

Decision Notice

DN 01/2020 Date 31/01/2020

Fire and rescue precept proposal 2020/21

The Commissioner has decided, after consultation with the public, to propose to the Police, Fire and Crime Panel a fire and rescue precept for 2020/21 of £72.69 for a Band D property within North Yorkshire. This would be an increase of 1.99% (or £1.42) per annum, from the 2019/20 level.

Background

Legislation requires that the Police, Fire and Crime Commissioner agrees their budget and associated precept and basic council tax for the forthcoming year before 1st March each year. However, before doing so the Commissioner must notify the relevant Police, Fire and Crime Panel, by the 31st January, of the precept which they propose to issue for the following financial year.





The Provisional Local Government Finance Settlement was announced by the Secretary of State for Communities and Local Government, Robert Jenrick MP, in a written statement to the House of Commons on Friday 20 December.

Within the announcement it was set out that fire authorities would be subject to a reduction in council tax referendum principles, from a limit of 2.99% increases in the last 2 years to an increase of 1.99% for 2020/21. This means that any increase in the Fire Precept of 2%, or more, would require a referendum.

Consultation with the public of North Yorkshire has been undertaken to help inform the Commissioner of their views in relation to precept increase for the Fire Service.

The results of consultation with the public of North Yorkshire in relation to the level of Fire precept for 2020/21, which had 2,213 responses, has resulted in 76% of the Open On-Line survey supporting an increase of 1.99% or above.

The overall results are summarised below:

How much more would you be prepared to pay per year, through your council tax for your fire and rescue service?				
			Response Percent	Response Total
1	No more than I pay now – a precept freeze. This would mean a cut to the fire and rescue budget due to inflation		25.18%	421
2	A 1.99% increase (equivalent to a £1.42 increase for a Band D property). This would raise £430k but is below inflation and would make it difficult for North Yorkshire Fire & Rescue to maintain the current service		16.87%	282
3	A £5 increase (equivalent to a 7% increase for a Band D property). This would raise £1.5 million and would mean an investment in fire and rescue services		36.30%	607
4	More than £5. This would raise over £1.5 million and would mean a significant investment in fire and rescue services		21.65%	362

In looking at the public opinion, a clear majority (76%) support an increase to the precept. It is worth noting that nearly 58% support an increase that would be in excess of the referendum principles.

Decision Record

The Commissioner, having consulted with the public and taken their opinion on board, has reviewed the advice of her officers in relation to the current financial position of the Fire Service and the service's need for an increase in funding to balance the current budget.

With this in mind, the Commissioner has decided to propose to the Police, Fire and Crime Panel a Fire precept for 2020/21 of £72.69 for a Band D property within North Yorkshire. This would be an increase of 1.99% (or £1.42) per annum, from the 2019/20 level.



Julia Mulligan
Police, Fire and Crime Commissioner for North Yorkshire

Statutory Officer Advice

Legal, Management and Equality Implications

The Commissioner's Chief Executive and Monitoring Officer, having read this report and having considered such information as has been provided at the time of being asked to express this view, is satisfied that this report does not ask the Commissioner to make a decision which would (or would be likely to) give rise to a contravention of the law.

Financial and Commercial

The Commissioner's Chief Finance Officer and S151 Officer has advised that the financial implications of this Decision are set out in the Executive Summary and/or the attached report. The decision will ensure that the PFCC meets her legislative requirements in relation with the Fire element of the precept.

The CFO would like to bring the following to the attention of the Commissioner in making this decision:

- The Commissioner inherited a Medium Term Financial Plan (MTFP) from the former Fire Authority that had an underlying £1.2m annual imbalance, and organisational plans that would have seen this imbalance increase to at least £2.5m across the life of that 4 year plan. A significant amount of work has been done to stabilise the financial position of the organisation since the transfer of Governance and it is now forecast that the Commissioner will set a balanced MTFP for the next 4 years without a continuing reliance on reserves to balance the budget.
- This proposed Precept increase unfortunately does little to address the underlying need to invest in the Fire Service where there is a real need for investment in its estate and fleet which are outdated and in great need of repair, and to improve prevention work across the county to make the people of North Yorkshire safer. Significant work will need to therefore continue to generate options to save to invest.