

**LANCASHIRE COMBINED FIRE AUTHORITY
RESOURCES COMMITTEE**

Meeting to be held on 21 May 2018

FINANCIAL MONITORING 2018/19

Contact for further information:

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Executive Summary

The report sets out the current budget position in respect of the 2018/19 pay budget.

Recommendation

The Committee is requested to note and endorse the financial position.

Information

Revenue Budget – Pay position

Due to the timing of this reporting cycle, we are only able to report on the pay position for the first month of the financial year. However to put this into context pay is by far the biggest cost within the service accounting for over 75% of the total budget.

April's pay budget and spend are broadly in line at £3.15m budget compared with £3.10m spend, resulting in a slight underspend of £51k as shown below: -

Area	Overspend/ (Under spend) £'000	Reason
Wholetime Pay	(45)	<p>The whole-time pay budget included an allowance of 2% for 17/18 pay award. As previously reported an interim 1% was awarded last year, however a final resolution has not yet been reached. As such the additional 1% budgeted for has not been utilised, which results in an underspend.</p> <p>In addition to this there are some timing issues in terms of claims for overtime etc., which are particularly relevant in April, whereby we fully accrue for outstanding claims as part of the year end process but where there can be a delay in personnel submitting claims for these.</p>
Control staff	(4)	<p>As previously reported the Service has an establishment of two Control Staff, one in the Training and Operational Review Team and one in ICT team. The underspend relates to the latter whereby the communications officer post is temporarily filled by a whole-time member of staff, whilst the substantive post holder is seconded to work for the Home Office on the national ESMCP project.</p>

Retained Pay	5	This overspend is a combination of the timing of training courses run, plus previous good retention of staff recruited during the last financial year.
Associate Trainers pay	10	Associate trainers are used during wholetime recruitment to provide greater flexibility to match resource to demand, as occurred at the start of April. As the budget is currently phased evenly over the year, this creates timing differences, which in this case have resulted in a marginal overspend.
Support staff pay	(19)	The underspend relates to vacant posts across various departments, which are in excess of the vacancy factor built into the budget. This is partly offset by spend on agency staff, which amounted to £1k in April.
Apprentice Levy	(2)	The apprentice levy is payable at 0.5% of each months payroll costs, the budget for this was set at anticipated establishment levels, hence the underspend against this budget reflects the various pay budget underspends reported above.
Total	(51)	

We continue to monitor the pay budget closely, to identify any vacancy trends that develop to ensure that they are reflected in future year's budgets, as well as being reported to Committee.

Future reports will include full details of all spend against the revenue and capital budgets, in addition to the progress against the annual savings targets.

Financial Implications

As outlined in the report

Business Risk Implications

None

Environmental Impact

None

Equality and Diversity Implications

None

Human Resource Implications

None

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact
None		
Reason for inclusion in Part II, if appropriate:		