

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

24 NOVEMBER 2014

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 2014 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 2014/2015 Council Tax requirement is £34.710 million and the revenue budget is £103.017 million. Actual spend to October 2014, including commitments, is £57.756 million compared to a projected budget of £59.024 million. An overall favourable variance of £1.268 million, mainly as a result of staff vacancies 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 2014/2015 is £5.271million. Profiling of expenditure has been updated to reflect current forecast for the year. A scheme analysis is shown in Appendix C. Expenditure to the end of October 2014 is shown as £2.694 million.

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 2014
Finance Office Budget Monitoring Files

The contact name for this report is Mike Griffiths, Strategic Enabler of Finance & Resources - 0121 380 6919

PHIL LOACH
CHIEF FIRE OFFICER

STUART KELLAS
TREASURER

| |
|---|
| REVENUE MONITORING SUMMARY TO OCTOBER 2014 |
|---|

| | LATEST BUDGET 2014/2015 £'000 | PROFILED BUDGET £'000 | ACTUALS + COMMIT -MENTS £'000 | VARIANCE TO PROFILED BUDGET £'000 |
|--------------------------------|--|-----------------------------|--|--|
| DEVOLVED BUDGETS | | | | |
| CORPORATE MANAGEMENT | 3,221 | 2,330 | 2,235 | -95 |
| <u>SERVICE SUPPORT</u> | | | | |
| HUMAN RESOURCES | 3,081 | 1,765 | 1,584 | -181 |
| OPERATIONAL TRAINING | 3,420 | 2,064 | 2,026 | -38 |
| EMERGENCY RESPONSE | 2,899 | 1,705 | 1,716 | 11 |
| FINANCE & RESOURCES | 5,200 | 2,817 | 2,704 | -113 |
| I.C.T | 3,646 | 2,091 | 2,109 | 18 |
| <u>SERVICE DELIVERY</u> | | | | |
| OPERATIONS | 7,311 | 4,002 | 3,673 | -329 |
| CORPORATE BUDGETS | | | | |
| <u>SERVICE SUPPORT</u> | | | | |
| EMERGENCY RESPONSE | 86 | 62 | -7 | -69 |
| FINANCE & RESOURCES | 23,372 | 12,558 | 11,984 | -574 |
| HUMAN RESOURCES | 2,542 | 1,461 | 1,390 | -71 |
| <u>SERVICE DELIVERY</u> | | | | |
| PEOPLE & PERFORMANCE | 47,901 | 27,977 | 28,128 | 151 |
| OPERATIONS - OTHER | 338 | 192 | 214 | 22 |
| TOTAL | 103,017 | 59,024 | 57,756 | -1,268 |

[ILO: UNCLASSIFIED]

| | | | | |
|--------------------|---------------|---------------|---------------|---------------|
| GRANT FUNDING | -68,307 | -45,569 | -45,569 | 0 |
| GRAND TOTAL | 34,710 | 13,455 | 12,187 | -1,268 |

FIREFIGHTERS' PENSION SCHEMES

| NON-FINANCIAL INFORMATION | 2014/2015 PROJECTION | | | ACTUAL POSITION AS AT OCTOBER 2014 | | |
|--|----------------------|-------------|-------|---------------------------------------|-------------|-------|
| | 1992 FPS | 2006 FPS | TOTAL | 1992 FPS | 2006 FPS | TOTAL |
| Members of FPS at 1 st April 2014 | 1,156 | 380 | 1,536 | 1,156 | 380 | 1,536 |
| New Members During Year | - | 36 | 36 | - | 36 | 36 |
| Transfers from Other Pension Schemes | - | - | - | - | - | - |
| Transfers to Other Pension Schemes | - | (2) | (2) | - | - | - |
| Normal Retirements/Deferred/Leavers | (69) | (3) | (72) | (30) | (12) | (42) |
| Ill-Health Retirements | (3) | - | (3) | (1) | - | (1) |
| Members of the Fire Pension Schemes as at 31 st October 2014 | | | | 1,125 | 404 | 1,529 |

CAPITAL MONITORING STATEMENT 2014/2015

| Scheme | Year 2014/2015 | Latest Budget £'000 | Actuals to Oct 2014 £'000 | Forecast £'000 | Variance £'000 |
|--|---------------------------|---|---|--------------------------------|--------------------------------|
| <u>LAND & BUILDINGS</u> | | | | | |
| Asbestos Removal | Ongoing | 43 | 15 | 43 | - |
| Drill Tower/Training Facility Upgrades | 10 of 10 | 220 | 0 | 270 | 50 |
| Windows and Door Replacements | Ongoing | 185 | 0 | 185 | - |
| Roof Replacements | Ongoing | 144 | 0 | 93 | -51 |
| Boiler Replacement Programme | Ongoing | 330 | 78 | 330 | - |
| Rewires | Ongoing | 65 | 0 | 65 | - |
| Haden Cross Fire Station | 2 of 2 | 1,758 | 1,730 | 1,758 | - |
| High Rise Training Facility - Oldbury | 2 of 2 | 3 | 3 | 3 | - |
| HQ Building Modifications | 1 of 1 | 72 | 64 | 64 | -8 |
| Dignity at Work | 1 of 1 | 500 | 4 | 420 | -80 |
| <u>VEHICLES</u> | | | | | |
| Vehicle Replacement Programme | Ongoing | 953 | 486 | 933 | -20 |
| Hazmats/Environmental Units | 1 of 1 | 80 | 0 | 88 | 8 |
| Command Support Vehicle Conversion | 1 of 1 | 60 | 0 | 60 | - |
| <u>ICT & EQUIPMENT</u> | | | | | |
| Thermal Image Cameras | 7 of 7 | 123 | 8 | 123 | - |
| Solar Panelling – Phase 2 | 1 of 1 | 136 | 116 | 119 | -17 |
| Other Equipment | 1 of 1 | 80 | 79 | 80 | - |
| Remote Aerial Unit | 1 of 1 | 72 | 49 | 49 | -23 |
| Oracle Licensing | 7 of 7 | 25 | 0 | 25 | - |
| Fire Control C&C Upgrade | 2 of 2 | 54 | 48 | 54 | - |
| Pensions System Replacement | 1 of 1 | 50 | 6 | 80 | 30 |
| MBT Upgrade/Replacements | 1 of 1 | 318 | 8 | 50 | -268 |
| Grand Total | | 5,271 | 2,694 | 4,892 | -379 |
| <u>RESOURCES AVAILABLE</u> | | | | | |
| Prudential Borrowing | | 0 | | 0 | - |
| Capital Grants/Contributions | | 4,636 | | 4,636 | - |
| Capital Receipts to be Applied | | 0 | | 0 | - |
| Direct Revenue Financing/Earmarked Reserves | | 635 | | 256 | -379 |
| TOTAL | | 5,271 | | 4,892 | -379 |
| SURPLUS(-)/DEFICIT(+) | | | | | |

[ILO: UNCLASSIFIED]