

KEY CHANGES 2013/14 TO 2023/24

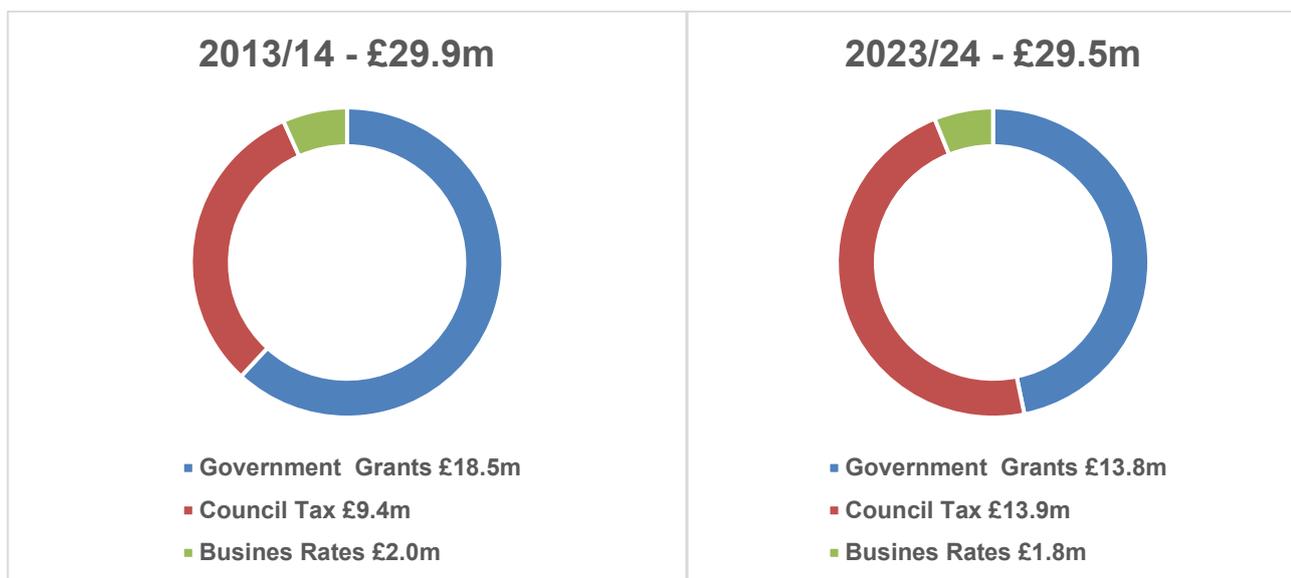
1) Changes in funding mix

There have been two significant changes which impact on recurring resources:

- A reduction in Government funding of **£4.7m** – a reduction of **25%** between 2013/14 and 2023/24.
- An increase in the percentage of the recurring resources funded from Council Tax from **31%** in 2013/14 to **47%** in 2023/24 – an increase of **£4.5m**.

These changes are summarised in the following charts:

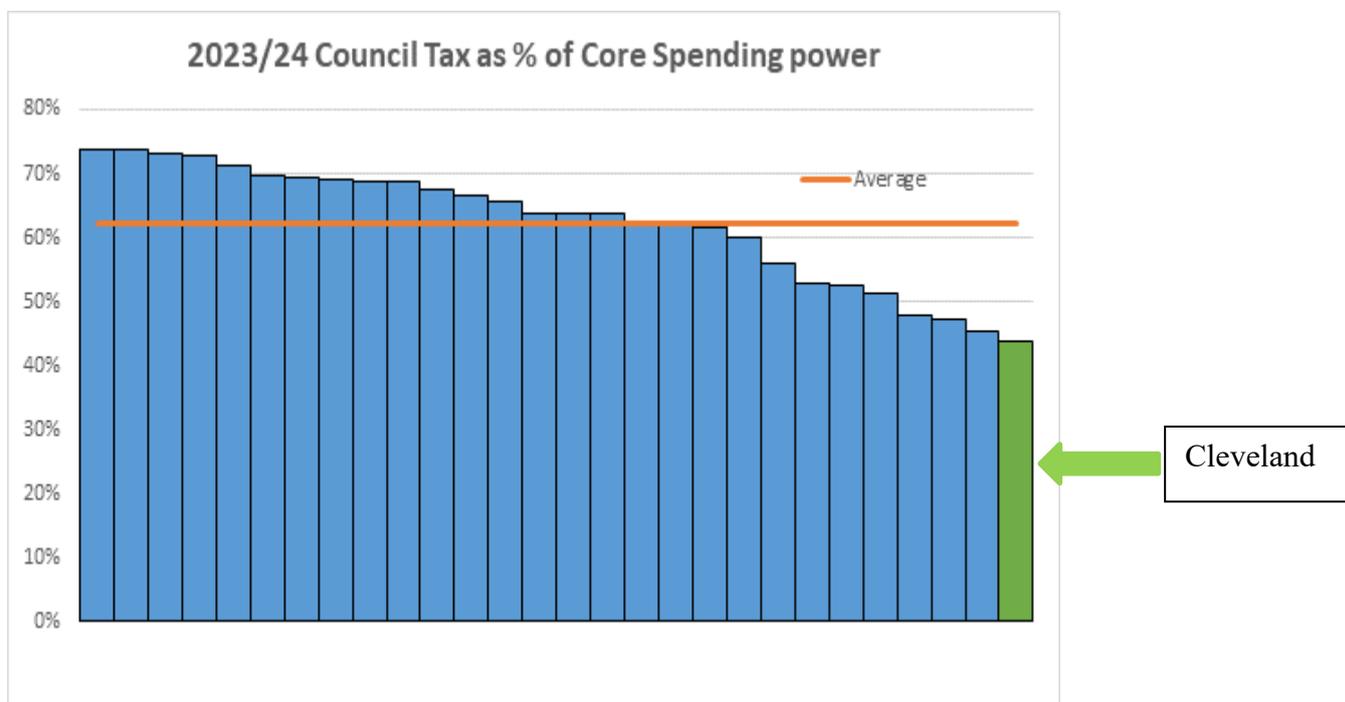
Changes in recurring funding 2013/14 to 2023/24



The table above shows that over the period 2013/14 to 2023/24 the Authority's recurring **cash** resources have basically remained unchanged. Had these resources increased in line with inflation (calculated using the Bank of England inflation calculator) the resources in 2023/24 would have been **£39.2m**. This highlights the significant financial challenges managed by the Authority and accounts for the scale of the budget reductions implemented over this period - as detailed in point 3 below.

2) Low Council Tax base

The Authority has a low Council Tax base as **45%** of properties are in Band A, the lowest Council Tax band, compared to **24%** nationally. This means the Authority raises the lowest proportion of Core Spending Power from Council Tax than any other Fire and Rescue Authority (FRA), as summarised below:



The Authority has no control over planning decisions to approve new housing developments, which increase the Council Tax base. Councils are responsible for encouraging housing growth. The scope to shift the balance of the Council Tax base towards higher value properties is determined by local economic conditions and the affordability of housing. The reality of the situation is the percentage of our Spending Power funded from Council Tax will remain low and will probably never match the FRA average.

The low Council Tax base means the Authority will continue to remain reliant on Government grant, which in 2023/24 is **47% (£13.8m)** of recurring resources. The future level of this funding is therefore critical to the financial sustainability of the services provided by the Authority.

3) Impact of previous budget reductions

As a result of previous reductions in Government funding and the low Council Tax base the Authority will continue to face ongoing financial challenges. This position needs to take account of previous reductions:

- **33% reduction** in the number of **whole time firefighter posts** from 494 to 332.