

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

30 SEPTEMBER 2019

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 Appendix A compares the revenue budgeted to the end of August 2019 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.

3.1.2 The Authority's 2019/2020 Council Tax requirement is £43.215 million and the revenue budget is £96.778 million. As part of the Authority's 2019/2020 budget setting process the current year's budget reflects an estimated transfer from general balances of £1.100 million. Actual spend to August 2019, including commitments, was £39.255 million compared to a projected budget of £39.313 million, an overall favourable variance of £0.058 million.

3.1.3 The most significant variances relate to Service Delivery – Response (adverse variance £382k against the annual saving target of £3.8m) which is off-set mainly by salary related savings within People Support Services, Operations and Corporate Service Support.

3.1.4 In funding, there has been additional section 31 grant which has been notified to the Authority following the February 2019 budget setting meeting.

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 2019/2020 is £8.936 million. A scheme analysis is shown on Appendix C. Expenditure to the end of August 2019 is shown as £2.373 million.

3.2.2 The main forecast variance within the capital programme relates to:

- Aston Fire Station where there has been a delay to the completion of the refurbishment phase of the current station which has slipped to quarter 1 of 2020/21.
- Vehicle Replacement Programme – delayed purchase of the command support vehicle pending the outcome of a review and slippage of 5 PRL's to 2020/21.

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 2019
Finance Office Budget Monitoring Files

The contact officer for this report is Gary Taylor, Assistant Chief Fire Officer, Strategic Enabler (Process), telephone number 0121 380 6006.

MIKE GRIFFITHS
TREASURER

REVENUE MONITORING SUMMARY TO AUGUST 2019
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	LATEST BUDGET 2019/2020 £'000	PROFILED BUDGET £'000	ACTUALS + COMMIT -MENTS £'000	VARIANCE TO PROFILED BUDGET £'000
DEVOLVED BUDGETS				
Corporate Management	2,878	1,238	1,265	27
Corporate Charges	-5,325	-5,330	-5,313	17
Service Support				
People Support Services	6,501	2,695	2,642	-53
Intelligence and Innovation	2,482	1,196	1,162	-34
Finance & Resources	5,314	2,129	2,130	1
ICT	4,904	2,221	2,168	-53
Service Delivery				
Operations	10,441	4,331	4,171	-160
CORPORATE BUDGETS				
Service Support				
People Support Services	2,596	1,289	1,168	-121
Intelligence and Innovation	100	33	28	-5
Finance and Resources	20,741	10,256	10,211	-45
ICT	138	57	57	0
Service Delivery				
Response	44,515	18,560	18,942	382
Protection	-47	-6	-19	-13
Other Income & Expenditure	1,540	644	643	-1
Appropriation to Reserves				
TOTAL (NET BUDGET REQUIREMENT)	96,778	39,313	39,255	-58
Core Funding	-53,563	-26,465	-26,665	-200
TOTAL (COUNCIL TAX REQUIREMENT)	43,215	12,848	12,590	-258

FIREFIGHTERS' PENSION SCHEMES

NON-FINANCIAL INFORMATION	2019/20 PROJECTION				ACTUAL POSITION AS AT AUGUST 2019			
	1992 FPS	2006 FPS	2015 FPS	TOTAL	1992 FPS	2006 FPS	2015 FPS	TOTAL
Members of FPS at 1st April 2019	212	8	1,022	1,242	212	8	1,022	1,242
New Members	-	-	80	80	-	1	38	39
Opt-In (including net auto-enrolment)	-	-	-	-	-	-	22	22
Transitional Members during year	-32	-1	33	-	-8	-2	10	-
Transfers from Other Pension Schemes	-	-	10	10	-	-	-	-
Transfers to Other Pension Schemes	-	-	-3	-3	-	-	-	-
Retirements	-55	-2	-	-57	-28	-	-	-28
Opt-Out	-	-	-13	-13	-	-	-3	-3
Leavers	-3	-	-14	-17	-3	-	-1	-4
Ill-Health Retirements	-2	-	-1	-3	-	-	-	-
Members of the Fire Pension Schemes as at 31st August 2019					173	7	1,088	1,268

CAPITAL MONITORING STATEMENT 2019/20

Scheme	Year 2019/20	Latest Budget £'000	Actuals Aug 2019 £'000	Forecast £'000	Variance £'000
<u>LAND & BUILDINGS</u>					
Boiler Replacement Programme	Ongoing	151	16	151	-
Roof Replacements	Ongoing	140	0	140	-
Windows/Door Replacement	Ongoing	276	1	276	-
Rewires	Ongoing	426	115	426	-
Coventry Fire Station	5 of 5	171	69	171	-
Drill Towers / Training Facilities	2 of 2	295	22	295	-
Security Works	1 of 1	68	0	68	-
HQ Alterations	3 of 3	42	48	48	+6
Aston Fire Station	5 of 5	3,205	1,314	2,905	-300
<u>VEHICLES</u>					
Vehicle Replacement Programme	Ongoing	3,540	589	2,546	-994
<u>ICT & EQUIPMENT</u>					
Enterprise Resource Planning (ERP)	1 of 2	180	0	180	-
C&C Upgrade Vision 4 / ESMCP	4 of 4	417	199	422	+5
Oracle Licensing	9 of 9	25	0	25	-
Grand Total		8,936	2,373	7,653	-1,283
<u>Funded By</u>					
Prudential Borrowing		0		0	-
Capital Grants / Contributions		157		157	-
Capital Receipts to be Applied		0		0	-
Revenue Financing / Earmarked Reserves		8,779		7,496	-1,283
TOTAL		8,936		7,653	-1,283
SURPLUS(-)/DEFICIT(+)					