

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

30 NOVEMBER 2009

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 £116.985m and actual spend to October, including commitments, is £66.666m compared to a profile budget of £67.120m. The most significant variances are a £0.214m favourable variance on corporate Finance and Procurement (arising from an anticipated increase in firefighter employer pension contributions which has not materialised at this stage combined with lower levels of ill health retirements than anticipated) and £0.174m favourable variance on Technical and Operational Support (predominantly arising from salary savings within Fire Control).

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

3.2 **Capital Expenditure**

The Authority's approved capital programme for 2009/2010 is £9.469m. A scheme analysis is shown in Appendix C. Expenditure to the end of October is shown as £2.748m.

The capital monitoring statement shows a surplus resource of £4.060m which will contribute towards the funding required for the issues approved within the 2008/09 Annual Service Plan.

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 2009
Finance Office Budget Monitoring Files

VIJ RANDENIYA
CHIEF FIRE OFFICER

S. KELLAS
TREASURER

REVENUE MONITORING SUMMARY TO OCTOBER 2009

	LATEST BUDGET 2009/2010 £000	PROFILED BUDGET £000	ACTUALS + COMMIT. £000	VARIANCE TO PROFILED BUDGET £000
DEVOLVED BUDGETS				
OPERATIONS	4,474	2,446	2,456	10
CORPORATE MANAGEMENT & SUPPORT	2,254	1,331	1,311	-20
PERFORMANCE IMPROVEMENT	269	161	131	-30
CORPORATE PLANNING AND SUPPORT	5,788	3,696	3,664	-32
HUMAN RESOURCES	3,631	2,088	2,065	-23
TECHNICAL & OPERATIONAL SUPPORT	7,061	4,452	4,278	-174
FINANCE & PROCUREMENT	2,552	1,501	1,466	-35
CORPORATE BUDGETS				
CORPORATE PLANNING & SUPPORT	2,196	1,963	1,954	-9
HUMAN RESOURCES	64,001	37,287	37,294	7
TECHNICAL & OPERATIONAL SUPPORT	803	445	486	41
FINANCE & PROCUREMENT	23,496	11,453	11,239	-214
OPERATIONS	460	297	322	25
GRAND TOTAL	116,985	67,120	66,666	-454

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2009/2010 PROJECTION			ACTUAL POSITION AS AT OCTOBER 2009		
	1992 FPS	2006 FPS	TOTAL	1992 FPS	2006 FPS	TOTAL
Members of the Fire Pension Schemes as at 1 st April 2009	1,547	326	1,873	1,547	326	1,873
New Members During Year	0	70	70	1	20	21
Transfers from Other Pension Schemes	2	8	10	1	1	2
Transfers to Other Pension Schemes	0	0	0	0	0	0
Retirements/Deferred/Leavers/Other	-85	-6	-91	-67	-6	-73
Ill-Health Retirements	-6	0	-6	0	0	0
Member of the Fire Pension Schemes as at 31 st October 2009				1,482	341	1,823

CAPITAL MONITORING STATEMENT 2009/2010

Scheme	Year	Latest Budget £000s	Actuals to October 2009 £000s	Forecast £000s	Variance £000s
<u>LAND & BUILDINGS</u>					
Drill tower/training facility upgrades	6 of 7	612	214	612	-
Asbestos removal	8 of 7	0	1	1	+1
IRM works	1 of 1	34	24	24	-10
Solihull refurbishment	1 of 3	600	4	100	-500
Walsall refurbishment	1 of 3	600	3	100	-500
Training Centre refurbishment	2 of 2	136	43	137	+1
Boiler replacement programme	1 of 3	799	127	799	-
Chelmsley Wood Fire Station	1 of 3	0	3	3	+3
Retentions/completed schemes	On going	564	511	564	-
<u>VEHICLES</u>					
Vehicle Replacement Programme	On going	4,396	1,077	3,696	-700
<u>ICT AND EQUIPMENT</u>					
Thermal Image Cameras	2 of 2	12	13	13	+1
RPE Replacement Project	2 of 2	968	361	968	-
Other Equipment	1 of 1	33	33	33	-
E-Business Project	6 of 6	409	70	409	-
Oracle Licensing	3 of 3	86	60	86	-
Command & Control System	2 of 2	205	204	204	-1
Fire Control Voice Recording System	2 of 2	15	0	15	-
Grand Total		9,469	2,748	7,764	-1,705
<u>RESOURCES AVAILABLE</u>					
Supported Capital Expenditure		4,431		4,431	-
Prudential Borrowing		0		0	-
Capital Grants/Contributions		1,086		1,086	-
Capital Receipts to be Applied		2,691		0	-2,691
Direct Revenue Financing		5,321		2,247	-3,074
TOTAL		13,529		7,764	-5,765
SURPLUS(+)/DEFICIT(-)		4,060		0	