



Management Accounts for the period ending 30th June 2020



HUMBERSIDE
Fire & Rescue Service

Safer Communities Safer Firefighters

Index

Key to Traffic Light System	2
Revenue Budget Summary	3
Capital Budget	5
Pensions Account	6
Treasury Management - Borrowing & Lending Activity	7
Movement in Revenue Reserves	8
Budget Virements Processed	9

Key To Traffic Light System

The elements of the Traffic Light system being used in the report to highlight significant outturn variances / issues are as follows:-

Status Column - indicates, using a colour reference whether an issue is:-

Red **Potentially detrimental** to the finances of the Authority

Green **In line with budget or potentially advantageous** to the finances of the Authority.

HUMBERSIDE FIRE & RESCUE SERVICE
COMMENTARY ON THE MANAGEMENT ACCOUNTS
For the period 1 April 2020 to 30 June 2020

The following statements represent a summary of the financial activity of the Service for the period stated above.

Each statement is accompanied with notes, referenced to specific lines on that statement where significant variances have been forecasted or where further explanation of information shown is necessary.

Revenue Statements

These statements show the actual and committed revenue expenditure, in summary subjective heading format (Table 1) as at 30 June 2020 compared to the profiled 2020/21 budget for the same period. The report also shows the forecasted outturn for the full year based on current levels of income and expenditure and any known variations to the end of the financial year.

Table 1

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING SUMMARY STATEMENT 2020/21
1 April 2020 to 30 June 2020 (Period 03)

	Original Budget £'000	Revised Budget £'000	30 June 2020		Projection £'000	Full Year		Status	Note
			Profile £'000	Actual & Committed £'000		Variance £'000	%		
Employees									
Wholetime Firefighters	25,127	25,220 *	6,281	6,297	25,220	-	-	Green	
On-Call Firefighters	4,798	4,845 *	1,022	988	4,845	-	-	Green	
Non-Operational	6,810	6,810	1,702	1,562	6,760	(50)	(0.73)	Green	1
Other Employee Expenses (Training, Occ Health, Insurance)	1,517	1,517	399	217	1,601	84	5.54	Red	2
Total Pay & Pensions	38,252	38,392	9,404	9,064	38,426	34	0.09		
Premises	2,660	2,700 *	1,363	916	2,700	-	-	Green	
Transport	1,744	1,744	469	1,309	1,688	(56)	(3.21)	Green	3
Supplies & Services	3,850	3,976 *	961	1,266	3,976	-	-	Green	
Support Services	204	204	51	28	204	-	-	Green	
Total Expenditure	46,710	47,016	12,248	12,583	46,994	(22)	(0.05)		
Income	(4,001)	(4,911) *	(1,000)	(3,754)	(4,911)	-	-	Green	
Net Expenditure (Ex Capital Charges)	42,709	42,105	11,248	8,829	42,083	(22)	(0.05)		
Interest Payable	661	661	-	15	661	-	-	Green	
Interest Receivable	(60)	(60)	(15)	(8)	(60)	-	-	Green	
Accounting Adjustments	1,915	1,969 *	-	-	2,099	130	6.60	Red	4
Contributions to / (from) Reserves	44	594 *	-	-	594	-	-	Green	
Net Budget Requirement	45,269	45,269	11,233	8,836	45,377	108	0.24	Red	
Financed By									
Business Rates	(3,915)	(3,915)	(979)	(771)	(3,915)	-	-		
National Non Domestic Rates	(17,104)	(17,104)	(5,972)	(6,803)	(17,104)	-	-		
Precepts	(24,250)	(24,250)	(6,415)	(6,415)	(24,250)	-	-		
	-	-	(2,133)	(5,153)	108	108	-		

*budgets increased to reflect additional spend and grant received from Government in relation to COVID19

Notes

1. This projected underspend is due to a number of vacant roles.
2. This projected overspend is due to a higher level of ill health contribution to the Firefighters Pension Fund.
3. This projected underspend is due BP offering free fuel to blue light services during the COVID19 pandemic. In addition to this there has been a lower level of officer travel as training courses and meetings have moved to a virtual delivery.
4. This overspend is due to a higher level of Minimum Revenue Provision (MRP).

Capital Statement

This report shows the actual and committed capital expenditure as at 30 June 2020 compared with the adjusted profiled 2020/21 budget for the same period. This report also shows the forecasted outturn for the full year based on current levels of expenditure and any known variations to the end of the financial year.

Table 2

HUMBERSIDE FIRE & RESCUE SERVICE
CAPITAL MONITORING STATEMENT 2020/21
1 April 2020 to 30 June 2020 (Period 03)

SCHEME	Original Budget £'000	Revised Budget £'000	30 June 2020		Projection £'000	Full Year		Traffic Light Status	Note
			Profile	Actual & Committed		Variance			
			£'000	£'000		£'000	%		
Building Works									
Invest to Save	260	402	40	-	402	-	-	Green	
Goole	-	387	39	-	387	-	-	Green	
Scunthorpe	-	464	46	-	464	-	-	Green	
Bridlington	100	516	516	516	516	-	-	Green	
BA Training Refurbishment	-	18	2	-	18	-	-	Green	
Furniture & Equipment	-	87	9	-	87	-	-	Green	
HQ OTC	-	34	3	-	34	-	-	Green	
Dignity Works	-	168	17	-	168	-	-	Green	
Industrial Training Centre	-	657	66	-	657	-	-	Green	
Co-Location	-	97	10	-	97	-	-	Green	
Cleethorpes	-	36	4	-	36	-	-	Green	
Howden	200	395	40	-	395	-	-	Green	
Calvert	100	100	10	-	100	-	-	Green	
	660	3,361	802	516	3,361	-	-		
Vehicles									
Operational Vehicles	70	372	37	-	372	-	-	Green	
Support Vehicles	400	487	49	9	487	-	-	Green	
Equipment	227	278	28	-	278	-	-	Green	
PPE	400	1,400	140	-	1,400	-	-	Green	
Information Technology	600	820	82	385	820	-	-	Green	
	2,357	6,718	1,138	910	6,718	-	-		

*the revised budget includes £4.361m of slippage from the previous years Capital Programme as agreed by the Fire Authority at its meeting on 26th June 2020.

Pensions Account Statement

The Authority has a revised budgeted deficit of £9.814m on this account for 2020/21.

The deficit on this account is financed through the Pensions Top-up Grant given by the Home Office, of which 80% of the grant is expected to be received in July of this financial year. The Authority has to stand any cash flow losses until the balance of the grant is paid in full in July 2021.

Table 3

**HUMBERSIDE FIRE & RESCUE SERVICE
PENSIONS ACCOUNT STATEMENT 2020/21
1 April 2020 to 30 June 2020 (Period 03)**

	Revised Budget £'000	30 June 2020		Projection £'000	Full Year		Note
		Profile £'000	Actual £'000		Variance		
					£'000	%	
<u>Expenditure</u>							
Pension payments	16,621	5,540	5,539	16,621	-	-	-
Commutations	1,832	458	630	1,832	-	-	-
Transfer Values	100	25	-	100	-	-	-
Total Pensions Expenditure	18,553	6,023	6,169	18,553	-	-	-
<u>Income</u>							
Contributions							
Ill Health	(115)	(29)	-	(115)	-	-	-
Employee's	(2,551)	(638)	(605)	(2,551)	-	-	-
Employer's	(5,973)	(1,493)	(1,380)	(5,973)	-	-	-
	(8,639)	(2,160)	(1,985)	(8,639)	-	-	-
Transfer Values	(100)	(25)	(37)	(100)	-	-	-
Total Pensions Income	(8,739)	(2,185)	(2,022)	(8,739)	-	-	-
Net Pensions Deficit/(Surplus) To be financed by HO grant	9,814	3,838	4,147	9,814	-	-	-

Treasury Management

Borrowing & Lending Activity

This statement shows the borrowing and lending activities undertaken by the Corporate Finance section of Hull City Council, on behalf of the Service, for the period 1 April 2020 to 30 June 2020 under the terms of the SLA. It also shows any variation between the actual interest received from the temporary investment of surplus monies and the budgeted interest.

Table 4

HUMBERSIDE FIRE & RESCUE SERVICE BORROWING AND LENDING ACTIVITY STATEMENT For the Period Ending 30 June 2020							
Ref.	Company	Investment £	From	To	%	Returned	
						Interest £	Investment £
MMF	Deutsche Managed Sterling Fund	1,000,000.00					
MMF	Aberdeen (SL) Liquidity Fund	1,000,000.00					
MMF	Goldman Sachs Liquid Reserve Fund	255,000.00					
301694	DMO	2,400,000.00	01/04/2020	02/04/2020	0.04	2.63	2,400,000.00
301697	DMO	1,000,000.00	21/04/2020	30/04/2020	0.08	19.73	1,000,000.00
301691	Thurrock Council	2,000,000.00	25/02/2020	26/05/2020	0.90	4,487.67	2,000,000.00
301698	DMO	1,800,000.00	21/05/2020	29/05/2020	0.04	15.78	1,800,000.00
301696	Gloucester City Council	2,000,000.00	20/04/2020	22/06/2020	0.32	1,104.66	2,000,000.00
301700	DMO	1,000,000.00	22/06/2020	30/06/2020	0.01	2.19	1,000,000.00
301695	East Dunbartonshire Council	2,000,000.00	02/04/2020	02/07/2020	0.40	1,994.52	-
301699	Thurrock Council	2,000,000.00	26/05/2020	26/08/2020	0.45	2,268.49	-
						9,895.67	

Total Investments at 30 June 2020

6,255,000.00

Summary of Interest Receipts

	Projection £	Actual £	Variance under/(over) £	%
Accumulated interest on Investments to : 30/06/2020	15,000	8,465	6,535	43.56

Temporary Loans

Investment £	From	To	%	Interest £
-				-

The total amount temporarily invested at 30 June 2020 is £6.255m.

The balance in the Authority's Liquidity Manager Account (LMA) bank account as at 30 June 2020 is £97,435.97. This account currently accrues interest at 0.10%.

Movement in Revenue Reserves

This statement shows the movements on the revenue reserves for the period 1 April 2020 to 30 June 2020.

This statement also gives a projected value of revenue reserves at 31 March 2021 based on the projections in Table 1.

Table 5

**HUMBERSIDE FIRE & RESCUE SERVICE
MOVEMENT IN REVENUE RESERVES
as at 30 June 2020**

	As at 1 April 2020 £'000	In Year Movements £'000	Projected Balance at 31 March 2021 £'000
General Reserve	5,758	(64) *	5,694
Earmarked Reserves			
Insurance	500	-	500
The Ark - National Flood Resilience Centre	1,000	-	1,000
Capital Programme	3,000	-	3,000
Resilience Reserve	300	-	300
ESMCP	373	-	373
COVID	-	550	550
	10,931	486	11,417

*In year contribution to the General Reserve is based on the budgeted contribution to the reserve plus any estimated under/overspend as at 30th June 2020.

Budget Virements (transfer between lines) Processed

There were no budget virements processed during the period to 30th June 2020.