

**WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

**22<sup>ND</sup> SEPTEMBER 2008**

**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 August 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 revenue budget is £115.410 million and actual spend to August, including commitments, is £47.389 million. The most significant variances arising are a £324K overspend on corporate Human Resources, predominantly as a result of staff establishment levels and a higher than budgeted pay award for uniformed officers and savings of £603K on corporate Finance and Procurement mainly reflecting savings from pension related matters, in particular, lower levels of ill health retirements than predicted at this stage of the year.

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 £13.840 million. A forecast overspend of £110K against the Headquarters Relocation Project is offset by forecast savings on the Deep Lift Well Alterations. Expenditure to the end of August is shown as £4.156 million. A scheme analysis is shown in Appendix C.

### 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

F. J. E. SHEEHAN  
CHIEF FIRE OFFICER

L. BATEMAN  
TREASURER

<b>BUDGET MONITORING SUMMARY</b>
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	<b>LATEST BUDGET 2008/2009 £'000</b>	<b>PROFILED BUDGET £'000</b>	<b>ACTUALS + COMMIT. AUGUST 2008 £'000</b>	<b>VARIANCE TO PROFILED BUDGET £'000</b>
<b>DEVOLVED BUDGETS</b>				
OPERATIONS	3,979	1,480	1,613	133
CORPORATE MANAGEMENT & SUPPORT	1,389	614	601	-13
PERFORMANCE IMPROVEMENT	288	116	124	8
CORPORATE PLANNING AND SUPPORT	3,022	1,217	1,209	-8
HUMAN RESOURCES	3,346	1,333	1,300	-33
TECHNICAL SERVICES	5,637	3,084	3,050	-34
OPERATIONS SUPPORT	4,265	2,087	2,035	-52
FINANCE & PROCUREMENT	14,673	1,200	1,167	-33
<b>CORPORATE BUDGETS</b>				
CORPORATE PLANNING & SUPPORT	1,720	1,468	1,456	-12
HUMAN RESOURCES	63,347	26,083	26,407	324
OPERATIONS SUPPORT	83	39	-1	-40
FINANCE & PROCUREMENT	13,075	8,692	8,089	-603
OPERATIONS	586	340	339	-1
<b>GRAND TOTAL</b>	<b>115,410</b>	<b>47,753</b>	<b>47,389</b>	<b>-364</b>

**FIREFIGHTERS' PENSION SCHEMES**

NON-FINANCIAL INFORMATION	2008/2009 PROJECTION			ACTUAL POSITION AS AT AUGUST 2008		
	1992 FPS	2006 FPS	TOTAL	1992 FPS	2006 FPS	TOTAL
Members of FPS at 1 <sup>st</sup> April 2008	1,638	289	1,927	1,599	326	1,925
New Members During Year	0	60	60	0	40	40
Transfers from Other Pension Schemes	0	39	39	0	8	8
Transfers to Other Pension Schemes	-1	0	-1	0	0	0
Normal Retirements/Deferred/Leavers	-82	0	-82	-38	-4	-42
Ill-Health Retirements	-16	0	-16	0	0	0

## CAPITAL MONITORING STATEMENT 2008/09

Scheme	Year	Approved Budget 11 Feb 2008 £000s	Adjust- ments £000s	Total £000s	Actuals to May 2008 £000s	Fore- cast £000s	Variance £000s
<b><u>LAND &amp; BUILDINGS</u></b>							
HQ Relocation	3 of 3	3,736	2,183	5,919	3,433	6,029	+110
Deep Lift Well Alterations	4 of 4	220	-76	144	24	24	-120
Asbestos Removal	7 of 6	0	16	16	2	16	-
Bickenhill - USAR	2 of 1	0	122	122	88	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	6	500	-
Sheldon Refurbishment	1 of 3	600	0	600	2	600	-
Carbonaceous Facility-Oldbury	1 of 1	0	175	175	61	175	-
Training Centre Refurbishment	1 of 1	0	1,048	1,048	36	1,048	-
Retentions/Completed Schemes	On going	0	51	51	6	51	-
<b><u>VEHICLES</u></b>							
Vehicle Replacement Programme	On going	2,369	400	2,769	230	2,769	-
<b><u>ICT AND EQUIPMENT</u></b>							
Rescue Equipment	3 of 2	0	63	63	63	63	-
Thermal Image Cameras	1 of 1	130	0	130	0	130	-
TEW Carousel System	1 of 1	0	30	30	0	30	-
E-Business Project	5 of 5	573	1,088	1,661	21	1,661	-
Oracle Licensing	2 of 3	0	86	86	60	86	-
Pensions Server Replacement	2 of 1	0	20	20	0	20	-
Command and Control System	2 of 2	300	150	450	93	450	-
Fire Control Voice Recording System	1 of 1	0	15	15	0	15	-
<b>Grand Total</b>		<b>8,428</b>	<b>5,412</b>	<b>13,840</b>	<b>4,156</b>	<b>13,830</b>	<b>-10</b>
<b><u>RESOURCES AVAILABLE</u></b>							
Supported Capital Expenditure		3,967	0	3,967		3,967	-
Prudential Borrowing		0	0	0		0	-
Capital Grants/Contributions		0	372	372		372	-
Capital Receipts to be Applied		2,512	193	2,705		2,705	-
Direct Revenue Financing		1,949	4,847	6,796		6,786	-10
<b>TOTAL</b>		<b>8,428</b>	<b>5,412</b>	<b>13,840</b>		<b>13,830</b>	<b>-10</b>
<b>SURPLUS(+)/DEFICIT(-)</b>		<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	