

WEST MIDLANDS FIRE AND RESCUE AUTHORITY

18 SEPTEMBER 2017

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 2017 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.

The Authority's 2017/2018 Council Tax requirement is £39.377 million and the revenue budget is £94.848 million. Actual spend to August 2017, including commitments, was £41.936 million compared to a projected budget of £42.144 million, an overall favourable variance of £0.208 million.

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

3.2 **Capital Expenditure**

The Authority's approved capital programme for 2017/2018 is £14.223 million. A scheme analysis is shown on Appendix C. Expenditure to the end of August 2017 is shown as £1.163 million.

The main forecast variances within the capital programme relate to:

Coventry Fire Station – demolition time extended primarily due to asbestos related issues. Development phase due to start in October 2017.

Aston Fire Station – the listed status of the site has required extensive consultation. The planning application was made earlier this month.

Vehicle Replacement Programme – Completion of the 5 Pump Rescue Ladder appliances now anticipated in the first quarter of 2018/19

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 2017
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

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| REVENUE MONITORING SUMMARY TO AUGUST 2017 |
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| | LATEST BUDGET 2017/2018 £'000 | PROFILED BUDGET £'000 | ACTUALS + COMMIT- MENTS £'000 | VARIANCE TO PROFILED BUDGET £'000 |
|--|--|-----------------------------|--|--|
| DEVOLVED BUDGETS | | | | |
| Corporate Management | 2,383 | 1,031 | 958 | -73 |
| Corporate Charges | 660 | 638 | 639 | 1 |
| Service Support | | | | |
| People Support Services | 5,753 | 2,515 | 2,487 | -28 |
| Business Development | 203 | 91 | 94 | 3 |
| Operational Preparedness | 1,178 | 528 | 525 | -3 |
| Operational Assurance | 377 | 156 | 159 | 3 |
| Finance & Resources | 4,881 | 2,010 | 1,937 | -73 |
| ICT | 4,314 | 1,804 | 1,803 | -1 |
| Service Delivery | | | | |
| Operations | 50,933 | 21,201 | 21,074 | -127 |
| CORPORATE BUDGETS | | | | |
| Service Support | | | | |
| People Support Services | 2,844 | 1,296 | 1,306 | 10 |
| Business Development | -1,000 | -284 | -115 | 169 |
| Operational Preparedness | -20 | 61 | 62 | 1 |
| Finance and Resources | 15,183 | 8,246 | 8,199 | -47 |
| ICT | 142 | 114 | 116 | 2 |
| Service Delivery | | | | |
| Response | 5,182 | 2,127 | 2,101 | -26 |
| Prevention | -4 | 0 | 0 | 0 |
| Protection | -47 | 0 | -12 | -12 |
| Other Income & Expenditure | 1,886 | 610 | 603 | -7 |
| TOTAL (NET BUDGET REQUIREMENT) | 94,848 | 42,144 | 41,936 | -208 |
| Grant Funding | - 55,471 | -27,510 | -27,510 | 0 |
| TOTAL (COUNCIL TAX REQUIREMENT) | 39,377 | 14,634 | 14,426 | -208 |

FIREFIGHTERS' PENSION SCHEMES

| NON-FINANCIAL INFORMATION | 2017/18 PROJECTION | | | | ACTUAL POSITION AS AT AUGUST 2017 | | | |
|--|--------------------|----------|----------|-------|-----------------------------------|----------|----------|-------|
| | 1992 FPS | 2006 FPS | 2015 FPS | TOTAL | 1992 FPS | 2006 FPS | 2015 FPS | TOTAL |
| Members of FPS at 1 st April 2017 | 361 | 13 | 912 | 1,286 | 361 | 13 | 912 | 1,286 |
| New Members | - | - | 60 | 60 | - | - | 28 | 28 |
| Opt-In | - | - | - | - | - | - | - | - |
| Transitional Members during year | -34 | -2 | 36 | - | -14 | -2 | 16 | - |
| Transfers from Other Pension Schemes | - | - | - | - | - | - | - | - |
| Transfers to Other Pension Schemes | - | - | - | - | - | - | - | - |
| Retirements | -45 | - | - | -45 | -11 | - | - | -11 |
| Opt-Out | - | - | - | - | - | -1 | -8 | -9 |
| Leavers | - | - | -12 | -12 | - | - | -4 | -4 |
| Ill-Health Retirements | -2 | - | -1 | -3 | - | - | - | - |
| Members of the Fire Pension Schemes as at 31 st August 2017 | | | | | 336 | 10 | 944 | 1,290 |

CAPITAL MONITORING STATEMENT 2017/18

| Scheme | Year 2017/18 | Latest Budget £'000 | Actuals August 2017 £'000 | Forecast £'000 | Variance £'000 |
|--|-------------------------|------------------------------------|--|---------------------------|---------------------------|
| <u>LAND & BUILDINGS</u> | | | | | |
| Training at Height Facilities | 11 of 11 | 317 | 326 | 326 | +9 |
| Boiler Replacement Programme | Ongoing | 264 | 5 | 264 | - |
| Roof Replacements | Ongoing | 66 | 0 | 66 | - |
| Windows/Door Replacement | Ongoing | 505 | 85 | 505 | - |
| Rewires | Ongoing | 332 | 44 | 332 | - |
| Coventry Fire Station | 3 of 5 | 4,954 | 132 | 3,300 | -1,654 |
| Primary Control Room | 1 of 2 | 600 | 0 | 600 | - |
| Aston Fire Station | 3 of 5 | 3,910 | 28 | 110 | -3,800 |
| Secondary Control Room Relocation | 2 of 2 | 74 | 38 | 74 | - |
| <u>VEHICLES</u> | | | | | |
| Vehicle Replacement Programme | Ongoing | 3,130 | 489 | 2,380 | -750 |
| <u>ICT & EQUIPMENT</u> | | | | | |
| MDT Upgrade/Replacements | 4 of 4 | 46 | 16 | 46 | - |
| Oracle Licensing | 9 of 9 | 25 | 0 | 0 | -25 |
| Grand Total | | 14,223 | 1,163 | 8,003 | -6,220 |
| <u>Funded By</u> | | | | | |
| Prudential Borrowing | | 0 | | 0 | 0 |
| Capital Grants / Contributions | | 613 | | 613 | 0 |
| Capital Receipts to be Applied | | 0 | | 0 | 0 |
| Revenue Financing / Earmarked Reserves | | 13,610 | | 7,390 | -6,220 |
| TOTAL | | 14,223 | | 8,003 | -6,220 |
| SURPLUS(-)/DEFICIT(+) | | | | | |