

Lancashire Combined Fire Authority Resources Committee

Meeting to be held 12 July 2023

Financial Monitoring 2023/24 (Appendices 1 and 2 refer)

Contact for further information:

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Executive Summary

The report sets out the current budget position in respect of the 2023/24 revenue and capital budgets. The year-to-date position is broadly balanced and therefore no significant variances are forecast for the year at the time of reporting.

Recommendation

The Committee is asked to note and endorse the year-to-date position in respect of the 2023/24 revenue and capital budgets.

Information

Revenue Budget

Lancashire Fire and Rescue Service's 2023/24 revenue budget has been set at £68.493m. The budget profiled to the end of May 2023 is £13.289m and expenditure for the same period is £13.243m resulting in an underspend of just (£0.045m).

The overall underspend position is further broken down between pay and non-pay budgets; there is an underspend of (£0.226m) on pay and an £0.181m overspend on non-pay activities. Whilst two months is a small period to determine any underlying trends it does serve as a guide for further work to identify any potential changes that may impact on the outturn position for the year. The year-to-date positions within all departmental budgets are set out in Appendix 1, with more significant variances of note shown separately in the table below: -

| Area £'m | Overspend/ (Under spend) to 31 May 23 | Reason |
|---|--|---|
| Fleet and technical Services - Non-Pay | £0.086 | The year to date overspend largely relates to fuel and maintenance costs, further work will be undertaken with the department to determine if there are any underlying pressures. |

| | | |
|-----|----------|---|
| Pay | (£0.207) | Pay budgets in many areas are reporting small underspends due to vacancies however, this is not expected to continue long term. |
|-----|----------|---|

Capital Budget

The original Capital Programme for 2023/24 is £10.116m, a broad overview of the programme is set out below: -

| Area | Budgeted Items |
|--|--|
| Operational Vehicles Budget £5m | The budget allows for the remaining stage payments for 10 pumping appliances purchased in previous financial years. In addition, the budget allows for the first stage payments of the 3 pumping appliances for the 2023/24 programme. It also includes two Climate Change Vehicles and three Command Units. |
| Other vehicles Budget £1.0m | This budget allows for the replacement of various operational support vehicles. |
| Operational Equipment Budget £1.3m | This budget allows for operational equipment purchases including thermal imaging cameras and cutting and extrication equipment in 2023/24. |
| Building Modifications Budget £1.5m | This budget includes the commencement of a programme of Drill Tower Replacements and an upgrade to the Wylfa prop facility. |
| IT systems Budget £1.2m | This budget includes for upgraded Firewalls and digitisation of fire appliances. |

Slippage from 2022/23 of £1.636m has been added to the original budget to give a revised budget of £11.752m. To date £1.4m has been spent predominantly on pumping appliances as set out in Appendix 2. This appendix sets out the revised capital programme and committed expenditure position against this, as reflected above.

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:

Reason for inclusion in Part 2 if appropriate: N/a

APPENDIX 1

| BUDGET MONITORING STATEMENT MAY 2023 | Revised Annual Budget | Revised YTD Budget | Year to Date Total | Year to Date Variance | Variance Pay | Variance Non- Pay |
|---|--------------------------|-----------------------|-----------------------|-----------------------------|-----------------|----------------------|
| | £000 | | £000 | £000 | £000 | £000 |
| Service Delivery | | | | | | |
| Service Delivery | 39,225.39 | 7,185.43 | 7,192.84 | 7.40 | - 94.59 | 101.99 |
| Prevention & Protection | 3,193.44 | 572.24 | 550.46 | - 21.78 | - 21.57 | - 0.21 |
| Covid-19 | - | - | 0.06 | 0.06 | - | 0.06 |
| Control | 1,610.40 | 402.60 | 402.19 | - 0.41 | - | 0.41 |
| Youth Engagement (inc Princes Trust) | 7.07 | 179.98 | 139.12 | - 40.86 | - | 40.86 |
| Special Projects (ISAR) | 14.40 | 2.31 | 0.62 | - 1.69 | - | 1.69 |
| | - | - | - | - | - | - |
| Strategy & Planning | - | - | - | - | - | - |
| Service Development | 1,945.49 | 276.87 | 316.71 | 39.84 | - 5.26 | 45.10 |
| Training & Operational Review | 4,556.43 | 1,036.73 | 899.41 | - 137.31 | - 115.10 | - 22.21 |
| Fleet & Technical Services | 3,267.51 | 641.60 | 720.12 | 78.52 | - 7.97 | 86.49 |
| Information Technology | 3,316.24 | 763.63 | 736.14 | - 27.50 | - 13.16 | - 14.34 |
| Digital Transformation | 599.45 | 99.91 | 79.93 | - 19.98 | - 13.41 | - 6.57 |
| | - | - | - | - | - | - |
| People & Development | - | - | - | - | - | - |
| Human Resources | 1,050.05 | 121.97 | 134.25 | 12.28 | 5.77 | 6.52 |
| Occupational Health Unit | 313.55 | 50.70 | 30.50 | - 20.20 | - 12.32 | - 7.88 |
| Corporate Communications | 379.61 | 62.89 | 67.43 | 4.54 | 3.58 | 0.97 |
| Safety Health & Environment | 282.93 | 42.19 | 48.98 | 6.79 | 0.76 | 6.04 |
| | - | - | - | - | - | - |
| Corporate Services | - | - | - | - | - | - |
| Executive Board | 1,115.44 | 180.80 | 225.66 | 44.85 | 56.79 | - 11.93 |
| Central Admin Office | 934.13 | 103.51 | 103.26 | - 0.25 | - 1.42 | 1.17 |
| Finance | 215.96 | 35.96 | 28.67 | - 7.28 | - 8.21 | 0.92 |
| Procurement | 659.02 | 157.95 | 171.69 | 13.73 | 32.46 | - 18.73 |
| Property | 4,289.09 | 1,376.37 | 1,346.57 | - 29.80 | - 12.28 | - 17.51 |
| External Funding | - 1.33 | - 7.80 | - 9.44 | - 1.64 | - 1.39 | - 0.25 |
| migration | - | - | - | - | - | - |
| Pay | | | | | | |
| TOTAL DFM EXPENDITURE | 66,974.28 | 13,285.83 | 13,185.15 | - 100.67 | - 207.33 | 106.66 |
| | | | | | | |
| Non DFM Expenditure | | | | | | |
| Pensions Expenditure | 1,399.20 | 233.20 | 232.44 | - 0.76 | - | 0.76 |
| Other Non-DFM Expenditure | 119.62 | - 230.28 | - 174.13 | 56.14 | - 18.95 | 75.09 |
| NON-DFM EXPENDITURE | 1,518.82 | 2.92 | 58.31 | 55.39 | - 18.95 | 74.33 |
| | | | | | | |
| TOTAL BUDGET | 68,493.10 | 13,288.75 | 13,243.46 | - 45.29 | - 226.28 | 180.99 |

APPENDIX 2

| CAPITAL BUDGET 2023/24 | Original Programme 23/24 | Slippage 22/23 - Move to 2023/24 | Revised Programme | Expenditure to Date |
|----------------------------------|--------------------------|----------------------------------|-------------------|---------------------|
| Vehicles | | | | |
| Operational Vehicles | 5.067 | 0.924 | 5.991 | 1.301 |
| Support Vehicles | 1.030 | 0.008 | 1.038 | 0.120 |
| | 6.097 | 0.932 | 7.029 | 1.422 |
| Operational Equipment | | | | |
| Operational Equipment | 1.325 | 0.143 | 1.468 | 0.001 |
| | 1.325 | 0.143 | 1.468 | 0.001 |
| Buildings Modifications | | | | |
| STC | - | 0.016 | 0.016 | - |
| Enhanced station facilities | 0.500 | - | 0.500 | (0.003) |
| Preston Rebuild | - | - | - | - |
| SHQ Relocation | - | - | - | - |
| Drill tower replacements | 0.600 | 0.111 | 0.711 | (0.010) |
| Wylfa Prop | 0.125 | - | 0.125 | - |
| Estate Improvement Provision | 0.250 | - | 0.250 | - |
| | 1.475 | 0.127 | 1.602 | (0.013) |
| ICT | | | | |
| IT Systems | 1.219 | 0.434 | 1.653 | 0.010 |
| | 1.219 | 0.434 | 1.653 | 0.010 |
| Total Capital Requirement | 10.116 | 1.636 | 11.752 | 1.419 |
| Funding | | | | |
| Capital Grant | - | - | - | - |
| Revenue Contributions | 4.000 | - | 4.000 | 1.419 |
| Earmarked Reserves | 0.364 | - | 0.364 | - |
| Capital Reserves | 4.069 | 1.636 | 5.705 | - |
| Capital Receipts | 1.683 | - | 1.683 | - |
| Total Capital Funding | 10.116 | 1.636 | 11.752 | 1.419 |