

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



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

**SUMMARY**

This paper reports on expenditure against budget as at September 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 September 2021

# Executive Summary



## Results for the period to September 2021

There was a surplus of 41k in September bringing the YTD total spend to a surplus of £890k (with a Business as usual (BAU) surplus of £985m).

Total pay costs YTD show an overspend of £938k, which after £477k of unbudgeted Earmarked Reserve costs, shows the BAU overspend of 460k. This includes £100k for the Wholetime pay protection payment and £70k pay protection payment relating to the day crewed conversion in Waltham Abbey. The Grey book pay award was also included in the YTD figures.

Total non pay costs show £241K underspend, which includes £156k of Covid costs and £308k of unbudgeted Earmarked Reserve spend and a continuing BAU variance underspend of £705k underspend. This mainly relates to underspend YTD in areas like community safety and home safety along with lower travel costs.

There was an adjustment to the phasing of the Earmarked Reserves Budget so the YTD amount is aligned with the Budgeted project costs, this brought about a variance of £50k in the month and is showing a variance of £943k YTD. Part of the adjustment to the Actual Earmarked Reserves was due to the realignment of the release of Covid funding which historically was shown under other grant income.

### Balance Sheet Statement and Cashflow Forecast

The Balance Sheet report on page 7 shows the key monthly rather than year to date movements.

- Cash and cash equivalents has reduced from £30m to £29m in the month, this is due to expenditure exceeding income for the month as well as changes in working capital.
- The Authority has utilised £1,128k of earmarked reserves in the year to fund specific projects such as the new Competency Management system and the Digital & Data Strategy.
- The Cashflow Forecast on page 8 shows the forecast cash position of the Authority for the next twelve months. Payments are expected to exceed receipts from August to April due to the cost of the Firefighter's Pension Scheme, which is funded annually in July.
- The Service sold three Day Crewed houses in the month for £1.03m, taking property sales up to six in the year with total sales for 2021/22 being £1.97m. A total of £3.05m has been received on completion of the sale of 10 properties to date.

### Capital

The Capital Programme is actively monitored by several groups at the Authority, including the Asset Board and Strategic Sub-Groups. Updates in the month include:

- A reduction of £179k in the Vehicle budget due to changing business requirements.
- A reduction of £110k in the Asset Improvement budget, as the training facilities improvement cost is rephased.
- A reduction of £250k in Service Workshop budget due to rephasing of expenditure.

### Other

The FTE report shows the slight improvement in shortfall of FTEs in On Call of 25.5 and Prevention & Protection now shows an over establishment of 2.8 due to the restructure in prevention. These two areas account for the majority of the staffing shortfall of 29.04 overall.

There were no Single Tender Actions in September.

## YTD Summary Income and Expenditure Statement to September 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	BAU YTD Budget £'000s	COVID Budget £'000s	Earmarked Projects Budget £'000s	YTD Budget £'000s	Budget Vs Actuals £'000s	Variance %	BAU Budget Vs BAU Actuals £'000s	Variance %
17,155	17,541	386	Wholesale Firefighters	17,479	-	217	17,696	17,275	-	140	17,415	(281)	(2%)	(204)	(1%)
3,095	3,052	(43)	On Call Firefighters	3,618	-	-	3,618	3,432	-	-	3,432	(185)	(5%)	(185)	(5%)
759	706	(52)	Control	785	-	-	785	783	-	-	783	(2)	(0%)	(2)	(0%)
7,017	7,140	124	Support Staff	7,460	1	444	7,904	7,390	-	44	7,435	(470)	(6%)	(69)	(1%)
<b>28,026</b>	<b>28,440</b>	<b>414</b>	<b>Total Employment Costs</b>	<b>29,341</b>	<b>1</b>	<b>661</b>	<b>30,003</b>	<b>28,881</b>	<b>-</b>	<b>184</b>	<b>29,065</b>	<b>(938)</b>	<b>(3%)</b>	<b>(460)</b>	<b>(2%)</b>
717	1,085	367	Support Costs	947	35	71	1,053	1,072	-	-	1,072	19	2%	125	12%
5,520	5,339	(181)	Premises & Equipment	4,789	110	218	5,117	5,012	-	-	5,012	(105)	(2%)	223	4%
1,334	1,643	309	Other Costs & Services	1,511	11	19	1,541	1,633	-	-	1,633	92	6%	122	7%
1,229	1,213	(16)	Ill health pension costs	1,064	-	-	1,064	1,115	-	-	1,115	51	5%	51	5%
2,783	2,791	9	Financing Items	2,924	-	-	2,924	3,108	-	-	3,108	184	6%	184	6%
<b>11,583</b>	<b>12,071</b>	<b>488</b>	<b>Total Other Costs</b>	<b>11,235</b>	<b>156</b>	<b>308</b>	<b>11,699</b>	<b>11,940</b>	<b>-</b>	<b>-</b>	<b>11,940</b>	<b>241</b>	<b>2%</b>	<b>705</b>	<b>6%</b>
-	-	-	Investment in productivity improvement	-	-	-	-	(0)	(0)	(0)	-	-	-	-	-
<b>39,609</b>	<b>40,510</b>	<b>902</b>	<b>Gross Expenditure</b>	<b>40,577</b>	<b>157</b>	<b>969</b>	<b>41,702</b>	<b>40,821</b>	<b>(0)</b>	<b>184</b>	<b>41,005</b>	<b>(697)</b>	<b>(2%)</b>	<b>245</b>	<b>1%</b>
<b>(4,269)</b>	<b>(3,094)</b>	<b>1,175</b>	<b>Specific Govt. Grants Income</b>	<b>(3,597)</b>	<b>0</b>	<b>-</b>	<b>(3,597)</b>	<b>(3,193)</b>	<b>-</b>	<b>-</b>	<b>(3,193)</b>	<b>404</b>	<b>(13%)</b>	<b>404</b>	<b>(13%)</b>
<b>(697)</b>	<b>(675)</b>	<b>22</b>	<b>Operational income</b>	<b>(715)</b>	<b>-</b>	<b>-</b>	<b>(715)</b>	<b>(487)</b>	<b>-</b>	<b>-</b>	<b>(487)</b>	<b>228</b>	<b>(47%)</b>	<b>228</b>	<b>(47%)</b>
<b>34,643</b>	<b>36,741</b>	<b>2,098</b>	<b>Net Expenditure</b>	<b>36,264</b>	<b>157</b>	<b>969</b>	<b>37,390</b>	<b>37,140</b>	<b>(0)</b>	<b>184</b>	<b>37,324</b>	<b>(65)</b>	<b>(0%)</b>	<b>876</b>	<b>2%</b>
			<b>Funding</b>												
(5,392)	(5,392)	-	Revenue Support Grant	(5,425)	-	-	(5,425)	(5,421)	-	-	(5,421)	4	(0%)	4	(0%)
(8,414)	(8,414)	-	National Non-Domestic Rates	(8,388)	-	-	(8,388)	(8,390)	-	-	(8,390)	(2)	0%	(2)	0%
(239)	(283)	(44)	Council Tax Collection Account	(34)	-	-	(34)	(75)	-	-	(75)	(41)	54%	(41)	54%
(23,231)	(23,216)	15	Council Tax Precept	(23,292)	-	-	(23,292)	(23,140)	-	-	(23,140)	153	(1%)	153	(1%)
(7)	18	25	Council Tax Collection Impact	(13)	-	-	(13)	(18)	-	-	(18)	(4)	(4)	(4)	(4)
<b>(37,283)</b>	<b>(37,287)</b>	<b>(4)</b>	<b>Net Funding</b>	<b>(37,153)</b>	<b>-</b>	<b>-</b>	<b>(37,153)</b>	<b>(37,044)</b>	<b>-</b>	<b>-</b>	<b>(37,044)</b>	<b>109</b>	<b>(0%)</b>	<b>109</b>	<b>(0%)</b>
(195)	-	195	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	Cont'ns to/(from) Earmarked Reserves	0	(157)	(971)	(1,128)	-	-	(184)	(184)	943	(513%)	(0)	0%
<b>(195)</b>	<b>-</b>	<b>195</b>	<b>Total Contribution to/(from) Reserves</b>	<b>0</b>	<b>(157)</b>	<b>(971)</b>	<b>(1,128)</b>	<b>-</b>	<b>-</b>	<b>(184)</b>	<b>(184)</b>	<b>943</b>	<b>(513%)</b>	<b>(0)</b>	<b>0%</b>
<b>(37,478)</b>	<b>(37,287)</b>	<b>191</b>	<b>Total Funding</b>	<b>(37,153)</b>	<b>(157)</b>	<b>(971)</b>	<b>(38,280)</b>	<b>(37,044)</b>	<b>-</b>	<b>(184)</b>	<b>(37,228)</b>	<b>1,052</b>	<b>(3%)</b>	<b>109</b>	<b>(0%)</b>
<b>(2,640)</b>	<b>(546)</b>	<b>2,094</b>	<b>Funding Gap / (Surplus)</b>	<b>(888)</b>	<b>-</b>	<b>(2)</b>	<b>(890)</b>	<b>97</b>	<b>(0)</b>	<b>(0)</b>	<b>97</b>	<b>987</b>		<b>985</b>	

# Period Summary Income and Expenditure Statement to September 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	BAU Budget £'000s	COVID Budget £'000s	Earmarked Projects Budget £'000s	Period Budget £'000s	Budget Vs Actuals £'000s	Variance %	BAU Budget Vs BAU Actuals £'000s	Variance %
2,803	2,799	(4)	Wholetime Firefighters	2,974	-	52	3,026	2,808	-	52	2,860	(166)	(6%)	(166)	(6%)
629	563	(66)	On Call Firefighters	620	-	-	620	570	-	-	570	(50)	(9%)	(50)	(9%)
133	118	(15)	Control	143	-	-	143	131	-	-	131	(12)	(9%)	(12)	(9%)
1,195	1,192	(3)	Support Staff	1,263	0	19	1,282	1,221	-	19	1,240	(42)	(3%)	(42)	(3%)
<b>4,760</b>	<b>4,672</b>	<b>(88)</b>	<b>Total Employment Costs</b>	<b>5,000</b>	<b>0</b>	<b>71</b>	<b>5,071</b>	<b>4,730</b>	<b>-</b>	<b>71</b>	<b>4,801</b>	<b>(270)</b>	<b>(6%)</b>	<b>(270)</b>	<b>(6%)</b>
148	181	33	Support Costs	105	1	3	109	176	-	3	179	69	39%	71	40%
702	890	187	Premises & Equipment	752	16	34	803	801	-	34	835	32	4%	48	6%
239	270	30	Other Costs & Services	283	-	-	283	268	-	-	268	(15)	(6%)	(15)	(6%)
170	177	7	Ill health pension costs	168	-	-	168	177	-	-	177	9	5%	9	5%
464	465	1	Financing Items	429	-	-	429	518	-	-	518	89	17%	89	17%
<b>1,724</b>	<b>1,983</b>	<b>259</b>	<b>Total Other Costs</b>	<b>1,738</b>	<b>17</b>	<b>37</b>	<b>1,792</b>	<b>1,940</b>	<b>-</b>	<b>37</b>	<b>1,977</b>	<b>185</b>	<b>9%</b>	<b>202</b>	<b>10%</b>
-	-	-	Investment in productivity improvement	-	-	-	-	-	-	-	-	-	-	-	-
<b>6,484</b>	<b>6,654</b>	<b>171</b>	<b>Gross Expenditure</b>	<b>6,738</b>	<b>17</b>	<b>108</b>	<b>6,863</b>	<b>6,670</b>	<b>-</b>	<b>108</b>	<b>6,778</b>	<b>(86)</b>	<b>(1%)</b>	<b>(68)</b>	<b>(1%)</b>
<b>(620)</b>	<b>(516)</b>	<b>104</b>	<b>Specific Govt. Grants Income</b>	<b>(595)</b>	<b>109</b>	<b>-</b>	<b>(486)</b>	<b>(532)</b>	<b>-</b>	<b>-</b>	<b>(532)</b>	<b>(46)</b>	<b>9%</b>	<b>63</b>	<b>(12%)</b>
<b>(150)</b>	<b>(113)</b>	<b>38</b>	<b>Operational income</b>	<b>(128)</b>	<b>-</b>	<b>-</b>	<b>(128)</b>	<b>(81)</b>	<b>-</b>	<b>-</b>	<b>(81)</b>	<b>47</b>	<b>(58%)</b>	<b>47</b>	<b>(58%)</b>
<b>5,714</b>	<b>6,026</b>	<b>312</b>	<b>Net Expenditure</b>	<b>6,014</b>	<b>126</b>	<b>108</b>	<b>6,249</b>	<b>6,056</b>	<b>-</b>	<b>108</b>	<b>6,164</b>	<b>(85)</b>	<b>(1%)</b>	<b>42</b>	<b>1%</b>
			<b>Funding</b>												
(513)	(513)	-	Revenue Support Grant	(520)	-	-	(520)	(516)	-	-	(516)	4	(1%)	4	(1%)
(1,375)	(1,375)	-	National Non-Domestic Rates	(1,370)	-	-	(1,370)	(1,370)	-	-	(1,370)	-	-	-	-
(39)	(48)	(9)	Council Tax Collection Account	(5)	-	-	(5)	(5)	-	-	(5)	-	-	-	-
(4,176)	(4,172)	4	Council Tax Precept	(4,160)	-	-	(4,160)	(4,160)	-	-	(4,160)	-	-	-	-
(2)	3	5	Council Tax Collection Impact	-	-	-	-	(3)	-	-	(3)	(3)		(3)	
<b>(6,105)</b>	<b>(6,105)</b>	<b>-</b>	<b>Net Funding</b>	<b>(6,055)</b>	<b>-</b>	<b>-</b>	<b>(6,055)</b>	<b>(6,055)</b>	<b>-</b>	<b>-</b>	<b>(6,055)</b>	<b>0</b>	<b>(0%)</b>	<b>0</b>	<b>(0%)</b>
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	Cont'ns to/(from) Earmarked Reserves	-	(126)	(108)	(234)	-	-	(184)	(184)	50	(27%)	-	-
-	-	-	<b>Total Contribution to/(from) Reserves</b>	-	<b>(126)</b>	<b>(108)</b>	<b>(234)</b>	-	-	<b>(184)</b>	<b>(184)</b>	<b>50</b>	<b>(27%)</b>	-	-
<b>(6,105)</b>	<b>(6,105)</b>	<b>-</b>	<b>Total Funding</b>	<b>(6,055)</b>	<b>(126)</b>	<b>(108)</b>	<b>(6,290)</b>	<b>(6,055)</b>	<b>-</b>	<b>(184)</b>	<b>(6,239)</b>	<b>51</b>	<b>(1%)</b>	<b>0</b>	<b>(0%)</b>
<b>(391)</b>	<b>(79)</b>	<b>312</b>	<b>Funding Gap / (Surplus)</b>	<b>(41)</b>	<b>0</b>	<b>-</b>	<b>(41)</b>	<b>1</b>	<b>-</b>	<b>(76)</b>	<b>(75)</b>	<b>(34)</b>		<b>42</b>	



## Operational Income

Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Cycle to Work Scheme	(17,975)	(15,006)	2,969	(20%)	(30,006)	
Childcare Vouchers	(17,972)	(32,502)	(14,530)	45%	(65,004)	
Canteen Income	(15,609)	(25,002)	(9,393)	38%	(50,004)	
Sale of Vehicle Spares	(24,490)	(12,498)	11,992	(96%)	(25,000)	
Aerial Sites	(67,877)	(77,826)	(9,949)	13%	(155,652)	
Solar Panel Income	(20,039)	(25,002)	(4,963)	20%	(50,000)	
Hydrant Tests	(9,698)	(45,000)	(35,302)	78%	(90,000)	
Lease Cars - Employee Contributions	(3,289)	(7,500)	(4,211)	56%	(15,000)	
Service Charges	(279)	(300)	(21)	7%	(600)	
Secondments	(107,662)	0	107,662	0%	0	
Community Safety General	(9,130)	0	9,130	0%	0	
Labour Credit	(34,303)	(27,498)	6,805	(25%)	(55,000)	
Section 13/16	(37,088)	(22,500)	14,588	(65%)	(45,000)	
Provision of Hire Vehicles & Equipment	(627)	(1,002)	(375)	37%	(2,000)	
Interest Received Short Term Investments	(1,905)	(12,498)	(10,593)	85%	(24,996)	
Community Safety Youth Work	(17,035)	(49,998)	(32,963)	66%	(99,998)	
Shared Services Income	(288,004)	(91,002)	197,002	(216%)	(182,001)	
Reimbursements from EFA(T)	0	0	0	0%	0	
Other Miscellaneous Income	(29,239)	(42,252)	(13,013)	31%	(84,499)	
<b>Total Operational Income</b>	<b>(715,320)</b>	<b>(487,386)</b>	<b>227,934</b>	<b>(47%)</b>	<b>(974,760)</b>	

### Specific Government Grants Income

Specific Government Grants	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Addn Pens Grant Accr	(1,758,272)	(1,758,272)	0	0%	(3,516,545)	Central Govt. Grant for Pensions - increase in Employers contribution
DCLG BRR 2021-22	(691,495)	(670,140)	21,355	(3%)	(1,340,280)	Business Rate relief
USAR Grant 2021-22	(428,280)	(428,590)	(310)	0%	(856,560)	
Firelink Grant 2021-22	(310,587)	(330,587)	(20,000)	6%	(662,258)	Communications Network (Firelink) grant was overpaid in 20/21 so will be reduced by £40k in 21/22 and New Risk Mosaic programme funding.
Local council tax support	(373,366)	0	373,366	0%	0	£62k released monthly
Other Grant Income	(34,861)	(5,750)	29,111		(11,500)	Budget includes £11.5k for Prevention (funding from PFCC for 1 FTE). Actuals include £103k of Covid 19 funding and £32k of the Grenfell Grant (protection uplift and building risk review) has been released to offset the YTD spend.
<b>Subtotal-Govt Grants</b>	<b>(3,596,862)</b>	<b>(3,193,340)</b>	<b>403,522</b>	<b>13%</b>	<b>(6,387,143)</b>	

## FTE Establishment Summary to September 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 T T E M P S	B U D G E T	V a r	A C T U A L	B U D G E T	V a r
<b>Wholetime/Combined Station</b>	473.00	480.00	7.00	21.50	30.00	8.50	-	-	-	-	-	-	-	494.50	510.00	15.50
<b>Wholetime Recruits</b>	12.00	-	- 12.00	-	-	-	-	-	-	-	-	-	-	12.00	-	- 12.00
<b>On-Call Station</b>	1.00	-	- 1.00	351.50	396.25	44.75	-	-	-	-	-	-	-	352.50	396.25	43.75
<b>Day Crewed Stations</b>	20.00	21.00	1.00	41.75	22.50	- 19.25	-	-	-	-	-	-	-	61.75	43.50	- 18.25
<b>Operations - USAR</b>	16.00	16.00	-	-	-	-	-	-	-	-	-	-	-	16.00	16.00	-
<b>Operational Response</b>	522.00	517.00	- 5.00	414.75	448.75	34.00	-	-	-	-	-	-	-	936.75	965.75	29.00
<b>Prevention &amp; Protection BAU</b>	20.00	39.00	19.00	-	-	-	-	-	-	62.11	-	45.91	- 16.20	82.11	84.91	2.80
<b>Control</b>	-	-	-	-	-	-	36.54	36.69	0.15	2.57	-	2.57	-	39.11	39.26	0.15
<b>Support Dept.</b>																
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	-	-	-	-	-	-	-	-	-	14.00	13.00	- 1.00	-	14.00	13.00	- 1.00
Emergency Planning	3.00	3.00	-	-	-	-	-	-	-	1.91	3.00	1.09	-	4.91	6.00	1.09
External Secondments	2.00	3.00	1.00	-	-	-	-	-	-	1.00	0.49	- 0.51	-	3.00	3.49	0.49
Finance & Pay	-	-	-	-	-	-	-	-	-	16.28	16.61	0.33	-	16.28	16.61	0.33
Health & Safety	2.00	2.00	-	-	-	-	-	-	-	4.00	4.00	-	-	6.00	6.00	-
Human Resources	-	-	-	-	-	-	-	-	-	36.94	35.20	- 1.74	-	36.94	35.20	- 1.74
ICT	-	-	-	-	-	-	-	-	-	25.61	23.60	- 2.01	-	25.61	23.60	- 2.01
Innovation & Change	-	-	-	-	-	-	-	-	-	15.52	19.71	4.19	-	15.52	19.71	4.19
Operational Assurance	5.00	5.00	-	-	-	-	-	-	-	-	-	-	-	5.00	5.00	-
Operational Policy	5.00	5.00	-	-	-	-	-	-	-	3.00	3.00	-	-	8.00	8.00	-
Operational Training	34.00	28.00	- 6.00	-	-	-	-	-	-	10.00	11.00	1.00	-	44.00	39.00	- 5.00
Performance & Improvement	-	-	-	-	-	-	-	-	-	12.63	11.63	- 1.00	-	12.63	11.63	- 1.00
Police Collaboration	-	-	-	-	-	-	-	-	-	4.00	2.00	- 2.00	-	4.00	2.00	- 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	2.00	2.00	-	-	-	-	-	-	-	4.00	5.00	1.00	-	6.00	7.00	1.00
Station Group Management	39.00	39.00	-	-	-	-	-	-	-	10.49	10.49	0.00	-	49.49	49.49	0.00
Technical Services	2.00	2.00	-	-	-	-	-	-	-	5.41	5.41	0.00	-	7.41	7.41	0.00
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
<b>Support Dept.'s</b>	94.00	89.00	- 5.00	-	-	-	-	-	-	235.32	-	241.16	5.84	329.32	330.16	0.84
<b>BAU Employees</b>	636.00	645.00	9.00	414.75	448.75	34.00	36.54	36.69	0.15	300.00	0.00	289.64	-10.36	1,387.29	1,420.08	32.79
<b>Projects and/or Funded from Earmarked Reserves/ Specific Grants</b>																
Grenfell Infrastructure Grant	-	-	-	-	-	-	-	-	-	1.00	1.00	-	-	1.00	1.00	-
ICT Projects	-	-	-	-	-	-	-	-	-	1.35	1.00	- 0.35	-	1.35	1.00	- 0.35
Operational Training Projects	5.00	5.00	-	-	-	-	-	-	-	1.00	2.00	1.00	-	6.00	7.00	1.00
Innovation & Change Projects	5.00	2.00	- 3.00	-	-	-	-	-	-	2.00	0.50	2.00	- 0.50	7.50	4.00	- 3.50
<b>Earmarked Reserves, Projects, etc</b>	10.00	7.00	- 3.00	-	-	-	-	-	-	5.35	0.50	6.00	0.15	15.85	13.00	- 2.85
<b>All Employees</b>	646.00	652.00	6.00	414.75	448.75	34.00	36.54	36.69	0.15	305.35	0.50	295.64	- 10.21	1,403.14	1,433.08	29.94

## Balance Sheet - 30th September 2021

	30th Sep 2021	31st Aug 2021	31st Mar 2021	Variance Aug 2021 £000's	Variance Mar 2021 £000's
	£000's	£000's	£000's		
<b>Property, plant &amp; equipment</b>					
Land and buildings	123,890	124,892	125,232	(1,003)	(1,343)
* Vehicles, plant & equipment	11,404	11,404	11,404	-	-
Assets under construction	1,486	1,244	751	241	735
<b>Long term assets</b>	<b>136,779</b>	<b>137,540</b>	<b>137,387</b>	<b>(761)</b>	<b>(608)</b>
Inventories	638	646	642	(8)	(4)
Short term debtors	2,025	2,003	6,363	22	(4,338)
Cash and cash equivalents	28,985	29,999	17,696	(1,014)	11,289
Assets held for sale	315	315	912	-	(597)
<b>Current assets</b>	<b>31,963</b>	<b>32,963</b>	<b>25,612</b>	<b>(1,000)</b>	<b>6,350</b>
* Short term borrowings	-	-	(250)	-	250
Short term creditors	(5,650)	(5,965)	(6,954)	315	1,304
Grants received in advance	(6,304)	(7,857)	(1,049)	1,553	(5,255)
<b>Current liabilities</b>	<b>(11,954)</b>	<b>(13,822)</b>	<b>(8,253)</b>	<b>1,868</b>	<b>(3,702)</b>
Long term borrowing	(24,500)	(24,500)	(24,500)	-	-
Provisions	(1,110)	(1,166)	(1,161)	56	52
* Pension liability - LGPS	(38,242)	(38,242)	(38,242)	-	-
Pension liability - FPS	(886,391)	(886,391)	(886,443)	-	52
<b>Long term liabilities</b>	<b>(950,243)</b>	<b>(950,299)</b>	<b>(950,346)</b>	<b>56</b>	<b>104</b>
<b>NET LIABILITIES</b>	<b>(793,455)</b>	<b>(793,617)</b>	<b>(795,600)</b>	<b>162</b>	<b>2,145</b>
<b>Usable reserves</b>					
General fund	5,247	5,205	4,351	43	896
Earmarked general fund reserves	12,354	12,588	13,481	(234)	(1,128)
Capital receipts reserve	11,633	10,602	9,669	1,032	1,964
<b>Usable reserves</b>	<b>29,234</b>	<b>28,395</b>	<b>27,502</b>	<b>840</b>	<b>1,732</b>
<b>Unusable reserves</b>					
Revaluation reserve	37,178	37,690	38,180	(512)	(1,002)
Capital adjustment account	68,763	68,929	67,401	(166)	1,362
* Holiday pay account	(828)	(828)	(828)	-	-
* Collection fund adjustment account	(3,170)	(3,170)	(3,170)	-	-
Pension reserve	(924,633)	(924,633)	(924,685)	-	52
<b>Unusable reserves</b>	<b>(822,689)</b>	<b>(822,012)</b>	<b>(823,102)</b>	<b>(678)</b>	<b>412</b>
<b>TOTAL RESERVES</b>	<b>(793,455)</b>	<b>(793,617)</b>	<b>(795,600)</b>	<b>162</b>	<b>2,145</b>

\* Balances adjusted at year end only.

### Key Movements

#### Long Term Assets:

Additions for the year flow through 'Assets under construction', which is monitored by the Asset board. Day crewed housing sales are reflected in the movement in land and buildings unless the asset was carried in assets held for sale at year end. The Service sold 3 day crewed houses in the month, with proceeds totalling £1.0m. The valuation at year end of £1.0m can be seen as a reduction in Land and Buildings. Previously unrealised gains on valuation of £512k have been released from the revaluation reserve in respect of these disposals.

#### Current Assets:

• £1.0m reduction in cash and cash equivalents as cash outflows exceeded inflows for the month, as seen in the cashflow on page 8.

• No material movements in the month for any other current assets.

#### Current Liabilities

- Short term borrowing is accrued at year end only.
- £0.3m reduction in short term creditors due to accrual movements in the month.
- Grants received in advance of £1.6m have been released to income in the month.

#### Long-term Liabilities:

There have been no material movements in long term liabilities. This is adjusted at year end as part of the annual pension valuation.

The movement in provision relates to the payment of Pension Scheme Sanction charges.

#### 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 £1,128k.

The largest balance in unusable reserves is the pension reserve that offsets the pension liability in 'long term liabilities'.

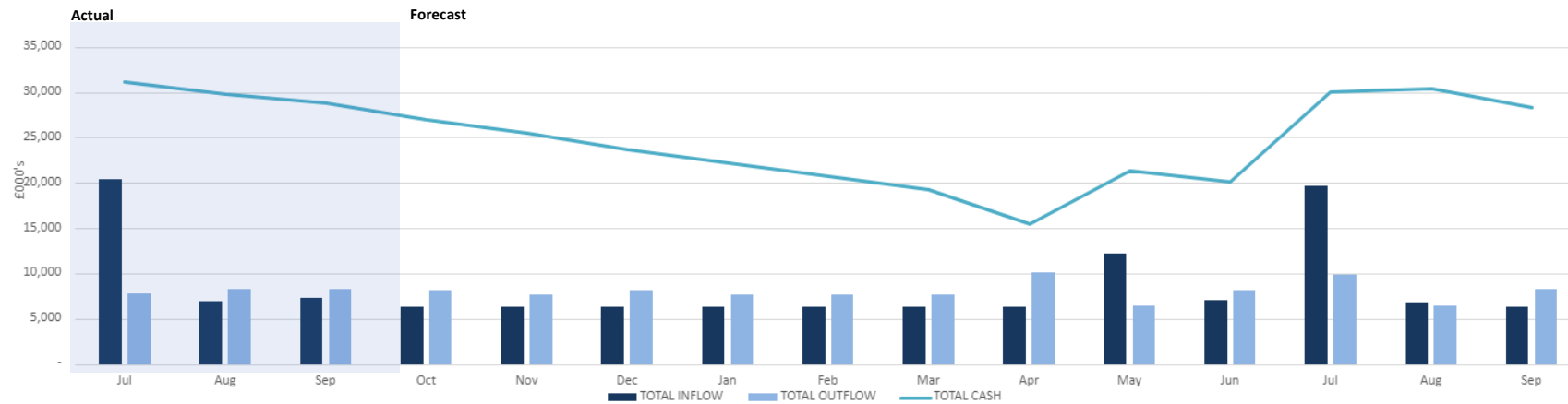
The Authority has continued to accrue for MRP charges, which is shown in the YTD movement in the capital adjustment account of £1,362k. This is the net of MRP charges of £2,300k offset by disposals adjustments of £938k.

The year to date reduction of £1,002k in the revaluation reserve is due to disposals, representing previously recognised gains on valuation.



# Cashflow Forecast

## FORECAST CASH INFLOWS AND OUTFLOWS



## COMMENTARY

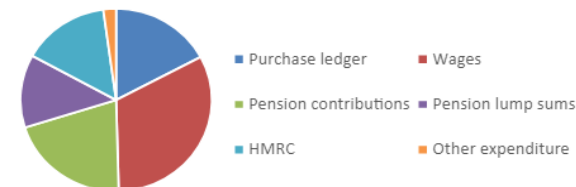
Total cash and investments at the end of September was **£29m**. Key inflows and outflows for the month are summarised below:

- Income includes precepts of **£4.7m** and grants of **£1.4m**.
- There were three day crewed house sales in September totalling £1.0m.
- Purchase ledger payments totalled **£1.6m** in the month - these costs are typically between £1-2m, so this is in line with expectation.
- The Authority is now compliant with the treasury management strategy, with investments in money market funds reduced to £3m per fund, utilising the new ICD investment portal.

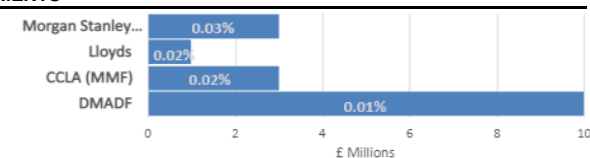
## TREASURY MANAGEMENT INDICATORS

	<u>Actual</u>	<u>Explanation of Indicators</u>
<b>Credit risk indicator</b>	AAA	The average credit rating of investments must be A or greater.
<b>Liquidity risk indicator</b>	£29m	The target cash available within 3 months is £8.5m.
<b>Monthly interest rate movement</b>	0%	No change in weighted average interest.
<b>Price risk indicator</b>	£nil	The limit on the amount that can be invested beyond 12 months.
<b>Refinancing rate indicator:</b>		
<i>Under 12 months</i>	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>	4%	
<i>24 months and within 5 years</i>	8%	
<i>5 years and within 10 years</i>	61%	
<i>10 years and within 15 years</i>	27%	
<i>15 years and above</i>	0%	

## EXPENDITURE ANALYSIS



## INVESTMENTS





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



Capital	Budget 2021/22	Adjustment to forecast	Forecast - Last agreed	Adjustment to Forecast	Forecast - Sept 2021*	Actual Spend
New Premises						
Service Workshops - New	250	-	250	(250)	-	-
Existing Premises						
Asset Protection	1,700	-	1,700	-	1,700	352
Asset Improvement Works Training Facilities Improvement	1,651	(95)	1,556	(110)	1,446	7
Asset Improvement Works - Shoeburyness	906	-	250	-	250	11
<b>Total Property</b>	<b>4,507</b>	<b>(95)</b>	<b>3,756</b>	<b>(360)</b>	<b>3,396</b>	<b>369</b>
<b>Equipment</b>	<b>246</b>	<b>-</b>	<b>246</b>	<b>-</b>	<b>246</b>	<b>22</b>
<b>Information Technology</b>						
Projects	570	373	943	-	943	51
<b>Total Information Technology</b>	<b>570</b>	<b>373</b>	<b>943</b>	<b>-</b>	<b>943</b>	<b>51</b>
<b>Vehicles</b>						
New Appliances	2,330	(2,330)	-	-	-	-
Other Vehicles	978	(131)	846	(179)	667	292
<b>Total Vehicles</b>	<b>3,308</b>	<b>(2,461)</b>	<b>846</b>	<b>(179)</b>	<b>667</b>	<b>292</b>
<b>Total Capital Expenditure</b>	<b>8,630</b>	<b>(2,839)</b>	<b>5,790</b>	<b>(539)</b>	<b>5,251</b>	<b>735</b>

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



\* To be agreed at asset board

	Asset Life	Budget 2021/22	Forecast - Last agreed	Adjustment to Forecast	Forecast - Sept 2021*	Actual Spend	Committed Orders
<b>B113 - Vehicles</b>							
Appliances (Pumping)	15	2,330,000	-	-	-	-	2,328,200
ICU Internals	6	30,000	-	-	-	-	-
Light Vehicles	6	292,000	292,000	-	292,000	105,551	-
Off Road Vehicles	6	102,000	102,000	-	102,000	101,934	-
Officers Cars (Principal Officers)	4	111,000	56,000	-	56,000	54,133	-
Specialist rescue vehicle	6	100,000	100,000	(100,000)	-	-	-
Light Vans	6	248,000	248,000	(79,000)	169,000	22,102	146,800
Ramps	12	-	40,000	-	40,000	-	-
Ladders	12	94,500	8,253	-	8,253	8,253	-
<b>Total B113 - Vehicles</b>		<b>3,307,500</b>	<b>846,253</b>	<b>(179,000)</b>	<b>667,253</b>	<b>291,972</b>	<b>2,475,000</b>
<b>B116 - Operational Equipment</b>							
B.A. Compressors	8	55,851	55,851	-	55,851	22,149	25,324
BA Contamination machine	8	80,000	80,000	-	80,000	-	-
Method entry equipment	8	30,000	30,000	-	30,000	-	-
Smoke curtains	8	30,000	30,000	-	30,000	-	-
Body warn CCTV	8	30,000	30,000	-	30,000	-	-
Fog spikes	8	20,000	20,000	-	20,000	-	-
<b>Total B116 - Operational Equipment</b>		<b>245,851</b>	<b>245,851</b>	<b>-</b>	<b>245,851</b>	<b>22,149</b>	<b>25,324</b>
<b>B114 - ICT Equipment</b>							
Digital & Data Strategy							
DEVICES	3	130,000	53,333	-	53,333	-	-
VOICE	3	-	215,000	-	215,000	51,251	44,640
Virtual servers	3	25,000	-	-	-	-	-
Hardware for Skype to Teams upgrade	3	-	-	-	-	-	-
CRM	3	-	-	-	-	-	-
<b>Total B114 - ICT Equipment</b>		<b>569,550</b>	<b>942,506</b>	<b>-</b>	<b>942,506</b>	<b>51,251</b>	<b>44,640</b>

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



\* To be agreed at asset board

	Asset Life	Budget 2021/22	Forecast - Last agreed	Adjustment to Forecast	Forecast - Sept 2021*	Actual Spend	Committed Orders
<b>B112 - Land &amp; Building</b>							
Lexden Workshops Relocation	20	250,000	250,000	(250,000)	-	-	-
<b>Total B112 - Land &amp; Building</b>		<b>250,000</b>	<b>250,000</b>	<b>(250,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Asset Improvement Works - Shoeburyness	20	905,814	250,000	-	250,000	10,536	53,635
<b>Asset Protection Works - Training Facilities:</b>	20						
Phase 1 - Chelmsford, Greys, Southend, SWF		212,012	554,000	(50,000)	504,000	6,530	22,426
Phase 2 - Braintree, Brentwood		429,089	233,000	-	233,000	-	-
Phase 3 - Harlow, Safron Waldon and Clacton		741,000	500,000	-	500,000	-	-
Witham TC WaH		70,000	70,000	-	70,000	-	-
Wethersfield TC room/Pilot scheme Grays		130,006	130,006	-	130,006	-	115,458
Deep lift pits		60,000	60,000	(60,000)	-	-	-
Consultancy		8,682	8,682	-	8,682	-	-
<b>Total B117 - Asset Improvement</b>		<b>2,556,603</b>	<b>1,805,688</b>	<b>(110,000)</b>	<b>1,695,688</b>	<b>17,066</b>	<b>191,519</b>
<b>B118 - Asset Protection</b>							
<i>Projects carried forward from 20/21:</i>							
Colchester FP/WFS Offices	20	7,000	7,000	-	7,000	14,052	4,032
Orsett Appliance Bay	20	35,000	35,000	-	35,000	32,728	-
Southend Boilers	20	22,000	22,000	-	22,000	12,244	-
Fire Alarms	20	5,000	60,000	(10,000)	50,000	41,041	-
Burnham AB Floor	20	35,000	8,000	-	8,000	-	-
<i>Projects commencing 21/22:</i>							
Dunmow Yard	20	140,000	140,000	-	140,000	-	-
Great Baddow Windows	20	130,000	130,000	-	130,000	70,078	-
Park Pond - lake works	20	346,000	346,000	-	346,000	133,269	75,743
Park Pond - liner repairs	20	-	75,000	-	75,000	-	-
Park Pond - building management system	20	-	56,000	-	56,000	-	-
Orsett - No time to lose	20	25,000	25,000	-	25,000	24,199	-
Rayleigh Parking	20	10,000	10,000	-	10,000	-	-
Harlow boilers	20	180,000	240,000	(20,000)	220,000	-	-
Baddow boilers	20	180,000	180,000	40,000	220,000	-	-
Chelmsford TC boilers	20	80,000	30,000	10,000	40,000	-	-
Grays Heater	20	25,000	50,000	(15,000)	35,000	-	-
Witham TC boiler	20	50,000	35,000	45,000	80,000	-	-
Harlow mains	20	35,000	60,000	-	60,000	-	-
Appliance bay floors (Halstead, Tollesbury, Weeley)	20	175,000	175,000	-	175,000	18,943	-
Witham TC offices	20	100,000	100,000	20,000	120,000	-	-
Epping part refurbishment	20	60,000	-	-	-	-	-
Waltham Abbey drill yard	20	60,000	60,000	-	60,000	-	-
Orsett Fra (50%)	20	240,000	240,000	-	240,000	-	-
Other	20	-	-	-	-	5,697	-
Provision for limited capacity **		(240,000)	(384,000)	(70,000)	(454,000)	-	-
<b>B118 - Asset Protection</b>		<b>1,700,000</b>	<b>1,700,000</b>	<b>-</b>	<b>1,700,000</b>	<b>352,251</b>	<b>79,775</b>
<b>TOTAL FORECAST 2021-22</b>		<b>8,629,504</b>	<b>5,790,298</b>	<b>(539,000)</b>	<b>5,251,298</b>	<b>734,690</b>	<b>2,816,258</b>



## **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.

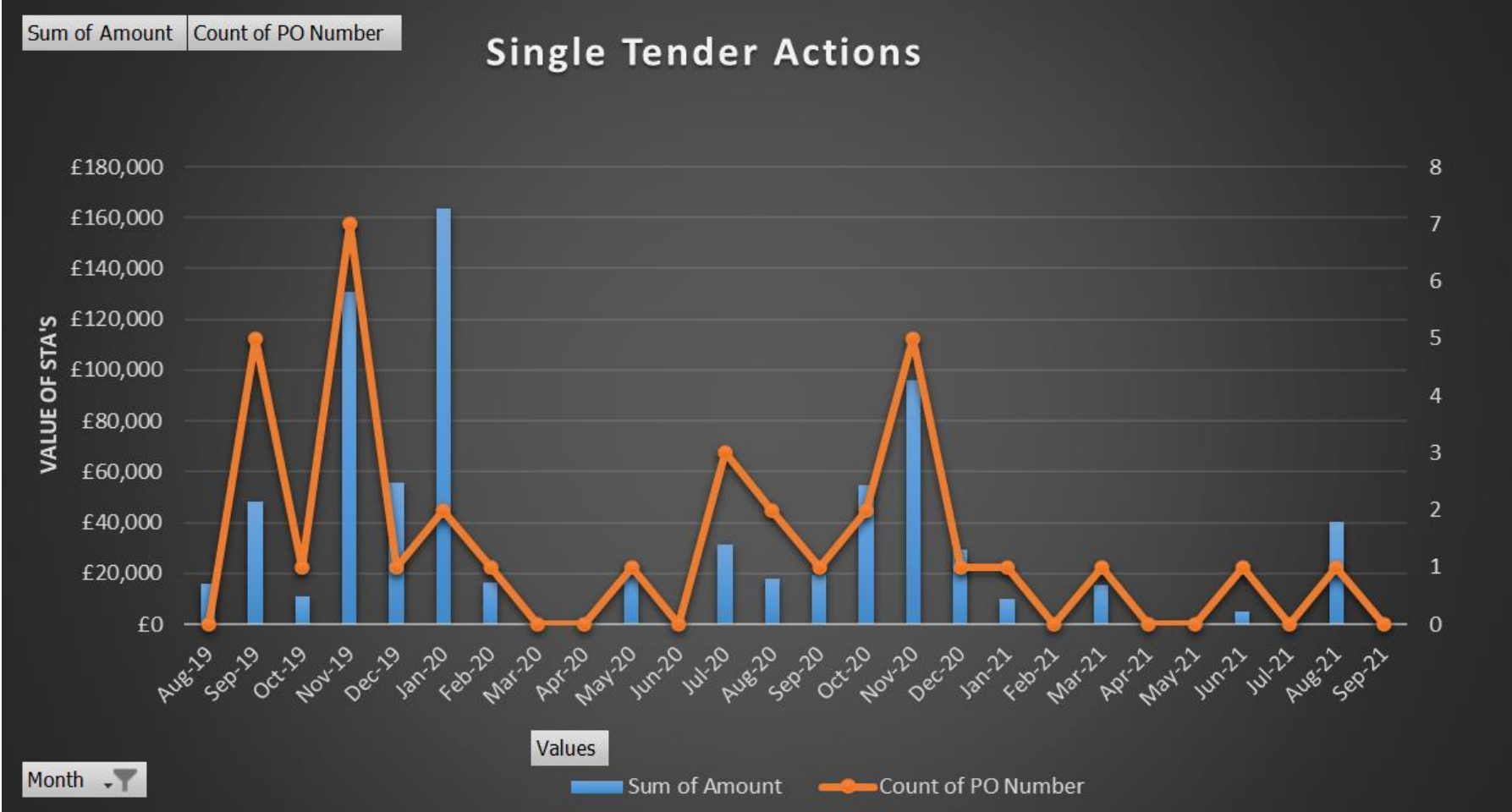
## **ACTIONS / NEXT STEPS**

<b>LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985</b>	
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 were no Single Tender Actions in the month for September 2021:

Value	Department	Supplier	Justification

Essex County Fire & Rescue Service  
 Sep-21  
 COVID-19 Incremental Cost Summary / PO Commitments / Forecast

**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
<b>1,902,327</b>

**I - STAFFING COSTS**

CC	20/21 Costs	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	21/22 Costs	Oct-21	Nov-21	Dec-21	Jan-22	Est Total Cost	Comments
	£	£	£	£	£	£	£	£	£	£	£	£		
	0							0					0	
On Call additional costs - service response								0					0	
Wholtime 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	
Wholtime overtime - LRF support	0							0					0	
On Call additional costs - National response	0							0					0	
Wholtime overtime - National response	0							0					0	
ARA's	10,191							0					10,191	
ARA's Recovery	13,300							0					13,300	
Other	3,967	864				0	0	864					4,832	
<b>Sub-Total: Staffing costs</b>	<b>261,787</b>	<b>864</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>864</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>262,652</b>	

**II - PROTECTIVE EQUIPMENT**

PPE	Various	323,142						0	4,000	4,000	4,000	4,000	339,142	
Cleaning and decontamination supplies	9501	178,688		15,801	76,666	650	16,459	109,576	12,890	12,890	12,890	12,890	339,824	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	
<b>Sub-Total: Equipment</b>		<b>575,930</b>	<b>0</b>	<b>0</b>	<b>15,801</b>	<b>76,666</b>	<b>650</b>	<b>16,459</b>	<b>109,576</b>	<b>16,890</b>	<b>16,890</b>	<b>16,890</b>	<b>753,066</b>	

**III - OTHER COSTS**

ICT Infrastructure and licencing	9501	228,905					11,095	11,095	40,000				280,000	Catch up of ICT voice project costs in capital in P6
Thermometers	9501	1,199						0					1,199	
Signage		44,745						0					44,745	
Other		16,608		1,234	12,060	27,287	4,364	921	45,865			131,829	194,302	£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	
<b>Sub-Total: Other costs</b>		<b>281,620</b>	<b>0</b>	<b>1,234</b>	<b>12,060</b>	<b>27,287</b>	<b>4,364</b>	<b>12,016</b>	<b>56,960</b>	<b>40,000</b>	<b>40,000</b>	<b>0</b>	<b>131,829</b>	<b>610,410</b>

**TOTAL ADDITIONAL COSTS**

<b>1,119,337</b>	<b>864</b>	<b>1,234</b>	<b>27,861</b>	<b>103,953</b>	<b>5,014</b>	<b>28,475</b>	<b>167,401</b>	<b>56,890</b>	<b>56,890</b>	<b>16,890</b>	<b>148,719</b>	<b>1,626,127</b>
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REVENUE SPEND

897,050

CAPITAL SPEND

222,288

1,119,337

STOCK SPEND

298,421

Amount of Grant remaining  
 % OF GRANT REMAINING

<b>276,200</b>
<b>14.5%</b>

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	-
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	-	4	
<b>THIS UPDATE</b>			<b>8</b>	<b>45</b>	<b>6</b>	<b>36</b>	<b>2</b>	<b>9</b>	<b>2</b>	<b>9</b>	
			53		42		11		11		
			<b>Percentage complete</b>			79%		<b>Percentage overdue</b>			100%
<b>LAST UPDATE</b>			<b>8</b>	<b>45</b>	<b>6</b>	<b>36</b>	<b>2</b>	<b>9</b>	<b>2</b>	<b>5</b>	
			53		42		11		7		
			<b>Percentage complete</b>			79%		<b>Percentage overdue</b>			64%

### Internal Audit Programme Update

A meeting was held to agree the final Fleet Management audit. A final report is expected to be agreed in October.

Fieldwork is in progress for the Competency Management System audit, due to complete in October.

The next audit will be focused on Key Financial Controls, which is planned to commence in November.

### External Audit Update

The updated statement of accounts were published on 30th September to meet the statutory deadline. The auditors were unable to sign the accounts as the pension fund letter of assurance is still outstanding from the audit of Essex Pension Fund.

### Updates On Outstanding Recommendations

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

No recommendations have been completed in the month, but the Finance Team have had several meetings with sponsors to identify where issues persist.

There are 11 overdue recommendations. 3 of these actions relate to the GDPR audit, which is advisory only.

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

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