



# ***WILTSHIRE FIRE & RESCUE SERVICE***

**Wiltshire and Swindon Fire Authority**

## **Medium Term Financial Plan**



***2006/07 - 2009/10***

# Wiltshire and Swindon

## Fire Authority



## Medium Term Financial Plan 2006/07 to 2009/10

## 1. Introduction

The Medium Term Financial Plan (MTFP) aims to provide an assessment of how the Fire Authority will manage its finances over the three year period, in order to deliver its services to the people of Wiltshire and Swindon.

The fundamental objectives of the MTFP are:-

- to ensure the Authority has sufficient resources to deliver against its priorities;
- align spending plans (revenue and capital) to the core priorities within the Business Plan;
- deliver value for money and efficiency targets;
- provide a longer term financial plan to provide stability for future budget proposals;
- maintain an adequate level of reserves and balances in line with our risk strategy; and
- improve financial management.

The Fire Authority usually considers the MTFP in advance of the annual budget round, however on this occasion, preparation of the MTFP was delayed pending a review of the Authority's spending plans.

## 2. Executive Summary

Against the backdrop of reducing financial resources, increased costs, the clear remit of providing good quality services economically, efficiently and effectively, the Authority now faces significant financial issues and pressures which are emerging over the horizon.

This plan identifies these known key financial issues, namely:-

- Inflationary pressures, leading to a budgetary shortfall in 2008/09 of approximately £0.500million;
- Reducing government funding, making it imperative that service reviews are successful in delivering efficiencies, leading to savings;

and in doing so provides a strategy for addressing these issues and pressures.

There are also several key issues which at present can not be quantified within the plan. This is a reflection of the ever-changing demands on the service. The Regional Control Centre (RCC) project is now underway and is expected to be operational in 2010. In modernising the fire service, additional staffing reviews will be required and like the RCC project the financial impact of such reviews has yet to be determined. In addition the Governments' white paper, 'Stronger Safer Communities' and the regulatory inspection process of Comprehensive Performance Assessment(CPA), which is being launched as the new Comprehensive Area Assessment (CAA), will undoubtedly change the way we work, and in particular how we work in partnership with others, and within the Local Area Agreements.

The plan, having regard to the unknowns, brings together the financial impact of the business plan improvement priorities, sets the stage for the management actions and decisions required, and details the framework around which future budgets will be developed, and as such will enable the Authority to deliver its objectives.

### **3. Background**

In June 2006 the Fire Authority introduced its draft Business Plan (The Blue Book – Bringing It All Together.....An Agenda for Change) for the period 2006 – 2010. The Plan was the subject of considerable debate within the Fire Authority and with its external partners.

In addition, the Comprehensive Performance Assessment (CPA) identified a number of areas where the Fire Authority needed to incur additional expenditure over and above that in the Budget to improve the service.

As a consequence, the Budget for 2006/07 was subjected to an extensive risk-based review leading to a restated Budget which was approved by the Fire Authority in December 2006, alongside the approval of the Business Plan.

The Combined Fire Authority agreed its 2006/07 budget of £21,368,800 in February 2006. Subsequent to the approval of the budget two important changes occurred that were not reflected in the budget:-

- the agreement of the Comprehensive Performance Assessment (CPA) Improvement Plan, and
- retrospective changes to the 2004/05 and 2005/06 Revenue Support Grant Settlements.

Consequently, the Budget did not meet the operational needs of the Fire Authority. The need to incur considerable unbudgeted expenditure led to the conclusion that the whole of the revenue budget would need to be re-examined in order to find room for additional spending.

The rebuilding of the budget involved a lengthy process of analysing alternatives and subjecting all proposals for inclusion in the budget to a risk-based assessment of the consequences of doing, or not doing, new initiatives and continuing with existing budget items.

At its meeting on 14<sup>th</sup> December 2006 the Combined Fire Authority adopted a restated budget of £21,580,800 with the shortfall between this figure (£188,000) and the original budget of £21,368,800 being funded from balances. In the event this shortfall will not occur.

On 8th February 2007 the Combined Fire Authority approved the 2007/08 Budget. Details of the approved budget, which amounts to £22,656,400, an increase of 4.9% over the revised budget for 2006/07, can be found in the summary in Appendix A.

#### **4. Priorities and Service Pressures**

In order to define its 'Direction of Travel' the Fire Authority has adopted a Business Plan covering four financial years 2006/07 to 2009/10.

The Business Plan sets out the Fire Authority's aims, objectives and core values encapsulated in its twenty-one work priorities.

The priorities for the first 12 months concentrated on putting in place mechanisms, systems and processes for achieving future improvements to the service.

In setting the Budget for 2007/08 the Fire Authority made provision for additional staffing and equipment to meet the immediate needs outlined in the Business Plan.

Progress to date on the Business Plan has identified additional staffing and equipment requirements for the following two years 2008/09 and 2009/10. Members of the Management Board will be assessing these additional requirements in light of the budget pressures it faces. In the meantime the additional requirements have been included in the MTFP for 2008/09 and 2009/10.

#### **5. Inflationary Increases - Spending plans**

For the 2008/09 and 2009/10 Budgets the following assumptions for inflationary increases have been applied:

Salary - Pay Awards	3%
Non Salary – e.g. Supplies and Services	2.5%

Members will be requested to endorse the inflationary Increases adopted for establishing the medium term financial plan, subject to a review should there be a material difference.

It is anticipated that given the estimated inflationary increases, the Authority will endeavour to keep budget provision for inflation, especially for non-staffing costs, to a minimum as part of the efficiency agenda.

The rationale for keeping increases to a minimum (2.5% increase) for the 2008/09 and 2009/10, especially for non-salary items is to:-

- keep Council Tax increases to a minimum, given the additional pressures facing the Authority;
- be more efficient, effective and economic (value for money); and,
- focus the attention on identifying required savings.

#### 6. **Inflationary Increases – Income (how net expenditure on service delivery is funded)**

The Fire Authority's income (or funding) comes from the following three main sources:-

- **Government Funding** in the form of the Revenue Support Grant (RSG) and the redistribution of the National Non-Domestic Rate (NNDR);
- **Council Taxes** levied on properties in Wiltshire and Swindon; and,
- Other Income from the surplus on the Billing Authorities' Collection Accounts, investment income and charging for discretionary services.

#### **Government Funding**

In setting its Budget the Fire Authority had to consider the overall funding constraints set out by the Government. In 2006/07 the Government set out its intention to introduce a three-year finance settlement with grant allocations being announced for two years, for both 2006/07 and 2007/08.

The finalised Grant Settlement for 2007/08 was laid before Parliament on 18<sup>th</sup> January 2007. Government support for 2007/08 now amounts £9,151,824. For Wiltshire FRS this represents an increase of 3% on the 2006/07 adjusted total of £8,885,174.

The Government is expected to announce a further three-year finance settlement for 2008/09 onwards. Early Indications are that the annual increase will be around 2.3%. In monetary terms this would provide the Fire Authority with a further £210,500. However, an assumption of a 2% increase has been made in the expectation that the base on which the 2.3% increase is calculated may be adjusted downwards.

## **Council Tax**

For 2006/07 the Fire Authority set a Band D Council Tax at £52.80. In 2007/08 the Council Tax increased by 4.9% to £55.39.

All properties in Wiltshire and Swindon are placed in one of eight Council Tax bands based on the value of the property on 1<sup>st</sup> April 1991. Council Taxes are expressed in the form of so many Band D equivalents.

Wiltshire and Swindon has seen a considerable increase in its population over more than 30 years. This has been reflected in a year-on-year increase in the number of Band D equivalents, and this upward trend is set to continue.

For 2006/07 the Council Taxbase was 237,951 Band D equivalents. Swindon Borough and the four District Councils now estimate that the total number of Band D equivalents will increase to 241,405 (1.45%) in 2007/08. The increase in Band D equivalents has been particularly significant in Swindon and North Wiltshire and this trend is likely to continue.

Other factors have conspired to bring about a particularly large increase in the number Band D equivalents for 2007/08. A number of Councils have reviewed their Council Tax policies and have taken the decision to reduce the discount given to owners of second homes from 50% to 10%. Furthermore, at least one District Council has decided to decrease the provision it makes for non-collection of the Council Tax. These one-off adjustments have increased the number of Band D equivalents. Similar changes and subsequent increases in the number of band D equivalents in future years are not anticipated.

Experience shows that the Fire Authority can reasonably expect its Council Taxbase to achieve a year-on-year increase of 1%. The table below shows a projection of the likely affect of a 1% increase in the Council Tax base and the income this would generate in the forthcoming years based on the 2007/08 Council Tax of £55.39.

<b>Financial Year</b>	<b>Council Taxbase</b>	<b>Band D Council Tax</b>	<b>Income £m</b>
2006/07	237,951 (actual)	£52.80	12.564
2007/08	241,405 (actual)	£55.39	13.371
2008/09	243,819 (estimate)	£55.39	13.505
2009/10	246,257 (estimate)	£55.39	13.640

The level of income generated by Council Tax payers is represented by:-  
**Council Taxbase x Band D Council Tax**

The Government has draconian powers available to restrict the level of any Council Tax increase. The following statement was issued by the Department of Communities and Local Government and made clear that increases of 5% and above would not be tolerated.

*'In order to exercise control over the levels of public sector spending the Secretary of State has reserve powers to enforce local authorities to set Council Tax increases that meet Government expectations. This means either 'capping' the authority or by making a compensatory reduction in the following year. Government expectation is that the average increase will be less than 5% in each year.'*

In his Statement to Parliament on 28 November 2006, Phil Woolas MP, Minister for Local Government and Community Cohesion, stated

*"We have provided a stable and predictable funding basis for local services, we expect local Government to respond positively as far a council tax in concerned.*

*Therefore we expect to see an average council tax increase in England in 2007-08 of less than 5 per cent. We will not allow excessive council tax increase. We have used our reserve capping powers in previous years to deal with excessive increase and won't hesitate to do so again if that proves necessary."*

Such measures clearly restrict the Fire Authority's ability to raise taxes to pay for the fire and rescue service.

The Tables below show a range of increases and the potential tax income that would be derived.

Year	CT base	Band D CT	£m	Band D CT	£m	Band D CT	£m	Band D CT	£m	Band D CT	£m
		5.00%		4.90%		4.50%		4.00%		3.50%	
06/07 (Act)	237,951			52.80	12.56						
07/08 (Act)	241,405			55.39	13.37						
08/09 (Est)	243,819	58.16	14.18	58.10	14.17	57.88	14.11	57.61	14.05	57.33	13.98
09/10 (Est)	246,257	61.07	15.04	60.95	15.01	60.49	14.90	59.91	14.75	59.34	14.61

A 5% increase in Council tax equates to £810,000 additional income in 2008/09 and £860,000 in 2009/10, based on an estimated 1% increase in the tax base.

## 7. Spending Plans (Capital & Revenue)

### Capital

In terms of capital expenditure there are four areas of expenditure which are of a capital nature, i.e. they provide benefit for more than one year, namely buildings, vehicles, IT and other equipment.

The Medium Term Financial Plan provides for the first time since 2002 a three year plan of the Authority's proposed capital spending, the previous Plan having been suspended when the capping threat from [then] ODPM resulted in an immediate reduction of £1.719 millions in the proposed revenue budget for 2004/05.

The Capital Strategy and ongoing capital programmes are designed to ensure that the authority's capital investment:-

- assists in delivering its corporate objectives, in line with its core priorities;
- supports those priorities identified in the property review and ICT strategy;
- ensures statutory requirements are met e.g. Health and Safety issues; and,
- supports the MTFP by ensuring that all capital investments consider the full impact on revenue budget for the current and future years.

The Capital Strategy balances affordability of the capital programme with the investment needed to deliver the programme in line with the Authority's priorities and objectives, hence the need to align to available resources over more than one year.

Appendix B shows the three year capital expenditure plan. Following the Fire Cover Review it is anticipated that there may be further capital expenditure requirements, and also opportunities to generate capital receipts to fund the programme, with the intention of reducing the burden on unsupported borrowing. At this time the financial effect of additional capital requirements, and the possibility of capital receipts, can not be accurately assessed.

The impact on the revenue account of the current proposed capital programme would mean an additional £92,000 in 2008/09 and £164,000 in 2009/10 to support the programme without other forms of capital financing being generated i.e. through capital receipts or capital grants.

## Revenue

Given the inflationary assumptions on spending and funding in sections 5 and 6 above, the following summary position (for further details see Appendix A) shows the impact on spending plans for 2008/09 and 2009/10.

	<i>Restated 2006/07 £m</i>	<i>Budget 2007/08 £m</i>	<i>Estimated Budget 2008/09 £m</i>	<i>Estimated Budget 2009/10 £m</i>
Net Revenue Expenditure	21.181	22.656	24.043	24.658
Funding:				
Government Grant (RSG/NNDR)	-8.564	-9.152	-9.335	-9.522
Council Tax Surpluses	-0.053	-0.134	-0.050	-0.050
Council Tax requirement	12.564	13.370	14.658	15.086

Taxbase	237,951	241,405	243,819	246,257
Band D (a)	£52.80	£55.39	£60.12	£61.26
Increase in Council Tax		4.9%	8.54%	1.90%
Taxbase(b)			243,819	246,257
Increase at 5% - Band D (c)			£58.16	£61.07
Difference in Council Tax (d)=(a)-(c)			£1.96	£0.19
Estimated Saving Required (d) x (b)			£477,885	£46,789

Current indications, given the spending plans in 2008/09, are that in order to balance the budget a Council Tax rise of 8.54% would be required.

Clearly in order to keep the increase in Council Tax to a level likely to be acceptable to the Government, say 5%, (and allowing for small increases in RSG and NNDR of 2% and a 1% increase in the taxbase) it is estimated that:-

- savings are required in 2008/09 of around £0.478million,
- savings are required in 2009/10 of around £0.047million,

## 8. Balancing the Budget

The above outlines the Authority's likely revenue and capital position over the next three years. The Plan clearly shows that the Authority has to address a potential shortfall in its finances in 2008/09.

The officers have considered the MTFP and have adopted the following Action Plan.

### Action Plan

The Management Board will lead the process of balancing the budget. A group consisting of the Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officer, Finance Director and People Director will meet on a regular basis to review the level of spending in the current financial year and to identify savings that can be made in advance of the preparation of the 2008/09 Budget.

The Management Board will provide the Combined Fire Authority, and the Finance Review Committee with regular progress reports, and details of the actions required to be taken to balance the budget.

The Business Management Team, consisting of Directors and Heads of Services for Finance, People, Technical, ICT, and Communities, has responsibility for the management of the operational matters, and have been charged with the task of reviewing departmental budgets and bringing forward to the Management Board details of potential savings and operational efficiencies.

The Finance Department will continue working with the two management teams and the budget holders providing them with regular budget monitoring reports and guidance and advice in the management of the authority's budgets.

The Authority is also required to make savings under the Department of Communities and Local Government Annual Efficiency Savings process. The Management Board proposes to enthusiastically embrace this process and use it as a catalyst for balancing the budget. This will be achieved by clearly identifying areas where savings are possible, reviewing current arrangements and putting in place mechanisms designed to ensure that savings are delivered for the benefit of the community.

As in any year, it is becoming increasingly difficult to predict the impact of external influences over the Fire and Rescue Service as a whole. This MTFP brings together the quantifiable costs and impact but also recognises the potential impact of future developments and national and local initiatives, which currently are financially unquantifiable.

The more significant unknown quantities, which potentially may have a significant financial impact for the services are:-

- the Regional Control Centre (RCC) – although it is anticipated that most additional costs will be met from government funding under 'New Burdens', it is also expected that the service will have some costs which it will have to meet. As the RCC becomes imminent the costs and financial implications will become clearer;
- changing terms and conditions, leave and sickness entitlement, working practices and equality initiatives - a review of staffing cover may be necessary which may result in additional staffing costs in future years. Until a review is carried out costs and implications cannot be determined;
- partnership arrangements - arising from the Government's white paper on 'Stronger Safer Communities', which potentially will change the way we operate, and have significant financial implications for determining our costs and the funding of such costs.

## 9. Reserves and Balances

Reserves and Balances are held in line with guidance issues by the Chartered Institute of Public Finance and Accounting (CIPFA) in 2003. Available reserves can be of help for three main purposes:-

- a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of the general reserves;
- a contingency to cushion the impact of unexpected events or emergencies – this also forms part of general reserves;
- a means of building up funds, often referred to as earmarked reserves, to meet known or predicted liabilities.

As such the useable revenue reserves available to WF&R Service are estimated at 31 March 2008 to be £2.595 million, subject to the final outturn position for 2006/07 (estimated at Dec 06 at £0.283m underspend).

	Useable Revenue Reserves			
	General Reserves £m	Earmarked Reserves £m	Operational Contingency Reserve £m	TOTAL Revenue Reserves £m
<b>Balance 1 April 2006</b>	<b>0.613</b>	<b>1.730</b>	<b>0.388</b>	<b>2.731</b>
06/07 Planned Use	0.000	-0.053	-0.102	-0.155
06/07 Restated Budget	-0.154	-0.058	0.000	-0.212
06/07 Est. Underspend (Dec 06)	0.000	0.283	0.000	0.283
07/08 Planned Use	0.047	0.000	0.000	0.047
07/08 New Posts(Feb 07 CFA report)	0.000	0.000	-0.099	-0.099
<b>Est. Balance 31 Mar 2008</b>	<b>0.506</b>	<b>1.902</b>	<b>0.187</b>	<b>2.595</b>
08/09 MTFP Est. Use	0.000	-0.252	-0.073	-0.325
09/10 MTFP Est. Use	0.000	-0.020	-0.013	-0.033
<b>Est. Balance 31 Mar 2010</b>	<b>0.506</b>	<b>1.630</b>	<b>0.101</b>	<b>2.237</b>

In addition to the revenue reserves detailed above there is a small useable Capital Receipts Reserve holding £0.019m which can be used to support the Capital Programme. As referred to above in section 7, in reviewing the asset base, the Authority will seek to maximise capital receipts where possible in order to reduce the amount of unsupported borrowing.

Looking at 2007/08 and beyond the level of revenue general reserves is expected to be maintained at around £0.500m or above, representing 2.3% of net revenue expenditure. The level of reserves will be reviewed annually and be monitored by Members periodically, taking into account the Authority's risk strategy and the financial pressures it faces.

## **10. Financial Management**

The service has effective financial management arrangements. However the service is always looking to improve its financial management, and is planning to:-

- provide further financial training for finance and non finance managers and Members;
- review and develop the budget management framework and systems around it;
- continue to undertake further budget reviews, using a zero based approach, following the extensive work carried out in restating the 2006/07 budget.

Plans are underway to undertake this work during 2007/08 by improving present working practices and developing such new arrangements as necessary, for example, examining and developing the coding structure within the Financial Information System for improved devolvement and dissemination of budget responsibility.

The Comprehensive Performance Assessment(CPA) Improvement Plan and the Business Plan have brought into being a number of strategies that are designed to improve the management and efficiency of the service. The following is a brief summary of that work and the potential outcomes:-

- A Fire Cover Review will be undertaken during the lifetime of the MTFP. This work may result in changes that will see efficiencies accrue for the benefit of the community.
- A review of the Authority's property holdings has been undertaken by an external consultant. This Review has shown that some of the Authority's premises require considerable investment to be fit for purpose to meet all the needs of the DCLG's Modernisation Agenda. Additional capital and revenue spending has been identified and best estimates of the likely cost have been included in both the capital and revenue parts of the MTFP.
- The Authority has agreed its Procurement Strategy and this is resulting in significant changes to procurement arrangements. Purchasing cards have been introduced to simplify and streamline the purchase of goods and services. National agreements are now in place for the provision of equipment and uniforms. Savings from these actions will increasingly accrue during 2007/08.

A programme of reviews will develop to deliver service efficiencies and improvements, and be the focus of further work so that the Authority can find the necessary savings to reduce the financial shortfall and keep Council Tax rises to an acceptable level.

The Governments' programme of efficiency, will also require local authorities to continue to make year-on-year efficiency savings which have to be reported through the Annual Efficiency Statements (AES) process. The Authority has embraced this and in developing its Efficiency Strategy, will put in place mechanisms to identify, research and produce efficiency savings.

**Medium Term Financial Summary 2007/08 to 2009/10**

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	<i>Original 2006/07</i>	<i>Revised 2006/07</i>	<i>% inc</i>	<i>Original 2007/08</i>	<i>Guideline 2008/09</i>	<i>Guideline 2009/10</i>	<i>Notes</i>
<b>Base Budget</b>	<b>21,368,800</b>	<b>21,338,800</b>		<b>21,500,800</b>	<b>22,608,800</b>	<b>23,749,800</b>	<b>1</b>
Inflation:							
Staff				364,000	504,000	520,500	2
Other				4,800	109,500	126,800	3
Growth							
Staff		225,500		498,500	98,200	39,300	4
Retained Firefighters Pension (New Scheme)					109,000	3,300	5
Support Staff Pay Review				62,300	29,400	29,100	
Other				178,400	48,300	139,300	6
Ongoing Business Plan Costed Priorities							7
Finance							
Corporate							
People					35,600	1,100	
Technical							
Communities					207,000	5,700	
ICT							
<b>Revised Base Budget</b>				<b>22,608,800</b>	<b>23,749,800</b>	<b>24,614,900</b>	<b>8</b>
New Posts (Feb 07 Report) Funded from Reserves				98,700	73,000	13,100	9
One-Off Business Plan Costed Priorities							10
Finance					40,000		
Corporate					70,000		
People					84,300	33,000	
Technical					251,900	19,900	
Communities					99,000	10,000	
ICT							
Accumulated One-Off Savings							11
To/From Reserves		-383,500		47,600	-251,900	-19,900	12
Contribution from reserves re: New Posts				-98,700	-73,000	-13,100	13
<b>TOTAL Net Revenue Expenditure</b>	<b>21,368,800</b>	<b>21,180,800</b>		<b>22,656,400</b>	<b>24,043,100</b>	<b>24,657,900</b>	<b>14</b>
Income							
Government Grant	-8,752,000	-8,564,000	2.00%	-9,151,824	-9,334,860	-9,521,557	15
Council Tax Surplus	-52,830	-52,830		-133,762	-50,000	-50,000	16
Council Tax Requirement	12,563,970	12,563,970		13,370,814	14,658,240	15,086,343	17
Taxbase (1% increase pa)	237,951	237,951	1.00%	241,405	243,819	246,257	18
Band D	£52.80	£52.80		£55.39	£60.12	£61.26	19
Increase in Ctax				4.91%	8.54%	1.90%	20
Ctax Increase @			5.00%	£55.39	£58.16	£61.07	21
Ctax as above				£55.39	£60.12	£61.26	22
Difference in Ctax					£1.96	£0.19	23
Estimated On-Off Savings required					477,885	46,789	24

## Notes

1	This is the Base Budget, i.e. the cost of running the Wiltshire Fire & Rescue Service before adjustments for inflation etc.
2	Staff inflation costs assumed at 3% for 2008/09 and 2009/10.
3	The majority of other costs inflation assumed at 2.5% except for external support agency fees e.g. Finance, Legal, HR etc, which is primarily employee based and is included in 2 above at 3% increase.
4	Additional full year impact including inflation of 15 new posts (Feb 07 Report).
5	Retained Firefighters Pension - Employers Contribution in respect of retained employees joining the scheme.
6	Other known growth items i.e. leasing, debt charges etc.
7	Assumed ongoing costs of growth items identified in the 21 priorities in the Business Plan 2006-10 over and above provided within existing resources, by Directorate.
8	The Revised ongoing Base Budget.
9	Additional costs of temp/fixed term posts funded from Operational Contingency Reserve (Feb 07 Report).
10	Assumed one-off costs of items identified in the 21 priorities in the Business Plan 2006-10 over and above provided within existing resources, by Directorate.
11	One off saving required in order to set a cCouncil Tax at 5%.
12	Planned/Agreed use of reserves to refurbishment/maintenance of property estate See technical Services plans in 10 above).
13	Planned/Agreed use of reserves to fund 9 above.
14	Total Net Revenue Expenditure to be funded by Taxpayers and Central Government Funding.
15	Income from Central Government (RSG & NNDR Grant) assumed at 2% increase.
16	Collection fund surpluses from billing authorities assumed.
17	Total Council Tax requirement to be levied to Council Tax Payers.
18	Number of Band D equivalents within Wiltshire and Swindon, assumed increase of 1% per annum.
19	Assumed Band D Council Tax, based on above assumptions.
20	Percentage annual increase in Council Tax based on above assumptions.
21	Council Tax based on a 5% increase.
22	Assumed Band D Council Tax, based on above assumptions.
23	Difference in Council Tax if based at 5%.
24	One off saving (in year) required to reduce Council Tax to 5%.

**THREE YEAR EXPENDITURE PLAN 2007-2010**  
**Capital programmes**

	2007/08	2008/09	2009/10
	£	£	£
Amesbury Fire Station Works	56,850	2,500	13,000
Bradford on Avon Fire Station Works	0	25,850	0
Calne Fire Station Works	0	8,000	0
Chippenham Fire Station Works	31,500	7,500	12,500
Corsham Fire Station Works	0	20,000	0
Cricklade Fire Station Works	32,000	0	0
Devizes Fire Station Works	0	20,000	0
Ludgershall Fire Station Works	24,000	350	1,500
Malmesbury Fire Station Works	0	20,500	7,500
Marlborough Fire Station Works	40,500	34,000	34,000
Melksham Fire Station Works	0	13,500	0
Mere Fire Station Works	0	6,500	11,000
Pewsey Fire Station Works	0	11,500	0
Ramsbury Fire Station Works	0	8,000	17,500
Salisbury Fire Station Works	37,000	16,500	22,500
Service HQ - works to various buildings	232,250	163,000	112,750
Stratton Fire Station Works	0	22,500	18,500
Swindon Fire Station Works	26,500	14,500	89,000
Tisbury Fire Station Works	7,000	0	0
Training Centre	0	23,500	0
Trowbridge Fire Station Works	58,500	13,100	13,000
Warminster Fire Station Works	58,000	0	56,000
Westbury Fire Station Works	0	33,000	0
Westlea Fire Station Works	0	31,000	2,500
Wilton Fire Station Works	0	14,850	0
Wootton Bassett Fire Station Works	37,300	0	0
<b>Total capital programme - minor capital works</b>	<b>641,400</b>	<b>510,150</b>	<b>411,250</b>
<b><u>Information, communication technology strategy</u></b>			
PC Replacement Programme	25,000	25,000	25,000
Server Replacement Programme	20,000	20,000	20,000
Scanners at Swindon & Salisbury	1,000		
IP Telephony Phase 2	75,000	75,000	50,000
Remote/Home Working	5,000	5,000	5,000
Hand-held Devices	10,000	10,000	10,000
Wireless LAN	20,000		
Incident Recording System	50,000		
Retained Recording System	50,000		
Asset Management Recording System	75,000		
DCLG Firelink	50,000	100,000	50,000
Network Bandwidth		50,000	
<b>Total capital programme - ICT</b>	<b>381,000</b>	<b>285,000</b>	<b>160,000</b>
<b>Total capital programme</b>	<b>1,022,400</b>	<b>795,150</b>	<b>571,250</b>
Supported borrowing level	574,000	574,000	574,000
Proposed borrowing in excess of supported level	448,400	221,150	-2,750
<b>Additional Revenue Impact of Capital Programme</b>	<b>n/a</b>	<b>92,000</b>	<b>164,000</b>