



Management Accounts for the period ending 30th September 2019



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	7
Pensions Account	8
Treasury Management - Borrowing & Lending Activity	9
Movement in Revenue Reserves	10
Budget Virements Processed	11

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 2019 to 30 September 2019

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 2019 compared to the profiled 2019/20 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 2019/20
1 April 2019 to 30 September 2019 (Period 06)

	Original Budget £'000	Revised Budget £'000	30 September 2019		Full Year		Status	Note
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance £'000		
Employees								
Wholetime Firefighters	22,980	25,498	12,748	12,754	25,725	227	0.89	Red 1
On-Call Firefighters	4,199	4,602	2,130	2,112	4,642	40	0.87	Red 1
Non-Operational	6,328	6,439	3,220	3,078	6,259	(180)	(2.80)	Green 1
Other Employee Expenses (Training, Occ Health, Insurance)	1,535	1,535	768	740	1,466	(69)	(4.50)	Green 2
Total Pay & Pensions	35,042	38,074	18,866	18,684	38,092	18	0.05	
Premises	2,676	2,676	1,778	2,355	2,529	(147)	(5.49)	Green 3
Transport	1,664	1,664	832	1,409	1,687	23	1.38	Red 4
Supplies & Services	3,283	3,283	1,642	3,255	3,692	409	12.46	Red 5
Support Services	204	204	103	51	179	(25)	(12.25)	Green 6
Non Pay Efficiency Savings	(173)	(173)	(87)	-	(173)	-	-	Green
Total Expenditure	42,696	45,728	23,134	25,754	46,006	278	0.61	
Income	(1,469)	(4,501)	(3,521)	(3,389)	(4,586)	(85)	1.89	Green 7
Net Expenditure (Ex Capital Charges)	41,227	41,227	19,613	22,365	41,420	193	0.47	
Interest Payable	635	635	318	185	635	-	-	Green
Interest Receivable	(50)	(50)	(25)	(22)	(60)	(10)	20.00	Green 7
Accounting Adjustments	1,777	1,777	-	-	1,809	32	1.80	Red 8
Contributions to / (from) Reserves	(13)	(13)	-	-	(13)	-	-	Green
Net Budget Requirement	43,576	43,576	19,906	22,528	43,791	215	0.49	Red
Financed By								
Business Rates	(3,476)	(3,476)	(1,738)	(1,777)	(3,476)	-	-	
National Non Domestic Rates	(16,830)	(16,830)	(9,591)	(9,591)	(16,830)	-	-	
Precepts	(23,270)	(23,270)	(11,773)	(11,792)	(23,270)	-	-	
	-	-	(3,196)	(632)	215	215	-	

Table 2

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING STATEMENT 2019/20
1 April 2019 to 30 September 2019 (Period 06)

	Original Budget £'000	Revised Budget £'000	30 September 2019		Full Year			Status	Note
			Profile £'000	Actual & Committed £'000	Projection £'000	Variance			
						£'000	%		
Safety									
Expenditure									
Employees									
Wholetime Firefighters	852	938 *	469	443	979	41	4.37	Red	1
On-Call Firefighters	13	13	6	17	18	5	38.46	Red	1
Non-Operational	2,247	2,247	1,124	996	2,067	(180)	(8.01)	Green	1
Indirect Employees	48	48	24	31	48	-	-	Green	
Premises	-	-	-	-	-	-	-	Green	
Transport	-	-	-	-	-	-	-	Green	
Supplies and Services	267	267	134	165	229	(38)	(14.23)	Green	5
Non Pay Efficiency Savings	(8)	(8)	(4)	-	(8)	-	-	Green	
Total Expenditure	3,419	3,505	1,753	1,652	3,333	(172)	(4.91)		
Income	(101)	(101)	(50)	(175)	(121)	(20)	19.80	Green	7
Net Expenditure	3,318	3,404	1,703	1,477	3,212	(192)	(5.64)		
Fire Fighting & Rescue Operations									
Expenditure									
Employees									
Wholetime Firefighters	18,236	20,318 *	10,158	9,921	20,327	9	0.04	Red	1
Control	1,227	1,227	614	605	1,247	20	1.63	Red	1
On-Call Firefighters	4,186	4,589 *	2,124	2,095	4,624	35	0.76	Red	1
Non-Operational	138	138	69	69	138	-	-	Green	
Indirect Employees	70	70	35	20	70	-	-	Green	
Premises	733	733	733	722	714	(19)	(2.59)	Green	3
Transport	-	-	-	10	-	-	-	Green	
Supplies and Services	1,183	1,183	591	1,392	1,187	4	0.34	Red	5
Non Pay Efficiency Savings	(35)	(35)	(18)	-	(35)	-	-	Green	
Total Expenditure	25,738	28,223	14,306	14,834	28,272	49	0.17		
Income	(358)	(3,215) *	(2,879)	(540)	(3,248)	(33)	1.03	Green	7
Net Expenditure	25,380	25,008	11,427	14,294	25,024	16	0.06		
Management & Support Services									
Expenditure									
Employees									
Wholetime Firefighters	2,665	3,015 *	1,507	1,785	3,172	157	5.21	Red	1
Non-Operational	3,943	4,054 *	2,027	2,013	4,054	-	-	Green	
Other Pension Costs	607	607	303	233	571	(36)	(5.93)	Green	2
Indirect Employees	623	623	312	357	589	(34)	(5.46)	Green	2
Employee Related Insurances	187	187	94	99	188	1	0.53	Red	2
Premises	1,943	1,943	1,045	1,633	1,815	(128)	(6.59)	Green	3
Transport	1,660	1,660	830	1,397	1,683	23	1.39	Red	4
Supplies and Services	1,652	1,652	826	1,628	2,124	472	28.57	Red	5
Support Services	199	199	100	49	174	(25)	(12.56)	Green	6
Non Pay Efficiency Savings	(130)	(130)	(65)	-	(130)	-	-	Green	
Total Expenditure	13,349	13,810	6,979	9,194	14,240	430	3.11		
Income	(1,010)	(1,185) *	(592)	(2,674)	(1,217)	(32)	2.70	Green	7
Net Expenditure	12,339	12,625	6,387	6,520	13,023	398	3.15		

Cont...

Table 2 Cont...

HUMBERSIDE FIRE & RESCUE SERVICE
REVENUE MONITORING STATEMENT 2019/20
 1 April 2019 to 30 September 2019 (Period 06)

	Original Budget	Revised Budget	30 September 2019		Full Year			Status	Note
			Profile	Actual & Committed	Projection	Variance			
	£'000	£'000	£'000	£'000	£'000	£'000	%		
Democratic Representation & Management Expenditure									
Transport	4	4	2	2	4	-	-	Green	
Supplies and Services	148	148	74	64	128	(20)	(13.51)	Green	5
Net Expenditure	152	152	76	66	132	(20)	(13.16)		
Corporate Management Expenditure									
Supplies and Services	33	33	17	6	24	(9)	(27.27)	Green	5
Support Services	5	5	3	2	5	-	-	Green	
Net Expenditure	38	38	20	8	29	(9)	(23.68)		
Net Expenditure (excluding Capital Charges)	41,227	41,227	19,613	22,365	41,420	193	0.47		
Interest Payable	635	635	318	185	635	-	-	Green	
Interest Receivable	(50)	(50)	(25)	(22)	(60)	(10)	20.00	Green	7
Accounting Adjustments	1,777	1,777	-	-	1,809	32	1.80	Red	8
Contributions to / (from) Reserves	(13)	(13)	-	-	(13)	-	-	Green	
Net Budget Requirement	43,576	43,576	19,906	22,528	43,791	215	0.49	Red	
Financed by :									
Business Rates	(3,476)	(3,476)	(1,738)	(1,777)	(3,476)	-	-	Green	
NNDR	(16,830)	(16,830)	(9,591)	(9,591)	(16,830)	-	-	Green	
Precepts	(23,270)	(23,270)	(11,773)	(11,792)	(23,270)	-	-	Green	
	-	-	(3,196)	(632)	215	215			

Notes

1. This overspend is primarily due to firefighter recruitment and a slower rate of retirements than expected. In addition to this there are a number of temporary posts to explore collaboration and co-ordinate HMICFRS inspection as well as a number of vacant support role posts.
2. This projected underspend is due to spending less on training as well as a lower ill health contribution to the Pension Fund.
3. This projected underspend is primarily due to lower business rate charges on our buildings as well as lower premises insurance premiums.
4. This projected overspend is due to an increase in fuel costs as well as an increase in motor insurance premiums.
5. This projected overspend is due to additional repairs and maintenance of firefighter kit due to the age, purchase of additional IT equipment and software. In addition to this there is a predicted underspend due to purchasing less smoke alarms.
6. This projected underspend is primarily due to spending less on legal fees than originally anticipated.

7. Additional income due to funding of Road Safety Team from Safer Roads Humber, rental of PPE and plant to HFR Solutions, additional secondments to other government departments and a high level of return on our investments than anticipated.
8. 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 September 2019 compared with the adjusted profiled 2019/20 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 2019/20
1 April 2019 to 30 September 2019 (Period 06)

SCHEME	Original Budget £'000	Revised Budget £'000	30 September 2019		Projection £'000	Full Year		Traffic Light Status	Note
			Profile £'000	Actual & Committed £'000		Variance			
						£'000	%		
Building Works									
Invest to Save	-	142	57	-	50	(92)	(64.79)	Green	1
Goole	300	400	160	-	400	-	-	Green	
Scunthorpe	400	500	200	-	300	(200)	(40.00)	Green	1
Bridlington	-	450	180	-	250	(200)	(44.44)	Green	1
BA Training Refurbishment	-	23	9	4	23	-	-	Green	
HQ Phase 2	-	78	31	34	50	(28)	(35.90)	Green	1
HQ OTC	-	132	53	-	72	(60)	(45.45)	Green	1
Dignity Works	435	671	268	-	671	-	-	Green	
Industrial Training Centre	250	803	321	-	803	-	-	Green	
Co-Location	50	100	40	-	10	(90)	(90.00)	Green	1
Cleethorpes	85	85	34	-	85	-	-	Green	
Howden	200	200	80	2	2	(198)	(99.00)	Green	1
Block Allocation	80	80	32	-	80	-	-	Green	
	1,800	3,664	1,465	40	2,796	(868)	(23.69)		
Vehicles									
Operational Vehicles	450	450	180	72	220	(230)	(51.11)	Green	2
Support Vehicles	370	499	200	273	479	(20)	(4.01)	Green	2
Equipment	69	69	28	26	69	-	-	Green	
PPE	1,000	1,000	400	-	-	(1,000)	(100.00)	Green	3
Information Technology	675	926	370	79	926	-	-	Green	
	4,364	6,608	2,643	490	4,490	(2,118)	(32.05)		

Notes

1. These Capital schemes will now conclude in 2020/21.
2. Rephasing of the replacement programme has resulted in the reduction of an appliance and two support vehicles during 2019/20.
3. The rollout of replacement PPE will not commence during 2019/20.

Pensions Account Statement

The Authority has a revised budgeted deficit of £11.271m on this account for 2019/20.

The deficit on this account is financed through the Pensions Top-up Grant given by the Home Office, 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 2020.

Table 4

**HUMBERSIDE FIRE & RESCUE SERVICE
PENSIONS ACCOUNT STATEMENT 2019/20
1 April 2019 to 30 September 2019 (Period 06)**

	Revised Budget £'000	30 September 2019		Projection £'000	Full Year Variance		Note
		Profile £'000	Actual £'000		£'000	%	
<u>Expenditure</u>							
Pension payments	16,355	9,540	9,569	16,355	-	-	
Commutations	3,452	1,726	2,341	3,452	-	-	
Total Pensions Expenditure	19,807	11,266	11,978	19,807	-	-	
<u>Income</u>							
Contributions							
Ill Health	(115)	(58)	-	(115)	-	-	
Employee's	(2,503)	(1,252)	(1,222)	(2,503)	-	-	
Employer's	(5,818)	(2,909)	(2,820)	(5,818)	-	-	
	(8,436)	(4,219)	(4,042)	(8,436)	-	-	
Transfer Values	(100)	(50)	(94)	(100)	-	-	
Total Pensions Income	(8,536)	(4,269)	(4,136)	(8,536)	-	-	
Net Pensions Deficit/(Surplus) To be financed by HO grant	11,271	6,997	7,842	11,271	-	-	

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 2019 to 30 September 2019 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 2019

Ref.	Company	Investment £	From	To	%	Returned		
						Interest £	Investment £	
MMF	Deutsche Managed Sterling Fund	1,000,000.00						
MMF	Aberdeen (SL) Liquidity Fund	165,000.00						
MMF	Goldman Sachs Liquid Reserve Fund	-						
301684	DMO	5,500,000.00	26/07/2019	30/07/2019	0.50	301.37	5,500,000.00	
301672	BOS	500,000.00	20/05/2019	20/08/2019	0.90	1,134.25	500,000.00	
301673	Barclays	1,000,000.00	20/05/2019	20/08/2019	0.64	1,613.15	1,000,000.00	
301687	DMO	2,000,000.00	26/07/2019	27/08/2019	0.51	894.25	2,000,000.00	
301685	Wirral MBC	2,000,000.00	31/07/2019	29/08/2019	0.60	953.42	2,000,000.00	
301675	Thurrock Council	2,000,000.00	07/06/2019	09/09/2019	0.75	3,863.01	2,000,000.00	
301688	DMO	1,000,000.00	23/09/2019	30/09/2019	0.50	95.89	1,000,000.00	
301677	BOS	1,500,000.00	22/07/2019	22/10/2019	0.90	3,402.74	-	
301678	Barclays	1,000,000.00	26/07/2019	28/10/2019	0.62	1,596.71	-	
301679	London Borough of Hounslow	2,000,000.00	30/07/2019	28/10/2019	0.72	3,550.68	-	
301681	Royal Borough of Windsor and Maidenhead	1,500,000.00	30/07/2019	29/11/2019	0.73	3,660.00	-	
301680	Torfaen County Borough Council	2,000,000.00	30/07/2019	31/12/2019	0.74	6,244.38	-	
301683	Surrey Heath BC	2,000,000.00	27/08/2019	27/02/2020	0.75	7,561.64	-	
301682	London Borough of Islington	2,000,000.00	29/08/2019	28/02/2020	0.75	7,520.55	-	
						42,392.05		
Total Investments at 30 June 2019		13,165,000.00						

Summary of Interest Receipts

		Projection £	Actual £	Variance under/(over) £	%
Accumulated interest on Investments to :	30/09/2019	25,002	22,125	2,877	11.51

Temporary Loans

Investment £	From	To	%	Interest £
-				-

The total amount temporarily invested at 30 September 2019 is £13.165m.

The balance in the Authority's Liquidity Manager Account (LMA) bank account as at 30 September 2019 is £15,097.81. 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 2019 to 30 September 2019.

This statement also gives a projected value of revenue reserves at 31 March 2020 based on the projections in Table 1.

Table 6

**HUMBERSIDE FIRE & RESCUE SERVICE
MOVEMENT IN REVENUE RESERVES
as at 30 September 2019**

	As at 1 April 2019 £'000	In Year Movements £'000	Projected Balance at 31 March 2020 £'000
General Reserve	5,251	172 *	5,423
Earmarked Reserves			
Insurance	500	-	500
Change Management	400	(400)	-
The Ark - National Flood Resilience Centre	1,000	-	1,000
Capital Programme	2,400	-	2,400
Resilience Reserve	300	-	300
ESMCP	338	-	338
	10,189	(228)	9,961

*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 2019.

Budget Virements (transfer between lines) Processed

There were no budget virements processed during the period to 30th September 2019.