



Management Accounts for the period ending 31st December 2015



HUMBERSIDE
Fire & Rescue Service

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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 31 December 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 31 December 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 31 December 2015 (Period 09)

	Original Budget £'000	Revised Budget £'000	31 December 2015		Projection £'000	Full Year		Traffic Light		Note
			Profile £'000	Actual & Committed £'000		Variance £'000	%	Status	Direction	
Employees										
Wholetime	24,373	24,833	18,626	17,806	24,203	(630)	(2.54)	Green	Green	1
Retained	3,664	3,664	2,544	2,731	3,764	100	2.73	Red	Red	2
Support	6,059	5,506	4,140	3,879	5,436	(70)	(1.27)	Green	Amber	3
Other Employee Expenses (Training, Occ Health, Insurance)	1,386	1,364	980	811	1,424	60	4.40	Red	Green	4
Total Pay & Pensions	35,482	35,367	26,290	25,227	34,827	(540)	(1.53)			
Premises	2,266	2,208	1,845	1,466	2,140	(68)	(3.08)	Green	Green	5
Transport	1,322	2,044	1,581	1,500	1,894	(150)	(7.34)	Green	Amber	6
Supplies & Services	3,228	2,982	2,316	2,407	2,832	(150)	(5.03)	Green	Green	7
Support Services	122	122	72	108	182	60	49.18	Red	Red	8
Non Pay Savings	(336)	(236)	(177)	-	(236)	-	-	Green	Amber	
Total Expenditure	42,084	42,487	31,927	30,708	41,639	(848)	(2.00)			
Income	(643)	(1,151)	(481)	(1,589)	(1,151)	-	-	Green	Amber	
Net Expenditure (Ex Capital Charges)	41,441	41,336	31,446	29,119	40,488	(848)	(2.05)			
Interest Payable	732	732	335	359	732	-	-	Green	Amber	
Interest Receivable	(80)	(80)	(60)	(51)	(80)	-	-	Green	Amber	
Contingency	35	35	-	-	35	-	-	Green	Amber	
Accounting Adjustments	739	844	(919)	(1,186)	736	(108)	(12.80)	Green	Amber	9
Contributions to / (from) Reserves	(2)	(2)	-	-	(2)	-	-	Green	Amber	
Net Budget Requirement	42,865	42,865	30,802	28,241	41,909	(956)	(2.23)	Green	Green	
Financed By										
Business Rates	(3,351)	(3,351)	(2,513)	(2,544)	(3,351)	-	-			
National Non Domestic Rates	(19,723)	(19,723)	(15,466)	(15,466)	(19,723)	-	-			
Precepts	(19,791)	(19,791)	(14,940)	(14,940)	(19,791)	-	-			
	-	-	(2,117)	(4,709)	(956)	(956)	-			

Table 2

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING STATEMENT 2015/16
 1 April 2015 to 31 December 2015 (Period 09)

	Original Budget £'000	Revised Budget £'000	31 December 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	802	798	1,070	-	-	Green	Amber	
Retained	77	77	58	15	77	-	-	Green	Amber	
Support	1,801	1,801	1,351	1,291	1,801	-	-	Green	Amber	
Indirect Employees	47	48	36	33	48	-	-	Green	Amber	
Premises	-	8	-	6	8	-	-	Green	Amber	
Transport	3	3	2	11	3	-	-	Green	Amber	
Supplies and Services	337	337	253	150	237	(100)	(29.67)	Green	Green	7
Non Pay Savings	(17)	(17)	(13)	-	(17)	-	-	Green	Amber	
Total Expenditure	3,318	3,327	2,489	2,304	3,227	(100)	(3.01)			
Income	(65)	(73)	(48)	(354)	(73)	-	-	Green	Amber	
Net Expenditure	3,253	3,254	2,441	1,950	3,154	(100)	(3.07)			
Fire Fighting & Rescue Operations										
Expenditure										
Employees										
Wholetime	18,871	18,871	14,154	13,573	18,366	(505)	(2.68)	Green	Green	1
Control	1,109	1,109	832	800	1,109	-	-	Green	Amber	
Retained	3,587	3,587	2,486	2,716	3,687	100	2.79	Red	Red	2
Support	122	122	91	81	122	-	-	Green	Amber	
Indirect Employees	19	19	14	14	19	-	-	Green	Amber	
Premises	1,341	1,333	1,136	886	1,308	(25)	(1.88)	Green	Green	5
Transport	13	13	10	1	13	-	-	Green	Amber	
Supplies and Services	1,140	901	754	687	851	(50)	(5.55)	Green	Green	7
Non Pay Savings	(125)	(78)	(58)	-	(78)	-	-	Green	Amber	
Total Expenditure	26,077	25,877	19,419	18,758	25,397	(480)	(1.85)			
Income	(326)	(326)	(244)	(669)	(326)	-	-	Green	Amber	
Net Expenditure	25,751	25,551	19,175	18,089	25,071	(480)	(1.88)			
Management & Support Services										
Expenditure										
Employees										
Wholetime	3,323	3,783	2,838	2,635	3,658	(125)	(3.30)	Green	Green	1
Support	4,136	3,583	2,698	2,507	3,513	(70)	(1.95)	Green	Amber	3
Other Pension Costs	599	598	362	59	598	-	-	Green	Amber	
Indirect Employees	500	478	347	471	538	60	12.55	Red	Green	4
Employee Related Insurances	221	221	221	234	221	-	-	Green	Amber	
Premises	925	867	709	574	824	(43)	(4.96)	Green	Amber	5
Transport	1,302	2,024	1,566	1,485	1,874	(150)	(7.41)	Green	Amber	6
Supplies and Services	1,548	1,541	1,157	1,460	1,541	-	-	Green	Amber	
Support Services	117	117	72	108	177	60	51.28	Red	Red	8
Non Pay Savings	(194)	(141)	(106)	-	(141)	-	-	Green	Amber	
Contingency	35	35	-	-	35	-	-	Green	Amber	
Total Expenditure	12,512	13,106	9,864	9,533	12,838	(268)	(2.04)			
Income	(252)	(752)	(189)	(566)	(752)	-	-	Green	Amber	
Net Expenditure	12,260	12,354	9,675	8,967	12,086	(268)	(2.17)			

Cont...

Table 2 Cont...

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING STATEMENT 2015/16
1 April 2015 to 31 December 2015 (Period 09)

	Original Budget £'000	Revised Budget £'000	31 December 2015		Full Year			Traffic Light		Note
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance		Status	Direction	
						£'000	%			
Democratic Representation & Management Expenditure										
Transport	4	4	3	3	4	-	-	Green	Amber	
Supplies and Services	160	160	120	94	160	-	-	Green	Amber	
Support Services	-	-	-	-	-	-	-	Green	Amber	
Net Expenditure	164	164	123	97	164	-	-			
Corporate Management Expenditure										
Supplies and Services	43	43	32	16	43	-	-	Green	Amber	
Support Services	5	5	-	-	5	-	-	Green	Amber	
Net Expenditure	48	48	32	16	48	-	-			
Net Expenditure (excluding Capital Charges)	41,476	41,371	31,446	29,119	40,523	(948)	(2.29)			
Interest Payable	732	732	335	359	732	-	-	Green	Amber	
Interest Receivable	(80)	(80)	(60)	(51)	(80)	-	-	Green	Amber	
Accounting Adjustments	739	844	(919)	(1,186)	736	(108)	(12.80)	Green	Amber	9
Contributions to / (from) Reserves	(2)	(2)	-	-	(2)	-	-	Green	Amber	
Net Budget Requirement	42,865	42,865	30,802	28,241	41,909	(1,056)	(2.46)	Green	Green	
Financed by :										
Business Rates	(3,351)	(3,351)	(2,513)	(2,544)	(3,351)	-	-	Green	Amber	
NNDR	(19,723)	(19,723)	(15,466)	(15,466)	(19,723)	-	-	Green	Amber	
Precepts	(19,791)	(19,791)	(14,940)	(14,940)	(19,791)	-	-	Green	Amber	
	-	-	(2,117)	(4,709)	(956)	(1,056)				

Notes

1. This projected underspend is due to a combination of a number of firefighters retiring earlier than anticipated as well as lower employers pension contribution rate for staff in the 2015 firefighters pension scheme which was notified in late March 2015.
2. The change to the retained contracts has caused this variance.
3. This projected underspend is due to a number of vacant posts.
4. This is due to additional costs incurred by using agency staff to cover support vacancies offset by a projected underspend on course fees.
5. This projected underspend is due to a lower business rate charge following a revaluation of the rateable value of various properties.
6. This projected underspend relates to officer travel and fuel.
7. This projected underspend is due to purchasing less smoke alarms than anticipated as well as spending less on hydrant maintenance.

8. This anticipated overspend is due to additional spend on legal fees.

9. Lower MRP (Minimum Revenue Provision).

Capital Statement

This report shows the actual and committed capital expenditure as at 31 December 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 31 December 2015 (Period 09)

SCHEME	Original Budget £'000	Revised Budget £'000	31 December 2015		Full Year		Traffic Light		Note	
			Profile	Actual & Committed	Projection	Variance	Status	Direction		
			£'000	£'000	£'000	£'000	£'000	%		
Building Works										
Invest to Save	200	249	-	-	249	-	-	Green	Amber	
Bransholme	-	328	-	8	30	(298)	(90.85)	Green	Green	1
Clough Road	-	980	100	84	350	(630)	(64.29)	Green	Green	2
Central & Brough	-	4,449	600	575	1,000	(3,449)	(77.52)	Green	Green	3
Howden	170	290	-	-	20	(270)	(93.10)	Green	Green	4
Withernsea	-	110	110	110	110	-	-	Green	Amber	
Station Kitchens	150	150	-	-	150	-	-	Green	Amber	
Cromwell Road	-	105	105	105	105	-	-	Green	Amber	
Brigg	-	258	258	257	258	-	-	Green	Amber	
Training Infrastructure	180	2,128	800	763	950	(1,178)	(55.36)	Green	Green	5
	700	9,047	1,973	1,902	3,222	(5,825)	(64.39)			
Vehicles										
Operational Vehicles	-	2,459	700	770	1,000	(1,459)	(59.33)	Green	Green	6
Support Vehicles	311	311	170	177	311	-	-	Green	Amber	
Equipment	-	252	80	79	79	(173)	(68.65)	Green	Green	6
Information Technology	320	320	280	266	320	-	-	Green	Amber	
Management Information System	-	36	-	-	36	-	-	Green	Amber	
Breathing Apparatus	-	520	450	442	520	-	-	Green	Amber	
	1,331	12,945	3,653	3,636	5,488	(7,457)	(57.61)			

Notes

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

Pensions Account Statement

The Authority has a revised budgeted deficit of £11.658m on this account for 2015/16. The deficit for the year is now expected to be £12.258m. This is as a result of:

1. A higher value of commutations than originally anticipated.

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 31 December 2015 (Period 09)**

	Revised Budget £'000	31 December 2015		Projection £'000	Full Year		Note
		Profile £'000	Actual £'000		Variance		
					£'000	%	
<u>Expenditure</u>							
Pension payments	13,948	11,623	11,536	13,948	-	-	
Commutations	3,495	2,621	3,074	4,095	600	17.17	1
Transfer Values	400	300	318	400	-	-	
Total Pensions Expenditure	17,843	14,544	14,928	18,443	600	3.36	
<u>Income</u>							
Contributions							
Ill Health	(180)	-	-	(180)	-	-	
Employee's	(2,525)	(1,894)	(1,910)	(2,525)	-	-	
Employer's	(3,380)	(2,535)	(2,558)	(3,380)	-	-	
	(6,085)	(4,429)	(4,468)	(6,085)	-	-	
Transfer Values	(100)	(75)	(52)	(100)	-	-	
Total Pensions Income	(6,185)	(4,504)	(4,520)	(6,185)	-	-	
Net Pensions Deficit/(Surplus) To be financed by CLG grant	11,658	10,040	10,409	12,258	600	5.15	

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 31 December 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 31 December 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					
301534	DMO	1,000,000.00	30/09/2015	01/10/2015	0.25	6.85	1,000,000.00
301507	Nationwide Building Society	1,000,000.00	01/04/2015	01/10/2015	0.66	3,309.04	1,000,000.00
301514	Coventry Bld Soc	1,000,000.00	19/05/2015	19/10/2015	0.55	2,305.48	1,000,000.00
301537	DMO	1,500,000.00	21/10/2015	30/10/2015	0.25	92.47	1,500,000.00
301488	Bank of Scotland	1,000,000.00	06/11/2014	06/11/2015	1.00	10,000.00	1,000,000.00
301513	Nationwide Building Society	1,000,000.00	12/05/2015	12/11/2015	0.66	3,327.12	1,000,000.00
301528	North Lanarkshire Council	2,000,000.00	14/08/2015	16/11/2015	0.34	1,751.23	2,000,000.00
301541	DMO	2,500,000.00	23/11/2015	30/11/2015	0.25	119.86	2,500,000.00
301542	DMO	1,000,000.00	30/11/2015	01/12/2015	0.25	6.85	1,000,000.00
301530	Yorkshire Building Society	1,000,000.00	11/09/2015	11/12/2015	0.47	1,171.78	1,000,000.00
301532	Yorkshire Building Society	1,000,000.00	18/09/2015	18/12/2015	0.47	1,171.78	1,000,000.00
301543	DMO	3,000,000.00	21/12/2015	31/12/2015	0.25	205.48	3,000,000.00
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	-
301539	Nationwide Building Society	1,000,000.00	12/11/2015	12/02/2016	0.50	1,260.27	-
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	-
301535	Nationwide	1,000,000.00	01/10/2015	01/04/2016	0.66	3,309.04	-
301536	Coventry Bld Soc	1,000,000.00	19/10/2015	19/04/2016	0.60	3,008.22	-
301540	Bank of Scotland	1,000,000.00	16/11/2015	16/05/2016	0.70	3,490.41	-
301519	Woking Borough Council	2,000,000.00	30/06/2015	28/06/2016	0.55	10,969.86	-
						81,770.13	
Total Investments at 31 December 2015		<u>18,000,000.00</u>					

Summary of Interest Receipts

		Projection £	Actual £	Variance under/(over) £	%
Accumulated interest on Investments to :	31/12/2015	60,003	50,870	9,133	15.22

Temporary Loans

	Investment £	From	To	%	Interest £
Nil	-				-

The total amount temporarily invested at 31 December 2015 is £18,000,000 which includes £2.88m 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 £1,269,537.53. 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 31 December 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 31 December 2015**

	As at 1 April 2015 £'000	In Year Movements £'000	Projected Balance at 31 March 2016 £'000
General Reserve	5,041	454 *	5,495
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	(1,000)	3,449
Income From HFR Solutions	999	500	1,499
Capital Programme	500	(500)	-
Resilience Reserve	300	-	300
	16,100	(846)	15,254

*In year contribution to the General Reserve is based on the budgeted contribution to the reserve plus any estimated under/overspend as at 31st December 2015.

Budget Virements (transfer between lines) Processed

There have been no budget virements processed between October and December 2015.

