

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

20 FEBRUARY 2017

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 January 2017 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 2016/2017 Council Tax requirement is £37.874 million and the revenue budget is £97.413 million. As part of the Authority's 2017/18 budget setting process the current year's budget has been revised and reflects an estimated transfer to earmarked balances of £1.462 million. Actual spend to January 2017, including commitments, was £79.824 million compared to a projected budget of £80.021 million, an overall favourable variance of £0.197 million.

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

3.2 **Capital Expenditure**

The Authority's approved capital programme for 2016/2017 is £8.096 million. A scheme analysis is shown on Appendix C. Expenditure to the end of January 2017 is shown as £2.009 million.

The main forecast variances within the capital programme relate to:

- Coventry Fire Station, due to an extension to demolition timescales arising from asbestos issues and a delay in construction whilst planned works are re-assessed.
- Vehicle Replacement Programme, as a result of a delay in the completion and delivery of Pump Rescue Ladders in the current financial year.

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 2016
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 2017

	LATEST BUDGET 2016/2017 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT- MENTS £'000	VARIANCE TO PROFILED BUDGET £'000
DEVOLVED BUDGETS				
Corporate Management	3,329	2,924	2,894	-30
Service Support				
People Support Services	5,435	4,430	4,386	-44
Business Development	154	125	128	3
Operational Preparedness	1,194	1,059	1,052	-7
Operational Assurance	480	404	405	1
Finance & Resources	4,496	3,385	3,369	-16
ICT	4,212	2,906	2,903	-3
Service Delivery				
Operations	51,548	42,482	42,479	-3
CORPORATE BUDGETS				
Service Support				
People Support Services	2,669	2,158	2,160	2
Operational Preparedness	-8	74	59	-15
Finance and Resources	17,266	15,778	15,734	-44
Service Delivery				
Response	5,227	4,355	4,340	-15
Prevention	-4	0	0	0
Protection	-47	-59	-85	-26
Appropriations/Earmarked	1,462	0	0	0
TOTAL (NET BUDGET REQUIREMENT)	97,413	80,021	79,824	-197
Grant Funding	- 59,539	-50,715	-50,715	0
TOTAL (COUNCIL TAX REQUIREMENT)	37,874	29,306	29,109	-197

FIREFIGHTERS' PENSION SCHEMES**NON-FINANCIAL
INFORMATION**

	2016/17 PROJECTION				ACTUAL POSITION AS AT JANUARY 2017*			
	1992 FPS	2006 FPS	2015 FPS	TOTAL	1992 FPS	2006 FPS	2015 FPS	TOTAL
Members of FPS at 1st April 2016	470	16	887	1,373	470	16	887	1,373
New Members	-	-	-	-	-	-	-	-
Opt-In	-	-	-	-	-	-	2	2
Transitional Members during year	-33	-5	38	-	-18	-6	24	-
Transfers from Other Pension Schemes	-	-	2	2	-	-	-	-
Transfers to Other Pension Schemes	-	-	-5	-5	-1	-	-	-1
Retirements	-66	-1	-	-67	-59	-	-	-59
Opt-Out	-	-	-4	-4	-1	-	-8	-9
Leavers	-	-	-	-	-	-	-8	-8
Ill-Health Retirements	-3	-	-	-3	-3	-	-	-3
Members of the Fire Pension Schemes as at 31st January 2017					388	10	897	1,295

* Note: Excludes any Auto-Re-Enrolments in August 2016

CAPITAL MONITORING STATEMENT 2016/17

Scheme	Year 2016/17	Latest Budget £'000	Actuals January 2017 £'000	Forecast £'000	Variance £'000
<u>LAND & BUILDINGS</u>					
Coventry Fire Station	2 of 4	2,412	550	612	-1,800
Aston Fire Station	2 of 4	191	10	20	-171
Training at Height Facilities	11 of 11	363	22	380	+17
Boiler Replacement Programme	Ongoing	306	81	200	-106
Roof Replacements	Ongoing	132	0	14	-118
Windows/Door Replacement	Ongoing	138	0	224	+86
Rewires	Ongoing	216	6	216	-
Bilston Modification Works	1 of 1	90	89	89	-1
X-Plan	1 of 1	299	0	0	-299
Haden Cross Fire Station	4 of 4	49	55	55	+6
Dignity at Work	3 of 3	4	4	4	-
Secondary Control Room Relocation	1 of 1	500	227	500	-
<u>VEHICLES</u>					
Vehicle Replacement Programme	Ongoing	3,007	686	2,463	-544
<u>ICT & EQUIPMENT</u>					
MDT Upgrade/Replacements	1 of 1	310	227	289	-21
Oracle Licensing	8 of 8	25	0	25	-
PBX Upgrade	2 of 2	54	52	52	-2
Grand Total		8,096	2,009	5,143	-2,953
<u>Funded By</u>					
Prudential Borrowing		0		0	-
Capital Grants / Contributions		2,635		2,635	-
Capital Receipts to be Applied		1,105		1,105	-
Revenue Financing / Earmarked Reserves		4,356		1,403	-2,953
TOTAL		8,096		5,143	-2,953
SURPLUS(-)/DEFICIT(+)					