

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

13 FEBRUARY 2012

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

Appendix A compares the revenue budgeted to the end of December 2011 with the actuals to that date. Devolved budgets are managed by the Department responsible for incurring the expenditure as opposed to corporate budgets, which are managed by the named Department on behalf of the Brigade as a whole.

The Authority's 2011/2012 revenue budget is £111.502 million. As part of the Authority's 2012/2013 to 2014/2015 budget setting process, the current year's budget has been revised and reflects an estimated transfer to general balances of £1m. Actual spend to December 2011, including commitments, is £76.964 million compared to a projected budget of £77.287 million. The overall favourable variance of £0.323 million is predominantly due to a combination of staff vacancies and savings in supplies and services expenditure.

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

3.2 **Capital Expenditure**

The Authority's approved capital programme for 2011/2012 is £8.398 million. A scheme analysis is shown in Appendix C. Expenditure to the end of December 2011 is shown as £2.161 million.

A variance of (£4.023 million) is forecast against the approved budget. This is mainly because the vehicle replacement programme is awaiting decisions about the future make-up of operational fleet as part of the Building upon Success considerations.

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 2011
Finance Office Budget Monitoring Files

V. RANDENIYA
CHIEF FIRE OFFICER

S. KELLAS
TREASURER

APPENDIX A

REVENUE MONITORING SUMMARY TO DECEMBER 2011

	LATEST BUDGET 2011/2012 £000	PROFILED BUDGET £000	ACTUALS + COMMIT. £000	VARIANCE TO PROFILED BUDGET £000
DEVOLVED BUDGETS				
OPERATIONS	4,763	3,067	2,945	-122
CORPORATE MANAGEMENT & SUPPORT	2,347	1,712	1,679	-33
PERFORMANCE IMPROVEMENT	863	645	637	-8
CORPORATE SERVICES	5,929	4,321	4,292	-29
HUMAN RESOURCES	5,267	3,600	3,599	-1
TECHNICAL AND OPERATIONAL SUPPORT	10,227	7,534	7,428	-106
FINANCE & PROCUREMENT	3,055	2,127	2,124	-3
CORPORATE BUDGETS				
CORPORATE SERVICES	2,354	2,128	2,113	-15
HUMAN RESOURCES	54,322	40,765	40,787	22
TECHNICAL AND OPERATIONAL SUPPORT	-163	-151	-163	-12
FINANCE & PROCUREMENT	20,959	11,115	11,119	4
OPERATIONS	579	424	404	-20
APPROPRIATIONS	1,000	0	0	0
GRAND TOTAL	111,502	77,287	76,964	-323

APPENDIX B

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2011/2012 PROJECTION			ACTUAL POSITION AS AT DECEMBER 2011		
	1992 FPS	2006 FPS	TOTAL	1992 FPS	2006 FPS	TOTAL
Members of FPS at 1 st April 2011	1370	361	1731	1370	361	1731
New Members During Year	0	0	0	0	1	1
Transfers from Other Pension Schemes	0	0	0	0	0	0
Transfers to Other Pension Schemes	0	-2	-2	0	-1	-1
Normal Retirements/Deferred/Leavers	-56	0	-56	-45	-7	-52
Ill-Health Retirements	-2	0	-2	0	0	0
Members of the Fire Pension Schemes as at 31 st December 2011	1325	354	1679	1325	354	1679

APPENDIX C

CAPITAL MONITORING STATEMENT 2011/12

Scheme	Year	Latest Budget £000s	Actuals to December 2011 £000s	Forecast £000s	Variance £000s
<u>LAND & BUILDINGS</u>					
Asbestos Removal	ongoing	73	3	73	-
Drill Tower/Training Facility Upgrades	8 of 8	281	46	80	-201
Windows/Door Replacement	2 of 2	41	16	16	-25
The Academy Refurbishment	3 of 3	109	94	102	-7
Solihull refurbishment	3 of 3	551	478	539	-12
Walsall refurbishment	3 of 3	773	693	763	-10
Boiler replacement programme	4 of 4	717	107	292	-425
Solar Panels	1 of 1	500	0	337	-163
Retentions/Completed Schemes	Ongoing	48	17	48	-
<u>VEHICLES</u>					
Vehicle Replacement Programme	Ongoing	5,053	660	2,053	-3,000
<u>ICT & EQUIPMENT</u>					
Thermal Image Cameras	4 of 4	201	20	20	-181
RPE Replacement Project	4 of 4	7	8	8	1
Oracle Licensing	5 of 5	25	0	25	-
ICT Upgrades/Replacements	1 of 1	19	19	19	-
Grand Total		8,398	2,161	4,375	-4,023
<u>RESOURCES AVAILABLE</u>		£000s		£000s	£000s
Supported Capital Expenditure		-		-	-
Prudential Borrowing		-		-	-
Capital Grants/Contributions		-2,945		-2,945	-
Capital Receipts to be Applied		-		-	-
Direct Revenue Financing		-5,453		-1,430	-4,023
TOTAL		-8,398		-4,375	-4,023
SURPLUS(-)/DEFICIT(+)		-		-	