

For Publication

**Bedfordshire Fire and Rescue Authority  
Corporate Services Policy and Challenge  
14 September 2016  
Item No. 7**

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**REPORT AUTHORS: HEAD OF FINANCE/TREASURER**

**SUBJECT: REVENUE BUDGET AND CAPITAL PROGRAMME  
MONITORING 2016/17 AS AT 31 JULY 2016**

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Background Papers: The 2016/17 Budget Book

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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.*

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**PURPOSE:**

To inform the Corporate Services Policy and Challenge Group of the forecast year end budget monitoring position as at 31 July 2016.

**RECOMMENDATION:**

That the Corporate Services Policy and Challenge Group consider the forecast outturn for the revenue budget and the Capital Programme.

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1. Introduction

1.1 On 11 February 2016, the Fire and Rescue Authority (FRA) approved a Revenue Budget Requirement for 2016/17 of £28.985m and a Capital Programme of £1.274m.

## 2. Revenue Budget Monitoring

2.1 A full analysis of the Revenue Budget efficiency savings for 2016/17 to 2018/19 can be found in Appendix 1. This Appendix will form part of the Government return, in order to receive the four year Government funding offer.

2.2 The funding of the 2016/17 Revenue Budget is by way of Government Funding £8.331m, local Business Rates redistribution £2.197m and Council Tax of £18.205m. There is also funding from a Collection Fund surplus of £0.252m.

### 2.3 **Forecasting Outturn:**

2.3.1 Table 1 below has been 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 will be 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 four, with the variance and RAG (red, amber, green) status shown in columns five and six.

#### 2.3.3 **Table 1: 2016/17 Revenue Budget Forecast Outturn (Excluding Salary Budgets)**

<b>Title</b>	<b>Current Budget</b>	<b>Actual Spend as at 31/07/16</b>	<b>Fcast yr end outturn</b>	<b>Variance</b>	<b>RAG status (see note below**)</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Strategic Management	115	12	115	0	Green
Head of Operations	819	216	802	(17)	Green
Head of Operational Support	837	153	841	4	Green
Head of Community Safety	184	44	224	40	Green
Head of Human Resources	272	38	278	6	Green
Head of Strategic Support	1,318	131	1,318	0	Green
Head of Safety and Special Projects	5	1	5	0	Green
Head of Training and Development	547	83	589	42	Green
Head of Finance and Treasurer	4,486	515	4,438	(48)	Green
<b>Total</b>	<b>8,583</b>	<b>1,193</b>	<b>8,610</b>	<b>27</b>	

\*\*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 The main areas of over/underspends identified in Table 1 are noted below:

There are currently no predicted over or under spends within any of the CMT service areas with a net area position of over/under £50,000.

The overspend of £40,000 reported above for the Head of Community Safety relates to the saving/efficiency item number 12 in Appendix 1 that will not be achieved. All other savings/efficiencies planned have a green status.

With regard to the above scheme and its current status, the Authority plays an intrinsic part in the Rogue Landlord scheme in partnership with Luton Borough Council (LBC). A Fire Safety Officer was attached full time to the project. In agreement with LBC, during the initial project period, BFRS received £40,000 to cover the associated costs for the officer carrying out this role.

We have now entered into the second year (June 2016 – June 2017) of the scheme, and although BFRS remain committed to supporting the project the remuneration from LBC had not been included within their own budget forecasting for 2016/17. The saving/efficiency will therefore not be met as the planned post's funding will be met by the Authority and not grant from LBC. The Authority will review its support to the scheme in future years.

#### 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: 2016/17 Salary Budget Forecast Outturn**

<b>Title</b>	<b>Current Budget</b>	<b>Actual Spend as at 31/07/16</b>	<b>Forecast year end outturn</b>	<b>Variance</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Whole-time	13,375	4,123	13,285	(90)
Control	909	338	901	(8)
Retained	1,980	512	1,964	(16)
Non Uniform/Agency	4,928	1,681	4,928	0
<b>Total</b>	<b>21,192</b>	<b>6,654</b>	<b>21,078</b>	<b>(114)</b>

2.3.6 The main areas of over/underspends as identified in Table 2 above are as follows:

The Firefighters pay award was budgeted at 2%. This has now been agreed at 1%, therefore, the above underspend of £114,000 apportioned across Wholetime, Control and Retained is as a result of this lower than budgeted pay award. This will have a positive knock on impact in the Medium Term Revenue Programme (MTRP) too.

## 2.4 Total Forecast Outturn, Salary and Non Salary:

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 a £87,000 underspend.

## 3. Capital Programme Monitoring

3.1 Table 3 below is a summary of the Authority's 2016/17 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**

<b>Scheme</b>	<b>Budget 2016/17</b>	<b>Forecast Outturn</b>	<b>Variance</b>	<b>Slippage</b>	<b>RAG status</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	
Review of mobile working & mobile assets incl implementation of mobile devices management software and hardware replacement	175	175	0	0	Green
Capital Works (Service wide)	80	80	0	0	Green
Thermal Imaging Cameras	60	60	0	0	Green
Fitness Equipment	8	8	0	0	Green
Control Kitchen Upgrade	5	5	0	0	Green
Web Design Project	55	55	0	0	Green
Vehicles	856	856	0	0	Green
Extend & Redesign the BA Technician & Technical Technician workshop	35	35	0	0	Amber
<b>Total</b>	<b>1,274</b>	<b>1,274</b>	<b>0</b>	<b>0</b>	

3.2 It should be noted that the Vehicles, ICT and HR System Projects 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:**

3.3.1 None to report this month.

3.3.2 A scaled down upgrade is currently being considered for the BA Technician and Technical Technician workshop.

3.4 **Slippages:**

There is no Capital slippage to report at this stage with regard to the 2016/17 Capital programme.

**GAVIN CHAMBERS**  
**HEAD OF FINANCE/TREASURER**

## Appendix 1

### Transformational Savings and Efficiencies 2016/17 to 2018/19

Ref	Savings/Efficiencies	£'000s 2016/17	£'000s 2017/18	£'000s 2018/19
1	Continued roll out/removal of 24 Wholetime station-based posts through revision to Wholetime Shift Duty System.	263	157	
2	Service Control/Operational Support Establishment		34	
3	Reduction of One Area Commander post and a Service Operational Commander (SOC) allowance.	3	78	35
4	Hydrant - contributions (estimated) from developers, therefore reduction in revenue budget	10	20	20
5	Non-operational structure review		35	
6	Improved Retained Duty System crewing availability (savings associated with DCLG Transformation bid)	127		
7	Flexi Duty Officer rota review	37		
8	Admin Review (early indication)		50	
9	Anticipated initial savings from Insurance pooling		10	
10	Watch Manager Technical - Change post from Grey Book to Green Book		18	
11	Disclosure Barring Service checks - reduction to specific groups		5	
12	Protection - Risk Based Inspection Programme.(loss of Fire Safety Inspecting Officer post/funding by LA)	40		
13	Potential for sharing Fire Investigation Service with Herts/Cambs FRS			7
		<b>480</b>	<b>407</b>	<b>62</b>