

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 - February 2022		
Type of Report:	Information		

SUMMARY

This paper reports on expenditure against budget as at February 2022 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 February 2022

Executive Summary



Results for the period to February 2022

There was a Surplus of £3k in February 2022 bringing the YTD position to a surplus of £1.51m (with a Core surplus of £1.85m).

Total pay costs YTD show an overspend of £1.84m, which after £590k of unbudgeted Earmarked Reserve costs, shows the Core overspend of £1.22m.

The YTD Core overspend includes a Wholetime variance of £811k (£100k for protection payments, £468k for Additional Shift Working and £332k for the pay award, the offset comes through underspend shown in the restructure of the Prevention team).

On Call also has a large variance of £409k due to the unbudgeted conversion costs and pay award.

Total non pay costs show a continuing Core variance of £1m underspend, of which key underspends are in Financing items (£613k) and Premises and Equipment (£500k underspend in ICT).

Operational income in the month was £60k higher than expected, additional income from vehicles repairs was performed by the Fleet team.

YTD funding is £1.0m higher than the budgeted position, this relates to £605k Specific government grant income, £359k in NNDR funding, and £153k council tax precept amounts from the prior year.

The specific government grant income of £654k is due to the LCTS grant.

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 increased from £23.6m to £24.5m in the month, the S31 grant regarding the 2020/21 NNDR was received in the month.
- The Cashflow Forecast on page 8 shows the forecast cash position of the Authority for the next twelve months. There is a net cash outflow position for the remaining part of the year due to the Firefighter's Pension Scheme, which is funded annually in July.

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 show an increase in the forecast of £81k the main reasons for this are detailed below:

- Asset protection reduced by £247k, £50k for BA compressor installation works and £60k park pond building management and metering.
- New pumping appliances increased the forecast by £327k.

Other

There were no STA in the month.

A property sale completed in the month for £315k.

The Green book pay award has been confirmed at 1.75%, this is due to go through the March payroll with the pay award being backdated from April 2021.

Period Summary Income and Expenditure Statement to February 2022



Prior Year Period Actuals £'000s	Prior year Period Budget £'000s	Prior Year Variance (Actuals Vs Budget)	Description	Core Period Actual £'000s	COVID £'000s	Earmarked Projects £'000s	Period Actual £'000s	Core Budget £'000s	COVID Budget £'000s	Earmarked Projects Budget £'000s	Period Budget £'000s	Budget Vs Actuals £'000s	Variance %	Core Budget Vs Core Actuals £'000s	Variance %
2,908	2,879	(29)	Wholetime Firefighters	2,893	-	26	2,919	2,775	-	23	2,798	(121)	(4%)	(119)	(4%)
573	563	(10)	On Call Firefighters	604	-	-	604	632	-	-	632	28	4%	28	4%
139	118	(21)	Control	128	-	-	128	131	-	-	131	3	2%	3	2%
1,235	1,192	(43)	Support Staff	1,202	-	21	1,224	1,232	-	7	1,240	16	1%	30	2%
4,855	4,751	(103)	Total Employment Costs	4,828	-	47	4,875	4,770	-	31	4,800	(74)	(2%)	(58)	(1%)
255	181	(74)	Support Costs	204	3	2	209	179	-	-	179	(30)	(17%)	(25)	(14%)
917	890	(28)	Premises & Equipment	891	-	16	907	835	-	-	835	(71)	(9%)	(56)	(7%)
244	277	33	Other Costs & Services	231	0	-	231	275	-	-	275	44	16%	44	16%
173	177	5	Ill health pension costs	166	-	-	166	177	-	-	177	11	6%	11	6%
464	465	1	Financing Items	432	-	-	432	518	-	-	518	85	16%	85	16%
2,052	1,990	(62)	Total Other Costs	1,925	3	18	1,946	1,984	-	-	1,984	39	2%	59	3%
-	-	-	Investment in productivity improvement	-	-	-	-	-	-	-	-	-	-	-	-
6,907	6,741	(166)	Gross Expenditure	6,753	3	65	6,820	6,754	-	31	6,785	(36)	(1%)	1	0%
(122)	(113)	9	Operational income	(141)	-	-	(141)	(81)	-	-	(81)	60	(74%)	60	(74%)
6,785	6,629	(157)	Net Expenditure	6,612	3	65	6,679	6,673	-	31	6,703	24	0%	61	1%
			Funding												
(331)	(516)	(184)	Government Grants	(581)	-	-	(581)	(532)	-	-	(532)	48	(9%)	48	(9%)
(513)	(513)	-	Revenue Support Grant	(496)	-	-	(496)	(516)	-	-	(516)	(21)	4%	(21)	4%
(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	(1)	-	-	(1)	(3)	-	-	(3)	(2)	-	(2)	-
(6,436)	(6,621)	(184)	Total Funding	(6,613)	-	-	(6,613)	(6,587)	-	-	(6,587)	26	(0%)	26	(0%)
349	8	(341)	Funding Gap / (Surplus)	(1)	3	65	66	85	-	31	116	50		87	
(201)	-	201	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	Cont'ns to/(from) Earmarked Reserves	-	(5)	(65)	(69)	-	-	-	-	69	-	-	-
(201)	-	201	Total Contribution to/(from) Reserves	-	(5)	(65)	(69)	-	-	-	-	69	-	-	-
148	8	(141)	Net Gap / (Surplus)	(1)	(2)	0	(3)	85	-	31	116	119		87	

YTD Summary Income and Expenditure Statement to February 2022



Prior Year YTD Actuals £'000s	Prior year YTD Budget £'000s	Prior Year Variance (Actuals Vs Budget)	Description	Core YTD Actual £'000s	COVID £'000s	Earmarked Projects £'000s	YTD Actual £'000s	Core YTD Budget £'000s	COVID Budget £'000s	Earmarked Projects Budget £'000s	YTD Budget £'000s	Budget Vs Actuals £'000s	Variance %	Core Budget Vs Core Actuals £'000s	Variance %
31,875	32,149	274	Wholetime Firefighters	32,080	1	367	32,448	31,269	-	279	31,548	(900)	(3%)	(811)	(3%)
6,102	5,867	(236)	On Call Firefighters	6,877	14	-	6,891	6,468	-	-	6,468	(423)	(7%)	(409)	(6%)
1,454	1,297	(157)	Control	1,446	-	-	1,446	1,437	-	-	1,437	(9)	(1%)	(9)	(1%)
13,583	13,305	(278)	Support Staff	13,738	7	592	14,337	13,744	-	89	13,832	(504)	(4%)	6	0%
53,013	52,617	(396)	Total Employment Costs	54,141	22	958	55,121	52,917	-	368	53,285	(1,836)	(3%)	(1,224)	(2%)
1,773	1,988	216	Support Costs	1,895	67	125	2,087	1,966	-	-	1,966	(121)	(6%)	70	4%
9,641	9,788	147	Premises & Equipment	8,675	152	328	9,156	9,188	-	-	9,188	33	0%	513	6%
2,535	3,033	498	Other Costs & Services	2,956	11	67	3,034	3,015	-	-	3,015	(19)	(1%)	59	2%
2,082	2,099	16	Ill health pension costs	1,943	-	-	1,943	2,001	-	-	2,001	58	3%	58	3%
5,102	5,118	16	Financing Items	5,067	-	-	5,067	5,697	-	-	5,697	630	11%	630	11%
21,132	22,026	893	Total Other Costs	20,537	230	520	21,287	21,867	-	-	21,867	580	3%	1,331	6%
-	-	-	Investment in productivity improvement	-	-	-	-	(0)	(0)	(0)	-	-	-	-	-
74,146	74,643	497	Gross Expenditure	74,678	252	1,478	76,408	74,785	(0)	368	75,153	(1,256)	(2%)	107	0%
(1,253)	(1,238)	15	Operational income	(1,534)	-	-	(1,534)	(894)	-	-	(894)	640	(72%)	640	(72%)
72,892	73,404	512	Net Expenditure before Funding	73,144	252	1,478	74,875	73,891	(0)	368	74,259	(615)	(1%)	747	1%
			Funding												
(6,892)	(5,673)	1,219	Government Grants	(6,508)	0	-	(6,508)	(5,854)	-	-	(5,854)	654	(11%)	654	(11%)
(7,959)	(7,959)	0	Revenue Support Grant	(7,986)	-	-	(7,986)	(8,003)	-	-	(8,003)	(17)	0%	(17)	0%
(15,325)	(15,325)	-	National Non-Domestic Rates	(15,636)	-	-	(15,636)	(15,277)	-	-	(15,277)	359	(2%)	359	(2%)
(438)	(527)	(88)	Council Tax Collection Account	(65)	-	-	(65)	(106)	-	-	(106)	(41)	39%	(41)	39%
(44,442)	(44,406)	36	Council Tax Precept	(44,425)	-	-	(44,425)	(44,272)	-	-	(44,272)	153	(0%)	153	(0%)
(15)	34	49	Council Tax Collection Impact	3	-	-	3	(34)	-	-	(34)	(37)		(37)	
(75,071)	(73,855)	1,216	Total Funding	(74,616)	0	-	(74,616)	(73,546)	-	-	(73,546)	1,071	(1%)	1,071	(1%)
(2,179)	(451)	1,728	Funding Gap / (Surplus)	(1,472)	252	1,478	258	345	(0)	368	713	455	64%	1,817	255%
(396)	-	396	Cont'ns to/(from) General Bals	-	-	-	-	-	-	(368)	(368)	1,398	-	36	(10%)
-	-	-	Cont'ns to/(from) Earmarked Reserves	(36)	(252)	(1,478)	(1,766)	-	-	(368)	(368)	1,398	-	36	(10%)
(396)	-	396	Total Contribution to/(from) Reserves	(36)	(252)	(1,478)	(1,766)	-	-	(368)	(368)	1,398	-	36	(10%)
(2,575)	(451)	2,124	Net Gap / (Surplus)	(1,508)	0	(0)	(1,508)	345	(0)	-	345	1,853		1,853	

Operational Income

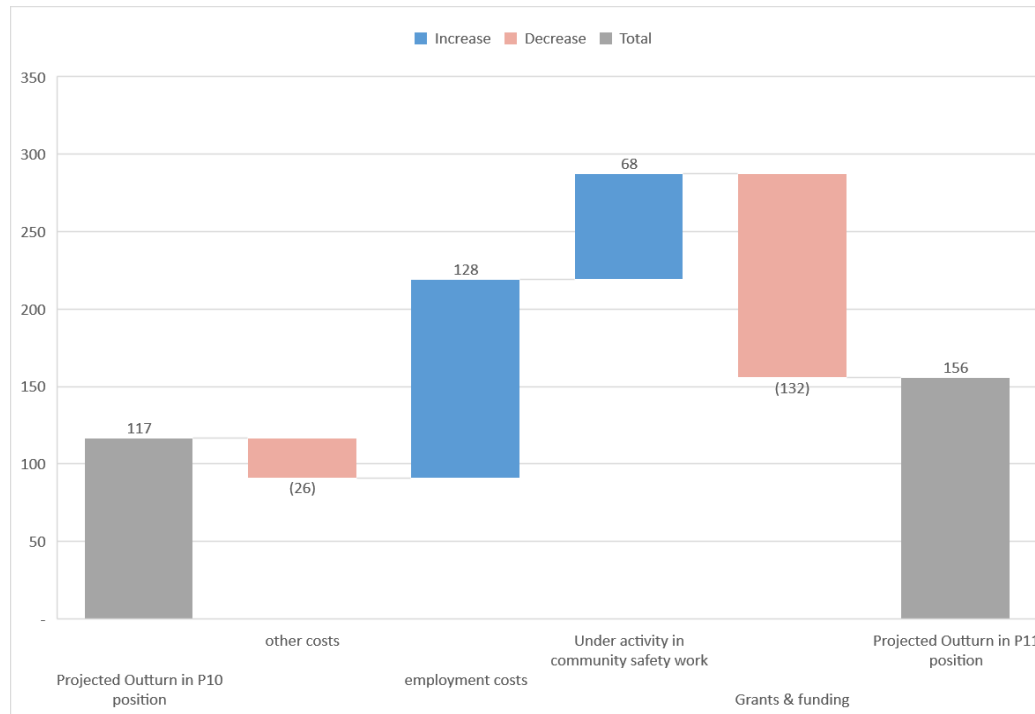


Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Cycle to Work Scheme	(34,856)	(27,511)	7,345	(27%)	(30,006)	
Childcare Vouchers	(30,374)	(59,587)	(29,213)	49%	(65,004)	
Canteen Income	(35,896)	(45,837)	(9,941)	22%	(50,004)	
Sale of Vehicle Spares	(68,123)	(22,913)	45,210	(197%)	(25,000)	
Aerial Sites	(120,204)	(142,681)	(22,477)	16%	(155,652)	
Solar Panel Income	(40,539)	(45,837)	(5,298)	12%	(50,000)	
Hydrant Tests	(77,061)	(82,500)	(5,439)	7%	(90,000)	
Lease Cars - Employee Contributions	(6,700)	(13,750)	(7,050)	51%	(15,000)	
Service Charges	(451)	(550)	(99)	18%	(600)	
Secondments	(203,474)	0	203,474	0%	0	
Community Safety General	(5,864)	0	5,864	0%	0	
Labour Credit	(117,055)	(50,413)	66,642	(132%)	(55,000)	
Section 13/16	(70,109)	(41,250)	28,859	(70%)	(45,000)	
Provision of Hire Vehicles & Equipment	(3,150)	(1,837)	1,313	(71%)	(2,000)	
Interest Received Short Term Investments	(3,728)	(22,913)	(19,185)	84%	(24,996)	
Community Safety Youth Work	(53,595)	(91,663)	(38,068)	42%	(99,998)	
Shared Services Income	(537,259)	(166,837)	370,422	(222%)	(182,001)	
Reimbursements from EFA(T)	0	0	0	0%	0	
Other Miscellaneous Income	(78,525)	(77,462)	1,063	(1%)	(84,499)	
Total Operational Income	(1,533,662)	(893,541)	640,121	(72%)	(974,760)	

Specific Government Grants Income

Specific Government Grants	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Addn Pens Grant Accr	(3,223,500)	(3,223,500)	0	0%	(3,516,545)	Central Govt. Grant for Pensions - increase in Employers contribution
DCLG BRR 2021-22	(1,276,635)	(1,228,590)	48,045	(4%)	(1,340,280)	Business Rate relief
USAR Grant 2021-22	(785,180)	(785,748)	(568)	0%	(856,560)	
Firelink Grant 2021-22	(496,910)	(606,076)	(109,167)	18%	(662,258)	Communications Network (Firelink) grant was overpaid in the last two years so will be reduced by £84k and a further £40k in 21/22 and New Risk Mosaic programme funding.
Local council tax support	(683,366)	0	683,366	0%	0	£62k released monthly as additional one off Grant
Other Grant Income	(42,819)	(10,542)	32,278		(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.
Subtotal-Govt Grants	(6,508,410)	(5,854,456)	653,954	11%	(6,387,143)	

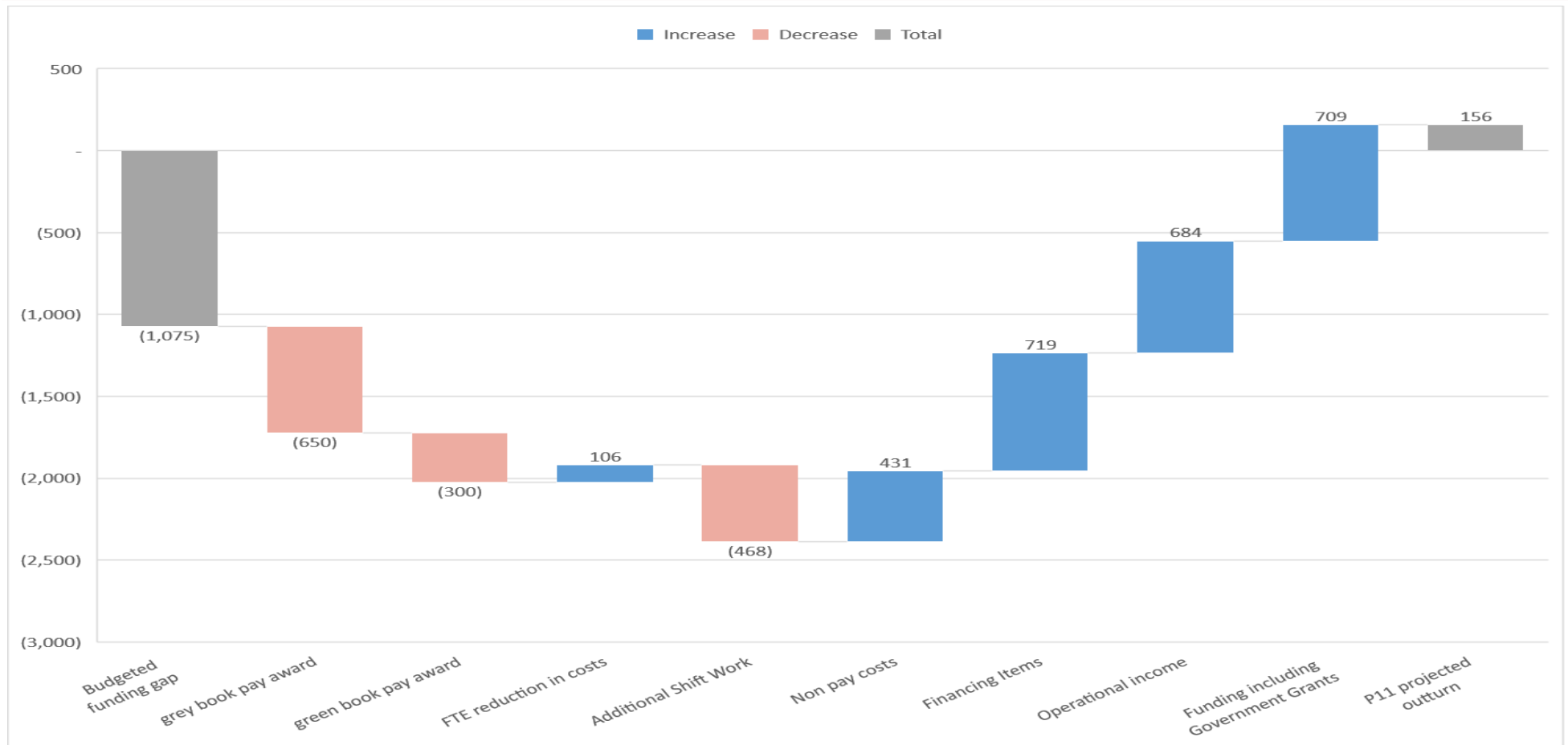
Movement in projected core outturn in P11 compared to P10 projected outturn (Excludes any reserve funded movements)



Key core movements:

- Employment costs - an unfavourable movement has been included in the outturn based on the months actuals. Wholetime pay has shown a variance of £90k of which 30k was the pay award, a £18k salary arrears payment went through as a one off and there were higher activity levels.
- Grants & funding - Unfavourable movement based on expected funding coming through from councils at the end of the year.

Movement in projected core outturn in P11 compared to Original Budget (Excludes any reserve funded movements)



Key core movements:

- FTE reduction is driven by the restructure in Prevention and Protection teams.
- Non pay costs show a favourable variance to Budget driven mainly by the reduction in ICT contracts.
- Support costs show an unfavourable movement from budget- £133k of which are made up of redundancy costs.
- Financing items shows a favourable variance to budget due to the lower full year MRP cost.
- Operational Income shows a favourable movement to budget Unbudgeted £400k Shared Service income and £250k Secondment income.
- Funding movement includes £752k LCTS Grant.

Balance Sheet - 28th February 2022

	28th Feb 2022 £000's	31st Jan 2022 £000's	31st Mar 2021 £000's	Variance Jan 2022 £000's	Variance Mar 2021 £000's
Property, plant & equipment					
Land and buildings	123,522	123,522	125,232	-	(1,710)
	11,404	11,404	11,404	-	-
* Vehicles, plant & equipment	3,279	2,834	751	446	2,528
Assets under construction					
Long term assets	138,205	137,760	137,387	446	818
Inventories	566	609	642	(43)	(76)
Short term debtors	3,229	4,260	6,363	(1,031)	(3,134)
Cash and cash equivalents	24,527	23,643	17,696	884	6,831
Assets held for sale	-	315	912	(315)	(912)
Current assets	28,321	28,826	25,612	(505)	2,709
* Short term borrowings	-	-	(250)	-	250
Short term creditors	(6,360)	(6,393)	(6,954)	33	593
Grants received in advance	(1,780)	(2,085)	(1,049)	305	(731)
Current liabilities	(8,141)	(8,478)	(8,253)	337	112
Long term borrowing	(24,500)	(24,500)	(24,500)	-	-
Provisions	(1,070)	(1,070)	(1,161)	-	91
* Pension liability - LGPS	(38,242)	(38,242)	(38,242)	-	-
Pension liability - FPS	(886,391)	(886,391)	(886,443)	-	52
Long term liabilities	(950,203)	(950,203)	(950,346)	-	143
NET LIABILITIES	(791,817)	(792,095)	(795,600)	278	3,783
Usable reserves					
General fund	5,862	5,804	4,351	58	1,510
Earmarked general fund reserves	11,715	11,840	13,481	(125)	(1,766)
Capital receipts reserve	12,353	12,018	9,669	335	2,684
Usable reserves	29,930	29,662	27,502	268	2,428
Unusable reserves					
Revaluation reserve	36,814	36,987	38,180	(173)	(1,365)
Capital adjustment account	70,069	69,887	67,401	183	2,668
* 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
Unusable reserves	(821,747)	(821,757)	(823,102)	10	1,355
TOTAL RESERVES	(791,817)	(792,095)	(795,600)	278	3,783

* 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.
- Discussions have started with the Property team to scope the annual valuation of land and buildings.

Current Assets:

- Short term debtors have reduced by £1,031k, primarily due to the payment of a S31 grant previously recognised in accrued income of £2,999k, offset by an increase in the pension debtor of £1,454k.
- £884k increase in cash and cash equivalents as cash inflows exceeded outflows for the month, as seen in the cashflow on page 8.
- 17 Tyrells Way completed in February, this is reflected in a reduction in assets held for sale of £315k.

Current Liabilities

- No material movement in short term creditors.
- Grants received in advance have reduced by £305k in the month as income is released to the revenue account throughout the year.

Long-term Liabilities:

No movement in long-term liabilities in the month.

Reserves:

The movements in General and Earmarked Reserves ties back to the YTD Summary Income and Expenditure Statement on page 3 and reflect a year to date transfer from Earmarked Reserves of £1,766k.

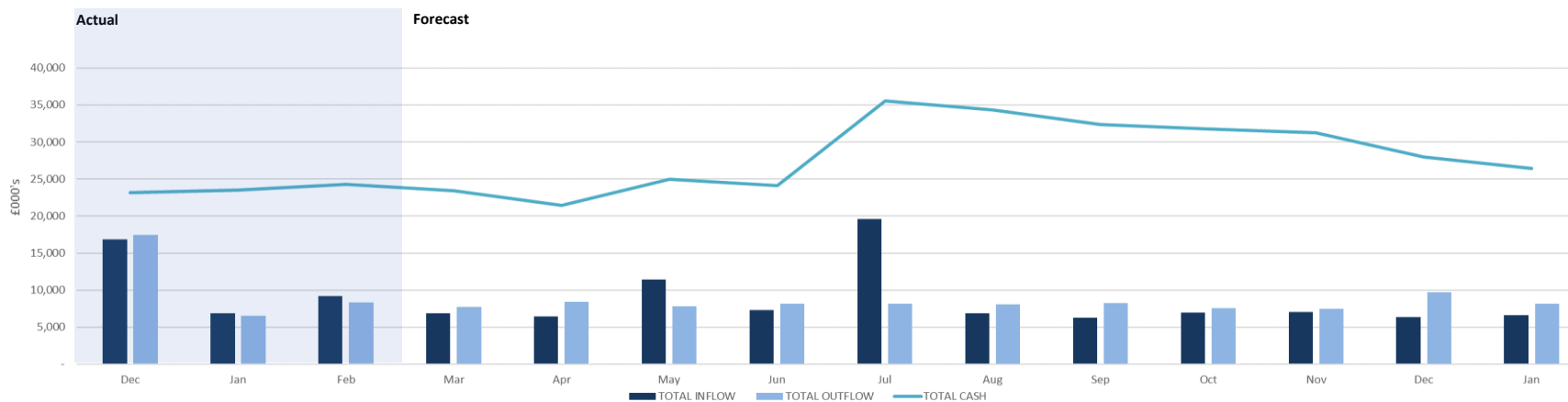
The Authority has continued to accrue for MRP charges, which is shown in the YTD movement in the capital adjustment account of £2,668k. This is the net of MRP charges of £3,925k offset by disposals adjustments of £1,115k.

The year to date reduction of £1,365k in the revaluation reserve is due to disposals, representing previously recognised gains on valuation.



Cashflow Forecast

FORECAST CASH INFLOWS AND OUTFLOWS



COMMENTARY

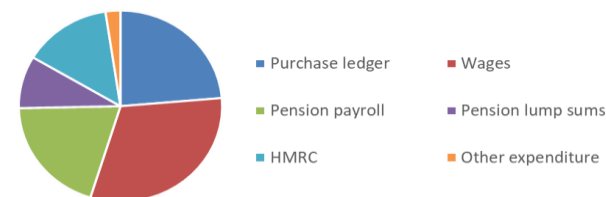
Total cash and investments at the end of February was **£24.5m** up from **£23.6m** in January. Key inflows and outflows for the month are summarised below:

- Cash inflows include precepts of **£4.1m**, grants of **£4.6m**. Within the grants received in the month was S31 grant for the reimbursement of the national Non Domestic Rates Deficit from 2020/21 totalling **£3.0m**.
- Cash outflows include purchase ledger payments of **£1.7m**, which is within the expected range (**between £1m-£2m**).
- Investments remained at £13m as seen in the graph below. The Treasury Management Strategy was submitted to the Strategic Board, which will be agreed later this month.

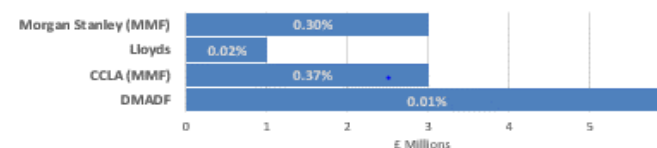
TREASURY MANAGEMENT INDICATORS

	Actual	Explanation of Indicators
Credit risk indicator	AAA	The average credit rating of investments must be A or greater.
Liquidity risk indicator	£24.5m	The target cash available within 3 months is £8.5m.
Monthly interest rate movement	0.13%	Change in interest received.
Price risk indicator	£nil	The limit on the amount that can be invested beyond 12 months.
Refinancing rate indicator:		
Under 12 months	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.
12 months and within 24 months	4%	
24 months and within 5 years	8%	
5 years and within 10 years	61%	
10 years and within 15 years	27%	
15 years and above	0%	

EXPENDITURE ANALYSIS



INVESTMENTS



Essex County Fire & Rescue Service - Capital Expenditure as at 28th February 2022



Capital	Budget 2021/22	Forecast - Last agreed	Adjustment to Forecast	Forecast - Updated*	Actual Spend
New Premises					
Service Workshops - New	250	-	-	-	-
Existing Premises					
Asset Protection	1,700	1,423	(247)	1,176	621
Asset Improvement Works Training Facilities Improvement	1,651	145	-	145	17
Asset Improvement Works - Shoeburyness	906	11	-	11	11
Total Property	4,507	1,579	(247)	1,333	649
Equipment	246	86	-	86	45
Information Technology					
Projects	570	493	-	493	202
Total Information Technology	570	493	-	493	202
Vehicles					
New Appliances	2,330	980	327	1,307	1,307
Other Vehicles	978	328	-	328	325
Total Vehicles	3,308	1,307	327	1,635	1,632
Total Capital Expenditure	8,630	3,465	81	3,546	2,528

Essex County Fire & Rescue Service - Capital Expenditure as at 28th February 2022



* To be agreed at asset board

	Asset Life	Budget 2021/22	Forecast - Last agreed	Adjustment to Forecast	Forecast - Updated*	Actual Spend	Spend Brought Forward	Committed Orders
B113 - Vehicles								
Appliances (Pumping)	15	2,330,000	979,830	327,228	1,307,058	1,307,058	-	-
ICU Internals	6	30,000	-	-	-	-	-	-
Light Vehicles	6	292,000	106,000	-	106,000	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	-	-	-	-	-	-
Light Vans	6	248,000	22,102	-	22,102	22,102	-	146,800
Ramps	12	-	33,285	-	33,285	33,285	-	-
Ladders	12	94,500	8,253	-	8,253	8,253	-	-
Total B113 - Vehicles		3,307,500	1,307,470	327,228	1,634,698	1,632,315	-	146,800
B116 - Operational Equipment								
B.A. Compressors	8	55,851	55,851	-	55,851	45,208	-	2,265
BA Contamination machine	8	80,000	-	-	-	-	-	-
Method entry equipment	8	30,000	-	-	-	-	-	-
Smoke curtains	8	30,000	30,000	-	30,000	-	-	-
Body warn CCTV	8	30,000	-	-	-	-	-	-
Fog spikes	8	20,000	-	-	-	-	-	-
Total B116 - Operational Equipment		245,851	85,851	-	85,851	45,208	-	2,265
B114 - ICT Equipment								
<i>Digital & Data Strategy</i>								
DEVICES	3	130,000	53,333	-	53,333	36,885	-	3,843
VOICE	3	-	215,000	-	215,000	164,745	-	31,606
<i>Other Projects</i>								
Rolling phone refresh	3	100,000	-	-	-	-	-	-
Apprentice laptops	3	32,400	32,400	-	32,400	-	-	-
Virtual servers	3	25,000	-	-	-	-	-	-
Mobilising station end equipment	7	-	-	-	-	-	-	-
ICCS/CAD Replacement - Control Project	7	282,150	191,773	-	191,773	-	-	-
Total B114 - ICT Equipment		569,550	492,506	-	492,506	201,629	-	35,449

Essex County Fire & Rescue Service - Capital Expenditure as at 28th February 2022



* To be agreed at asset board

	Asset Life	Budget 2021/22	Forecast - Last agreed	Adjustment to Forecast	Forecast - Updated*	Actual Spend	Spend Brought Forward	Committed Orders
B112 - Land & Building								
Lexden Workshops Relocation	20	250,000	-	-	-	-	-	-
Total B112 - Land & Building		250,000	-	-	-	-	-	-
Asset Improvement Works - Shoeburyness	20	905,814	11,336	-	11,336	11,336	279,186	52,844
Asset Protection Works - Training Facilities:	20							
Phase 1 - Chelmsford, Greys, Southend, SWF		212,012	6,530	-	6,530	6,530	-	22,428
Phase 2 - Braintree, Brentwood		429,089	-	-	-	-	-	-
Phase 3 - Harlow, Safron Waldon and Clacton		741,000	-	-	-	-	-	-
Witham TC WaH		70,000	-	-	-	-	-	-
Wethersfield TC room/Pilot scheme Grays		130,006	130,006	-	130,006	10,306	-	108,672
Deep lift pits		60,000	-	-	-	-	-	-
Consultancy		8,682	8,682	-	8,682	-	106,318	-
Total B117 - Asset Improvement		2,556,603	156,554	-	156,554	28,172	385,504	183,945
B118 - Asset Protection								
Projects carried forward from 20/21:								
Colchester FP/WFS Offices	20	7,000	19,035	-	19,035	14,052	21,022	4,032
Orsett Appliance Bay	20	35,000	34,362	-	34,362	32,728	32,680	-
Southend Boilers	20	22,000	38,178	(13,178)	25,000	18,557	78,895	-
Fire Alarms	20	5,000	41,040	-	41,040	41,041	114,296	-
Burnham AB Floor	20	35,000	31,683	-	31,683	29,698	39,750	-
Projects commencing 21/22:								
Dunmow Yard	20	140,000	-	-	-	-	-	-
Great Baddow Windows	20	130,000	118,330	-	118,330	114,545	3,486	-
Park Pond - lake works	20	346,000	209,000	-	209,000	203,920	-	31,616
Park Pond - liner repairs	20	-	111,000	46,696	157,696	111,304	-	-
Park Pond - building management and metering		-	-	-	-	-	-	-
Orsett - No time to lose	20	25,000	25,082	-	25,082	21,445	-	-
Rayleigh Parking	20	10,000	5,576	-	5,576	4,473	22,099	-
Harlow boilers	20	180,000	149,448	-	149,448	-	-	240,274
Baddow boilers	20	180,000	90,000	(80,000)	10,000	-	-	-
Chelmsford TC boilers	20	80,000	24,500	500	25,000	-	-	-
Grays Heater	20	25,000	28,000	(9,000)	19,000	-	-	28,627
Witham TC boiler	20	50,000	80,000	(60,000)	20,000	2	-	-
Harlow mains	20	35,000	90,823	3	90,826	-	-	-
Appliance bay doors (Halstead, Tollesbury, Weeley)	20	175,000	117,600	(77,600)	40,000	2,180	53,093	195,118
Witham TC offices	20	100,000	124,000	(4,000)	120,000	25,056	-	98,782
Epping part refurbishment	20	60,000	-	-	-	-	-	-
Waltham Abbey drill yard	20	60,000	-	-	-	-	-	-
Orsett Fra (50%)	20	240,000	-	-	-	-	-	-
Chelmsford refurbishment		-	35,000	(35,000)	-	-	-	-
BA Compressor Installation works - Clacton		-	50,000	(15,000)	35,000	-	-	-
Other	20	-	-	-	-	2,173	-	-
Provision for limited capacity **		(240,000)	-	-	-	-	-	-
B118 - Asset Protection		1,700,000	1,422,657	(246,579)	1,176,078	621,173	365,320	598,449
TOTAL FORECAST 2021-22		8,629,504	3,465,038	80,649	3,545,687	2,528,498	750,824	966,908



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: Outturn working 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

Projected P11 Outturn Vs P10 Projected Outturn (Including P1-11 Actuals)



Description	Core P10 Forecast £'000s	P10 COVID Forecast £'000s	P10 Earmarked Projects Forecast £'000s	Projected Outturn £'000	Core P11 Forecast £'000s	P11 COVID Forecast £'000s	P11 Earmarked Projects Forecast £'000s	Projected Outturn £'000	Movement from P10 outturn £'000	Variance %	Core movement	Variance %
Total Employment Costs	59,135	32	1,385	60,552	59,007	32	1,385	60,424	128	(31%)	128	0%
Support Costs	2,091	64	121	2,278	2,112	64	110	2,287	(9)	8%	(21)	(1%)
Premises & Equipment	9,456	260	300	10,036	9,482	260	300	10,042	(7)	(1%)	(26)	(0%)
Other Costs & Services	3,342	11	217	3,570	3,273	11	217	3,502	69	(109%)	68	2%
Ill Health Pension costs	2,126	-	-	2,126	2,118	-	-	2,118	9	-	9	0%
Financing Items	5,492	-	-	5,492	5,496	-	-	5,496	(3)	-	(3)	(0%)
Productivity improvement investment	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Costs	22,508	335	639	23,503	22,481	335	628	23,444	58	12%	26	0%
Gross Operating Expenditure	81,643	367	2,024	84,055	81,488	367	2,013	83,868	187	242%	155	0%
Government Grants Income	(7,120)	-	-	(7,120)	(7,120)	-	-	(7,120)	(0)	-	(0)	0%
Operational income	(1,642)	-	-	(1,642)	(1,659)	-	-	(1,659)	16	-	16	(1%)
Net Expenditure	72,881	367	2,024	75,293	72,710	367	2,013	75,090	203	63%	171	0%
Total Funding	(72,997)	(367)	(2,024)	(75,409)	(72,866)	(367)	(2,013)	(75,247)	(162)	(681%)	(132)	0%
Funding Gap/ (Surplus)	(117)			(116)	(156)	-	-	(156)	41	-	39	

Internal Audit Recommendations



Financial Year	Audit Report Title	Owner	Total Recommendations		Completed Recommendations		Recommendations Outstanding		Recommendations outside of due date		Months O/S
			High	Medium	High	Medium	High	Medium	High	Medium	
2019/20	GDPR	Assistant Director Performance and Data Management	2	7	1	6	1	1	1	1	21 Months
2019/20	Procurement	Chief Finance Officer	1	5	1	2	-	3	-	3	19 Months
2019/20	Non-Operational - H&S	Assistant Director, Prevention, Protection and Response	1	3	-	3	1	-	1	-	18 Months
2020/21	Follow-up 2021	Various action owners	-	4	-	2	-	2	-	2	9 Months
2021/22	Key Financial Controls 2022	Chief Finance Officer	-	1	-	-	-	1	-	-	1 Months
THIS UPDATE			8	48	6	41	2	7	2	6	
			56		47		9		8		
			Percentage complete			84%		Percentage overdue			89%
LAST UPDATE			8	48	6	40	2	8	2	6	
			56		46		10		8		
			Percentage complete			82%		Percentage overdue			80%

Internal Audit Programme Update

The scope has been agreed for the Follow-up audit, which is due to start in March. Action owners have been contacted to provide evidence for the audit.

RSM are preparing the audit report for the Medium Term Financial Strategy audit. The resulting actions will be agreed this week and a final report is expected in March.

The Internal Audit Plan for 2022/23 was agreed by SLT in February, which will be presented to Audit Committee in March.

Updates On Outstanding Recommendations

One recommendation has completed this month relating to the Fleet Management Audit.

Action owners have been reminded to progress their recommendations, and further meetings have been arranged with key stakeholders. Outstanding recommendations will be reported to the Continuous Improvement Board in March.

There are 8 overdue recommendations. 2 of these actions relate to the GDPR audit, which is advisory only.

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