

**TYNE & WEAR FIRE AND RESCUE AUTHORITY**

**Item: 4**

**MEETING: 19th NOVEMBER 2012**

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**SUBJECT: REVENUE BUDGET 2012/2013 - SECOND REVIEW**

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**JOINT REPORT OF THE CHIEF FIRE OFFICER AND THE FINANCE OFFICER**

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**1. INTRODUCTION**

1.1 This report advises Members of issues relating to the 2012/2013 Revenue Budget position, and provides an updated Statement of Balances.

**2. BUDGETARY CONTROL REPORT 2012/2013**

2.1 Regular monitoring of the Revenue Budget continues to take place and the following areas are drawn to Members attention.

**Employee Costs**

2.2.1 At this stage in the financial year, the budget is anticipated to show a balanced position at outturn. In overall terms staffing costs will be retained within budget due to continued prudent and robust budget management. Within this overall position a number of variations are being managed, including savings from staff turnover and the recruitment freeze in place, as well as pension costs relating to injured firefighters which need to be met from the Authority's revenue budget, following an exercise to review pension costs.

2.2.2 Members will be aware that the Authority's investment in its health awareness and intervention measures through the Occupational Health Unit has brought about a reduction in the number of ill health retirements. There have been no such retirements so far in 2012/2013. Should this position continue, there will be an underspend on this budget.

**Contingencies**

2.3 At this stage in the financial year, a review of the revenue budget has been undertaken and savings of up to £400k may accrue.

### **3. STATEMENT OF BALANCES**

- 3.1 Appendix A shows the movement of balances within 2012/2013 and includes an update on the estimated level of balances as at 31st March 2013, taking account of the position outlined in this report.

### **4. RECOMMENDATIONS**

- 4.1 Members are requested to note the position with regard to the Revenue Budget for 2012/2013 as set out in this report, including the updated Statement of Balances set out at Appendix A.

## Appendix A

### Statement of General Balances

	£'000
<b>Balance as at 1<sup>st</sup> April 2012</b>	<b>3,188</b>
Comprising:	
General Fund Reserve	2,476
Delegated Surplus	560
DSO Surplus	115
Emergency Planning Unit Surplus	37
Second Review Savings	400
<b>Anticipated Balance as at 31<sup>st</sup> March 2013</b>	<b>3,588</b>

