

REPORT TO THE RESOURCES COMMITTEE

DATE: 14 JANUARY 2008

SUBJECT: BUDGET MONITORING REPORT FOR THE FINANCIAL YEAR 2007/08**SUMMARY:**

The report shows that as at 31 December 2007 there is an estimated under spend of 0.8% against the revenue budget, while capital expenditure in total is on target and capital financing is within the limits set by the Prudential Indicators.

OBJECTIVES		IMPLICATIONS	
Trusted & Respect	Yes	Operational Risk Management	Yes
More than Emergencies	Yes	Community Risk Reduction	Yes
Saving Lives, Protecting Communities	Yes	Training & Development	Yes
Managing within Budget	Yes	Civil Contingencies	Yes
Improving Efficiency	Yes	Finance & Procurement	Yes
Resources to Priorities	Yes	H.R.	Yes
Alternative Resources	Yes	ICT	Yes
Managing People	Yes	Corporate Services	Yes
Integrated Management Planning	Yes	Transport	Yes
Partnership Working	Yes	Health & Safety	Yes
Effective & Empowered People	Yes	Premises	Yes
Sustainability & the Environment	Yes	Welsh Language	
Governance	Yes	Legal	

COMMENTS/OBSERVATIONS:

Budget monitoring concerns the whole Service.

RECOMMENDATIONS:

That the report be received.

BACKGROUND PAPERS USED IN PREPARATION OF THIS REPORT:

2007/08 Budget, 2007/08 Capital Programme, the Financial Management System, the Prudential Indicators.

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**DIRECTOR OF FINANCE AND PROCUREMENT'S BUDGET
MONITORING REPORT FOR THE FINANCIAL YEAR 2007/08**

**(1) Revenue monitoring report for the period 1st April to 31 December 2007
(Appendix 1)**

The report compares expenditure to date with the 2007/08 Budget, profiled for 9 months. Expenditure to date is the actual expenditure recorded on the financial ledger and commitments recorded in the ledger by the new procurement system.

On this basis, a current under spend of £322k (0.8% of the net budget) is shown by the report. However, this current under spend will be eroded during the year because:

- There is still a small back log of commitments that have not yet appeared on the ledger.
- The profiling does not take account of seasonal variations in spending. Expenditure tends to be greater in the later months of the financial year.

There remains uncertainty over the final effect of the new financing arrangements of the Fire Fighter Pension on the accounts and on the increases in employer contributions due to Retained Duty staff joining the Fire Fighter Pension scheme.

The under spend currently predicted will provide a buffer against these costs and against any above inflation energy costs, any balance at year end will be taken to a reserve.

**(2) capital monitoring report for the period 1st April to 31 December 2007
(Appendix 2)**

The report summarises the expenditure on capital projects to date against the Approved Capital Programme.

(3) Prudential Indicators

Capital financing is within the limits set by the Prudential Indicators

MID AND WEST WALES FIRE AND RESCUE AUTHORITY									
REVENUE BUDGET MONITORING REPORT 2007/08									
9 MONTHS TO DECEMBER 2007									
A	C	D	E	F	G	H	I	J	K
	2007/08	PROFILED	RECORDED	COMMITTED	TOTAL	-SURPLUS/	ESTIMATED	ESTIMATED	PROJECTED
	APPROVED	BUDGET	EXPENDITURE	EXPENDITURE	EXPENDITURE	DEFICIT	COMMITMENTS	EXPENDITURE	-UNDER/
	BUDGET	to 31 Dec 07	to 31 Dec 07	to 31 Dec 07	to 31 Dec 07	FOR PERIOD	to year end	for the year	OVERSPEND
			PERIOD 9	PERIOD 9	(E+F)	(G-D)		(G+I)	(J-C)
	£	£	£	£	£	£	£	£	£
OPERATIONAL									
EMPLOYEES - FULL-TIME	20,211,859	15,077,828	14,879,618	0	14,879,618	-198,210	4,949,210	19,828,828	-383,031
EMPLOYEES - RETAINED	5,508,323	3,718,307	3,691,776	0	3,691,776	-26,531	1,781,172	5,472,948	-35,375
EMPLOYEES - OTHER COSTS	693,485	438,426	354,126	26,490	380,616	-57,810	235,789	616,405	-77,080
PREMISES	1,567,643	1,412,006	1,134,269	287,670	1,421,939	9,933	145,704	1,567,643	0
TRANSPORT	1,339,240	1,004,430	946,946	-3,919	943,027	-61,403	396,213	1,339,240	0
INSURANCE	558,114	552,239	518,845	0	518,845	-33,394	39,269	558,114	0
SUPPLIES AND SERVICES	3,064,254	2,298,190	2,118,499	150,835	2,269,334	-28,856	794,920	3,064,254	0
LEASING	2,300,532	1,507,620	1,520,463	0	1,520,463	12,843	780,069	2,300,532	0
GROSS OPERATIONAL COSTS	35,243,450	26,009,046	25,164,542	461,076	25,625,618	-383,428	9,122,346	34,747,964	-495,486
INCOME	-901,016	-675,762	-678,021	0	-678,021	-2,259	-222,995	-901,016	0
NET OPERATIONAL COSTS	34,342,434	25,333,284	24,486,521	461,076	24,947,597	-385,687	8,899,351	33,846,948	-495,486
CONTROL ROOM	1,412,157	1,052,280	1,077,108	0	1,077,108	24,828	368,651	1,445,759	33,602
ADMIN & TECHNICAL SERVICES	3,231,269	2,423,452	2,448,650	0	2,448,650	25,198	816,216	3,264,866	33,597
MANUAL	257,975	193,481	220,145	0	220,145	26,664	73,382	293,527	35,552
CENTRAL SUPPORT	176,205	58,556	58,556	0	58,556	0	117,649	176,205	0
PENSIONS	718,265	51,199	38,299	0	38,299	-12,900	679,966	718,265	0
TOTAL NON-OPERATIONAL COSTS	5,795,871	3,778,968	3,842,758	0	3,842,758	63,790	2,055,864	5,898,622	102,751
CAPITAL FINANCING	804,130	182,703	209,976	-27,273	182,703	0	621,427	804,130	0
GENERAL CONTINGENCY	100,000	0	0	0	0	0	100,000	100,000	0
TOTAL AUTHORITY EXPENDITURE	41,042,435	29,294,955	28,539,255	433,803	28,973,058	-321,897	11,676,642	40,649,700	-392,735
CONTRIBUTIONS FROM CONSTITUENT AUTHORITIES	-39,664,902	-29,748,677	-29,748,676	0	-29,748,676	1	-9,916,226	-39,664,902	-0
TRANSFER FROM ELECTIVE PENSION FUND	-1,377,533	0	0	0	0	0	-1,377,533	-1,377,533	0
TOTAL FUNDING	-41,042,435	-29,748,677	-29,748,676	0	-29,748,676	1	-11,293,759	-41,042,435	-0

MID AND WEST WALES FIRE AND RESCUE AUTHORITY**CAPITAL MONITORING REPORT 2007/08****9 MONTHS TO DECEMBER 2007**

			Appendix 2
location and description	CAPITAL PROGRAMME £	EXPENDITURE to 31 Dec 07 £	PROJECTED to 31 Mar 08 £
LAND & BUILDINGS			
Ammanford Fire Station	125,000	0	125,000
Llandrindod Wells Fire Station Replacement	500,000	12,896	135,006
Equality, Diversity and Minor Works	370,000	449,084	600,000
	995,000	461,981	860,006
HYDRANT INSTALLATIONS			
New schemes	35,000	0	35,000
VEHICLES AND EQUIPMENT			
Rope	30,000	0	0
Computer Equipment	125,000	5,069	125,000
Broadband	30,000	0	30,000
Other	22,587	5,611	22,587
	207,587	10,680	177,587
	1,237,587	472,661	1,072,593