

ESSEX POLICE, FIRE AND CRIME COMMISSIONER
FIRE & RESCUE AUTHORITY
Essex County Fire & Rescue Service



Meeting	Fire & Rescue - Performance and Resources Board	Agenda Item	
Meeting Date		Report Number	
Report Author:	Beth Blackburn, Finance Business Partner		
Presented By	Neil Cross - Chief Finance Officer		
Subject	Budget Review - June 2021		
Type of Report:	Information		

SUMMARY

This paper reports on expenditure against budget as at June 2021 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

Fire & Rescue - Performance and Resources Board is asked to:

- 1 - Note the position on income and expenditure for Year to Date compared to the Budget.
- 2 - Note the capital expenditure spend against budget for period to June 2021

Executive Summary



Results for the period to June 2021

There was a small surplus of £54k in June bringing the YTD total spend to a surplus of £722k (with a Business as usual (BAU) surplus of £716k).

Total pay costs YTD show an overspend of £256k, which after £474k of unbudgeted Earmarked Reserve costs, shows the BAU underspend of £219k.

Total non pay costs show £34k underspend, which includes £192k of unbudgeted Earmarked Reserve spend and a continuing BAU underspend of £226k. This mainly relates to underspend YTD in areas like community safety and home safety along with lower travel costs.

The prior year actuals have been updated to reflect the On Call overtime and Capital Finance Charge that were put through as period 13 entries so that they align with the phasing adjustments in this year's financials.

Forecast

A forecast will be prepared following the closure of the 1st quarter results and will be presented at the August P&R Board.

The confirmed 1.5% Grey Book pay award will be implemented in August/ September 2021, the impact of this will be £650k for the full financial year. The 1.5% pay offer for Green Book Staff has been rejected, this would have been £250k.

The forecast will take account of the Grey Book adjustments as no pay award was included within the 2021/22 budget, as this was based on the Government announcements at that time.

Balance Sheet Statement and Cashflow Forecast

The Balance Sheet report on page 7 shows the key movements since the year end:

- Short term debtors have increased from £6m to £11m due to the recognition of a debtor to fund the pension deficit.
- Grants received in advance has increased from £1m to £5m due to pensions paid in advance, relating to the 21/22 financial year.
- The minimum revenue provision has been accrued in the quarter, flowing through to the capital adjustment account with a £1.2m increase.

The Cashflow Forecast on page 8 shows the forecast cash position of the authority for the next twelve months. Payment of the pension grant is expected in July, which will cause cash and investments to peak around £30m. The report sets out the Authority's Treasury Management Indicators, which are monitored in line with the CIPFA Prudential Code.

Capital

We are aware of the timing issues for the delivery of the 10 new fire appliances that are currently on order and therefore this impact will be included in the forecast. The length of delay has not yet been confirmed. The impact once known will also be reflected in the reforecast.

A property previously used as Day Crewed housing was sold in the month for £338k, this is the second property sale in the year with total sales for 2021/22 being £626k. A total of £1.7m has been received on completion of the sale of 7 properties to date.

Other

The FTE report shows the shortfall of FTEs in On Call of 37.0 and Prevention & Protection of 12.18. These two areas account for the majority of the staffing shortfall of 46.05 overall.

There was one Single Tender Action in June.

YTD Summary Income and Expenditure Statement to June 2021



Prior Year YTD Actuals £'000s	Prior year YTD Budget £'000s	Prior Year Variance (Actuals Vs Budget)	Description	BAU YTD Actual £'000s	COVID £'000s	Earmarked Projects £'000s	YTD Actual £'000s	YTD Budget £'000s	Budget Vs Actuals £'000s	Variance %	Budget Vs BAU Actuals £'000s	Variance %
8,680	8,768	89	Wholetime Firefighters	8,624	-	77	8,701	8,797	96	1%	173	2%
1,278	1,363	85	On Call Firefighters	1,763	-	-	1,763	1,721	(42)	(2%)	(42)	(2%)
373	352	(21)	Control	384	-	-	384	391	7	2%	7	2%
3,472	3,565	93	Support Staff	3,636	1	397	4,034	3,716	(318)	(9%)	80	2%
13,802	14,048	246	Total Employment Costs	14,407	1	474	14,882	14,626	(256)	(2%)	219	1%
408	542	134	Support Costs	483	2	33	519	536	17	3%	53	10%
2,849	2,669	(180)	Premises & Equipment	2,480	16	129	2,625	2,506	(119)	(5%)	26	1%
531	814	283	Other Costs & Services	692	11	-	703	810	106	13%	117	14%
713	681	(32)	Ill health pension costs	558	-	-	558	583	26	4%	26	4%
1,549	1,554	4	Financing Items	1,550	-	-	1,550	1,554	4	0%	4	0%
6,051	6,261	210	Total Other Costs	5,763	30	162	5,955	5,989	34	1%	226	4%
-	-	-	Investment in productivity improvement	-	-	-	-	-	-	-	-	-
19,854	20,310	456	Gross Expenditure	20,169	31	636	20,836	20,615	(222)	(1%)	445	2%
(2,409)	(1,547)	862	Specific Govt. Grants Income	(1,816)	(0)	-	(1,816)	(1,597)	220	(14%)	220	(14%)
(340)	(338)	2	Operational income	(332)	0	-	(332)	(244)	89	(36%)	89	(36%)
17,104	18,425	1,321	Net Expenditure	18,021	31	636	18,688	18,774	87	0%	753	4%
			Funding									
(3,851)	(3,851)	-	Revenue Support Grant	(3,873)	-	-	(3,873)	(3,873)	0	(0%)	0	(0%)
(4,189)	(4,189)	-	National Non-Domestic Rates	(4,177)	-	-	(4,177)	(4,179)	(2)	0%	(2)	0%
(123)	(141)	(18)	Council Tax Collection Account	(19)	-	-	(19)	(60)	(41)	68%	(41)	68%
(10,705)	(10,698)	7	Council Tax Precept	(10,659)	-	-	(10,659)	(10,659)	0	(0%)	0	(0%)
(2)	8	10	Council Tax Collection Impact	(13)	-	-	(13)	(8)	5		5	
(18,870)	(18,871)	(1)	Net Funding	(18,741)	-	-	(18,741)	(18,778)	(37)	0%	(37)	0%
(195)	-	195	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-
-	-	-	Cont'ns to/(from) Earmarked Reserves	0	(31)	(638)	(669)	-	669	-	(0)	-
(195)	-	195	Total Contribution to/(from) Reserves	0	(31)	(638)	(669)	-	669	-	(0)	-
(19,065)	(18,871)	194	Total Funding	(18,741)	(31)	(638)	(19,410)	(18,778)	632	(3%)	(37)	0%
(1,766)	(446)	1,320	Funding Gap / (Surplus)	(720)	0	(2)	(722)	(4)	718		716	

Period Summary Income and Expenditure Statement to June 2021



Prior Year Period Actuals £'000s	Prior year Period Budget £'000s	Prior Year Variance (Actuals Vs Budget)	Description	BAU Period Actual £'000s	COVID £'000s	Earmarked Projects £'000s	Period Actual £'000s	Period Budget £'000s	Budget Vs Actuals £'000s	Variance %	Budget Vs BAU Actuals £'000s	Variance %
2,925	2,879	(47)	Wholetime Firefighters	2,855	-	30	2,885	2,977	92	3%	122	4%
520	563	43	On Call Firefighters	601	-	-	601	556	(44)	(8%)	(44)	(8%)
121	118	(2)	Control	131	-	-	131	131	(0)	(0%)	(0)	(0%)
1,146	1,192	46	Support Staff	1,213	-	63	1,276	1,240	(36)	(3%)	26	2%
4,711	4,751	40	Total Employment Costs	4,800	-	92	4,892	4,904	11	0%	104	2%
194	181	(13)	Support Costs	122	1	33	156	179	22	12%	56	32%
1,289	890	(399)	Premises & Equipment	982	16	(26)	973	835	(137)	(16%)	(147)	(18%)
167	270	103	Other Costs & Services	267	11	-	278	268	(10)	(4%)	1	0%
174	177	3	Ill health pension costs	168	-	-	168	177	9	5%	9	5%
516	518	1	Financing Items	517	-	-	517	518	1	0%	1	0%
2,340	2,035	(305)	Total Other Costs	2,056	28	7	2,091	1,977	(114)	(6%)	(79)	(4%)
-	-	-	Investment in productivity improvement	-	-	-	-	-	-	-	-	-
7,051	6,787	(265)	Gross Expenditure	6,856	28	100	6,984	6,881	(103)	(1%)	25	0%
(1,347)	(516)	831	Specific Govt. Grants Income	(631)	-	-	(631)	(532)	99	(19%)	99	(19%)
(195)	(113)	82	Operational income	(150)	-	-	(150)	(81)	68	(84%)	68	(84%)
5,509	6,158	649	Net Expenditure	6,075	28	100	6,203	6,267	64	1%	192	3%
Funding												
(513)	(513)	-	Revenue Support Grant	(516)	-	-	(516)	(516)	0	(0%)	0	(0%)
(1,476)	(1,476)	-	National Non-Domestic Rates	(1,471)	-	-	(1,471)	(1,471)	-	-	-	-
(39)	(48)	(9)	Council Tax Collection Account	(9)	-	-	(9)	(5)	4	(75%)	4	(75%)
(4,175)	(4,172)	3	Council Tax Precept	(4,072)	-	-	(4,072)	(4,160)	(89)	2%	(89)	2%
(2)	3	5	Council Tax Collection Impact	(13)	-	-	(13)	(3)	10	-	10	-
(6,205)	(6,206)	(1)	Net Funding	(6,081)	-	-	(6,081)	(6,156)	(75)	1%	(75)	1%
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-
-	-	-	Cont'ns to/(from) Earmarked Reserves	(0)	(31)	(145)	(176)	-	176	-	0	-
-	-	-	Total Contribution to/(from) Reserves	(0)	(31)	(145)	(176)	-	176	-	0	-
(6,205)	(6,206)	(1)	Total Funding	(6,081)	(31)	(145)	(6,257)	(6,156)	101	(2%)	(75)	1%
(695)	(47)	648	Funding Gap / (Surplus)	(6)	(2)	(46)	(54)	112	165		117	

Operational Income



Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	2020-21 YTD Actuals £	Comments
Cycle to Work Scheme	(7,842)	(7,503)	339	(5%)	(30,006)	(7,661)	
Childcare Vouchers	(8,951)	(16,251)	(7,300)	45%	(65,004)	(10,847)	
Canteen Income	(5,329)	(12,501)	(7,172)	57%	(50,004)	0	
Sale of Vehicle Spares	(9,438)	(6,249)	3,189	(51%)	(25,000)	(2,440)	
Aerial Sites	(33,939)	(38,913)	(4,974)	13%	(155,652)	(32,483)	
Solar Panel Income	(12,316)	(12,501)	(185)	1%	(50,000)	(6,210)	
Hydrant Tests	(5,073)	(22,500)	(17,427)	77%	(90,000)	(3,455)	
Lease Cars - Employee Contributions	(1,205)	(3,750)	(2,545)	68%	(15,000)	(2,148)	
Service Charges	(143)	(150)	(7)	5%	(600)	(147)	
Secondments	(51,089)	0	51,089	0%	0	(54,215)	
Community Safety General	(30,380)	0	30,380	0%	0	(22,380)	
Labour Credit	(14,848)	(13,749)	1,099	(8%)	(55,000)	(22,966)	
Section 13/16	(19,184)	(11,250)	7,934	(71%)	(45,000)	(16,224)	
Provision of Hire Vehicles & Equipment	(89)	(501)	(412)	82%	(2,000)	0	
Interest Received Short Term Investements	(1,130)	(6,249)	(5,119)	82%	(24,996)	(8,915)	
Community Safety Youth Work	(6,090)	(24,999)	(18,909)	76%	(99,998)	(2,000)	
Shared Services Income	(115,355)	(45,501)	69,854	(154%)	(182,001)	(111,026)	
Reimbursements from EFA(T)	0	0	0	0%	0	(16,739)	
Other Miscellaneous Income	(9,838)	(21,126)	(11,288)	53%	(84,499)	(18,153)	
Total Operational Income	(332,238)	(243,693)	88,545	(36%)	(974,760)	(340,088)	

Specific Government Grants Income

Specific Government Grants	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	2020-21 YTD Actuals £	Comments
Addn Pens Grant Accr	(879,136)	(879,136)	0	0%	(3,516,545)	(879,135)	Central Govt. Grant for Pensions - increase in Employers contribution
DCLG BRR 2021-22	(340,408)	(335,070)	5,338	(2%)	(1,340,280)	(335,070)	Business Rate relief
USAR Grant 2021-22	(214,140)	(214,295)	(155)	0%	(856,560)	(214,140)	Communications Network and Budgeted New Risk Mosaic programme funding which isnt due to happen.
Firelink Grant 2021-22	(160,567)	(165,294)	(4,727)	3%	(662,258)	(160,656)	£500 was for museum grant, £186k recognised for 3 months of Local council support grant . Budget includes £11.5k for Prevention (funding from PFCC for 1 FTE). Nothing was budgeted for Covid 19 funding and there was no budget for the Grenfell grant but £32k has been released to offset the YTD spend.
Other Grant Income	(222,228)	(2,875)	219,353		(11,500)	(5,106)	
Subtotal-Govt Grants	(1,816,480)	(1,596,670)	219,810	14%	(6,387,143)	(1,594,107)	

FTE Establishment Summary to June 2021



Station/Dept	Wholetime			On Call			Control			Support				Total		
	A C T U A L	B U D G E T	V a r	A C T U A L	B U D G E T	V a r	A C T U A L	B U D G E T	V a r	A C T U A L	A g e n c y	B U D G E T	V a r	A C T U A L	B U D G E T	V a r
Wholetime/Combined Station	470.00	480.00	10.00	20.25	30.00	9.75	-	-	-	-	-	-	-	490.25	510.00	19.75
Wholetime Recruits	12.00	-	- 12.00	-	-	-	-	-	-	-	-	-	-	12.00	-	- 12.00
On-Call Station	1.00	-	- 1.00	358.25	396.25	38.00	-	-	-	-	-	-	-	359.25	396.25	37.00
Day Crewed Stations	26.00	26.00	-	39.28	30.75	- 8.53	-	-	-	-	-	-	-	65.28	56.75	- 8.53
Operations - USAR	17.00	16.00	- 1.00	-	-	-	-	-	-	-	-	-	-	17.00	16.00	- 1.00
Operational Response	526.00	522.00	- 4.00	417.78	457.00	39.22	-	-	-	-	-	-	-	943.78	979.00	35.22
Prevention & Protection BAU	19.00	41.00	22.00	-	-	-	-	-	-	64.32	-	54.50	- 9.82	83.32	95.50	12.18
Control	2.00	-	- 2.00	-	-	-	34.54	34.69	0.15	2.57	-	2.57	-	39.11	37.26	- 1.85
Support Dept.																
Catering	-	-	-	-	-	-	-	-	-	3.31	3.60	0.29	-	3.31	3.60	0.29
Corp Risk & Bus Cont	-	-	-	-	-	-	-	-	-	2.00	2.00	-	-	2.00	2.00	-
Corporate Comms	-	-	-	-	-	-	-	-	-	10.00	10.00	-	-	10.00	10.00	-
Emergency Planning	1.00	2.00	1.00	-	-	-	-	-	-	2.00	3.00	1.00	-	3.00	5.00	2.00
External Secondments	1.00	2.00	1.00	-	-	-	-	-	-	1.00	0.49	- 0.51	-	2.00	2.49	0.49
Finance & Pay	-	-	-	-	-	-	-	-	-	16.28	16.61	0.33	-	16.28	16.61	0.33
Health & Safety	1.00	1.00	-	-	-	-	-	-	-	4.00	4.00	-	-	5.00	5.00	-
Human Resources	-	-	-	-	-	-	-	-	-	39.38	35.20	- 4.18	-	39.38	35.20	- 4.18
ICT	-	-	-	-	-	-	-	-	-	24.61	23.60	- 1.01	-	24.61	23.60	- 1.01
Innovation & Change	-	-	-	-	-	-	-	-	-	18.33	20.71	2.38	-	18.33	20.71	2.38
Operational Assurance	5.00	1.00	- 4.00	-	-	-	-	-	-	-	-	-	-	5.00	1.00	- 4.00
Operational Policy	8.00	11.00	3.00	-	-	-	-	-	-	3.00	3.00	-	-	11.00	14.00	3.00
Operational Training	33.00	29.00	- 4.00	-	-	-	-	-	-	11.00	12.00	1.00	-	44.00	41.00	- 3.00
Performance & Improvement	-	-	-	-	-	-	-	-	-	12.63	11.63	- 1.00	-	12.63	11.63	- 1.00
Police Collaboration	1.00	1.00	-	-	-	-	-	-	-	4.00	2.00	- 2.00	-	5.00	3.00	- 2.00
Property Services	-	-	-	-	-	-	-	-	-	11.42	12.61	1.19	-	11.42	12.61	1.19
Purchasing & Supply	-	-	-	-	-	-	-	-	-	11.00	11.00	-	-	11.00	11.00	-
Service Leadership Team	5.00	3.00	- 2.00	-	-	-	-	-	-	7.00	8.00	1.00	-	12.00	11.00	- 1.00
Station Group Management	35.00	39.00	4.00	-	-	-	-	-	-	10.49	10.49	-	-	45.49	49.49	4.00
Technical Services	2.00	2.00	-	-	-	-	-	-	-	5.41	5.41	-	-	7.41	7.41	-
Water Services	-	-	-	-	-	-	-	-	-	7.57	8.57	1.00	-	7.57	8.57	1.00
Workshops Engineering	-	-	-	-	-	-	-	-	-	28.43	30.43	2.00	-	28.43	30.43	2.00
Workshops Management	-	-	-	-	-	-	-	-	-	6.81	8.81	2.00	-	6.81	8.81	2.00
Support Dept.'s	92.00	91.00	- 1.00	-	-	-	-	-	-	239.66	-	243.16	3.50	331.66	334.16	2.50
BAU Employees	639.00	654.00	15.00	417.78	457.00	39.22	34.54	34.69	0.15	306.55	0.00	300.23	- 6.32	1,397.87	1,445.92	48.05
Projects and/or Funded from Earmarked Reserves/ Specific Grants																
Grenfell Infrastructure Grant	-	-	-	-	-	-	-	-	-	-	1.00	1.00	-	-	1.00	1.00
ICT Projects	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operational Training Projects	5.00	5.00	-	-	-	-	-	-	-	1.00	2.00	1.00	-	6.00	7.00	1.00
Innovation & Change Projects	3.00	-	- 3.00	-	-	-	-	-	-	-	-	-	-	3.00	-	- 3.00
Earmarked Reserves, Projects, etc	8.00	5.00	- 3.00	-	-	-	-	-	-	1.00	-	2.00	1.00	9.00	7.00	- 2.00
All Employees	647.00	659.00	12.00	417.78	457.00	39.22	34.54	34.69	0.15	307.55	-	302.23	- 5.32	1,406.87	1,452.92	46.05

Balance Sheet - 30th June 2021



	30th Jun 2021 £000's	31st Mar 2021 £000's	30th Jun 2020 £000's	Variance Mar 2021 £000's	Variance Jun 2020 £000's
Property, plant & equipment					
Land and buildings	124,892	125,232	125,513	(340)	(621)
* Vehicles, plant & equipment	11,404	11,404	12,065	-	(661)
Assets under construction	1,032	751	788	281	243
Long term investments	-	-	94	-	(94)
Long term assets	137,328	137,387	138,461	(59)	(1,133)
Inventories	651	642	505	9	146
Short term debtors	10,629	6,363	6,028	4,266	4,601
Cash and cash equivalents	18,819	17,696	15,391	1,124	3,428
Assets held for sale	622	912	-	(290)	622
Current assets	30,721	25,612	21,924	5,108	8,796
* Short term borrowings	-	(250)	-	250	-
Short term creditors	(6,964)	(6,954)	(5,343)	(11)	(1,622)
Grants received in advance	(5,048)	(1,049)	(3,558)	(3,999)	(1,490)
Current liabilities	(12,013)	(8,253)	(8,901)	(3,760)	(3,112)
Long term borrowing	(24,500)	(24,500)	(24,500)	-	-
Provisions	(1,163)	(1,161)	(1,119)	(1)	(44)
* Pension liability - LGPS	(38,242)	(38,242)	(26,034)	-	(12,208)
Pension liability - FPS	(886,391)	(886,443)	(714,561)	52	(171,830)
Long term liabilities	(950,296)	(950,346)	(766,214)	51	(184,082)
NET LIABILITIES	(794,260)	(795,600)	(614,730)	1,340	(179,530)
Usable reserves					
General fund	5,074	4,351	3,200	722	1,873
Earmarked general fund reserves	12,812	13,481	10,526	(669)	2,287
Capital receipts reserve	10,297	9,669	8,477	627	1,820
Usable reserves	28,183	27,502	22,203	681	5,980
Unusable reserves					
Revaluation reserve	37,846	38,180	36,522	(333)	1,325
Capital adjustment account	68,342	67,401	67,261	941	1,080
* Holiday pay account	(828)	(828)	(587)	-	(241)
* Collection fund adjustment account	(3,170)	(3,170)	467	-	(3,637)
Pension reserve	(924,633)	(924,685)	(740,595)	52	(184,038)
Unusable reserves	(822,442)	(823,102)	(636,932)	659	(185,510)
TOTAL RESERVES	(794,260)	(795,600)	(614,729)	1,340	(179,530)

Key Movements

Long Term Assets:

Additions for the year flow through 'Assets under construction', which is monitored by the Asset board. The movements from June 2020 reflects the additions, disposals, depreciation and revaluation in the year to March 2021.

Current Assets:

- £4m debtor recognised for the deficit on the pension fund at 30th June 2021.
- Increase in cash arising from day crewed housing sales.
- Assets held for sale reflect day crewed houses actively marketed at year end.

Current Liabilities:

- Reduction in short term borrowing, which is accrued at year end.
- Increase in Grants in advance, mainly due to a pensions grant received in May.
- Short term creditors are consistent with prior periods.

Long-term Liabilities:

The movement in long term liabilities is due to the pension valuation at the year end. The largest movement in the valuation was the pension assumptions (£166m), which have been reviewed in detail by the Finance team.

Reserves:

The movements in General and Earmarked Reserves tie back to the YTD Summary Income and Expenditure Statement on page 3 and reflect a transfer from Earmarked Reserves of £703k.

The biggest movement in unusable reserves has been in the pension reserve that offsets the pension liability in 'long term liabilities'.

The Authority has started to accrue for MRP charges in the year - the movement in the capital adjustment account of £941k is the net of MRP charges of £1.2m and disposals of £300k.

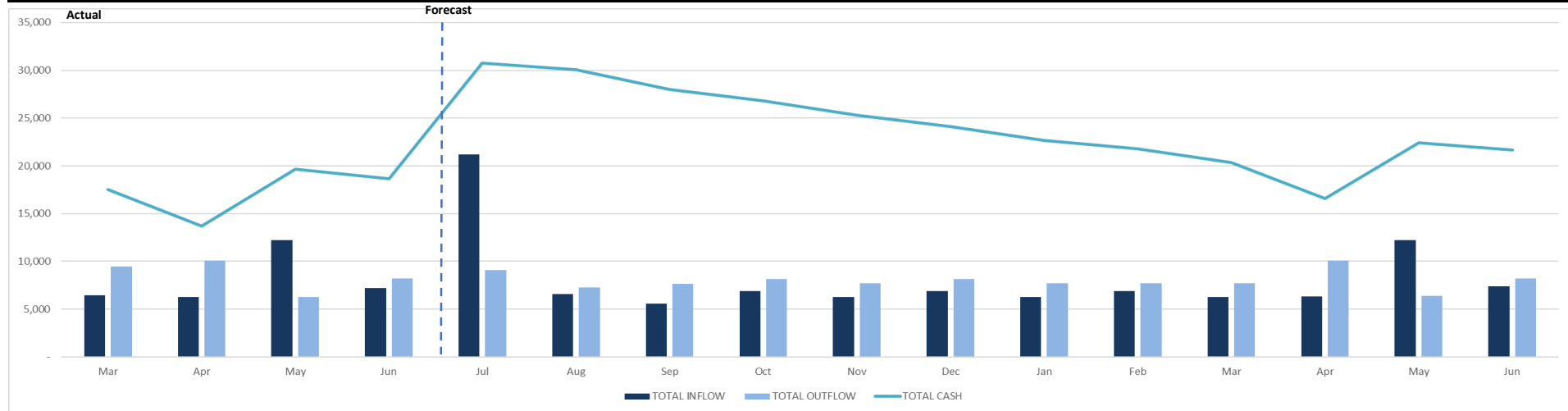
The revaluation reserve has reduced by £333k due to disposals in the period.

* Balances adjusted at year end only.



Cashflow Forecast

FORECAST CASH INFLOWS AND OUTFLOWS



COMMENTARY

ECFRS has a clear cash cycle - as the Service delivers a balanced budget, the most significant movement in cash comes from the Firefighters Pension Scheme. The Firefighters Pension grant is paid in July, bringing total cash and investments to around £25-£31m. This is followed by a reduction in cash across the remaining year, as that funding is used to pay pensions.

Cash outflows each month typically fluctuate between £6m-£10m, and have been forecast based on historic actuals. See below for an analysis of these payments.

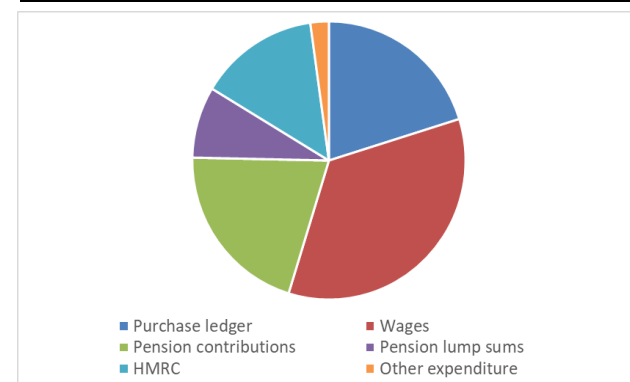
Investments stand at £12m, with investments in money market funds and business call accounts. Current investments are low risk and highly liquid in line with the Treasury Management Strategy.

Cash inflows comprise grant and other income. Day crewed house sales are also included within cash inflows, and are forecast at a rate of one sale per month in line with the actuals from Q1.

TREASURY MANAGEMENT INDICATORS

	Target	Actual	Explanation of Indicators
Credit risk indicator	A	AA+	The average credit rating of investments must be A or greater.
Liquidity risk indicator	£8.5m	£12m	The target cash available within 3 months is £8.5m.
Quarterly interest rate movement	N/A	-0.01%	The interest rates of investments are tracked on a regular basis.
Price risk indicator	£3.0m	£nil	The limit on the amount that can be invested beyond 12 months.
Refinancing rate indicator:			
<i>Under 12 months</i>	25%	0%	A large proportion of the Authority's debt expires within 5-10 years. The Finance team have reviewed the impact of early repayment, and found there would be no advantage of doing so. Public Works Loan Board (PWLB) debt requires full payment of interest up to the date of expiry.
<i>12 months and within 24 months</i>	10%	4%	
<i>24 months and within 5 years</i>	10%	8%	
<i>5 years and within 10 years</i>	40%	61%	
<i>10 years and within 15 years</i>	80%	27%	
<i>15 years and above</i>	100%	0%	

EXPENDITURE ANALYSIS



Essex County Fire & Rescue Service - Capital Expenditure as at 30th June 2021



Capital	Budget 2021/22	Adjustment to Forecast	Forecast - June 2021*	Actual Spend
New Premises				
Service Workshops - New	250	-	250	-
Existing Premises				
Asset Protection	1,700	-	1,700	91
Asset Improvement Works Training Facilities Improvement	1,651	-	1,651	7
Asset Improvement Works - Shoeburyness	906	-	906	6
Total Property	4,507	-	4,507	103
Equipment	246	-	246	22
Information Technology				
Projects	583	-	583	4
Total Information Technology	583	-	583	4
Vehicles				
New Appliances	2,330	(2,330)	-	-
Other Vehicles	978	18	996	136
Total Vehicles	3,308	(2,312)	996	136
Total Capital Expenditure	8,643	(2,312)	6,331	266

Essex County Fire & Rescue Service - Capital Expenditure as at 30th June 2021



* To be agreed at asset board

Nominal Code		Asset Life	Budget 2021/22	Adjustment to Forecast	Forecast - June 2021*	Actual Spend	Commitments / Orders
B113 - Vehicles							
B113	Appliances (Pumping)	15	2,330,000	(2,330,000)	-	-	2,328,200
B113	ICU Internals	6	30,000	-	30,000	-	-
B113	Light Vehicles	6	292,000	-	292,000	87,828	105,526
B113	Off Road Vehicles	6	102,000	-	102,000	-	101,934
B113	Officers Cars (Principal Officers)	4	111,000	-	111,000	26,250	49,965
B113	Specialist rescue vehicle	6	100,000	-	100,000	-	-
B113	Light Vans	6	248,000	-	248,000	22,102	-
B113	Ladders	12	94,500	-	94,500	-	-
Total B113 - Vehicles			3,307,500	(2,312,000)	995,500	136,180	2,585,626
B116 - Operational Equipment							
B116	B.A. Compressors	8	55,851	-	55,851	22,149	-
B116	BA Contamination machine	8	80,000	-	80,000	-	-
B116	Method entry equipment	8	30,000	-	30,000	-	-
B116	Smoke curtains	8	30,000	-	30,000	-	-
B116	Body warn CCTV	8	30,000	-	30,000	-	-
B116	Fog spikes	8	20,000	-	20,000	-	-
Total B116 - Operational Equipment			582,883	-	582,883	4,299	2,497
Note: ICT Budget updated in line with the Digital & Data Strategy							
B114 - ICT Equipment							
B114	Rolling laptop refresh	3	53,333	-	53,333	-	-
B114	Rolling phone refresh	3	-	-	-	-	-
B114	Apprentice laptops (business case agreed Dec)	3	32,400	-	32,400	-	-
B114	Virtual servers	3	-	-	-	-	-
B114	VOICE	3	215,000	-	215,000	4,299	2,497
B114	ICCS/CAD Replacement - Control Project	7	282,150	-	282,150	-	-
Total B114 - ICT Equipment			582,883	-	582,883	-	-

Essex County Fire & Rescue Service - Capital Expenditure as at 30th June 2021



* To be agreed at asset board

Nominal Code		Asset Life	Budget 2021/22	Adjustment to Forecast	Forecast - June 2021*	Actual Spend	Commitments / Orders
B112 - Land & Building							
B112	Lexden Workshops Relocation	20	250,000	-	250,000	-	-
Total B112 - Land & Building			250,000	-	250,000	-	-
B117	Asset Improvement Works - Shoeburyness	20	905,814	-	905,814	5,515	56,414
B117	Asset Protection Works - Training Facilities:	20					
	Phase 1 - Chelmsford, Greys, Southend, SWF		212,012	-	212,012	6,530	22,428
	Phase 2 - Braintree, Brentwood		429,089	-	429,089	-	-
	Phase 3 - Harlow, Safron Waldon and Clacton		741,000	-	741,000	-	-
	Witham TC WaH		70,000	-	70,000	-	-
	Wethersfield TC room/Pilot scheme Grays		130,006	-	130,006	-	-
	Deep lift pits		60,000	-	60,000	-	-
	Consultancy		8,682	-	8,682	-	-
Total B117 - Asset Improvement			2,556,603	-	2,556,603	12,045	78,842
B118 - Asset Protection							
Projects carried forward from 20/21:							
B118	Colchester FP/WFS Offices	20	7,000	-	7,000	-	4,032
B118	Orsett Appliance Bay	20	35,000	-	35,000	31,695	-
B118	Southend Boilers	20	22,000	-	22,000	16,179	-
B118	Fire Alarms	20	5,000	-	5,000	-	-
B118	Burnham AB Floor	20	35,000	-	35,000	-	-
Projects commencing 21/22:							
B118	Dunmow Yard	20	140,000	-	140,000	-	-
B118	Great Baddow Windows	20	130,000	-	130,000	-	-
B118	Kelvedon Park Pond Works	20	346,000	-	346,000	-	-
B118	Orsett - No time to lose	20	25,000	-	25,000	15,015	-
B118	Rayleigh Parking	20	10,000	-	10,000	-	-
B118	Harlow boilers	20	180,000	-	180,000	-	-
B118	Baddow boilers	20	180,000	-	180,000	-	-
B118	Chelmsford TC boilers	20	80,000	-	80,000	-	-
B118	Grays Heater	20	25,000	-	25,000	-	-
B118	Witham TC boiler	20	50,000	-	50,000	-	-
B118	Harlow mains	20	35,000	-	35,000	-	-
B118	Appliance bay floors (Halstead, Tollesbury, Weeley)	20	175,000	-	175,000	18,749	-
B118	Witham TC offices	20	100,000	-	100,000	-	-
B118	Epping part refurbishment	20	60,000	-	60,000	-	-
B118	Waltham Abbey drill yard	20	60,000	-	60,000	-	-
B118	Orsett Fra (50%)	20	-	-	-	-	-
B118	Other	20	-	-	-	9,539	-
B118 - Asset Protection			1,700,000	-	1,700,000	91,178	4,032
TOTAL FORECAST 2021-22			8,642,837	(2,312,000)	6,330,837	265,851	2,670,997



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.

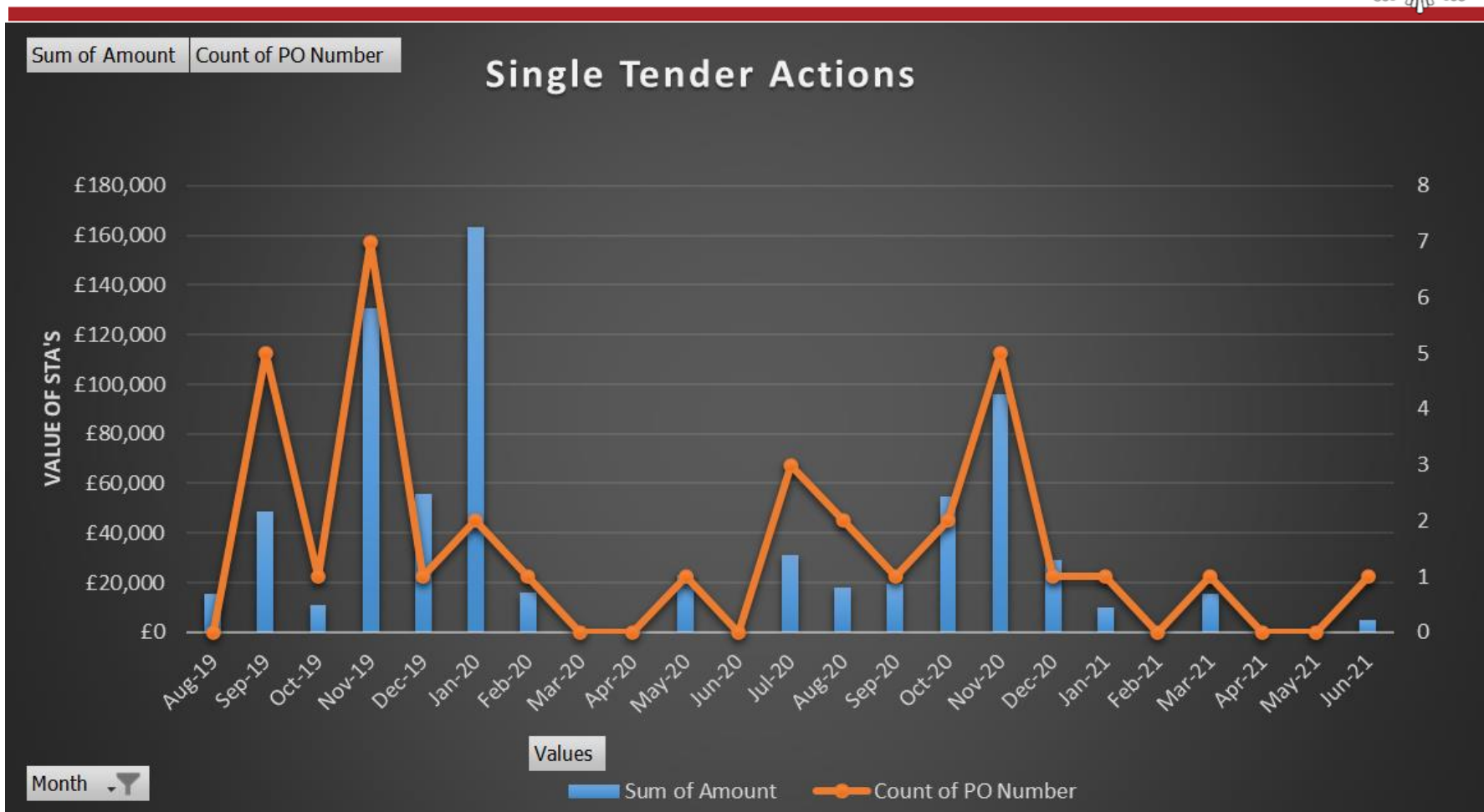
ACTIONS / NEXT STEPS

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985	
List of background documents – including appendices, hardcopy or electronic including any relevant link/s.	
Appendices: Single Tender Actions Covid Report Internal Audit Recommendations	
Proper Officer:	Chief Finance Officer to PFCC Fire & Rescue Authority
Contact Officer:	Neil Cross Essex County Fire & Rescue Service, Kelvedon Park, London Road, Rivenhall, Witham CM8 3HB Tel: 01376 576020 Email: neil.cross@essex-fire.gov.uk



Appendices

Single Tender Actions



There was one Single Tender Actions in the month for June 2021:

Value	Department	Supplier	Justification
£5,171	ICT	TEXTHELP ReadWrite Site licence	Continuity of supply is required in this instance as the software is embedded into our system.

INCOME

First Tranche of Covid 19 Emergency Funding - March 20
 Second Tranche of Covid 19 Emergency Funding - May 2020
 Third Tranche of Covid 19 Emergency Funding - April 2021
TOTAL FUNDING

290,932
1,378,051
233,344
1,902,327

I - STAFFING COSTS

CC	20/21 Costs £	Apr-21 £	May-21 £	Jun-21 £	21/22 Costs £	Jul-21 £	Aug-21 £	Sep-21 £	Oct-21 £	Nov-21 £	Est Total Cost	Comments
On Call additional costs - service response	0				0						0	
Wholetime overtime (including control)- service response	32,800				0						32,800	Recall to duty payments
On Call additional costs - LRF support	201,529				0						201,529	
Wholetime overtime - LRF support	0				0						0	
On Call additional costs - National response	0				0						0	
Wholetime overtime - National response	0				0						0	
ARA's	10,191				0				0		10,191	
ARA's Recovery	13,300				0				0		13,300	
Other	3,967	864			864	5,500	5,500	5,500	5,500		26,832	HR Support Role + Occ Health Bolster for Covid
Sub-Total: Staffing costs	261,787	864	0	0	864	5,500	5,500	5,500	5,500	0	284,652	

II - PROTECTIVE EQUIPMENT

PPE	Various	323,142			0	4,000	4,000	4,000	4,000	4,000	343,142	
Cleaning and decontamination supplies	9501	178,688			15,801	15,801	12,674	12,890	12,890	12,890	258,723	Additional Cleaning at Stations - £10,174 (move to 10,390 in Apr 21) + £2,500 p/m wipes / sprays
Lateral Flow Tests		74,100			0						74,100	
Sub-Total: Equipment		575,930	0	0	15,801	15,801	16,674	16,890	16,890	16,890	675,965	

III- OTHER COSTS

ICT Infrastructure and licencing	9501	228,905			0	40,000					268,905	
Thermometers	9501	1,199			0						1,199	
Signage		44,745			0						44,745	
Other		16,608		1,234	12,060	13,294	132,000				161,902	£11k relating to Bureau Veritas & £132k Classroom and toilet block in Weathersfield training room
Recharge of PPE		-9,837			0						-9,837	Recharge of PPE to West Mids FRS
Changes to Workplace on return to work		0	0		0	40,000	30,000	30,000			100,000	
Sub-Total: Other costs		281,620	0	1,234	12,060	13,294	212,000	30,000	30,000	0	566,914	
TOTAL ADDITIONAL COSTS		1,119,337	864	1,234	27,861	29,960	234,174	52,390	52,390	22,390	1,527,531	

REVENUE SPEND 908,145
 CAPITAL SPEND 211,193

1,119,337

STOCK SPEND 298,421

Amount of Grant remaining
% OF GRANT REMAINING

374,796
19.7%

Amount of 2020/21 Grant remaining **251,225**

Internal Audit Recommendations



Financial Year	Audit Report Title	Owner	Total Recommendations		Completed Recommendations		Recommendations Outstanding		Recommendations outside of due date	
			High	Medium	High	Medium	High	Medium	High	Medium
2019/20	Non-Operational - H&S	Senior Health and Safety Advisor (Joanne Hampton)	1	3	-	3	1	-	1	-
2019/20	GDPR	GDPR Officer (Hope Osayande)	2	7	1	5	1	2	1	2
2019/20	Procurement	Head of Purchasing & Supply (Sheldon Dyer)	1	5	1	2	-	3	-	3
2020/21	Follow-up 2021	Various action owners	-	4	-	-	-	4	-	-
THIS UPDATE			8	45	6	36	2	9	2	5
			53		42		11		7	
			Percentage complete			79%		Percentage overdue		
LAST UPDATE			8	45	5	33	3	12	3	8
			53		38		15		11	
			Percentage complete			72%		Percentage overdue		

Internal Audit Programme Update

The Annual Internal Audit report was presented to the Audit Committee in June, which showed an overall positive opinion, that the Service has an "adequate and effective framework for risk management, governance and internal controls", though "further enhancements" are required to maintain this level.

The finance team continue to work with action owners to ensure audit recommendations are followed up appropriately.

During June, fieldwork progressed on the ICT Transformation Programme audit and scoping was proposed for the Competency Management audit which is due to commence in July.

Updates On Outstanding Recommendations

There are no new recommendations since the last update with a total of 53 actions tracked.

Four recommendation were completed in the month, totalling 42 completed recommendations.

There are 7 overdue recommendations, which is 4 less than last update. 3 of these actions relate to the GDPR audit, which is advisory only.

Action owners have been reminded to progress their recommendations, and meetings have been arranged with key stakeholders.

Please contact Austin Page for any questions relating to the internal audit programme.