

**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 - June 2022</b>		
Type of Report:	Information		

**SUMMARY**

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

# Executive Summary



## Results for the period to June 2022

Net Expenditure in the month was £101k below Budget, with a Core underspend to Budget of £57k, . Bringing the overall position in the month shows a surplus of £159k, which is £74k higher than Budgeted position.

### Pay explanations for the month

- Wholetime pay lower in P1 and corresponding pension underspend, ASW YTD showing as £136k which offsets with gross pay underspends.
- Secondary contracts is tracking 50k underspent YTD, half of this is due to phasing, Prevention activity picks up in Summer months, 16 Water events have been cancelled -team to confirm if these can be rescheduled. Ongoing issue with Fleet resource recruitment for apprenticeship roles as training has stopped nationally.
- On Call activity has been high YTD with turnout activity contributing towards over £100k of costs.

The variance to Budget for the Core YTD Net Expenditure before Funding is £332k. With actuals showing a surplus position of £1.3m (£396k above Core Budgeted position).

Core costs to date include £89k underspend in Pay costs and £128k underspend in Non pay costs (£140k Support cost overspends relate to unbudgeted mileage and Training, Premises and equipment costs are lower due to timing).

Funding offsets to a small variance in the month, this is due to the Council tax collection funding having a surplus which offset against the release of the Service grant funding. The service grant funding is being released in line with the specific costs allocated against the funding.

## Balance Sheet Statement and Cashflow Forecast

The Balance Sheet report on page 6 shows the key monthly rather than year to date movements.

- Cash and cash equivalents increased to £22.4m from £20.0m in the month.
- The Cashflow Forecast on page 8 shows the forecast cash position of the Authority for the next twelve months.

## Capital

The Capital Programme is actively monitored by several groups at the Authority, including the Asset Board and Strategic Sub-Groups. The budget for 2022-23 is £9.087m.

## Other

There were no property sales in the month.

The Audit timetable has been updated and is included in the Appendices.

## YTD Summary Income and Expenditure Statement to June 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 %
8,701	9,133	432	Wholetime Firefighters	8,625	-	239	8,864	8,815	-	223	9,038	174	2%	190	2%
1,763	1,721	(42)	On Call Firefighters	2,028	-	-	2,028	1,781	-	-	1,781	(247)	(14%)	(247)	(14%)
384	391	7	Control	407	-	-	407	393	-	-	393	(13)	(3%)	(13)	(3%)
4,034	3,716	(318)	Support Staff	3,658	-	409	4,067	3,921	-	414	4,335	267	6%	262	6%
<b>14,882</b>	<b>14,961</b>	<b>80</b>	<b>Total Employment Costs</b>	<b>14,717</b>	<b>-</b>	<b>648</b>	<b>15,365</b>	<b>14,910</b>	<b>-</b>	<b>637</b>	<b>15,547</b>	<b>181</b>	<b>1%</b>	<b>193</b>	<b>1%</b>
520	536	16	Support Costs	595	0	20	615	400	-	75	475	(140)	(30%)	(195)	(41%)
2,625	2,506	(119)	Premises & Equipment	2,354	-	0	2,355	2,489	-	-	2,489	134	5%	135	5%
703	810	106	Other Costs & Services	753	16	26	795	783	-	62	845	51	6%	30	4%
558	583	26	Ill health pension costs	615	-	-	615	639	-	-	639	24	4%	24	4%
1,391	1,396	4	Financing Items	1,433	-	-	1,433	1,474	-	-	1,474	42	3%	42	3%
<b>5,797</b>	<b>5,831</b>	<b>34</b>	<b>Total Other Costs</b>	<b>5,751</b>	<b>16</b>	<b>46</b>	<b>5,813</b>	<b>5,786</b>	<b>-</b>	<b>137</b>	<b>5,923</b>	<b>110</b>	<b>2%</b>	<b>35</b>	<b>1%</b>
-	-	-	Investment in productivity improvement	-	-	-	-	-	-	-	-	-	-	-	-
<b>20,679</b>	<b>20,792</b>	<b>113</b>	<b>Gross Expenditure</b>	<b>20,468</b>	<b>16</b>	<b>694</b>	<b>21,178</b>	<b>20,695</b>	<b>-</b>	<b>774</b>	<b>21,470</b>	<b>292</b>	<b>1%</b>	<b>228</b>	<b>1%</b>
<b>(332)</b>	<b>(244)</b>	<b>89</b>	<b>Operational income</b>	<b>(459)</b>	<b>-</b>	<b>(0)</b>	<b>(459)</b>	<b>(354)</b>	<b>-</b>	<b>-</b>	<b>(354)</b>	<b>105</b>	<b>(30%)</b>	<b>105</b>	<b>(30%)</b>
<b>20,347</b>	<b>20,548</b>	<b>202</b>	<b>Net Expenditure before Funding</b>	<b>20,009</b>	<b>16</b>	<b>694</b>	<b>20,719</b>	<b>20,342</b>	<b>-</b>	<b>774</b>	<b>21,116</b>	<b>397</b>	<b>2%</b>	<b>332</b>	<b>2%</b>
			<b>Funding</b>												
(1,816)	(1,597)	220	Government Grants	(1,785)	-	-	(1,785)	(1,887)	-	-	(1,887)	(103)	5%	(103)	5%
(3,873)	(3,873)	0	Revenue Support Grant	(3,974)	-	-	(3,974)	(3,991)	-	-	(3,991)	(17)	0%	(17)	0%
(4,177)	(4,179)	(2)	National Non-Domestic Rates	(4,076)	-	-	(4,076)	(4,076)	-	-	(4,076)	-	-	-	-
(19)	(60)	(41)	Council Tax Collection Account	(180)	-	-	(180)	-	-	-	-	180	-	180	-
(10,659)	(10,659)	0	Council Tax Precept	(11,284)	-	-	(11,284)	(11,284)	-	-	(11,284)	0	(0%)	0	(0%)
(13)	(8)	5	Council Tax Collection Impact	(4)	-	-	(4)	-	-	-	-	4	-	4	-
<b>(20,557)</b>	<b>(20,375)</b>	<b>183</b>	<b>Total Funding</b>	<b>(21,302)</b>	<b>-</b>	<b>-</b>	<b>(21,302)</b>	<b>(21,238)</b>	<b>-</b>	<b>-</b>	<b>(21,238)</b>	<b>64</b>	<b>(0%)</b>	<b>64</b>	<b>(0%)</b>
<b>(211)</b>	<b>174</b>	<b>385</b>	<b>Funding Gap / (Surplus)</b>	<b>(1,293)</b>	<b>16</b>	<b>694</b>	<b>(583)</b>	<b>(897)</b>	<b>-</b>	<b>774</b>	<b>(122)</b>	<b>460</b>	<b>(376%)</b>	<b>396</b>	<b>(323%)</b>
(52)	-	52	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
(669)	-	669	Cont'ns to/(from) Earmarked Reserves	-	(16)	(683)	(700)	-	-	(714)	(714)	(15)	-	-	-
<b>(721)</b>	<b>-</b>	<b>721</b>	<b>Total Contribution to/(from) Reserves</b>	<b>-</b>	<b>(16)</b>	<b>(683)</b>	<b>(700)</b>	<b>-</b>	<b>-</b>	<b>(714)</b>	<b>(714)</b>	<b>(15)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(932)</b>	<b>174</b>	<b>1,106</b>	<b>Net Gap / (Surplus)</b>	<b>(1,293)</b>	<b>0</b>	<b>10</b>	<b>(1,282)</b>	<b>(897)</b>	<b>-</b>	<b>60</b>	<b>(837)</b>	<b>446</b>	<b>-</b>	<b>396</b>	<b>-</b>

## Period Summary Income and Expenditure Statement to June 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 %
2,885	2,977	92	Wholetime Firefighters	2,866	-	80	2,946	2,919	-	93	3,013	67	2%	53	2%
601	556	(44)	On Call Firefighters	681	-	-	681	594	-	-	594	(87)	(15%)	(87)	(15%)
131	131	(0)	Control	133	-	-	133	131	-	-	131	(2)	(2%)	(2)	(2%)
1,276	1,240	(36)	Support Staff	1,190	-	37	1,227	1,307	-	37	1,343	117	9%	117	9%
<b>4,892</b>	<b>4,904</b>	<b>11</b>	<b>Total Employment Costs</b>	<b>4,870</b>	<b>-</b>	<b>117</b>	<b>4,987</b>	<b>4,951</b>	<b>-</b>	<b>130</b>	<b>5,081</b>	<b>94</b>	<b>2%</b>	<b>81</b>	<b>2%</b>
157	179	22	Support Costs	169	-	1	170	133	-	25	158	(12)	(7%)	(36)	(23%)
973	835	(137)	Premises & Equipment	865	-	-	865	830	-	-	830	(35)	(4%)	(35)	(4%)
278	268	(10)	Other Costs & Services	291	15	-	306	259	-	21	280	(26)	(9%)	(32)	(11%)
168	177	9	Ill health pension costs	171	-	-	171	172	-	-	172	1	1%	1	1%
464	465	1	Financing Items	482	-	-	482	491	-	-	491	9	2%	9	2%
<b>2,039</b>	<b>1,924</b>	<b>(115)</b>	<b>Total Other Costs</b>	<b>1,978</b>	<b>15</b>	<b>1</b>	<b>1,994</b>	<b>1,885</b>	<b>-</b>	<b>46</b>	<b>1,931</b>	<b>(63)</b>	<b>(3%)</b>	<b>(93)</b>	<b>(5%)</b>
-	-	-	Investment in productivity improvement	-	-	-	-	-	-	-	-	-	-	-	-
<b>6,932</b>	<b>6,828</b>	<b>(104)</b>	<b>Gross Expenditure</b>	<b>6,848</b>	<b>15</b>	<b>118</b>	<b>6,981</b>	<b>6,837</b>	<b>-</b>	<b>176</b>	<b>7,012</b>	<b>32</b>	<b>0%</b>	<b>(11)</b>	<b>(0%)</b>
<b>(150)</b>	<b>(81)</b>	<b>68</b>	<b>Operational income</b>	<b>(187)</b>	<b>-</b>	<b>(0)</b>	<b>(187)</b>	<b>(118)</b>	<b>-</b>	<b>-</b>	<b>(118)</b>	<b>69</b>	<b>(58%)</b>	<b>69</b>	<b>(58%)</b>
<b>6,782</b>	<b>6,747</b>	<b>(35)</b>	<b>Net Expenditure</b>	<b>6,661</b>	<b>15</b>	<b>118</b>	<b>6,794</b>	<b>6,719</b>	<b>-</b>	<b>176</b>	<b>6,894</b>	<b>101</b>	<b>1%</b>	<b>57</b>	<b>1%</b>
			<b>Funding</b>												
(631)	(532)	99	Government Grants	(575)	-	-	(575)	(629)	-	-	(629)	(54)	9%	(54)	9%
(516)	(516)	0	Revenue Support Grant	(532)	-	-	(532)	(532)	-	-	(532)	-	-	-	-
(1,471)	(1,471)	-	National Non-Domestic Rates	(1,405)	-	-	(1,405)	(1,405)	-	-	(1,405)	-	-	-	-
(9)	(5)	4	Council Tax Collection Account	(69)	-	-	(69)	-	-	-	-	69	-	69	-
(4,072)	(4,160)	(89)	Council Tax Precept	(4,238)	-	-	(4,238)	(4,238)	-	-	(4,238)	-	-	-	-
(13)	(3)	10	Council Tax Collection Impact	(1)	-	-	(1)	-	-	-	-	1	-	1	-
<b>(6,712)</b>	<b>(6,688)</b>	<b>24</b>	<b>Total Funding</b>	<b>(6,820)</b>	<b>-</b>	<b>-</b>	<b>(6,820)</b>	<b>(6,804)</b>	<b>-</b>	<b>-</b>	<b>(6,804)</b>	<b>16</b>	<b>(0%)</b>	<b>16</b>	<b>(0%)</b>
<b>70</b>	<b>59</b>	<b>(11)</b>	<b>Funding Gap / (Surplus)</b>	<b>(159)</b>	<b>15</b>	<b>118</b>	<b>(26)</b>	<b>(85)</b>	<b>-</b>	<b>176</b>	<b>91</b>	<b>117</b>		<b>74</b>	
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
(176)	-	176	Cont'ns to/(from) Earmarked Reserves	-	(15)	(118)	(133)	-	-	(137)	(137)	(4)	3%	-	-
<b>(176)</b>	<b>-</b>	<b>176</b>	<b>Total Contribution to/(from) Reserves</b>	<b>-</b>	<b>(15)</b>	<b>(118)</b>	<b>(133)</b>	<b>-</b>	<b>-</b>	<b>(137)</b>	<b>(137)</b>	<b>(4)</b>	<b>3%</b>	<b>-</b>	<b>-</b>
<b>(106)</b>	<b>59</b>	<b>165</b>	<b>Net Gap / (Surplus)</b>	<b>(159)</b>	<b>-</b>	<b>(0)</b>	<b>(159)</b>	<b>(85)</b>	<b>-</b>	<b>39</b>	<b>(46)</b>	<b>113</b>		<b>74</b>	

# Operational Income



Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Cycle to Work Scheme	(8,234)	(7,503)	731	(10%)	(30,012)	
Childcare Vouchers	(5,745)	(15,000)	(9,255)	62%	(60,000)	
Canteen Income	(20,884)	(15,999)	4,885	(31%)	(63,996)	
Sale of Vehicle Spares	(26,781)	(6,249)	20,532	(329%)	(24,996)	
Aerial Sites	(31,744)	(32,499)	(755)	2%	(129,996)	
Solar Panel Income	(12,439)	(16,251)	(3,812)	23%	(65,004)	
Hydrant Tests	(19,881)	(20,001)	(120)	1%	(80,004)	
Lease Cars - Employee Contributions	(1,603)	(1,500)	103	(7%)	(6,000)	
Service Charges	(119)	(150)	(31)	21%	(600)	
Secondments	(71,339)	(41,178)	30,161	(73%)	(164,712)	
Community Safety General	(26,090)	(19,581)	6,509	(33%)	(78,324)	
Labour Credit	(24,917)	(13,749)	11,168	(81%)	(54,996)	
Section 13/16	(10,038)	(15,000)	(4,962)	33%	(60,000)	
Provision of Hire Vehicles & Equipment	(3,052)	0	3,052	0%	0	
Interest Received Short Term Investements	(16,034)	(2,499)	13,535	(542%)	(9,996)	
Community Safety Youth Work	(6,507)	0	6,507	0%	0	
Shared Services Income	(111,027)	(75,003)	36,024	(48%)	(300,012)	
Other Miscellaneous Income	(47,398)	(42,876)	4,522	(11%)	(171,504)	
<b>Total Operational Income</b>	<b>(458,883)</b>	<b>(353,813)</b>	<b>105,070</b>	<b>(30%)</b>	<b>(1,415,252)</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	(879,136)	(879,135)	1	(0%)	(3,516,545)	Central Govt. Grant for Pensions - increase in Employers contribution
DCLG BRR 2022-23	(351,087)	(351,087)	0	0%	(1,404,348)	Business Rate relief
USAR Grant 2022-23	(214,140)	(214,140)	0	0%	(856,560)	
Firelink Grant 2022-23	(154,251)	(155,871)	(1,620)	1%	(617,000)	Communications Network (Firelink) grant and New Risk Mosaic programme funding.
Services Grant (employers NI 1.25%) 2022-23	(106,680)	(116,499)	(9,819)	8%	(466,000)	Circa £500k to offset NI increase 1.25%
Services Grant (One off investments) 2022-23	(44,003)	(171,999)	(127,996)	74%	(688,000)	Circa £688k to support one off investment
Grenfell Grant release	(30,850)	0	30,850	0%	0	Grenfell grant released against ringfenced spend
Other Grant Income	(4,575)	0	4,575		0	Redmond review grant (one off to be offset against audit fees £1.5k a month).
<b>Subtotal-Govt Grants</b>	<b>(1,784,722)</b>	<b>(1,888,731)</b>	<b>(104,009)</b>	<b>(6%)</b>	<b>(7,548,453)</b>	

## Balance Sheet - 30th June 2022

	30th Jun 2022	31st May 2022	31st Mar 2022	Variance Month £000's	Variance YTD £000's
	£000's	£000's	£000's		
<b>Property, plant &amp; equipment</b>					
Land and buildings	126,527	126,527	126,527	-	-
* Vehicles, plant & equipment	10,089	10,089	10,089	-	-
Assets under construction	2,968	2,634	1,985	334	983
Long term investments	-	-	-	-	-
<b>Long term assets</b>	<b>139,584</b>	<b>139,250</b>	<b>138,601</b>	<b>334</b>	<b>983</b>
Inventories	487	444	424	43	63
Short term debtors	13,383	11,406	8,746	1,977	4,637
Cash and cash equivalents	22,494	20,037	20,473	2,457	2,021
Assets held for sale	725	725	1,445	-	(720)
<b>Current assets</b>	<b>37,090</b>	<b>32,612</b>	<b>31,089</b>	<b>4,477</b>	<b>6,001</b>
* Short term borrowings	-	-	(1,250)	-	1,250
Short term creditors	(8,526)	(7,986)	(7,557)	(539)	(969)
Grants received in advance	(4,718)	(1,787)	(1,233)	(2,931)	(3,485)
<b>Current liabilities</b>	<b>(13,244)</b>	<b>(10,773)</b>	<b>(10,040)</b>	<b>(3,471)</b>	<b>(3,204)</b>
Long term borrowing	(24,500)	(24,500)	(23,500)	-	(1,000)
Provisions	(1,000)	(1,000)	(994)	-	(6)
* Pension liability - LGPS	(30,253)	(30,253)	(30,253)	-	-
Pension liability - FPS	(872,096)	(872,096)	(872,200)	-	104
<b>Long term liabilities</b>	<b>(927,849)</b>	<b>(926,849)</b>	<b>(926,947)</b>	<b>-</b>	<b>(902)</b>
<b>NET LIABILITIES</b>	<b>(764,419)</b>	<b>(765,760)</b>	<b>(767,297)</b>	<b>1,341</b>	<b>2,878</b>
<b>Usable reserves</b>					
General fund	6,568	5,465	4,341	1,103	2,227
Earmarked general fund reserves	10,472	10,604	11,035	(133)	(563)
Capital receipts reserve	13,873	13,873	13,153	-	720
<b>Usable reserves</b>	<b>30,912</b>	<b>29,942</b>	<b>28,529</b>	<b>971</b>	<b>2,384</b>
<b>Unusable reserves</b>					
Revaluation reserve	40,921	40,921	41,336	-	(415)
Capital adjustment account	67,783	67,413	66,978	370	805
* Holiday pay account	(1,269)	(1,269)	(1,269)	-	-
* Collection fund adjustment account	(418)	(418)	(418)	-	-
Pension reserve	(902,349)	(902,349)	(902,453)	-	105
<b>Unusable reserves</b>	<b>(795,331)</b>	<b>(795,701)</b>	<b>(795,826)</b>	<b>370</b>	<b>495</b>
<b>TOTAL RESERVES</b>	<b>(764,418)</b>	<b>(765,759)</b>	<b>(767,297)</b>	<b>1,341</b>	<b>2,878</b>

\* Balances adjusted at year end only.

### Key Movements

#### Fixed Assets:

\* Increase in Assets under construction of £334k for the month. See the Capital Report for further information.

#### Current Assets:

- \* Short term debtors has increased by £2.0m, due to the movement in the pension fund for June and reductions in accrued grant income as grants are received.
- \* £2.5m increase in cash and cash equivalents as cash inflows exceeded outflows for the month, as seen in the cashflow on page 8. This was due to the receipt of a pension grant in the month.
- \* No property sales occurred in June.

#### Current Liabilities

- \* Short term creditors have reduced by £0.5m due to movements in month end accruals.
- \* Grants received in advance have reduced by £2.9m due to the receipt of a pension grant in advance.

#### Long-term Liabilities:

No movement in long-term liabilities in the month.

### Reserves:

#### Movements in Usable Reserves:

The movements in General and Earmarked Reserves tie back to the summary Income & Expenditure statement on page 3.

#### Movements in Unusable Reserves:

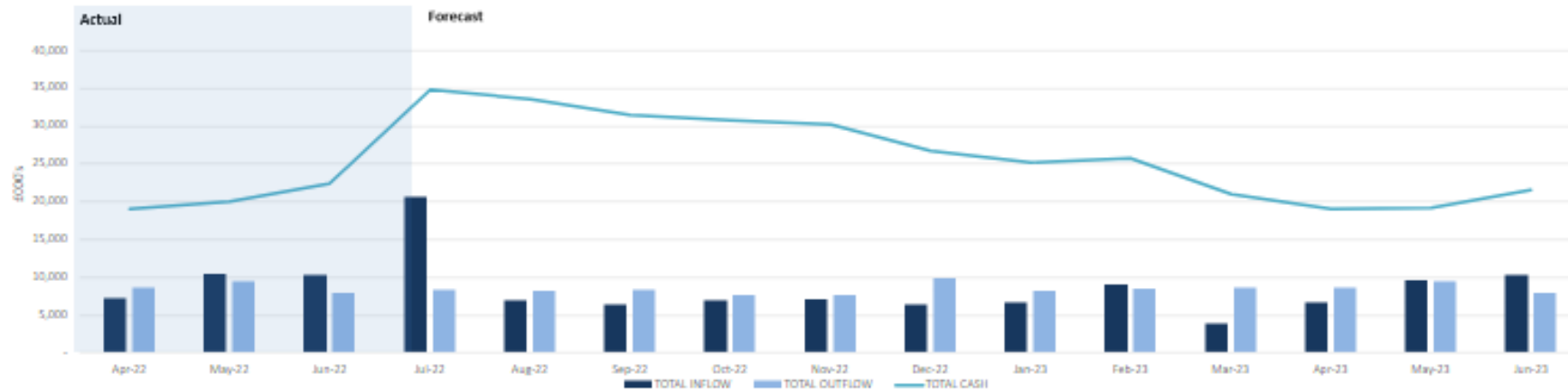
No change in the Revaluation Reserve in the month.

The movement in the Capital Adjustment Account reflect adjustments for MRP in the month.



# Cashflow Forecast

## FORECAST CASH INFLOWS AND OUTFLOWS



## COMMENTARY

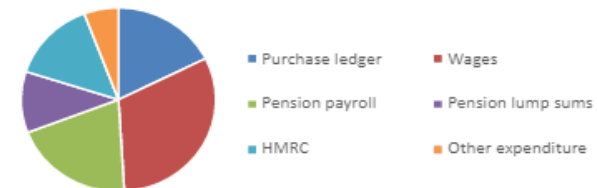
Total cash and investments at the end of June was £22.4m, up from £20.0m in May. Key inflows and outflows for the month are summarised below:

- Cash inflows include precepts of £4.8m and grants of £5.3m. Grant income included the pension grant of £3.5m, which is the main driver of the increase in cash in the month.
- Cash outflows include purchase ledger payments of £1.4m, which is within the expected range of between £1-2m.
- Investments remained at £13m as seen in the graph below.
- There were no day crewed housing sales in June.
- The first quarter of the year are key months for the Service, as the months with the lowest cash balances as a result of large annual grants paid later in the year. The Service holds money market fund investments of £6m, which ensures the availability of cash as these are highly liquid.

## 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>	£22m	The target cash available within 3 months is £8.5m.
<b>Monthly interest rate movement</b>	0.43%	Change in average interest rate received.
<b>Price risk indicator</b>	£nil	The limit on the amount that can be invested beyond 12 months.
<b>Refinancing rate indicator:</b>		
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 30th June 2022



Capital	Budget 2022/23	Forecast - Last agreed	Adjustment to Forecast	Forecast - Updated*	Actual Spend
New Premises					
Service Workshops - New	-	-	-	-	-
Existing Premises					
Asset Protection	1,300	1,253	47	1,300	191
Asset Improvement Works Training Facilities Improvement	1,246	1,214	256	1,470	28
Asset Improvement Works - Shoeburyness	1,224	1,362	-	1,362	14
<b>Total Property</b>	<b>3,771</b>	<b>3,829</b>	<b>303</b>	<b>4,132</b>	<b>234</b>
<b>Equipment</b>	<b>320</b>	<b>320</b>	<b>(30)</b>	<b>290</b>	<b>-</b>
<b>Information Technology</b>					
Projects	3,792	3,792	-	3,792	105
<b>Total Information Technology</b>	<b>3,792</b>	<b>3,792</b>	<b>-</b>	<b>3,792</b>	<b>105</b>
<b>Vehicles</b>					
New Appliances	941	941	-	941	550
Other Vehicles	264	264	(100)	164	48
<b>Total Vehicles</b>	<b>1,205</b>	<b>1,205</b>	<b>(100)</b>	<b>1,105</b>	<b>598</b>
<b>Total Capital Expenditure</b>	<b>9,087</b>	<b>9,146</b>	<b>173</b>	<b>9,319</b>	<b>937</b>



# Essex County Fire & Rescue Service - Capital Expenditure as at 30th June 2022



\* To be agreed at asset board

\*\* Provision for limited capacity limiting spend to agreed level of £1.7m

	Asset Life	Budget 2022/23	Forecast - Last agreed	Adjustment to Forecast	Forecast - Updated*	Actual Spend	Spend Brought Forward	Committed Orders
<b>B113 - Vehicles</b>								
Appliances (Pumping)	15	941,135	941,135	-	941,135	549,884	1,388,865	389,451
ICU Internals	6	-	-	-	-	-	-	-
Light Vehicles	6	79,647	79,647	-	79,647	-	-	81,725
Off Road Vehicles	6	-	-	-	-	-	-	-
Officers Cars (Principal Officers)	4	80,000	80,000	-	80,000	37,340	-	38,433
Specialist rescue vehicle	6	100,000	100,000	(100,000)	-	-	-	-
Light Vans	6	-	-	-	-	10,652	-	10,652
Ramps	12	-	-	-	-	-	-	-
Ladders	12	4,500	4,500	-	4,500	-	-	-
<b>Total B113 - Vehicles</b>		<b>1,205,282</b>	<b>1,205,282</b>	<b>(100,000)</b>	<b>1,105,282</b>	<b>597,876</b>	<b>1,388,865</b>	<b>520,261</b>
<b>B116 - Operational Equipment</b>								
Hose Reel Branch/Main Line Branch	8	160,000	160,000	-	160,000	-	-	-
BA Contamination machine	8	80,000	80,000	-	80,000	-	-	2,265
Method entry equipment	8	30,000	30,000	-	30,000	-	-	-
Smoke blocking curtains	8	30,000	30,000	(30,000)	-	-	-	-
Fog spikes (temperature reduction equipment)	8	20,000	20,000	-	20,000	-	-	-
<b>Total B116 - Operational Equipment</b>		<b>320,000</b>	<b>320,000</b>	<b>(30,000)</b>	<b>290,000</b>	<b>-</b>	<b>-</b>	<b>2,265</b>
<b>B114 - ICT Equipment</b>								
<i>Digital &amp; Data Strategy</i>								
DEVICES	3	216,667	216,667	-	216,667	48,286	-	399
NETWORK	3	1,160,000	1,160,000	-	1,160,000	16,486	-	2,970
VOICE	3	47,197	47,197	-	47,197	40,057	-	5,139
<i>Other Projects</i>								
Station End Equipment	3	450,000	450,000	-	450,000	-	-	-
Control Project	7	1,917,732	1,917,732	-	1,917,732	-	-	1,846,124
<b>Total B114 - ICT Equipment</b>		<b>3,791,596</b>	<b>3,791,596</b>	<b>-</b>	<b>3,791,596</b>	<b>104,829</b>	<b>-</b>	<b>1,854,632</b>

# Essex County Fire & Rescue Service - Capital Expenditure as at 30th June 2022



\* To be agreed at asset board

	Asset Life	Budget 2022/23	Forecast - Last agreed	Adjustment to Forecast	Forecast - Updated*	Actual Spend	Spend Brought Forward	Committed Orders
<b>B112 - Land &amp; Building</b>								
Lexden Workshops Relocation	20	-	-	-	-	-	-	-
<b>Total B112 - Land &amp; Building</b>		-	-	-	-	-	-	-
<b>B117 - Asset Improvements</b>								
Asset Improvement Works - Shoeburyness	20	1,224,478	1,362,000	-	1,362,000	14,468	290,522	1,186,106
<b>Asset Protection Works - Training Facilities:</b>								
Phase 1 - Chelmsford, Greys, Southend, SWF	20	681,416	681,000	-	681,000	28,191	130,162	1,027,656
Phase 2 - Braintree, Brentwood	20	280,256	233,000	-	233,000	-	-	-
Phase 3 - Harlow, Safron Waldon and Clacton	20	284,365	300,000	186,000	486,000	-	-	-
Witham Working at Height	20	-	-	70,000	70,000	-	-	-
<b>Total B117 - Asset Improvement</b>		<b>2,470,515</b>	<b>2,576,000</b>	<b>256,000</b>	<b>2,832,000</b>	<b>42,658</b>	<b>420,684</b>	<b>2,213,762</b>
<b>B118 - Asset Protection</b>								
<b>Confirmed Projects for 2022/23</b>								
Dunmow Yard	20	166,000	140,000	-	140,000	146,617	-	5,316
Waltham Abbey drill yard	20	60,000	60,000	-	60,000	-	-	-
Chelmsford refurbishment/rec room	20	35,000	99,000	-	99,000	-	-	98,777
Baddow boilers	20	90,000	90,000	7,000	97,000	-	-	97,185
BA Compressor Installation works - Clacton	20	50,000	65,000	-	65,000	-	-	-
STC Boiler	20	-	-	58,000	58,000	44,566	-	-
Harlow Bay Floors	20	-	-	100,000	100,000	-	-	-
Rochford Windows	20	-	-	101,000	101,000	-	-	-
AB floors (Halstead, Tollesbury, Weeley)	20	117,600	117,600	96,400	214,000	-	52,618	195,118
<b>Other Projects Including Planning Stage</b>								
Great Baddow Roof	20	-	-	150,000	150,000	-	-	-
Witham TC offices	20	7,000	21,000	(21,000)	-	-	116,932	-
Witham TC boiler	20	80,000	45,000	(45,000)	-	-	-	2,938
Epping part refurbishment	20	60,000	60,000	(60,000)	-	-	-	-
Orsett Fra (50%)	20	240,000	240,000	(240,000)	-	-	-	-
Retentions and small works	20	-	-	-	-	2	5,828	11,915
Chelmsford TC boilers	20	24,500	24,500	(24,500)	-	-	-	-
Projects to be confirmed by Property Services	20	369,900	290,900	(74,900)	216,000	-	-	-
<b>B118 - Asset Protection</b>		<b>1,300,000</b>	<b>1,253,000</b>	<b>47,000</b>	<b>1,300,000</b>	<b>191,184</b>	<b>175,378</b>	<b>411,249</b>
<b>TOTAL FORECAST 2021-22</b>		<b>9,087,393</b>	<b>9,145,878</b>	<b>173,000</b>	<b>9,318,878</b>	<b>936,547</b>	<b>1,984,927</b>	<b>5,002,168</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:	
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

# 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	2	6	-	1	-	1	25 Months
2019/20	Non-Operational - H&S	Assistant Director, Prevention, Protection and Response	1	3	-	3	1	-	1	-	22 Months
2021/22	Follow-up 2022	Chief Finance Officer	-	2	-	-	-	2	-	2	1 Months
<b>THIS UPDATE</b>			<b>8</b>	<b>52</b>	<b>7</b>	<b>49</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>3</b>	
			<b>60</b>		<b>56</b>		<b>4</b>		<b>4</b>		
			<b>Percentage complete 93%</b>				<b>Percentage overdue 100%</b>				
<b>LAST UPDATE</b>			<b>8</b>	<b>52</b>	<b>6</b>	<b>47</b>	<b>2</b>	<b>5</b>	<b>2</b>	<b>3</b>	
			<b>60</b>		<b>53</b>		<b>7</b>		<b>5</b>		
			<b>Percentage complete 88%</b>				<b>Percentage overdue 71%</b>				

### External Audit Update

The audit fieldwork has commenced with Grant Thornton. The finance team are working closely with the auditors, meeting twice a week to respond to queries effectively.

The Audit Plan was presented to the audit committee in June, which sets out the audit methodology and key risks considered by the auditors. The plan also sets out the level of materiality applied to the audit, which is the level at which errors must be reported to management, or adjusted if the error is higher than the materiality level.

The Draft Financial Statements will be published in July, following PFCC approval.

### Internal Audit Update

3 actions were completed this month, with a total of 4 outstanding.

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

There are 4 overdue recommendations. 1 of these actions relate to the GDPR audit, which is advisory only.

The first audit for the new financial year is a review of Emergency Response Driving, which is expected to take place in September.

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

# ESSEX PFCC FIRE & RESCUE AUTHORITY

## Summary Year-end Timetable



Annual Accounts Key Events	Original Estimated	Actual
Procurement of asset valuation	January	19th May
Instructions sent to valuer - schedule of assets to be valued and formal letter	January	30th March
Interim audit testing visit	March	14th - 25th March
Draft Annual Governance Statement presented to Joint Audit Committee	18th March	18th March
Letter to Management presented to JAC - covering key accounting policies/estimates	18th March	18th March
Draft Narrative statement	29th April	29th April
Accounting entries - completed 1st cut Accounts	Mid May	30th May
S151 & Strategic Head of P&R - Review of Accounts	Early June	9th June
Review of Accounts by Service Leadership Team	Early June	28th June
Review of Accounts by Audit Committee	17th June	17th June
Audit Fieldwork Starts - to be advised by Grant Thornton	1st July	27th June
Publication of unaudited accounts (decision sheet required)	11th July	TBC
Review timescales for next Audit Committee meeting	August	TBC
Final Audit completed - Grant Thornton (dates to be advised)	Mid August	TBC
Final Account & Audit Finding Review (Commissioner / S151 / Strategic Head of P&R)	Mid August	TBC
Audit close out meeting - Audit findings report (Audit Completion)	Mid August	TBC
Audit report received from Grant Thornton	September	TBC
Presentation of the audited accounts to the audit committee for consideration	23rd September	TBC
Preparation of Decision Sheet for publication	Mid November	TBC
Sign off and publication of audited accounts (decision sheet required)	30th November	TBC
Letter of representation signed	30th November	TBC
Audit letter and certificate issued	30th November	TBC
Publish completion of audit notices	30th November	TBC