

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

3RD DECEMBER 2007

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 October 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 £112.151 million and actual spend to October, including commitments, is £60.012 million. The most significant variances arising are a £731K saving on corporate human resources predominantly as a result of staff vacancies and a lower than anticipated pay award for uniformed officers and £507K on corporate finance and procurement reflecting savings from pension related matters, in particular, lower levels of employer pension contributions and ill health retirements than predicted at this stage of the year. Appendix B provides statistical data relating to the Firefighters' Pension Schemes.

3.2 **Capital Expenditure**

The Authority's approved capital programme for 2007/2008 is £17.502 million. A scheme analysis is shown in Appendix C. Expenditure to the end of October is shown as £7.129 million.

4. **EQUALITY IMPACT ASSESSMENT**

In preparing this report, an initial Equality Impact Assessment was undertaken which did not raise issues which required a full Equality Impact Assessment to be completed.

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 2007
Authority's Monitoring of Finances Report – September 2007
Finance Office Budget Monitoring Files

F. J. E. SHEEHAN
CHIEF FIRE OFFICER

L. BATEMAN
TREASURER

REVENUE MONITORING SUMMARY TO OCTOBER 2007

	LATEST BUDGET 2007/2008 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT. £'000	VARIANCE TO PROFILED BUDGET £'000
DEVOLVED BUDGETS				
OPERATIONS	3,998	2,049	2,007	(42)
CORPORATE MANAGEMENT & SUPPORT	1,515	866	862	(4)
PERFORMANCE IMPROVEMENT	283	160	153	(7)
CORPORATE PLANNING AND SUPPORT	3,039	1,760	1,718	(42)
HUMAN RESOURCES	2,703	1,413	1,363	(50)
TECHNICAL SERVICES	6,272	4,013	3,946	(67)
OPERATIONS SUPPORT	3,846	1,807	1,674	(133)
FINANCE & PROCUREMENT	11,089	1,520	1,405	(115)
CORPORATE BUDGETS				
CORPORATE PLANNING & SUPPORT	1,678	1,402	1,390	(12)
HUMAN RESOURCES	62,624	36,189	35,458	(731)
TECHNICAL SERVICES	1,833	1,144	1,144	0
OPERATIONS SUPPORT	83	41	(15)	(56)
FINANCE & PROCUREMENT	13,188	9,414	8,907	(507)
GRAND TOTAL	112,151	61,778	60,012	(1,766)

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2007/2008 PROJECTION			ACTUAL POSITION AS AT OCTOBER 2007		
	1992 FPS	2006 FPS	TOTAL	1992 FPS	2006 FPS	TOTAL
Members of 1992 FPS at 1 st April 2007	1,733	165	1,898	1,703	199	1,902
New Members During Year	0	41	41	0	76	76
Transfers from Other Pension Schemes	0	39	39	4	0	4
Transfers to Other Pension Schemes	-1	0	-1	-2	0	-2
Normal Retirements/Deferred/Leavers	-59	0	-59	-43	-7	-50
Ill-Health Retirements	-20	0	-20	0	0	0

CAPITAL MONITORING STATEMENT 2007/2008

Scheme	Year	Approved Budget 12 Feb 2007 £000s	Adjust- ments £000s	Total £000s	Actuals to October 2007 £000s	Fore- cast £000s	Variance £000s
<u>LAND & BUILDINGS</u>							
HQ Relocation	2 of 3	10,100	881	10,981	4,593	10,987	+6
Stourbridge Refurbishment	3 of 3	40	0	40	30	40	
Deep Lift Well Alterations	3 of 5	110	0	110	3	110	
BA Servicing Rooms – Upgrade							
Equality and Diversity Works							
Drill Tower/Facility Upgrades	4 of 3	0	50	50	48	53	+3
Asbestos Removal	6 of 6	0	216	216	8	216	
HCFS Fire Experience Facility							
Northfield Refurbishment							
Appliance Relocation (IRMP)							
Retentions (completed schemes)	Ongoing	42	0	42	2	42	
Bickenhill – USAR	1 of 2	900	0	900	33	880	-20
Bilston Modifications	1 of 1	0	300	300	0	300	-
<u>ICT</u>							
Integrated Computer System	4 of 4	1,216	258	1,474	32	840	-634
Oracle Licensing	1 of 3	0	86	86	60	86	
Pensions Server Replacement	1 of 1	0	25	25	0	25	
Command and Control System	1 of 2	0	0	0	0	480	+480
<u>EQUIPMENT</u>							
Home Fire Safety Checks	4 of 4	620	102	722	572	722	
Rescue Equipment	2 of 2	230	154	384	381	391	+7
<u>VEHICLES</u>							
Vehicle Replacement Programme	Ongoing	1,881	291	2,172	1,366	2,172	
Grand Total		15,139	2,363	17,502	7,128	17,344	-158
<u>RESOURCES AVAILABLE</u>							
Supported Capital Expenditure		3,732	0	3,732		3,732	
Prudential Borrowing		7,000	-7,000	0		0	
Capital Grants/Contributions		1,520	100	1,620		1,600	-20
Capital Receipts		750	7,193	7,943		7,943	
Earmarked Reserves/Direct Revenue		2,024	2,183	4,207		4,069	-138
Financing							
TOTAL		15,026	2,476	17,502		17,344	-158
SURPLUS(+)/DEFICIT(-)		(113)	113	0		0	0