

5. 2012/13 Budget Monitoring – 2nd Quarter

Purpose of report

1. To inform the Policy and Resources Committee of the current position on budgets and expenditure for 2012/13.
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Recommendation

The Chief Fire Officer and Treasurer recommend that the report be noted.

Introduction and Background

2. This report relates to the Authority's financial position for the period April – September 2012 (Quarter 2 – 2012/13).
3. Separate financial reports are included to detail the position for both Revenue and Capital for this period.

Revenue

4. In February 2012 the Fire and Rescue Authority (FRA) set a net revenue budget for 2012/13 of £33.821m.
5. Appendix 1 details the projected expenditure against the annual revenue budget, and predicts an under-spend for the financial year of £0.675m; the following details should be noted.
6. The pay increase for Uniformed Officers has been included and projected into the forecast for the financial year. As part of this the relevant amount within the Inflation Provision has been released to the relevant budget.
7. The provision for the RDS settlement was made within the 2011/12 budget for the estimated costs of "grossing up" of £0.100m. To date only FBU members have been paid, but using this data to improve the estimate, it is now expected that the "grossing up" cost will be nearer to £0.120m, an additional cost of £0.020m.
8. As part of the recent budget holder surgeries, discussion identified:
 - areas where it is anticipated that budgets would remain unspent at the end of the financial year and therefore provide a saving for the Authority;

- areas where expenditure has not yet commenced this financial year, where it may be possible for further managerial review as to how services are provided.
9. At this time it is not possible to assess accurately the level of additional savings that could be achieved. At the end of Quarter 2 an additional potential saving of £169,000 has been estimated, but this will be reviewed and updated regularly to assess the likelihood of its achievement.
 10. Review of income levels has revealed that income received from the provision of Special Services has reduced from that received in previous years. A review of incidents should be undertaken to assess if they are chargeable.

Capital

11. Appendix 2 shows details of the capital budget.
12. Of the total budget of £10.287m, £6.777m relates to the major building projects and £0.519m remains as unallocated minor schemes. Of this, £1.396m (14%) has been spent and a further £1.803 (18%) committed by way of order or contract.

Financial Considerations

Consideration	Yes/No	Reference in Report i.e paragraph no.
There are financial issues that require consideration	Yes	Whole report considers financial position

Legal Considerations

Consideration	Yes/No	Reference in Report i.e paragraph no.
There are legal issues e.g. contractual and procurement, reputational issues that require consideration	No	

Additional Considerations

13. The table below sets out any additional issues arising from the proposals contained in this report and identifies the relevant paragraphs in the report where such issues are addressed.

Consideration	Yes/No	Reference in Report i.e paragraph no.
Resources (e.g. Assets, ICT, Human Resources, Training & Development, Sustainability).	Yes	Paragraph 4 - 5
Strategic Policy Links (e.g. IRMP, Authority Plan, Equality & Diversity, Partnerships, Environmental Impact).	No	
Risk Management / Health & Safety (e.g. risk management and control measures, risk register score).	No	
Consultation with Representative Bodies	No	

Supporting Information

Appendix 1 – Revenue Budget 2012-13: 2nd Quarter

Appendix 2 – Capital Budget 2012-13: 2nd Quarter

Contact Officer

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