

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

19 NOVEMBER 2018

1. MONITORING OF FINANCES

Joint report of the Chief Fire Officer and Treasurer.

RECOMMENDED

THAT the report be noted.

2. PURPOSE OF REPORT

2.1 This report deals with the monitoring of the finances of the Authority in the current financial year and covers revenue expenditure and the Capital Programme.

2.2 Expenditure is compared with a profile of the Authority's budget.

3. BACKGROUND

3.1 Revenue Expenditure

The Authority's 2018/2019 Council Tax requirement is £41.305 million and the revenue budget is £95.477 million. As part of the Authority's 2018/2019 budget setting process, the current year's budget reflects an estimated transfer from general balances of £1.500 million.

Appendix A compares the revenue budgeted to the end of October 2018 with the actuals to that date. Devolved budgets are managed by the Section responsible for incurring the expenditure as opposed to corporate budgets, which are managed by the named Section on behalf of the Brigade as a whole.

Actual spend to October 2018, including commitments, was £57.277 million compared to a projected budget of £57.291 million, an overall favourable variance of £0.014 million. The most significant variances relate to the Corporate Business Development Budget (adverse variance £0.403 million) and the Corporate Finance and Resources Budget (favourable variance £0.251 million, arising from a rates rebate for the HQ/Safeside buildings).

Appendix B provides statistical data relating to the Firefighters' Pension Scheme.

3.2 **Capital Expenditure**

The Authority's approved capital programme for 2018/2019 is £14.365 million. A scheme analysis is shown on Appendix C. Expenditure to the end of October 2018 is shown as £6.016 million.

The main forecast variance within the capital programme relates to:

- Aston Fire Station where there has been a delay to construction to enable the re-siting of communication lines.
- Vehicle Replacement Programme – delayed purchase of ancillary vehicles (command support vehicle, Detection Identification and Monitoring vehicle and Welfare Pod) pending the outcome of a review.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report, an initial Equality Impact Assessment is not required and has not been carried out because the matters contained in this report do not relate to a policy change.

5. **LEGAL IMPLICATIONS**

The course of action recommended in this report does not raise issues which should be drawn to the attention of the Authority's Monitoring Officer.

6. **FINANCIAL IMPLICATIONS**

These are contained in the body of the report and the attached Appendices.

BACKGROUND PAPERS

Authority's Budget and Precept Report – February 2018
Finance Office Budget Monitoring Files

The contact officer for this report is Philip Hales, Deputy Chief Fire Officer, telephone number 0121 380 6907

PHIL LOACH
CHIEF FIRE OFFICER

MIKE GRIFFITHS
TREASURER

REVENUE MONITORING SUMMARY TO OCTOBER 2018

	LATEST BUDGET 2018/2019 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT -MENTS £'000	VARIANCE TO PROFILED BUDGET £'000
DEVOLVED BUDGETS				
Corporate Management	2,624	1,530	1,510	-20
Corporate Charges	538	534	532	-2
Service Support				
People Support Services	6,252	3,833	3,738	-95
Business Development	132	93	90	-3
Intelligence and Innovation	1,683	1,062	1,067	5
Finance & Resources	5,113	2,833	2,782	-51
ICT	4,748	3,041	3,044	3
Service Delivery				
Operations	50,592	29,275	29,335	60
CORPORATE BUDGETS				
Service Support				
People Support Services	2,709	1,624	1,589	-35
Business Development	-1,000	-583	-180	403
Intelligence and Innovation	15	17	28	11
Finance and Resources	15,090	10,051	9,800	-251
ICT	233	145	118	-27
Service Delivery				
Response	5,179	3,018	3,003	-15
Prevention	-2	0	0	0
Protection	-47	-57	-54	3
Other Income & Expenditure	1,618	875	875	0
Appropriation to Reserves	0	0	0	0
TOTAL (NET BUDGET REQUIREMENT)	95,477	57,291	57,277	-14
Core Funding	- 54,172	-34,904	-34,904	-
TOTAL (COUNCIL TAX REQUIREMENT)	41,305	22,387	22,373	-14

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2018/19 PROJECTION				ACTUAL POSITION AS AT OCTOBER 2018			
	1992 FPS	2006 FPS	2015 FPS	TOTAL	1992 FPS	2006 FPS	2015 FPS	TOTAL
Members of FPS at 1st April 2018	303	11	977	1,291	303	11	977	1,291
New Members	-	-	53	53	-	-	62	62
Opt-In	-	-	-	-	-	-	2	2
Transitional Members during year	-28	-1	29	-	-9	-	9	-
Transfers from Other Pension Schemes	-	-	-	-	-	-	-	-
Transfers to Other Pension Schemes	-	-	-	-	-	-	-	-
Retirements	-38	-2	-	-40	-31	-2	-1	-34
Opt-Out	-	-	-10	-10	-	-	-19	-19
Leavers	-	-	-12	-12	-2	-	-9	-11
Ill-Health Retirements	-2	-	-1	-3	-	-	-	-
Members of the Fire Pension Schemes as at 31st October 2018					261	9	1,021	1,291

CAPITAL MONITORING STATEMENT 2018/19

Scheme	Year 2018/19	Latest Budget £'000	Actuals October 2018 £'000	Forecast £'000	Variance £'000
<u>LAND & BUILDINGS</u>					
Boiler Replacement Programme	Ongoing	206	209	209	+3
Roof Replacements	Ongoing	355	0	357	+2
Windows/Door Replacement	Ongoing	514	229	494	-20
Rewires	Ongoing	130	0	130	-
Coventry Fire Station	4 of 5	4,112	3,655	4,112	-
HQ Alterations	2 of 2	609	288	609	-
Aston Fire Station	4 of 5	4,488	262	3,948	-540
<u>VEHICLES</u>					
Vehicle Replacement Programme	Ongoing	3,705	1,373	3,065	-640
<u>ICT & EQUIPMENT</u>					
C&C Upgrade Vision 4	1 of 1	221	0	221	-
Oracle Licensing	9 of 9	25	0	0	-25
Grand Total		14,365	6,016	13,145	-1,220
<u>Funded By</u>					
Prudential Borrowing		0		0	-
Capital Grants / Contributions		744		744	-
Capital Receipts to be Applied		0		0	-
Revenue Financing / Earmarked Reserves		13,621		12,401	-1,220
TOTAL		14,365		13,145	-1,220
SURPLUS(-)/DEFICIT(+)					