

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

15 FEBRUARY 2021

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 £100.397 million. As part of the Authority's 2021/2022 budget setting process, the current year's budget has been reviewed. Where appropriate, budgets have been re-aligned and reflect the overall impact of the forecasted COVID-19 related expenditure.

3.1.2 Appendix A compares the revenue budgeted to the end of January 2021 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 January 2021, including commitments, was £81.359 million compared to a projected budget of £81.408 million, an overall favourable variance of £0.049 million.

3.1.4 The most significant variance relates to:

- Command Delivery, Fire Control & Workforce Planning, mainly due to an underspend on the Operational pay budget.
- In addition to the budget allocated as part of the 2020/21 revised estimates exercise (as at November 2020) for COVID-19 related expenditure above the grant allocation, expenditure remains volatile and so the December 2020 & January 2021 impact is reflected in the monitoring statement (Appendix A). There is an opportunity to claim for additional COVID-19 funding, with submissions needing to be made by 14 February 2021. There is no certainty regarding how successful any claim will be.

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 £7.496 million. A scheme analysis is shown on Appendix C. Expenditure to the end of January 2021 is shown as £1.789 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 JANUARY 2021

	LATEST BUDGET 2020/2021 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT -MENTS £'000	VARIANCE TO PROFILED BUDGET £'000
DEVOLVED BUDGETS				
Democratic Representation & Corporate Management	1,195	992	992	-
Corporate Charges	1	1	1	-
Strategy & Organisational Intelligence	1,339	1,076	1,050	-26
Communications	808	639	658	19
Digital & Data	5,250	4,280	4,262	-18
Finance & Resources	5,738	4,553	4,562	9
People Services	788	594	594	-
Training, Health & Wellbeing	5,262	4,288	4,293	5
Prevention, Preparedness & Response	3,281	2,585	2,541	-44
Protection & Organisational Assurance	5,694	4,666	4,631	-35
Command Delivery, Fire Control & Workforce Planning	4,725	3,786	3,739	-47
CORPORATE BUDGETS				
Finance & Resources	14,629	11,023	10,994	-29
Digital & Data	176	94	88	-6
People Services	2,306	1,983	1,969	-14
Training, Health & Wellbeing	171	131	133	2
Protection & Organisational Assurance	44	94	98	4
Command Delivery, Fire Control & Workforce Planning	47,275	39,239	38,970	-269
Other Income & Expenditure	1,715	1,384	1,384	-
COVID-19: Dec 2020 & Jan 2021	0	0	400	400
Appropriation to Reserves				
TOTAL (NET BUDGET REQUIREMENT)	100,397	81,408	81,359	-49
Core Funding	-55,912	-47,945	-47,945	0
TOTAL (COUNCIL TAX REQUIREMENT)	44,485	33,463	33,414	-49

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2020/21 PROJECTION				ACTUAL POSITION AS AT JANUARY 2021			
	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	-	-	48	48
Opt-In (including net auto-enrolment)	-	-	-	-	-	-	3	3
Transitional Members during year	-32	-1	33	-	-28	-	28	-
Transfers from Other Pension Schemes	-	-	4	4	-	-	-	-
Transfers to Other Pension Schemes	-	-	-4	-4	-	-	-1	-1
Retirements	-37	-4	-20	-61	-20	-	-15	-35
Opt-Out	-	-	-20	-20	-	-	-5	-5
Leavers	-	-	-12	-12	-1	-	-11	-12
Ill-Health Retirements	-4	-	-	-4	-	-	-1	-1
Members of the Fire Pension Schemes as at 31 January 2021					90	6	1,154	1,250

CAPITAL MONITORING STATEMENT 2020/21

Scheme	Year 2020/21	Latest Budget £'000	Actuals January 2021 £'000	Forecast £'000	Variance £'000
<u>LAND & BUILDINGS</u>					
Boiler Replacement Programme	Ongoing	484	228	503	+19
Roof Replacements	Ongoing	87	0	87	-
Windows/Door Replacement	Ongoing	531	14	14	-517
Rewires	Ongoing	328	41	272	-56
Drill Towers / Training Facilities	3 of 3	359	13	359	-
Oldbury Modification	1 of 2	20	0	20	-
Security Works	2 of 2	105	35	105	-
Occupational Health Relocation	2 of 2	116	40	116	-
Coventry Fire Station	6 of 6	84	84	84	-
Aston Fire Station	6 of 7	559	389	437	-122
Health & Safety Works (COVID-19)	1 of 1	256	0	256	-
<u>VEHICLES</u>					
Vehicle Replacement Programme	Ongoing	4,215	655	916	-3,299
<u>ICT & EQUIPMENT</u>					
C&C Upgrade Vision 4 / ESMCP	3 of 3	352	290	352	-
Grand Total		7,496	1,789	3,521	-3,975
<u>Funded By</u>					
Prudential Borrowing		0		0	-
Capital Grants / Contributions		74		74	-
Capital Receipts to be Applied		0		0	-
Revenue Financing / Earmarked Reserves		7,422		3,447	-3975
TOTAL		7,496		3,521	-3,975
SURPLUS(-)/DEFICIT(+)					