



Management Accounts for the period ending 30 September 2023



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:-

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 2023 to 30 September 2023

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 September 2023 compared to the profiled 2023/24 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 2023/24
1 April 2023 to 30 September 2023 (Period 06)

	Original Budget £'000	Revised Budget £'000	30 September 2023		Projection £'000	Full Year		Status	Note
			Profile £'000	Actual & Committed £'000		Variance			
						£'000	%		
Employees									
Wholtime Firefighters	27,716	27,871	13,772	13,976	28,174	303	1.09	Red	1
On-Call Firefighters	5,408	5,408	2,471	2,370	5,308	(100)	(1.85)	Green	2
Non-Operational	8,165	8,165	4,083	3,798	8,140	(25)	(0.31)	Green	3
Other Employee Expenses (Training, Occ Health, Insurance)	1,999	2,016	949	973	2,143	127	6.30	Red	4
Total Pay & Pensions	43,288	43,460	21,275	21,117	43,765	305	0.70		
Premises	3,678	3,636	3,579	3,497	3,578	(58)	(1.60)	Green	5
Transport	1,842	1,765	921	881	1,769	4	0.23	Red	6
Supplies & Services	4,483	4,306	2,666	2,407	3,985	(321)	(7.45)	Green	7
Support Services	210	250	154	125	340	90	36.00	Red	8
Non Pay Efficiency Savings	(280)	(15)	(15)	-	(15)	-	-	Green	
Total Expenditure	53,221	53,402	28,580	28,027	53,422	20	0.04		
Income	(3,992)	(4,173)	(3,528)	(3,401)	(4,587)	(414)	9.92	Green	9
Net Expenditure (Ex Capital Charges)	49,229	49,229	25,052	24,626	48,835	(394)	(0.80)		
Interest Payable	710	710	215	215	649	(61)	(8.59)	Green	10
Interest Receivable	(200)	(200)	(100)	(242)	(500)	(300)	150.00	Green	10
Accounting Adjustments	2,955	2,955	-	-	3,316	361	12.22	Red	11
Contributions to / (from) Reserves	(567)	(567)	-	-	(567)	-	-	Green	
Net Budget Requirement	52,127	52,127	25,167	24,599	51,733	(394)	(0.76)	Green	
Financed By									
Business Rates	(6,187)	(6,187)	(3,093)	(3,085)	(6,187)	-	-		
National Non Domestic Rates	(18,514)	(18,514)	(10,601)	(10,601)	(18,514)	-	-		
Precepts	(27,426)	(27,426)	(13,898)	(13,892)	(27,426)	-	-		
	-	-	(2,425)	(2,979)	(394)	(394)	-		

Notes

1. This projected overspend is primarily due to funding additional posts to deliver the additional operational training that has been required during the year, Control room project and to cover posts due to absences.
2. This projected underspend is due to carrying a number of on-call vacancies.
3. This projected underspend is due to carrying a number of vacancies which is off-set by the potential higher than budgeted for pay award.
4. This projected overspend is due to the following:
 - legislation around DBS checks that has been introduced in Fire and Rescue Services nationally;
 - additional operational training that has been required; and
 - additional costs associated with injury pensions and ill health pensions
5. This projected underspend is due to lower Business Rate charges following a review of the rateable values of our premises.
6. This projected overspend is due to additional costs associated with our joint workshops to maintain our fleet which has been offset by lower officer travel and lower motor insurance premiums.
7. This projected underspend is due to lower ICT costs than expected.
8. This projected overspend is primarily due to the conclusion of the mesothelioma claim.
9. This additional income is due to the following:
 - an additional grant from Government in relation to Protection;
 - higher level of aerial rental income; and
 - additional income in relation to collaborations
10. No borrowing has been taken during the year which has resulted in lower interest payable. In addition to this, a higher level of interest rates has resulted in higher returns on our investments.
11. This projected overspend is due using the additional income and savings on interest payable (as mentioned in note 10) plus the saving due to a lower Minimum Revenue Provision charge following a lower Capital spend during 2022/23 to fund Capital spend during 2023/24 and reduce our need to borrow which will result in lower interest costs in future years.

Capital Statement

This report shows the actual and committed capital expenditure as at 30 September 2023 compared with the adjusted profiled 2023/24 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 2023/24
1 April 2023 to 30 September 2023 (Period 06)

SCHEME	*Original Budget	Revised Budget	30 September 2023		Projection	Full Year		Traffic Light Status	Note		
	£'000		£'000	Profile		Actual & Committed	£'000			Variance	
				£'000		£'000				£'000	£'000
Building Works											
Headquarters	-	130	-	-	130	-	-	Green			
Goole	143	675	400	375	675	-	-	Green			
Bridlington	150	150	-	-	150	-	-	Green			
Fire Station External Works	100	100	-	-	100	-	-	Green			
Training Infrastructure	-	108	-	-	108	-	-	Green			
Preston and Patrington	-	60	-	-	60	-	-	Green			
Electric Vehicle Charging Points	40	60	-	-	60	-	-	Green			
Winterton	-	433	-	-	433	-	-	Green			
Immingham East	-	328	20	12	328	-	-	Green			
	433	2,044	420	387	2,044	-	-				
Vehicles											
Operational Vehicles	1,400	2,200	120	108	850	(1,350)	(61.36)	Green	1		
Support Vehicles	624	1,085	-	-	1,085	-	-	Green			
Equipment	363	790	50	44	490	(300)	(37.97)	Green	2		
Information Technology	600	600	300	252	600	-	-	Green			
	3,420	6,719	890	791	5,069	(1,650)	(24.56)				

* Funding for some schemes have been slipped into 2024/25 as per Capital Programme report that was agreed at the meeting of the Fire Authority in September 2023.

Notes

- The purchase of fire appliances and aerial will not be completed until during 2024/25. The procurement exercise for the purchase of the appliances has resulted in additional costs of circa £200k which will be met from the capital financing underspend as detailed in notes 10 and 11 on page 4 of these Management Accounts.
- The delay in the delivery of the fire appliances mentioned above will result in the purchase of the operational equipment needed for those appliances.

Pensions Account Statement

The Authority has a revised budgeted deficit of £13.41m on this account for 2023/24.

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 paid 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 2024.

Table 3

**HUMBERSIDE FIRE & RESCUE SERVICE
PENSIONS ACCOUNT STATEMENT 2023/24
1 April 2023 to 30 September 2023 (Period 06)**

	Revised Budget £'000	30 September 2023		Projection £'000	Full Year		Note
		Profile £'000	Actual £'000		Variance		
					£'000	%	
<u>Expenditure</u>							
Pension payments	19,758	11,526	11,517	19,758	-	-	-
Commutations	2,480	1,757	1,700	2,480	-	-	-
Transfer Values	100	50	45	100	-	-	-
Total Pensions Expenditure	22,338	13,333	13,262	22,338	-		-
<u>Income</u>							
Contributions							
Ill Health	(123)	-	-	(123)	-	-	-
Employee's	(2,775)	(1,388)	(1,347)	(2,775)	-	-	-
Employer's	(5,883)	(2,942)	(2,919)	(5,883)	-	-	-
	(8,781)	(4,330)	(4,266)	(8,781)	-		-
Transfer Values	(150)	(75)	(145)	(150)	-	-	-
Total Pensions Income	(8,931)	(4,405)	(4,411)	(8,931)	-		-
Net Pensions Deficit/(Surplus) To be financed by HO grant	13,407	8,928	8,851	13,407	-		-

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 2023 to 30 September 2023 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 September 2023

Ref.	Company	Investment £	From	To	%	Returned	
						Interest £	Investment £
MMF	Deutsche Managed Sterling Fund	2,000,000.00					
MMF	Aberdeen (SL) Liquidity Fund	2,000,000.00					
MMF	Goldman Sachs Liquid Reserve Fund	390,000.00					
301796	DMO	1,600,000.00	21/07/2023	28/07/2023	4.88	1,497.42	1,600,000.00
301797	DMO	15,540,000.00	28/07/2023	31/08/2023	5.10	73,753.27	15,540,000.00
301798	DMO	1,000,000.00	31/08/2023	11/09/2023	5.13	1,546.03	1,000,000.00
301792	Derbyshire County Council	2,000,000.00	20/06/2023	20/09/2023	4.76	23,995.62	2,000,000.00
301793	LB Barking & Dagenham	2,000,000.00	21/06/2023	21/09/2023	4.84	24,398.90	2,000,000.00
301802	DMO	4,000,000.00	21/09/2023	26/09/2023	5.25	2,876.71	4,000,000.00
301795	Nationwide	2,000,000.00	26/06/2023	26/09/2023	5.09	25,659.18	2,000,000.00
301801	DMO	1,500,000.00	19/09/2023	29/09/2023	5.30	2,176.03	1,500,000.00
301804	DMO	3,180,000.00	26/09/2023	13/10/2023	5.17	7,657.27	-
301799	DMO	10,000,000.00	31/08/2023	30/11/2023	5.35	133,383.56	-
301800	Derbyshire County Council	2,000,000.00	20/09/2023	20/12/2023	5.31	26,477.26	-
301803	Cheltenham BC	2,000,000.00	26/09/2023	03/01/2024	5.30	28,750.68	-
						352,171.93	
Total Investments at 30 September 2023		21,570,000.00					

Summary of Interest Receipts

		Projection £	Actual £	Variance under/(over) £	%
Accumulated interest on Investments to :	30/09/2023	100,002	242,191	(142,189)	(142.19)

Temporary Loans

Investment £	From	To	%	Interest £
-				-

The total amount temporarily invested at 30 September 2023 is £21.57m.

Movement in Revenue Reserves

This statement shows the movements on the revenue reserves for the period 1 April 2023 to 30 September 2023.

This statement also gives a projected value of revenue reserves at 31 March 2024 based on the projections in Table 1.

Table 5

**HUMBERSIDE FIRE & RESCUE SERVICE
MOVEMENT IN REVENUE RESERVES
as at 30 September 2023**

	As at 1 April 2023 £'000	In Year Movements £'000	Projected Balance at 31 March 2024 £'000
General Reserve	6,946	(173) *	6,773
Earmarked Reserves			
Insurance	500	-	500
The Ark - National Flood Resilience Centre	1,000	-	1,000
Capital Programme	3,410	-	3,410
Business Continuity Reserve	500	-	500
ESMCP	215	-	215
Grenfell and Protection	110	(110)	-
East Coast & Hertfordshire Control Room Consortium	1,000	-	1,000
Pay and Prices	600	-	600
Strategic Transformation Fund	500	-	500
Environmental Reserve	30	-	30
	<u>14,811</u>	<u>(283)</u>	<u>14,528</u>

*In year contribution to the General Reserve is based on the budgeted contribution to the reserve plus any estimated under/overspend as at 30 September 2023.

Budget Virements (transfer between lines) Processed

The following budget virements were processed during the period to 30 September 2023.

	£'000
Transport	(118)
Premises	(2)
Supplies and Services	(145)
Non-Pay Savings	265
<u>Allocation of non-pay efficiency savings</u>	

Appendix 1**Contracts Awarded Outside of the Constitution**

The following contracts have been awarded outside the process detailed within part 4 section E of the constitution during the period 1st July to 30th September 2023:

Contract Description	Justification	Responsible Officer	Contract End Date	Value £'000
Continued Lease of 32-meter Bronto ALP	Following the continued failure of the CARP it was decided in 2021 to lease a rental ALP until a suitable replacement was identified. This work is still ongoing and since the delivery timescales for a replacement is at present 12 months or over, the current leased vehicle will be required for another 12-month period.	Head of Fleet and Estates	31 st August 2024	32
Managed Cyber Defence System	Due to the urgent and critical nature of the requirement, the contract has been re-signed for 2023-24 and a tender procurement for 2024/25 will be undertaken.	Head of ICT	31 st July 2024	138