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**SUBJECT: FINAL REVENUE SUPPORT GRANT SETTLEMENT FOR  
2010/2011**

**JOINT REPORT OF THE CHIEF FIRE OFFICER AND THE FINANCE  
OFFICER**

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**1. Purpose of Report**

- 1.1 This report advises the Authority of the Final Revenue Support Grant Settlement for 2010/2011.

**2. Description of Decision**

- 2.1. The Authority is requested to note the report.

**3. Background**

- 3.1 On 20th January 2010 the Parliamentary Under-Secretary of State (Mrs Barbara Follett) issued her final report for the 2010/2011 Revenue Support Grant (RSG) Settlement. This follows on from the Local Government Finance Settlement consultation paper issued on 26<sup>th</sup> November 2009.
- 3.2 The main points of the Settlement are outlined in paragraph 4 with the effects on the Authority outlined at paragraph 5.

**4. National Settlement – Provisional 2010/2011**

The main features of the provisional settlement for 2010/2011 are as follows:

- Aggregate External Finance has been reduced marginally by £18m in total, to £76,238 million, from the figures previously released, and is due to some relatively small changes to special grants none of which affect the Fire and Rescue Service;
- Formula Grant has remained unchanged;
- the 'floor' has remained unchanged with no changes to the scaling factors used;
- the government has reiterated that they expect the average Council Tax increase in England for 2010/2011 to fall to a 16 year low which would mean increases should be lower than the national average increase of 3% in 2009/2010. They have also asserted that the government's capping powers will be used again if authorities fail to adhere to this guidance.

**5. Effects on Tyne and Wear Fire and Rescue Authority**

As a result of the details set out in paragraph 4 above:

- the Authority's final grant entitlement for 2010/2011 has remained unchanged from the figure of £35.570 million announced in November which represents an increase of 1.10%.

A separate report appearing later in this agenda deals with the proposed Revenue Budget 2010/2011 and the impact the final settlement will have for the Council Tax Precept for 2010/2011.

**6. Reason for Decision**

- 6.1 The Settlement informs part the final stages of the budget preparation process of the Authority.

**7. Alternative options to be considered and recommended to be rejected**

- 7.1 There are no alternative options recommended for approval.

**Background Papers**

Local Authority Finance (England) – Final Revenue Support Grant for 2010/2011 and related matters - (Source: DCLG).