each question to ensure the statistics we collect following the consultation accurately reflect the views of respondents. We will categorise responses as 'do not have a view' where written responses are unclear.

Written responses may be sent by email or post to: lgfcorrespondence@communities.gov.uk

Or:

Local Government Finance Settlement Team
Ministry of Housing, Communities and Local Government
2nd floor, Fry Building
2 Marsham Street
London
SW1P 4DF

When replying to this consultation please confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name,
- your position (if applicable)
- the name of organisation (if applicable)
- an address (including post-code)
- an email address
- a contact telephone number

Question 1: Do you agree with the government's proposals for the Settlement Funding Assessment, including payment of Revenue Support grant and the basis of calculation of tariffs and top ups, in 2025-26?

Question 2: Do you agree with the government's proposals to roll grants into the local government finance settlement in 2025-26?

Question 3: Do you agree with the proposed package of council tax referendum principles for 2025-26?

Question 4: Do you agree with the government's proposals to introduce the Recovery Grant for 2025-26?

Question 5: Do you agree with the government's proposals on funding for social care as part of the local government finance settlement in 2025-26?

Question 6: Do you agree with the government's proposal to allocate £250 million in a new Children's Social Care Prevention Grant to invest in family help?

Question 7: Do you agree with the government's proposals for New Homes Bonus in 2025-26?

Question 8: Do you agree with the government's proposals to repurpose grants in order to target funding where it is needed most in 2025/26?

Question 9: Do you have any comments on the impact of the proposals outlined in this consultation document on persons who share a protected characteristic? Please identify which protected characteristic you believe will be impacted by the proposals, and provide evidence to support your comments.

Question 10: Do you agree with the government's proposal to not extend the IFRS 9 statutory override beyond its current end date of 31 March 2025? Please specify the financial impact, if any, on your council and any implications with respect to financial sustainability.

Annex C: Glossary of technical terms

Baseline funding level

The amount of an individual local authority's 2013-14 Settlement Funding Assessment provided through the local share of retained business rates income.

Business Rates Baseline (BRB)

An authority's BRB is an estimate of the authority's business rates income generating ability determined on an individual basis at the outset of the Business Rates Retention system.

Business Rates Retention (BRR)

Business rates are a tax on non-domestic properties. Billing authorities have a responsibility to issue bills and collect rates in their areas. Since 2013-14, local government has retained, as a whole, 50% of its business rates (excluding areas with increased Business Rates Retention arrangements). This income is subject to redistribution across local government via 'top-ups' and 'tariffs'.

Core Spending Power (CSP)

A measure of the revenue funding available for local authority services. This includes council tax; business rates; Revenue Support Grant; New Homes Bonus; social care grants; and other grants delivered through the settlement. This includes grant included for under-indexation of the Multipliers. This is an indicative notional number and is not to be seen as a real 'grant' – it is dealt with within the BRR system and the number in CSP is for indicative purposes only.

Council tax referendum principles

These mark levels of council tax increases (either in percentage or cash terms) above which a local authority must hold a referendum, which allows residents to approve or veto the increase. The comparison is made between the authority's average Band D council tax level for the current financial year and the proposed average Band D for the next financial year.

Equalisation of the adult social care precept

We recognise that different places have different abilities to raise local council tax income from the adult social care precept. In response, we make an adjustment to offset these differences so that areas less able to raise council tax income receive a greater share of grant, called equalisation. We have done so since the adult social care precept was introduced.

Equalisation is the process through which a proportion of Social Care Grant funding is used to take account of the impact of the distribution of the adult social care council tax precept.

Local Government Departmental Expenditure Limit (LG DEL)

The departmental budget derived from central government resources for the purposes of local government.

New Homes Bonus

The level of New Homes Bonus funding for an area reflects additional housing supply in that area. Most authorities receive some form of New Homes Bonus funding from central government.

Precept

A council tax charge from local authorities which do not issue bills themselves. These include county councils, police and crime commissioners, fire and rescue authorities, the Greater London Authority,

combined authority mayors, and town and parish councils. Billing authorities – usually shire district councils or unitary authorities – collect council tax on behalf of precepting authorities and pass the proceeds to them.

Revenue Support Grant

Revenue Support Grant is paid from central government to authorities as part of their allocation through the Settlement Funding Assessment (SFA). It is in addition to their local share of business rates, as long as their Revenue Support Grant allocation through the SFA methodology has not fallen to, or below, zero.

Safety Net

Mechanism to protect any authority which sees its business rates income drop, in any year, by more than 7.5% below their baseline funding level for that year.

Settlement Funding Assessment

A local authority's share of the local government spending control total comprising its Revenue Support Grant and its baseline funding level for the year in question.

Small and Standard Business Non-Domestic Rating Multiplier

Properties in England will have their business rates bill calculated using a small or standard multiplier. The rateable value threshold for the standard multiplier will remain £51,000.

Spending Review

The Spending Review sets out the long-term spending limits for government and typically covers the next 3 or 4 years.

Spending Round

The Spending Round sets out the short-term spending limits for all government departments and typically covers a full calendar year.

Tariffs and Top-Ups

Calculated by comparing at the outset of the business rate retention system an individual authority's business rates baseline against its baseline funding level. Tariffs and top-ups were fixed at the start of the system and have been indexed in line with the change in the small business rating multiplier up to and including 2023-24. From 2024-25 they have been adjusted in line with both the change of the small and the standard multiplier, accounting for the fact that authorities have different shares of gross rates subject to the small and standard multipliers. Tariffs and top-ups are adjusted at revaluations to neutralise rises or falls in income resulting from changes in rateable value at local authority-level.

Tariff Authority

An authority with a higher individual authority business rates baseline than its baseline funding level, and which therefore pays a tariff.

Top-up Authority

An authority with a lower individual authority business rates baseline than its baseline funding level, and which therefore receives a top-up

-
1. As required by section 78(5) of the Local Government Finance Act 1988.
 2. The small business multiplier was frozen at 49.9p for 2025-26, however the standard multiplier will increase to 55.5p in line with September 2023 to September 2024 measure of inflation. In response to the change in

how business rates multipliers are calculated and applied, introduced via the Non Domestic Rating Act 2023, a proxy measure of the proportion of income in each local authority which derives from each multiplier is now used to generate a local authority-specific inflation factor from 2025-26. This uplift increases baseline funding levels, but does not give the full CPI increase, the rest of which is compensated via underindexation grant, calculated through the Department's National Non-Domestic Rates statistical return.

3. Please refer to section 5.1 of the [2019-20 local government finance settlement technical consultation](https://www.gov.uk/government/consultations/local-government-finance-settlement-2019-to-2020-technical-consultation) (<https://www.gov.uk/government/consultations/local-government-finance-settlement-2019-to-2020-technical-consultation>) for an explanation of the issue of negative Revenue Support Grant.

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Sent by Email to: LGFCorrespondence@levellingup.gov.uk

15 January 2025

Provisional Local Government Finance Settlement 2025 to 2026

This letter represents the response from Buckinghamshire & Milton Keynes Fire Authority (BFRS) to the Provisional 2025-26 Local Government Finance Settlement. The Authority also refers MHCLG to the response from the National Fire Chiefs Council (NFCC).

SUMMARY

The Authority's response to the Provisional Settlement can be summarised as follows:

1. **The £5 council tax precept flexibility is welcomed.** BFRS urges the Government to confirm that this principle can also be relied upon in 2026-27 and 2027-28, supporting prudent and sustainable financial planning for Fire and Rescue Authorities (FRAs).
2. **The removal of the Minimum Funding Guarantee represents a significant cut to government grant funding for fire and rescue services.** BFRS urges the Government to ensure that no FRA receives a real terms cut to their settlement grant funding before accounting for council tax changes. Under the current proposal all standalone FRAs are actually having their settlement grant funding cut in cash terms.
3. **It is important to note that there has been no specific capital funding for over a decade,** resulting in stretched revenue budgets that have, by necessity, neglected infrastructure investment. Improving that infrastructure is a basic building block for the sector as it seeks to improve its culture by having a workplace that is welcoming and of good quality for all. We would therefore urge the Government to provide appropriate capital funding both in 2025-26, and in future years.
4. **FRAs should be fully funded for increases in employer National Insurance contributions.** Final allocations have yet to be published, but there is concern that using net current expenditure rather than expenditure on directly employed staff to determine allocations will disadvantage FRAs and is inconsistent with the Government's intention to "protect the spending power of the public sector, including the national health service, from the direct impacts of the changes"¹.

RESPONSE TO CONSULTATION QUESTIONS

Question 1: Do you agree with the government's proposals for the Settlement Funding Assessment, including payment of Revenue Support Grant and the basis of calculation of tariffs and top ups, in 2025-26?

Yes. However, if the government does not amend its approach to minimum funding, then FRAs should receive additional Settlement Funding Assessment to compensate.

¹ HC Deb 4 December 2024, vol 758, col 389 <https://hansard.parliament.uk/commons/2024-12-04/debates/F3B26EA2-6F5B-4D3D-A785-F279D963C003/EmployerNationalInsuranceContributions#contribution-90D952BB-8897-4EFF-8AB4-BA0D5C2E1C71>

Question 2: Do you agree with the government’s proposals to roll grants into the local government finance settlement in 2025-26?

Yes. The simplification of funding is a positive step.

Question 3: Do you agree with the proposed package of council tax referendum principles for 2025-26?

The £5 principle is strongly welcomed. While BFRS understands that future settlements are for the future, the Government is asked to go further in setting out its intentions regarding the future of council tax referendum principles, confirming that it also intends to maintain the £5 flexibility for FRAs in 2026-27 and 2027-28.

Looking ahead, the presumption of maximum council tax use must end. Ideally, this would end immediately, and the Government would not assume maximum council tax flexibility usage in its CSP calculations. The consultation document states, “It is for individual authorities to determine whether to use the flexibilities, taking into consideration the pressures many households are facing,” and the Policy Statement asserts that the principles “are not a cap, nor do they force councils to set taxes at the threshold level. The decisions on the level to set, or whether to hold a referendum to go beyond the referendum principle, sit squarely with local authorities.” While theoretically true, these statements do not reflect reality.

Regarding “they are not a cap,” the cost of a council tax referendum is significant, and especially given the cost-of-living crisis, taxpayers are very unlikely to vote to pay more tax. Concerning “nor do they force councils to set taxes at the threshold level,” while true, this becomes particularly challenging when grant funding is cut due to the Government’s presumption of full flexibility usage. This system must end. Council tax should be properly devolved, not de facto set by central government.

To be abundantly clear, BFRS welcomes the additional council tax flexibility set out in the Provisional Settlement, as FRAs ought to be able to set council tax based on local need and priorities, not an arbitrary cap. BFRS also welcomes the move from a percentage limit to a fixed amount limit, as percentage principles only served to increase the variance in council tax levels around the country. However, by assuming that all FRAs will utilise the £5 flexibility (and thus cutting grant funding), the Government has essentially centralised this decision-making process.

Question 4: Do you agree with the government’s proposals to introduce the Recovery Grant for 2025-26?

No. The government has provided no justification for why fire and rescue authorities were excluded from the Recovery Grant. Given that the Provisional Settlement cuts grant funding to all standalone FRAs, it seems that FRAs are paying part of the Recovery Grant package.

Question 5: Do you agree with the Government’s proposals on funding for social care as part of the local government finance settlement in 2024-25?

As a Combined Fire Authority, this is not relevant for us.

Question 6: Do you agree with the government’s proposal to allocate £250 million in a new Children’s Social Care Prevention Grant to invest in family help?

As a Combined Fire Authority, this is not relevant for us.

Question 7: Do you agree with the government’s proposals for New Homes Bonus in 2025-26?

As a Combined Fire Authority, this is not relevant for us.

Question 8: Do you agree with the government’s proposals to repurpose grants in order to target funding where it is needed most in 2025/26?

BFRS cannot support these proposals, as they disproportionately impact fire and rescue services. While the move to a more simplified funding system for FRAs is welcome, the proposed cuts in government grants must be reversed.

It does not seem appropriate for the BFRS to comment on the distributional changes proposed between classes of local authorities. However, it appears that the Government has overlooked the effects of its proposals on FRAs. Whether through the reintroduction of the Funding Guarantee or other means, the Government should ensure that grant funding to FRAs is protected in real terms.

Question 9: Do you have any comments on the impact of the proposals outlined in this consultation document on persons who share a protected characteristic? Please identify which protected characteristic you believe will be impacted by the proposals?

No further comments.

Question 10: Do you agree with the government's proposal to not extend the IFRS 9 statutory override beyond its current end date of 31 March 2025? Please specify the financial impact, if any, on your council and any implications with respect to financial sustainability.

No further comments.

Yours sincerely



Louise Harrison
Chief Fire Officer/Chief Executive
Buckinghamshire & Milton Keynes Fire Authority

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Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 5 February 2025

Report title: Budget Monitoring Report April 2024 - December 2024

Lead Member: Councillor Matthew Walsh

Report sponsor: Mark Hemming, Director of Finance and Assets

Author and contact: Asif Hussain, ahussain@bucksfire.gov.uk

Action: Noting

Recommendations:

That the provisional outturn forecast for the Authority as of 31 December 2024 be noted.

Executive summary:

The report in Appendix A outlines the Authority's revenue and capital spending as of 31 December 2024, along with the projected financial year-end position.

The budget of £39.470 million, compared to the forecast outturn of £38.746 million, indicates a projected year-end underspend of £0.724 million. Furthermore, the level of funding is showing a favourable variance of £0.049m which has resulted an overall net underspend of £0.773m against the expenditure budget.

This underspend is mainly due to lower direct employee costs, resulting from reduced bank (overtime) and on-call costs, as well as vacant support positions. Additionally, higher-than-expected investment returns, driven by the Bank of England's base rate falling more slowly than forecast, have contributed to this favourable variance.

Appendix B provides details of all planned property works across our estate for 2024-25.

Financial implications: As set out in the main body of the report.

Risk management: Management of our financial resources is a key risk to the Authority and the performance reports to Committee inform Members of the main financial risks facing the Authority in year.

Legal implications: None.

Privacy and security implications: None.

Duty to collaborate: None.

Health and safety implications: None.

Environmental implications: None.

Equality, diversity, and inclusion implications: None.

Consultation and communication: None.

Background papers: Medium Term Financial Plan 2023/24 to 2028/29, Fire Authority Meeting 13 February 2024. <https://bucksfire.gov.uk/wp-content/uploads/2024/03/fire-authority-14-february-2024-item-8a-medium-term-financial-plan-1.pdf> and <https://bucksfire.gov.uk/wp-content/uploads/2024/03/executive-committee-meeting-8-february-2024-item-7-revised-appendices-1-and-2-1.pdf>

Appendix	Title	Protective Marking
A	Appendix A – Budget Monitoring Report April 2024 – December 2024	None
B	Appendix B – Property Works 2024-25	None

1. Revenue Forecasts by Service Area – Table 1

Table 1 shows the budget and forecast outturn for each Directorate as at the end of 2024/25 financial year. The budget of £39.470m compared to the forecast outturn of £38.746m gives a forecast yearend underspend of £0.724m. Furthermore, the level of funding is showing a favourable variance of £0.049m which has resulted in overall underspend of £0.773m against the expenditure budget.

Directorate	Total Budget £	Actual Year to Date £	Forecast Outturn £	Projected Year End Variance £
Corporate Core	864,200	620,594	716,821	-147,379
Finance & Assets	7,188,440	5,917,908	7,094,277	-94,163
Peoples Directorate	2,690,190	2,028,918	2,898,391	208,201
Delivery, Corp. Dev. Planning	26,511,830	18,724,986	25,978,635	-533,195
Statutory Acc. & Contingency	2,215,670	208,939	2,058,318	-157,352
Total Expenditure	39,470,330	27,501,344	38,746,442	-723,888
Total Funding	-39,470,330	-29,880,726	-39,519,330	-49,000
Net Position	0	-2,379,382	-772,888	-772,888

Protection Grant - Table 2

Table 2 includes breakdown of the Protection grant. It is being reported separately as this is ring-fenced grant for specific purposes which is only approved and allocated in year. Therefore, it makes it difficult to include in the base budget as this grant information is not available until closer to when the funding allocations will be distributed. As at 30 September, we have received the first instalment of the grant for 2024/25. The grant is predominantly for the Fire Service to increase their protection capability and delivery, aligning with locally agreed integrated risk management plans and risk-based inspection programmes.

Protection Grant	Funding £	Actual Year to Date £	Commitments Full Year £	Forecast Outturn £
Protection Uplift	-297,796	173,662	10,500	297,796
Officer Accreditation	-16,467	0	0	16,467
Total	-314,263	173,662	10,500	314,263

Variance by Directorate

The key variations in directorate budgets compared to the year-end outturn shown in Table 1 are as follows:

Corporate Core: £0.147m under – The underspend relates to higher-than expected investment income due to the increase of the Bank of England base rate. This is partially offset by overspend attributable to the temporary restructuring aimed at enhancing operational resilience. Furthermore, the forecast also includes a position filled on a fixed term contract basis.

Finance & Assets £0.094m under– The underspend mainly relates to salary costs whereby employees are not yet at the top of their pay scales and vacant positions due to be filled in the coming months.

Peoples Directorate £0.208 over – The overspend mainly relates to additional approved establishment and training costs.

Delivery, Corporate Development & Planning: £0.533m under – The underspending in this directorate is primarily due to lower-than-budgeted on-call and bank (overtime) costs. Since September 2023, we have exceeded the budgeted establishment of 300, maintaining over 300 operational staff. As of the end of December, the operational number was 312 and includes the latest apprentice cohort starting in September. This number is expected to fluctuate throughout the year due to anticipated leavers, retirees and transferees. The increase in operational numbers has positively impacted our pump availability, resulting in significant reductions in bank and cross-border forecasts for 2024/25. We will monitor this closely over the coming months, and if the forecasts hold, we will incorporate this saving into the medium-term financial plan as part of the zero-based budgeting process.

Statutory Accounting £0.157m under – The underspend relates to the pay increase being below the estimated levels, partially offset by higher than budgeted pension costs.

Funding - The level of funding exceeded the budget by £0.049m. The service is seeing additional funding of £0.036m relating to NNDR as these figures were revised and increased by Buckinghamshire Council and Milton Keynes Council after the Fire Authority had set the budget, further £0.013m relates to additional funding for the audit costs.

2. Direct Employee Variances – Table 3

Table 3 shows the breakdown of all the favourable (-) and adverse (+) variances for each sub-heading within the direct employees subjective as at the 30 September 2024:

Subjective	Salary (Including Training costs)	Allowances	NI	Pension	Total
	£	£	£	£	£
Wholetime	-417,883	24,798	15,645	-183,636	-561,076
On-Call	188,894	-305,813	30,189	-57,988	-144,718
Support	-302,125	0	-48,590	-90,911	-441,626
Technicians	2,614	0	958	1,839	5,411
Sessional	-400	8,078	1,309	0	8,987
Agency	68,868	0	0	0	68,868
Grand Total	-460,032	-272,937	-489	-330,696	-1,064,154

Wholetime – This is based on forecasted establishment numbers and bank projected underspends are included in these figures.

On Call – Underspends predominantly seen within allowances which is based on activity and retaining fees paid.

Support Staff – This relates to vacant in year support roles which will be recruited to throughout the year.

Agency Staff – Agency staff have been used to partly cover interim vacancies within support staff roles and this partially offsets the underspend on support staff.

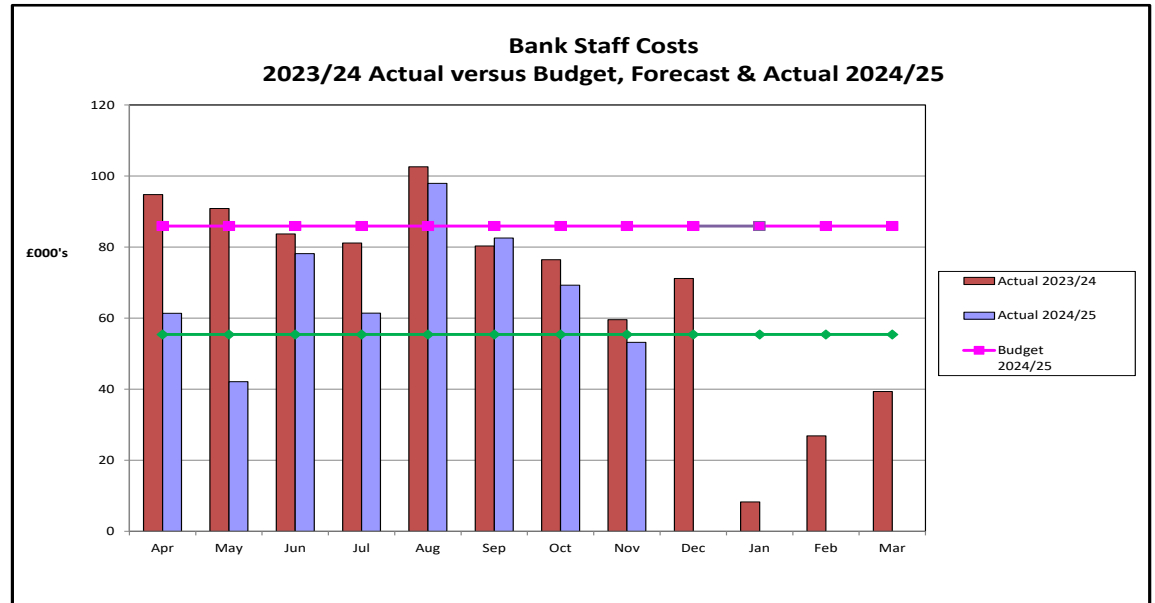
3. On-Call Variance Breakdown

On-Call	Budget	Actual	Forecast	Year End Variance
Retaining Fees	460,280	176,041	266,002	-194,278
Holiday Pay	41,890	20,385	24,659	-17,231
Turnout Overtime	5,890	3,955	5,430	-460
CPD	19,940	11,341	18,252	-1,688
Training	126,230	204,924	319,861	193,631
Attendance & Turnout	164,190	47,866	67,247	-96,893
NI	4,400	22,763	34,589	30,189
Pension	296,610	165,632	238,622	-57,988
Total	1,119,430	652,908	974,662	-144,718

4. Bank Costs

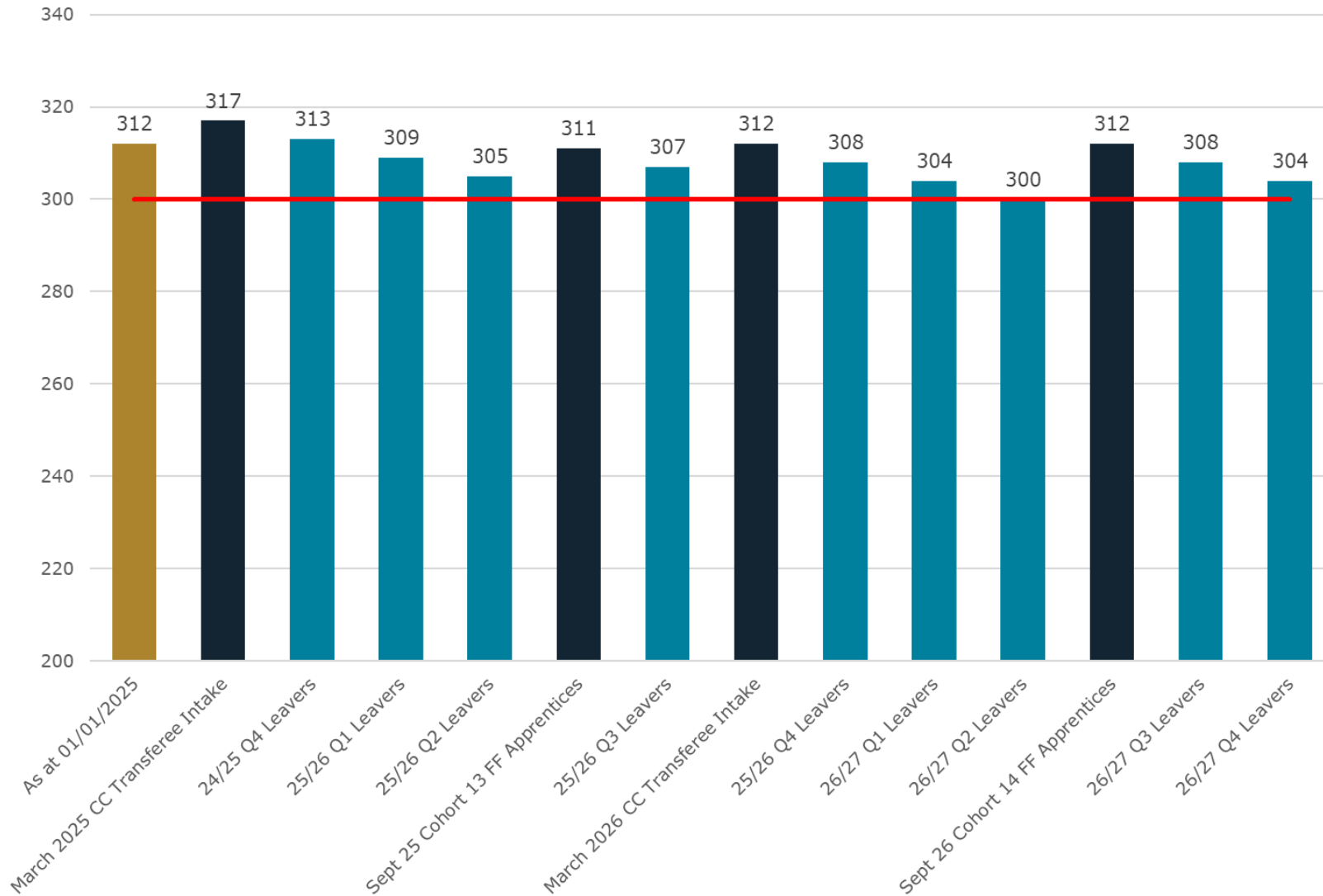
The following table/graph provides a breakdown and comparison of bank costs in 2023/24 and 2024/25. As you will see in the table, bank costs have reduced significantly from April to November in 2024/25 (£0.546m) compared to the same period last year (£0.669m). We started to notice a substantial drop in the last quarter of 2023/24 when we had surpassed our operational budgeted establishment of 300 and the trend has continued. We will continue to monitor this closely throughout the year and will build in a saving as part of the Medium-Term Financial Plan if the trend continues. Please note these figures do not include NI contributions.

Bank	Actual 2023/24 £	Actual 2024/25 £
Apr	94,769	61,333
May	90,856	42,104
Jun	83,662	78,134
Jul	81,139	61,403
Aug	102,597	97,938
Sep	80,305	82,555
Oct	76,430	69,269
Nov	59,552	53,179
Dec	71,171	
Jan	8,253	
Feb	26,849	
Mar	39,323	
Grand Total	814,906	545,916



5. Wholetime Establishment Roadmap

The following graph illustrates the wholetime operational establishment as of 01 January 2025 through to 30 March 2027 taking into consideration projected retirees, leavers, transfers and recruitment of apprentices.



6. Funding

Table 4 details the budget and forecast outturn for each category of funding.

Funding	Total Budget	Actual Year to Date	Provisional Year End Forecast	Projected Year End Variance
	£	£	£	£
Government Funding	-5,141,610	-3,301,937	-5,141,610	0
Specific Grants	-1,567,000	-1,188,238	-1,580,000	-13,000
NNDR	-5,631,090	-4,527,371	-5,667,090	-36,000
Top-up / Pooling Receipts	-1,603,630	-1,218,759	-1,603,630	0
Precept	-26,192,000	-19,644,421	-26,192,000	0
Transfer to Reserve	2,478,000	0	2,478,000	0
Grand Total	-37,657,330	-29,880,726	-37,706,330	-49,000

The level of funding is showing a favourable variance of £0.049m. The service is seeing additional funding of £0.036m relating to NNDR as these figures were revised and increased by Buckinghamshire Council and Milton Keynes Council after the Fire Authority had set the budget, as well as £0.013m relating to additional funding for the audit costs.

7. Capital Monitoring

The capital programme for 2024/25 is £3.783m, including £1.300m from 2023/24 carry forward capital projects and £0.040m in year funding.

Project Name	Original Budget 2024/25 £	Carry Forwards 2023/24 £	In Year Funding £	Revised Budget 2024/25 £	Actuals Year to Date £	Slippage £	Provisional Outturn £	Projected Year End Variance £
Property	701,000	957,623	0	1,658,623	268,827	812,351	982,928	136,656
Total Property Portfolio	701,000	957,623	0	1,658,623	268,827	812,351	982,928	136,656
Hydraulic Equipment	70,000	19,000	0	89,000	53,746	0	80,619	-8,381
Operational Equipment	95,000	26,259	0	121,259	90,310	0	121,259	0
Operational Red Fleet Vehicles	1,327,000	0	40,000	1,367,000	771,280	462,000	898,900	-6,100
Operational White Fleet Vehicles	0	92,030	0	92,030	55,803	0	92,030	0
BA and Associated Equipment	90,000	59,817	0	149,817	56,815	10,000	143,042	3,225
Fireground Radios	0	115,000	0	115,000	114,999	0	115,000	0
Total Fire Appliances & Equipment	1,582,000	312,106	40,000	1,934,106	1,142,954	472,000	1,450,850	-11,256
ICT	160,000	30,300	0	190,300	93,325	0	190,300	0
Total Support	160,000	30,300	0	190,300	93,325	0	190,300	0
Grand Total	2,443,000	1,300,028	40,000	3,783,028	1,505,106	1,284,351	2,624,078	125,400

Property Portfolio

Property has a capital budget of £1.659m for 2024/25, which includes carry forward budget from 2023/24 of £0.958m. The capital expenditure is being utilised to carry out planned capital projects across several sites following condition surveys carried out during 2022/23.

The capital plan for 2024/25 has works taking place at Aylesbury, Broughton, Beaconsfield, Buckingham, Olney and planned works to remove and install new fire doors and fire shutters across the estate following fire audits, and health and safety audits. Urgent drill tower works have been completed with the exception of Princess Risborough which the works are still in progress. A longer-term review of drill tower provision is underway, with any remedial works being added to the capital plan. Several unplanned emergency works at Brill, Gerrards Cross, Haddenham, Newport Pagnell, and Winslow, and reconfiguration of offices at HQ have been added to the capital plan for 2024/25. These additional works will result in a projected overspend of £0.137m. Due to the significant number of property projects for 2024/25, including the departure of Unit 7, which has been handed back to the landlord on 30 September 2024, the options appraisal on High Wycombe fire station will now take place in 2025/26, resulting in a slippage of £0.550m. There are additional slippages of £0.262m result from the potential dilapidation costs of Unit 7, refurbishing the old Aylesbury drill tower and purchase and installation of six flag poles.

Fire Appliances & Equipment

Fire Appliances & Equipment has a capital budget of £1.934m for 2024/25, which includes carry forward budget from 2023/24 of £0.312m and in-year funding of £0.040m relating to the disposal of the water carrier in 2023/24. The capital funds will be utilised to purchase three fire appliances, two rural firefighting units, two boats and trailers and a water carrier, along with the purchase of operational equipment for these vehicles in line with the fleet strategy. In addition, three white fleet vehicle, three BA washer sets, BA equipment and fireground radios are planned to be purchased. Year to date spend on Fire Appliances & Equipment is for the purchase and delivery of hydraulic sets, fireground radios, BA equipment, other operational equipment, along with first, second and third stage payments for the three fire appliances. The three fire appliances, the two white fleet vehicles have been delivered and will be on the run during quarter four. Orders have been placed for boats and trailers and rural firefighting vehicles following completion of the procurement process. There is a slippage identified for £0.462m which relates to the purchase of a water carrier and the rural firefighting vehicles. Technical and Procurement teams are in the specification stage for the water carriers and due to lead times for both sets of vehicles (chassis), it is unlikely that the vehicles will be delivered during 2024/25.

Support

ICT has a capital budget of £0.190m for 2023/24, which includes carry forward budget from 2022/23 of £0.030m. This budget will be utilised for the purchase of ICT hardware equipment, as per the ICT replacement strategy along with replacement of On-Call MDTs, system security and Data migration and storage. Year to date spend on ICT capital equipment includes the purchase of ICT hardware.

8. Reserves

The table below shows the provisional movement in reserves during 2024/25.

Reserves	Balance at Start of year £000	Projected Movement £000	Balance at End of Year £000
General Fund	-1,625	-415	-2,040
Earmarked Reserves (Revenue)*	-4,765	-1,198	-5,963
Earmarked Reserves (Capital)	-6,750	529	-6,221
Total Reserves	-13,140	-1,084	-14,224

* This figure includes £0.673m, which represents this Authority's share of the joint control room renewals fund (which is held by Oxfordshire).

Appendix B – Property Capital Programme Progress December 2024

Complete
 On Track
 Risk to Progress
 Not due to be started

Location	Description of Works	Start Date	End Date	Commentary (if Risk to Progress)	Status
Works Carried Forward from 2023/24					
Aylesbury	Refurbish old drill tower with option to be installed at another station.	-	-	New location yet to be determined. Carry forward to 2025-26.	Risk to Progress
Broughton	Various works from 2022-23 Condition Survey including: install new road surface adequate for HGVs in car park, repair brick boundary wall, replace dehumidifier/heater in line with replacement schedule.	Oct-24	Mar-25	Quotations under review. Risk to progress as quotations higher than expected and alternative options to be considered.	Risk to Progress
Aylesbury	Various works from 2022-23 Condition Survey including: partial refurbishment to 1st floor toilets in BHQ and the refurbishment of the watch room and office on Aylesbury fire station.	May-24	Sep-24		Complete
Beaconsfield	Various works from 2022-23 Condition Survey including: internal works which include compartment kitchen / mess area, replacement guttering and soffit boards and external boundary works.	Oct-24	Dec-24		Complete
Buckingham	Various works from 2022-23 Condition Survey including: replace Ideal concord gas fired boiler in line with replacement schedule.	Sep-24	Mar-25	Out for quotation	On Track
Various sites	Purchase and installation of six flagpoles at selected wholetime stations.	-	-	Delayed due to other priorities – especially unplanned emergency works.	Risk to Progress
Olney	Various works from 2022-23 Condition Survey including: refurbishment to 1st floor mess /kitchen area and ceiling (H&S audit). Additional works on yard and front apron.	-	-	Currently re-evaluating scheduling as lower urgency than initial survey indicated.	Risk to Progress
Amersham	Kitchen replacement - additional worktop required.	Apr-24	Jul-24		Complete

Marlow	Supply of additional solar panel batteries.	Apr-24	Jul-24		Complete
BHQ / Workshops	Replacement of motorised gate.	Apr-24	Jul-24		Complete
Newport Pagnell	Install motorised fire door.	Apr-24	Jul-24		Complete
Various sites	Drill tower works.	Apr-24	Mar-25	Urgent work completed. Longer-term review of drill tower provision required. Princess Risborough emergency works continue following parapet brick failings. Property Forum have now agreed upon towers that will have refurbishment works completed in 2025/26 capital works plan.	Risk to Progress
Unit 7 Exit					
Unit 7	Exit from Unit 7 and associated works.	Apr-24	Sep-24	Building returned to landlord 30th September.	Complete
Implementation of MTFP Capital Works					
High Wycombe	Various works from 2022-23 Condition Survey including: internal upgrades to walls, flooring, doors, lighting and heating system. External upgrades to yard & roads, windows, doors (including bay doors) and pipework.	Apr-24	Mar-25	Significant refurbishment required – to be carried forward to 2025-26 as part of options appraisal.	Risk to Progress
Additional Workstreams					
Waddesdon	Compartmentalise new muster bay area from appliance bay.	Apr-24	Jul-24		Complete
All sites	Fire door assessments and replacement programme.	Jan-25	Mar-25		Not due to be started
High Wycombe	Fire shutter – kitchen.	Aug-24	Sep-24		Complete
Aylesbury	Fire shutter – kitchen.	Aug-24	Sep-24		Complete
BHQ	SMT Offices.	Aug-24	Oct-24		Complete

Emergency Unplanned Capital Works					
Haddenham	Drainage renewal.	Apr-24	Jul-24		Complete
Brill	Internal damp and wall replacements.	Jul-24	Oct-24		Complete
Newport Pagnell	Replacement of two pedestrian doors.	Sep-24	Sep-24		Complete
Gerrards Cross	Drainage renewal.	Apr-24	Jul-24		Complete
Winslow	Drainage renewal.	Apr-24	Jul-24		Complete
Amersham	Drainage and Soakaway renewal	Nov-24	Mar-25	Out for quotation	On Track
Pulled Forward Capital Works					
Newport Pagnell	New Roof, Guttering & Downpipes.	-	-	Due to a number of emergency works, this will slip into 2025/26	Risk to Progress
Stokenchurch	New Roof, Guttering & Downpipes.	-	-	Due to a number of emergency works, this will slip into 2025/26	Risk to Progress
EDI					
Gerrards Cross	EDI/Wellbeing - introduce 3 individual Rest Area for standby crew model and re-establish Station Managers Office	Nov-24	Feb-25		On Track
Buckingham	EDI/Wellbeing - introduce 3 individual Rest Area for standby crew model.	Jan-25	Mar-25		Not due to be started
Amersham	EDI/Wellbeing - Female facilities (additional shower)	Jan-25	Mar-25		Not due to be started

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Buckinghamshire & Milton Keynes Fire Authority

Meeting and date: Executive Committee, 5 February 2025

Report title: Members' Allowances

Lead Member: Councillor Simon Rouse, Chairman

Report sponsor: Graham Britten, Director of Legal and Governance

Author and contact: Katie Nellist knellist@bucksfire.gov.uk

Action: Decision

Recommendations:

That the Authority be recommended to adopt the Scheme for Members' Allowances for 2025/26 (as shown in draft as Appendix 1).

Executive summary:

The proposed Scheme of Allowances 2025/26 is based on the principle agreed by the Authority in February 2023 that indexation with the preceding year's Grey Book pay award be maintained. **Appendix 1** includes additional information showing the effect of the indexation for illustrative purposes.

The Authority agreed at its meeting on 14 December 2011 that the index linking for the period 2012/13 to 2014/15 – for basic and special responsibility (and co-optee) allowances – be the pay award for the Authority's staff on National Joint Council (NJC) for Local Authorities' Fire and Rescue Services, Scheme of Conditions of Service (Grey Book) for the preceding year. The application of this index linking had been endorsed annually by the Authority since 2014/15 until 2021/22.

Although there had been a Grey Book 2% pay award effective from 1 July 2020, the Authority agreed in February 2021 to suspend the indexation for the year 2021/22, resulting in a 0% increase in Members' allowances. The indexation with the preceding year's Grey Book pay award, was re-established for 2022/23 by a decision of the Authority; and by a decision of the Authority at its meeting on 15 February 2023 when it resolved 'That a Scheme of Members' Allowances for 2023/24 be adopted, index linked to the 2022/23 'Grey Book' pay award.'

The 2024/25 Grey Book pay award (4%) was published on 20 May 2024 (Circular NJC 3/24). The draft Scheme of Allowances for 2025/26 is attached at **Appendix 1** with the 2024/25 figures included for illustration of the 4% increase in line with the NJC employers' Grey Book pay award.

Paragraphs 20 and 21 of the Scheme of Allowances provide that:

“20. The scales for all allowances are maxima and there is no obligation on any Member to claim any or all of the allowances.

21. A Member shall give notice in writing to the Chief Finance Officer that he/she elects to forego any part of his/her entitlement to an allowance under the scheme.”

Financial implications: The current budget for Members’ Allowances (Basic and Special Responsibility Allowances) is £75,220. With Members’ allowance assumptions index linked to Grey book pay award, the proposed budget provides for a 4% increase in April 2025, which would increase the budget for Members’ Allowances to £78,229.

Costs will be incurred in publishing a notice that the Authority has made a Scheme of Members’ Allowances in a newspaper circulating in its area. The cost is estimated to be in the region of £800.

Risk management: The recommendation will have no adverse effect on the Authority’s business.

Legal implications:

The Authority is required to adopt a Scheme of Members’ Allowances before 1 April each year and, in so doing, have due regard to the recommendations of the Independent Remuneration Panels (IRP) of the constituent authorities [links are included the background papers section below^{1 2}] when considering its own Scheme of Members’ Allowances and confirm that it has done so when it gives public notice of the Scheme of Allowances.

The making or amendment of the Members’ Scheme of Allowances is a function reserved to a meeting of the Authority. An amendment may be made by the Authority in year. Regulation 10(4) of Local Authorities (Members’ Allowances) (England) Regulations 2003 provides that “A scheme may make provision for an annual adjustment of allowances by reference to such index as may be specified by the authority and where the only change made to a scheme in any year is that effected by such annual adjustment in accordance with such index the scheme shall be deemed not to have been amended.”

Privacy and security implications: No issues arising from the recommendations.

Duty to collaborate: The making of a scheme of allowances is the responsibility of each individual authority defined in the Local Authorities (Members’ Allowances)

¹ In Milton Keynes City Council the adopted arrangements for annual indexation are based on the percentage pay award for officers in the preceding financial year. However, as in 23/24 there were variable percentage rates in 2024/25 pay award; based on a flat rate for JNC pay scales and 2.5% for subsequent pay scales. Therefore, based on the approach taken last year, the Council’s Independent Remuneration Panel (IRP) continue to recommend an increase for MKCC members based on the median % increase for officers, (2.87%).

² Buckinghamshire Council’s extant IRP recommendations from 9 January 2020, with a lifetime of 4 years, included annual indexation to officers’ annual pay award or by CPI, whichever is lower.

(England) Regulations 2003. The methodology for doing so is prescribed exclusively by those regulations.

Health and safety implications: No issues arising from the recommendations.

Environmental implications: No issues arising from the recommendations.

Equality, diversity, and inclusion implications: The Authority’s Scheme of Members’ Allowances does not include any element for meeting costs incurred by a Member who has to arrange care in order to carry out their function as a Member of the Fire Authority.

The Local Authorities (Members’ Allowances) (England) Regulations 2003 exclude the Authority from including such a provision in its Scheme. However, with the exception of co-opted members, all Members are appointed by either Buckinghamshire Council or Milton Keynes City Council and are entitled to claim “dependent carers’ allowances” from their appointing authority. There are currently no co-opted members on the Authority.

Consultation and communication: A notice that the Authority has made a Scheme of Members Allowances will be published in a local newspaper and the updated Scheme of Members’ Allowances can also be inspected at Headquarters, during standard office hours. Copies of the Scheme may be purchased at a cost of £2.50 or downloaded for free at www.bucksfire.gov.uk

Background papers:

[NJC 3/24 – Pay Award 2024](#)

[NJC 3/23 - Pay award 2023](#)

[Minutes](#) of the meeting of the Fire Authority (Wednesday 14 February 2024)

[Minutes](#) of the meeting of the Executive Committee (Wednesday 8 February 2023)

[Minutes](#) of the meeting of the Authority (Wednesday 15 February 2023)

[Buckinghamshire Council Report of the Independent Remuneration Panel 9 January 2020](#)

[MKCC Report to full Council 24 January 2024](#)

[MKCC Report to full Council 22 January 2025](#)

Appendix	Title	Protective Marking
1	Draft Scheme for Members’ Allowances 2025/26 (showing the 2024/25 figures and increases for illustrative purposes).	None

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**BUCKINGHAMSHIRE AND MILTON
KEYNES FIRE AUTHORITY**

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***MEMBERS' SCHEME OF ALLOWANCES
2025/26***

THE BUCKINGHAMSHIRE AND MILTON KEYNES FIRE AUTHORITY

MEMBERS' SCHEME OF ALLOWANCES

Introduction

1. This Scheme is governed by the Local Authorities (Members' Allowances)(England) Regulations 2003 and the Local Authorities (Members' Allowances)(England) (Amendment) Regulations 2003 – “the regulations.”
2. Elected Members of the Buckinghamshire and Milton Keynes Combined Fire Authority may claim basic allowances, special responsibility allowances, travelling allowances and subsistence allowances for approved duties in accordance with the provisions of this scheme.
3. Appointed (non elected) members may claim co-optees allowance, travelling allowances and subsistence allowances for approved duties specified in this scheme.
4. "Year" means the 12 months ending with 31 March.
5. The Scheme has four Schedules attached which are:
 - (a) Schedule 1 - Special Responsibility Allowances
 - (b) Schedule 2 - Payment of Travelling and Subsistence Allowances
 - (c) Schedule 3 - Duties Excluded from the Allowances Scheme
 - (d) Schedule 4 - Rates of Allowances

Creation and Amendment of the Scheme

6. This scheme comes into effect on 1 April 2025.
7. For subsequent changes in basic allowances, special responsibility allowances and co-optees allowances, new rates will be payable from the date the amendment takes effect as set out either in this scheme or the Regulations.

8. The Fire Authority will be responsible for amending the scheme and in doing so will have regard to any recommendations to its constituent councils of the independent remuneration panels set up by them.

Basic Allowances

9. The Fire Authority will pay equally to each Member of the Authority a basic allowance of an amount specified in Schedule 4.
10. Where the term of office of a Member begins or ends in the course of a financial year entitlement will be apportioned in accordance with the Regulations. The apportionment will not take place where a Member's term of office lasts less than one month.
11. Basic Allowances are payable monthly and are subject to tax and national insurance deductions.

Special Responsibility Allowances

12. The Fire Authority will pay each year to the Members of the Fire Authority who have special responsibilities by reason of the office(s) they hold the special responsibility allowances set out in Schedule 1.
13. Where a Member takes up or relinquishes any post that carries a special responsibility allowance in the course of a financial year the entitlement will be apportioned in accordance with the Regulations. The apportionment will not take place where a Member's term of office lasts less than one month.
14. Special responsibility allowances are payable in monthly instalments and are subject to tax and national insurance deductions. Where a Member is eligible for more than one special responsibility allowance (whether payable by the Fire Authority or another authority for Fire Authority duties) only the highest one will be payable, with the exception that a Lead Member may claim one Lead Member's Allowance in addition to one other Special Responsibility Allowance payable.

Approved Duties

15. Travelling and Subsistence Allowances are payable monthly and are only payable to Elected Members of the Fire Authority for the approved duties set out in Schedule 2.

Co-optees Allowance

16. A Co-optees Allowance may be paid to appointed members (i.e. non-Elected Members whether voting or not) for the performance of any approved duty as defined by this document.
17. The allowance will be payable in monthly instalments and are subject to tax and national insurance deductions.

Travelling and Subsistence Allowances

18. The term "Member" for the purpose of travelling and subsistence allowances applies to any person who is a Member of the Fire Authority, or who is a member of any committee, sub-committee or panel of the Fire Authority, and so includes appointed non-elected members of those bodies. The payment of these allowances is dependent upon the performance of an "approved duty" which is an attendance as a member at a meeting, or the carrying on of a duty, set out in Schedule 2.
19. The rates for travel and subsistence allowances are specified in Schedule 4.

Allowances are Maxima

20. The scales for all allowances are maxima and there is no obligation on any Member to claim any or all of the allowances.
21. A Member shall give notice in writing to the Chief Finance Officer that he/she elects to forego any part of his/her entitlement to an allowance under the scheme.

Social Functions and Occasions

22. Elected Members on occasions are invited, or feel it necessary to attend functions, or occasions which have a social element. No allowances are paid to Members of the Fire Authority on these occasions unless the Member is undertaking the performance of a positive duty and one of significant size, e.g. making a speech or distributing prizes when travel and subsistence allowances may be paid. Merely to attend because the member is interested or represents people in the district is insufficient to justify payment of any allowances.

Conference Expenses

23. If attendance at a conference has been approved by the Authority, conference expenses which are obligatory and outside the control of the Member, will be paid in advance on request or will be reimbursed. These expenses will include the conference fee. The actual cost of accommodation, meals and the like, will only be met or reimbursed if it is part of the inclusive charge for the conference or it is a requirement of the conference or its organisers that the Member should stay at a particular hotel.
24. Travel and subsistence allowances are payable where appropriate.

Telephones

25. A mobile phone will be provided to the Chairman of the Fire Authority, with the cost of supply, rental and business calls being met by the Fire Authority.

Avoidance of Duplication

26. A claim for an allowance under this scheme must include, or be accompanied by, a statement signed by the claimant that no other claim has been or will be made for the matter to which the claim relates.

Records of Payments

27. Records of payments made to Members are available for inspection free of charge by any local government elector of the Fire Authority.
28. A person entitled to inspect a record may make a copy of any part of it.
29. Details of total payments made to each Member for allowances under this scheme will be published as soon as practicable after the end of the year to which they relate.

Expense Claims

30. All information requested for the expense claim must be provided, including the number of miles, the locations travelled from and to and the reason for travel. (It is always advisable for Members to make

contemporaneous notes in their diary to assist in the completion of claims).

31. Claims for expenses should only be made when actually incurred, i.e. rail/bus, taxis, hotel accommodation. Receipts must be provided.
32. Claims for the same expenses (mileage, travel and subsistence etc) must not be made from more than one body.
33. Payments for basic and special responsibility allowances will be paid monthly in arrears and travel and subsistence payments will be paid monthly in arrears on the submission of a claim through the HR and Payroll Portal.
34. No claim from a Member for traveling or subsistence allowances which is submitted more than three months after the costs were incurred and no later than the end of April for the preceding financial year will be entertained, except in exceptional circumstances and approved in writing by the Chief Finance Officer.

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SCHEDULE 1

SPECIAL RESPONSIBILITY ALLOWANCES FROM APRIL 2025

Special Responsibility Allowance per annum

Position	April 2024 £	April 2025* £
Chairman	14,492	15,072
Vice-Chairman	4,857	5,052
Chairman - Executive Committee	5,980	6,220
Chairman - Overview and Audit Committee	3,917	4,074
Chairman - Human Resources Sub Committee**	1,960	2,039
Group Leaders	4,348	4,522
Lead Members	3,779	3,931

***4% increase**

****If constituted by the Executive Committee**

SCHEDULE 2

PAYMENT OF TRAVELLING AND SUBSISTENCE ALLOWANCES

The duties in this Section have been approved for the payment of travel and subsistence allowances:

- (a) Attendance at a meeting of the Fire Authority;
- (b) Attendance at a meeting of any committee or sub-committee of the Fire Authority;
- (c) Attendance at a meeting of any section, panel, working party or other meeting authorised by the Fire Authority or a committee or sub-committee of the Fire Authority or a joint committee of the Fire Authority and one or more other authorities to which the member has been specifically appointed provided that it is a meeting to which Members of at least two political groups have been invited.
- (d) Attendance at a meeting of an association of authorities of which the Fire Authority is a member and to which the member has been appointed by the Fire Authority to represent it.
- (e) Attendance at ad hoc meetings with other authorities, organisations or bodies authorised by a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable.
- (f) Attendance at briefing meetings to which Members of at least two political groups have been invited authorised by a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable.
- (g) Attendance at seminars and conferences arranged by the Fire Authority, a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable, about any of its functions.
- (h) Attendance at specific visits arranged by the Fire Authority, a committee or sub-committee of the Fire Authority, or the Director of Legal and Governance on the advice of the relevant Chairman or Vice-Chairman if this is not practicable, about any of its functions and where Members of at least two political groups have been invited.

- (i) Attendance at a meeting of any body or authority upon which the member has been appointed by the Fire Authority or a committee or sub-committee of the Fire Authority to represent it.
- (j) Attendance in connection with the discharge of any function of the Fire Authority conferred by or under any enactment and empowering or requiring the Fire Authority to inspect or authorise the inspection of premises.
- (k) Attendance at meetings of bodies where the Fire Authority makes appointments, where the Fire Authority has a major influence at national, regional, county or district level. These bodies are listed below:
- (i) Local Government Association
 - (ii) Fire Commission
- (l) Attendance at any disciplinary, grievance, dismissal or appeals sub-committee or panel.
- (m) The following duties if approved by the Fire Authority or a Committee:
- Attendance at briefing meetings held for the purpose of, or in connection with, the discharge of the functions of the Fire Authority or any of its committees or sub-committees.
 - Attendance at the official opening of new Fire Authority establishments or projects.
 - Attendance by the Chairman and Vice-Chairman of the Fire Authority and of committees at official functions in a representative capacity.
 - Duties undertaken by Chairmen and Vice-Chairmen of the Fire Authority, committees or subcommittees acting in an official capacity.
 - Members' delegations to Government Departments.
 - Town Centre Management Meetings and Parishes.
- (n) Meetings organised by the Chief Fire Officer, Chief Finance Officer or Director of Legal and Governance or their nominated representatives with external bodies or persons to further the business and aims of the Fire Authority which the relevant officer certifies requires the attendance of members on the grounds of urgency which prevents approval being obtained from the Fire Authority, a committee or sub-committee.

Note: In authorising attendances in accordance with the above, no member, official or officer of the Fire Authority shall act in a discriminatory manner reflecting party political preference. Members, officials and officers should take care to ensure that their actions can not be construed as having been discriminatory.

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SCHEDULE 3

DUTIES EXCLUDED FROM THE ALLOWANCES SCHEME

The duties in this Section are those for which the Fire Authority has decided that no allowances will be paid.

- Members' surgeries
- Political activities

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SCHEDULE 4

RATES OF ALLOWANCES

From April 2025 the following rates of allowances will apply

Basic Allowance per annum:

April 2024	April 2025*
£	£
1,450	1,508

***4% increase**

Special Responsibility Allowances:

See Schedule 1

Co-optees Allowance per annum:

April 2024	April 2025*
£	£
363	378

***4% increase**

Travel Allowances (in line with HMRC Mileage Allowance Payments)

(a) Car

The rate for travel by a Member's own private motor vehicle, or one belonging to a member of his/her family or otherwise provided for his/her use, other than a solo motor cycle, shall be 45 pence for the first 10,000 miles and 25 pence for each mile after that.

(b) Motorcycle

The rate for travel by a Member's own motorcycle, or one belonging to a member of his/her family, or otherwise provided for his/her use, shall be 24 pence per mile.

(c) Bicycle

The rate for travel by a Member's own bicycle, or one belonging to a member of his/her family, or otherwise provided for his/her use, shall not exceed 20p a mile.

(d) Public Transport

Members can claim the full cost of travelling on public transport at standard class rates whilst carrying out Approved Duties, provided a valid receipt, bus ticket etc is produced to substantiate the claim.

Subsistence

The rate of subsistence allowance shall not exceed the amounts which can be claimed under the Buckinghamshire Council Members' Allowances Scheme applicable at the time when the cost is incurred.

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