

NORTH WALES FIRE & RESCUE SERVICE

COMMITTEE:	NORTH WALES FIRE AUTHORITY
DATE:	20 SEPTEMBER 2004
REPORT OF:	TREASURER
SUBJECT:	PROVISIONAL OUTTURN 2004-2005

1. The attached schedule contains the estimated provisional outturn for the financial year 2004-2005 indicating that there will be an underspend of £676,016.
2. The budget for 2004-05 included a provision for the settlement of the June 2003 Pay and Conditions of Service Agreement. The payment of the final stages of the Agreement have now been approved and the provisional estimated outturn takes into account these payments.
3. The main area of under spend is on pay, currently £497,807. For Uniformed staff the estimated under spend has been calculated on current activity levels and may change substantially within the next seven months given unpredictable factors such as the weather. The under spend on Local Government staff is due to the delay in filling vacancies, in particular those included in the Integrated Risk Management Plan.
4. Premises expenditure is showing an underspend of £51,455 which is mainly due to the delay in acquiring the new headquarters, the original budget had estimated a full year's rental whilst current projections indicate that the building will not be available until the last quarter of the financial year.
5. The outturn estimate for Transport indicates that there will be an overspend of £39,944, which is mainly due to the insurance premium for vehicles being more than anticipated. Under Supplies and Services the costs for Public Liability Insurance are £78,952 less than the budgeted figure. Overall the cost of insurance is £36,817 less than the budgeted figure.
6. It is estimated that Leasing charges will be underspent by £39,064 due to the volume of equipment to be leased being less than anticipated.
7. Overall the outturn estimate for income is higher than anticipated by £43,980 which is due to a number of factors; higher than anticipated interest income because of interest rates being higher than anticipated when the budget was set; extension to the secondment of Fire Service personnel at the Fire College; and income for emergency planning that was not in the original budget.

8. RECOMMENDATION

The outturn estimate is based on current levels of activity and as mentioned in the report this could change. It is therefore recommended that the underspend be noted and consideration of how to deal with the underspend be given at the next meeting of the Fire Authority when an updated outturn figure will be available.