

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

13 FEBRUARY 2023

1. MONITORING OF FINANCES

Report of the Treasurer.

RECOMMENDED

1.1 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

3.1.1 The Authority's 2022/2023 Council Tax requirement is £49.405 million and the revenue budget is £108.303 million.

3.1.2 Appendix A compares the revenue budgeted to the end of December 2022 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.

3.1.3 Actual spend to December 2022, including commitments, was £81.455 million compared to a projected budget of £81.284 million, an overall adverse variance of £0.171 million.

3.1.4 The overall adverse variance is mainly due to an overspend on Operational pay budgets.

3.1.5 In addition, it is recognised there will be revenue budget pressures arising from pay awards in the current year. This matter was considered at the Fire Authority meeting on 10 October 2022. The pay award budget pressure in the current year (i.e. anything above the 2% budget assumption) is to be funded by reserves.

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

3.2 **Capital Expenditure**

3.2.1 The Authority's approved capital programme for 2022/2023 is £6.588 million. A scheme analysis is shown on Appendix C. Expenditure to the end of December 2022 is shown as £2.297 million.

3.2.2 The main forecast variances within the capital programme relate to:

- Vehicle Replacement Programme slippage:
 - 3 * Brigade Response Vehicles
 - 4 * Welfare Vans
 - 3 * Electric Vans (Stores)
 - 3 * Water Support Units
 - 2 * Trailers
- Alternative approach to Transport Engineering Workshops re-roofing and savings from the tendering exercise.
- The deferral of window/door replacements to 2023/24.
- The deferral of an additional burn room and welfare facility at Coventry Fire Station along with several other drill tower refurbishments.

4. **EQUALITY IMPACT ASSESSMENT**

4.1 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**

- 5.1 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**

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

7. **ENVIRONMENTAL IMPLICATIONS**

- 7.1 There are no financial implications.

BACKGROUND PAPERS

- Authority's Budget and Precept Report – February 2022
- Pay Award Update and Associated Budgetary Pressures – October 2022
- Finance Office Budget Monitoring Files

The contact officer for this report is Karen Gowreesunker, Assistant Chief Fire Officer, telephone number 0121 380 6906.

MIKE GRIFFITHS
TREASURER

REVENUE MONITORING SUMMARY TO DECEMBER 2022

	BUDGET 2022/2023 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT -MENTS £'000	VARIANCE TO PROFILED BUDGET £'000
DEVOLVED BUDGETS				
Corporate Management	1,101	833	833	0
Corporate Charges	2	1	1	0
Portfolio & Organisational Intelligence	1,753	1,324	1,340	16
Operations	3,487	2,059	1,955	-104
Fire Control & Business Continuity	1,700	1,206	1,167	-39
Prevention	2,240	1,540	1,513	-27
Protection	5,058	3,814	3,779	-35
Response, Policy & Organisational Assurance	1,738	1,272	1,271	-1
Resourcing	6,822	5,091	5,111	20
Digital & Data	7,738	6,512	6,502	-10
Communications & Engagement	1,039	729	729	0
People Support Services	627	464	459	-5
Employee Relations	195	152	152	0
Organisational Development	62	47	47	0
Organisational Learning & People Development	4,425	3,286	3,285	-1
Health, Safety & Wellbeing	2,836	2,182	2,189	7
CORPORATE BUDGETS				
Prevention	24	18	17	-1
Protection	9	-42	-30	12
Response, Policy & Organisational Assurance	-109	92	95	3
Resourcing	16,715	10,453	10,406	-47
Digital & Data	132	98	98	0
People Support Services	2,396	1,795	1,794	-1
Employee Relations	110	106	119	13
Organisational Learning & People Development	125	93	83	-10
Health, Safety & Wellbeing	49,557	37,156	37,527	371
Other Income & Expenditure	1,029	1,003	1,013	10

OFFICIAL

Appropriation to (from) Reserves	(2,508)	-	-	-
TOTAL (NET BUDGET REQUIREMENT)	108,303	81,284	81,455	171
Core Funding	-58,898	-42,266	-42,266	0
TOTAL (COUNCIL TAX REQUIREMENT)	49,405	39,018	39,189	171

OFFICIAL

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2022/23 PROJECTION				ACTUAL POSITION AS AT DECEMBER 2022			
	1992 FPS	2006 FPS	2015 FPS	TOTAL	1992 FPS	2006 FPS	2015 FPS	TOTAL
Members of FPS at 1st April 2022	-	-	1,243	1,243	-	-	1,243	1,243
New Members	-	-	70	70	-	-	23	23
Opt-In (including net auto-enrolment)	-	-	12	12	-	-	48	48
Transitional Members during year	-	-	-	-	-	-	-	-
Transfers from Other Pension Schemes	-	-	5	5	-	-	-	-
Transfers to Other Pension Schemes	-	-	-2	-2	-	-	-	-
Retirements	-	-	-55	-55	-	-	-49	-49
Opt-Out	-	-	-12	-12	-	-	-27	-27
Leavers	-	-	-12	-12	-	-	-1	-1
Ill-Health Retirements	-	-	-3	-3	-	-	-2	-2
Members of the Fire Pension Schemes as at 31st December 2022	-	-			-	-	1,235	1,235

CAPITAL MONITORING STATEMENT 2022/23

Scheme	Year 2022/23	Latest Budget £'000	Actuals December 2022 £'000	Forecast £'000	Variance £'000
<u>LAND & BUILDINGS</u>					
Boiler Replacement Programme	Ongoing	15	-	-	-15
Roof Replacements	Ongoing	1,091	181	372	-719
Windows/Door Replacement	Ongoing	683	16	16	-667
Rewires	Ongoing	175	-	105	-70
Drill Tower and Burn Facility	5 of 5	635	74	195	-440
Other Building Modifications	3 of 3	11	10	10	-1
Security Works	4 of 4	47	-	15	-32
HQ Alterations	2 of 2	109	35	65	-44
OHW Works	4 of 4	17	7	12	-5
Aston Fire Station	8 of 8	61	56	61	-
<u>VEHICLES</u>					
Vehicle Replacement Programme	Ongoing	3,595	1,887	2,418	-1,177
<u>ICT & EQUIPMENT</u>					
C&C Upgrade-Vision 4/ESMCP	5 of 5	149	31	149	-
Grand Total		6,588	2,297	3,418	-3,170
<u>Funded By</u>					
Prudential Borrowing		0		0	-
Capital Grants/Contributions		74		74	-
Capital Receipts to be Applied		0		0	-
Revenue Financing/Earmarked Reserves		6,514		3,344	-3,170
TOTAL		6,588		3,418	-3,170
SURPLUS(-)/DEFICIT(+)					