

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

13th FEBRUARY 2006

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 January with the actuals to that date.

Overall, the payroll shows an underspend of £158,000 against a budget to date of £59.477 million.

3.2 **Firefighters' Pension Scheme**

The position is set out in Appendix B and indicates a projected underspend of £63,000. 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 £5.440 million. A scheme analysis is shown in Appendix C. Expenditure to the end of January is shown as £2.606 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 ST JANUARY 2006 £'000	EXPENDITURE TO 31 ST JANUARY 2006 £'000	VARIATION Over/(Under) £'000
Pay – Operational Staff	53,709	44,838	44,778	(60)
Pay – Retained Firefighters	294	217	196	(21)
Pay – Fire Control Staff	1,807	1,507	1,466	(41)
TOTAL UNIFORMED STAFF	55,810	46,562	46,440	(122)
TOTAL NON-UNIFORMED STAFF	9,174	7,594	7,611	17
TOTAL PAY	64,984	54,156	54,051	(105)
National Insurance	5,013	4,194	4,193	(1)
Superannuation	1,365	1,127	1,075	(52)
TOTAL EMPLOYEES EXPENDITURE	71,362	59,477	59,319	(158)

FIREFIGHTERS' PENSION SCHEME

DESCRIPTION (1)	Latest Budget 2005/2006 £'000 (2)	Expenditure/ Income to 31 st January 2006 £'000 (3)	Forecast from 1 st February 2006 31 st March 2006 £'000 (4)	Projections for Year £'000 (5)	Projected Variance to Budget £'000 (6)
BENEFITS	20,376	16,861	3,499	20,360	(16)
LUMP SUMS	9,577	8,455	1,108	9,563	(14)
TRANSFER VALUES (NET)	831	379	414	793	(38)
OTHER	47	10	37	47	0
TOTAL PENSIONS GROSS EXPENDITURE	30,831	25,705	5,058	30,763	(68)
LESS CONTRIBUTIONS	(5,780)	(4,773)	(1,002)	(5,775)	5
TOTAL PENSIONS NET EXPENDITURE	25,051	20,932	4,056	24,988	(63)

RETIREMENT STATISTICS	Annual No.	To Date
BUDGETED NUMBER OF RETIREMENTS	135	118
ACTUAL NUMBER OF RETIREMENTS TO DATE		118
PROJECTED RETIREMENTS TO YEAR END	135	
VARIANCE	0	0

APPENDIX B

CAPITAL MONITORING STATEMENT TO END OF JANUARY 2006

Scheme	Year	Approved Budget 14 Feb 2005	Adjust- ments	Total	Actuals to January 2006	Fore- cast	Variance
		£000s	£000s	£000s	£000s	£000s	£000s
LAND & BUILDINGS							
HQ Relocation	1 of 1	100	0	100	4	80	-20
Stourbridge Refurbishment	1 of 3	616	0	616	69	416	-200
Deep Lift Well Alterations	1 of 5	72	0	72	0	20	-52
Security Measures	2 of 2	50	0	50	8	10	-40
BA Servicing Rooms-Upgrade	2 of 3	35	10	45	38	66	+21
Equality & Diversity Works	2 of 3	100	20	120	53	120	
Drill Tower Upgrades	2 of 4	50	0	50	6	105	+55
Bournbrook Refurbishment	3 of 3	88	-18	70	63	76	+6
Fallings Park Refurbishment	3 of 3	177	-152	25	24	35	+10
Asbestos Removal	5 of 5	270	-20	250	29	250	
Kit Racking	2 of 1	0	80	80	66	86	+6
Bloxwich Essential Works	2 of 1	0	53	53	29	56	+3
Binley Modifications	2 of 1	0	5	5	4	9	+4
West Bromwich PPE & Refurbishment	3 of 2	0	23	23	9	10	-13
Foleshill CFS Facility	3 of 2	0	126	126	136	140	+14
HCFS Fire Experience Facility	4 of 1	19	0	19	2	2	-17
Automatic Fire Detection	4 of 2	0	40	40	32	40	
Wolverhampton Refurbishment	4 of 2	15	0	15	0	5	-10
Northfield Refurbishment	5 of 3	25	0	25	0	0	-25
West Bromwich Training Facility	2 of 1	0	39	39	35	35	-4
Carbonaceous Training Facility	1 of 1	0	70	70	15	77	+7
Sheldon YFA Building	1 of 1	0	40	40	3	40	-
Retentions (Completed Schemes)	Ongoing	0	13	13	18	18	+5
ICT							
Integrated Computer System	2 of 4	750	292	1,042	691	1,042	-
Wide Area Network Enhancement	3 of 2	65	-34	31	29	29	-2
MDT Hardware Replacement	3 of 2	25	380	405	294	405	
EQUIPMENT							
Home Fire Risk	2 of 4	310	87	397	99	217	-180
HQ Compressor Replacement	1 of 1	0	22	22	23	23	+1
VEHICLES							
Vehicle Replacement Programme	Ongoing	1,153	432	1,585	827	1,585	
Vehicles Funded by Grant/Sponsorship	1 of 1	0	12	12	0	12	-
Grand Total		3,920	1,520	5,440	2,606	5,009	-431
RESOURCES AVAILABLE							
Supported Capital Expenditure		3,661	0	3,661		3,661	-
Capital Grants/Contributions		310	72	382		202	-180
Capital Receipts		0	0	0		0	-
Revenue Funding		270	1,378	1,648		1,648	-
TOTAL		4,241	1,450	5,691		5,511	-180
SURPLUS(+)/DEFICIT(-)		321	(70)	251		502	+251