



Management Accounts for the period ending 30th September 2016



HUMBERSIDE
Fire & Rescue Service

Safer Communities Safer Firefighters

Index

Key to Traffic Light System	2
Revenue Budget Summary - Table 1	3
Revenue Budget - Table 2	4
Capital Budget	6
Pensions Account	7
Treasury Management - Borrowing & Lending Activity	8
Movement in Revenue Reserves	9
Budget Virements Processed	10

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 2016 to 30 September 2016

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 2016 compared to the profiled 2016/17 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 2016/17
1 April 2016 to 30 September 2016 (Period 06)

	Original Budget £'000	Revised Budget £'000	30 September 2016		Full Year			Traffic Light		Note
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance £'000 %		Status	Direction	
Employees										
Wholetime	22,573	22,953	11,286	11,506	22,953	-	-	Green	Amber	
Retained	3,843	3,843	1,716	1,989	3,843	-	-	Green	Amber	
Support	5,824	5,824	2,911	2,573	5,249	(575)	(9.87)	Green	Green	1
Other Employee Expenses (Training, Occ Health, Insurance)	1,507	1,506	697	920	1,506	-	-	Green	Amber	
Total Pay & Pensions	33,747	34,126	16,610	16,988	33,551	(575)	(1.68)			
Premises	2,032	2,037	1,353	1,272	1,929	(108)	(5.30)	Green	Green	2
Transport	1,956	1,956	977	950	1,836	(120)	(6.13)	Green	Green	3
Supplies & Services	2,585	2,585	1,294	1,544	2,585	-	-	Green	Amber	
Support Services	231	231	110	152	231	-	-	Green	Amber	
Total Expenditure	40,551	40,935	20,344	20,906	40,132	(803)	(1.96)			
Income	(451)	(835)	(226)	(1,138)	(835)	-	-	Green	Amber	
Net Expenditure (Ex Capital Charges)	40,100	40,100	20,118	19,768	39,297	(803)	(2.00)			
Interest Payable	669	669	328	81	669	-	-	Green	Amber	
Interest Receivable	(80)	(80)	(40)	(26)	(80)	-	-	Green	Amber	
Contingency	150	150	-	-	150	-	-	Green	Amber	
Accounting Adjustments	2,733	2,733	-	-	2,616	(117)	(4.28)	Green	Green	4
Contributions to / (from) Reserves	288	288	-	-	288	-	-	Green	Amber	
Net Budget Requirement	43,860	43,860	20,406	19,823	42,940	(920)	(2.10)	Green	Green	
Financed By										
Business Rates	(3,568)	(3,568)	(1,807)	(1,807)	(3,568)	-	-			
National Non Domestic Rates	(19,472)	(19,472)	(11,408)	(11,408)	(19,472)	-	-			
Precepts	(20,820)	(20,820)	(10,729)	(10,729)	(20,820)	-	-			
	-	-	(3,538)	(4,121)	(920)	(920)	-			

Table 2

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING STATEMENT 2016/17
 1 April 2016 to 30 September 2016 (Period 06)

	Original Budget £'000	Revised Budget £'000	30 September 2016		Full Year			Traffic Light		Note
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance		Status	Direction	
						£'000	%			
Community Fire Safety										
Expenditure										
Employees										
Wholetime	1,102	1,102	551	556	1,102	-	-	Green	Amber	
Retained	78	78	39	6	78	-	-	Green	Amber	
Support	1,809	1,809	904	882	1,759	(50)	(2.76)	Green	Green	1
Indirect Employees	47	47	24	6	47	-	-	Green	Amber	
Premises	-	5	-	2	5	-	-	Green	Amber	
Transport	3	3	1	1	3	-	-	Green	Amber	
Supplies and Services	245	245	123	100	245	-	-	Green	Amber	
Total Expenditure	3,284	3,289	1,642	1,553	3,239	(50)	(1.52)			
Income	(65)	(70)	(33)	(247)	(70)	-	-	Green	Amber	
Net Expenditure	3,219	3,219	1,609	1,306	3,169	(50)	(1.55)			
Fire Fighting & Rescue Operations										
Expenditure										
Employees										
Wholetime	17,904	17,904	8,952	8,900	17,904	-	-	Green	Amber	
Control	1,120	1,120	560	553	1,120	-	-	Green	Amber	
Retained	3,765	3,765	1,677	1,983	3,765	-	-	Green	Amber	
Support	123	123	61	58	123	-	-	Green	Amber	
Indirect Employees	19	19	10	28	19	-	-	Green	Amber	
Premises	1,318	1,318	928	927	1,210	(108)	(8.19)	Green	Green	2
Transport	1	1	-	-	1	-	-	Green	Amber	
Supplies and Services	766	766	383	241	766	-	-	Green	Amber	
Total Expenditure	25,016	25,016	12,571	12,690	24,908	(108)	(0.43)			
Income	(317)	(317)	(159)	(714)	(317)	-	-	Green	Amber	
Net Expenditure	24,699	24,699	12,412	11,976	24,591	(108)	(0.44)			
Management & Support Services										
Expenditure										
Employees										
Wholetime	2,447	2,827	1,223	1,497	2,827	-	-	Green	Amber	
Support	3,892	3,892	1,946	1,633	3,367	(525)	(13.49)	Green	Green	1
Other Pension Costs	604	603	244	326	603	-	-	Green	Amber	
Indirect Employees	605	605	303	437	605	-	-	Green	Amber	
Employee Related Insurances	232	232	116	123	232	-	-	Green	Amber	
Premises	714	714	425	343	714	-	-	Green	Amber	
Transport	1,948	1,948	974	947	1,828	(120)	(6.16)	Green	Green	3
Supplies and Services	1,378	1,378	689	1,124	1,378	-	-	Green	Amber	
Support Services	226	226	107	149	226	-	-	Green	Amber	
Contingency	150	150	-	-	150	-	-	Green	Amber	
Total Expenditure	12,196	12,575	6,027	6,579	11,930	(645)	(5.13)			
Income	(69)	(448)	(34)	(177)	(448)	-	-	Green	Amber	
Net Expenditure	12,127	12,127	5,993	6,402	11,332	(645)	(5.32)			

Cont....

Table 2 Cont....

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING STATEMENT 2016/17
 1 April 2016 to 30 September 2016 (Period 06)

	Original Budget £'000	Revised Budget £'000	30 September 2016		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	161	161	81	63	161	-	-	Green	Amber	
Support Services	-	-	-	-	-	-	-	Green	Amber	
Net Expenditure	165	165	83	65	165					
Corporate Management Expenditure										
Supplies and Services	35	35	18	16	35	-	-	Green	Amber	
Support Services	5	5	3	3	5	-	-	Green	Amber	
Net Expenditure	40	40	21	19	40					
Net Expenditure (excluding Capital Charges)	40,250	40,250	20,118	19,768	39,297	(803)	(2.00)			
Interest Payable	669	669	328	81	669	-	-	Green	Amber	
Interest Receivable	(80)	(80)	(40)	(26)	(80)	-	-	Green	Amber	
Accounting Adjustments	2,733	2,733	-	-	2,616	(117)	(4.28)	Green	Green	4
Contributions to / (from) Reserves	288	288	-	-	288	-	-	Green	Amber	
Net Budget Requirement	43,860	43,860	20,406	19,823	42,790	(920)	(2.10)	Green	Green	
Financed by :										
Business Rates	(3,568)	(3,568)	(1,807)	(1,807)	(3,568)	-	-	Green	Amber	
NNDR	(19,472)	(19,472)	(11,408)	(11,408)	(19,472)	-	-	Green	Amber	
Precepts	(20,820)	(20,820)	(10,729)	(10,729)	(20,820)	-	-	Green	Amber	
	-	-	(3,538)	(4,121)	(1,070)	(920)				

Notes

1. This projected underspend is due to the part year effect of the Transactional Administration Review as well as a number of vacant posts across the service.
2. A revaluation of the rateable value of a number of our premises have resulted in a refund on part of the business rates charge for the year.
3. This projected underspend relates to fuel.
4. Lower MRP (Minimum Revenue Provision) than originally anticipated.

Capital Statement

This report shows the actual and committed capital expenditure as at 30 September 2016 compared with the adjusted profiled 2016/17 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 2016/17
1 April 2016 to 30 September 2016 (Period 06)**

SCHEME	Original Budget £'000	Revised Budget £'000	30 September 2016		Projection £'000	Full Year		Traffic Light		Note
			Profile £'000	Actual & Committed £'000		Variance £'000	%	Status	Direction	
Building Works										
Invest to Save	200	449	100	41	449	-	-	Green	Amber	
Bransholme	-	307	-	-	200	(107)	(34.85)	Green	Green	1
Clough Road	-	907	-	-	500	(407)	(44.87)	Green	Green	2
Central & Brough	-	3,501	1,500	1,423	3,501	-	-	Green	Amber	
Howden	-	290	-	-	-	(290)	(100.00)	Green	Green	3
Station Kitchens	-	150	20	13	150	-	-	Green	Amber	
Sundry Buildings	700	700	150	128	400	(300)	(42.86)	Green	Green	4
Training Infrastructure	-	222	100	84	222	-	-	Green	Amber	
	900	6,526	1,870	1,689	5,422	(1,104)	(16.92)			
Vehicles										
Operational Vehicles	-	1,316	1,200	1,122	1,316	-	-	Green	Amber	
Support Vehicles	76	154	50	28	154	-	-	Green	Amber	
Equipment	-	150	75	54	150	-	-	Green	Amber	
Information Technology	925	1,010	50	30	410	(600)	(59.41)	Green	Green	5
	1,901	9,156	3,245	2,923	7,452	(1,704)	(18.61)			

Notes

1. The works at Bransholme aren't expected to be completed until 2017/18.
2. The training tower has been remodelled which will be at a lower cost than the original.
3. The works at Howden are currently on hold.
4. This scheme is likely to run into 2017/18.
5. The ESCMP project is unlikely to incur any significant costs during 2016/17.

Pensions Account Statement

The Authority has a revised budgeted deficit of £12.933m on this account for 2016/17.

The deficit on this account is financed through the Pensions Top-up Grant given by the CLG, of which 80% of the grant is expected to be 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 2017.

Table 4

**HUMBERSIDE FIRE & RESCUE SERVICE
PENSIONS ACCOUNT STATEMENT 2016/17
1 April 2016 to 30 September 2016 (Period 06)**

	Revised Budget £'000	30 September 2016		Projection £'000	Full Year		Note
		Profile £'000	Actual £'000		Variance		
					£'000	%	
<u>Expenditure</u>							
Pension payments	14,285	8,333	6,971	14,285	-	-	-
Commutations	4,853	2,426	819	4,853	-	-	-
Transfer Values	100	50	-	100	-	-	-
Total Pensions Expenditure	19,238	10,809	7,790	19,238	-		-
<u>Income</u>							
Contributions							
Ill Health	(180)	-	-	(180)	-	-	-
Employee's	(2,677)	(1,339)	(1,292)	(2,677)	-	-	-
Employer's	(3,348)	(1,674)	(1,649)	(3,348)	-	-	-
	(6,205)	(3,012)	(2,941)	(6,205)	-		-
Transfer Values	(100)	(50)	(171)	(100)	-	-	-
Total Pensions Income	(6,305)	(3,062)	(3,112)	(6,305)	-		-
Net Pensions Deficit/(Surplus) To be financed by CLG grant	12,933	7,747	4,678	12,933	-		-

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 2016 to 30 September 2016 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 Period Ending 30 September 2016**

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	280,000.00					
301572	DMO	1,000,000.00	30/06/2016	01/07/2016	0.25	6.85	1,000,000.00
301570	DMO	2,000,000.00	24/06/2016	08/07/2016	0.25	191.78	2,000,000.00
301544	Barclays	1,000,000.00	19/01/2016	19/07/2016	0.70	3,490.41	1,000,000.00
301574	DMO	2,000,000.00	08/07/2016	22/07/2016	0.25	191.78	2,000,000.00
301577	DMO	1,000,000.00	21/07/2016	22/07/2016	0.25	6.85	1,000,000.00
301578	DMO	2,000,000.00	22/07/2016	25/07/2016	0.25	41.10	2,000,000.00
301579	DMO	2,000,000.00	25/07/2016	29/07/2016	0.25	54.79	2,000,000.00
301583	DMO	1,000,000.00	28/07/2016	29/07/2016	0.25	6.85	1,000,000.00
301584	DMO	3,000,000.00	28/07/2016	04/08/2016	0.25	143.84	3,000,000.00
301545	Leeds Building Society	1,000,000.00	05/02/2016	05/08/2016	0.67	3,340.82	1,000,000.00
301585	DMO	1,000,000.00	28/07/2016	12/08/2016	0.25	102.74	1,000,000.00
301546	Nationwide Building Society	1,000,000.00	12/02/2016	12/08/2016	0.71	3,540.27	1,000,000.00
301591	DMO	1,000,000.00	04/08/2016	18/08/2016	0.25	95.89	1,000,000.00
301595	DMO	1,000,000.00	12/08/2016	18/08/2016	0.15	24.66	1,000,000.00
301592	DMO	2,000,000.00	04/08/2016	19/08/2016	0.25	205.48	2,000,000.00
301547	Leeds Building Society	1,000,000.00	22/02/2016	22/08/2016	0.67	3,340.82	1,000,000.00
301586	DMO	1,000,000.00	28/07/2016	22/08/2016	0.25	171.23	1,000,000.00
301587	DMO	3,000,000.00	28/07/2016	31/08/2016	0.25	698.63	3,000,000.00
301597	DMO	1,000,000.00	26/08/2016	09/09/2016	0.15	57.53	1,000,000.00
301567	Barclays	1,000,000.00	16/06/2016	16/09/2016	0.47	1,184.66	1,000,000.00
301599	DMO	1,000,000.00	19/09/2016	30/09/2016	0.15	45.21	1,000,000.00
301600	DMO	2,000,000.00	21/09/2016	30/09/2016	0.15	73.97	2,000,000.00
301575	Barclays	1,000,000.00	19/07/2016	19/10/2016	0.42	1,058.63	-
301580	Leeds City Council	2,000,000.00	28/07/2016	28/10/2016	0.32	1,613.15	-
301560	Bank of Scotland	1,000,000.00	16/05/2016	16/11/2016	0.80	4,032.88	-
301590	Blaenau Gwent Borough Council	2,000,000.00	18/08/2016	18/11/2016	0.29	1,461.92	-
301589	Highland Council	2,000,000.00	19/08/2016	21/11/2016	0.30	1,545.21	-
301593	Sterling Council	2,000,000.00	22/08/2016	19/12/2016	0.22	1,434.52	-
301568	Nationwide Building Society	1,000,000.00	20/06/2016	20/12/2016	0.66	3,309.04	-
301573	Bank of Scotland	1,000,000.00	30/06/2016	30/12/2016	0.80	4,010.96	-
301576	Coventry Building Society	1,000,000.00	19/07/2016	19/01/2017	0.42	2,117.26	-
301581	Coventry Building Society	1,000,000.00	28/07/2016	30/01/2017	0.42	2,140.27	-
301582	Leeds Building Society	1,000,000.00	05/08/2016	06/02/2017	0.25	1,267.12	-
301596	Nationwide Building Society	1,000,000.00	12/08/2016	13/02/2017	0.40	2,027.40	-
301588	Thurrock Borough Council	2,000,000.00	22/08/2016	22/02/2017	0.35	3,528.77	-
301598	Barclays	1,000,000.00	16/09/2016	16/03/2017	0.43	2,132.33	-
						48,695.62	

Total Investments at 30 September 2016

20,280,000.00Summary of Interest Receipts

		Projection	Actual	Variance under/(over)	%
		£	£	£	
Accumulated interest on Investments to :	30/09/2016	40,002	26,256	13,746	34.36

Temporary Loans

Investment £	From	To	%	Interest £
-				-

The total amount temporarily invested at 30 September 2016 is £20,280,000 which includes £2.50m 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 2016 is £165,944.45. 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 2016 to 30 September 2016.

This statement also gives a projected value of revenue reserves at 31 March 2017 based on the projections in Table 1.

Table 6

HUMBERSIDE FIRE & RESCUE SERVICE MOVEMENT IN REVENUE RESERVES as at 30 September 2016

	As at 1 April 2016 £'000	In Year Movements £'000	Projected Balance at 31 March 2017 £'000
General Reserve	5,364	808 *	6,172
Earmarked Reserves			
Insurance	500	-	500
East Coast & Hertfordshire Control	720	(720)	-
Change Management	1,044	-	1,044
Central & Brough Fire Stations	3,502	(3,502)	-
Income From HFR Solutions	1,398	400	1,798
Capital Programme	2,300	-	2,300
Resilience Reserve	300	-	300
	15,128	(3,014)	12,114

*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 2016.

Budget Virements (transfer between lines) Processed

There have been no budget virements processed during the quarter ending 30th September 2016.