

# THAMES VALLEY FIRE CONTROL SERVICE



<b>SUBJECT</b>	<b>TVFCS BUDGET OUTTURN 2023/24</b>
<b>PRESENTED TO:</b>	<b>JOINT COMMITTEE</b>
<b>DATE OF MEETING</b>	<b>8<sup>th</sup> JULY 2024</b>
<b>LEAD OFFICER</b>	<b>IRENE KEMA, DEPUTY HEAD OF FINANCE &amp; PROCUREMENT, RBFRS</b>
<b>EXEMPT INFORMATION</b>	<b>NONE</b>
<b>ACTION</b>	<b>NOTE</b>

## 1. EXECUTIVE SUMMARY

- 1.1 To provide Joint Committee with the 2023/24 revenue outturn position, capital outturn and TVFCS Renewal Fund year-end position.

## 2. RECOMMENDATION

- 2.1 That Joint Committee **NOTE** the revenue and capital outturn position for 2023/24, as well as the Renewals Fund year-end position.

## 3. REPORT

- 3.1 The budget provision for TVFCS for 2023/24 agreed at the Joint Committee meeting in December 2022 was £2,639,306 with a contingency allocation of £150,000 available if required. The outturn for the year was £2,696,706, a variance of 2.17%, against budget.
- 3.2 **Appendix A** provides an in-depth review of the in-year performance across all areas.
- 3.3 The back dated pay awards for 2022/23 and 2023/24 were higher than anticipated and have contributed to the higher salary costs and associated payments, compared to Budget. The 2023/24 budget was based on a pay award of 4% for 2023/24 whereas the actual pay award agreed was 5%. Similarly, in the Budget, we made provision of 5% for the 2022 pay award but this turned out to be 7%.

- 3.4 In addition, the costs associated with the new Watch Manager (WM) position, approved in June/July 2023, impacted the Budget. While this addition post is essential for our operations, it has led to increased expenditure.
- 3.5 During the year, sickness levels were higher than anticipated which has led to more expenditure on overtime to maintain agreed staffing levels.
- 3.6 Over the course of the year, there was a requirement for staff to attend nationally mandated training at a few different locations. This has created a variance in mileage and subsistence costs. In addition, there was a requirement to undertake specific training relating to managing neurodiversity in the TVFCS control room environment.
- 3.7 Contingency Call Handling Provision – Operational constraints have meant that it has only been possible to deliver a single training course during the financial year, where 2 were originally planned.
- 3.8 Vision System Maintenance – The underspend is the result of Service Credits being issued by the supplier in respect of failures to meet Contractual Service Level Agreements.
- 3.9 DS3000 – The costs for this line were best on an estimated price whilst a procurement exercise was being undertaken. The actual costs were slightly lower than estimated.

#### **Commentary on Capital Outturn**

- 3.10 The 2023/24 Capex programme, as detailed in **Appendix B**, concluded with the completion of the Vision mobilising system hardware refresh and the replacement of the Video Monitoring system. The Vision Hardware refresh was completed, with the expenditure total at £540,000, against a budget of £588,000. The Video monitoring system replacement cost was £72,000 and exceeded the £50,000 estimated provision.

#### **Commentary on Renewals Fund**

- 3.11 The table in **Appendix C** shows movements in the Renewals Funds in 2023/24. The opening balance as at 01/04/2023 was £1,852,562. Total contributions from the three partners were £150,000 and the total expenditure for the year at £356,861. Interest earned for the year was £110,269. The final closing balance was £1,755,970.

#### **4. COMPLIANCE WITH THE TVFCS PARTNERSHIP AGREEMENT**

- 4.1 This report complies with our statutory duty to collaborate.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 The Revenue outturn for the year was £57k above budget.
- 5.2 The Capital projects were delivered within budget.

5.3 The Collaboration Agreement continues to deliver significant savings per annum for all three partners, compared to the previous three individual control rooms.

## **6. LEGAL IMPLICATIONS**

6.1 In accordance with Schedule 7, Part A clause 3.1 of the legal agreement, Revenue costs are shared between partners in accordance with the cost apportionment model.

6.2 In accordance with Schedule 7, Part B, clause 3.1 of the legal agreement, Capital expenditure is apportioned on an equal one-third basis, for each partner.

6.3 The 2023/24 budget set and subsequent in year performance complies with the legal agreement.

## **7. EQUALITY AND DIVERSITY IMPLICATIONS**

7.1 There are no equality and diversity implications arising from this report.

## **8. RISK IMPLICATIONS**

8.1 Financial performance is scrutinised monthly by the TVFCS Group Manager, in conjunction with the RBFRS Finance lead and quarterly through the service planning processes at Joint Coordinating Group. It is then subsequently reported to the Joint Committee as part of wider performance reporting to ensure strict controls are in place to maintain and monitor performance and value for money for all partners.

## **9. CONTRIBUTION TO SERVICE AIMS**

9.1 The Committee provides oversight to ensure the statutory duty to make arrangements for dealing with calls for help and summoning personnel (Fire and Rescue Services Act 2004) is fulfilled.

## **10. PRINCIPAL CONSULTATION**

10.1 Simon Harris, TVFCS Group Manager

10.2 Conor Byrne, Head of Finance and Procurement, RBFRS

10.3 Jim Powell, Area Manager Collaboration and Policy, RBFRS

10.4 Lead Finance contact at each respective partner as part of year-end closure of accounts process

## **11. BACKGROUND PAPERS**

11.1 TVFCS budget setting paper 2023/24, Joint Committee, 15th December 2022

## **12. APPENDICES**

12.1 Appendix A: Revenue outturn Statement 2023/24

12.2 Appendix B: Capital Outturn 2023/24

12.3 Appendix C: TVFCS Renewal Fund Year-End Position

**13. CONTACT DETAILS**

13.1 Irene Kema, Deputy Head of Finance and Procurement, RBFRS