



Meeting	ECFRS P&R Board	Agenda Item	5
Meeting Date		Report Number	
Report Author:	Jayesh Padania, Finance Manager		
Presented By	Glenn McGuinness, Assistant Director of Finance		
Subject	Budget Review – May 2019		
Type of Report:	Information		

SUMMARY

This paper reports on expenditure against budget as at 31st May 2019 and identifies and comments on major budget variations. In addition the report includes key indicators that act as lead indicators for expenditure across the Authority.

RECOMMENDATIONS

The Service Leadership Team is asked to:

1. Note the position on the income and expenditure at 31st May 2019 compared to the budget.
2. Note the Capital Expenditure spend against budget for period to 31st May 2019.

BACKGROUND

This table below shows actual expenditure against budget to 31st May 2019.

Description	YTD Actual £'000s	YTD Budget £'000s	Variance YTD £'000s	Variance YTD %
Whole Time Firefighters	5,413	5,704	(291)	-5.1%
On-Call Fire-Fighters	715	810	(95)	-11.7%
Control	222	245	(23)	-9.4%
Support Staff	2,179	2,241	(61)	-2.7%
Total Employment Costs	8,530	9,000	(470)	-5.2%
Support Costs	405	366	39	10.7%
Premises & Equipment	1,635	1,744	(110)	-6.3%
Other Costs & Services	467	561	(94)	-16.8%
Ill Health Pension costs	488	500	(12)	-2.3%
Financing Items	1,067	1,082	(15)	-1.4%
Operational income	(1,280)	(1,203)	(77)	6.4%
Total Other Costs	2,782	3,051	(269)	-8.8%
Total Budget	11,312	12,051	(739)	0.0%
Revenue Support Grant	(3,284)	(3,284)	-	0.0%
National Non-Domestic Rates	(2,678)	(2,678)	-	0.0%
Council Tax Collection Account	(93)	(93)	-	0.0%
Council Tax	(6,309)	(6,319)	9	0.0%
Cont'ns to/(from) General Bals	(398)	(398)	-	0.0%
Total Funding	(12,763)	(12,772)	9	0.0%
Funding Gap / (Surplus)	(1,451)	(721)	(730)	0.0%

More detailed figures are provided at appendix 1

STAFFING

Overall employment costs are £470K (5.2%) under budget for the month to 31st May 2019.

Spend for whole time fire-fighters is £291K (5.2%) under budget:-

- ASW spend for financial year to end of May 2019 = £93K

For On-Call firefighters, spend is £95K (11.7%) under budget

For Control staff, spend is £23K (9.4%) under budget:-

- £11K underspend on Control Staff Pay
- £ 7K underspend on Control Staff Overtime
- £ 5K underspend on Control staff pay on-costs

Support staff pay is £61K (2.7%) under budget for the 2 months to 31st May 2019.

This is comprised of:-

- An underspend of £22K on Secondary Contract Staff
 - £ 5K underspent on Operations
 - £22K underspend on Community Safety
 - £ 5K overspent on Training
- The underspend of £39K for Support Staff (Excl. Secondary Contracts) is made up of:-
 - £ 104K overspend on Casual and Temporary
 - £ 143K underspend in Support Staff Pay

Appendix 3 – Table Summary of Support Staff FTE numbers

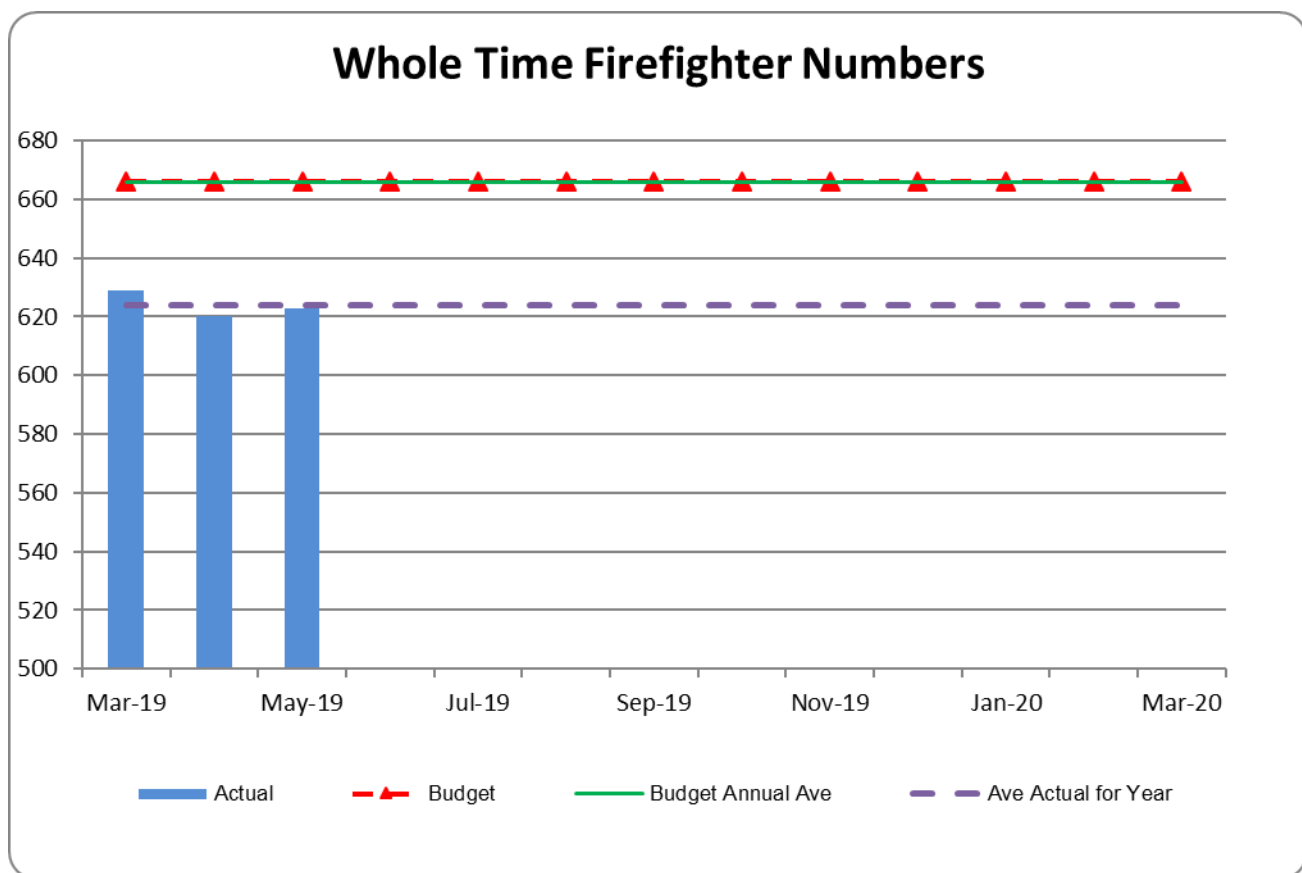
Whole-time fire-fighter numbers at 623.0 are 43.0 (6.5%) below phased budget at the end of May.

The staffing position at the end of May is summarised below (% figures rounded):

31 May 2019	Actual	Phased Budget	Variance	
Wholetime Firefighters - FTE (Excl. ASW)	623.0	666.0	-43.0	-6%
On-Call Firefighters - FTE	403.00	453.75	-50.75	-11%
Control - FTE	31.3	33.5	-2.2	-7%
Support Staff :-	298.2	296.4	1.8	1%
Total	1,355.5	1,449.7	-94.2	-6%

As at the end of May the number of whole-time fire-fighters aged over 50 with more than 25 years' service was 80, of these 12 have more than 30 years' service.

The graph below shows the numbers of whole-time fire-fighters compared to the budget for the year.



WATCH BASED FIREFIGHTERS

The numbers of Watch Based Fire-fighters compared to the target levels set by the Authority are shown below.

Rider Numbers for May 2019	Budgeted Rider Resource	Optimum Rider Resilience Level	Critical Minimum Rider Requirement	Actual Riders	Additional Shift Working (FTE) Based on Payroll + CRT Data
Riders (Excl Day Crew + Clacton Additional Cover)	468	456	432	455	11.3
Clacton	5	5	5	2	0
Rider numbers (excl Day Crew)	473	461	437	457	11.3
Day Crew	36	36	36	38	0
Total Firefighters (Exl Career Breaks)	509	497	473	495	11.3

ON-CALL FIREFIGHTERS

Appendix 2 -On Call Firefighter nos. by Station

The table (top of page 4) shows that the total FTE at 31st May 2019 was 403.00, a net increase of 5.50 FTE from 1st April 2019.

NON-PAY RELATED EXPENDITURE

Non-pay expenditure is £192K underspent for the 2 months to 31st May; in addition operational income is £77K more than budget.

Support Costs are £ 39K (10.7%), overspent for the 2 months to 31st May 2019

Support Costs sub section	Over/Under spent	£000's	%
Training	Overspent	£19	15.7%
Employee Support Costs	Overspent	£41	32.7%
Travel & Subsistence	Underspent	(£21)	(18.0%)

- £21K underspend on Travel & Subsistence
 - £ 8K for Subsistence Allowances is due to budget phasing
 - £ 5K for Standby Duties was due to budget phasing
 - £ 7K for Mileage Costs
- £41K overspend on Employee Support Costs related to:-
 - £11K for Fitness Equipment costs included in 2018-19 Budget and received in April 2019
 - £20K for Occupational Health,
 - £19K for Redundancy costs

Premises & Equipment are £110K (6.3%), underspent for the 2 months to 31st May 2019

Premises & Equipment sub section	Over/Under spent	£000's	%
Property Maintenance	Underspent	(£2)	(0.6%)
Utilities	Underspent	(£13)	(12.6%)
Rent & Rates	Overspent	£2	0.8%
Equipment & Supplies	Overspent	£2	0.6%
Communications	Overspent	£8	3.1%
Information Systems	Underspent	(£90)	(25.4%)
Transport	Underspent	(£16)	(9.7%)

- £90K underspend on Information Systems
 - £64K underspend on IT Consumables relating to ICT project against budget to date
 - £26K underspend on IT Maintenance and Contracts

Other Costs & Services are £94K (16.8%), underspent for the 2 months to 31st May 2019

Other Costs & Services sub section	Over/Under spent	£000's	%
Establishment Expenses	Underspent	(£25)	(14.1%)
Risk Protection	Underspent	(£17)	(15.9%)
Professional Fees & Services	Underspent	(£43)	(18.6%)
Democratic Representation	Overspent	£12	49.0%
Agency Services	Underspent	(£22)	(76.7%)

- Professional Fees & Services underspend of £43K
 - £23K underspend on Legal Fees
 - £29K underspend on Other Local Authority Services
 - £ 9K overspend on Consultancy Fees

- Establishment Expenses underspend of £25K
 - £ 9K on Media Expenses
 - £ 8K on Community Safety and Home Safety

CAPITAL EXPENDITURE

Capital expenditure for the 2 months to 31st May 2019 is shown in the table below.

Total capital expenditure and commitments is £1.4m.

The largest item included is £0.9m for asset protection.

- £100K invoices received
- £802K commitments from various PO's raised to date for anticipated spend throughout the year

Vehicle £341K:-

- £295K invoices paid and commitments related to Off Road Vehicles

	Original Budget 2019/20 £'000s	Approved Changes £'000s	Revised Budget £'000s	Total Spend including Commitments to end of May 2019 £'000s
Property				
New Premises				
Service Workshops	100	-	100	-
Existing Premises	-	-	-	-
Asset Protection	2,000	-	2,000	901
Asset Improvement Works	500	-	500	-
Total Property	2,600	-	2,600	901
Equipment	360	25	385	51
Information Technology				
Projects	1,425	-	1,425	102
Total Information Technology	1,425	-	1,425	102
Vehicles				
New Appliances	-	-	-	-
Other Vehicles	940	540	1,480	341
Total Vehicles	940	540	1,480	341
Total Capital Expenditure	5,325	565	5,890	1,395

VIREMENTS

- £3,517K Full Year virement reflecting the Additional Pension costs for Grey Book staff, which is offset by a Government Grant to be received.
 - The Government Grant covers majority of the total estimated additional pension costs £3,817K
 - £300K to be funded by the service and has been included in the 2019-20 Budget
- £34K Full Year virement for Driver Trainers moving to a Fixed Term Contract from Secondary Contract Staff

BENEFITS AND RISK/ FINANCIAL IMPLICATIONS

The review of expenditure against the profiled budget is part of the overall financial control process of the Authority. In exceptional circumstances it allows for budget virements to ensure that under spending against budget heads can be utilised to fund expenditure against other priorities. If virements are not made there is a risk that the Authority will miss out on opportunities to improve performance and meet key objectives during the year. The Authority's reserves are at the upper end of their target range and the Authority is able to fund short term fluctuations in activity from them when necessary.

The review of the management accounts is one control measure to mitigate the risk of overspending the Authority's budget for the year.

EQUALITY AND DIVERSITY IMPLICATIONS

There are no direct Equality or Diversity implications within this report

LEGAL IMPLICATIONS

There are no direct legal implications within this report.

HEALTH & SAFETY IMPLICATIONS

There are no direct Health and Safety implications within this report.

ACTIONS / NEXT STEPS

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985	
List of background documents – including appendices, hardcopy or electronic including any relevant link/s.	
Appendix 1 Management Accounts – May 2019 Appendix 2 On Call Firefighter Headcount Numbers Appendix 3 Support Staff and Agency/Temp numbers	
Proper Officer:	Acting Finance Director to PFCC Fire & Rescue Authority
Contact Officer:	Glenn McGuinness Essex County Fire & Rescue Service, Kelvedon Park, London Road, Rivenhall, Witham CM8 3HB Tel: 01376 576186 glenn.mcguinness@essex-fire.gov.uk

Appendix 1
MANAGEMENT ACCOUNTS – May 2019

Description	YTD Actual £'000s	YTD Budget £'000s	Variance YTD £'000s	Variance YTD %	Current Full Year Budget £'000s
Whole Time Firefighters	5,413	5,704	(291)	-5.1%	34,251
On-Call Fire-Fighters	715	810	(95)	-11.7%	6,692
Control	222	245	(23)	-9.4%	1,438
Support Staff	2,179	2,241	(61)	-2.7%	13,950
Total Employment Costs	8,530	9,000	(470)	-5.2%	56,331
Training	141	122	19	15.7%	730
Employee Support Costs	167	126	41	32.7%	756
Travel & Subsistence	97	118	(21)	-18.0%	710
Support Costs	405	366	39	10.7%	2,196
Property Maintenance	345	347	(2)	-0.6%	2,083
Utilities	89	101	(13)	-12.6%	608
Rent & Rates	262	260	2	0.8%	1,560
Equipment & Supplies	267	265	2	0.6%	1,590
Communications	259	252	8	3.1%	1,510
Information Systems	265	355	(90)	-25.4%	2,130
Transport	148	164	(16)	-9.7%	983
Premises & Equipment	1,635	1,744	(110)	-6.3%	10,464
Establishment Expenses	149	174	(25)	-14.1%	1,043
Risk Protection	89	105	(17)	-15.9%	633
Professional Fees & Services	186	229	(43)	-18.6%	1,372
Democratic Representation	36	24	12	49.0%	145
Agency Services	7	29	(22)	-76.7%	175
Other Costs & Services	467	561	(94)	-16.8%	3,367
Ill Health Pension costs	488	500	(12)	-2.3%	2,250
Lease & Interest Charges	217	232	(15)	-6.6%	1,393
Statutory Provision for Capital Financing	850	850	-	0.0%	5,100
Inflation Provision	-	-	-	0.0%	-
Financing Items	1,067	1,082	(15)	-1.4%	6,493
Operational income	(1,280)	(1,203)	(77)	6.4%	(7,305)
Total Other Costs	2,782	3,051	(269)	-8.8%	17,466
Total Budget	11,312	12,051	(739)	0.0%	73,797
Revenue Support Grant	(3,284)	(3,284)	-	0.0%	(8,337)
National Non-Domestic Rates	(2,678)	(2,678)	-	0.0%	(16,196)
Council Tax Collection Account	(93)	(93)	-	0.0%	(643)
Council Tax	(6,309)	(6,319)	9	0.0%	(46,233)
Cont'ns to/(from) General Bals	(398)	(398)	-	0.0%	(2,388)
Total Funding	(12,763)	(12,772)	9	0.0%	(73,797)
Funding Gap / (Surplus)	(1,451)	(721)	(730)	0.0%	-

Appendix 2

ON CALL FIREFIGHTER HEADCOUNT NUMBERS

Station	Appliances Pumps	Other / Special Vehicles	Actual FTE for End of May 2019	Movement (FTE) since 01 Apr 2019	Actual Headcount for End of May 2019	Movement (Headcount) since 01 Apr 2019	Joiners (Headcount) since 01 Apr 2019	Leavers (Headcount) since 01 Apr 2019
Billericay	1	1	9.25	(0.75)	12	(1)	0	(1)
Braintree	2	1	16.25	1.50	20	2	2	0
Brentwood	2	0	6.00	(0.75)	8	(1)	0	(1)
Brightlingsea	1	0	11.25	0.25	13	0	0	0
Burnham	1	0	8.50	0.00	11	0	0	0
Canvey Island	2	0	13.00	0.75	17	1	2	(1)
Clacton	2	0	14.75	0.00	19	0	0	0
Coggeshall	1	1	8.50	0.00	11	0	0	0
Corringham	1	1	9.50	0.00	12	0	0	0
Dovercourt	2	1	12.00	1.00	15	1	2	(1)
Dunmow	2	0	12.50	0.00	16	0	1	(1)
Epping	1	0	10.50	0.00	13	0	0	0
Frinton	1	2	12.25	0.25	15	0	0	0
Great Baddow	1	0	4.25	0.00	5	0	0	0
Halstead	2	1	13.50	0.75	18	1	1	0
Hawkeell	1	0	10.75	0.00	14	0	0	0
Ingatestone	1	0	6.50	0.00	8	0	0	0
Leaden Roding	1	0	7.25	0.00	8	0	0	0
Maldon	2	1	17.25	1.75	20	2	2	0
Manningtree	1	1	13.25	1.00	17	1	1	0
Newport	1	2	8.50	0.75	11	1	1	0
Old Harlow	1	0	7.75	(0.75)	10	(1)	0	(1)
Ongar	1	0	7.00	0.00	9	0	0	0
Rochford	1	0	8.50	0.00	11	0	0	0
Saffron Walden	2	0	17.75	0.00	22	0	0	0
Shoeburyness	1	0	11.75	1.00	15	1	1	0
Sible Hedingham	1	0	8.75	(0.75)	11	(1)	0	(1)
South Woodham Ferrers	1	2	3.25	1.00	4	1	1	0
Stansted	1	2	11.50	0.00	15	0	0	0
Thaxted	1	0	8.50	0.00	11	0	0	0
Tillingham	1	0	7.00	(1.00)	8	(1)	0	(1)
Tiptree	1	0	11.00	0.00	14	0	0	0
Tollesbury	1	0	8.25	0.00	10	0	0	0
Waltham Abbey	1	1	6.75	0.00	9	0	0	0
Weeley	1	0	11.50	0.25	13	0	1	(1)
West Mersea	1	1	9.00	(0.50)	11	(1)	0	(1)
Wethersfield	1	0	8.25	(0.75)	10	(1)	1	(2)
Wickford	1	0	7.75	0.00	9	0	0	0
Witham	2	0	14.00	0.50	17	0	0	0
Wivenhoe	1	0	9.25	0.00	12	0	0	0
Grand Total	50	18	403.00	5.50	504	4	16	(12)

Appendix 3

FTE for Support Staff (Incl. Temps) for April 2019 against Budget

Cost Centre / Department	Director	Budgeted FTE	Employed	Agency Temp	Total Actual FTE for April 2019 <small>(incl Agency Temps)</small>	Below/ Above/ Budgeted FTE	Adjustment for Maternity, Long Term Sickness (LTS) and Project		Adjusted FTE Below/ Above/ Budgeted	Notes and Comments
							Maternity	LTS Projects		
Service Leadership Team	Chief Fire Officer / CEO	8.0	8.0	0.0	8.0	0.0			0.0	
TOTAL - Chief Fire Officer / CEO		8.0	8.0	0.0	8.0	0.0	0.0	0.0	0.0	
Fire Management	Deputy Chief Fire Officer	43.6	41.6	0.0	41.6	2.0	0.0	0.0	2.0	
Part Mgmt & Insp	Deputy Chief Fire Officer	13.4	9.6	0.0	9.6	3.8	0.0	0.0	3.8	
Property, Water + Catering Services	Deputy Chief Fire Officer	30.2	16.6	9.8	26.4	3.8	0.0	0.0	3.8	
Police Collaboration	Deputy Chief Fire Officer	7.0	5.0	0.0	5.0	2.0	0.0	0.0	2.0	
TOTAL - Deputy Chief Fire Officer		94.2	72.8	9.8	82.6	11.6	0.0	0.0	11.6	
Corporate Comms	Director of Corporate Services	5.0	5.0	0.0	5.0	0.0			0.0	1.0 FTE ACEO included as April pay was from HR Budget
Human Resources	Director of Corporate Services	31.8	34.4	0.0	34.4	(2.6)	1.0	(1.6)	(1.6)	2.0 FTE not included in budget working on Who/when recruitment team
ICT	Director of Corporate Services	21.0	20.0	2.0	22.0	(1.0)	1.0	0.0	1.0 FTE on special leave included in the Actuals for April	2.0 Temps working in Payroll as support changes to processing as part of the Civica post implementation.
Finance & Pay	Director of Corporate Services	13.0	13.7	2.0	15.7	(2.7)		(2.7)	(2.7)	0.7 FTE additional cover for payroll over budget
Purchasing & Supply	Director of Corporate Services	12.0	11.0	0.0	11.0	1.0		1.0	1.0	
External Secondments	Director of Corporate Services	2.5	2.5	0.0	2.5	0.0		0.0	0.0	
TOTAL - Director of Corporate Services		85.3	86.6	4.0	90.6	(5.3)	1.0	1.0	(3.3)	
Control	Director of Operations	1.6	1.6	0.0	1.6	0.0		0.0	0.0	
Operations	Director of Operations	4.0	2.0	0.0	2.0	2.0		2.0	2.0	
Station Group Admin	Director of Operations	11.6	1.0	0.0	1.0	10.6		10.6	10.6	Change in delivery to be updated in Civica - these are being checked with the Budget Holders
Community Safety	Director of Operations	30.2	43.5	3.0	46.5	(16.3)		(16.3)	(16.3)	Change in delivery to be updated in Civica - these are being checked with the Budget Holders
Technical Fire Safety	Director of Operations	26.3	23.4	1.7	25.1	1.2		1.2	1.2	
Health & Safety	Director of Operations	4.0	4.0	0.0	4.0	0.0		0.0	0.0	
TOTAL - Director of Operations		76.1	73.9	4.7	78.6	(2.5)	0.0	0.0	(2.5)	
Innovation & Change	Director of Innovation, Risk & Future Development	14.0	15.6	2.0	17.6	(3.6)	1.0	(2.6)	(2.6)	Includes 2.0 FTE based in other Depis.
Projects	Director of Innovation, Risk & Future Development	1.0	1.0	0.0	1.0	0.0		0.0	0.0	Project Mgr funded by Govt Grant 1.0 FTE for ESN (COSMOS) Project
Emergency Planning	Director of Innovation, Risk & Future Development	1.0	1.0	0.0	1.0	0.0		0.0	0.0	
Corp Risk & Bus Cont	Director of Innovation, Risk & Future Development	3.0	2.0	0.0	2.0	1.0		1.0	1.0	Recruitment underway for vacant post
TOTAL - Director of Innovation, Risk & Future Development		19.0	19.6	2.0	21.6	(2.6)	1.0	(1.6)	(1.6)	
Training	ACEO People, Values & Culture	12.1	14.0	0.0	14.0	(1.9)	0.0	(1.9)	(1.9)	
TOTAL - ACEO People, Values & Culture		12.1	14.0	0.0	14.0	(1.9)	0.0	(1.9)	(1.9)	
TOTAL Support Staff FTE		296.3	276.5	20.5	297.0	(0.7)	2.0	1.0	2.3	

Note:-
In addition to headcount target above :
1. £376K secondary contracts (£350K in Community Safety + £26K in Training)
2. £100K for Agency Temp Staff within Innovation and Change
3. Information for Maternity and LTS provided by HR
4. Police Collaboration - Some posts funded by external partners (i.e. Essex Police, PFCC, etc.)