

NORTH WALES FIRE AND RESCUE SERVICE

FIRE AND RESCUE AUTHORITY EXECUTIVE PANEL REPORT

DATE:	25 th July 2005
REPORT BY:	CHIEF FIRE OFFICER
PURPOSE OF REPORT:	To consider the 1% efficiency saving in the 2005/2006 budget.

1. BACKGROUND

- 1.1 At the Fire and Rescue Authority meeting held on 20th December 2004, members approved the draft budget for 2005-2006 at £27,951,864, a 4.09% increase over the approved budget for 2004-2005. As part of that budget, efficiency savings of £294,123 have to be identified by the Executive Panel and implemented in the 2005-2006 budget.
- 1.2 At the Executive Panel meeting held on 31st January 2005 a report was presented giving areas of possible efficiencies for considerations by members. The main budget head highlighted for consideration by members was the retained pay provision. Members were advised that this was the most likely area where the savings could be met as there has been a consistent under spend on average of £350,000 a year since 1997. The Executive Panel requested an updated report on the efficiency savings attained to date from within the retained budget, along with other possible savings, or potential underspend that might present themselves, for consideration by the Executive Panel.

2. CONSIDERATION

- 2.1 The financial year 2005/2006 commenced on 1st April. At this point, so early in the financial year, potential under spends in the budget cannot yet be identified, However, as indicated in the report to the Executive Panel on 31st January 2005, the most likely area to produce efficiency savings is the retained budget with an average of £350,000 under spend each year.
- 2.2 At the Fire and Rescue Authority Meeting on 20th June 2005 the Treasurer reported on the Outturn for 2004-2005 and highlighted an under spend on the retained budget of £803,864.
- 2.3 Attached to this report – Appendix A, is a breakdown of the retained pay budget for 2005-2006 adjusted to reflect the £294,123 required efficiency savings. The adjustments have been made to the areas of the retained budget which have been consistently under spent and are considered the most likely areas to produce the efficiency savings in an average year.
- 2.4 The achieving of the efficiency savings from the retained budget will have no effect on the recruitment of retained personnel.

3. RECOMMENDATIONS

- 3.1 That the required efficiency savings of £294,123 be identified from the budget for retained pay as detailed in Appendix A.
- 3.2 The Chief Fire Officer reports to the next Executive Panel on the progress in meeting the efficiency target in the retained budget and other budget efficiencies that may be identified.

NORTH WALES FIRE & RESCUE SERVICERETAINED PAY BUDGET 2005/2006

DESCRIPTION	BUDGET 2005/2006	EXPENDITURE TO DATE	PROJECTED OUTTURN	EFFICIENCY SAVINGS	REVISED BUDGET 2005/2006
Retaining Fees	1,514,357	466,967	1,430,327	52,000	1,462,357
Drill Fees	977,788	221,887	915,556	35,000	942,788
Incident Fees	1,366,381	247,972	1,130,109	155,000	1,211,381
Training Fees	220,000	49,990	205,055	--	220,000
Bounty Fees	88,249	19,010	82,249	--	88,249
Cleaning Fees	38,535	13,524	38,535	--	38,535
Employers NI	246,408	59,635	179,719	42,123	204,285
Loss of Earnings	20,800	1,161	10,000	10,000	10,800
Annual Leave	181,748	43,034	181,748	--	181,748
Community Fire Safety	90,000	26,825	90,000	--	90,000
TOTALS	4,744,266	1,150,005	4,263,298	294,123	4,450,143

