

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

21 SEPTEMBER 2015

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 August 2015 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 2015/2016 Council Tax requirement is £36.211 million and the revenue budget is £98.538 million. Actual spend to August 2015, including commitments, was £43.042 million compared to a projected budget of £43.290 million, an overall favourable variance of £0.248 million. This is predominately as a result of staff vacancies within Fire Control and expenditure savings across Fire Stations. An adverse variance is currently shown against People and Performance, mainly due to Operation staff numbers being above the budgeted establishment, although it is anticipated that savings will be made later in the year to offset the variance as a result of the suspension of recruitment.

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

3.2 **Capital Expenditure**

The Authority's approved capital programme for 2015/2016 is £5.432 million. A scheme analysis is shown on Appendix C. Expenditure to the end of August 2015 is shown as £0.935 million.

The main variance relates to the re-roof at Hay Mills Fire Station which is not required following the results of a full structural survey and roofing works at Sheldon Fire Station being lower than estimated.

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 2015
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

REVENUE MONITORING SUMMARY TO AUGUST 2015

	LATEST BUDGET 2015/2016 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT -MENTS £'000	VARIANCE TO PROFILED BUDGET £'000
<u>DEVOLVED BUDGETS</u>				
Corporate Management	3,119	1,993	1,998	5
Service Support				
People Support Services	2,472	1,052	1,037	-15
Operational Training	3,608	1,467	1,414	-53
Emergency Response	2,682	1,164	1,069	-95
Finance and Resources	4,491	1,717	1,676	-41
ICT	4,008	2,256	2,266	10
Service Delivery				
Operations	7,243	2,876	2,778	-98
<u>CORPORATE BUDGETS</u>				
Corporate Management	43	0	0	0
Service Support				
Operational Training	150	51	49	-2
Emergency Response	-57	18	10	-8
Finance and Resources	20,580	9,716	9,712	-4
People Support Services	2,739	1,113	1,090	-23
Service Delivery				
People and Performance	47,130	19,729	19,808	79
Response and Resource Management	365	133	149	16
Operations – Other	-35	5	-14	-19
Appropriations/Earmarked	0	0	0	0
Total	98,538	43,290	43,042	-248
Grant Funding	-62,327	-36,605	-36,605	0
GRAND TOTAL	36,211	6,685	6,437	-248

FIREFIGHTERS' PENSION SCHEMES**NON-FINANCIAL
INFORMATION**

	2015/16 PROJECTION				ACTUAL POSITION AS AT AUGUST 2015			
	1992 FPS	2006 FPS	2015 FPS	TOTAL	1992 FPS	2006 FPS	2015 FPS	TOTAL
Members of FPS at 1st April 2015	593	24	879	1,496	593	24	879	1,496
New Members During Year	-	-	-	-	-	-	-	-
Transitional Members during year	-38	-1	39	0	-8	-	8	-
Transfers from Other Pension Schemes	-	-	7	7	-	-	-	-
Transfers to Other Pension Schemes	-	-2	-	-2	-	-	-	-
Normal Retirements/Deferred/ Leavers	-76	-	-	-76	-36	-	-6	-42
Ill-Health Retirements	-3	-	-	-3	-1	-	-	-1
Members of the Fire Pension Schemes as at 31st August 2015					548	24	881	1,453

CAPITAL MONITORING STATEMENT 2015/16

Scheme	Year 2015/16	Latest Budget	Actuals to Aug 2015	Forecast	Variance
		£'000	£'000	£'000	£'000
<u>LAND & BUILDINGS</u>					
Haden Cross Fire Station	3 of 3	126	77	146	+20
Training at Height Facilities	10 of 10	363	0	363	-
Boiler Replacement Programme	Ongoing	229	5	185	-44
Roof Replacements	Ongoing	108	0	48	- 60
Windows/Door Replacement	Ongoing	269	123	317	+48
Rewires	Ongoing	120	0	120	-
Dignity at Work	2 of 2	407	240	390	-17
Asbestos Removal	Ongoing	27	9	42	+15
Aston Fire Station	1 of 3	0	1	1	+1
Fire Control Relocation	2 of 2	7	7	7	-
<u>VEHICLES</u>					
Vehicle Replacement Programme	Ongoing	3,108	177	3,108	-
<u>ICT & EQUIPMENT</u>					
MDT Upgrades/Replacements	2 of 2	310	0	310	-
Fire Control C&C Upgrade	3 of 3	167	167	167	-
Other Equipment	2 of 2	5	5	5	-
Thermal Image Cameras	8 of 8	138	124	128	- 10
Oracle Licensing	8 of 8	25	0	0	-25
Pension System Replacement	2 of 2	23	0	1	-22
Grand Total		5,432	935	5,338	- 94
<u>Funded By</u>					
Prudential Borrowing		0		0	-
Capital Grants/Contributions		4,905		4,905	-
Capital Receipts to be Applied		0		0	-
Direct Revenue Financing/Earmarked Reserves		527		433	- 94
TOTAL		5,432		5,338	- 94
SURPLUS(-)/DEFICIT(+)					