

WEST MIDLANDS FIRE AND CIVIL DEFENCE AUTHORITY

26TH JULY 2004

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 in particular, expenditure on employees (which accounts for approximately 70% of net expenditure), the Firefighters' Pension Scheme (which is a non-funded scheme), and the Capital Programme.

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

3. BACKGROUND

3.1 Employees' Expenditure

Appendix A compares the salaries and wages budget to the end of June with the actuals to that date.

Overall, the payroll shows an underspend of £8,000 against budget to date of £16.907 million.

3.2 Firefighters' Pension Scheme

The position is set out in Appendix B and indicates an underspend of £766,000 to date, predominantly due to a lower number of projected retirements than anticipated. It should be noted that this area of expenditure is subject to wide fluctuations arising in particular from medical discharges, timing of retirements, value of actual pensions and the transfer of pension rights, both into and out of the scheme.

3.3 Capital Expenditure

The Authority's approved capital programme for 2004/2005 is £4.634 million. The provisional 2003/2004 capital out-turn has identified a number of adjustments which need to be brought into the 2004/2005 Capital Programme with the resulting increased expenditure being matched by an equivalent level of funding established

during the Authority's 2003/2004 closedown of accounts process. A scheme analysis is shown in Appendix C. Expenditure to the end of June is shown as £0.475 million.

4. **EQUALITY AND DIVERSITY IMPLICATIONS**

There are no equality and diversity implications arising from this report.

5. **CORPORATE AIM SUPPORTED**

The principal corporate aim supported by the information in this report is as follows:-

2. To create a financial plan which operates within the budget, to ensure the most efficient, effective and economic use of resources.

6. **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.

7. **FINANCIAL IMPLICATIONS**

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

BACKGROUND PAPERS

Authority's Budget and Precept Report – February 2003
Finance Office Budget Monitoring Files

F. J. E. SHEEHAN
CHIEF FIRE OFFICER

L. BATEMAN
TREASURER

STATEMENT OF DIRECT EMPLOYEE EXPENDITURE 2004/2005

BUDGET HEAD	LATEST BUDGET 2004/2005 £'000	PROFILED BUDGET TO 30-Jun-2004 £'000	EXPENDITURE TO THE END OF 30-Jun-2004 £'000	VARIATION OVER/(UNDER) £'000
Pay – Operational Staff	55,212	13,093	13,078	(15)
Pay – Retained Firefighters	178	41	29	(12)
Pay – Fire Control Staff	1,742	414	416	2
TOTAL UNIFORMED STAFF	57,132	13,548	13,523	(25)
TOTAL NON-UNIFORMED STAFF	7,792	1,881	1,913	32
TOTAL PAY	64,924	15,429	15,436	7
National Insurance	5,030	1,196	1,185	(11)
Superannuation	1,173	282	278	(4)
TOTAL EMPLOYEES EXPENDITURE	71,127	16,907	16,899	(8)

FIREFIGHTERS' PENSION SCHEME

DESCRIPTION (1)	LATEST BUDGET 2004/2005 £'000 (2)	EXPENDITURE/ INCOME TO 30-Jun-2004 £'000 (3)	FORECAST FROM 01-Jul-2004 TO 31 ST MARCH 2005 £'000 (4)	PROJECTIONS FOR YEAR £'000 (5)	PROJECTED VARIANCE TO BUDGET £'000 (6)
BENEFITS	18,591	4,560	13,877	18,437	-154
LUMP SUMS	6,270	631	4,502	5,133	-1,137
TRANSFER VALUES (NET)	560	-16	1,096	1,080	520
OTHER	57	0	56	56	-1
TOTAL PENSIONS GROSS EXPENDITURE	25,478	5,175	19,531	24,706	-772
LESS CONTRIBUTIONS	-5,870	-1,295	-4,569	-5,864	6
TOTAL PENSIONS NET EXPENDITURE	19,608	3,880	14,962	18,842	-766

RETIREMENT STATISTICS	ANNUAL NUMBER	TO DATE
BUDGETED NUMBER OF RETIREMENTS	90	26
ACTUAL NUMBER OF RETIREMENTS TO DATE		10
PROJECTED RETIREMENTS TO YEAR END	74	
VARIANCE	-16	-16

CAPITAL MONITORING STATEMENT TO END OF JUNE 2004

SCHEME REFERENCE	SCHEME	YEAR	APPROVED BUDGET 16 TH FEB 2004 £000s	ADJUSTMENTS 2003/2004 £000s	TOTAL £000s	ACTUALS TO JUNE 2004 £000s	FORECAST £000s	VARIANCE £000s
	<u>LAND AND BUILDINGS</u>							
FS0033	Bloxwich Essential Works	1 of 1	150	0	150	0	150	-
FS0034	Binley Modifications	1 of 1	146	0	146	0	146	-
FS0031	Kit Racking	1 of 1	154	0	154	0	154	-
FS0029	B.A. Servicing Rooms – Upgrade	1 of 3	35	0	35	0	35	-
FS0028	Security Measures	1 of 3	50	0	50	11	50	-
FS0013	Equality and Diversity Works	1 of 3	100	0	100	0	100	-
FS0030	Deep Lift Well Alterations	1 of 5	72	0	72	0	72	-
FS0032	Drill Tower Upgrades	1 of 5	50	0	50	2	50	-
FS0022	West Bromwich PPE and Refurbishment	2 of 2	300	0	300	190	300	-
FS0023	PPE Storage Facilities	2 of 2	90	48	138	11	138	-
FS0024	Foleshill Community Fire Safety Facility	2 of 2	185	12	197	0	197	-
FS0025	Bournbrook Refurbishment	2 of 3	475	8	483	89	483	-
FS0026	Fallings Park Refurbishment	2 of 3	600	0	600	108	600	-
FS0009	HCFS Fire Experience Facility	3 of 1	0	24	24	5	24	-
FS0001	Automatic Fire Detection	3 of 2	0	14	14	0	14	-
FS0011	Wolverhampton Refurbishment	3 of 2	0	30	30	7	30	-
FS0017	BTC Car Park and Fencing	3 of 2	0	3	3	3	3	-
FS0007	Northfield Refurbishment	4 of 3	0	25	25	0	25	-
FS0006	Asbestos Removal	4 of 5	200	0	200	23	200	-
	Retentions	Ongoing	0	14	14	0	14	-
	<u>INTEGRATED COMPUTER TRAINING</u>							
FS0035	Integrated Computer System	1 of 3	500	0	500	0	500	-
FS0027	GIS Mapping	2 of 1	0	5	5	3	5	-
FS0003	Wide Area Network Enhancement	2 of 2	40	125	165	13	165	-
FS0004	MDT Hardware Replacement	2 of 2	140	160	300	0	300	-
	<u>VEHICLE REPLACEMENT PROGRAMME</u>							
FS0020	Vehicle Replacement Programme	Ongoing	960	0	960	0	960	-
FS0005	Vehicles Funded by Grant	1 of 1	0	0	0	10	10	+ 10
	GRAND TOTAL		4,247	343	4,590	475	4,725	+ 10

RESOURCES AVAILABLE

Supported Capital Expenditure
Grant Funded
Capital Receipts
Revenue Funding

TOTAL

SURPLUS (+) / DEFICIT (-)

£000s

3,658
10
250
842

4,760

35

APPENDIX C