

**Agenda Item: 7**

**TO:** Policy and Resources Committee

**FROM:** Deputy Chief Executive Officer - Matthew Warren

**PRESENTING OFFICER(S):** Matthew Warren

Telephone 01480 444619  
[matthew.warren@cambsfire.gov.uk](mailto:matthew.warren@cambsfire.gov.uk)

**DATE:** 4 October 2018

---

**REVENUE AND CAPITAL BUDGET MONITORING REPORT 2018/19**

**1. Purpose**

- 1.1 The purpose of this report is to provide the Policy and Resources Committee with an update on revenue and capital spending as at 31 August 2018.

**2. Recommendation**

- 2.1 The Policy and Resources Committee is asked to note the position on revenue and capital spending.

**3. Risk Assessment**

- 3.1 No specific risks are associated with this report.

**4. Background**

- 4.1 The budget for 2018/19 was approved at the Fire Authority meeting held in February 2018. The total budget was set at £28.422m with a total precept of £19.422m.
- 4.2 At its meeting in July 2018 the Policy and Resources Committee approved a revenue carry forward of £3.415m; the resulting total net budget for the current financial year is £31.837m.
- 4.3 A budgetary control summary showing the main variations to the end of August 2018 is attached at Appendix 1.

**5. Update – Revenue Expenditure**

- 5.1 The budget for full-time firefighters is being monitored closely this financial year owing to the significant numbers of leavers and new starters. The Service, after approval from the Policy and Resources Committee, has set aside £975k in a reserve to ensure crewing levels can be maintained until this period of high turnover comes to its expected conclusion in 2021. To this end, the Service recruited 20 new full-time firefighters who all started at the beginning of September and are currently going through the operational training programme with our provider in

South Wales. The financial impact of these new recruits will be an overspend on the full-time firefighter budget at year-end, when a draw down from the reserve will be made.

- 5.2 The professional support employee budgets are underspent overall at present. This is owing to an expected pension lump sum payment which is due to the Local Government Pension Scheme not being invoiced as expected. Therefore it is anticipated that these budgets will balance overall by financial year-end.
- 5.3 The premises budget is currently underspent by £83k. There is a cost pressure against rent and rates. This relates to the revised rateable value of Dogsthorpe Community Fire and Rescue Station; this specific pressure will remain.
- 5.4 The supplies and services budget is showing an underspend of £325k. This underspend largely relates to IT and communication equipment, where contractual payments are not running in accordance with the anticipated spending forecast to date this year.
- 5.5 The full extent of the financial impact of the long hot summer will not feed through to the On-Call expenditure figures until the end of September. To the end of August, there was a small underspending so the potential impact of the period is not anticipated to be significant.

## 6. Update - Capital Expenditure and Financing

- 6.1 The revised capital programme together with spending to date is shown in the table below:

CAPITAL RECEIPTS BUDGET 2018 - 2019							
		Original Budget	Carry Forwards	Virements	Adjustments	Revised Estimate	Total Committed to Date
		£000's	£000's	£000's	£000's	£000's	£000's
<b>Expenditure</b>							
Vehicles	6.2	1,435	0	0	0	1,435	114
Land & Buildings	6.3	1,207	871	0	871	2,078	786
Equipment	6.4	263	14	-12	2	265	18
IT and Communications	6.5	350	600	7	607	957	261
		3,255	1,485	-5	1,480	4,735	1,179
<b>Financing</b>							
Capital Receipts		-286	0	0	0	-286	0
Loan		0	0	0	0	0	0
Grants		0	0	0	0	0	0
Capital Grants Reserve		0	0	0	0	0	0
Application of Capital Reserve		-1,959	0	0	0	-1,959	0
Revenue Contribution		-1,008	-1,485	5	-1,480	-2,488	-1,179
		-3,253	-1,485	5	-1,480	-4,733	-1,179

- 6.2 This budget covers the purchase of operational and non operational vehicles. This year the Authority approved the purchase of one new aerial appliance and 35 other vehicles which are a mixture of flexible duty officer cars and fleet vehicles.
- 6.3 This budget covers the maintenance of existing properties and investment in new facilities. The adjustment relates to carry forwards from last year of funds provided for Chatteris Community Fire and Rescue Station enhancements, the continued refresh of training towers and welfare facility upgrades.
- 6.4 The equipment expenditure relates to heavy duty rescue equipment, thermal cameras and defibrillators.
- 6.5 The IT and Communications capital budget covers the purchase of major IT systems, hardware and the upgrade of communications equipment. The adjustment relates to agreed carry forwards from last years budget to complete the Virtual Desktop Infrastructure and server refresh projects.

## BIBLIOGRAPHY

Source Documents	Location	Contact Officer
Final Revenue and Capital Budget Position 2017/18 and Treasury Management Statement Policy and Resources Committee – June 2018	Hinchingbrooke Cottage Brampton Road Huntingdon PE29 2NA	Deb Thompson Scrutiny and Assurance Manager deb.thompson@cambsfire.gov.uk

## Appendix 1

Category Desc	Paragraph Reference	Revised Budget	Budget To Date	Actual To Date	Variance	Var %age
Full Time Firefighters	5.1	£ 10,911,120	£ 4,530,349	£ 4,532,790	£ 2,441	0%
Control Room Staff		£ 1,533,910	£ 631,818	£ 648,793	£ 16,975	3%
Local Govt. Employees	5.2	£ 3,272,898	£ 1,594,244	£ 1,244,058	-£ 350,186	-22%
Senior Management (Hay)	5.2	£ 2,690,253	£ 1,120,771	£ 1,127,989	£ 7,218	1%
Recruitment & Training		£ 853,677	£ 356,860	£ 198,410	-£ 158,450	-44%
Fire Allowances		£ 494,690	£ 188,579	£ 230,773	£ 42,194	22%
<b>EMPLOYEE COSTS</b>		<b>£ 19,756,548</b>	<b>£ 8,422,621</b>	<b>£ 7,982,813</b>	<b>-£ 439,808</b>	<b>-5%</b>
Property Maintenance		£ 429,141	£ 193,653	£ 140,921	-£ 52,732	-27%
Insurance		£ 231,310	£ 134,854	£ 110,192	-£ 24,662	-18%
Energy Costs		£ 282,460	£ 114,120	£ 88,796	-£ 25,324	-22%
Cleaning		£ 152,629	£ 63,977	£ 56,140	-£ 7,837	-12%
Rents & Rates		£ 639,440	£ 639,440	£ 668,837	£ 29,397	5%
<b>PREMISES</b>	5.3	<b>£ 1,734,980</b>	<b>£ 1,146,044</b>	<b>£ 1,064,887</b>	<b>-£ 81,157</b>	<b>-7%</b>
Car & Cycle Allowances		£ 65,330	£ 27,211	£ 40,447	£ 13,236	49%
Vehicle Running Expenses		£ 166,059	£ 70,911	£ 63,378	-£ 7,533	-11%
Vehicle Insurance		£ 191,180	£ 106,196	£ 96,907	-£ 9,289	-9%
<b>TRANSPORT AND MOVEABLE PLANT</b>		<b>£ 422,569</b>	<b>£ 204,318</b>	<b>£ 200,732</b>	<b>-£ 3,586</b>	<b>-2%</b>
Office Expenses		£ 352,396	£ 147,036	£ 106,437	-£ 40,599	-28%
IT & Communications Equip.		£ 2,049,072	£ 1,160,113	£ 1,060,037	-£ 100,076	-9%
Fire Equipment		£ 361,675	£ 177,973	£ 95,241	-£ 82,732	-46%
Uniforms & Clothing		£ 569,722	£ 328,732	£ 279,783	-£ 48,949	-15%
Other Supplies & Services		£ 1,179,964	£ 510,119	£ 455,515	-£ 54,604	-11%
<b>SUPPLIES AND SERVICES</b>	5.4	<b>£ 4,512,829</b>	<b>£ 2,323,973</b>	<b>£ 1,997,012</b>	<b>-£ 326,961</b>	<b>-14%</b>
<b>CONTROLLABLE EXPENDITURE</b>		<b>£ 26,426,926</b>	<b>£ 12,096,956</b>	<b>£ 11,245,444</b>	<b>-£ 851,512</b>	<b>-7%</b>
Other Income		-£ 1,346,039	-£ 398,592	-£ 543,596	-£ 145,004	-36%
Other Government Grants		-£ 468,190	-£ 195,047	-£ 248,149	-£ 53,102	-27%
<b>CONTROLLABLE INCOME</b>		<b>-£ 1,814,229</b>	<b>-£ 593,639</b>	<b>-£ 791,745</b>	<b>-£ 198,106</b>	<b>-33%</b>
<b>NET CONTROLLABLE EXPENDITURE</b>		<b>£ 24,612,697</b>	<b>£ 11,503,317</b>	<b>£ 10,453,699</b>	<b>-£ 1,049,618</b>	<b>-9%</b>
Debt Charges		£ 3,855,137	£ 669,200	£ 18,342	-£ 650,858	-97%
External Interest		-£ 90,000	-£ 7,641	-£ 20,229	-£ 12,588	-165%
<b>CAPITAL FINANCING</b>		<b>£ 3,765,137</b>	<b>£ 661,559</b>	<b>-£ 1,887</b>	<b>-£ 663,446</b>	<b>-100%</b>
Pensions - Lump Sums		£ 611,080	£ 254,576	£ 257,720	£ 3,144	1%
Operational Fire Budget		£ 2,848,910	£ 1,166,139	£ 1,143,349	-£ 22,790	-2%
<b>SAFETY-NETTED EXPENDITURE</b>	5.5	<b>£ 3,459,990</b>	<b>£ 1,420,715</b>	<b>£ 1,401,069</b>	<b>-£ 19,646</b>	<b>-1%</b>
<b>NET EXPENDITURE</b>		<b>£ 31,837,824</b>	<b>£ 13,585,591</b>	<b>£ 11,852,882</b>	<b>-£ 1,732,709</b>	<b>-13%</b>