

**To: All Members of the Audit Committee  
(and any other Members who may wish to attend)**



**J. Henshaw  
LLB (Hons)  
Clerk to the Authority**

Tel: 0151 296 4000  
Extn: 4113 Kelly Kellaway

Your ref:

Our ref HP/DM

Date: 19<sup>th</sup> September 2018

Dear Sir/Madam,

You are invited to attend a meeting of the **AUDIT COMMITTEE** to be held at **1.00 pm** on **THURSDAY, 27TH SEPTEMBER, 2018** in the Liverpool Suite - Fire Service Headquarters.

Yours faithfully,

Clerk to the Authority

Encl.

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**MERSEYSIDE FIRE AND RESCUE AUTHORITY**

**AUDIT COMMITTEE**

**27 SEPTEMBER 2018**

**AGENDA**

**Members**

Denise Allen, Knowsley Council  
Joe De'Asha, St Helens  
Andrew Makinson  
Chris Meaden, Wirral  
James Roberts

**1. Preliminary Matters**

Members are requested to consider the identification of:

- a) declarations of interest by individual Members in relation to any item of business on the Agenda
- b) any additional items of business which the Chair has determined should be considered as matters of urgency; and
- c) items of business which may require the exclusion of the press and public during consideration thereof because of the possibility of the disclosure of exempt information.

**2. Minutes of the Previous Meeting (Pages 5 - 10)**

The minutes of the last meeting of Audit & Scrutiny Sub- Committee, held on 7<sup>th</sup> June 2018 are submitted as a correct record and for signature by the Chair.

*(This Sub-Committee has now been disbanded)*

**3. Annual Audit Letter 2017-18 (Pages 11 - 24)**

To consider the attached report from the Authority's External Auditors – Grant Thornton, concerning the Annual Audit Letter 2017-18.

**4. Financial Review 2018/19 April to June (Pages 25 - 54)**

To consider report CFO/059/18 of the Treasurer, reviewing the financial position, revenue and capital, for the Authority for 2018/19. The Authority receives regular comprehensive financial reviews during the year which provide a full health check on the Authority's finances. This report covers the period April to June 2018.

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If any Members have queries, comments or require additional information relating to any item on the agenda please contact Committee Services and we will endeavour to provide the information you require for the meeting. Of course this does not affect the right of any Member to raise questions in the meeting itself but it may assist Members in their consideration of an item if additional information is available.

#### Refreshments

Any Members attending on Authority business straight from work or for long periods of time, and require a sandwich, please contact Democratic Services, prior to your arrival, for arrangements to be made.

## MERSEYSIDE FIRE AND RESCUE AUTHORITY

7 JUNE 2018

### MINUTES

**Present:** Cllr James Roberts (Chair) Councillors Joe De'Asha and Lesley Rennie

**Also Present:**

**Apologies of absence were received from:** Cllrs Sharon Connor, Pat Ireland and Anthony Boyle

#### 1. CHAIR'S ANNOUNCEMENT

Prior to the start of the meeting, information regarding general housekeeping was provided by the Chair to all in attendance.

The Chair confirmed to all present that the proceedings of the meeting would not be filmed.

The meeting was declared open.

#### 2. Preliminary matters

Members considered the identification of declarations of interest, any urgent additional items, and any business that may require the exclusion of the press and public.

Resolved that:

- a) no declarations of interest were made by individual Members in relation to any item of business on the Agenda
- b) no additional items of business to be considered as matters of urgency were determined by the Chair; and
- c) no items of business required the exclusion of the press and public during consideration thereof because of the possibility of the disclosure of exempt information.

#### 3. Minutes of Previous meeting

The Minutes of the last meeting of the Audit & Scrutiny Sub-Committee, held on 8<sup>th</sup> February 2018, were approved as a correct record and signed accordingly by the Chair.

#### **4. 2017/18 ANNUAL YEAR-END INTERNAL AUDIT REPORT**

Members considered report CFO/036/18 of the Treasurer, concerning the Annual Year End Internal Audit report for 2017/18.

Members were informed that the Authority has a statutory duty to ensure that it maintains an adequate and effective system of Internal Audit.

They were also advised that on the basis of the audit plan previously approved, Internal Audit (supplied by Liverpool City Council) have concluded that the system of internal control accords with proper practice; and there is a substantial level of compliance in relation to the fundamental systems.

A question was raised about the procurement audit review that had identified a past tenderer decision to award a £650,000 contract that was not supported by a documented approved Authority decision, and was therefore contrary to Contract Standing Orders 13.1. Members were assured that this contract has been withdrawn.

Members were informed that the Firefighters Pensioners Payroll audit review has not yet been undertaken, but it was agreed that the audit would be carried forward to the 2018/19 audit plan.

It was asked when the four outstanding audit recommendations in respect of Procurement Tender Evaluation were to be implemented and Members were told that this will be picked up in 2018/19.

Members resolved that:

the contents of the report, be noted.

#### **5. THE ANNUAL GOVERNANCE STATEMENT 2017/2018**

Members considered report CFO/028/18 of the Treasurer, concerning the Authority's Annual Governance Statement.

The Annual Governance Statement (AGS) recognises, records and publishes the Authority's governance arrangements and explains how they enable the Authority to carry out its functions effectively. It also fulfils the statutory requirement to prepare an annual statement that outlines and reviews the internal control process that existed in the year.

Members were advised that the Annual Governance Statement for 2017/18 was attached to the report at Appendix A.

Members were informed that the system of internal control is a significant element and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to

identify and prioritise the risks to the achievement of the Authority's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

Members were informed that the AGS identified no significant weaknesses in the existing internal control systems or processes.

Members resolved that:

the 2017/2018 Annual Governance Statement, be approved.

## **6. TREASURY MANAGEMENT ANNUAL REPORT 2017/18**

Members considered report CFO/033/18 of the Treasurer, concerning the activities of the Treasury Management operation and actual performance against the agreed Prudential Indicators in 2017/18.

Members were advised that the treasury management activity has been carried out in-line with the approved Treasury Management Strategy.

Members sought clarity on the interest rates achieved by the different options of investments including the benefits of Local Authorities interest rates; and they were advised that investment decisions are based on criteria including the achievement of security of the investment, the ability to liquidate funds and finally yield as per the approved treasury management strategy. Therefore, all options are reviewed, whether it be investments with Local Authorities or otherwise with the most appropriate investment being identified based on this criteria.

Members resolved that:

The Treasury Management Annual Report 2017/18, be noted.

## **7. 2018/19 INTERNAL AUDIT PLAN**

Members considered report CFO/026/18 of the Treasurer, concerning the proposed Internal Audit plan for 2018/2019.

Members were advised that each year, Internal Audit submit a work plan following consultation with the Strategic Management Group, Treasurer, Head of Finance and other key officers. This plan is set based upon an assessment of risks, previous findings and the relationship with External Audit work. They were informed that the two main strategic areas of work are:

- 1) A review of fundamental financial systems and processes, and
- 2) Specific project reviews requested by the Service.

Members were asked if they had any proposals for inclusion within the Strategic Audit Plan.

A question was raised by Members asking if the Audit Plan differs each year, and it was confirmed that although the format does not, the content of the Plan will alter to reflect the specific projects and challenges.

Members resolved that:

The 2018/19 Internal Audit Plan, be approved.

## **8. CORPORATE RISK REGISTER DEC - MARCH 2017-18**

Members considered report CFO/034/18 of the Chief Fire Officer, concerning the current risks contained within the Corporate Risk Register, the status of the risks and associated control measures, including any updates for the period December 2017 to March 2018.

Members were informed that it is good practice for the Authority to regularly review the internal and external risks to the on-going delivery of service.

Members were advised that Corporate Risk Register has been produced which focusses on the Mission and Aims of the Authority and aligns each risk to a specific aim. They were informed that the risks have been fully reviewed and any new risks that might affect the Authority during 2017/18 have been considered.

Members were informed that there has been increased focus on high rise buildings following the Grenfell Tower fire. This has required a focus on fire safety in high rise buildings, which has had an impact on the resources available to deliver Home Fire Safety Check's (HFSC's).

Members asked about new Fire Stations and were informed that Prescott is up and running and is a joint Police and Fire Station. The Fire Station build site for Saughall Massie has been confirmed and building work starts in June 2018. With regards to St Helens Fire Station, suitable land options are being explored, however the identified site is considered to be in the best location and discussions continue with North West Ambulance Service regarding the potential for a shared facility.

Members enquired about the future of service vehicles with regards to the use of electric, oil or diesel. They were told that service vehicles are reviewed every year in accordance with the asset management plan and any changes are made accordingly. All options are continually reviewed to reflect the current market.



Members resolved that:

the updated Corporate Risk Register for 2017/18 which incorporates the current status of those risks to March 2018, be approved.

**9. Equality & Diversity Plan 2017-2020, Progress for Quarter 3 & 4 2017/18**

Members considered report CFO/032/18 of the Deputy Chief Fire Officer, concerning the agreed Equality and Diversity (E&D) plan for quarter 3 & 4 together with an update on progress against the actions for the first year; and an update on the Equality Objectives for 2017/18 as at 31st March 2018.

Members were provided with some highlights of the exceptional work undertaken by our staff and volunteers in quarter 3 and quarter 4 to help progress our E&D objectives.

They were informed of activity undertaken during hate crime awareness week 14-21 October 2017. The events held were successful in helping students to gain a greater understanding of what hate crime is, and how it can affect individuals and their lives.

Members were reminded that Fire stations also act as Safe Havens and third party reporting centres, which can be accessed by individuals who feel under threat.

Members were also informed of the success of the second International Women's Day event held on Wednesday 7th March 2018, and this year's pledge "press for progress", which is felt to be more aligned to our organisational values.

Information was provided to Members around our volunteers, of which there are currently 33. It was highlighted that the diversity of our current volunteers is substantial. Some of the work and campaigns that the volunteers have been involved in, were highlighted to Members, such as their involvement in Arson and High rise /Protection campaigns (following Grenfell), and homeless campaigns led by Whitechapel centre.

Members were informed of the extensive work undertaken to deliver the Mental Health First Aid Lite course to over 160 firefighters.

With regards to measuring the diversity of MFRA's workforce, the proportion of females has seen a slight increase since 2015/16. Members were advised that in relation to Control staff, there is a higher proportion of female staff. With regards to Support staff, there is an approximate 50% gender split.

Members were also advised that almost 94% of staff are White British or Irish origin. 4.7% (47) are BAME - which is marginally lower than the Merseyside BAME population Figure at 5.5%.

The Gender Pay Gap analysis as at March 2017 shows that MFRA has a mean gender pay gap across the organisation of -12.1 %, which is lower than average.

Members were advised that HFSC satisfaction surveys are underway and these will be analysed to gather any E&D issues or impacts in relation to service delivery to protected groups.

With regards to work with young people, a total of 116 Princes Trust students have attended courses during 2017/18, with all participants being treated fairly and equitably.

They were informed that there have been a total of 915 Accidental Dwelling fires attended across Merseyside for 2017/18, which is the lowest number on record. During 2017-18, there were a total of 4 accidental dwelling fire fatalities, which is the lowest figure achieved in the history of the service.

There have been a total of 33 disciplinary proceedings during 2017/18. 31 involved male members of staff, 2 were female members of staff. There have also been a total of 19 grievances of which 17 involved male members of staff and 2 involved female.

Members queried the disparity in the figures for the Gender Pay Gap analysis at March 2017 and were advised that this is largely due to MFRA operational staff being predominantly male.

Staff were thanked by Members for great work around equality and diversity and their assistance in helping to raise their awareness of other cultures and religions.

Members raised questions around the sharing of information with the NHS regarding oxygen dependency and it was confirmed that we do receive this information quite quickly from the relevant source, for us to complete Home Fire Safety Checks. We can also refer information to other groups, for example Age Concern, if the occupier gave their permission for us to do so.

Members resolved that:

the content of the Equality and Diversity progress report and Equality Objectives, be noted.

Close

Date of next meeting Date Not Specified

# Annual Audit Letter

*Year ending 31 March 2018*

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Merseyside Fire and Rescue Authority

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Agenda Item 3

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Your key Grant Thornton team members are:

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## Section

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3. Value for Money conclusion

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## Appendices

- A Reports issued and fees
- B Recommendations

# Executive Summary

## Purpose

Our Annual Audit Letter (Letter) summarises the key findings arising from the work that we have carried out at Merseyside Fire and Rescue Authority (the Authority) for the year ended 31 March 2018.

This Letter is intended to provide a commentary on the results of our work to the Authority and external stakeholders, and to highlight issues that we wish to draw to the attention of the public. In preparing this Letter, we have followed the National Audit Office (NAO)'s Code of Audit Practice and Auditor Guidance Note (AGN) 07 – 'Auditor Reporting'. We reported the detailed findings from our audit work to the Authority's Policy and Resources Committee as those charged with governance in our Audit Findings Report on 26<sup>th</sup> July 2018.

## Respective responsibilities

We have carried out our audit in accordance with the NAO's Code of Audit Practice, which reflects the requirements of the Local Audit and Accountability Act 2014 (the Act). Our key responsibilities are to:

- give an opinion on the Authority's financial statements (section two)
- assess the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources (the value for money conclusion) (section three).

In our audit of the Authority's financial statements, we comply with International Standards on Auditing (UK) (ISAs) and other guidance issued by the NAO.

## Our work

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<b>Materiality</b>	We determined materiality for the audit of the Authority's financial statements to be £1,490,000, which is 2% of the Authority's gross revenue expenditure.
<b>Financial Statements opinion</b>	We gave an unqualified opinion on the Authority's financial statements on 26 <sup>th</sup> July 2018.
<b>Whole of Government Accounts (WGA)</b>	We completed work on the Authority's consolidation return following guidance issued by the NAO.
<b>Use of statutory powers</b>	We did not identify any matters which required us to exercise our additional statutory powers.

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# Executive Summary

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<b>Value for Money arrangements</b>	We were satisfied that the Authority put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources. We reflected this in our audit report to the Authority on 26 <sup>th</sup> July 2018.
<b>Certificate</b>	We certify that we have completed the audit of the accounts of Merseyside Fire and Rescue Authority in accordance with the requirements of the Code of Audit Practice.

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## Working with the Authority

During the year we have delivered a number of successful outcomes with you:

- An efficient audit – we delivered an efficient audit with you in July, delivering the accounts 6 days before the deadline.
- Providing training – we provided your teams with training on financial accounts and annual reporting

We would like to record our appreciation for the assistance and co-operation provided to us during our audit by the Authority's staff.

**Grant Thornton UK LLP**  
22 August 2018

# Audit of the Accounts

## Our audit approach

### Materiality

In our audit of the Authority's financial statements, we use the concept of materiality to determine the nature, timing and extent of our work, and in evaluating the results of our work. We define materiality as the size of the misstatement in the financial statements that would lead a reasonably knowledgeable person to change or influence their economic decisions.

We determined materiality for the audit of the Authority's accounts to be £1,490,000, which is 2% of the Authority's gross revenue expenditure. We used this benchmark as, in our view, users of the Authority's financial statements are most interested in where the Authority has spent its revenue in the year.

Page 15 We set a lower level of specific materiality for areas that are sensitive by their very nature. We set a specific materiality of £20,000 for Senior Officer Remuneration and the lower of £20,000 or 5% of total value of transactions with any one individual, for related party transactions.

We set a general threshold of £56,000 above which we reported errors to the Policy and Resources Committee.

### The scope of our audit

Our audit involves obtaining sufficient evidence about the amounts and disclosures in the financial statements to give reasonable assurance that they are free from material misstatement, whether caused by fraud or error. This includes assessing whether:

- the accounting policies are appropriate, have been consistently applied and adequately disclosed;
- the significant accounting estimates made by management are reasonable; and
- the overall presentation of the financial statements gives a true and fair view.

We also read the remainder of the Statement of Accounts and the narrative report and the annual governance statement published alongside the Statement of Accounts to check they are consistent with our understanding of the Authority and with the financial statements included in the Statement of Accounts on which we gave our opinion.

We carry out our audit in accordance with ISAs (UK) and the NAO Code of Audit Practice. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach is based on a thorough understanding of the Authority's business and is risk based.

We identified key risks and set out overleaf the work we performed in response to these risks and the results of this work.

# Audit of the Accounts

## Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p><b>Improper revenue recognition</b> Under ISA 240 (UK) there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.</p> <p>This presumption can be rebutted if the auditor concludes that there is no risk of material misstatement due to fraud relating to revenue recognition.</p>	<p>We considered the risk factors set out in ISA240 and the nature of the revenue streams at the Authority, we determined that the risk of fraud arising from revenue recognition can be rebutted, because:</p> <ul style="list-style-type: none"> <li>• There is little incentive to manipulate revenue recognition</li> <li>• Opportunities to manipulate revenue recognition are very limited</li> <li>• The culture and ethical frameworks of local authorities, including Merseyside Fire and Rescue Authority, mean that all forms of fraud are seen as unacceptable.</li> </ul>	<p>We did not consider this to be a significant risk for Merseyside Fire and Rescue Authority.</p>
<p><b>Management override of controls</b> Under ISA (UK) 240 there is a non-rebuttable presumed risk that the risk of management over-ride of controls is present in all entities. The Authority faces external scrutiny of its spending, and this could potentially place management under undue pressure in terms of how they report performance.</p> <p>We identified management override of controls as a risk requiring special audit consideration.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>• reviewed accounting estimates, judgements and decisions made by management</li> <li>• tested of journal entries</li> <li>• reviewed unusual significant transactions</li> <li>• reviewed significant related party transactions outside the normal course of business.</li> </ul>	<p>Our audit work did not identify any issues in respect of management override of controls.</p>



# Audit of the Accounts

## Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p><b>Valuation of property, plant and equipment</b>                      The Authority revalues its land and buildings on an quinquennial basis to ensure that carrying value is not materially different from fair value. This represents a significant estimate by management in the financial statements.</p> <p>We identified the valuation of land and buildings revaluations and impairments as a risk requiring special audit consideration.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>• Reviewed management's processes and assumptions for the calculation of the estimate.</li> <li>• Reviewed the competence, expertise and objectivity of any management experts used.</li> <li>• Reviewed the instructions issued to valuation experts and the scope of their work</li> <li>• Discussed with the Authority's valuer about the basis on which the valuation was carried out, challenging the key assumptions.</li> <li>• Reviewed and challenged the information used by the valuer to ensure it was robust and consistent with our understanding.</li> <li>• Tested of revaluations made during the year to ensure they were input correctly into the Authority's asset register</li> <li>• Evaluated the assumptions made by management for those assets not revalued during the year and how management satisfied themselves that these were not materially different to current value.</li> <li>• Substantively tested 19 transactions classified as additions in the year to source documentation.</li> </ul>	<p>Our audit work has not identified any issues in respect of valuation of property, plant and equipment.</p>

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# Audit of the Accounts

## Significant Audit Risks

These are the significant risks which had the greatest impact on our overall strategy and where we focused more of our work.

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p><b>Valuation of pension fund net liability</b>                      The Authority's LGPS pension fund asset and liability as reflected in its balance sheet represent a significant estimate in the financial statements.</p> <p>The Firefighters pension fund liability as reflected in its balance sheet represent a significant estimate in the financial statements.</p> <p>These estimates by their nature are subject to significant estimation uncertainty, being sensitive to small adjustments in the assumptions used.</p> <p>We identified the valuation of the pension fund net liability as a risk requiring special audit consideration.</p>	<p>As part of our audit work we have:</p> <ul style="list-style-type: none"> <li>Identified the controls put in place by management to ensure that the pension fund net liability is not materially misstated and assessed whether those controls were implemented as expected and whether they were sufficient to mitigate the risk of material misstatement.</li> <li>Reviewed the competence, expertise and objectivity of the actuary who carried out the Authority's pension fund valuation.</li> <li>Gained an understanding of the basis on which the IAS 19 valuation was carried out, undertaking procedures to confirm the reasonableness of the actuarial assumptions made.</li> <li>Reviewed the consistency of the pension fund net liability disclosures in notes to the financial statements with the actuarial report from your actuary.</li> </ul>	<p>Our audit work has not identified any issues in respect of the valuation of the LGPS pension fund net liability.</p>

# Audit of the Accounts

## Audit opinion

We gave an unqualified opinion on the Authority's financial statements on 26<sup>th</sup> July 2018, in advance of the national deadline.

## Preparation of the accounts

The Authority presented us with draft accounts in accordance with the national deadline, and provided a good set of working papers to support them. The finance team responded promptly and efficiently to our queries during the course of the audit.

## Issues arising from the audit of the accounts

We reported the key issues from our audit to the Authority's Policy and Resources Committee on 26<sup>th</sup> July 2018.

In addition to the key audit risks reported above, we identified the following issues through our audit.

- Note 1- Accounting Policies- depreciation, stated that no depreciation is accounted for of property plant and equipment in the year of acquisition. This was not strictly in accordance with the CIPFA Code but did not result in a material error. Management has confirmed that from 2018/19 depreciation will apply to all new asset purchases from the date they are first brought into use.
- The Authority did not include a fair value disclosure for its PFI liability, on the basis that the actual borrowing lies with the PFI provider and not the Authority. An alternative view is that a fair value could be derived by considering the amount that could be borrowed based on the committed cash flow over the remaining life of the arrangement. Management has agreed to provide such an illustration in the 2018/19 financial statements.

## Annual Governance Statement and Narrative Report

We are required to review the Authority's Annual Governance Statement and Narrative Report. It published them on its website in the Statement of Accounts in line with the national deadlines.

Both documents were prepared in line with the CIPFA Code and relevant supporting guidance. We confirmed that both documents were consistent with the financial statements prepared by the Authority and with our knowledge of the Authority.

## Whole of Government Accounts (WGA)

We carried out work on the Authority's Data Collection Tool in line with instructions provided by the NAO . We issued an assurance statement which confirmed the Authority was below the audit threshold on 26th July 2018.

## Other statutory powers

We also have additional powers and duties under the Act, including powers to issue a public interest report, make written recommendations, apply to the Court for a declaration that an item of account is contrary to law, and to give electors the opportunity to raise questions about the Authority's accounts and to raise objections received in relation to the accounts.

We did not have any cause to exercise our additional powers.

## Certificate of closure of the audit

We are also required to certify that we have completed the audit of the accounts of Merseyside Fire and Rescue Authority in accordance with the requirements of the Code of Audit Practice.

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# Value for Money conclusion

## Background

We carried out our review in accordance with the NAO Code of Audit Practice, following the guidance issued by the NAO in November 2017 which specified the criterion for auditors to evaluate:

*In all significant respects, the audited body takes properly informed decisions and deploys resources to achieve planned and sustainable outcomes for taxpayers and local people.*

## Key findings

Our first step in carrying out our work was to perform a risk assessment and identify the key risks where we concentrated our work.

The key risks we identified and the work we performed are set out overleaf.

## Overall Value for Money conclusion

We are satisfied that in all significant respects the Authority put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2018.

# Value for Money conclusion

## Key Value for Money Risks

Risks identified in our audit plan	How we responded to the risk	Findings and conclusions
<p><b>Financial sustainability and estates strategy</b></p> <p>The Authority is operating against a background of</p> <ul style="list-style-type: none"> <li>• Funding reductions</li> <li>• Changes in the legislative and policy requirements</li> <li>• Changes to the regulatory bodies and frameworks</li> </ul> <p>The Authority has a significant capital programme, £43m over five years, which is fully funded from internal resources and is key to planned service development. As pressures on revenue budgets continue it will be important for the Authority to protect and manage this programme.</p>	<p>As part of our work we have:</p> <ul style="list-style-type: none"> <li>• We updated our understanding of the Authority's arrangements for managing and reporting to Members the risks associated with and progress of the capital programme.</li> <li>• We reviewed budgeting and financial monitoring as reported to members through out the year.</li> <li>• We compared actual performance to budgeted and examined the explanations provided. We cross checked in-year activity with strategic plans such as the IRMP and reviewed significant events and decisions. We looked at the planning process for 2018/19, reviewed the assumptions used, compared them to previous assumptions.</li> <li>• We found that overall the capital programme for 2017/18 had increased slightly during the year but with no extra borrowing. This has been achieved in part by revenue contributions from savings achieved, in part from specific additional resources, and use of the earmarked reserves to support specific elements of the capital programme.</li> <li>• Some building projects were re-phased but despite the Authority was able to press ahead with ICT, Operational Equipment and Vehicle Replacement programmes. These compliment the station renewal program and are reflected in the IRMP and MTFP.</li> </ul>	<p>The authority revenue budget was set at £59.49m and the out-turn figures was £57.087m. An additional £442k was transferred to earmarked reserves at the year-end, leaving a positive budget variance of £1.961m.</p> <p>The Authority has an approved reserves strategy that revenue savings to be used build up reserves to fund future capital investments, firefighter recruitment in advance of expected retirements, one-off projects, and to cover identified risks. The Authority's reserve strategy confirms it understands that reserves are a one-off resource that cannot be used to fund additional revenue expenditure.</p> <p>This positive result for the year, and the continued progress of the capital programme, demonstrate the Authority has adequate arrangements in place.</p> <p>We concluded that the Authority has proper arrangements to address the risks to financial sustainability and its estates strategy.</p>

# A. Reports issued and fees

We confirm below our final reports issued and fees charged for the audit and confirm there were no fees for the provision of non audit services.

## Reports issued

Report	Date issued
Audit Plan	January 2018
Audit Findings Report	July 2018
Annual Audit Letter	August 2018

## Fees for non-audit services

Service	Fees £
<b>Audit related services</b>	
- None	Nil
<b>Non-Audit related services</b>	
- None	Nil

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## Fees

	Planned £	Actual fees £	2016/17 fees £
Statutory Authority audit	32,424	32,424	32,424
<b>Total fees</b>	<b>32,424</b>	<b>32,424</b>	<b>32,424</b>

## Non- audit services

- For the purposes of our audit we have made enquiries of all Grant Thornton UK LLP teams that may provide services to the Authority; no other services were provided.

The planned fees for the year were in line with the scale fee set by Public Sector Audit Appointments Ltd (PSAA)

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## B. Recommendations

We have identified 1 recommendation for the Authority as a result of issues identified during the course of our audit. We have agreed our recommendations with management and we will report on progress on these recommendations during the course of the 2018/19 audit.

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### Issue and risk

No fair value disclosed for the PFI liability.

### Recommendations

- Consider whether alternative values for the PFI liability can be included to improve the understanding of stakeholders.

### Management response

- For 2018/19 and future Statement of Accounts the Authority will reflect the fair value of the liability by reference to the capital sum of the loan that could be obtained for the same cash flow, on similar terms, over the remaining life of the agreement.
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<b>MERSEYSIDE FIRE AND RESCUE AUTHORITY</b>			
<b>MEETING OF THE:</b>	<b>AUDIT COMMITTEE</b>		
<b>DATE:</b>	<b>27 SEPTEMBER 2018</b>	<b>REPORT NO:</b>	<b>CFO/059/18</b>
<b>PRESENTING OFFICER</b>	<b>CHIEF FIRE OFFICER</b>		
<b>RESPONSIBLE OFFICER:</b>	<b>IAN CUMMINS</b>	<b>REPORT AUTHOR:</b>	<b>IAN CUMMINS</b>
<b>OFFICERS CONSULTED:</b>	<b>STRATEGIC LEADERSHIP TEAM</b>		
<b>TITLE OF REPORT:</b>	<b>FINANCIAL REVIEW 2018/19 - APRIL TO JUNE</b>		

<b>APPENDICES:</b>	<b>APPENDIX A1: REVENUE BUDGET MOVEMENTS SUMMARY</b> <b>APPENDIX A2: FIRE AND RESCUE SERVICE REVENUE BUDGET MOVEMENTS</b> <b>APPENDIX A3: CORPORATE SERVICE REVENUE BUDGET MOVEMENTS</b> <b>APPENDIX A4: BUDGET MOVEMENTS ON RESERVES</b> <b>APPENDIX B: CAPITAL PROGRAMME 2018/19</b> <b>APPENDIX C: APPROVED AUTHORITY CAPITAL PROGRAMME 2018/19 – 2022/23</b>
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## **Purpose of Report**

1. To review the financial position, revenue and capital, for the Authority for 2018/19. The Authority receives regular comprehensive financial reviews during the year which provide a full health check on the Authority's finances. This report covers the period April to June 2018.

## **Recommendation**

2. That Members;
  - a) note the contents of the report, and
  - b) approve the proposed revenue, capital and reserve budget alignments, and
  - c) instruct the Director of Finance to continue to work with budget managers to maximise savings in 2018/19.

### **Revenue:**

The Authority has a detailed medium-term financial plan. The key elements of this are :-

- To control Council Tax
- To continue with its modernisation programme and deliver the Authority's Mission of achieving Safer Stronger Communities – Safe Effective Firefighters
- To deliver the required savings through efficiencies, most of which are employee related, whilst minimising the impact of the cuts.

The Authority is on target to deliver the approved 2018/19 budget savings and is progressing well with the required structural changes in its workforce in order to maintain the required savings on a permanent basis.

Following representation made by the Authority and the CFO the City Regional political leaders have agreed to lobby the Government with the aim of increasing the Authority's flexibility over the 2019/20 Council Tax increase from a 3% limit to a pro rata £5 payment for band D properties. If successful the Authority may be in a position to reverse or revise some of the approved operational cover reductions in the current financial plan.

The Authority has a strategy of maximising savings and delivering its savings plan as early as possible in order to increase reserves as a hedge against future financial challenges. At this point in the year this report has identified that spend is forecast to be consistent with the approved budget. Officers will continue to work through the remainder of the year to maximise any savings in order to increase reserves.

The total budget requirement remains at the original budget level of £59.701m. Appendix A1 – A4 outline in detail all the revenue budget and reserve movements between April and June 2018.

### **Capital:**

The capital programme planned spend has increased by £7.862m of which £7.520m relates to the re-phasing of schemes from 2017/18 into 2018/19, and the balance is made up from schemes funded by specific non-borrowing funds. The revised Capital Programme is outlined in Appendix B and C.

### **Reserves & Balances:**

The general balance remains unchanged at £2.000m. All movements in earmarked reserves are outlined in Appendix A4.

### **Treasury Management:**

No new long term borrowing has been arranged and the Authority has continued its policy of reducing investments and only taking short term borrowing to cover cash flow requirements.

## Introduction and Background

3. The purpose of this report is to enable the Authority to monitor its income and expenditure levels against its budget on a regular basis throughout the year to ensure effective financial management.
4. This report is the review of the Authority's position up to the end of June of the financial year 2018/19 (April – June 2018).
5. In order to ensure that the financial reviews provide a regular and effective financial health check on all aspects of the Authority's finances the following structure has been adopted.

<u>Financial Review Structure</u>	
<u>Section</u>	<u>Content</u>
A	Current Financial Year Review (Revenue Budget, Capital Programme and movement on Reserves)
B	Treasury Management Review

### **(A) Current Financial Year – 2018/19**

6. The purpose of the financial review report is to provide Members with an assurance that the approved budget remains robust and that the current forecast of expenditure can be contained within the available resources. If actual expenditure or income for the year is inconsistent with the current budget then the report will, if necessary, identify the appropriate corrective action.

#### **Revenue Position:**

7. **Budget Movements:** The attached Appendix A1 – A4 to this report summarises the movements in the revenue budget. The net budget requirement remains at £59.701m which is consistent with the original budget.
8. There have been a number of budget adjustments with no net impact because they are either self-balancing virements within department budgets or budget increases financed by reserves in line with previously agreed Authority decisions. The budget adjustments in quarter 1 included:-
  - a virement from the inflation provision of £0.389m to cover; a £0.200m increase in the non-uniform pay bill as a result of the 2018/19 2% annual pay settlement; a 2018/19 business rates increase of £0.139m; and other inflationary uplifts.
  - An increase in the income budget of £0.926m as a result of; the receipt of £0.415m of Princes Trust income that is offset by an increase in the non-uniform employees budget; a 2018/19 Merseyside Road Safety Partnership contribution of £0.424m offset by an increase in supplies, services and other

expenditure; and other additional income of £0.087m offset by expenditure increase to cover the relevant schemes.

- A net contribution to reserves of £3.061m. The breakdown and reasons for these adjustments are contained within the reserves section of this report.

9. Update on Budget Savings Implementation:

**Approved pre 2016/17 savings** - the Authority had approved savings in total of £25.597m. These savings are being delivered as expected, however the structural establishment changes required as part of the station merger initiative will not be formally implemented until the new fire stations at Saughall Massie and St Helens have been built. The required firefighter saving is being delivered in cash terms as the reduction in the number of firefighters has been achieved.

10. **The 2016/17, 2017/18 & 2018/19 Budget approved savings** of £9.216m up to 2018/19, rising to £12.008m by 2019/20 and £13.038m by 2022/23. The saving plan included:-

- efficiency savings of £8.832m by reducing management and support services costs,
- a known or anticipated £2.306m increase in the council tax base that the plan assumed is permanent.
- Despite identifying efficiencies of £11.138m the Authority had to approve an unavoidable reduction of £1.900m from the operational response budget in order to balance the financial plan.

With the exception of the firefighter annual pay award assumption all other non-operational 2018/19 saving options in the current plan have been successfully implemented.

The operational response saving required the budgeted whole-time equivalent (WTE) firefighter establishment to reduce from 669 to 620. The phasing of the saving, (to be delivered by the end of 2018/19), mirrored the anticipated firefighter retirement rates and therefore avoided the need for compulsory firefighter redundancies. The reduction in the firefighter establishment has meant the Authority has had to review its crewing duty systems aligned to demand. Following extensive public consultation as part of the Integrated Risk Management Plan update for 2017-2020, the Authority approved a change in the crewing systems at Aintree, Crosby, Eccleston, Kensington, Liverpool City Centre and Wallasey Fire Stations from full time cover to day crewing whole-time retained duty system (DCWTR) stations. Liverpool City Centre and Wallasey will move to DCWTR on the week commencing 10<sup>th</sup> September 2018. The CFO has committed to maintain night time cover from these locations into the fourth quarter of 2018/19. This cover will be provided by dynamically managing existing staff resources and if necessary the use of part time / secondary contracts. If these additional costs can't be contained within the current budget then they must be met through reserves. The Authority and City Region acknowledge that is not a long term sustainable solution and that it can only be maintained into the fourth quarter without adversely impacting on the MTFP.

The City Region Mayor, Liverpool Mayor and City Region Leaders of each of the Local Authorities have agreed to lobby the Government to allow the Authority the flexibility to raise Council Tax by £5 (Band D equivalent) in 2019/20. If this lobby is successful and all other current financial plan assumptions remain as anticipated (particularly around pay award increases) the CFO has committed to review all previous decisions in order to ensure the Authority is best able to meet the operational and legislative demands placed on the service.

The 2017/18 and 2018/19 firefighter pay award has yet to be agreed. Any settlement above the 2% assumed for 2017/18 to 2019/20 would require the Authority to identify additional permanent savings (approximately £0.3m for each additional 1%), as part of the 2019/20 budget making process. As most non-employee and technical savings have been exhausted it is likely that any pay award above the 2% assumed will have to be met from a reduction in the employee establishment. To assist Members as an example each additional 1% may require the loss of up to 10 firefighter posts.

11. Actual expenditure in comparison to Revenue Budget: The Authority is concerned that any future Government may continue to reduce the level of Government support in real terms post 2019/20. It therefore has directed the Chief Fire Officer to maximise savings in the year to contribute towards the building up of reserves. Such reserves can then be used as part of an implementation and risk management strategy to allow the Authority the time to identify and action any new saving options.

**Employee Costs;**

Employee costs make-up approximately 75% of the Authority's revenue budget and is the most risk critical area of the financial plan. As a result these costs are monitored extremely closely.

Firefighter retirements have continued in line with the forecast profile adopted for the financial strategy. Non-firefighter employee costs are in line with the approved budget. At this point employee costs are expected to be in line with budgets.

**Contingency for 2018/19 Pay & Price Increases;**

Members will recall that the budget assumed a 2% pay bill increase in 2018/19 and future years. The non-uniform staff have accepted a 2% pay award for 2018/19 and 2019/20, but a significant risk exists around the 2017/18 – 2019/20 firefighters award that has yet to be settled. Officers are continuing to control the allocation of non-employee inflation. In the first instance any inflationary pressure is expected to be absorbed from within the relevant budget line.

**Other Non-Employee Revenue Costs;**

The Director of Finance is continuing to work with budget holders to maximise savings in 2018/19. The current approved plan assumes a £0.426m saving from support services with effect from 2019/20. The strategic leadership team (SLT) have now identified the required saving areas and will implement the required changes as soon as possible to

deliver the savings at the earliest opportunity. At this point in time expenditure is forecast to be in line with budgeted levels.

The Director of Finance will continue to monitor actual staff numbers during the year to ensure the Service continues to deliver in “cash” terms the required saving target and report back as the year progresses.

12. Debtor accounts under £5,000 may be written off by the Director of Finance. Six accounts have been approved for write-off under delegated powers in the first quarter following advice from litigation services totalling £2,253 plus VAT. One account was raised in error and the rest had a significant level of doubt over whether they met the conditions for a chargeable service or the relevant debtor was not known.
13. Summary of Revenue Forecast Position: The Authority has made good progress in implementing the approved budget saving options and required organisational structure changes.

As expected the implementation of all of the approved station merger proposals have yet to be formally concluded, therefore the required budgetary structural changes remain outstanding. However, as Firefighter retirements remain as expected the Service continues to deliver in “cash” terms the required saving target.

At present expenditure is forecast to be in line with the budget. The Director of Finance is continuing to work with budget holders to maximise savings in 2018/19 and will report in more detail in future financial reviews.

**Capital Programme Position:**

14. Members approved a 5 year capital programme worth £31.946m at the Authority Budget meeting on 22nd February 2018, (CFO/004/18). This has now been updated for:
  - a) the approved 2017/18 year-end re-phasing of projects into 2018/19 of £7.520m as reported to the Policy and Resources Committee on 26<sup>th</sup> July 2018, CFO/048/18, and
  - b) a net increase of £0.342m as a result of a review of the current capital programme demands and phasing of spend. Details of the planned changes are outlined below:
    - New schemes totalling £0.041m for ICT hardware and vehicles have been included and are being funded from contributions from the approved revenue budget.
    - The Authority provides the lead for the Home Office on the National Resilience Assurance initiatives and as such procures the refresh of the assets required by fire and rescue services to undertake the relevant responsibilities. The Operational Equipment programme has been increased by £1.400m to reflect the level of planned investment in these assets in 2018/19, all of which is 100% funded by a Home Office grant.
    - As part of the ongoing exercise to control future financial pressures on the revenue budget officers have carried out a review of the current

programme in order to control potential unavoidable growth in revenue debt servicing costs. As a consequence a number of schemes and been rephrased into future years to reflect a more realistic planned start date resulting in £9.302m of planned spend being rephrased from 2018/19 into future years, of which £9.161m relates to planned building schemes (£5.200m for the St Helens new station alone). The review also identified a £1.099m reduction in total spend arising mainly from the deletion of ancillary vehicles, the purchase of two appliances post 2022/23 and revised operational equipment needs.

- The impact of these adjustments will see a reduction in borrowing of £1.099m.

15. The capital programme changes are summarised in Table below. The revised detailed capital programme is attached as Appendix B (2018/19 Capital Programme) and Appendix C (2018/19–2022/23 Capital Programme) to this report.

<b>Movement in the 5 Year Capital Programme</b>						
	<b>Total Cost</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Expenditure</b>						
<b>Amendments to Approved Schemes;</b>						
2017/18 year-end Re-phasing	7,520.3	7,520.3	0.0	0.0	0.0	0.0
Review of Planned investment requirement and timing of schemes	-1,099.2	-9,658.8	8,649.8	129.3	636.1	-855.6
Increase in National Assurance Assets	1,400.0	1,400.0	0.0	0.0	0.0	0.0
New ICT & Vehicles schemes funded by Revenue	40.6	40.6	0.0	0.0	0.0	0.0
	<b>7,861.8</b>	<b>-697.8</b>	<b>8,649.8</b>	<b>129.3</b>	<b>636.1</b>	<b>-855.6</b>
<b>Funding</b>						
<b>Borrowing:</b>						
Rephasing of approved schemes from 2017/18	5,246.4	5,246.4	0.0	0.0	0.0	0.0
Review of Planned investment requirement and timing of schemes	-1,099.2	-3,853.6	2,844.6	129.3	636.1	-855.6
<b>Capital Receipts</b>						
2017/18 Rephasing of Sale of Whiston	250.0	250.0	0.0	0.0	0.0	0.0
2017/18 Rephasing of Sale of Allerton	400.0	400.0	0.0	0.0	0.0	0.0
2018/19 Rephasing of Sale of St Helens	0.0	-100.0	100.0	0.0	0.0	0.0
2018/19 Rephasing of Sale of Eccleston	0.0	-600.0	600.0	0.0	0.0	0.0
<b>Reserves</b>						
Saughall Massie FS New Build- increase	0.0	-2,464.0	2,464.0	0.0	0.0	0.0
<b>Revenue Contribution to Capital Outlay(RCCO)</b>						
New ICT & Vehicle equipment	40.6	40.6				
<b>Capital Grant</b>						
2017/18 rephasing of National Resilience Asset Refresh	368.7	368.7	0.0	0.0	0.0	0.0
Increase in National Resilience Asset Refresh	1,400.0	1,400.0	0.0	0.0	0.0	0.0
2017/18 rephasing of Station mergers schemes-Transormation Grant	1,255.2	1,255.2	0.0	0.0	0.0	0.0
2018/19 rephasing of Transormation Grant	0.0	-2,641.2	2,641.2	0.0	0.0	0.0
	<b>7,861.8</b>	<b>-697.8</b>	<b>8,649.8</b>	<b>129.3</b>	<b>636.1</b>	<b>-855.6</b>

### **Use of Reserves:**

16. The analysis in Appendix A4 outlines a £3.061m movement on reserves during the first quarter of 2018/19. The net contribution to reserves of £3.061m is due to:-
- £2.464m repayment back to the capital reserve as a result of the rephrasing of the new St Helens fire station build from 2018/19 to 2019/20.
  - £0.605m repayment back to the capital reserve as a result of the rephrasing of part of the cost of the new Saughall Massie fire station costs from 2018/19 to 2019/20.
  - £0.008 drawdown from the capital reserve to fund the investment in a new finance ICT document management system.

The CFO is reviewing the current reserves in order to identify ways in which the Authority can reduce historic debt levels in order to protect, and if possible grow, its operational establishment numbers in light of previous cuts or in order to protect against any further government funding reductions in 2020/21 and beyond.

The general revenue reserve has remained unchanged at £2.000m.

### **(B) Treasury Management**

17. The Authority continues to “buy in” Treasury Management from Liverpool City Council. The following paragraphs reflect Treasury Management activities in the period April to June 2018.

18. **Prospects for Interest Rates;**

During the first quarter of 2018/19 the Bank of England Monetary Policy Committee (MPC) held the base rate at 0.5%. Subsequently, the MPC increased the base rate to 0.75% at its meeting on 2 August 2018. This is the first time the base rate has been increased above 0.5% since the base rate was reduced to the historically low level in Mar 2009 as part of the monetary policy response to the financial panic of 2008.

The MPC voted unanimously for the latest increase in the base rate and is of the view that the UK economy has a very limited degree of slack. Unemployment is low and projected to fall further, therefore the MPC anticipates a small margin of excess demand to emerge by late 2019, feeding through into higher growth in domestic costs than has been seen in recent years. Any future increase in the Bank rate are likely to be at a gradual pace and to a limited extent.

The MPC continues to recognise that the economic outlook could be influenced significantly by the response of households, businesses and financial markets to developments related to the process of EU withdrawal.

PWLB rates and gilt yields have continued to experience levels of volatility linked to geo-political, sovereign debt crisis and emerging market developments.



Despite this volatility PWLB rose slightly for longer term loans, by 0.07 % during the first quarter of the financial year.

The strategy indicated that the overall structure of interest rates whereby short term rates are lower than long term rates was expected to remain throughout 2018/19. In this scenario, the strategy would be to reduce investments and borrow for short periods and possibly at variable rates when required.

**19. Capital Borrowings and the Portfolio Strategy;**

The borrowing requirement comprises the expected movements in the Capital Financing Requirement and reserves plus any maturing debt which will need to be re-financed. The Authority does not envisage that any new long term borrowing will be required in 2018/19. Current market conditions continue to be unfavourable for any debt rescheduling.

**20. Annual Investment Strategy;**

The investment strategy for 2018/19 set out the priorities as the security of capital and liquidity of investments. Investments are made in accordance with DCLG Guidance and CIPFA Code of Practice. Investments are made in sterling with an institution on the counterparty list.

Extreme caution has been taken in placing investments to ensure security of funds rather than rate of return. The use of deposit accounts with highly rated or nationalised banks and AAA rated money market funds has enabled reasonable returns in a low interest rate environment. In the period 1st April to 30 June 2018 the average rate of return achieved on average principal available was 0.49%. This compares with an average seven day deposit (7 day libid) rate of 0.36%.

The credit ratings and individual limits for each institution within the categories of investments to be used by the Authority in 2018/19 are as follows:

UK Government (including gilts and the DMADF)	Unlimited
UK Local Authorities (each)	Unlimited
Part Nationalised UK banks	£4m
Money Market Funds (AAA rated)	£3m
Enhanced Money Market (Cash) Funds (AAA rated)	£3m
UK Banks and Building Societies (A- or higher rated)	£2m
Foreign banks registered in the UK (A or higher rated)	£2m

The Authority had investments of £21.3m as at 30<sup>th</sup> June 2018:

(see next page)

<b>ANALYSIS OF INVESTMENTS END OF QUARTER 1 2018/19</b>						
<b>Institution</b>	<b>Credit Rating</b>	<b>MM Fund*</b>	<b>Bank / Other</b>	<b>Building Society</b>	<b>Local Authority</b>	<b>Average Interest</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>%</b>
Standard Life	AAA	1,300,000				0.51
Close Brothers	A		2,000,000			1.10
Goldman Sachs	A		2,000,000			0.73
Santander UK	A		2,000,000			0.85
Sumitomo/SMBCE	A		2,000,000			0.83
Coventry BS				2,000,000		0.52
Cumberland BS				1,000,000		0.67
Nationwide B Soc	A			2,000,000		0.59
Newcastle B Soc				1,000,000		0.80
Nottingham B Soc				1,000,000		0.77
Principality B Soc				1,000,000		0.75
Skipton B Soc	A-			1,000,000		0.75
West Bromwich B Soc				1,000,000		0.55
North Lanakshire Council					2,000,000	0.85
<b>Totals</b>		<b>1,300,000</b>	<b>8,000,000</b>	<b>10,000,000</b>	<b>2,000,000</b>	<b>0.73</b>
<b>Total Current Investments</b>					<b>21,300,000</b>	
*MM Fund - Money Market Funds -these are funds that spread the risk associated with investments over a wide range of credit worthy institutions.						

21. **External Debt Prudential Indicators;**

The external debt indicators of prudence for 2018/19 required by the Prudential Code were set in the strategy as follows:

Authorised limit for external debt: £74 million  
Operational boundary for external debt: £57 million

Against these limits, the maximum amount of debt reached at any time in the first quarter of the financial year 2018/19 was £38.1 million.

22. **Treasury Management Prudential Indicators;**

The treasury management indicators of prudence for 2018/19 required by the Prudential Code were set in the strategy as follows:

a) Interest Rate Exposures

Upper limit on fixed interest rate exposures: 100%  
Upper limit on variable interest rate exposures: 50%

The maximum that was reached in the first quarter of the financial year 2018/19 was as follows:

Upper limit on fixed interest rate exposures: 100%  
 Upper limit on variable interest rate exposures: 0%

b) Maturity Structure of Borrowing

Upper and lower limits for the maturity structure of borrowing were set and the maximum and minimum that was reached for each limit in the first quarter of the financial year 2018/19 was as follows:

<b>Maturity Period</b>	<b>Upper Limit</b>	<b>Lower Limit</b>	<b>Maximum</b>	<b>Minimum</b>
Under 12 months	50%	0%	4%	1%
12 months and within 24 months	50%	0%	1%	1%
24 months and within 5 years	50%	0%	10%	9%
5 years and within 10 years	50%	0%	0%	0%
10 years and above	90%	0%	88%	86%

c) Total principal sums invested for periods longer than 364 days.

The limit for investments of longer than 364 days was set at £2 million for 2018/19. No such investments have been placed during 2018/19.

**Equality and Diversity Implications**

23. There are no equality and diversity implications contained within this report.

**Staff Implications**

24. There are no staff implications contained within this report.

**Legal Implications**

25. There are no legal implications directly related to this report.

**Financial Implications & Value for Money**

26. See Executive Summary.

**Risk Management, Health & Safety, and Environmental Implications**

27. There are no Risk Management, Health & Safety and Environmental implications directly related to this report.

**Contribution to Our Mission: Safer Stronger Communities – Safe Effective Firefighters**

28. The achievement of actual expenditure within the approved financial plan and delivery of the expected service outcomes is essential if the Service is to achieve the Authority’s Mission.

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**BACKGROUND PAPERS**

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**CFO/004/18** “MFRA Budget and Financial Plan 2018/2019-2022/2023” Authority 22nd February 2018.

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**GLOSSARY OF TERMS**

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## 2018/19 REVENUE BUDGET MOVEMENT SUMMARY

Actual 2017/18	SERVICE REQUIREMENTS	Base Budget 2018/19	Reserve Draw- down	Virements	Qtr 1 Budget 2018/19
£'000		£'000	£'000	£'000	£'000
63,330	Fire Service	61,833	-3,061	385	59,157
480	Corporate Management	510	0	4	514
0	NRAT MFRS Lead Authority (Budget Neutral)	0	0	0	0
0	2017 - 18 New Dynamic Staff Saving	0	0	0	0
63,810		62,343	-3,061	389	59,671
0	Contingency for Pay/Price Changes	1,915	0	-389	1,526
63,810	<b>TOTAL SERVICE EXPENDITURE</b>	64,258	-3,061	0	61,197
-177	Interest on Balances	-172	0	0	-172
63,633	<b>NET OPERATING EXPENDITURE</b>	64,086	-3,061	0	61,025
	<b>Contribution to/(from) Reserves:</b>				
	<b>Emergency Related Reserves</b>				
159	Insurance Reserve	0	0	0	0
	<b>Modernisation Challenge</b>				
-175	Smoothing Reserve	-298	0	0	-298
-178	Ill Health Penalty Reserve	0	0	0	0
-100	Recruitment Reserve	0	0	0	0
0	Invest to Save / Collaboration Reserve	-329	0	0	-329
	<b>Capital Investment Reserve</b>				
-4,294	Capital Investment Reserve	-3,707	3,061	0	-646
-77	PFI Annuity Reserve	-91	0	0	-91
	<b>Specific Projects</b>				
4	Community Sponsorship Reserve	0	0	0	0
46	Equipment Reserve	0	0	0	0
-5	Healthy Living / Olympic Legacy	0	0	0	0
200	Inflation Reserve	0	0	0	0
142	Clothing / Boots Reserve	0	0	0	0
	<b>Ringfenced Reserves</b>				
29	Princes Trust Reserve	0	0	0	0
5	Community Risk Management Reserve	0	0	0	0
9	Energy Reserve	40	0	0	40
92	New Dimensions Reserve	0	0	0	0
-4,143	<b>Movement in Reserves</b>	-4,385	3,061	0	-1,324
59,490	<b>BUDGET REQUIREMENT</b>	59,701	0	0	59,701
-32,522	Settlement Funding Assessment	-31,502	0	0	-31,502
-167	Collection Fund Deficit	-253	0	0	-253
-26,801	Precept Income	-27,946	0	0	-27,946
-59,490	<b>BUDGET FUNDING</b>	-59,701	0	0	-59,701

## 2018/19 FIRE SERVICE REVENUE BUDGET MOVEMENT

Actual 2017/18	SERVICE REQUIREMENTS	Base Budget 2018/19	Reserve Draw- down	Virements	Qtr 1 Budget 2018/19
£'000		£'000	£'000	£'000	£'000
	<b>EMPLOYEES</b>				
	<b>Uniformed</b>				
28,420	Firefighters	27,897		20	27,917
1,248	Control	1,311			1,311
2,603	Additional Hours	1,894			1,894
32,271	<b>TOTAL UNIFORMED</b>	31,102	0	20	31,122
	<b>APT&amp;C and Manual</b>				
8,786	APT&C	8,746		766	9,512
130	Tender Drivers	111		7	118
139	Catering	159		9	168
571	Transport Maintenance	570			570
46	Hydrant Technicians	52		3	55
25	Casuals	0			0
9,697	<b>TOTAL APT&amp;C/MANUAL</b>	9,638	0	785	10,423
	<b>Other Employee Expenses</b>				
66	Allowances	61		8	69
1	Removal Expenses	3		-2	1
483	Training Expenses	484		22	506
35	Other Expenses	27			27
5	Staff Advertising	9		-3	6
83	Development Expenses	53			53
-30	Employee Insurance	204		-21	183
2,869	MPF Pen Fixed Rate	0			0
60	Enhanced Pensions	52			52
3	SSP & SMP Reimbursements	0			0
122	Catering Expenditure	115			115
-470	HFRA Capitalisation Payroll	-375			-375
3,227	<b>TOTAL OTHER EMPLOYEE EXPENSES</b>	633	0	4	637
	<b>Pensions</b>				
1,737	Injury Pension	1,780			1,780
352	Ill Health Retirement Charges	174			174
2,089	<b>TOTAL PENSIONS</b>	1,954	0	0	1,954
47,284	<b>TOTAL EMPLOYEES</b>	43,327	0	809	44,136
	<b>PREMISES</b>				
27	Building Maintenance Repairs	128			128
6	Site Maintenance Costs	10			10
802	Energy	850		4	854
46	Rent	81		-2	79
1,379	Rates	1,451		139	1,590
223	Water	210			210
12	Fixtures	30			30
47	Insurance	45		9	54
2,542	<b>TOTAL PREMISES</b>	2,805	0	150	2,955
	<b>TRANSPORT</b>				
539	Direct Transport	362		-5	357
11	Tunnel & Toll Fees	12			12
126	Operating Lease	138			138
389	Other Transport Costs	477		1	478
90	Car Allowances	121		2	123
359	Insurance	273		12	285
1,514	<b>TOTAL TRANSPORT</b>	1,383	0	10	1,393

## 2018/19 FIRE SERVICE REVENUE BUDGET MOVEMENT (continued)

Actual 2017/18	SERVICE REQUIREMENTS	Base Budget 2018/19	Reserve Draw- down	Virements	Qtr 1 Budget 2018/19
£'000		£'000	£'000	£'000	£'000
	<b>SUPPLIES &amp; SERVICES</b>				
15	Administrative Supplies	21			21
261	Operational Supplies	273		13	286
6	Hydrants	9			9
39	Consumables	39		1	40
114	Training Supplies	141			141
81	Fire Prevention Supplies	90		296	386
48	Catering Supplies	25			25
356	Uniforms	290		4	294
92	Printing & Stationery	147		-1	146
1	Operating Leases	2			2
228	Professional Fees/Service	866		-229	637
715	Communications	559		105	664
12	Postage	22			22
15	Command/Control	6		1	7
215	Computing	233		-3	230
217	Medicals	264		-50	214
68	Travel & Subsistence	81		7	88
117	Grants/Subscriptions	96		15	111
10	Advertising	4		-1	3
35	Furniture	36		1	37
13	Laundry	24			24
80	Insurances	82			82
9	Hospitality	5			5
0	Seconded Officers In	0		52	52
<b>2,747</b>	<b>TOTAL SUPPLIES &amp; SERVICES</b>	<b>3,315</b>	<b>0</b>	<b>211</b>	<b>3,526</b>
	<b>AGENCY SERVICES</b>				
128	Super Fund Admin	116			116
1,435	ICT Service Provider	1,439		29	1,468
410	ICT Managed Suppliers	400		20	420
2,707	PFI Unitary Charges ((Int/Principal/Op Costs)	2,746			2,746
1,133	Estates Service Provider	1064		20	1,084
<b>5,813</b>	<b>TOTAL AGENCY SERVICES</b>	<b>5,765</b>	<b>0</b>	<b>69</b>	<b>5,834</b>
	<b>CENTRAL EXPENSES</b>				
417	Finance & Computing	407		30	437
2	Central Expenses	0			0
<b>419</b>	<b>TOTAL CENTRAL EXPENSES</b>	<b>407</b>	<b>0</b>	<b>30</b>	<b>437</b>
	<b>CAPITAL FINANCING</b>				
6,113	PWLB Debt Charges	6,198			6,198
58	MRB Debt Charges	60			60
4,824	Revenue Contribution to Capital	5,003	-3,061	32	1,974
<b>10,995</b>	<b>TOTAL CAPITAL FINANCING</b>	<b>11,261</b>	<b>-3,061</b>	<b>32</b>	<b>8,232</b>
<b>71,314</b>	<b>TOTAL EXPENDITURE</b>	<b>68,263</b>	<b>-3,061</b>	<b>1,311</b>	<b>66,513</b>
	<b>INCOME</b>				
4,680	Specific Grants	3,940		33	3,973
7	Sales	0			0
1,504	Fees & Charges	830		434	1,264
5	Reinforcing Moves	5			5
856	Rents etc	825			825
314	Recharges Secondments	456		35	491
264	Contributions	160		424	584
342	Recharges Internal	208			208
12	Other Income	6			6
<b>7,984</b>	<b>TOTAL INCOME</b>	<b>6,430</b>	<b>0</b>	<b>926</b>	<b>7,356</b>
<b>63,330</b>	<b>NET EXPENDITURE</b>	<b>61,833</b>	<b>-3,061</b>	<b>385</b>	<b>59,157</b>

**2018/19 CORPORATE MANAGEMENT REVENUE BUDGET MOVEMENT**

Actual 2017/18	SERVICE REQUIREMENTS	Base Budget 2018/19	Reserve Draw- down	Virements	Qtr 1 Budget 2018/19
£'000		£'000	£'000	£'000	£'000
	<b>EXPENDITURE</b>				
	<b>Finance &amp; Legal costs</b>				
79	Finance Officer	79			79
101	Legal Officer	108		4	112
	<b>Democratic Rep (1020)</b>				
15	- Travel & Subsistence	24			24
2	- Conference Fees	5			5
210	- Members Allowances	216			216
0	- Telephones	1			1
0	- Training	1			1
0	- Hospitality	2			2
	<b>Central Expenses (1030)</b>				
13	Bank Charges	17			17
33	District Audit Fees	25			25
28	Subscriptions	32			32
<b>481</b>	<b>TOTAL EXPENDITURE</b>	<b>510</b>	<b>0</b>	<b>4</b>	<b>514</b>

**2018/19 NATIONAL RESILIENCE ASSURANCE REVENUE BUDGET MOVEMENT**

Actual 2017/18	SERVICE REQUIREMENTS	Base Budget 2018/19	Reserve Draw- down	Virements	Qtr 1 Budget 2018/19
£'000		£'000	£'000	£'000	£'000
	<b>EXPENDITURE</b>				
1,131	Employee Costs			1,614	1,614
983	Transport Costs			5,874	5,874
1,127	Supplies and Services Costs			1,303	1,303
335	Agency Costs			780	780
220	Central Expenditure			220	220
6	Capital Financing Costs				0
<b>3,802</b>	<b>TOTAL EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>9,791</b>	<b>9,791</b>
	<b>INCOME</b>				
3,802	Income			9,791	9,791
<b>0</b>	<b>NET EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**Budgeted Movement on Reserves 2018/19**

	Opening Balance	Planned Base Budget Use	Qtr 1 Drawdown & changes	Closing Balance
	£'000	£'000	£'000	£'000
<b>Earmarked Reserves</b>				
<b><u>Emergency Related Reserves</u></b>				
Bellwin Reserve	147			147
Insurance Reserve	859			859
Emergency Planning Reserve	75			75
Catastrophe Reserve	100			100
<b><u>Modernisation Challenge</u></b>				
Smoothing Reserve	1,806	-298		1,508
Ill Health Penalty Reserve	322			322
Recruitment Reserve	3,000			3,000
Invest to Save / Collaboration Reserve	1,000	-329		671
<b><u>Capital Investment &amp; Debt Repayment Res</u></b>	12,379	-3,705	3,061	11,735
<b><u>Specific Projects</u></b>				
PFI Annuity Reserve	2,092	-91		2,001
Equality / DDA Investment Reserve	285			285
Community Sponsorship Reserve	6			6
Equipment Reserve	347			347
Contestable Research Fund Reserve	24			24
Training Reserve	450			450
Healthy Living / Olympic Legacy	35			35
Inflation Reserve	700			700
Clothing / Boots Reserve	308			308
<b><u>Ringfenced Reserves</u></b>				
Princes Trust Reserve	121			121
Community Risk Management Reserve	325			325
Energy Reserve	141	40		181
New Dimensions Reserve	1,193			1,193
<b>Total Earmarked Reserves</b>	<b>25,715</b>	<b>-4,383</b>	<b>3,061</b>	<b>24,393</b>
<b>General Revenue Reserve</b>	<b>2,000</b>	<b>0</b>	<b>0</b>	<b>2,000</b>
<b>Total Reserves</b>	<b>27,715</b>	<b>-4,383</b>	<b>3,061</b>	<b>26,393</b>

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## Capital Programme 2018/19

<u>EXPENDITURE</u>		Approved Budget	Approved Re-phasing from 2017/18	Q1 Re-Phasings	Q1 Reduction in Spend	Q1 Virements	Q1 Budget	Actual to 30.06.18
		£	£	£	£	£	£	£
<b>BUILDING &amp; LAND PROGRAMME</b>								
BLD001	Roofs & Canopy Replacements	40,000	30,600				70,600	1,377
BLD004	Concrete Yard Repairs	20,000	5,400				25,400	6,363
BLD005	Tower Improvements	10,000	96,800			12,000	118,800	47,893
BLD007	L.E.V. Sys In App Rooms	5,000	11,700				16,700	
BLD013	Appliance Room Floors	30,000	24,500			-12,000	42,500	
BLD014	Boiler Replacements	15,000	20,500				35,500	
BLD016	Community Station Investment	25,000	6,400				31,400	4,945
BLD018	Conference Facilities H/Q	5,000	15,000				20,000	
BLD020	5 Year Electrical Test	70,000	50,000				120,000	
BLD026	Corporate Signage	5,000	9,000				14,000	
BLD031	Diesel Tanks		169,700				169,700	16,200
BLD032	Power Strategy (Generators)	10,000	29,000				39,000	
BLD033	Sanitary Accommodation Refurb	20,000	54,000				74,000	2,709
BLD034	Office Accommodation	15,000	17,800			2,500	35,300	2,479
BLD036	L.L.A.R. Accommodation Formby		277,800				277,800	780
BLD039	F.S. Refurbishment Heswall	250,000	65,600				315,600	3,110
BLD041	F.S. Refurbishment Aintree	150,000	9,900	-159,900			0	
BLD042	St Helens Conversion	100,000	2,700	-52,700			50,000	
BLD044	Asbestos Surveys	10,000	49,000				59,000	
BLD050	LLAR Accommodation Belle Vale		25,000				25,000	
BLD055	F.S. Refurbishment Bromborough		350,000	-350,000			0	
BLD056	F.S. Refurbishment Eccleston	50,000		-25,000			25,000	
BLD058	H.V.A.C. Heating, Vent & Air Con	25,000	62,700				87,700	683
BLD060	D.D.A. Compliance Work	120,000	110,400				230,400	
BLD061	Lighting Conductors Surge Protectors	10,000	28,200				38,200	5,670
BLD062	Emergency Lighting	5,000	20,300				25,300	
BLD063	F.S. Refurbishment Kirby		374,600	-350,000			24,600	
BLD067	Gym Equipment Replacement	20,000	45,100				65,100	23,518
BLD070	Workshop Enhancement		107,300				107,300	16,990
BLD071	Station Refresh	25,000	27,400	-52,400		60,000	60,000	
BLD073	SHQ Museum	191,000		-180,000			11,000	
BLD075	Llar Accommodation Newton Le Willows		281,400	-251,400			30,000	
BLD076	F.S. Refurbishment Huyton		25,000			-25,000	0	
BLD082	Saughall Massie Fire Station Build	3,600,000	1,005,200	-605,200			4,000,000	307,702
BLD083	St Helens Fire Station Build	5,000,000	250,000	-5,200,000			50,000	
BLD084	F.S. Refurbishment Croxteth		143,500	-143,500			0	10,933
BLD085	F.S. Refurbishment Speke/Garston	300,000		-300,000			0	
BLD086	F.S. Refurbishment Old Swan	300,000		-300,000			0	
BLD087	F.S. Refurbishment City Centre		25,000				25,000	21,673
BLD088	F.S. Refurbishment Kensington	100,000		-100,000			0	
BLD090	F.S. Refurbishment Wallasey		25,000	25,000			50,000	
BLD091	Refurbishment TDA	1,000,000	38,600	-1,000,000			38,600	25,667
BLD092	Service HQ. Offices	50,000	100,600	-115,600		-35,000	0	8,737
BLD094	Security Enhancement Works	25,000	16,600				41,600	11,617
CON001	Energy Conservation Non-Salix	25,000	102,000				127,000	
CON002	Energy Conservation Salix		2,600				2,600	
EQU002	Fridge/Freezer Rep Prog	10,000	9,700				19,700	8,067
EQU003	Furniture Replacement Prog	10,500	27,300				37,800	
	<b>Total</b>	<b>11,646,500</b>	<b>4,148,900</b>	<b>-9,160,700</b>	<b>0</b>	<b>2,500</b>	<b>6,637,200</b>	<b>527,112</b>
<b>FIRE SAFETY</b>								
FIR002	Smoke Alarms (H.F.R.A.)	235,000					235,000	30,577
FIR005	Installation Costs (H.F.R.A.)	375,000					375,000	
FIR006	Deaf Alarms (H.F.R.A.)	25,000					25,000	
FIR009	Risk Management Residential Blocks		200,000				200,000	18,815
	<b>Total</b>	<b>635,000</b>	<b>200,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>835,000</b>	<b>49,392</b>

## Capital Programme 2018/19

EXPENDITURE		Approved Budget	Approved Re-phasing from 2017/18	Q1 Re-Phasings	Q1 Reduction in Spend	Q1 Virements	Q1 Budget	Actual to 30.06.18
		£	£	£	£	£	£	£
<b>ICT</b>								
FIN001	F.M.I.S. Replacement		67,300			8,000	75,300	24,889
IT002	I.C.T. Software	258,000					258,000	191,736
IT003	I.C.T. Hardware	177,100	112,000			640	289,740	45,372
IT005	I.C.T. Servers	80,000	102,900				182,900	
IT018	I.C.T. Network	219,000	189,700				408,700	
IT019	Website Development		42,200				42,200	7,848
IT026	I.C.T. Operational Equipment	62,000	3,200				65,200	4,389
IT027	I.C.T. Security	2,000					2,000	
IT028	System Development Portal		23,900				23,900	2,370
IT030	I.C.T. Projects / Upgrades	5,000				-2,500	2,500	
IT053	JCC Backup MACC	39,500					39,500	
IT055	C3i C&C Comms and Info system	5,000	3,500				8,500	
IT056	PFI Access Door System		8,600				8,600	
IT057	Fleet Management System		4,600				4,600	
IT058	New Emergency Services Network	55,000	97,000				152,000	54,510
IT059	ESMCP Project Control Room Integration		183,100				183,100	
IT060	ICT Station Change	40,000					40,000	
	<b>Total</b>	<b>942,600</b>	<b>838,000</b>	<b>0</b>	<b>0</b>	<b>6,140</b>	<b>1,786,740</b>	<b>331,113</b>
<b>OPERATIONAL EQUIP. &amp; HYDRANTS</b>								
OPS001	Gas Tight Suits Other Ppe	130,000	-33,400	-26,000	-56,600		14,000	
OPS003	Hydraulic Rescue Equipment	125,000					125,000	
OPS005	Resuscitation Equipment	12,000	15,500				27,500	
OPS009	Pod Equipment	112,500					112,500	
OPS011	Thermal Imaging Cameras	176,500					176,500	
OPS022	Improvements To Fleet	30,000					30,000	
OPS023	Water Rescue Equipment	186,500			-126,500	-50,000	10,000	
OPS016	Gas Detection Equipment (MYRA DS)	0	0			50,000	50,000	
OPS024	BA equipment / Comms	169,000	34,600	-34,500			169,100	
OPS026	Rope Replacement		26,600		-10,000		16,600	
OPS027	Light Portable Pumps	20,000		-20,000			0	
OPS031	Cctv Equipment/Drone	21,000		-10,000			11,000	
OPS034	Operational Ladders	16,000			29,000		45,000	
OPS036	Radiation/Gas Detection Equipment	45,000		-45,000			0	
OPS038	Water Delivery System	30,000		-30,000			0	
OPS039	Water Delivery Hoses	10,000					10,000	
OPS049	Bulk Foam Attack Equipment	143,000					143,000	
OPS052	DEFRA FRNE Water Rescue Grant		16,000				16,000	
OPS054	Light Portable Pumps	30,000					30,000	
OPS055	NRAT National Asset Refresh		368,700			1,400,000	1,768,700	3,700
OPS056	PV Stop	16,000					16,000	
HYD001	Hydrants (New Installations)	18,500					18,500	
HYD002	Hydrants (Rep Installations)	18,500					18,500	
	<b>Total</b>	<b>1,309,500</b>	<b>428,000</b>	<b>-165,500</b>	<b>-164,100</b>	<b>1,400,000</b>	<b>2,807,900</b>	<b>3,700</b>
<b>VEHICLES</b>								
VEH001	Wti'S Purchased	765,000	793,000		-14,000		1,544,000	
VEH002	Ancillary Vehicles	403,100	280,900	24,600	-23,000		685,600	145,089
VEH004	Special Vehicles	1,087,100	298,800		-156,050	32,000	1,261,850	58,060
VEH005	Vehicles water Strategy		16,400				16,400	
VEH010	Marine Rescue Vessels	25,000	450,000				475,000	
WOR001	Workshop Equipment		66,300				66,300	
	<b>Total</b>	<b>2,280,200</b>	<b>1,905,400</b>	<b>24,600</b>	<b>-193,050</b>	<b>32,000</b>	<b>4,049,150</b>	<b>203,149</b>
	<b>Grand Total</b>	<b>16,813,800</b>	<b>7,520,300</b>	<b>-9,301,600</b>	<b>-357,150</b>	<b>1,440,640</b>	<b>16,115,990</b>	<b>1,114,467</b>

## Capital Programme 2018/19

<b>FINANCING</b>		<b>Approved Budget</b>	<b>Approved Re-phasing from 2017/18</b>	<b>Q1 Re-Phasings</b>	<b>Q1 Reduction in Spend</b>	<b>Q1 Virements</b>	<b>Q1 Budget</b>	<b>Actual to 30.06.18</b>
		£	£	£	£	£	£	£
<b>Capital Receipts</b>								
	Sale of Upton FS	350,000					350,000	
	Sale of West Kirby FS	200,000					200,000	
	Sale of Whiston FS		250,000				250,000	
	Sale of St Helens FS	100,000		-100,000			0	
	Sale of Eccleston FS	600,000		-600,000			0	
	Sale of Allerton FS		400,000				400,000	
	Sale of Formby LLAR House	350,000					350,000	
	Sale of Newton 2 LLAR House	275,000					275,000	
	Sale of West Kirby LLAR House	400,000					400,000	
<b>R.C.C.O. / Capital Reserve</b>								
	Capitalisation of Sals HFRA (FIR005)	375,000					375,000	
	ICT Equipment (IT003)					640	640	
	MRSP Educational Van (VEH004)					32,000	32,000	
	HR Document MGR App (FIN001)					8,000	8,000	
	Saughall Massie FS New Build	2,164,000		-605,200			1,558,800	
	St Helens FS New Build (BLD083)	2,464,000		-2,464,000			0	
<b>Grant</b>								
	Saughall FS Capital Transformation	886,000	1,005,200				1,891,200	
	St Helens FS Capital Transformation	1,836,000	250,000	-2,036,000			50,000	
	NRAT National Resilience Grant	0	368,700			1,400,000	1,768,700	
<b>Total Non Borrowing</b>		<b>10,000,000</b>	<b>2,273,900</b>	<b>-5,805,200</b>	<b>0</b>	<b>1,440,640</b>	<b>7,909,340</b>	<b>0</b>
<b>Borrowing Requirement</b>								
	Unsupported Borrowing	6,813,800	5,246,400	-3,496,400	-357,150	0	8,206,650	1,114,467
	<b>Borrowing</b>	<b>6,813,800</b>	<b>5,246,400</b>	<b>-3,496,400</b>	<b>-357,150</b>	<b>0</b>	<b>8,206,650</b>	<b>1,114,467</b>
<b>Total Funding</b>		<b>16,813,800</b>	<b>7,520,300</b>	<b>-9,301,600</b>	<b>-357,150</b>	<b>1,440,640</b>	<b>16,115,990</b>	<b>1,114,467</b>

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## Approved Capital Programme for 2017/2018 - 2022/2023

Capital Expenditure	Total Cost £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £
<b>Building/Land</b>	<b>18,083,900</b>	6,637,200	9,378,900	822,900	939,900	305,000
<b>Fire Safety</b>	<b>3,375,000</b>	835,000	635,000	635,000	635,000	635,000
<b>ICT</b>	<b>4,748,140</b>	1,786,740	989,100	664,100	584,100	724,100
<b>Operational Equipment &amp; Hydrants</b>	<b>3,786,400</b>	2,807,900	267,000	311,500	182,000	218,000
<b>Vehicles</b>	<b>9,814,350</b>	4,049,150	1,394,950	904,800	1,553,600	1,911,850
<b>Expenditure</b>	<b>39,807,790</b>	<b>16,115,990</b>	<b>12,664,950</b>	<b>3,338,300</b>	<b>3,894,600</b>	<b>3,793,950</b>
<b>2018/19 - 2022/23 Approved Programme</b>	<b>31,946,000</b>	<b>16,813,800</b>	<b>4,015,150</b>	<b>3,209,000</b>	<b>3,258,500</b>	<b>4,649,550</b>
<b>Q1 Current to Original Change</b>	<b>7,861,790</b>	<b>(697,810)</b>	<b>8,649,800</b>	<b>129,300</b>	<b>636,100</b>	<b>(855,600)</b>
<b>Q1 Movements Explained by:</b>						
RCCOs	40,640	40,640	0	0	0	0
NRAT National Resilience Grant	1,400,000	1,400,000	0	0	0	0
Review of Planned investment requirement and timing of schemes	(1,099,150)	(9,658,750)	8,649,800	129,300	636,100	(855,600)
Rephasing of Schemes from 2017/18 outturn	7,520,300	7,520,300	0	0	0	0
<b>Q1 Movement</b>	<b>7,861,790</b>	<b>(697,810)</b>	<b>8,649,800</b>	<b>129,300</b>	<b>636,100</b>	<b>(855,600)</b>
Financing Available	Total £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2021/22 £
<b>Capital Receipts</b>	<b>2,925,000</b>	<b>2,225,000</b>	<b>700,000</b>	0	0	0
Sale of Huyton FS (CFO/095/14)						
Sale of Whiston FS (CFO/095/14)		250,000				
Sale of Upton FS (CFO/058/15)		350,000				
Sale of West Kirby FS (CFO/058/15)		200,000				
Sale of St Helens			100,000			
Sale of Eccleston			600,000			
Sale of Allerton CFS/House		400,000				
Sale of LLAR House Formby		350,000				
Sale of LLAR House Newton		275,000				
Sale of LLAR House West Kirby		400,000				
<b>RCCO</b>	<b>1,915,640</b>	<b>415,640</b>	<b>375,000</b>	<b>375,000</b>	<b>375,000</b>	<b>375,000</b>
CFS Alarm Installation (Salaries)		375,000	375,000	375,000	375,000	375,000
FIN001 HR Document Management Application		8,000				
IT003 1020 2 PC Monitors		540				
IT003 Phone (Princes Trust)		100				
VEH004 MRSP Educational Van - Reserve		32,000	0	0	0	0
<b>Capital Reserves</b>	<b>4,628,000</b>	<b>1,558,800</b>	<b>3,069,200</b>	0	0	0
Saughall Massie FS New Build		1,558,800	605,200	0	0	0
St Helens FS New Build		0	2,464,000	0	0	0
<b>Grants</b>	<b>5,745,900</b>	<b>3,709,900</b>	<b>2,036,000</b>	0	0	0
Saughall Massie FS New Build		1,891,200		0	0	0
St Helens FS New Build		50,000	2,036,000	0	0	0
OPS055 NRAT National Resilience Grant		1,768,700	0	0	0	0
<b>Total Non Borrowing</b>	<b>15,214,540</b>	<b>7,909,340</b>	<b>6,180,200</b>	<b>375,000</b>	<b>375,000</b>	<b>375,000</b>
<b>Unsupported Borrowing</b>	<b>24,593,250</b>	<b>8,206,650</b>	<b>6,484,750</b>	<b>2,963,300</b>	<b>3,519,600</b>	<b>3,418,950</b>
<b>Total Funding</b>	<b>39,807,790</b>	<b>16,115,990</b>	<b>12,664,950</b>	<b>3,338,300</b>	<b>3,894,600</b>	<b>3,793,950</b>
<b>Original Funding Level for 2018/19 - 2022/23 Programme</b>	<b>31,946,000</b>	<b>16,813,800</b>	<b>4,015,150</b>	<b>3,209,000</b>	<b>3,258,500</b>	<b>4,649,550</b>
<b>Q1 to Original Change</b>	<b>7,861,790</b>	<b>(697,810)</b>	<b>8,649,800</b>	<b>129,300</b>	<b>636,100</b>	<b>(855,600)</b>
<b>Funding Change Explained by:</b>						
<b>RCCO - new schemes</b>	<b>40,640</b>	<b>40,640</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grants</b>	<b>3,023,900</b>	<b>382,700</b>	<b>2,641,200</b>	<b>0</b>	<b>0</b>	<b>0</b>
2017/18 Rephasing of Saughall Massie		1,255,200				
2017/18 Rephasing of National Resilience Asset Refresh		368,700				
2018/19 Rephasing of Saughall Massie		(605,200)	605,200			
2018/19 Rephasing of St Helens		(2,036,000)	2,036,000			
OPS055 NRAT National Resilience Grant		1,400,000				
<b>Use of Reserves</b>	<b>0</b>	<b>(2,464,000)</b>	<b>2,464,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
2018/19 Rephasing of St Helens		(2,464,000)	2,464,000			
<b>Capital Receipts</b>	<b>650,000</b>	<b>(50,000)</b>	<b>700,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
2017/18 Rephasing of Sale of Whiston		250,000				
2017/18 Rephasing of Sale of Allerton		400,000				
2018/19 Rephasing of Sale of St Helens		(100,000)	100,000			
2018/19 Rephasing of Sale of Eccleston		(600,000)	600,000			
<b>Unsupported Borrowing</b>	<b>4,147,250</b>	<b>1,392,850</b>	<b>2,844,600</b>	<b>129,300</b>	<b>636,100</b>	<b>(855,600)</b>
Rephasing of Schemes from 2017/18 outturn	<b>5,246,400</b>	<b>5,246,400</b>				
Review of Planned investment requirement and timing of schemes	<b>(1,099,150)</b>	<b>(3,853,550)</b>	<b>2,844,600</b>	<b>129,300</b>	<b>636,100</b>	<b>(855,600)</b>
<b>Q1 Movements</b>	<b>7,861,790</b>	<b>(697,810)</b>	<b>8,649,800</b>	<b>129,300</b>	<b>636,100</b>	<b>(855,600)</b>

## Building / Land - Approved Budget 2018/19 to 2022/23

Type of Capital Expenditure	Total Cost £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £
<b>Major Site Refurbishments</b>						
BLD016 Community Station Investment	106,400	31,400	25,000	25,000	25,000	
BLD039 FS Refurbishment Heswall	340,600	315,600		25,000		
BLD041 FS Refurbishment Aintree	159,900				159,900	
BLD042 FS Refurbishment St Helens	102,700	50,000	52,700			
BLD055 FS Refurbishment Bromborough	350,000		350,000			
BLD056 FS Refurbishment Eccleston	50,000	25,000	25,000			
BLD057 FS Refurbishment Crosby	150,000			150,000		
BLD063 FS Refurbishment Kirkby	374,600	24,600	350,000			
BLD070 Workshop Enhancement	107,300	107,300				
BLD071 Station Refresh	162,400	60,000	25,000	52,400	25,000	
BLD076 FS Refurbishment Huyton						
BLD084 FS Refurbishment Croxteth	293,500		293,500			
BLD085 FS Refurbishment Speke/Garston	300,000		300,000			
BLD086 FS Refurbishment Old Swan	300,000		150,000	150,000		
BLD087 FS Refurbishment City Centre	25,000	25,000				
BLD088 FS Refurbishment Kensington	140,000		140,000			
BLD089 FS Refurbishment Toxteth	200,000				200,000	
BLD090 FS Refurbishment Wallasey	125,000	50,000			75,000	
BLD091 TDA Refurbishment	1,038,600	38,600	1,000,000			
BLD093 Marine Fire 1 Refurbishment	150,000				150,000	
	<b>4,476,000</b>	<b>727,500</b>	<b>2,711,200</b>	<b>402,400</b>	<b>634,900</b>	
<b>Station Mergers</b>						
BLD082 Saughall Massie FS New Build (CFO/058/15)	4,605,200	4,000,000	605,200			
BLD083 St Helens FS New Build (CFO/059/15)	5,250,000	50,000	5,200,000			
	<b>9,855,200</b>	<b>4,050,000</b>	<b>5,805,200</b>			
<b>Other</b>						
BLD073 SHQ Museum	191,000	11,000	180,000			
	<b>191,000</b>	<b>11,000</b>	<b>180,000</b>			
<b>LLAR Accommodation Works</b>						
BLD036 LLAR Accommodation Formby	277,800	277,800				
BLD050 LLAR Accommodation Belle Vale	50,000	25,000	25,000			
BLD075 LLAR Accommodation Newton-le-Willows	281,400	30,000	251,400			
	<b>609,200</b>	<b>332,800</b>	<b>276,400</b>			
<b>General Station Upgrade Works</b>						
BLD001 Roofs & Canopy Replacements	230,600	70,600	40,000	40,000	40,000	40,000
BLD004 Concrete Yard Repairs	105,400	25,400	20,000	20,000	20,000	20,000
BLD005 Tower Improvements	158,800	118,800	10,000	10,000	10,000	10,000
BLD013 Non Slip Coating to Appliance Room Floors	162,500	42,500	30,000	30,000	30,000	30,000
BLD014 Boiler Replacements	95,500	35,500	15,000	15,000	15,000	15,000
BLD020 Electrical Testing	200,000	120,000	20,000	20,000	20,000	20,000
BLD031 Diesel Tanks	169,700	169,700				
BLD033 Sanitary Accommodation Refurbishment	154,000	74,000	20,000	20,000	20,000	20,000
BLD044 Asbestos Surveys	99,000	59,000	10,000	10,000	10,000	10,000
BLD060 DDA Compliance	290,400	230,400	20,000	20,000	10,000	10,000
	<b>1,665,900</b>	<b>945,900</b>	<b>185,000</b>	<b>185,000</b>	<b>175,000</b>	<b>175,000</b>
<b>Other Works</b>						
BLD007 L.E.V. System in Appliance Rooms	36,700	16,700	5,000	5,000	5,000	5,000
BLD018 Conference Facilities SHQ	40,000	20,000	5,000	5,000	5,000	5,000
BLD026 Corporate Signage	34,000	14,000	5,000	5,000	5,000	5,000
BLD032 Power Strategy	69,000	39,000	10,000	10,000	5,000	5,000
BLD034 Office Accommodation	95,300	35,300	15,000	15,000	15,000	15,000
BLD053 Headquarters Lighting	25,000			25,000		
BLD058 HVAC - Heating, Ventilation & Air Con	112,700	87,700	25,000			
BLD061 Lightening Conductors & Surge Protection	68,200	38,200	10,000	10,000	5,000	5,000
BLD062 Emergency Lighting	45,300	25,300	5,000	5,000	5,000	5,000
BLD067 Gym Equipment Replacement	145,100	65,100	20,000	20,000	20,000	20,000
BLD092 Service Headquarters Offices	115,600		50,600	65,000		
BLD094 Security Enhancement Works	141,600	41,600	25,000	25,000	25,000	25,000
CON001 Energy Conservation Non-Salix	217,000	127,000	25,000	25,000	20,000	20,000
CON002 Energy Conservation Salix	2,600	2,600				
EQU002 Replacement programme for Fridge Freezers	59,700	19,700	10,000	10,000	10,000	10,000
EQU003 Furniture Replacement Programme	78,800	37,800	10,500	10,500	10,000	10,000
	<b>1,286,600</b>	<b>570,000</b>	<b>221,100</b>	<b>235,500</b>	<b>130,000</b>	<b>130,000</b>
	<b>18,083,900</b>	<b>6,637,200</b>	<b>9,378,900</b>	<b>822,900</b>	<b>939,900</b>	<b>305,000</b>
<b>Original Budget</b>	<b>13,932,500</b>	<b>11,646,500</b>	<b>620,500</b>	<b>905,500</b>	<b>455,000</b>	<b>305,000</b>
<b>Current Programme</b>	<b>18,083,900</b>	<b>6,637,200</b>	<b>9,378,900</b>	<b>822,900</b>	<b>939,900</b>	<b>305,000</b>
<b>Changes</b>	<b>4,151,400</b>	<b>(5,009,300)</b>	<b>8,758,400</b>	<b>(82,600)</b>	<b>484,900</b>	
<b>Q1 Movements/Adjustments</b>	<b>4,151,400</b>	<b>4,151,400</b>				
Virements						
BLD013 to BLD005			(12,000)			
BLD005 from BLD013			12,000			
BLD034 from IT030			2,500			



Slippage from 2017/18

BLD001 Roofs & Canopy Replacements	30,600
BLD004 Concrete Yard Repairs	5,400
BLD005 Tower Improvements	96,800
BLD007 L.E.V. System in Appliance Rooms	11,700
BLD013 Non Slip Coating to Appliance Room Floors	24,500
BLD014 Boiler Replacements	20,500
BLD016 Community Station Investment	6,400
BLD018 Conference Facilities SHQ	15,000
BLD020 Electrical Testing	50,000
BLD026 Corporate Signage	9,000
BLD031 Diesel Tanks	169,700
BLD032 Power Strategy	29,000
BLD033 Sanitary Accommodation Refurbishment	54,000
BLD034 Office Accommodation	17,800
BLD036 LLAR Accommodation Formby	277,800
BLD039 FS Refurbishment Heswall	65,600
BLD041 FS Refurbishment Aintree	9,900
BLD042 FS Refurbishment St Helens	2,700
BLD044 Asbestos Surveys	49,000
BLD050 LLAR Accommodation Belle Vale	25,000
BLD055 FS Refurbishment Bromborough	350,000
BLD058 HVAC - Heating, Ventilation & Air Con	62,700
BLD060 DDA Compliance	110,400
BLD061 Lightening Conductors & Surge Protection	28,200
BLD062 Emergency Lighting	20,300
BLD063 FS Refurbishment Kirkby	374,600
BLD067 Gym Equipment Replacement	45,100
BLD070 Workshop Enhancement	107,300
BLD071 Station Refresh	27,400
BLD075 LLAR Accommodation Newton-le-Willows	281,400
BLD076 FS Refurbishment Huyton	25,000
BLD082 Saughall Massie FS New Build (CFO/058/15)	1,005,200
BLD083 St Helens FS New Build (CFO/059/15)	250,000
BLD084 FS Refurbishment Croxteth	143,500
BLD087 FS Refurbishment City Centre	25,000
BLD090 FS Refurbishment Wallasey	25,000
BLD091 TDA Refurbishment	38,600
BLD092 Service Headquarters Offices	100,600
BLD094 Security Enhancement Works	16,600
CON001 Energy Conservation Non-Salix	102,000
CON002 Energy Conservation Salix	2,600
EQU002 Replacement programme for Fridge Freezers	9,700
EQU003 Furniture Replacement Programme	27,300

Review of Planned investment requirement and timing of schemes	(9,160,700)	8,758,400	(82,600)	484,900	
	<b>4,151,400</b>	<b>(5,009,300)</b>	<b>8,758,400</b>	<b>(82,600)</b>	<b>484,900</b>

## Fire Safety - Approved Budget 2018/19 to 2022/23

Type of Capital Expenditure	Total Cost £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £
FIR002 Smoke Alarms (100,000 HFRA target)	<b>1,175,000</b>	235,000	235,000	235,000	235,000	235,000
FIR005 Installation costs (HFRA)	<b>1,875,000</b>	375,000	375,000	375,000	375,000	375,000
FIR006 Deaf Alarms (HFRA)	<b>125,000</b>	25,000	25,000	25,000	25,000	25,000
FIR009 Fire Risk Management in Residential Blocks (CFO/135/13)	<b>200,000</b>	200,000				
	<b>3,375,000</b>	<b>835,000</b>	<b>635,000</b>	<b>635,000</b>	<b>635,000</b>	<b>635,000</b>
<b>Original Budget</b>	<b>3,175,000</b>	<b>635,000</b>	<b>635,000</b>	<b>635,000</b>	<b>635,000</b>	<b>635,000</b>
<b>Current Programme</b>	<b>3,375,000</b>	<b>835,000</b>	<b>635,000</b>	<b>635,000</b>	<b>635,000</b>	<b>635,000</b>
<b>Changes</b>	<b>200,000</b>	<b>200,000</b>				

**ICT - Approved Budget 2018/19 to 2022/23**

Type of Capital Expenditure	Total Cost £	2018/19 £	2019/20 £	2020/21 £	2021/22 £	2022/23 £
<b>IT002 ICT Software</b>						
Software Licences	10,000	2,000	2,000	2,000	2,000	2,000
New Virtualisation Infrastructure	75,000	75,000				
5 Year Antivirus & Filtering Software	200,000					200,000
MDT Software Solution Refresh	100,000					100,000
Microsoft EA Agreement (Servers & Security)	240,000	48,000	48,000	48,000	48,000	48,000
Microsoft EA Agreement (Windows & Office)	640,000	128,000	128,000	128,000	128,000	128,000
Microsoft EA Agreement (Application Development)	25,000	5,000	5,000	5,000	5,000	5,000
	<b>1,290,000</b>	<b>258,000</b>	<b>183,000</b>	<b>183,000</b>	<b>183,000</b>	<b>483,000</b>
<b>IT003 ICT Hardware</b>						
Desktops (target 20%)	226,440	66,040	40,100	40,100	40,100	40,100
Tablets & Docking Stations (target 20%)	398,200	150,200	62,000	62,000	62,000	62,000
Monitors & Monitor Arms (target 20%)	78,800	22,800	14,000	14,000	14,000	14,000
Peripherals replacement (target 20%)	16,900	4,900	3,000	3,000	3,000	3,000
Mobile device replacement (target 20%)	57,800	45,800	3,000	3,000	3,000	3,000
Replacement Backup Tape Drive	25,000				25,000	
IP TV Asset Refresh	50,000		25,000		25,000	
Audio Visual Conference Facility	120,000			120,000		
	<b>973,140</b>	<b>289,740</b>	<b>147,100</b>	<b>242,100</b>	<b>172,100</b>	<b>122,100</b>
<b>IT005 ICT Servers</b>						
Server/storage replacement (target 20%)	408,600	148,600	65,000	65,000	65,000	65,000
Server/storage growth	134,300	34,300	25,000	25,000	25,000	25,000
	<b>542,900</b>	<b>182,900</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>
<b>IT018 ICT Network</b>						
Local Area Network replacement (discrete)	7,500	7,500				
Network Switches/Router replacement	37,300	9,300	7,000	7,000	7,000	7,000
Network Switches/Routers replacement	317,300	317,300				
Vesty Road Network Link Refresh	40,000		40,000			
Wireless Network	74,600	74,600				
	<b>476,700</b>	<b>408,700</b>	<b>47,000</b>	<b>7,000</b>	<b>7,000</b>	<b>7,000</b>
<b>IT026 ICT Operational Equipment</b>						
Pagers/Alerters	7,400	7,400				
Station Equipment Replacement	45,300	5,300	10,000	10,000	10,000	10,000
Incident Ground Management System	52,500	52,500				
MDT Replacement (Not incl. in ESMCP)	120,000			120,000		
	<b>225,200</b>	<b>65,200</b>	<b>10,000</b>	<b>130,000</b>	<b>10,000</b>	<b>10,000</b>
<b>IT058 New Emergency Services Network (ESN)</b>						
ESN Radios / Infrastructure - Estimate	152,000	152,000				
	<b>152,000</b>	<b>152,000</b>				
<b>IT060 ICT Station Change</b>						
Saughall Massie Station End Mobilising Equipment	20,000	20,000				
St Helens Station End Mobilising Equipment	20,000	20,000				
	<b>40,000</b>	<b>40,000</b>				
<b>SHQ/JCC Major Refurbishment</b>						
IT053 JCC Backup MACC/Secondary Control Resilience	39,500	39,500				
	<b>39,500</b>	<b>39,500</b>				
<b>Other IT Schemes</b>						
IT019 Website Development	42,200	42,200				
IT027 ICT Security - Remote Access Security FOBS	10,000	2,000	2,000	2,000	2,000	2,000
IT028 System Development (Portal)	133,900	23,900			110,000	
IT030 ICT Projects/Upgrades	22,500	2,500	5,000	5,000	5,000	5,000
IT055 C.3.I. C.&C Communication & Information System	28,500	8,500	5,000	5,000	5,000	5,000
IT056 Door Access System	8,600	8,600				
IT057 Fleet Management System	4,600	4,600				
IT059 ESMCP Project Control Room Integration	183,100	183,100				
IT062 Capita Vision 3 Update (CFO/058/17)	500,000		500,000			
FIN001 FMIS/Eproc/Payroll/HR Replacement	75,300	75,300				
	<b>1,008,700</b>	<b>350,700</b>	<b>512,000</b>	<b>12,000</b>	<b>122,000</b>	<b>12,000</b>
	<b>4,748,140</b>	<b>1,786,740</b>	<b>989,100</b>	<b>664,100</b>	<b>584,100</b>	<b>724,100</b>
<b>Original Approved Budget</b>	<b>3,930,000</b>	<b>942,600</b>	<b>1,028,100</b>	<b>668,100</b>	<b>563,100</b>	<b>728,100</b>
<b>Current Programme</b>	<b>4,748,140</b>	<b>1,786,740</b>	<b>989,100</b>	<b>664,100</b>	<b>584,100</b>	<b>724,100</b>
<b>Changes</b>	<b>818,140</b>	<b>844,140</b>	<b>(39,000)</b>	<b>(4,000)</b>	<b>21,000</b>	<b>(4,000)</b>
<b>Q1 Movements/Adjustments</b>	<b>844,140</b>	<b>844,140</b>				
Virements						
IT030 to BLD034		(2,500)				
RCCs						
FIN001 HR Document Management Application		8,000				
IT003 1020 2 PC Monitors & Phone		540				
IT003 Phone (Princes Trust)		100				
Slippage from 2017/18						
FIN001 F.M.I.S. Replacement		67,300				
IT003 I.C.T. Hardware		112,000				
IT005 I.C.T. Servers		102,900				
IT018 I.C.T. Network		189,700				
IT019 Website Development		42,200				
IT026 I.C.T. Operational Equipment		3,200				
IT028 System Development Portal		23,900				
IT055 C3i C&C Comms and Info system		3,500				
IT056 PFI Access Door System		8,600				
IT057 Fleet Management System		4,600				
IT058 New Emergency Services Network		97,000				
IT059 ESMCP Project Control room integration		183,100				
Review of Planned investment requirement and timing of schemes	(26,000)		(39,000)	(4,000)	21,000	(4,000)
	<b>844,140</b>	<b>844,140</b>	<b>(39,000)</b>	<b>(4,000)</b>	<b>21,000</b>	<b>(4,000)</b>

## Operational Equipment - Approved Budget 2018/19 to 2022/23

Type of Capital Expenditure	Total Cost	2018/19	2019/20	2020/21	2021/22	2022/23
	£	£	£	£	£	£
<b>OPS003 Hydraulic Rescue Equipment</b>						
Hydraulic Rescue Equipment - Replacement Programme	330,000	125,000		60,000	60,000	85,000
	<b>330,000</b>	<b>125,000</b>		<b>60,000</b>	<b>60,000</b>	<b>85,000</b>
<b>OPS005 Resuscitation Equipment</b>						
Resuscitation Rescue Equipment	30,000			30,000		
Defibrillator Batteries	12,000	12,000				
Appliance Resuscitation Equipment & Cylinders	45,500	15,500	30,000			
	<b>87,500</b>	<b>27,500</b>	<b>30,000</b>	<b>30,000</b>		
<b>OPS024 BA Equipment/Communications</b>						
BA Cylinder Replacement	36,100	16,100	20,000			
BA Telemetry Breathing Units	54,200	54,200				
Replacement of hand held communication radios	30,100	30,100				
BA Test Rig	14,500			14,500		
BA Set Batteries	20,000		20,000			
Oxygen Booster Pumps	14,500	14,500				
ESAS, Badoliers & Air Line Reducers	54,200	54,200				
	<b>223,600</b>	<b>169,100</b>	<b>40,000</b>	<b>14,500</b>		
<b>OPS036 Radiation/Gas Detection Equipment</b>						
Radiation Detection Equipment	45,000			45,000		
Single Gas Detection Equipment	20,000			20,000		
	<b>65,000</b>			<b>65,000</b>		
<b>OPS049 Bulk Foam Equipment</b>						
Bulk Foam Attack Equipment	49,000	49,000				
Bulk Foam Stock	94,000	94,000				
	<b>143,000</b>	<b>143,000</b>				
<b>Other</b>						
OPS00 Gas Tight Suits Other PPE	40,000	14,000	5,000	10,000	5,000	6,000
OPS009 POD Equipment (Demountable Unit Refurb 2013/14 IRMP)	112,500	112,500				
OPS011 Thermal imaging cameras	176,500	176,500				
OPS022 Improvements to Fleet	150,000	30,000	30,000	30,000	30,000	30,000
OPS023 Water Rescue Equipment	60,000	10,000	10,000	10,000	15,000	15,000
OPS016 Gas Detection Equipment (MYRA DS)	50,000	50,000				
OPS026 Rope Replacement	61,600	16,600	15,000	10,000	10,000	10,000
OPS027 Light Portable Pumps	20,000			20,000		
OPS031 CCTV Equipment	21,000	11,000	10,000			
OPS034 Operational Ladders	135,000	45,000	45,000	15,000	15,000	15,000
OPS038 Water Delivery System	30,000		30,000			
OPS039 Water Delivery Hoses	52,000	10,000	10,000	10,000	10,000	12,000
OPS052 DEFRA FRNE	16,000	16,000				
OPS054 Electrical Equipment	43,000	30,000	5,000			8,000
OPS055 NRAT Asset Refresh	1,768,700	1,768,700				
OPS056 PV Stop (Solar Panels)	16,000	16,000				
	<b>2,752,300</b>	<b>2,306,300</b>	<b>160,000</b>	<b>105,000</b>	<b>85,000</b>	<b>96,000</b>
<b>Hydrants</b>						
HYD001 Hydrants (New Installations)	92,500	18,500	18,500	18,500	18,500	18,500
HYD002 Hydrants (Replacements)	92,500	18,500	18,500	18,500	18,500	18,500
	<b>185,000</b>	<b>37,000</b>	<b>37,000</b>	<b>37,000</b>	<b>37,000</b>	<b>37,000</b>
	<b>3,786,400</b>	<b>2,807,900</b>	<b>267,000</b>	<b>311,500</b>	<b>182,000</b>	<b>218,000</b>

<b>Original Approved Budget</b>	<b>2,082,500</b>	<b>1,309,500</b>	<b>210,000</b>	<b>173,000</b>	<b>179,000</b>	<b>211,000</b>
<b>Current Programme</b>	<b>3,786,400</b>	<b>2,807,900</b>	<b>267,000</b>	<b>311,500</b>	<b>182,000</b>	<b>218,000</b>
<b>Changes</b>	<b>1,703,900</b>	<b>1,498,400</b>	<b>57,000</b>	<b>138,500</b>	<b>3,000</b>	<b>7,000</b>
<b>Q1 Movements/Adjustments</b>	<b>1,828,000</b>	<b>1,828,000</b>				
Slippage from 2017/18						
OPS001 Gas Tight Suits Other Ppe		(33,400)				
OPS005 Resuscitation Equipment		15,500				
OPS024 BA equipment / Comms		34,600				
OPS026 Rope Replacement		26,600				
OPS052 DEFRA FRNE Water Rescue Grant		16,000				
OPS055 NRAT National Asset Refresh		368,700				
Grants						
OPS055 NRAT National Resillience Grant		1,400,000				
Qtr1 Review of programme needs	(124,100)	(329,600)	57,000	138,500	3,000	7,000
	<b>1,703,900</b>	<b>1,498,400</b>	<b>57,000</b>	<b>138,500</b>	<b>3,000</b>	<b>7,000</b>

**Vehicles - Approved Budget 2018/19 to 2022/23**

Type of Capital Expenditure	Price Per Unit	Total		2018/19		2019/20		2020/21		2021/22		2022/23	
		Unit	Cost £	Unit	£	Unit	£	Unit	£	Unit	£	Unit	£
<b>VEH002 Ancillary Vehicles</b>													
Cars													
Pool Cars	10,400	33	343,200	10	104,000	8	83,200	6	62,400	9	93,600		
Officer Response Cars - Vauxhall Insignia	22,650	15	339,750	2	45,300							13	294,450
Officer Response Cars -Skoda Octavia 4x4 Estate	20,857	7	146,000	7	146,000								
7 Seater Galaxy	24,400	2	48,800	2	48,800								
Automatic	25,000	1	25,000	1	25,000								
4x4s													
Izusu/Hilux	25,500	8	204,000	1	25,500	7	178,500						
Skoda Octavia 4x4 Estate	21,936												
Climbing Wall Vehicle	25,500	1	25,500	1	25,500								
Vans													
Master/Transit Panel 1	22,250	4	89,000	2	44,500	2	44,500						
Master/Transit Panel 2	25,800	6	154,800					3	77,400			3	77,400
Jumbo Panel Van	25,000	1	25,000	1	25,000								
Ford Connect Van	11,500	4	46,000	4	46,000								
4x4 Crew Van (Out of Area Deployment)	40,000												
Dog Van Mercedes Vito	49,750	1	49,750			1	49,750						
Mini Buses													
PCVs	Fire Service	24,600	2	49,200	2	49,200							
	Fire Service - With Blues & Twos	27,000	1	27,000	1	27,000							
	Princes Trust	24,600	3	73,800	3	73,800							
			1,646,800		685,600		355,950		139,800		93,600		371,850
<b>VEH004 Special Vehicles</b>													
CPL - Aerial Appliance	650,000	2	1,544,800		244,800							2	1,300,000
Prime Movers 3	156,050	1	156,050	1	156,050								
IMU	650,000	1	650,000	1	650,000								
BA Support Unit (POD)	125,000	1	125,000	1	125,000								
Mercedes IMU	105,000	1	105,000						1	105,000			
Curtain Sided Truck (Driving School)	80,000	1	80,000						1	80,000			
Water Rescue Unit	54,000	1	54,000	1	54,000								
MRSP Educational Van	32,000	1	32,000	1	32,000								
Crane Lorry	200,000	1	200,000									1	200,000
			2,946,850		1,261,850						185,000		1,500,000
<b>VEH010 Marine Rescue Vessels</b>													
MF1 Boat 1 Refurbishment			25,000		25,000								
MF1 Boat 2	300,000	1	300,000	1	300,000								
Relief Boat	150,000	1	150,000	1	150,000								
			475,000		475,000								
<b>Other Vehicles</b>													
VEH001 - Fire Appliances	255,000	15	3,825,000	3	765,000	4	1,020,000	3	765,000	5	1,275,000		
VEH001 - Fire Appliances Slippage	259,667	3	779,000	3	779,000								
VEH005 - Vehicles Water Strategy			16,400		16,400								
			4,620,400		1,560,400		1,020,000		765,000		1,275,000		
<b>WOR001 Workshop Equipment</b>													
Equipment			17,300		17,300								
Replace steam clean lift			43,000		43,000								
Workshop Equip Cable free Somers vehicle Lift.		3	59,000			1	19,000					2	40,000
Two Post Light Vehicle Lift.			6,000		6,000								
			125,300		66,300		19,000						40,000
			9,814,350		4,049,150		1,394,950		904,800		1,553,600		1,911,850
<b>Original Approved Budget</b>			8,826,000		2,280,200		1,521,550		827,400		1,426,400		2,770,450
<b>Current Programme</b>			9,814,350		4,049,150		1,394,950		904,800		1,553,600		1,911,850
<b>Changes</b>			988,350		1,768,950		(126,600)		77,400		127,200		(858,600)
<b>Q1 Movements/Adjustments</b>													
Slippage from 2017/18													
VEH002 Pool Cars - 6 x Fabias	10,400	6	62,400	6	62,400								
VEH002 Officer Response Cars - 7 x Octavias	20,857	7	146,000	7	146,000								
VEH002 Jumbo Panel Van	25,000	1	25,000	1	25,000								
VEH002 Ford Connect	11,500	3	34,500	3	34,500								
VEH002 PCV (FS - With Blues & 2s)	27,000	1	27,000	1	27,000								
VEH004 CPL - Aerial Appliance			244,800		244,800								
VEH004 Water Rescue Unit	54,000	1	54,000	1	54,000								
VEH010 MF1 Boat 2	300,000	1	300,000	1	300,000								
VEH010 Relief Boat	150,000	1	150,000	1	150,000								
VEH001 - Fire Appliances			779,000		779,000								
VEH005 - Vehicles Water Strategy			16,400		16,400								
WOR001 Equipment			17,300		17,300								
WOR001 Replace steam clean lift			43,000		43,000								
WOR001 Two Post Light Vehicle Lift.			6,000		6,000								
			1,905,400		1,905,400								
RCCOs													
VEH004 MRSP Educational Van - Reserve	32,000	1	32,000	1	32,000								
Review of Planned investment requirement and timing of schemes													
VEH002 Pool Cars	10,400	(10)	(104,000)							(1)	(10,400)	(9)	(93,600)
VEH002 Izusu/Hilux 4x4	25,500	(5)	(127,500)	(1)	(25,500)	(4)	(102,000)						
VEH002 Master/Transit Panel 2	25,800							3	77,400	(3)	(77,400)		
VEH002 Ford Connect Van	11,500	(1)	(11,500)	(1)	(11,500)								
VEH002 4x4 Crew Van (Out of Area Deployment)	40,000	(1)	(40,000)							(1)	(40,000)		
VEH002 Mini Buses FB	24,600			1	24,600	(1)	(24,600)						
VEH004 Prime Movers 3	156,050	(1)	(156,050)	(1)	(156,050)								
VEH001 Fire Appliances	255,000	(2)	(510,000)							1	255,000	(3)	(765,000)
			(949,050)		(168,450)		(126,600)		77,400		127,200		(858,600)
			988,350		1,768,950		(126,600)		77,400		127,200		(858,600)

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