



AGENDA ITEM: 10

NORTH WALES FIRE AND RESCUE AUTHORITY

15 March 2010

PROVISIONAL OUTTURN 2009-2010

Report by Ken Finch, Treasurer

Purpose of Report

- 1 This report is to provide Members with an estimated provisional outturn for the financial year 2009-2010.

Introduction

- 2 Expenditure against budget is monitored closely by Fire and Rescue Service staff and any variances or expected variances are highlighted as soon as they occur so measures can be put in place to ensure there is no financial risk to the Authority. Current indications are that there will be a slight overspend of £3,477. The detailed breakdown is contained in Appendix A, any underspends are shown with a minus (-) sign.
- 3 The estimated overspend is small when compared to the budget of £31million and can be managed from current resources. It is therefore recommended that Members merely note the overspend. Members should also be aware that the outturn is based on current activity levels which are relatively low and if there are a number of major incidents in March then the overspend could easily translate into a significant budget deficit.

Variances to Budget

- 4 A large proportion of Fire and Rescue Service expenditure relates to pay and there are indications that there will be a net underspend on pay this year. The underspend on wholetime firefighters can mainly be attributed to the pay award being less

than budgeted, 1.25% was awarded against a budgeted increase of 2.5%.

- 5 The underspend on retained firefighters can also be attributed to the pay award against budget and the low level of activity this year so far.
- 6 The pay award for the Local Government Services Staff for 2009/10 has now been agreed at 1% and has been included in the outturn figures. The overspend is due partly to temporary upgrades pending job evaluation and the employment of additional staff to undertake this project.
- 7 The overspend on Pensions is due to the payment of commutation and pension payments to two retained firefighters who have retired on ill-health grounds in this financial year.
- 8 The additional cost under Premises, Repairs and Maintenance, is due to the increase in electrical testing for health and safety reasons. Refuse collection is also showing an overspend under Premises due to the increased cost of trade waste disposal.
- 9 Under Transport the underspend on fuel is due to the slight decrease in fuel prices compared to last year (budget estimates were based on last years prices). This offsets increases in maintenance and running costs which have increased due to the international exchange rate increasing the cost of components.
- 10 Under the Supplies and Services heading the main area of overspend will be on IT and Communications costs due to an increase in licensing costs, network upgrades and development work on a number of systems. The Uniforms and Laundry budget will also be overspent as the cost of managing PPE is higher than budgeted, this is because the PPE is coming to the end of its life and is costing more to repair and maintain. The overspend on Supplies and Services will be offset by savings elsewhere in the budget.
- 11 Under Agency the cost of building cleaning has increased due to the change in the specification of cleaning contracts.

- 12 Facilities management costs have increased due to the extra work necessary to ensure all premises meet increased regulatory requirements.
- 13 The estimated income from interest will not be achieved due to the fall in interest rates. However, this has been offset by savings on Capital Financing due to re-programming of the capital programme in 2008/2009 and savings on interest payments due to the re-scheduling of PWLB debt.
- 14 Emergency Planning income is re-imbursments from the Assembly for special projects. This has increased due to additional funding being recently secured for a New Dimensions Trainer.

RECOMMENDATION

- 15 That Members note the estimated overspend.

NORTH WALES FIRE & RESCUE

APPENDIX

SERVICE

A

BUDGET 2009/2010

Subjective Heads	Budget 2009/2010 £	Actuals 28/02/10 £	Projected Outturn 2009/2010 £	Budget Variance 2009/2010 £
EMPLOYEES				
Chief Officers	571,981	476,630	540,000	-31,981
Firefighters - Wholetime	14,638,863	13,060,821	14,356,088	-282,775
Firefighters - Part-time	4,863,306	3,902,609	4,535,090	-328,216
Local Government Services Staff	2,914,954	2,755,215	3,046,613	131,659
Job Evaluation Local Government Staff	169,195	0	169,195	0
Engineering Craftsmen	276,435	263,428	287,887	11,452
Formal Training of Staff	342,000	275,373	346,356	4,356
Relocation Expenses	20,000	15,428	19,428	-572
Advertising	37,000	23,151	28,603	-8,397
Miscellaneous (Medical, Ni lease cars)	38,600	48,764	56,688	18,088
Local Government Pensions	23,500	11,153	32,481	8,981
Pensions	290,200	349,154	409,066	118,866
TOTAL EMPLOYEES	24,186,034	21,181,726	23,827,495	-358,539
PREMISES				
Repair and Maintenance	172,000	161,050	201,590	29,590
Energy Costs (Gas, Electricity, Oil)	267,500	200,072	271,250	3,750
Water Services	62,000	27,316	66,567	4,567
Insurance	34,000	36,254	36,254	2,254
Alarm & Security	0	0	0	0
Local Taxation	479,000	479,113	479,113	113
Fixtures and Fittings	5,000	6,638	8,853	3,853
Rental of Divisional Offices	44,250	37,212	43,650	-600
Rent of Headquarters & Control	114,000	81,335	111,780	-2,220
Green Dragon Project	9,000	1,302	3,827	-5,173
Cleaning Supplies & Refuse Collection	32,000	37,487	43,742	11,742
TOTAL PREMISES	1,218,750	1,067,779	1,266,626	47,876
TRANSPORT				
Purchase of Plant and Equipment	7,500	4,095	5,802	-1,698
Repair and Maintenance	244,300	210,029	253,908	9,608
Running Expenses	166,920	161,445	176,364	9,444
Fuel	334,250	246,734	304,800	-29,450
Staff Contract Hire	162,150	152,018	170,805	8,655
Travelling Expenses	91,500	82,588	101,700	10,200
TOTAL TRANSPORT	1,006,620	856,909	1,013,379	6,759

Subjective Heads	Budget 2009/2010 £	Actuals 28/02/10 £	Projected Outturn 2009/2010 £	Budget Variance 2009/2010 £
SUPPLIES				
Cleaning and Domestic Equipment	5,000	4,767	5,900	900
Office Equipment	53,500	47,257	53,500	0
Furniture	5,000	10,488	10,488	5,488
General Equipment	3,800	2,555	3,500	-300
Operational Equipment	293,400	175,979	281,580	-11,820
Canteen Equipment	1,250	2,034	2,200	950
Books/Publications	4,500	2,810	3,900	-600
Subscriptions	40,570	52,225	54,127	13,557
Provisions	16,000	15,651	19,700	3,700
Uniforms and Laundry	225,000	195,281	267,253	42,253
Printing and Stationery	130,000	113,265	129,924	-76
Fire Safety General	134,010	123,023	145,265	11,255
Computer Costs	562,500	563,759	628,584	66,084
Communications	383,000	427,797	499,133	116,133
Conference and Subsistence Expenses - General	56,000	51,384	67,851	11,851
Rhyl 1st Training	0	11,270	14,270	14,270
Conference and Subsistence Expenses - Chairman, Members, etc.	2,500	1,979	4,500	2,000
Insurance	265,000	280,536	313,166	48,166
Audit Fees	69,200	0	71,640	2,440
Corporate Planning	8,000	6,910	7,410	-590
Corporate Communications	114,275	101,163	134,460	20,185
Geographic Information System	0	0	0	0
Professional Fees	17,100	14,583	24,889	7,789
Media Audit/Relations	0	0	0	0
Community Fire Safety-Charitable Trust	35,000	35,000	35,000	0
Committee - Stationery, Printing & Allowances	69,590	56,722	69,268	-322
Job Evaluation System	1,000	600	2,600	1,600
TOTAL SUPPLIES	2,495,195	2,297,038	2,850,108	354,913
AGENCY				
Occupational Health	130,000	98,120	130,720	720
Building Cleaning	140,000	128,222	158,313	18,313
Grounds Maintenance	14,425	24,561	26,857	12,432
TOTAL AGENCY	284,425	250,903	315,890	31,465

Subjective Heads	Budget 2009/2010 £	Actuals 28/02/10 £	Projected Outturn 2009/2010 £	Budget Variance 2009/2010 £
SUPPORT SERVICES				
Facilities Management	107,000	0	135,359	28,359
Monitoring Officer/Legal Services	25,000	23,924	23,924	-1,076
Treasurer to the Fire Authority	92,000	49,270	97,240	5,240
Superannuation Services	22,000	30,118	30,118	8,118
Discipline Officer	60,000	0	0	-60,000
Employment Law	40,000	10,149	65,078	25,078
TOTAL SUPPORT COSTS	346,000	113,461	351,719	5,719
CAPITAL FINANCING				
Debt Charges	1,933,024	249,454	1,673,000	-260,024
Leasing Charges	369,135	233,679	408,250	39,115
Treasury Interest Savings	0	0	0	0
TOTAL CAPITAL FINANCING	2,302,159	483,133	2,081,250	-220,909
TOTAL EXPENDITURE	31,839,183	26,250,949	31,706,467	-132,716
- INCOME				
Sales	-10,000	-31,443	-31,443	-21,443
Alarm Monitoring	-2,120	-2,897	-2,897	-777
Special Service Calls	-60,000	-55,640	-64,570	-4,570
Fire Hydrant Licences	-35,000	0	-40,000	-5,000
Training Courses	-80,000	-37,400	-38,293	41,707
Rents - Joint Sites	-10,000	-17,109	-17,109	-7,109
Miscellaneous	-20,000	-11,318	-33,278	-13,278
Interest	-200,000	-24,039	-27,000	173,000
Rents - Aerial Sites	-30,000	-24,528	-32,712	-2,712
Emergency Planning	-50,000	-73,625	-73,625	-23,625
Recharge Capital Fees	-30,500	0	-30,500	0
TOTAL INCOME	-527,620	-277,999	-391,427	136,193
NET EXPENDITURE	31,311,563	25,972,950	31,315,040	3,477
CONTRIBUTIONS TO/FROM PROVISIONS				
Contribution to/(from) provisions	0	0	0	0
TOTAL	31,311,563	25,972,950	31,315,040	3,477