

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

25 JUNE 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 May 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 May 2012, including commitments, is £19.990 million compared to a projected budget of £20.187 million. An overall favourable variance of £0.197 million, mainly as a result of staff vacancies within Fire Safety.

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 £7.933 million. A scheme analysis is shown in Appendix C. Expenditure to the end of May 2012 is shown as £0.284 million.

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 MAY 2012 |
|---|

| | LATEST BUDGET 2012/2013 £'000 | PROFILED BUDGET £'000 | ACTUALS + COMMIT -MENTS £'000 | VARIANCE TO PROFILED BUDGET £'000 |
|--------------------------------------|--|--------------------------------------|--|--|
| DEVOLVED BUDGETS | | | | |
| OPERATIONS | 4,560 | 649 | 621 | -28 |
| CORPORATE MANAGEMENT & SUPPORT | 2,114 | 348 | 341 | -7 |
| PERFORMANCE IMPROVEMENT | 726 | 118 | 123 | 5 |
| CORPORATE SERVICES | 5,327 | 1,281 | 1,270 | -11 |
| HUMAN RESOURCES | 5,239 | 897 | 892 | -5 |
| TECHNICAL AND OPERATIONAL SUPPORT | 10,859 | 1,681 | 1,565 | -116 |
| FINANCE & PROCUREMENT | 2,948 | 460 | 448 | -12 |
| CORPORATE BUDGETS | | | | |
| CORPORATE SERVICES | 2,468 | 2,203 | 2,202 | -1 |
| HUMAN RESOURCES | 53,082 | 8,873 | 8,869 | -4 |
| TECHNICAL AND OPERATIONAL SUPPORT | -109 | -14 | -14 | 0 |
| FINANCE & PROCUREMENT | 23,518 | 3,647 | 3,638 | -9 |
| OPERATIONS | 530 | 44 | 35 | -9 |
| TOTAL | 111,262 | 20,187 | 19,990 | -197 |
| GRANT FUNDING | -72,808 | -16,333 | -16,333 | 0 |
| GRAND TOTAL | 38,454 | 3,854 | 3,657 | -197 |

FIREFIGHTERS' PENSION SCHEMES

| NON-FINANCIAL INFORMATION | 2012/2013 PROJECTION | | | ACTUAL POSITION AS AT MAY 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 | 0 | 0 | 0 |
| Normal Retirements/Deferred/Leavers | 60 | 3 | 63 | 11 | 0 | 11 |
| Ill-Health Retirements | 3 | 0 | 3 | 0 | 0 | 0 |
| Members of the Fire Pension Schemes as at 31 st May 2012 | 1291 | 348 | 1639 | 1291 | 348 | 1639 |

CAPITAL MONITORING STATEMENT 2012/13

| Scheme | Year 2012/13 | Latest Budget £'000 | Actuals to May 2012 £'000 | Forecast £'000 | Variance £'000 |
|--|-------------------------|------------------------------------|--|---------------------------|---------------------------|
| <u>LAND & BUILDINGS</u> | | | | | |
| Asbestos Removal | Ongoing | 68 | 0 | 68 | - |
| Drill Tower/Training Facility Upgrades | 9 of 9 | 245 | 21 | 245 | - |
| The Academy Refurbishment | 4 of 4 | 8 | 6 | 8 | - |
| Solihull refurbishment | 3 of 3 | 63 | 7 | 63 | - |
| Walsall refurbishment | 3 of 3 | 79 | 24 | 79 | - |
| Boiler replacement programme | 3 of 3 | 516 | 43 | 516 | - |
| Lighting/Electrical Upgrades | 2 of 2 | 26 | 0 | 26 | - |
| Halesowen/Cradley Heath Project | 1 of 2 | 0 | 1 | 1 | +1 |
| Retentions/Completed Schemes | Ongoing | 9 | 0 | 8 | -1 |
| <u>VEHICLES</u> | | | | | |
| Vehicle Replacement Programme * | Ongoing | 6,226 | 0 | 6,226 | - |
| <u>ICT & EQUIPMENT</u> | | | | | |
| Solar Panels | 2 of 2 | 482 | 182 | 482 | - |
| Thermal Image Cameras | 5 of 5 | 186 | 0 | 186 | - |
| Oracle Licensing | 6 of 6 | 25 | 0 | 25 | - |
| TOTAL | | 7,933 | 284 | 7,933 | - |
| <u>FINANCED BY:-</u> | | | | | £000s |
| Capital Grants/Contributions | | 4,111 | | 4,111 | - |
| Direct Revenue Financing | | 3,822 | | 3,822 | - |
| TOTAL | | 7,933 | | 7,933 | - |

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