

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

24 SEPTEMBER 2012

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 2012 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 2012/2013 council tax requirement is £38.454 million and the revenue budget before allowing for the Formula Grant (which includes the Council Tax Freeze Grant) is £111.262 million. Actual spend to August 2012, including commitments, is £44.118 million compared to a projected budget of £44.816 million, an overall favourable variance of £0.698 million. This is predominantly due to a combination of staff vacancies, savings in supplies & services expenditure and savings against the budgeted general inflation provision.

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

3.2 **Capital Expenditure**

The Authority's approved capital programme for 2012/2013 is £8.356 million. A scheme analysis is shown in Appendix C. Expenditure to the end of August 2012 is shown as £1.025 million.

A variance of (£0.333 million) is forecast against the approved budget. This is mainly because several boiler replacements scheduled for 2012/13 have now been deferred to 2013/14.

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 2012
Finance Office Budget Monitoring Files

V. RANDENIYA
CHIEF FIRE OFFICER

S. KELLAS
TREASURER

REVENUE MONITORING SUMMARY TO AUGUST 2012
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	LATEST BUDGET 2012/2013 <i>£'000</i>	PROFILED BUDGET <i>£'000</i>	ACTUALS + COMMIT- MENTS <i>£'000</i>	VARIANCE TO PROFILED BUDGET <i>£'000</i>
DEVOLVED BUDGETS				
OPERATIONS	4,576	1,650	1,545	-105
CORPORATE MANAGEMENT & SUPPORT	2,114	988	959	-29
HUMAN RESOURCES	5,787	2,305	2,275	-30
TECHNICAL AND OPERATIONAL SUPPORT	9,542	3,801	3,461	-340
RESOURCES	9,718	4,035	3,891	-144
CORPORATE BUDGETS				
HUMAN RESOURCES	55,250	22,170	22,157	-13
TECHNICAL AND OPERATIONAL SUPPORT	-109	-16	-14	2
RESOURCES	23,854	9,706	9,681	-25
OPERATIONS	530	177	163	-14
TOTAL	111,262	44,816	44,118	-698
GRANT FUNDING	-72,808	-36,356	-36,356	-
GRAND TOTAL	38,454	8,460	7,762	-698

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2012/2013 PROJECTION			ACTUAL POSITION AS AT AUGUST 2012		
	1992 FPS	2006 FPS	TOTAL	1992 FPS	2006 FPS	TOTAL
Members of FPS at 1 st April 2012	1302	348	1650	1302	348	1650
New Members During Year	0	0	0	0	0	0
Transfers from Other Pension Schemes	0	0	0	0	0	0
Transfers to Other Pension Schemes	3	1	4	1	0	1
Normal Retirements/Deferred/Leavers	60	3	63	27	5	32
Ill-Health Retirements	3	0	3	0	0	0
Members of the Fire Pension Schemes as at 31 st August 2012				1274	343	1617

CAPITAL MONITORING STATEMENT 2012/13

Scheme	Year 2012/13	Latest Budget £'000	Actuals to August 2012 £'000	Forecast £'000	Variance £'000
<u>LAND & BUILDINGS</u>					
Asbestos Removal	Ongoing	68	12	68	-
Drill Tower/Training Facility Upgrades	9 of 9	245	21	245	-
The Academy Refurbishment	4 of 4	8	8	8	-
Solihull refurbishment	3 of 3	275	234	275	-
Walsall refurbishment	3 of 3	220	142	220	-
Boiler replacement programme	3 of 3	516	48	200	-316
Lighting/Electrical Upgrades	2 of 2	26	36	36	+10
Halesowen/Cradley Heath Project	1 of 2	0	12	12	+12
Handsworth Red Hot Educational Facility	1 of 1	70	0	32	-38
Retentions/Completed Schemes	Ongoing	9	0	8	-1
<u>VEHICLES</u>					
Vehicle Replacement Programme *	Ongoing	6,226	145	6,226	-
<u>ICT & EQUIPMENT</u>					
Solar Panels	2 of 2	482	367	482	-
Thermal Image Cameras	5 of 5	186	0	186	-
Oracle Licensing	6 of 6	25	0	25	-
TOTAL		8,356	1,025	8,023	-333
<u>FINANCED BY:-</u>					
Capital Grants/Contributions		4,111		4,111	-
Direct Revenue Financing		4,245		3,912	-333
TOTAL		8,356		8,023	-333

* The Vehicle Replacement Programme forecast spend is subject to the outcome of a review to determine the future make up of Operational fleet.