

**WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

**20 SEPTEMBER 2010**

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 2010 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 £119.080 million and actual spend to August, including commitments, is £46.807 million compared to a projected budget of £47.600 million. An overall favourable variance of £0.793 million is predominantly due to a number of vacant posts resulting in salary savings across the Authority.

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

### 3.2 **Capital Expenditure**

The Authority's approved capital programme for 2010/2011 is £8.247 million. A scheme analysis is shown in Appendix C. Expenditure to the end of August 2010 is shown as approximately £1 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 2010  
Finance Office Budget Monitoring Files

V. RANDENIYA  
CHIEF FIRE OFFICER

S. KELLAS  
TREASURER

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| <b>REVENUE MONITORING SUMMARY TO AUGUST 2010</b> |
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|                                      | <b>LATEST<br/>BUDGET<br/>2010/2011<br/>£000</b> | <b>PROFILED<br/>BUDGET<br/>£000</b> | <b>ACTUALS +<br/>COMMIT.<br/>£000</b> | <b>VARIANCE TO<br/>PROFILED<br/>BUDGET<br/>£000</b> |
|--------------------------------------|---|-------------------------------------|---------------------------------------|---|
| <b>DEVOLVED BUDGETS</b>              |   |                                     |                                       |   |
| OPERATIONS                           | 4,533   | 1,959                               | 1,871                                 | (88)  |
| CORPORATE<br>MANAGEMENT & SUPPORT    | 2,162   | 891                                 | 882                                   | (9)   |
| PERFORMANCE<br>IMPROVEMENT           | 408   | 175                                 | 160                                   | (15)  |
| CORPORATE SERVICES                   | 6,085   | 2,821                               | 2,780                                 | (41)  |
| HUMAN RESOURCES                      | 5,979   | 2,246                               | 2,147                                 | (99)  |
| TECHNICAL AND<br>OPERATIONAL SUPPORT | 7,543   | 3,083                               | 2,959                                 | (124)   |
| FINANCE & PROCUREMENT                | 2,622   | 1,006                               | 966                                   | (40)  |
| <b>CORPORATE BUDGETS</b>             |   |                                     |                                       |   |
| CORPORATE SERVICES                   | 2,722   | 1,906                               | 1,905                                 | (1)   |
| HUMAN RESOURCES                      | 61,875  | 25,465                              | 25,210                                | (255)   |
| TECHNICAL AND<br>OPERATIONAL SUPPORT | (117)   | (26)                                | (63)                                  | (37)  |
| FINANCE & PROCUREMENT                | 24,600  | 7,832                               | 7,765                                 | (67)  |
| OPERATIONS                           | 668   | 242                                 | 225                                   | (17)  |
| <b>GRAND TOTAL</b>                   | <b>119,080</b>                                  | <b>47,600</b>                       | <b>46,807</b>                         | <b>(793)</b>  |

**FIREFIGHTERS' PENSION SCHEMES**

| NON-FINANCIAL INFORMATION  | 2010/2011 PROJECTION |          |       | ACTUAL POSITION AS AT AUGUST 2010 |          |       |
|--|----------------------|----------|-------|-----------------------------------|----------|-------|
|  | 1992 FPS             | 2006 FPS | TOTAL | 1992 FPS                          | 2006 FPS | TOTAL |
| Members of FPS at 1 <sup>st</sup> April 2010                           | 1449                 | 367      | 1816  | 1449                              | 367      | 1816  |
| 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                                     | 0                    | 0        | 0     | 0                                 | 0        | 0     |
| Normal Retirements/Deferred/Leavers                                    | -96                  | -24      | -120  | -50                               | -2       | -52   |
| Ill-Health Retirements   | -2                   | 0        | -2    | 0                                 | 0        | 0     |
| Members of the Fire Pension Schemes as at 31 <sup>st</sup> August 2010 |                      |          |       | 1399                              | 365      | 1764  |

## CAPITAL MONITORING STATEMENT 2010/11

| Scheme                                 | Year     | Latest Budget<br>£000s | Actuals to August 2010<br>£000s | Forecast<br>£000s | Variance<br>£000s |
|--|----------|------------------------|---------------------------------|-------------------|-------------------|
| <b><u>LAND &amp; BUILDINGS</u></b>     |          |                        |                                 |                   |                   |
| Asbestos Removal                       | 9 of 9   | 14                     | 38                              | 55                | +41               |
| Drill Tower/Training Facility Upgrades | 7 of 7   | 250                    | 27                              | 250               | -                 |
| Training Centre Refurbishment          | 3 of 3   | 21                     | 0                               | 21                | -                 |
| Solihull refurbishment                 | 2 of 3   | 1,687                  | 51                              | 1,376             | -311              |
| Walsall refurbishment                  | 2 of 3   | 1,722                  | 13                              | 1,531             | -191              |
| Boiler replacement programme           | 2 of 4   | 342                    | 88                              | 342               | -                 |
| Lighting/Electrical Upgrades           | 2 of 2   | 70                     | 65                              | 70                | -                 |
| Retentions/Completed Schemes           | On going | 186                    | 10                              | 186               | -                 |
| <b><u>VEHICLES</u></b>                 |          |                        |                                 |                   |                   |
| Vehicle Replacement Programme          | On going | 3,200                  | 495                             | 3,200             | -                 |
| <b><u>ICT &amp; EQUIPMENT</u></b>      |          |                        |                                 |                   |                   |
| Thermal Image Cameras                  | 3 of 3   | 201                    | 0                               | 173               | -28               |
| RPE Replacement Project                | 3 of 3   | 184                    | 119                             | 184               | -                 |
| Other Equipment                        | 1 of 1   | 8                      | 8                               | 8                 | -                 |
| E-Business Project                     | 7 of 7   | 314                    | 66                              | 314               | -                 |
| Oracle Licencing                       | 4 of 4   | 26                     | 0                               | 26                | -                 |
| Fire Control Voice Recording System    | 3 of 3   | 12                     | 9                               | 12                | -                 |
| ICT Upgrades/Replacements              | 1 of 1   | 10                     | 10                              | 10                | -                 |
| <b>Grand Total</b>                     |          | <b>8,247</b>           | <b>999</b>                      | <b>7,758</b>      | <b>-489</b>       |
| <b><u>RESOURCES AVAILABLE</u></b>      |          |                        |                                 |                   |                   |
| Supported Capital Expenditure          |          | 8,990                  |                                 | 7,758             | -1,232            |
| Prudential Borrowing                   |          | 0                      |                                 | 0                 | -                 |
| Capital Grants/Contributions           |          | 1,599                  |                                 | 0                 | -1,599            |
| Capital Receipts to be Applied         |          | 1,054                  |                                 | 0                 | -1,054            |
| Direct Revenue Financing               |          | 3,409                  |                                 | 0                 | -3,409            |
| <b>TOTAL</b>                           |          | <b>15,052</b>          |                                 | <b>7,758</b>      | <b>-7,294</b>     |
| <b>SURPLUS(+)/DEFICIT(-)</b>           |          | <b>6,805</b>           |                                 | <b>0</b>          |                   |