

**WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

**14 FEBRUARY 2011**

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 December 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. As part of the Authority's 2011/2012 to 2014/2015 budget setting process, the current year's budget has been revised and reflects an estimated transfer to general balances of £1.2 million. Actual spend to December, including commitments, is £80.417 million compared to a projected budget of £80.710 million. The overall favourable variance of £0.293 million against the revised budget is predominantly due to a number of vacant posts.

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 £8.375 million. A scheme analysis is shown in Appendix C. Expenditure to the end of December 2010 is shown as £2.24 million. Forecast expenditure is £5.365 million resulting in a favourable variance £3.01 million. This is predominantly from savings in refurbishment work at Walsall and Solihull Fire Stations and the deferral of the purchase of Fire Appliances within the Vehicle Replacement Programme.

### 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

<b>REVENUE MONITORING SUMMARY TO DECEMBER 2010</b>
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	LATEST BUDGET 2010/2011 £000	PROFILED BUDGET £000	ACTUALS + COMMIT. £000	VARIANCE TO PROFILED BUDGET £000
<b>DEVOLVED BUDGETS</b>				
OPERATIONS	4,547	3,607	3,540	-67
CORPORATE MANAGEMENT & SUPPORT	2,131	1,583	1,574	-14
PERFORMANCE IMPROVEMENT	407	304	301	-3
CORPORATE SERVICES	6,150	4,380	4,378	-2
HUMAN RESOURCES	5,602	3,838	3,853	15
TECHNICAL AND OPERATIONAL SUPPORT	7,360	5,336	5,202	-134
FINANCE & PROCUREMENT	2,403	1,699	1,698	-1
<b>CORPORATE BUDGETS</b>				
CORPORATE SERVICES	2,117	1,928	1,913	-15
HUMAN RESOURCES	59,733	44,918	44,915	-3
TECHNICAL AND OPERATIONAL SUPPORT	-147	-168	-202	-34
FINANCE & PROCUREMENT	26,934	12,839	12,841	2
OPERATIONS	643	441	404	-37
APPROPRIATIONS	1,200	0	0	0
<b>GRAND TOTAL</b>	<b>119,080</b>	<b>80,710</b>	<b>80,417</b>	<b>-293</b>

**FIREFIGHTERS' PENSION SCHEMES**

NON-FINANCIAL INFORMATION	2010/2011 PROJECTION			ACTUAL POSITION AS AT DECEMBER 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	1	0	1
Transfers to Other Pension Schemes	0	0	0	0	0	0
Normal Retirements/Deferred/Leavers	-96	-24	-120	-64	-7	-71
Ill-Health Retirements	-2	0	-2	0	0	0
Members of the Fire Pension Schemes as at 31 <sup>st</sup> December 2010				1386	360	1746

## CAPITAL MONITORING STATEMENT 2010/11

Scheme	Year	Latest Budget £000s	Actuals to December 2010 £000s	Forecast £000s	Variance £000s
<b><u>LAND &amp; BUILDINGS</u></b>					
Asbestos Removal	ongoing	82	43	123	+41
Drill Tower/Training Facility Upgrades	7 of 8	250	30	30	-220
Window Replacement	1 of 1	60	0	60	-
Training Centre Refurbishment	3 of 3	21	22	22	+1
Solihull refurbishment	2 of 3	1,687	378	1,376	-311
Walsall refurbishment	2 of 3	1,722	304	1,531	-191
Boiler replacement programme	2 of 4	342	166	342	-
Lighting/Electrical Upgrades	2 of 2	70	65	65	-5
Retentions/Completed Schemes	On going	186	179	186	-
<b><u>VEHICLES</u></b>					
Vehicle Replacement Programme	On going	3,200	793	1,306	-1,894
<b><u>ICT &amp; EQUIPMENT</u></b>					
Thermal Image Cameras	3 of 4	201	0	0	-201
RPE Replacement Project	3 of 3	184	134	139	-45
Other Equipment	1 of 1	8	8	8	-
E-Business Project	7 of 7	314	97	130	-184
Oracle Licensing	4 of 4	26	0	26	-
Fire Control Voice Recording System	3 of 3	12	11	11	-1
ICT Upgrades/Replacements	1 of 1	10	10	10	-
<b>Grand Total</b>		<b>8,375</b>	<b>2,240</b>	<b>5,365</b>	<b>-3,010</b>
<b><u>RESOURCES AVAILABLE</u></b>					
Supported Capital Expenditure		-8,990		0	<b>-8,990</b>
Prudential Borrowing		0		0	-
Capital Grants/Contributions		-1,599		-1,599	-
Capital Receipts to be Applied		-1,082		0	<b>-1,082</b>
Direct Revenue Financing		-5,769		-3,766	<b>-2,003</b>
<b>TOTAL</b>		<b>-17,440</b>		<b>-5,365</b>	<b>-12,075</b>
<b>SURPLUS(-)/DEFICIT(+)</b>		<b>-9,065</b>		<b>0</b>	