

**WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

**26<sup>TH</sup> SEPTEMBER 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 August with the actuals to that date.

Overall, the payroll shows an underspend of £829,000 against a budget to date of £30.410 million.

**3.2 Firefighters' Pension Scheme**

The position is set out in Appendix B and indicates a projected overspend of £1,871,000. 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 £5.400 million. A scheme analysis is shown in Appendix C. Expenditure to the end of August is shown as £1.593 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 AUGUST 2005 £'000	EXPENDITURE TO 31 AUGUST 2005 £'000	VARIATION Over/(Under) £'000
Pay – Operational Staff	55,702	23,083	22,416	(667)
Pay – Retained Firefighters	164	66	85	19
Pay – Fire Control Staff	1,802	740	707	(33)
<b>TOTAL UNIFORMED STAFF</b>	<b>57,668</b>	<b>23,889</b>	<b>23,208</b>	<b>(681)</b>
<b>TOTAL NON-UNIFORMED STAFF</b>	<b>9,091</b>	<b>3,787</b>	<b>3,733</b>	<b>(54)</b>
<b>TOTAL PAY</b>	<b>66,759</b>	<b>27,676</b>	<b>26,941</b>	<b>(735)</b>
National Insurance	5,189	2,157	2,108	(49)
Superannuation	1,391	577	532	(45)
<b>TOTAL EMPLOYEES EXPENDITURE</b>	<b>73,339</b>	<b>30,410</b>	<b>29,581</b>	<b>(829)</b>

## FIREFIGHTERS' PENSION SCHEME

DESCRIPTION (1)	Original Budget 2005/2006 £'000 (2)	Expenditure/ Income to 31 August 2005 £'000 (3)	Forecast from 01 Sept 2005 31 March 2006 £'000 (4)	Projections for Year £'000 (5)	Projected Variance to Budget £'000 (6)
BENEFITS	19,984	9,952	10,294	20,246	262
LUMP SUMS	7,205	5,502	2,964	8,466	1,261
TRANSFER VALUES (NET)	700	(79)	1,018	939	239
OTHER	44	10	42	52	8
<b>TOTAL PENSIONS GROSS EXPENDITURE</b>	<b>27,933</b>	<b>15,385</b>	<b>14,318</b>	<b>29,703</b>	<b>1,770</b>
LESS CONTRIBUTIONS	(5,990)	(1,925)	(3,964)	(5,889)	101
<b>TOTAL PENSIONS NET EXPENDITURE</b>	<b>21,943</b>	<b>13,460</b>	<b>10,354</b>	<b>23,814</b>	<b>1,871</b>

RETIREMENT STATISTICS	Annual No.	To Date
BUDGETED NUMBER OF RETIREMENTS	100	53
ACTUAL NUMBER OF RETIREMENTS TO DATE		69
PROJECTED RETIREMENTS TO YEAR END	116	
VARIANCE	16	16

## CAPITAL MONITORING STATEMENT TO END OF AUGUST 2005

Scheme	Year	Approved Budget 14 Feb 2005 £000s	Adjust-ments £000s	Total £000s	Actuals to August 2005 £000s	Fore-cast £000s	Var-iance £000s
<b><u>LAND &amp; BUILDINGS</u></b>							
HQ Relocation	1 of 1	100	0	100	0	180	+80
Stourbridge Refurbishment	1 of 3	616	0	616	2	616	-
Deep Lift Well Alternations	1 of 5	72	0	72	0	72	-
Security Measures	2 of 2	50	0	50	6	50	-
BA Servicing Rooms-Upgrade	2 of 3	35	10	45	17	45	-
Equality & Diversity Works	2 of 3	100	20	120	25	120	-
Drill Tower Upgrades	2 of 4	50	0	50	5	50	-
Bournbrook Refurbishment	3 of 3	88	-18	70	24	70	-
Fallings Park Refurbishment	3 of 3	177	-152	25	20	25	-
Asbestos Removal	5 of 5	270	-20	250	20	250	-
Kit Racking	2 of 1	0	80	80	15	80	-
Bloxwich Essential Works	2 of 1	0	53	53	29	53	-
Binley Modifications	2 of 1	0	5	5	4	4	-1
West Bromwich PPE & Refurbishment	3 of 2	0	23	23	9	23	-
Foleshill CFS Facility	3 of 2	0	126	126	134	134	+8
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	35	39	-
Carbonaceous Training Facility	1 of 1	0	70	70	0	77	+7
Retentions (Completed Schemes)	Ongoing	0	13	13	2	13	-
<b><u>ICT</u></b>							
Integrated Computer System	2 of 4	750	292	1,042	379	1,042	-
Wide Area Network Enhancement	3 of 2	65	-34	31	29	31	-
MDT Hardware Replacement	3 of 2	25	380	405	0	445	+40
<b><u>EQUIPMENT</u></b>							
Home Fire Risk	2 of 4	310	87	397	24	397	-
HQ Compressor Replacement	1 of 1	0	22	22	23	23	+1
<b><u>VEHICLES</u></b>							
Vehicle Replacement Programme	Ongoing	1,153	432	1,585	757	1,585	-
Vehicles Funded by Grant/Sponsorship	1 of 1	0	12	12	0	12	-
<b>Grand Total</b>		<b>3,920</b>	<b>1,480</b>	<b>5,400</b>	<b>1,593</b>	<b>5,535</b>	<b>+135</b>
<b><u>RESOURCES AVAILABLE</u></b>							
Supported Capital Expenditure		3,661	0	3,661		3,661	-
Capital Grants/Contributions		310	32	342		342	-
Capital Receipts		0	0	0		0	-
Revenue Funding		270	1,378	1,648		1,648	-
<b>TOTAL</b>		<b>4,241</b>	<b>1,410</b>	<b>5,651</b>		<b>5,651</b>	<b>-</b>
<b>SURPLUS(+)/DEFICIT(-)</b>		<b>321</b>	<b>(70)</b>	<b>251</b>		<b>116</b>	<b>-135</b>