

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

27TH JUNE 2005

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 May with the actuals to that date.

Overall, the payroll shows an underspend of £252,000 against a budget to date of £11.949 million.

3.2 Firefighters' Pension Scheme

The position is set out in Appendix B and indicates a projected overspend of £395,000. 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 2005/2006 is £3.920 million. The provisional 2004/2005 capital out-turn has identified a number of adjustments which need to be brought into the 2005/2006 Capital Programme with the resulting increased expenditure being matched by an equivalent level of funding established during the Authority's 2004/2005 closedown of accounts process. A scheme analysis is shown in Appendix C. Expenditure to the end of May is shown as £0.563 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. Creating a financial plan, operating within the budget, ensuring the most efficient 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 2005
Finance Office Budget Monitoring Files

F. J. E. SHEEHAN
CHIEF FIRE OFFICER

L. BATEMAN
TREASURER

STATEMENT OF DIRECT EMPLOYEE EXPENDITURE 2005/2006

BUDGET HEAD	LATEST BUDGET 2005/2006 £'000	PROFILED BUDGET TO 31 MAY 2005 £'000	EXPENDITURE TO 31 MAY 2005 £'000	VARIATION Over/(Under) £'000
Pay – Operational Staff	55,796	9,079	8,885	(194)
Pay – Retained Firefighters	164	26	21	(5)
Pay – Fire Control Staff	1,802	293	287	(6)
TOTAL UNIFORMED STAFF	57,762	9,398	9,193	(205)
TOTAL NON-UNIFORMED STAFF	8,919	1,478	1,453	(25)
TOTAL PAY	66,681	10,876	10,646	(230)
National Insurance	5,175	846	842	(4)
Superannuation	1,370	227	209	(18)
TOTAL EMPLOYEES EXPENDITURE	73,226	11,949	11,697	(252)

FIREFIGHTERS' PENSION SCHEME

DESCRIPTION (1)	Original budget 2005/06 £'000 (2)	Expenditure/ income to 31 May 05 £'000 (3)	Forecast from 01 Jun 05 31 Mar 06 £'000 (4)	Projections for Year £'000 (5)	Projected Variance to Budget £'000 (6)
BENEFITS	19,984	3,336	16,713	20,049	65
LUMP SUMS	7,205	1,500	6,067	7,567	362
TRANSFER VALUES (NET)	700	0	583	583	-117
OTHER	44	6	47	53	9
TOTAL PENSIONS GROSS EXPENDITURE	27,933	4,842	23,410	28,252	319
LESS CONTRIBUTIONS	-5,990	-959	-4,955	-5,914	76
TOTAL PENSIONS NET EXPENDITURE	21,943	3,883	18,455	22,338	395

RETIREMENT STATISTICS	Annual No.	To Date
BUDGETED NUMBER OF RETIREMENTS	100	15
ACTUAL NUMBER OF RETIREMENTS TO DATE		20
PROJECTED RETIREMENTS TO YEAR END	105	
VARIANCE	5	5

CAPITAL MONITORING STATEMENT TO END OF MAY 2005

Scheme	Year	Approved Budget 14 th Feb 05 £000s	Adjust-ments £000s	Total £000s	Actuals to May 2005 £000s	Fore-cast £000s	Var-iance £000s
<u>LAND & BUILDINGS</u>							
HQ Relocation	1 of 1	100	0	100	0	100	-
Stourbridge Refurbishment	1 of 3	616	0	616	0	616	-
Deep Lift Well Alternations	1 of 5	72	0	72	0	72	-
Security Measures	2 of 2	50	0	50	1	50	-
BA Servicing Rooms-Upgrade	2 of 3	35	10	45	5	45	-
Equality & Diversity Works	2 of 3	100	20	120	0	120	-
Drill Tower Upgrades	2 of 4	50	0	50	1	50	-
Bournbrook Refurbishment	3 of 3	88	-18	70	22	70	-
Fallings Park Refurbishment	3 of 3	177	-152	25	9	25	-
Asbestos Removal	5 of 5	270	-20	250	19	250	-
Kit Racking	2 of 1	0	15	15	15	15	-
Bloxwich Essential Works	2 of 1	0	53	53	1	53	-
Binley Modifications	2 of 1	0	5	5	4	5	-
West Bromwich PPE & Refurbishment	3 of 2	0	23	23	0	23	-
Foleshill CFS Facility	3 of 2	0	126	126	74	126	-
HCFS Fire Experience Facility	4 of 1	19	0	19	2	19	-
Automatic Fire Detection	4 of 2	0	40	40	32	40	-
Wolverhampton Refurbishment	4 of 2	15	0	15	0	15	-
Northfield Refurbishment	5 of 3	25	0	25	0	25	-
West Bromwich Training Facility	2 of 1	0	39	39	0	39	-
Carbonaceous Training Facility	1 of 1	0	70	70	0	70	-
Retentions (Completed Schemes)	Ongoing	0	13	13	0	13	-
<u>ICT</u>							
Integrated Computer System	2 of 4	750	292	1,042	30	1,042	-
Wide Area Network Enhancement	3 of 2	65	-34	31	29	31	-
MDT Hardware Replacement	3 of 2	25	300	325	0	325	-
<u>EQUIPMENT</u>							
Home Fire Risk	2 of 4	310	87	397	9	397	-
<u>VEHICLES</u>							
Vehicle Replacement Programme	Ongoing	1,153	232	1,385	310	1,385	-
Vehicles Funded by Grant/Sponsorship	1 of 1	0	12	12	0	12	-
Grand Total		3,920	1,113	5,033	563	5,033	-
<u>RESOURCES AVAILABLE</u>							
Supported Capital Expenditure		3,661	0	3,661		3,661	-
Capital Grants/Contributions		310	119	429		429	-
Capital Receipts		0	0	0		0	-
Revenue Funding		270	924	1,194		1,194	-
TOTAL		4,241	1,043	5,284		5,284	-
SURPLUS(+)/DEFICIT(-)		321	0	251		251	-