

REPORT OF THE CLERK
Hampshire Fire and Rescue Authority
PART II

132. BUDGET 2011/12

1. The Fire and Rescue Authority approved a budget of £68.7m for 2011/12 which is a 0.75% increase on the previous year. The Authority accepted the Government's offer of a "Council Tax Freeze" Grant and the council tax will therefore remain unchanged at £61.38 for a Band D property.

2. The Authority unexpectedly received a small increase in formula grant for 2011/12 and 2012/13. This is set against a picture of grant reductions nationally for fire and rescue authorities. Details of the new fire funding grant (rolling-up of the current specific grants) for 2011/12 were given at the meeting and are broadly in line with the 2010/11 funding. The unexpected increase in formula grant for 2011/12 and 2012/13 has added to the Authority's uncertainty over the scale of grant cuts for 2013-2015. It is still anticipated that the overall grant reduction for fire authorities will be 25% over the four years. The Authority is therefore taking a cautious approach in its medium-term financial planning by assuming a 12.5% grant reduction in each of 2013/14 and 2014/15. In view of continuing uncertainty over some aspects of future funding, the risk assessment detailed in the budget report justified increases in the Authority's general reserve (from £2m to £2.5m) and increases the capital payments reserve. Given the one year announcement of Fire Capital grant funding for 2011/12, the Authority agreed to consider the capital programme (beyond 2011/12) once the longer-term capital funding settlement is clearer.

3. Trades unions, business and community representatives were consulted on the proposals. They understood the difficult challenges being faced and were supportive of the approach being taken to address them through expenditure reductions and the increase in reserves. There were no particular concerns raised over the medium-term financial plan and assumptions made about potential council tax increases in future years (in the range of 0% to 2.5%).

133. HAMPSHIRE FIRE AND RESCUE SERVICE PLAN 2011 TO 2014

1. The Authority's corporate plan covers a three year period and is reviewed, consulted upon and update annually. The process for preparing the Plan is well-established and ensures the corporate objectives in the Plan remain relevant in the changing context in which the Service operates and are responsive to its stakeholders.

2. The Authority has agreed six new objectives for including in its new Plan. They can be summarised as:

- We will have community facilities at fire stations.
- We will respond to small fires more effectively in rural areas.
- We will respond differently to automatic fire alarms which are in non-domestic properties.
- We will respond to road traffic accidents in rural areas more effectively.

- We will use energy more efficiently within the Service's buildings.
- We will improve "operational diversity" to help reduce the different risks people face in the community.
- These objectives take account of the comments, views and opinions received from stakeholders and staff during the twelve week consultation period (20 September and 10 December, 2010).

3. One proposed objective: "We will create a business centre at a retained fire station" has been removed – mainly because it caused confusion about the Service's intentions. However, the Service will continue to consider accommodating suitable and appropriate small businesses at retained stations if by doing so results in genuine improvements in the availability of retained fire fighters.

4. Work is well underway in preparing the new Plan for publication in April, 2010. It will set out the Authority's vision statement for 2015, as well as a short commentary on the progress of each of the corporate objectives from the current edition of the 2010-2013 Plan. The Plan will also include a review of performance for the financial year 2009/10.

5. This report arises from consideration of the report to the Authority on 9 February, 2011 and is on Hantsweb at:
http://www3.hants.gov.uk/councilmeetings/advsearchmeetings/meetingsitemdocuments.htm?sta=&pref=Y&item_ID=2570&tab=2. It provides further information and details on this item.

CLERK TO THE HAMPSHIRE FIRE
AND RESCUE AUTHORITY