

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

9TH FEBRUARY 2009

1. MONITORING OF FINANCES

Joint report of the A/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 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. As part of the 2009/2010 budget setting process, the current year's budget has been revised and the monitoring statement reflects this updated position.

The Authority's revenue budget is £115.410 million and actual spend to December, including commitments, is £83.462 million compared to a profiled budget of £84.038 million. The most significant variance arising is a £343k favourable variance on corporate Finance and Procurement reflecting anticipated Authority savings.

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

3.2 **Capital Expenditure**

The Authority's approved capital programme for 2008/2009 is £14.791 million. Expenditure to the end of December is shown as £7.782 million with a forecast variance at year end of £2.469 million. A detailed scheme analysis is shown in Appendix C.

The major variances are:

- The refurbishment of Bickenhill and Sheldon Fire Stations has been suspended pending the outcome of the Service Plan public consultation exercise.
- The E-Business Project is now providing systems enhancements rather than a fully integrated back office system as reported to Executive Committee on 15th December 2008.

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 2008
Finance Office Budget Monitoring Files

V. RANDENIYA
A/CHIEF FIRE OFFICER

L. BATEMAN
TREASURER

BUDGET MONITORING SUMMARY

	LATEST BUDGET 2008/2009 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT. DEC. 2008 £'000	VARIANCE TO PROFILED BUDGET £'000
DEVOLVED BUDGETS				
OPERATIONS	4,857	3,212	3,142	-70
CORPORATE MANAGEMENT & SUPPORT	1,447	1,090	1,111	21
PERFORMANCE IMPROVEMENT	290	206	212	6
CORPORATE PLANNING AND SUPPORT	3,071	2,265	2,252	-13
HUMAN RESOURCES	3,462	2,304	2,260	-44
TECHNICAL SERVICES	5,863	4,840	4,828	-12
OPERATIONS SUPPORT	4,485	3,934	3,866	-68
FINANCE & PROCUREMENT	14,911	2,217	2,185	-32
CORPORATE BUDGETS				
CORPORATE PLANNING & SUPPORT	2,043	1,474	1,477	3
HUMAN RESOURCES	63,814	47,669	47,665	-4
OPERATIONS SUPPORT	60	-5	-26	-21
FINANCE & PROCUREMENT	10,538	14,321	13,978	-343
OPERATIONS	569	511	512	1
GRAND TOTAL	115,410	84,038	83,462	-576

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2008/2009 PROJECTION			ACTUAL POSITION AS AT DECEMBER 2008		
	1992 FPS	2006 FPS	TOTAL	1992 FPS	2006 FPS	TOTAL
Members of the Fire Pension Schemes	1,638	289	1,927	1,571	324	1,895
New Members During Year	0	40	40	0	40	40
Transfers from Other Pension Schemes	2	8	10	2	8	10
Transfers to Other Pension Schemes	0	0	0	0	0	0
Normal Retirements/Deferred/Leavers	-79	-7	-86	-67	-7	-74
Ill-Health Retirements	-6	0	-6	0	0	0

CAPITAL MONITORING STATEMENT 2008/2009

Scheme	Year	Approved Budget 11 Feb 2008 £000s	Adjust- ments £000s	Total £000s	Actuals to Dec. 2008 £000s	Fore- cast £000s	Variance £000s
<u>LAND & BUILDINGS</u>							
HQ Relocation	3 of 3	3,736	2,424	6,160	5,623	6,535	+375
Deep Lift Well Alterations	4 of 4	220	-76	144	24	24	-120
Asbestos Removal	7 of 6	0	16	16	5	16	-
Drill Tower/Facility Upgrades	5 of 5	0	150	150	15	150	-
Bickenhill - USAR	2 of 1	0	122	122	92	122	-
Bilston Modifications	2 of 1	0	10	10	2	10	-
IRMP Works	1 of 1	0	31	31	29	31	-
Bickenhill Refurbishment	1 of 3	500	0	500	3	3	-497
Sheldon Refurbishment	1 of 3	600	0	600	2	2	-598
Carbonaceous Facility-Oldbury	1 of 1	0	175	175	150	175	-
Training Centre Refurbishment	1 of 1	0	1,072	1,072	809	1,072	-
Retentions/Completed Schemes	On going	0	51	51	4	51	-
<u>VEHICLES</u>							
Vehicle Replacement Programme	On going	2,369	420	2,789	601	2,769	-20
<u>ICT AND EQUIPMENT</u>							
Rescue Equipment	3 of 2	0	63	63	63	63	-
Thermal Image Cameras	1 of 1	130	0	130	0	131	+1
TEW Carousel System	1 of 1	0	30	30	10	30	-
RPE Replacement Project	1 of 2	0	500	500	23	500	-
Chemical Protection Suit Cleaner	1 of 1	0	16	16	16	16	-
E-Business Project	5 of 5	573	1,088	1,661	47	51	-1610
Oracle Licensing	2 of 3	0	86	86	60	86	-
Pensions Server Replacement	2 of 1	0	20	20	18	20	-
Command and Control System	2 of 2	300	150	450	186	450	-
Fire Control Voice Recording System	1 of 1	0	15	15	0	15	-
Grand Total		8,428	6,363	14,791	7,782	12,322	-2,469
<u>RESOURCES AVAILABLE</u>							
Supported Capital Expenditure		3,967	0	3,967		3,967	-
Prudential Borrowing		0	0	0		0	-
Capital Grants/Contributions		0	525	525		525	-
Capital Receipts to be Applied		2,512	193	2,705		3,130	+425
Direct Revenue Financing		1,949	5,645	7,594		4,700	-2,894
TOTAL		8,428	6,363	14,791		12,322	-2,469
SURPLUS(+)/DEFICIT(-)		0	0	0		0	