

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

5 OCTOBER 2020

1. MONITORING OF FINANCES

Report of the 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

3.1.1 The Authority's 2020/2021 Council Tax requirement is £44.485 million and the revenue budget is £100.147 million.

3.1.2 Appendix A compares the revenue budgeted to the end of August 2020 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.

3.1.3 Actual spend to August 2020, including commitments, was £39.970 million compared to a projected budget of £40.534 million, an overall favourable variance of £0.564 million.

3.1.4 The most significant variance relates to Command Delivery, Fire Control & Workforce Planning, an overall favourable variance mainly due to an underspend on the Operational pay budget. Other areas of underspend mainly relate to staff vacancies.

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

3.2 **Capital Expenditure**

3.2.1 The Authority's approved capital programme for 2020/2021 is £8.077 million. A scheme analysis is shown on Appendix C. Expenditure to the end of August 2020 is shown as £1.024 million.

3.2.2 The main forecast variance within the capital programme relates to:

- Vehicle Replacement Programme – delayed purchase of the:
 - Command Support Vehicle,
 - Detection, Identification & Monitoring Vehicle,
 - Water & Foam Units,
 - Community Safety Trailers,
 - slippage of 6 PRL's to 2021/22.

- Replacement of windows and doors at 7 Fire Stations has been re-phased to 2021/22 due to supplier lockdown during the pandemic.

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 2020
Finance Office Budget Monitoring Files

The contact officer for this report is Wayne Brown, Deputy Chief Fire Officer, telephone number 0121 380 6907.

MIKE GRIFFITHS
TREASURER

REVENUE MONITORING SUMMARY TO AUGUST 2020
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	LATEST BUDGET 2020/2021 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT -MENTS £'000	VARIANCE TO PROFILED BUDGET £'000
DEVOLVED BUDGETS				
Democratic Representation & Corporate Management	1,178	494	477	-17
Corporate Charges	0	0	2	2
Strategy & Organisational Intelligence	1,318	575	496	-79
Communications	746	311	285	-26
Digital & Data	4,913	2,914	2,899	-15
Finance & Resources	5,604	2,325	2,307	-18
People Services	644	272	272	-
Training, Health & Wellbeing	4,959	2,187	2,172	-15
Prevention, Preparedness & Response	3,319	1,334	1,270	-64
Protection & Organisational Assurance	5,418	2,324	2,360	36
Command Delivery, Fire Control & Workforce Planning	5,127	1,983	1,888	-95
CORPORATE BUDGETS				
Finance & Resources	16,191	4,376	4,335	-41
Digital & Data	190	99	84	-15
People Services	2,390	1,145	1,116	-29
Training, Health & Wellbeing	111	42	46	4
Protection & Organisational Assurance	24	42	31	-11
Command Delivery, Fire Control & Workforce Planning	46,491	19,474	19,294	-180
Other Income & Expenditure	1,524	637	636	-1
Appropriation to Reserves				
TOTAL (NET BUDGET REQUIREMENT)	100,147	40,534	39,970	-564
Core Funding	-55,662	-28,418	-28,418	0
TOTAL (COUNCIL TAX REQUIREMENT)	44,485	12,116	11,552	-564

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2020/21 PROJECTION				ACTUAL POSITION AS AT AUGUST 2020			
	1992 FPS	2006 FPS	2015 FPS	TOTAL	1992 FPS	2006 FPS	2015 FPS	TOTAL
Members of FPS at 1 st April 2020	139	6	1,108	1,253	139	6	1,108	1,253
New Members	-	-	95	95	-	-	13	13
Opt-In (including net auto-enrolment)	-	-	-	-	-	-	3	3
Transitional Members during year	-32	-1	33	-	-22	-	22	-
Transfers from Other Pension Schemes	-	-	4	4	-	-	-	-
Transfers to Other Pension Schemes	-	-	-4	-4	-	-	-1	-1
Retirements	-57	-4	-	-61	-14	-	-8	-22
Opt-Out	-	-	-20	-20	-	-	-1	-1
Leavers	-	-	-12	-12	-	-	-8	-8
Ill-Health Retirements	-4	-	-	-4	-	-	-1	-1
Members of the Fire Pension Schemes as at 30 August 2020					103	6	1,127	1,236

CAPITAL MONITORING STATEMENT 2020/21

Scheme	Year 2020/21	Latest Budget £'000	Actuals August 2020 £'000	Forecast £'000	Variance £'000
<u>LAND & BUILDINGS</u>					
Boiler Replacement Programme	Ongoing	348	44	348	-
Roof Replacements	Ongoing	87	0	87	-
Windows/Door Replacement	Ongoing	531	1	1	-530
Rewires	Ongoing	385	21	385	-
Drill Towers / Training Facilities	3 of 3	526	5	526	-
Security Works	2 of 2	105	26	105	-
Occupational Health Relocation	2 of 2	60	38	60	-
Coventry Fire Station	6 of 6	84	0	84	-
Aston Fire Station	6 of 7	675	252	589	-86
Health & Safety Works (COVID-19)	1 of 1	155	0	155	-
<u>VEHICLES</u>					
Vehicle Replacement Programme	Ongoing	4,215	361	2,659	-1,556
<u>ICT & EQUIPMENT</u>					
Enterprise Resource Planning (ERP)	2 of 4	499	0	499	-
C&C Upgrade Vision 4 / ESMCP	3 of 3	407	276	407	-
Grand Total		8,077	1,024	5,905	-2,172
<u>Funded By</u>					
Prudential Borrowing		0		0	-
Capital Grants / Contributions		74		74	-
Capital Receipts to be Applied		0		0	-
Revenue Financing / Earmarked Reserves		8,003		5,831	-2,172
TOTAL		8,077		5,905	-2,172
SURPLUS(-)/DEFICIT(+)					