



Management Accounts for the period ending 30th September 2015



HUMBERSIDE
Fire & Rescue Service

Safer Communities Safer Firefighters

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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:-

1. **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.

2. **Direction Column** - this indicates the relative movement in the projected outturn position compared to the previous month as follows:-

Red A detrimental change.

Amber No change.

Green An advantageous change.

Possible Combinations

		Status	
		Red	Green
D I R E C T I O N	Red	✓	✓
	Amber	✓	✓
	Green	✓	✓

The combinations shaded are those that give the most concern from a financial perspective i.e. Status = Red and Direction = Red, Amber or Green.

HUMBERSIDE FIRE & RESCUE SERVICE
COMMENTARY ON THE MANAGEMENT ACCOUNTS
For the period 1 April 2015 to 30 September 2015

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) and broken down by objective headings (Table 2), as at 30 September 2015 compared to the profiled 2015/16 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 2015/16
1 April 2015 to 30 September 2015 (Period 06)

	Original Budget £'000	Revised Budget £'000	30 September 2015		Projection £'000	Full Year		Traffic Light		Note
			Profile £'000	Actual & Committed £'000		Variance £'000	%	Status	Direction	
Employees										
Wholtime	24,373	24,833	12,417	12,017	24,553	(280)	(1.13)	Green	Green	1
Retained	3,664	3,664	1,628	1,743	3,664	-	-	Green	Amber	
Support	6,059	5,506	2,760	2,609	5,436	(70)	(1.27)	Green	Green	2
Other Employee Expenses (Training, Occ Health, Insurance)	1,386	1,365	618	567	1,455	90	6.59	Red	Red	3
Total Pay & Pensions	35,482	35,368	17,423	16,936	35,108	(260)	(0.74)			
Premises	2,266	2,208	1,470	1,218	2,165	(43)	(1.95)	Green	Green	4
Transport	1,322	2,044	1,021	991	1,894	(150)	(7.34)	Green	Green	5
Supplies & Services	3,228	2,982	1,482	1,662	2,982	-	-	Green	Amber	
Support Services	122	122	53	88	122	-	-	Green	Amber	
Non Pay Savings	(336)	(237)	(119)	-	(237)	-	-	Green	Amber	
Total Expenditure	42,084	42,487	21,330	20,895	42,034	(453)	(1.07)			
Income	(643)	(1,151)	(321)	(1,228)	(1,151)	-	-	Green	Amber	
Net Expenditure (Ex Capital Charges)	41,441	41,336	21,009	19,667	40,883	(453)	(1.10)			
Interest Payable	732	732	355	251	732	-	-	Green	Amber	
Interest Receivable	(80)	(80)	(40)	(29)	(80)	-	-	Green	Amber	
Contingency	35	35	-	-	35	-	-	Green	Amber	
Accounting Adjustments	739	844	(613)	(1,140)	736	(108)	(12.80)	Green	Amber	6
Contributions to / (from) Reserves	(2)	(2)	-	-	(2)	-	-	Green	Amber	
Net Budget Requirement	42,865	42,865	20,711	18,749	42,304	(561)	(1.31)	Green	Green	
Financed By										
Business Rates	(3,351)	(3,351)	(1,676)	(1,725)	(3,351)	-	-			
National Non Domestic Rates	(19,723)	(19,723)	(11,210)	(11,210)	(19,723)	-	-			
Precepts	(19,791)	(19,791)	(10,088)	(10,088)	(19,791)	-	-			
	-	-	(2,263)	(4,274)	(561)	(561)	-			

Table 2

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING STATEMENT 2015/16
 1 April 2015 to 30 September 2015 (Period 06)

	Original Budget £'000	Revised Budget £'000	30 September 2015		Full Year			Traffic Light		Note
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance		Status	Direction	
						£'000	%			
Community Fire Safety Expenditure										
Employees										
Wholetime	1,070	1,070	535	546	1,070	-	-	Green	Amber	
Retained	77	77	39	13	77	-	-	Green	Amber	
Support	1,801	1,801	900	865	1,801	-	-	Green	Amber	
Indirect Employees	47	48	24	26	48	-	-	Green	Amber	
Premises	-	8	-	6	8	-	-	Green	Amber	
Transport	3	3	1	8	3	-	-	Green	Amber	
Supplies and Services	337	337	169	108	337	-	-	Green	Amber	
Non Pay Savings	(17)	(17)	(9)	-	(17)	-	-	Green	Amber	
Total Expenditure	3,318	3,327	1,659	1,572	3,327	-	-			
Income	(65)	(73)	(32)	(297)	(73)	-	-	Green	Amber	
Net Expenditure	3,253	3,254	1,627	1,275	3,254	-	-			
Fire Fighting & Rescue Operations Expenditure										
Employees										
Wholetime	18,871	18,871	9,436	9,124	18,591	(280)	(1.48)	Green	Green	1
Control	1,109	1,109	554	548	1,109	-	-	Green	Amber	
Retained	3,587	3,587	1,589	1,730	3,587	-	-	Green	Amber	
Support	122	122	61	54	122	-	-	Green	Amber	
Indirect Employees	19	19	10	9	19	-	-	Green	Amber	
Premises	1,341	1,323	943	757	1,323	-	-	Green	Amber	
Transport	13	13	6	1	13	-	-	Green	Amber	
Supplies and Services	1,140	901	441	490	901	-	-	Green	Amber	
Non Pay Savings	(125)	(78)	(39)	-	(78)	-	-	Green	Amber	
Total Expenditure	26,077	25,867	13,001	12,713	25,587	(280)	(1.08)			
Income	(326)	(326)	(163)	(601)	(326)	-	-	Green	Amber	
Net Expenditure	25,751	25,541	12,838	12,112	25,261	(280)	(1.10)			
Management & Support Services Expenditure										
Employees										
Wholetime	3,323	3,783	1,892	1,799	3,783	-	-	Green	Amber	
Support	4,136	3,583	1,799	1,690	3,513	(70)	(1.95)	Green	Green	2
Other Pension Costs	599	598	241	57	598	-	-	Green	Amber	
Indirect Employees	500	479	232	357	569	90	18.79	Red	Red	3
Employee Related Insurances	221	221	111	118	221	-	-	Green	Amber	
Premises	925	877	527	455	834	(43)	(4.90)	Green	Green	4
Transport	1,302	2,024	1,012	980	1,874	(150)	(7.41)	Green	Green	5
Supplies and Services	1,548	1,541	771	993	1,541	-	-	Green	Amber	
Support Services	117	117	53	88	117	-	-	Green	Amber	
Non Pay Savings	(194)	(142)	(71)	-	(142)	-	-	Green	Amber	
Contingency	35	35	-	-	35	-	-	Green	Amber	
Total Expenditure	12,512	13,116	6,567	6,537	12,943	(173)	(1.32)			
Income	(252)	(752)	(126)	(330)	(752)	-	-	Green	Amber	
Net Expenditure	12,260	12,364	6,441	6,207	12,191	(173)	(1.40)			

Cont....

Table 2 Cont....

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING STATEMENT 2015/16
 1 April 2015 to 30 September 2015 (Period 06)

	Original Budget £'000	Revised Budget £'000	30 September 2015		Full Year			Traffic Light		Note
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance		Status	Direction	
						£'000	%			
Democratic Representation & Management Expenditure										
Transport	4	4	2	2	4	-	-	Green	Amber	
Supplies and Services	160	160	80	63	160	-	-	Green	Amber	
Support Services	-	-	-	-	-	-	-	Green	Amber	
Net Expenditure	164	164	82	65	164	-	-			
Corporate Management Expenditure										
Supplies and Services	43	43	21	8	43	-	-	Green	Amber	
Support Services	5	5	-	-	5	-	-	Green	Amber	
Net Expenditure	48	48	21	8	48	-	-			
Net Expenditure (excluding Capital Charges)	41,476	41,371	21,009	19,667	40,918	(453)	(1.09)			
Interest Payable	732	732	355	251	732	-	-	Green	Amber	
Interest Receivable	(80)	(80)	(40)	(29)	(80)	-	-	Green	Amber	
Accounting Adjustments	739	844	(613)	(1,140)	736	(108)	(12.80)	Green	Amber	6
Contributions to / (from) Reserves	(2)	(2)	-	-	(2)	-	-	Green	Amber	
Net Budget Requirement	42,865	42,865	20,711	18,749	42,304	(561)	(1.31)	Green	Green	
Financed by :										
Business Rates	(3,351)	(3,351)	(1,676)	(1,725)	(3,351)	-	-	Green	Amber	
NDR	(19,723)	(19,723)	(11,210)	(11,210)	(19,723)	-	-	Green	Amber	
Precepts	(19,791)	(19,791)	(10,088)	(10,088)	(19,791)	-	-	Green	Amber	
	-	-	(2,263)	(4,274)	(561)	(561)				

Notes

1. This projected underspend is due to a number of firefighters retiring earlier than anticipated.
2. This projected underspend is due to a number of vacant posts.
3. This is due to additional costs incurred by using agency staff to cover support vacancies.
4. This projected underspend is due to a lower business rate charge following a revaluation of the rateable value of various properties.
5. This projected underspend relates to officer travel and fuel.
6. Lower MRP (Minimum Revenue Provision).

Capital Statement

This report shows the actual and committed capital expenditure as at 30 September 2015 compared with the adjusted profiled 2015/16 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 3

HUMBERSIDE FIRE & RESCUE SERVICE
CAPITAL MONITORING STATEMENT 2015/16
1 April 2015 to 30 September 2015 (Period 06)

SCHEME	Original Budget £'000	Revised Budget £'000	30 September 2015		Full Year		Traffic Light		Note	
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance £'000 %	Status	Direction		
Building Works										
Invest to Save	200	249	-	-	249	-	-	Green	Amber	
Bransholme	-	328	-	-	328	-	-	Green	Amber	
Clough Road	-	980	100	46	630	(350)	(35.71)	Green	Green	1
Central & Brough	-	4,449	500	369	2,000	(2,449)	(55.05)	Green	Amber	2
Howden	170	290	-	-	150	(140)	(48.28)	Green	Green	3
Withernsea	-	110	-	108	110	-	-	Green	Amber	
Station Kitchens	150	150	-	-	150	-	-	Green	Amber	
Cromwell Road	-	105	-	105	105	-	-	Green	Amber	
Brigg	-	258	-	236	258	-	-	Green	Amber	
Training Infrastructure	180	2,128	800	744	1,128	(1,000)	(46.99)	Green	Green	4
	700	9,047	1,400	1,608	5,108	(3,939)	(43.54)			
Vehicles										
Operational Vehicles	-	2,459	700	668	1,759	(700)	(28.47)	Green	Green	5
Support Vehicles	311	311	170	150	311	-	-	Green	Amber	
Equipment	-	252	80	66	252	-	-	Green	Amber	
Information Technology	320	320	150	161	320	-	-	Green	Amber	
Management Information System	-	36	-	-	36	-	-	Green	Amber	
Breathing Apparatus	-	520	450	442	520	-	-	Green	Amber	
	1,331	12,945	2,950	3,095	8,306	(4,639)	(35.84)			

Notes

1. The training facilities on the Clough Road site will not be fully completed until 2016/17.
2. Central and Brough fire stations will be completed during early 2016/17.
3. The works at Howden will be completed during early 2016/17.
4. The Ark project will not be completed during 2015/16.
5. The appliances will not be delivered until 2016/17.

Pensions Account Statement

The Authority has a projected deficit of £11.658m on this account for 2015/16.

The deficit on this account is financed through the Pensions Top-up Grant given by the CLG, of which 80% of the grant was received in July of this year. The Authority has to stand any cash flow losses until the balance of the grant is paid in full in July 2016.

Table 4

**HUMBERSIDE FIRE & RESCUE SERVICE
PENSIONS ACCOUNT STATEMENT 2015/16
1 April 2015 to 30 September 2015 (Period 06)**

	Revised Budget £'000	30 September 2015		Projection £'000	Full Year		Note
		Profile £'000	Actual £'000		Variance		
					£'000	%	
<u>Expenditure</u>							
Pension payments	13,948	8,136	8,010	13,948	-	-	
Commutations	3,495	1,747	2,134	3,495	-	-	
Transfer Values	400	233	318	400	-	-	
Total Pensions Expenditure	17,843	10,116	10,463	17,843	-	-	
<u>Income</u>							
Contributions							
Ill Health	(180)	-	-	(180)	-	-	
Employee's	(2,525)	(1,263)	(1,280)	(2,525)	-	-	
Employer's	(3,380)	(1,690)	(1,716)	(3,380)	-	-	
	(6,085)	(2,953)	(2,997)	(6,085)	-	-	
Transfer Values	(100)	-	(52)	(100)	-	-	
Total Pensions Income	(6,185)	(2,953)	(3,049)	(6,185)	-	-	
Net Pensions Deficit/(Surplus) To be financed by CLG grant	11,658	7,164	7,414	11,658	-	-	

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 2015 to 30 September 2015 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 5

**HUMBERSIDE FIRE & RESCUE SERVICE
BORROWING AND LENDING ACTIVITY STATEMENT
For the Quarter Ending 30 September 2015**

Ref.	Company	Investment £	From	To	%	Returned	
						Interest £	Investment £
HFA Instant	HSBC	-					
MMF	Ignis Sterling Liquidity Fund	1,000,000.00					
MMF	Goldman Sachs Liquid Reserve Fund	1,000,000.00					
301509	HSBC	1,000,000.00	01/04/2015	01/07/2015	0.35	872.60	1,000,000.00
301496	Barclays Bank Plc	1,000,000.00	15/01/2015	15/07/2015	0.63	3,124.11	1,000,000.00
301522	DMO	1,800,000.00	21/07/2015	22/07/2015	0.25	12.33	1,800,000.00
301512	Leeds Building Society	2,000,000.00	24/04/2015	03/08/2015	0.49	2,711.78	2,000,000.00
301527	DMO	1,000,000.00	05/08/2015	14/08/2015	0.25	61.64	1,000,000.00
301498	Monmouthshire County Council	1,000,000.00	16/02/2015	17/08/2015	0.40	1,994.52	1,000,000.00
301517	Yorkshire B.S	1,000,000.00	29/05/2015	28/08/2015	0.47	1,171.78	1,000,000.00
301529	DMO	1,000,000.00	19/08/2015	28/08/2015	0.25	61.64	1,000,000.00
301505	Barclays Bank Plc	1,000,000.00	16/03/2015	16/09/2015	0.64	3,226.30	1,000,000.00
301483	Corby Borough Council	1,600,000.00	19/09/2014	18/09/2015	0.54	8,616.33	1,600,000.00
301518	Yorkshire Building Society	1,000,000.00	10/06/2015	18/09/2015	0.47	1,287.67	1,000,000.00
301533	DMO	3,000,000.00	21/09/2015	30/09/2015	0.25	184.93	3,000,000.00
301507	Nationwide Building Society	1,000,000.00	01/04/2015	01/10/2015	0.66	3,309.04	-
301534	DMO	1,000,000.00	30/09/2015	01/10/2015	0.25	6.85	-
301514	Coventry Bld Soc	1,000,000.00	19/05/2015	19/10/2015	0.55	2,305.48	-
301488	Bank of Scotland	1,000,000.00	06/11/2014	06/11/2015	1.00	10,000.00	-
301513	Nationwide Building Society	1,000,000.00	12/05/2015	12/11/2015	0.66	3,327.12	-
301528	North Lanarkshire Council	2,000,000.00	14/08/2015	16/11/2015	0.34	1,751.23	-
301530	Yorkshire Building Society	1,000,000.00	11/09/2015	11/12/2015	0.47	1,171.78	-
301532	Yorkshire Building Society	1,000,000.00	18/09/2015	18/12/2015	0.47	1,171.78	-
301521	Barclays Bank Plc	1,000,000.00	15/07/2015	15/01/2016	0.69	3,478.36	-
301523	Coventry Bld Soc	1,000,000.00	31/07/2015	29/01/2016	0.60	2,991.78	-
301525	Leeds Building Society	2,000,000.00	03/08/2015	03/02/2016	0.60	6,049.32	-
301524	HSBC	3,000,000.00	31/07/2015	29/02/2016	0.45	7,878.08	-
301531	Barclays Bank Plc	1,000,000.00	16/09/2015	16/03/2016	0.70	3,490.41	-
301526	Salford City Council	1,000,000.00	20/08/2015	21/03/2016	0.41	2,403.84	-
301508	Bank of Scotland	1,000,000.00	01/04/2015	30/03/2016	1.00	9,972.60	-
301519	Woking Borough Council	2,000,000.00	30/06/2015	28/06/2016	0.55	10,969.86	-
						93,603.16	

Total Investments at 30 September 2015

23,000,000.00

Summary of Interest Receipts

		Projection	Actual	Variance under/(over)	%
		£	£	£	
Accumulated interest on Investments to :	30/09/2015	40,002	28,914	11,088	27.72

Temporary Loans

	Investment £	From	To	%	Interest £
Nil	-			-	-

The total amount temporarily invested at 30 September 2015 is £23,000,000 which includes £3.06m invested on behalf of the East Coast and Hertfordshire Control Project.

The balance in the Authority's Liquidity Manager Account (LMA) bank account as at 30 September 2015 is £1,092,155.39. 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 2015 to 30 September 2015.

This statement also gives a projected value of revenue reserves at 31 March 2016 based on the projections in Table 1.

Table 6

**HUMBERSIDE FIRE & RESCUE SERVICE
MOVEMENT IN REVENUE RESERVES
as at 30 September 2015**

	As at 1 April 2015 £'000	In Year Movements £'000	Projected Balance at 31 March 2016 £'000
General Reserve	5,041	59 *	5,100
Earmarked Reserves			
Insurance	500	-	500
East Coast & Hertfordshire Control	856	(300)	556
Change Management	2,405	-	2,405
Wide Area Network (WAN)	1,050	-	1,050
Central & Brough Fire Stations	4,449	(2,000)	2,449
HFR Solutions	999	500	1,499
Capital Programme	500	(500)	-
Resilience Reserve	300	-	300
	16,100	(2,241)	13,859

*In year contribution to the General Reserve is based on the budgeted contribution to the reserve plus any estimated under/overspend as at 30th September 2015.

Budget Virements (transfer between lines) Processed

The following virements have been processed between July and September 2015 under delegations within the Fire Authority's constitution:

	£
Management & Support Supplies & Services	(35,000)
Revenue Contribution of Capital Outlay RCCO	35,000
Funding part of the work at Cromwell Road following the implementation of OEP	
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Management & Support Premises	(37,013)
Fire Fighting & Rescue Operations Non Pay Savings	37,013
Non Pay Efficiency Savings	
<hr/>	
Management & Support Supplies & Services	(40,000)
Revenue Contribution of Capital Outlay RCCO	40,000
Funding part of the work at Cromwell Road following the implementation of OEP	
<hr/>	
Fire Fighting & Rescue Operations Premises	(18,090)
Management & Support Premises	(8,487)
Non Pay Savings	26,577
Non Pay Efficiency Savings	
<hr/>	
Management & Support Supplies & Services	(30,000)
Revenue Contribution of Capital Outlay RCCO	30,000
Funding part of the work at Cromwell Road following the implementation of OEP	
<hr/>	