



Management Accounts for the period ending 31 December 2021



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 2021 to 31 December 2021

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 31 December 2021 compared to the profiled 2021/22 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 2021/22
1 April 2021 to 31 December 2021 (Period 9)

	Original Budget £'000	Revised Budget £'000	31 December 2021		Projection £'000	Full Year		Status	Note
			Profile £'000	Actual & Committed £'000		Variance £'000	%		
Employees									
Wholetime Firefighters	24,709	24,839 *	18,612	18,524	24,971	132	0.53	Red	1
On-Call Firefighters	4,828	4,878 *	3,492	3,311	4,732	(146)	(2.99)	Green	1
Non-Operational	6,986	6,986	5,240	5,172	7,156	170	2.43	Red	2
Other Employee Expenses (Training, Occ Health, Insurance)	1,632	1,632	1,136	1,366	1,632	-	-	Green	
Total Pay & Pensions	38,155	38,335	28,480	28,373	38,491	156	0.41		
Premises	2,744	2,676	2,284	2,477	2,480	(196)	(7.32)	Green	3
Transport	1,793	1,729	1,345	1,685	1,697	(32)	(1.85)	Green	4
Supplies & Services	3,743	3,911 *	3,220	2,868	3,751	(160)	(4.09)	Green	5
Support Services	204	204	154	70	204	-	-	Green	
Non Pay Efficiency Savings	(127)	-	-	-	-	-	-	Green	
Total Expenditure	46,512	46,855	35,483	35,473	46,623	(232)	(0.50)		
Income	(4,236)	(4,236)	(3,176)	(4,153)	(4,605)	(369)	8.71	Green	6
Net Expenditure (Ex Capital Charges)	42,276	42,619	32,307	31,320	42,018	(601)	(1.41)		
Interest Payable	661	661	433	318	594	(67)	(10.14)	Green	7
Interest Receivable	(40)	(40)	(30)	(2)	(10)	30	(75.00)	Red	8
Accounting Adjustments	2,192	2,292	-	-	2,488	196	8.55	Red	9
Contributions to / (from) Reserves	74	(369) *	-	-	(369)	-	-	Red	
Net Budget Requirement	45,163	45,163	32,710	31,636	44,721	(442)	(0.98)	Green	
Financed By									
Business Rates	(3,955)	(3,955)	(2,099)	(2,099)	(3,955)	-	-		
National Non Domestic Rates	(17,144)	(17,144)	(13,459)	(13,459)	(17,144)	-	-		
Precepts	(24,064)	(24,064)	(18,027)	(18,308)	(24,064)	-	-		
	-	-	(875)	(2,230)	(442)	(442)	-		

*budgets increased to reflect additional spend and grant received from Government in relation to COVID19 and other transfer from earmarked reserves

Notes

1. This projected overspend is primarily due to the Firefighters' pay award and additional costs associated with the immediate detriment (interest, compensation for employee contributions, contribution holidays, annual allowance charges and unauthorised payment charges) which may be recovered from Government. In addition to this there has been an underspend on employer's pension contributions as well as lower call out costs for on-call staff.
2. Whilst negotiations are ongoing it is expected that non-operational pay award will be in excess of the budget which has caused this variance.
3. This projected underspend is primarily due to lower Business Rates charges following a review of the rateable values of our premises which was initiated by the Corporate Finance and Procurement team.
4. This projected underspend is primarily due to spending less on fuel and officer travel.
5. This projected underspend is primarily due to lower ICT costs in relation to the WAN due to investment in previous years. In addition to this the smoke alarms and hydrant maintenance budgets not being fully utilised due to sufficient stock levels of smoke alarms and less hydrant maintenance required.
6. This variance is due to additional grant received from Government in relation to Protection and compensation for loss of income as well as additional income in relation to aerial rentals.
7. This variance is due to not taking any borrowing during the year which has resulted in lower interest charges.
8. This variance is due to lower interest rates than anticipated.
9. This variance is primarily due to funding capital expenditure to maintain downward pressure on the Authority's Capital Financing Requirement.

Capital Statement

This report shows the actual and committed capital expenditure as at 31 December 2021 compared with the adjusted profiled 2021/22 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 2021/22
 1 April 2021 to 31 December 2021 (Period 9)

SCHEME	Original Budget	Revised Budget	31 December 2021		Full Year			Traffic Light	Note
	£'000	£'000	Profile	Actual & Committed	Projection	Variance		Status	
			£'000	£'000	£'000	£'000	%		
Building Works									
Invest to Save	-	207	52	-	207	-	-	Green	1
Goole	-	387	97	-	30	(357)	(92.25)	Green	
Snaith	25	40	10	-	40	-	-	Green	
Bridlington	-	102	26	-	29	(73)	(71.57)	Green	1
BA Training Refurbishment	-	18	5	-	18	-	-	Green	
Dignity Works	-	13	3	-	13	-	-	Green	
Co-Location	-	97	24	-	-	(97)	(100.00)	Green	1
Howden	-	390	98	-	-	(390)	(100.00)	Green	1
Winterton	150	150	38	-	100	(50)	(33.33)	Green	1
Pocklington	100	100	25	-	-	(100)	(100.00)	Green	1
Scunthorpe	-	104	26	-	25	(79)	(75.96)	Green	1
Immingham East	350	350	88	-	-	(350)	(100.00)	Green	1
Grimsby - Cromwell Road	250	250	63	-	-	(250)	(100.00)	Green	1
Headquarters	10	67	17	-	67	-	-	Green	
Furniture and Equipment	-	8	2	3	8	-	-	Green	
	885	2,283	574	3	537	(1,746)	(76.48)		
Vehicles									
Operational Vehicles	1,460	1,633	408	-	600	(1,033)	(63.26)	Green	2
Support Vehicles	222	655	164	173	655	-	-	Green	
Equipment	285	557	139	126	382	(175)	(31.42)	Green	2
PPE	-	1,400	350	-	1,400	-	-	Green	
Information Technology	500	601	240	245	601	-	-	Green	
	3,352	7,129	1,875	547	4,175	(2,954)	(41.44)		

Notes

1. These capital schemes are expected to be completed during 2022/23.
2. The Fire Appliances are not expected to be delivered until 2022/23.

Pensions Account Statement

The Authority has a revised budgeted deficit of £12.940m on this account for 2021/22.

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 financial year. The Authority has to stand any cash flow losses until the balance of the grant is paid in full in July 2022.

Table 3

HUMBERSIDE FIRE & RESCUE SERVICE
PENSIONS ACCOUNT STATEMENT 2021/22
1 April 2021 to 31 December 2021 (Period 9)

	Revised Budget £'000	31 December 2021		Projection £'000	Full Year		Note
		Profile £'000	Actual £'000		Variance		
					£'000	%	
<u>Expenditure</u>							
Pension payments	16,948	14,123	14,100	16,948	-	-	
Commutations	3,868	2,901	2,671	3,868	-	-	
Transfer Values	100	75	-	100	-	-	
Total Pensions Expenditure	20,916	17,099	16,771	20,916	-	-	
<u>Income</u>							
Contributions							
Ill Health	(186)	(139)	-	(186)	-	-	
Employee's	(2,354)	(1,766)	(1,756)	(2,354)	-	-	
Employer's	(5,336)	(4,002)	(3,968)	(5,336)	-	-	
	(7,876)	(5,907)	(5,724)	(7,876)	-	-	
Transfer Values	(100)	(75)	-	(100)	-	-	
Total Pensions Income	(7,976)	(5,982)	(5,724)	(7,976)	-	-	
Net Pensions Deficit/(Surplus) To be financed by HO grant	12,940	11,117	11,047	12,940	-	-	

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 2021 to 31 December 2021 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 31 December 2021**

Ref.	Company	Investment £	From	To	%	Returned	
						Interest £	Investment £
MMF	Deutsche Managed Sterling Fund	1,000,000.00					
MMF	Aberdeen (SL) Liquidity Fund	350,000.00					
MMF	Goldman Sachs Liquid Reserve Fund	-					
301737	DMO	2,500,000.00	30/09/2021	29/10/2021	0.01	19.86	2,500,000.00
301738	DMO	1,800,000.00	21/10/2021	29/10/2021	0.01	3.95	1,800,000.00
301733	Skipton BS (rolled to 301740)	2,000,000.00	23/08/2021	23/11/2021	0.03	151.23	2,000,000.00
301735	Leeds BS	2,000,000.00	27/08/2021	29/11/2021	0.02	103.01	2,000,000.00
301731	Coventry BS	2,000,000.00	30/07/2021	30/11/2021	0.04	269.59	2,000,000.00
301741	DMO	1,000,000.00	21/12/2021	22/12/2021	0.07	1.92	1,000,000.00
301727	Thurrock Council	2,000,000.00	25/06/2021	07/01/2022	0.09	966.58	-
301728	Nationwide BS	2,000,000.00	25/06/2021	07/01/2022	0.07	751.78	-
301739	DMO	2,000,000.00	22/11/2021	28/01/2022	0.03	110.14	-
301740	Skipton BS	2,000,000.00	23/11/2021	23/02/2022	0.03	151.23	-
301736	Leeds BS	2,000,000.00	29/11/2021	09/03/2022	0.06	328.77	-
						<u>2,858.05</u>	

Total Investments at 31 December 2021

11,350,000.00

Summary of Interest Receipts

		Projection	Actual	Variance under/(over)	%
		£	£	£	
Accumulated interest on Investments to :	31/12/2022	29,997	1,681	28,316	94.40

Temporary Loans

Investment £	From	To	%	Interest £
-				-

The total amount temporarily invested at 31 December 2021 is £11.35m.

Movement in Revenue Reserves

This statement shows the movements on the revenue reserves for the period 1 April 2021 to 31 December 2021.

This statement also gives a projected value of revenue reserves at 31 March 2022 based on the projections in Table 1.

Table 5

**HUMBERSIDE FIRE & RESCUE SERVICE
MOVEMENT IN REVENUE RESERVES
as at 31 December 2021**

	As at 1 April 2021 £'000	In Year Movements £'000	Projected Balance at 31 March 2022 £'000
General Reserve	6,373	516 *	6,889
Earmarked Reserves			
Insurance	500	-	500
The Ark - National Flood Resilience Centre	1,000	-	1,000
Capital Programme	4,160	-	4,160
Resilience Reserve	300	-	300
ESMCP	355	-	355
Grenfell and Protection	155	(155)	-
East Coast & Hertfordshire Control Room Consortium	470		470
Uniform Replacement Programme	150	-	150
COVID	288	(288)	-
Environmental Reserve	30	(30)	-
	13,781	43	13,824

*In year contribution to the General Reserve is based on the budgeted contribution to the reserve plus any estimated under/overspend as at 31 December 2021.

Budget Virements (transfer between lines) Processed

There following virements have been process for the period to 31 December 2021:

	£'000
Premises	(50)
Revenue Contribution of Capital Outlay	50
<u>To fund Rapid Intervention Vehicles</u>	
Transport	(50)
Revenue Contribution of Capital Outlay	50
<u>To fund Rapid Intervention Vehicles</u>	
Premises	(18)
Transport	(14)
Supplies & Services	(95)
Non-Pay Efficiency Savings	127
<u>Allocation of efficiency savings target across non pay budgets</u>	

