

# **WEST MIDLANDS FIRE AND RESCUE AUTHORITY**

**21 NOVEMBER 2016**

## **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 2016 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. Actual spend to October 2016, including commitments, was £55.998 million compared to a projected budget of £55.912 million, an overall adverse variance of £0.086. This mainly relates to an overspend in expenditure on Operational staffing, offset by savings arising from staff vacancies across Support Services and additional income.

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 £8.090 million. A scheme analysis is shown on Appendix C. Expenditure to the end of October 2016 is shown as £1.151 million.

The main variance within the capital programme relates to the Vehicle Replacement Programme (VRP), as a result of a delay in the completion of Pump Rescue Ladders (PRLs) in the current financial year. Other variances relate to the roof replacements at Aldridge and Ward End Fire Stations which are no longer required following a structural survey, review of ICT options for the X-Plan project and after the withdrawal of West Midlands Ambulance Service from the Aston Project, the initial design is to be reassessed.

### 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

Ref: AU/Nov/2016/92110162/KS/AMH

<b>REVENUE MONITORING SUMMARY TO OCTOBER 2016</b>
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	LATEST BUDGET 2016/2017 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT- MENTS £'000	VARIANCE TO PROFILED BUDGET £'000
<b>DEVOLVED BUDGETS</b>				
Corporate Management	3,319	2,425	2,384	-41
<b>Service Support</b>				
People Support Services	5,565	3,201	3,113	-88
Business Development	94	59	70	11
Operational Preparedness	1,199	714	674	-40
Operational Assurance	447	260	273	13
Finance & Resources	4,473	2,324	2,240	-84
ICT	4,042	2,000	1,938	-62
<b>Service Delivery</b>				
Operations	50,662	29,541	29,855	314
<b>CORPORATE BUDGETS</b>				
<b>Service Support</b>				
People Support Services	2,645	1,388	1,403	15
Operational Preparedness	12	82	101	19
Finance and Resources	19,925	10,993	10,970	-23
<b>Service Delivery</b>				
Response	5,065	2,950	3,017	67
Prevention	-14	0	0	0
Protection	-21	-25	-40	-15
<b>TOTAL (NET BUDGET REQUIREMENT)</b>	<b>97,413</b>	<b>55,912</b>	<b>55,998</b>	<b>86</b>
Grant Funding	- 59,539	-37,889	-37,889	0
<b>TOTAL (COUNCIL TAX REQUIREMENT)</b>	<b>37,874</b>	<b>18,023</b>	<b>18,109</b>	<b>86</b>

**FIREFIGHTERS' PENSION SCHEMES**

NON-FINANCIAL INFORMATION	2016/17 PROJECTION				ACTUAL POSITION AS AT OCTOBER 2016*			
	1992 FPS	2006 FPS	2015 FPS	TOTAL	1992 FPS	2006 FPS	2015 FPS	TOTAL
Members of FPS at 1 <sup>st</sup> April 2016	470	16	887	1,373	470	16	887	1,373
New Members	-	-	-	-	-	-	-	-
Opt-In	-	-	-	-	-	-	-	-
Transitional Members during year	-33	-5	38	-	-18	-5	23	-
Transfers from Other Pension Schemes	-	-	2	2	-	-	-	-
Transfers to Other Pension Schemes	-	-	-5	-5	-	-	-	-
Retirements	-66	-1	-	-67	-38	-	-	-38
Opt-Out	-	-	-4	-4	-	-	-8	-8
Leavers	-	-	-	-	-	-	-8	-8
Ill-Health Retirements	-3	-	-	-3	-	-	-	-
Members of the Fire Pension Schemes as at 31 <sup>st</sup> October 2016					414	11	894	1,319

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

**CAPITAL MONITORING STATEMENT 2016/17**

<b>Scheme</b>	<b>Year 2016/17</b>	<b>Latest Budget £'000</b>	<b>Actuals October 2016 £'000</b>	<b>Forecast £'000</b>	<b>Variance £'000</b>
<b><u>LAND &amp; BUILDINGS</u></b>					
Coventry Fire Station	2 of 3	2,412	147	2,412	-
Aston Fire Station	2 of 4	191	10	20	-171
Training at Height Facilities	11 of 11	363	3	363	-
Boiler Replacement Programme	Ongoing	306	81	306	-
Roof Replacements	Ongoing	132	0	14	-118
Windows/Door Replacement	Ongoing	138	0	224	+86
Rewires	Ongoing	210	0	210	-
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	47	50	+1
Dignity at Work	3 of 3	4	4	4	-
Secondary Control Room Relocation	1 of 1	500	32	500	-
<b><u>VEHICLES</u></b>					
Vehicle Replacement Programme	Ongoing	3,007	686	2,463	-544
<b><u>ICT &amp; EQUIPMENT</u></b>					
MDT Upgrade / Replacements	1 of 1	310	0	300	-10
Oracle Licensing	8 of 8	25	0	25	-
PBX Upgrade	2 of 2	54	52	54	-
<b>Grand Total</b>		<b>8,090</b>	<b>1,151</b>	<b>7,034</b>	<b>-1,056</b>
<b><u>Funded By</u></b>					
Prudential Borrowing		0		0	-
Capital Grants / Contributions		2,635		2,635	-
Capital Receipts to be Applied		1,105		1,105	-
Revenue Financing / Earmarked Reserves		4,350		3,294	-1,056
<b>TOTAL</b>		<b>8,090</b>		<b>7,034</b>	<b>-1,056</b>
<b>SURPLUS(-)/DEFICIT(+)</b>					