

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

18 FEBRUARY 2019

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

The Authority's 2018/2019 Council Tax requirement is £41.305 million and the revenue budget is £96.608 million. As part of the Authority's 2019/2020 budget setting process, the current year's budget has been revised and reflects an estimated transfer from general balances of £1.500 million.

Appendix A compares the revenue budgeted to the end of January 2019 with the actuals to that date. Devolved budgets are managed by the Section responsible for incurring the expenditure as opposed to corporate budgets, which are managed by the named Section on behalf of the Brigade as a whole.

Actual spend to January 2019, including commitments, was £80.584 million compared to a projected budget of £80.632 million, an overall favourable variance of £0.048 million.

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

3.2 **Capital Expenditure**

The Authority's approved capital programme for 2018/2019 is £13.548 million. A scheme analysis is shown on Appendix C. Expenditure to the end of January 2019 is shown as £8.168 million.

The main forecast variance within the capital programme relates to:

- Aston Fire Station where there has been a delay to construction to enable the re-siting of communication lines.
- Vehicle Replacement Programme – delayed purchase of ancillary vehicles (command support vehicle, Detection Identification and Monitoring vehicle and Welfare Pod) pending the outcome of a review and slippage of final stage builds of 7 PRL's to 2019/20.

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 2018
Finance Office Budget Monitoring Files

The contact officer for this report is Philip Hales, Deputy Chief Fire Officer, telephone number 0121 380 6907

PHIL LOACH
CHIEF FIRE OFFICER

MIKE GRIFFITHS
TREASURER

REVENUE MONITORING SUMMARY TO JANUARY 2019

	LATEST BUDGET 2018/2019 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT -MENTS £'000	VARIANCE TO PROFILED BUDGET £'000
<u>DEVOLVED BUDGETS</u>				
Corporate Management	2,566	2,117	2,141	24
Corporate Charges	549	541	541	0
Service Support				
People Support Services	6,456	5,427	5,407	-20
Business Development	115	105	106	1
Intelligence and Innovation	1,770	1,465	1,457	-8
Finance & Resources	5,118	4,118	4,105	-13
ICT	4,922	4,201	4,210	9
Service Delivery				
Operations	51,574	42,813	42,865	52
<u>CORPORATE BUDGETS</u>				
Service Support				
People Support Services	2,596	2,148	2,132	-16
Business Development	-250	-208	-197	11
Intelligence and Innovation	-1	-23	-31	-8
Finance and Resources	14,354	12,195	12,174	-21
ICT	217	131	121	-10
Service Delivery				
Response	5,165	4,314	4,295	-19
Protection	-62	-166	-180	-14
Other Income & Expenditure	1,519	1,454	1,438	-16
Appropriation to Reserves	0	0	0	0
TOTAL (NET BUDGET REQUIREMENT)	96,608	80,632	80,584	-48
Core Funding	- 55,303	-46,927	-46,927	-
TOTAL (COUNCIL TAX REQUIREMENT)	41,305	33,705	33,657	-48

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2018/19 PROJECTION				ACTUAL POSITION AS AT JANUARY 2019			
	1992 FPS	2006 FPS	2015 FPS	TOTAL	1992 FPS	2006 FPS	2015 FPS	TOTAL
Members of FPS at 1 st April 2018	303	11	977	1,291	303	11	977	1,291
New Members	-	-	53	53	-	-	82	82
Opt-In	-	-	-	-	-	-	2	2
Transitional Members during year	-28	-1	29	-	-17	-	17	-
Transfers from Other Pension Schemes	-	-	-	-	-	-	-	-
Transfers to Other Pension Schemes	-	-	-	-	-3	-	-3	-6
Retirements	-38	-2	-	-40	-52	-2	-1	-55
Opt-Out	-	-	-10	-10	-	-	-22	-22
Leavers	-	-	-12	-12	-5	-	-9	-14
Ill-Health Retirements	-2	-	-1	-3	-	-	-	-
Members of the Fire Pension Schemes as at 31 st January 2019					226	9	1,043	1,278

CAPITAL MONITORING STATEMENT 2018/19

Scheme	Year 2018/19	Latest Budget	Actuals January 2019	Forecast	Variance
		£'000	£'000	£'000	£'000
<u>LAND & BUILDINGS</u>					
Boiler Replacement Programme	Ongoing	206	221	231	+25
Roof Replacements	Ongoing	355	316	385	+30
Windows/Door Replacement	Ongoing	514	342	494	-20
Rewires	Ongoing	130	2	130	-
Coventry Fire Station	4 of 5	4,169	4,102	4,169	-
Drill Tower/Training Facilities	1 of 2	135	0	10	-125
HQ Alterations	2 of 2	697	640	697	-
Aston Fire Station	4 of 5	3,488	697	2,748	-740
<u>VEHICLES</u>					
Vehicle Replacement Programme	Ongoing	3,705	1,765	2,354	-1,351
<u>ICT & EQUIPMENT</u>					
C&C Upgrade Vision 4	1 of 1	124	83	124	-
Oracle Licensing	9 of 9	25	0	0	-25
Grand Total		13,548	8,168	11,342	-2,206
<u>Funded By</u>					
Prudential Borrowing		0		0	-
Capital Grants / Contributions		672		672	-
Capital Receipts to be Applied		0		0	-
Revenue Financing / Earmarked Reserves		12,876		10,670	-2,206
TOTAL		13,548		11,342	-2,206
SURPLUS(-)/DEFICIT(+)					