

For Publication

Bedfordshire Fire and Rescue Authority
Corporate Services Policy and Challenge Group
21 June 2017
Item No. 10

REPORT AUTHOR(S): HEAD OF FINANCE/TREASURER

SUBJECT: BUDGET MONITORING 2017/18

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Background Papers: 2017/18 Budget Setting Papers

Implications (tick ✓):

LEGAL		FINANCIAL	✓
HUMAN RESOURCES		EQUALITY IMPACT	
ENVIRONMENTAL		POLICY	
CORPORATE RISK	Known	OTHER (please specify)	
	New	CORE BRIEF	

Any implications affecting this report are noted at the end of the report.

PURPOSE

To inform the Corporate Services Policy and Challenge Group of the forecast year end budget monitoring position as at 30 April 2017.

RECOMMENDATION

That the Corporate Services Policy and Challenge Group:

1. Consider and comment on the forecast outturn for revenue and capital.

1. Introduction

- 1.1 On 9 February 2017, the Fire and Rescue Authority (FRA) approved a Revenue Budget Requirement for 2017/18 of £28.716m and a Capital Programme of £1.278m.

2. Revenue Budget Monitoring

- 2.1 A full analysis of the Revenue Budget efficiency savings for 2017/18 to 2020/21 can be found in Appendix 1. This appendix forms part of the Government return, in order to receive the four year Government funding offer.
- 2.2 The funding of the 2017/18 Revenue Budget is by way of Government Funding £7.296m, local Business Rates redistribution £2.048m and Council Tax of £18.994m. There is also funding from a Collection Fund surplus of £0.378 m.

2.3 Forecasting Outturn:

2.3.1 Table 1 below is populated during the year in line with the spread sheet returns that Corporate Management Team (CMT) members submit to the Finance Team and also through the meetings that Finance Officers have with CMT members. The forecast outturn positions are as accurate as the information received from each CMT member.

2.3.2 Table 1 below details the current budget excluding salary budgets, for each CMT service area. The forecast year end outturn is shown in column three, with the variance and RAG (red, amber, green) status shown in columns four and five.

2.3.3 Table 1: 2016/17 Revenue Budget Forecast Outturn (excluding salary budgets)

Title	Current Budget	Forecast yr end outturn	Variance	RAG status (see note below**)
	£	£	£	
Strategic Management	61,400	61,400	0	Green
Head of Operations	887,700	887,700	0	Green
Head of Operational Support	521,300	521,300	0	Green
Head of Community Safety	201,400	190,400	(11,000)	Green
Head of Human Resources	163,100	163,100	0	Green
Head of Strategic Support	1,272,000	1,272,000	0	Green
Head of Safety and Special Projects	5,100	5,100	0	Green
Head of Training and Development	449,600	449,600	0	Green
Head of Finance and Treasurer	3,946,700	3,946,700	0	Green
Total	7,508,300	7,497,300	(11,000)	

**RAG Status: Red would identify where there is a large overspend equal to or greater than £100,000 and/or a key service aspect was not being delivered. Amber would identify where there is a possibility of an overspend and/or a key service aspect may not be delivered. It may be that there are action plans in place to address an issue, where until they are successful it is flagged as Amber. Green identifies where service delivery is being performed and as above, where there are underspends. Underspends are not necessarily always green, if for example, there was a key service aspect not being delivered causing the underspend, it would be shown as Red.

2.3.4 There are currently no predicted over or under spends within any of the CMT service areas over £50k.

The £11k underspend in Head of Community Safety relates to an unbudgeted £11k contribution from Luton Borough Council for Community Safety partnership work. Members may recall this funding had led to an overspend during 2016/17, as the budgeted income did not materialise.

2.3.5 With the salary budgets being such a large proportion of the overall budget, the split from the budgets above is justified. Table 2 below details the salary budgets and forecast outturn.

Table 2: 2016/17 Salary Budget Forecast Outturn

Title	Current Budget	Actual Spend as at 30th April 2017	Forecast year end outturn	Variance
	£'000	£'000	£'000	£'000
Whole-time	13,286,300	1,008,931	13,286,000	0
Control	896,700	82,534	896,700	0
Retained	2,000,900	143,928	2,000,900	0
Non Uniform	4,918,300	381,937	4,918,300	0
Agency	105,700	15,626	105,700	0
Total	21,207,900	1,632,957	21,207,900	0

2.3.6 There are currently no predicted salary over or under spends within any of the CMT service areas.

2.4 Total Forecast Outturn, Salary and Non Salary:

2.4.1 The total forecast variance at year end including both the non-salary figure in Table 1 above and for pay and on costs, including agency staff shown in Table 2, is currently expected to be an underspend of (£11k). These figures do not include the reimbursement of pensions monies from the Home Office. These will be included following external audit approval of treatment in the 2016/17 year end accounts.

3. Capital Programme Monitoring

3.1 Table 3 below is a summary of the Authority's 2017/18 Capital Programme. The Red, Amber, Green (RAG) status indicates how well the schemes are progressing (Green being on target for year-end completion within budget; Amber indicating possible slippage or overspend; and Red indicating actual slippage/overspend or deletion of the scheme).

Table 3: The 2016/17 Capital Programme

Scheme	Budget 2017/18	Forecast Outturn	RAG status
	£'000	£'000	
Vehicles	864	864	Green
Whole-time availability system project	70	70	Green
Phase 2 Human Resource Project	50	50	Green
Smoke House renovation and upgrade	40	40	Green
Diesel dispensing monitoring equipment (across all sites)	35	35	Green
Refurbishment of Luton Station facilities	40	40	Green
Replacement of tannoy systems at Kempston & Stopsley	30	30	Green
Service wide – Capital works	80	80	Green
Fitness Equipment	20	20	Green
Core hydraulic hose	49	49	Green
Total	1,278	1,278	

3.2 It should be noted that the Vehicles, ICT and Property Capital Works Programmes need to be treated with fluidity as the costs and expected completion dates can vary considerably and span across financial years. However, in accordance with the financial regulations, any significant changes of expenditure over 10% of an approved capital scheme need to be reported back to the FRA.

3.3 **Capital Programme – Withdrawals, Additions or Variations:**

3.4 **Additions:**

There are no additions to the capital programme.

3.5 **Variations:**

There are no variations to the capital programme.

3.6 **Slippages:**

There are no slippages to the capital programme.

**GAVIN CHAMBERS
HEAD OF FINANCE/TREASURER**

Appendix A

Ref	Savings/Efficiencies	£'000s 2017/18	£'000s 2018/19	£'000s 2019/20	£'000s 2020/21
1	Continued roll out/removal of 24 Wholetime station-based posts through revision to Wholetime Shift Duty System.	157			
2	Service Control/Operational Support Establishment	34			
3	Reduction of One Area Commander post and a Service Operational Commander (SOC) allowance.	78	35		
4	Hydrant - contributions (estimated) from developers, therefore reduction in revenue budget	30	20		
5	Non-operational structure review	53			
6	Administrative post review service wide	47			
7	Anticipated initial savings from Insurance pooling	10			
8	Watch Manager Technical - Change post from Grey Book (operational) to Green Book (non-operational)	18			
9	Disclosure Barring Service checks - reduction to specific groups	5			
10	Potential for sharing Fire Investigation Service with Herts/Cambs FRS	0	7		
	New items for 2017/18 budget round:				
11	Changes resulting from Equal Pay policies	27	1		
12	Income from Property Sharing	10	7		
13	Resource and Contractual Savings resulting from the new HR system	21			
14	Control Income	0	15		
15	Health and Safety Officer (Grey to Green book)	25			
16	Collaborative working - Printing device contract saving	15			
17	Management Information System (MIS) - Whole-time Rota/Availability System, Human Resources, Technical Equipment	0	0	80	
18	Review and implementation of revised crewing arrangements	0	156	156	312
		529	241	236	312