

LEICESTERSHIRE

FIRE and RESCUE SERVICE

Status of Report: Public Agenda Item: 9

Meeting: Policy Committee
Date: 5th November 2014
Subject: Financial Budget Monitoring as at the 30th September 2014
Report by: The Treasurer
Author: Philippa Brown (Accountant) and Adam Stretton (Head of Finance)
For: Decision

1. Purpose

As part of the Combined Fire Authority's (CFA's) Corporate Governance arrangements a financial monitoring report is submitted to the Policy Committee every time it meets. This report covers the capital and revenue budgets for the current position relating to Financial Period 6, which ended on the 30th September 2014.

2. Executive Summary

2.1 The CFA agreed the revenue and capital budgets for 2014/15 at its meeting on the 12th February 2014. Since then the following changes have been made:

- The Policy Committee at its meeting on the 7th May 2014 agreed to increase the Capital Programme by a further £125,000 to reflect urgent works to the heating system at Western Station. The amount to be funded through a Revenue Contribution to Capital Outlay (RCCO) from the Repairs and Maintenance budget.
- Revenue (£455,034) and Capital (£4,359,519) carry forwards from 2013/14 were agreed by the CFA on the 25th June 2014. The carry forwards are included in the appendices to this report.
- The Policy Committee at its meeting on the 27th August 2014 agreed the virement of £263,218 to the General Reserve from a number of revenue budgets. This was to reflect the in-year savings identified through the Organisational Change Project (OCP).
- The Policy Committee at its meeting on the 27th August 2014 agreed to increase the Capital Programme by a further £125,000 for extension building works at Eastern Station. The amount to be funded through a Revenue Contribution to Capital Outlay (RCCO) from the Repairs and Maintenance budget.

- 2.2 This report indicates the current financial position compared against the updated 2014/15 Revenue Estimate and the 2014/15 Capital Programme.
- 2.3 The Billing Authorities issued Council Tax bills in late March / early April 2014 and five payments for 2014/15 (£10,347,504 in total) have now been received from the nine Billing Authorities. This includes payments in respect of Non Domestic Rates (NDR) from each of these Authorities. The Department of Communities and Local Government (DCLG) has now made three payments in respect of the CFA's Revenue Support Grant for 2014/15 (£5,349,758 in total). Following the decision to opt out of the Leicestershire and Rutland Business Rates Pool in 2014/15, DCLG have paid a further six payments in respect of NDR Top up (£2,911,219 in total).

3. Report Detail

Capital Programme

- 3.1 **Appendix 1** is a detailed summary of the Capital Programme showing actual expenditure and commitments that occurred to Period 6, compared to the latest approved estimate. The CFA at its meeting on the 25th June 2014 agreed to increase the 2014/15 Capital Programme by £4,359,519 as carry forwards from 2013/14.

Whilst this report provides a financial overview of the Capital Programme as a whole, variance analysis for capital items that are part of the Corporate Infrastructure and Efficiency Projects are reported elsewhere on the Policy Committee agenda.

The final accounts have now been agreed for the refurbishment, re-build and remodelling at Hinckley, Coalville and Shepshed Stations and closure reports have been agreed by the Senior Management Team (SMT).

The anticipated construction completion date for Castle Donington has now been revised to September 2015. There will be a significant underspend in the 2014/15 Capital Programme and the balance will be proposed to be carried forward to 2015/16 at a future CFA meeting.

The full potential and requirement for automated archiving of the SharePoint Upgrade Project is to be determined as part of a separate future project. The related capital budget of £13,150 will underspend in this financial year.

Appendix 1 indicates a forecast underspend for the Capital Programme of £711,154. The remaining capital items with progress to report are set out in the following paragraphs.

- 3.2 A change management interface solution between CFRMIS and the gazetteer is required to ensure that data quality is maintained within CFRMIS. In order to meet the identified solution, it is proposed that the current Capital Programme budget of £5,950 is increased to £45,000. The increase to be funded by RCCO through conversion of an existing carried forward revenue budget in the Premises Information Project of £19,050, additional secondment income of £15,000 and £5,000 from the ICT budget.
- 3.3 SMT agreed that the provision of an Urban Search and Rescue (USAR) Training

Rig at Southern Station was not required. The majority of the funding for the project was through Section 31 grant provided by DCLG and goes back to 2007/08. Initial discussions with DCLG suggest that the remaining sum of unused grant (£185,284) would be repayable. However, there is potential that some related capital expenditure may be eligible and proposals on these are being drafted for submission to DCLG.

- 3.4 After exploring the costs projection for the works at Eastern Station it has been found that these are no longer affordable and the work has been cancelled. This results in a Capital Programme reduction of £125,000. There will be approximately £10,000 of sunk costs for this work but under the CIPFA Code of Practice on Local Authority Accounting these are not eligible to be charged to the Capital Programme. As this work was funded by RCCO, it is proposed that the savings (£125k) are vired back into the Estates Repairs and Maintenance budget to cover the sunk costs and other contractual and reactive maintenance requirements. At its current level, it is probable that this revenue budget will overspend as outlined in paragraph 3.16.
- 3.5 A preferred supplier has been chosen for the replacement of the Wide Area Network. Work on a 'Fibre to the premises' network is anticipated to start in October 2014. The implementation of this work will run as a 'Project Lite' and the total costs for this work are awaited.
- 3.6 The work to procure Operational Equipment as part of the 2014/15 Capital Programme, is complete with a net underspend of £70,622. This is mainly due to the procurement of the Defibrillators which was achieved at a cost of £29,300 compared to the budgeted £100,000 resulting in an underspend of £70,700.
- 3.7 The budgeted capital receipts of £269,500, included £250,000 for the sale of Moira Station and £19,500 for the sale of operational equipment (telemetry boards). Moira Station will be sold on the open market and a number of bids have now been received. Income of £16,250 has been received for the sale of the telemetry boards. During the first quarter of the year, the sale of five appliances has generated additional capital receipts of £117,000. This figure may increase if the surplus appliances currently used for resilience purposes become available for sale later in the year.
- 3.8 The funding of the 2014/15 Capital Programme includes £327,176 of Revenue Contributions to Capital Outlay (RCCO). This sum is made up of USAR Training Rig (£38,672), Shepshed Remodelling (£38,504), Western Station (£125,000) and Eastern Station (£125,000). It is anticipated that there will be an RCCO underspend on these projects of £179,480 (Eastern Station £125,000, USAR Training Rig £38,672 plus the underspend at Shepshed of £15,808). It is proposed that the RCCO underspend of £54,480 for the Training Rig and Shepshed is utilised to support the 2014/15 Capital Programme to reduce borrowing.

Revenue Budget

- 3.9 **Appendix 2** is a detailed summary of the revenue budget showing the current position for actual expenditure and commitments as at the end of Period 6. The budget figures have been updated to reflect the budget carry forwards agreed by

the CFA on the 25th June 2014.

This appendix includes all revenue income and expenditure attributable to the CFA. The net expenditure shown in Column 4 is the total of actual expenditure and income including commitments for orders placed but invoices not paid. This only works when official orders for realistic costs are raised.

The profile budget in column 5 provides a snapshot of where expenditure should be for the period. In the majority of cases this reflects each budget divided into equal twelfths over the financial year.

The profile variance column represents the difference between actual expenditure to date and the budget profile. Negative figures show that the actual is underspending to the profile and positive figures provide an indication of potential overspend.

The final forecast variance column reflects savings identified i) through the work to date on the OCP (£263,218) and ii) further anticipated variances (£632,148) as outlined in Paragraph 3.16 below.

- 3.10 **Appendix 3** is a summarised report of **Appendix 2** but provides financial summaries for each Directorate. Work is ongoing to allocate traditionally centrally held budgets to their relevant cost centre points of expenditure.
- 3.11 **Appendix 4** is the information that was presented to the CFA in February 2014 detailing the growth and savings for 2014/15.
- 3.12 **Appendix 5** is the information agreed by the CFA in June 2014 in respect of carry forwards from 2013/14.
- 3.13 **Appendix 6** shows the interest earned on surplus balances during the period between August and September 2014.
- 3.14 **Appendix 7** shows graphically how the CFA performed on investments against base rate. The highest rate achieved was just over 0.64% (when the balance was £8.162m on the 10th September 2014); the lowest was just under 0.60% on the 11th-13th September 2014, when the balance was £10.124m).

The Bank of England base rate has been unchanged at 0.5% since the 5th March 2009. A comparison has also been included on rates achieved by NatWest's Money Market Fund during the period.

The CFA has an underlying need to borrow to fund capital expenditure but long term borrowing has been held back in 2014/15 to achieve maximum use of balances, where only low rates can be achieved in the current investment market. This has resulted in substantial reductions in borrowing costs for 2014/15 which have been shown in the forecast column in **Appendix 2**. It was necessary for temporary cash flow purposes, to take a temporary loan of £1 million from North Yorkshire County Council from the 30th June to the 28th July at a rate of 0.44% to fund a temporary shortfall in cash flow.

- 3.15 The Policy Committee at its meeting on the 27th August 2014 agreed to transfer the sum of £263,218 to the General Reserve following the identification of underspends through the OCP. The relevant budgets have now been adjusted in Agresso. The

forecast underspend of £263,218 is now shown as one line under Debt Management Expenses in **Appendix 2**. The savings will be used to provide additional transition funding against future budget reductions.

3.16 Direct Employees' Expenses are shown within **Appendix 2** as one line. A breakdown of these costs into employee headings is as shown in the table below:

Cipfa Description	Annual Budget	Actual YTD	Commitments	Net Expend	Profile Budget	Variance	Forecast Variance
	£	£	£	£	£	£	£
Administration and Clerical	4,613,470	2,234,605	1,825	2,236,430	2,437,167	-200,737	-15,000
Chief Officers	401,670	197,044	-	197,044	200,835	-3,791	-
Firefighters	18,760,847	9,249,258	-	9,249,258	9,327,614	-78,356	156,602
Control	1,134,540	517,161	-	517,161	565,162	-48,001	-70,000
Retained	2,278,890	801,526	-	801,526	865,978	-64,452	-48,450
Cooks	127,885	135,155	1,036	136,191	127,885	8,306	-
Manual	235,220	108,766	-	108,766	116,812	-8,046	-
Nursing	32,810	21,679	-	21,679	16,405	5,274	-
Direct Employee Expenses	27,585,332	13,265,194	2,861	13,268,055	13,657,858	-389,803	23,152
Indirect Employee Exp	771,510	226,166	115,612	341,778	437,949	-96,171	-
Pension	160,420	62,591	3,000	65,591	73,670	-8,079	-
Indirect and Pension	931,930	288,757	118,612	407,369	511,619	-104,250	-
Employee Costs	28,517,262	13,553,951	121,473	13,675,424	14,169,477	-494,053	23,152

An analysis of the significant variations to profile (above £10,000) for each of the identified areas in **Appendix 2** between the September forecast and the revenue budget are detailed below:

Direct Employee Expenses (£389,803 underspend)

Administration and Clerical (£200,737 underspend)

This is mainly due to a budget virement of £137,365 to establish a Community Safety Educators budget following an organisational restructure which is not correctly reflected in the budget profile. This inflates the profile variance and when adjusted will reduce the underspend by this amount. The overall budget for the financial year is the correct figure. Due to reduced hours, there is a 0.41fte admin and clerical pay saving of £15,000 in 2014/15 within the Planning and Performance Team. The remaining balance is mainly due to the fact that the support staff pay award has not yet been nationally agreed and paid. The budget included a 1% pay award from April 2014.

Firefighters (£78,356 underspend)

Operational Pay is profiling an overspend of £31,342. This is due to the current over establishment offset by savings as a result of pay deductions following the recent periods of industrial action. The forecast variance includes an overspend of

£240,000 to reflect the estimated over-establishment costs in this financial year. This is offset by known vacancies in Training Workforce Development and Operational Support (£43,398) which are reflected in the forecast. The forecast variance at this time does not reflect any savings arising from the periods of industrial action. The current costs of industrial action charged to date amount to £99,628. This has been offset in 2014/15 by pay deductions (covering strike action to the middle of August 2014) of £160,137. The net saving will be reflected in the Revised Estimates. Overtime is profiling an underspend of £65,412 from which a saving of £40,000 is shown in the forecast variance column. This is due to periods of action short of strike action and over establishment which has reduced demand on this budget. On-costs for national insurance and pension are profiling an underspend of £42,050. This is mainly due to an increasing number of employees being part of the 2006 scheme, which has a lower employer contribution rate.

Control (£48,001 underspend)

A review of the Control salaries budget indicates that there is an anticipated underspend of £70,000 in 2014/15. This is due to the Group Manager vacancy for the period April to September, a reduction in cost arising from the shared Area Manager post and vacancies in firefighter control posts.

Retained (£64,452 underspend)

The 2014/15 budget included the full year cost (£148,810) of retained salaries for Moira Station. After offsetting the redundancy costs to the reduction in posts, there is an anticipated net saving of £48,450 in 2014/15. This means that the redundancy costs are not required to be met from Earmarked Reserves as originally intended. The remaining underspend is due to the reduced activity levels to date compared to prior years.

Indirect Employee Expenses (£96,171 underspend)

Training (£130,729 underspend)

Training costs are showing a profile underspend of £83,338 with an additional underspend of £68,200 due to the ongoing delay in the implementation of the training requirements arising from the new Tri-Service control system. This is offset by commitments on Prince's Trust training (£34,163), which will be offset by future income.

Insurance – Employee Related (£33,716 overspend)

Ill Health insurance premiums (£41,985) have been incurred on this heading but are offset by reductions on National Insurance. Budget adjustments to correct this will be made during the revised estimates process.

Premises Related Expenditure (£120,326 overspend)

Repairs, Alterations and Maintenance of Buildings (£159,046 overspend)

Following an initial review, the repairs and maintenance budget is close to being fully spent (£23,000 currently remaining). It is considered that this may be insufficient to cover contract commitments and ongoing reactive maintenance. As outlined in paragraph 3.4, it is proposed that the savings from the cancellation of the work at Eastern Station (£125,000) are vired back into the Estates Repairs and Maintenance budget to cover the potential overspend.

Energy Costs (£90,212 underspend)

Invoices compared to profile are low, possibly due to the mild weather but are being investigated further.

Rents (£12,265 underspend)

This is mainly due to invoices for rents for the temporary facilities for Castle Donington for the period July to September not being charged to this budget. There will be a small underspend as the occupation at Castle Donington commenced in July 2014 with the budget set at a full year level.

Business Rates (£45,628 overspend)

The recently refurbished buildings at Coalville, Oakham and Melton Stations are attracting higher business rates than prior to the building works. The forecast variance indicates a £72,000 overspend to reflect these changes.

Transport Related Expenditure (£374,265 overspend)

Direct Transport Cost (£454,154 overspend)

New officers vehicles have been ordered, received and half of them have been paid for. Once full payment has been made, these vehicles will be subject to a sale and leaseback arrangement, which will cancel out all expenditure on this budget head. In addition, fuel budgets were increased in the past to enable tanks to be kept fully stocked in times of the petrol strikes. Examination of current and last year spend indicates that a saving of £50,000 is likely.

Recharges (£63,511 underspend)

Lease payments do not occur at regular intervals throughout the year and it appears that the budget profile is not matching expenditure. This has been reviewed and will be corrected before the next report. No major variance is anticipated.

Car Allowances (£18,922 underspend)

This underspend is made up of many budgets, none with a sizeable underspend. The largest is in Fire Investigation which has an underspend to profile of £5,210. This is being investigated.

Supplies and Services (£264,813 underspend)

Equipment, Furniture and Materials (£88,215 overspend)

Operational equipment shows a profile overspend of £13,532 which is mainly due to commitments and it is anticipated that expenditure will be within budget at the end of the financial year. Cleaning Equipment is overspending by £11,892. This relates to the purchase of floor scrubbers and it is intended that this will be met by virement from the repairs and maintenance budget. Hydrant installation orders totalling £62,592 have been placed. It is unlikely that many, if any, of these will be charged, based on the history of this budget.

Catering (£10,812 overspend)

This is mainly due to commitments and it is anticipated that expenditure will be within budget at the end of the financial year.

Clothes, Uniforms and Laundry (£85,120 underspend)

The 2014/15 budget includes the full year additional contract cost for the anticipated introduction of Personal Protective Equipment (PPE) Breathable Tunics. These tunics remain on trial and have not yet been added to the main contract providing an anticipated saving of £54,000 for the period April to September 2014. The remaining underspend is also on the PPE heading for items over and above the main contract (budget £50,390) where expenditure totals £169 to date.

Printing, Stationery and General Office Expenses (£18,060 underspend)

This is mainly due to a credit received for printing costs of £17,621.

Services (£47,716 underspend)

This mainly relates to Cross Border Agreements (£63,477). Prior year accruals for invoices not received have been reversed in the current financial year, causing this variance. This will be resolved by the end of this financial year. The forecast variance overspend of £17,700 relates to costs for the forthcoming Integrated Risk Management Plan (IRMP) consultation.

Communications and Computing (£195,471 underspend)

This is mainly due to FireLink contract charges (£146,374) where only the April bill had been paid by the end of September. The delay in payments occurred as the bills had been sent direct to the old headquarters address in Glenfield. May and June invoices have subsequently been paid in October. In addition, £36,220 accrued for in the last financial year to pay for increased costs has not been invoiced although it is anticipated that the charge will be around £18,000. Also, computer hardware and software are underspending by £84,774 offset by SharePoint consultancy fees of £21,000.

Third Party Payments (£16,320 underspend)

The profile underspend reflects the current lower level of expenditure than anticipated on external legal assistance (£16,899).

Support Services £15,522 overspend

Finance (£11,670 overspend)

Expenditure on this heading falls due at the end of the financial year. Upon review it appears that the profile budget is not correctly reflecting this. This will be corrected.

Income £51,216 overspend

Overall this is mainly due to the delayed receipt of Princes Trust income although the amount of interest received is lower due to the use of cash balances to fund capital payments. The forecast variance is due to additional Section 31 grant in respect of business rates being £26,000 higher than the original notification.

Capital Financing Costs (£162,387 underspend)

The report for the Policy Committee on the 27th August 2014 indicated that an estimation of the likely underspend in Capital Financing costs would be undertaken for this report. A review has now been completed and is detailed below.

Interest Payments (£162,387 underspend)

A calculation of external interest based upon the anticipated borrowing requirements in year to fund the Capital Programme, suggests that there will be an

underspend of around £250,000. The current profile underspend on this heading is £194,132. Finance Lease Interest is showing a profiled overspend of £31,745, which is due to some invoices not having been received at the usual time due to the re-location of Headquarters. The spend is expected to be within budget by the end of the year.

Debt Management Expenses

A calculation of the Minimum Revenue Provision (MRP) based upon the anticipated borrowing requirements in year to fund the Capital Programme, suggests that there will be an underspend of around £250,000. Borrowing is lower than anticipated due to underspends on the Capital Programme and positive cash flow delaying the need to borrow.

- 3.17 A review of **growth and savings** (**Appendix 4**) has enabled an updated position on current spend forecasts for 2014/15 and 2015/16 as a comparison to the original growth figures presented to the CFA as part of the 2014-17 Medium Term Financial Plan on the 12th February 2014. Columns 4 and 5 show the updated forecast financial position with any resulting variances shown in column 6.

A forecast underspend variance of £57,500 is anticipated which is mainly due to the PPE breathable fire tunic as outlined in paragraph 3.16.

The ground rental at Castle Donington was budgeted as an annual cost. The £3,500 saving reflects a July occupation.

- 3.18 **Carry forwards** have been reviewed and are shown in **Appendix 5**. Column 5 represents the total actual and committed expenditure at September 2014 and column (6) shows the amount of carry forward remaining to be spent. It is noted that as these were approved by the CFA in June 2014, many budgets have incurred little or no expenditure up to the end of September 2014.

There are no significant variations to report at this time.

4. Report Implications / Impact

4.1 *Legal (including crime and disorder)*

None.

4.2 *Financial (including value for money, benefits and efficiencies)*

These are included in the main body of the report.

4.3 *Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)*

It is important to be aware of how the budget is progressing as it enables early action to be taken to address any issues that arise. For example, it is easier to manage a potential overspend if it is identified early and any corrective action will be less harsh than if late action was required. Also, if a budget is going to be underspent, it allows consideration to be given to either accelerating progress, virement proposals or seeking CFA approval to carry forward resources into future

years.

4.4 *Staff, Service Users and Stakeholders (including the Equality Impact Assessment)*

Employee costs account for 72.3% of the CFA's updated budget for 2014/15, with a further 1.8% being spent on indirect employee expenses. If any restrictions were enforced as a result of planning efficiencies this would probably have to impact upon these budgets.

4.5 *Environmental*

None.

4.6 *Impact upon Our Plan Objectives*

The Medium Term Financial Plan is constructed with reference to Our Plan. Any variation in levels of funding or expenditure has the potential to impact on delivery of Our Plan. Conversely, any delays or changes to the projects within Our Plan can impact on the achievement of efficiencies and adherence to budgets.

5. Recommendations

The Policy Committee is asked to:

- a) Note the budget position as at the end of September 2014.
- b) Note the review of growth and savings as at the end of September 2014.
- c) Note the review of carry forwards as at the end of September 2014.
- d) Note the treasury management position as at the end of September 2014.
- e) Agree to increase the Capital Programme by £39,050 for the CFRMIS integration work as set out in Paragraph 3.2.
- f) Agree the virement of £125,000 from RCCO to the Repairs and Maintenance budget arising from the non-commencement of works at Eastern Station as outlined in paragraph 3.4.
- g) Agree that the RCCO underspend of £54,480 for the Training Rig and Shepshed is utilised to support the 2014/15 Capital Programme to reduce borrowing.

6. Background Papers

- a) Medium Term Financial Plan 2014-17 (CFA Report - 12th February 2014)
- b) Final Outturn 2013/14 (CFA Report - 25th June 2013)

7. Appendices

1. Capital Programme Financial Summary as at the 30th September 2014
2. Detailed Revenue Budget Monitoring as at the 30th September 2014
3. Revenue Budget Monitoring summary by Directorate as at the 30th September 2014
4. Growth and Savings as at the 30th September 2014
5. Carry Forwards from 2013/14 to 2014/15
6. Interest earned on surplus balances August to September 2014
7. Interest on surplus balances - August to September 2014 (graphical presentation)

CAPITAL PROGRAMME EXPENDITURE TO BUDGET 2014-15

SCHEME	PARA REF	CFA 12.02.14 ORIGINAL PROGRAMME 2014-15 £	CFA 25.06.14 AGREED CARRY FORWARD £	POLICY 07.05.14 AGREED REVISIONS £	POLICY 27.08.14 AGREED REVISIONS £	UPDATED CAPITAL PROGRAMME FOR 2014-15 £	ACTUAL SPEND AND COMMITMENTS TO SEPT 14 £	FORECAST 2014-15 £	VARIANCE £
PROJECTS									
Vehicles:									
Replacement Aerial Ladder Platform		429,432	217,461			646,893	459,640	646,893	0
Property:									
Hinckley Station Day Crewing Plus Refurbishment	3.1	0	517,233			517,233	291,423	291,423	-225,810
Hinckley Station Refurbishment Phase 2	3.1	0	15,261			15,261	50,061	50,061	34,800
Coalville Station Day Crewing Plus Refurbishment	3.1	0	1,148,632			1,148,632	1,077,024	1,077,024	-71,608
New Birstall Day Crewing Plus Fire Station		0	63,599			63,599	0	63,599	0
New Birstall Headquarters		0	199,647			199,647	1,895	199,647	0
New Birstall HQ - Control relocation / Syston Decommission		0	29,986			29,986	300	29,986	0
New Castle Donington Day Crewing Plus Fire Station		2,500,000	638,267			3,138,267	765,654	3,138,267	0
Remodelling of Shepshed Station	3.1	0	38,504			38,504	22,696	22,696	-15,808
IT and Equipment:									
Tri-Service Fire Control		0	1,166,691			1,166,691	0	1,166,691	0
Fire Control Enabling Works (Southern)		0	83,887			83,887	8,245	83,887	0
SharePoint Upgrade - Archiving	3.1	0	13,150			13,150	0	0	-13,150
SharePoint Taxonomy		5,000	0			5,000	0	5,000	0
ICT Gazetteer Integration	3.2	5,950	0			5,950	0	5,950	0
OTHER CAPITAL PROGRAMME									
Property:									
Urban Search and Rescue (USAR) Training Rig	3.3	223,956	0			223,956	0	0	-223,956
Replacement Heating System at Western Station				125,000		125,000	107,475	125,000	0
Extension Building Works at Eastern Station	3.4				125,000	125,000	0	0	-125,000
IT and Equipment:									
Technology Developments	3.5	39,050	227,201			266,251	10,900	266,251	0
Operational Equipment - Defibrillators	3.6	100,000	0			100,000	29,300	29,300	-70,700
Operational Equipment - Telemetry Boards		81,120	0			81,120	81,198	81,198	78
Other:									
Capitalisation of Consortium Insurance Company		100,000	0			100,000	0	100,000	0
TOTALS		3,484,508	4,359,519	125,000	125,000	8,094,027	2,905,811	7,382,873	-711,154

Funded by:

DCLG Capital Grant	1,048,713	0				1,048,713	1,048,713	1,048,713	0
DCLG Fire Control Grant	0	1,166,691				1,166,691	0	1,166,691	0
DCLG USAR Grant	185,284	0				185,284	0	0	-185,284
Revenue Contribution to Capital Outlay (RCCO)	38,672	38,504		125,000	125,000	327,176	130,171	202,176	-125,000
Earmarked Reserve	100,000	0				100,000	0	100,000	0
Capital Receipts	269,500	0				269,500	133,250	383,250	113,750
Finance Lease	429,432	217,461				646,893	459,640	646,893	0
Prudential Borrowing	1,412,907	2,936,863				4,349,770	1,134,037	3,810,150	-514,620
	3,484,508	4,359,519		125,000	125,000	8,094,027	2,905,811	7,357,873	-711,154

Budget Monitoring Report for the Period to the 30th September 2014

Account Description	Annual Budget £	Actual YTD £	Commitments £	Net Expenditure £	Profile Budget £	Profile Variance £	Forecast Variance £
Direct Employee Expenses	27,585,332	13,265,194	2,861	13,268,055	13,657,858	-389,803	23,152
Indirect Employee Expenses	771,510	226,166	115,612	341,778	437,949	-96,171	
Pension	160,420	62,591	3,000	65,591	73,670	-8,079	
Employees	28,517,262	13,553,951	121,473	13,675,424	14,169,477	-494,053	23,152
Repairs Alterations and Maintenance of Buildings	438,180	269,377	117,176	386,553	227,507	159,046	
Energy Costs	418,940	115,084	4,174	119,258	209,470	-90,212	
Rents	43,550	7,425	2,085	9,510	21,775	-12,265	
Rates	613,920	416,495	-	416,495	370,867	45,628	72,000
Water	60,320	32,560	-	32,560	30,160	2,400	
Fixture and Fittings	17,350	6,220	601	6,821	8,668	-1,847	
Apportionment of Expenses of Operational Buildings	10,350	-	-	-	-	-	
Cleaning and Domestic Supplies	241,790	113,644	2,763	116,407	108,914	7,493	
Grounds Maintenance Costs	6,410	9,477	-	9,477	3,205	6,272	
Premises Insurance	36,360	20,128	-	20,128	20,098	30	
Refuse Collection	32,890	16,267	1,218	17,485	13,704	3,781	
Premises-Related Expenditure	1,920,060	1,006,677	128,017	1,134,694	1,014,368	120,326	72,000
Direct Transport Cost	811,930	592,730	267,389	860,119	405,965	454,154	-50,000
Recharges	226,260	123,209	-	123,209	186,720	-63,511	
Public Transport	30,460	15,304	-	15,304	12,400	2,904	
Transport Insurance	146,860	85,668	-	85,668	86,028	-360	
Car Allowances	114,870	28,578	-	28,578	47,500	-18,922	
Transport-Related Expenditure	1,330,380	845,489	267,389	1,112,878	738,613	374,265	-50,000
Equipment Furniture and Materials	717,680	299,832	113,303	413,135	324,920	88,215	
Catering	41,630	27,491	4,134	31,625	20,813	10,812	
Clothes Uniforms and Laundry	619,980	176,012	184,423	360,435	445,555	-85,120	-54,000

Appendix 2

Printing Stationery and General Office Expenses	76,670	16,357	6,918	23,275	41,335	-18,060	17,700
Services	266,060	1,066	27,828	28,894	76,610	-47,716	
Communications and Computing Expenses	1,380,300	606,068	33,953	640,021	835,492	-195,471	
Grants and Subscriptions	72,460	16,516	11,955	28,471	32,354	-3,883	
Miscellaneous Expenses	84,290	63,725	12,470	76,195	81,175	-4,980	
	130,900	51,790	11,485	63,275	71,885	-8,610	
Supplies & Services	3,389,970	1,258,857	406,469	1,665,326	1,930,139	-264,813	-36,300
Other Local Authorities	50,000	8,680	-	8,680	25,000	-16,320	
Third Party Payments	50,000	8,680	-	8,680	25,000	-16,320	-
Finance	71,700	-	-	-	-11,670	11,670	
Property Management/Office Accommodation	-	-	-	-	-2,120	2,120	
Corporate Services	-	1,732	-	1,732	-	1,732	
Support Services	71,700	1,732	-	1,732	-13,790	15,522	-
Government Grants	-11,816,487	-6,585,938	-	-6,585,938	-6,086,217	-499,721	-26,000
Other Grants/Reimbursements and Contributions	-17,541,146	-10,521,028	-	-10,521,028	-8,744,729	-1,776,299	
Customer and Client Receipts	-8,638,714	-2,494,375	-	-2,494,375	-4,809,589	2,315,214	
Interest	-62,470	-14,007	-	-14,007	-26,029	12,022	
Income	-38,058,817	-19,615,348	-	-19,615,348	-19,666,564	51,216	-26,000
Interest Payments	1,161,700	378,928	-	378,928	541,315	-162,387	-250,000
Debt Management Expenses	1,617,745	-	-	-	-	-	-513,218
Capital Financing Costs	2,779,445	378,928	-	378,928	541,315	-162,387	-763,218
	-	-2,561,034	923,348	-1,637,686	-1,261,442	-376,244	-780,366

Budget Monitoring Report for period to end September 2014

Cost Centre	Cost Centre Description	Annual Budget £	Actual YTD £	Commitments £	Net Expenditure £	Profile Budget £	Profile Variance £	Forecast Variance £
10	Organisational Development	7,077,050	3,115,177	628,156	3,743,333	3,741,685	1,648	-154,698
11	Community Services	21,978,837	10,482,093	165,661	10,647,754	10,840,718	-192,964	91,550
13	Finance and Corporate Services	-29,900,827	-16,574,380	129,011	-16,445,369	-16,273,894	-171,475	-717,218
14	Head of Service	844,940	416,076	520	416,596	430,049	-13,453	-
		-	-2,561,034	923,348	-1,637,686	-1,261,442	-376,244	-780,366

GROWTH AND SAVINGS AS AT THE END OF SEPTEMBER 2014

	(1)	(2)	(3)	(4)	(5)	(6)	
	ORIGINAL	ORIGINAL	Establishment	UPDATED	UPDATED	VARIANCE	NOTES
	2014/15	2015/16	Changes	2014/15	2015/16	2014/15	
	£	£		£	£	£	
2013/14 Growth and Savings:							
<u>Efficiencies</u>							
Day Crewing Plus Phase 1	-807,780	-138,300	-14.00	-807,780	-138,300	0	
Glenfield Headquarters Running Costs	-128,640	0	0.00	-128,640	0	0	
Rent and Running Costs Unit 6a	-58,300	0	0.00	-58,300	0	0	Lease finished on the 30th September 2013
Reduced Establishment Alp crewing at Hinckley	-152,020	0	-4.00	-152,020	0	0	
Disestablish Cook post at Oakham Station	-10,840	0	-1.00	-10,840	0	0	
Corporate stationery costs	-12,000	0	0.00	-12,000	0	0	
Corporate photocopying costs	-8,000	0	0.00	-8,000	0	0	
Disestablish administrative post at Occupational Health	-21,790	0	-1.00	-21,790	0	0	
Disestablish PA post in Corporate Services	-24,160	0	-1.00	-24,160	0	0	
Moir station devolved and estates costs	-4,360	-13,080	0.00	-4,360	-13,080	0	
	-1,227,890	-151,380	-21.00	-1,227,890	-151,380	0	
<u>Temporary Other Service Efficiencies</u>							
Chief Officer Pay	-89,950	89,950	0.00	-89,950	89,950	0	Already happened
Fire Training School Fire Service College	-70,000	70,000	0.00	-70,000	70,000	0	
	-159,950	159,950	0.00	-159,950	159,950	0	
Total Savings	-1,387,840	8,570	-21.00	-1,387,840	8,570	0	
<u>Permanent Other Service Pressures/ Improvements</u>							
ICT Infrastructure (Wide Area Network/ Telephony)	100,000	0	0.00	100,000	0	0	
Fire Control Maintenance Costs	38,190	0	0.00	38,190	0	0	Cost of new Systel Tri-Service Control project, split between 3 participating CFA's.
LGPS Employer Contributions	40,530	40,540	0.00	40,530	40,540	0	The actuarial review in 2013 determined that a 1% increase would be needed for the next 3 years
PPE Breathable Fire Tunic	108,000	0	0.00	54,000	0	-54,000	
UKRO Challenge Teams	5,000	0	0.00	5,000	0	0	To be added to the existing contract with Ballyclare.
ISAR (Training and PPE)	10,000	0	0.00	10,000	0	0	To re-invigorate the Service's participation in the UKRO challenge
Workshops Apprentice	5,960	0	1.00	5,960	0	0	To undertake professional development of staff to maintain capability to participate in International Search and Rescue (ISAR) events
Ground Rental at Castle Donington	14,000	0	0.00	10,500	0	-3,500	To continue with the post on an ongoing basis
Castle Donington Devolved budget and Estates Costs	120,280	0	0.00	120,280	0	0	To meet the anticipated costs of building 97
	441,960	40,540	1.00	384,460	40,540	-57,500	To cover estimated running costs of the station and day crewing plus accommodation
<u>Temporary Other Service Pressures / Improvements</u>							
Operational Support for the Tri-Service Control Project	8,440	-8,440	0.00	8,440	-8,440	0	
Council Tax District Administration Support	5,100	-5,100	0.00	5,100	-5,100	0	To enable release of an Area Manager to provide operational support to the Tri-Service Fire Control Project
Firefighter Pension Scheme Administration	5,000	-5,000	0.00	5,000	-5,000	0	CFA contribution to Billing Authorities for temporary administrative support in setting up the new Council Tax schemes
Mosaic contract for 2014-15	12,400	-12,400	0.00	12,400	-12,400	0	
Birstall HQ Staff Travel Reimbursements	0	-59,940	0.00	0	-59,940	0	This is for the renewal of the contract from December 2014.
Contribution to Pension Fund	0	50,000	0.00	0	50,000	0	Agreed staff reimbursement for two years to meet additional travel costs to the new Birstall Headquarters
	30,940	-40,880	0.00	30,940	-40,880	0	
Total Growth	472,900	-340	1.00	415,400	-340	-57,500	
Net Growth	-914,940	8,230	-20.00	-972,440	8,230	-57,500	

Carry Forwards from 2013-14 to the 2014-15 budget							
	(1)	(2)	(3)	(4)	(5)	(6)	
	Agreed			Other			
	Carry Fwd	Spent	Ordered	Commitments	Total	Variance	Update
	£	£	£	£	£	£	
Revenue:							
Repairs and Maintenance	84,150	0	84,150	0	84,150	0	Commitments from 2013-14
Hydrant Maintenance	3,110	0	3,110	0	3,110	0	Commitments from 2013-14
RCCO - Shepshed	38,504	22,696	0	15,808	38,504	0	Commitments from 2013-14
GIS Desktop Software	20,000	0	0	0	0	-20,000	To enable desktop presentation of incident data
Operational Equipment - Redkite Scanners	80,000	9,424	0	0	9,424	-70,576	To replace existing sets that are becoming worn and additionally functionality in light of the control project.
Operational Equipment - EASE Sets	13,040	0	2,548	0	2,548	-10,492	Smaller items of operational equipment requested by the Operational Improvement Group
Operational Equipment - other	31,070	9,319	6,235	0	15,554	-15,516	Smaller items of operational equipment requested by the Operational Improvement Group
Trial of National Cadets Units	18,000	0	0	0	0	-18,000	To support two trial National Cadets Units at Eastern and Western Stations
Agency Maternity Cover - Agresso Systems Administrator	20,000	6,212	3,500	10,288	20,000	0	post
Major Incident Room Information Systems	17,550	14,628	0	0	14,628	-2,922	To purchase a large information display system for the major incident room at Southern Station
Premises Improvement Project	24,410	0	0	0	0	-24,410	Work identified as part of the project
SharePoint Development	17,000	0	0	0	0	-17,000	For consultants to work with the Service to improve SharePoint Information Architecture and Taxonomy
Fire Control Systems Training Costs	68,200	0	0	0	0	-68,200	To provide training on the Tri -Service Fire Control Project
Training LTS Thermal Imaging Cameras	20,000	0	0	0	0	-20,000	To provide two thermal imaging cameras to be used for training
TOTAL CARRY FORWARD	455,034	62,279	99,543	26,096	187,918	-267,116	

Revenue Monitoring Report

CLG 13/6/08
Journal out

CLG 28/7/08
Received in Advance
Received in year
Received in Advance
Carry forward

New Dimension Trainer
New Dimension PPE

New Dimension Accommodation
New Dimension Training

Sub Total New Dimension

Fire Prevention Grant

Change Co-ordinator RCC

Sub Total other revenue grant

TOTAL

New Dimension Main Grant

Sub Total New Dimension Grant

Transfer from Regional Grant

Capital grant adjustment on New Dimensions

TOTAL MAIN REVENUE GRANT 2006/07

Regional Funding (not in report)

Regional Project Team

Additional Regional Team
Regional Transition

Sub Total Regional Grant

Transfer to main revenue

TOTAL

Other Funding

Pensions Allowance

DCLG payment

Sub Total Pensions

Adjustment for Actual

TOTAL

Interest Earned on surplus balances - August and September 2014						
Date	Rate Received	Base Rate	MMF 1 Day	MMF 2 Day	Amount	Interest
	%	%			£	£
01/08/2014	0.64209	0.50	0.24	0.38	9,043,142.68	159.08
02/08/2014	0.64209	0.50	0.24	0.38	9,043,142.68	159.08
03/08/2014	0.64209	0.50	0.24	0.38	9,043,142.68	159.08
04/08/2014	0.64212	0.50	0.25	0.38	9,041,756.87	159.06
05/08/2014	0.63908	0.50	0.26	0.38	9,239,182.07	161.77
06/08/2014	0.60346	0.50	0.27	0.39	11,308,136.21	186.96
07/08/2014	0.61044	0.50	0.27	0.39	10,911,077.92	182.48
08/08/2014	0.61037	0.50	0.27	0.39	10,917,302.92	182.57
09/08/2014	0.61037	0.50	0.27	0.39	10,917,302.92	182.57
10/08/2014	0.61037	0.50	0.27	0.39	10,917,302.92	182.57
11/08/2014	0.61045	0.50	0.27	0.40	10,909,540.83	182.46
12/08/2014	0.61144	0.50	0.26	0.40	10,857,412.86	181.88
13/08/2014	0.61144	0.50	0.26	0.40	10,857,215.78	181.88
14/08/2014	0.61443	0.50	0.25	0.40	10,705,378.68	180.21
15/08/2014	0.62769	0.50	0.25	0.39	10,078,737.38	173.32
16/08/2014	0.62769	0.50	0.25	0.39	10,078,737.38	173.32
17/08/2014	0.62769	0.50	0.25	0.39	10,078,737.38	173.32
18/08/2014	0.62747	0.50	0.25	0.39	10,096,600.36	173.57
19/08/2014	0.62140	0.50	0.26	0.39	10,600,784.09	180.48
20/08/2014	0.62151	0.50	0.26	0.39	10,591,426.83	180.35
21/08/2014	0.62513	0.50	0.27	0.39	10,285,308.73	176.15
22/08/2014	0.62513	0.50	0.27	0.39	10,284,970.85	176.15
23/08/2014	0.62513	0.50	0.27	0.39	10,284,970.85	176.15
24/08/2014	0.62513	0.50	0.27	0.39	10,284,970.85	176.15
25/08/2014	0.62513	0.50	0.27	0.39	10,284,970.85	176.15
26/08/2014	0.62440	0.50	0.26	0.38	10,345,653.92	176.98
27/08/2014	0.62441	0.50	0.26	0.38	10,344,512.12	176.97
28/08/2014	0.62674	0.50	0.25	0.38	10,154,371.17	174.36
29/08/2014	0.64196	0.50	0.25	0.38	8,361,985.78	147.07
30/08/2014	0.64196	0.50	0.25	0.38	8,361,985.78	147.07
31/08/2014	0.64196	0.50	0.25	0.38	8,361,985.78	147.07
01/09/2014	0.64526	0.50	0.24	0.37	8,169,789.76	144.43
02/09/2014	0.64536	0.50	0.25	0.38	8,163,865.28	144.35
03/09/2014	0.64526	0.50	0.25	0.38	8,169,762.39	144.43
04/09/2014	0.64388	0.50	0.26	0.38	8,247,915.05	145.50
05/09/2014	0.64529	0.50	0.26	0.39	8,168,107.44	144.40
06/09/2014	0.64529	0.50	0.26	0.39	8,168,107.44	144.40
07/09/2014	0.64529	0.50	0.26	0.39	8,168,107.44	144.40
08/09/2014	0.64528	0.50	0.27	0.24	8,168,577.11	144.41
09/09/2014	0.64509	0.50	0.27	0.41	8,178,996.11	144.55
10/09/2014	0.64538	0.50	0.27	0.41	8,162,681.70	144.33
11/09/2014	0.59747	0.50	0.27	0.41	10,123,627.98	165.71
12/09/2014	0.59753	0.50	0.28	0.41	10,116,934.50	165.62
13/09/2014	0.59753	0.50	0.28	0.41	10,116,934.50	165.62
14/09/2014	0.59753	0.50	0.28	0.41	10,116,934.50	165.62
15/09/2014	0.59979	0.50	0.29	0.42	9,982,654.51	164.04
16/09/2014	0.59959	0.50	0.29	0.42	10,002,970.81	164.32
17/09/2014	0.59964	0.50	0.29	0.42	9,998,055.63	164.25
18/09/2014	0.61413	0.50	0.29	0.42	9,315,512.29	156.74

Interest on Surplus Balances August to September 2014

