

Appendix 1

Description	Revised Budget £	Actual to Date £	Variance £	Variance %
Full Time Firefighters	11,079,306	11,005,136	-74,170	-0.67%
Control Room Staff	906,436	886,773	-19,663	-2.17%
Local Govt. Employees	2,847,362	2,832,837	-14,525	-0.51%
Senior Management (Hay)	1,016,710	966,844	-49,866	-4.90%
Recruitment, Training & Insurance	860,804	783,503	-77,301	-8.98%
Fire Allowances	633,222	613,500	-19,722	-3.11%
EMPLOYEE COSTS	17,343,840	17,088,595	-255,245	1.47%
Property Maintenance	367,688	381,833	14,145	3.85%
Insurance	296,810	298,223	1,413	0.48%
Energy Costs	174,510	185,478	10,968	6.29%
Cleaning	111,778	92,102	-19,676	-17.60%
Rents & Rates	366,001	359,940	-6,061	-1.66%
PREMISES	1,316,787	1,317,576	789	0.06%
Car & Cycle Allowances	265,940	265,634	-306	-0.11%
Vehicle Running Expenses	87,605	87,604	-1	-0.00%
Vehicle Insurance	122,399	122,698	299	0.24%
TRANSPORT AND MOVEABLE PLANT	475,944	475,936	-8	0.00%
Office Expenses	319,164	272,754	-46,410	-14.54%
IT & Communications Equip.	972,275	972,991	716	0.07%
Fire Equipment	319,897	319,147	-750	-0.23%
Uniforms & Clothing	371,503	368,976	-2,527	-0.68%
Other Supplies & Services	1,712,973	2,085,396	372,423	21.74%
SUPPLIES AND SERVICES	3,695,812	4,019,263	323,451	8.05%
Agency Costs	64,380	70,844	6,464	10.04%
Support Service Contracts	44,820	58,694	13,874	30.95%
AGENCY & CONTRACTED SERVICES	109,200	129,538	20,338	18.62%
Debt Charges	765,675	819,756	54,081	7.06%
External Interest	-72,205	-233,636	-161,431	223.57%
CAPITAL FINANCING	693,470	586,120	-107,350	15.48%
CONTROLLABLE EXPENDITURE	23,635,053	23,617,027	-18,026	0.08%
Other Income	-571,968	-629,012	-57,044	9.97%
CONTROLLABLE INCOME	-571,968	-612,005	-57,044	7.00%
NET CONTROLLABLE EXPENDITURE	23,063,085	23,005,022	-75,070	0.33%
Pensions - Lump Sums	76,650	77,033	383	0.50%
Transfer Values - In	0	-2,113	-2,113	0.00%
Transfer Values - Out	0	70,368	70,368	0.00%
Operational Fire Budget	2,753,126	2,734,652	-18,474	-0.67%
SAFETY-NETTED EXPENDITURE	2,829,776	2,879,941	50,165	1.77%
NET EXPENDITURE	25,892,861	25,884,962	-24,906	-0.10%

Appendix 2

1. ANNUAL TREASURY MANAGEMENT REPORT 2006/07

- 1.1 The Authority adopted the CIPFA Code of Practice for Treasury Management in the Public Sector in December 2002 and operates its treasury management service in compliance with this code. This annual report covers the last year of treasury management operations.
- 1.2 The table below summarises the expenditure and income for capital financing and complies with the reporting requirements in CIPFA's Code of Practice for Treasury Management.

	Budget £000	Actual £000	Variance £000
Interest Payments	155	140	-15
Interest Receipts	-72	-234	-162
Long Term Loan	0	0	0
Long Term Finance Lease	190	184	-6
Repayments	0	0	0
	273	90	-183

- 1.3 Owing to the Authority's surplus cash balances the Authority has not had a need to enter into any additional borrowing. The interest payments are the result of temporary debts e.g. bank overdraft and short-term borrowing.
- 1.4 The change in the Authority's loan debt over the year was as follows:

	1 st April 2006 £000	Loans Raised £000	Loans Repaid £000	31 st March 2007 £000
Long-term debt	3,173	0	-184	2,989
Temporary debt	0	0	0	0
	2,261	0	-788	3,173
Less Investment	-2,716			-3,935
Net Investments	455			762

Although no new debt was raised in 2006/07, the loan of £1.7 million was replaced with longer term debt, allowing a bonus to be taken on the repaid debt.

- 1.5 Long-term debt consists of loan for periods exceeding one year at a fixed rate of interest. The average interest paid on the long-term debt was 4.36% over the year.
- 1.6 Interest receipts are earned on temporary cash surpluses investment in deposit accounts in accordance with the Treasury Management Policy.

1.7 Each year the Authority must determine a series of prudential indicators that identify maximum limits for its borrowing and the proportion of interest payable which is at a variable rate. The outcome for 2006/07 was as follows:

	2006/07 Budget £m	2006/07 Actual £m	
Capital Financing Requirement	6.002	2.989	
Operational Boundary	5.943	2.989	
Authorised Limit	8.765	2.989	
Headroom			
Upper limit for fixed interest rate exposure Net principal fixed rate borrowing / investments	100%	100%	
Upper limit for variable interest rate exposure Net principal variable rate borrowing / investments	100%	0%	
Upper limit for total principal sums invested for over 364 days	0%	0%	
Maturity structure of new fixed rate borrowing during 2006/07:			
	Upper Limit	Lower Limit	Actual
under 12 months	100%	0%	6.1
12 months and with 24 months	100%	0%	6.1
24 months and within 5 years	100%	0%	18.4
5 years and within 10 years	100%	0%	12.5
10 years and above	100%	0%	56.9

1.8 The Authority sought advice from Sector Treasury Consultants prior to entering into the loan agreement and it was recommended, that owing to low interest rates and market forecasts, that a long-term fixed rate loan would be most beneficial to the Authority.