

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, Senior Finance Business Partner		
Presented By	Neil Cross - Chief Finance Officer		
Subject	Budget Review - October 2022		
Type of Report:	Information		

SUMMARY

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

Executive Summary



Results for the period to October 2022

The YTD position shows a surplus of £945k, this is £242k less than the Budgeted BAU position. In the month, there was a surplus of £488k compared to a budgeted surplus of £527k.

YTD Pay explanations

Wholetime Firefighters:

YTD we are £311k under BAU Budget:

- 6.0FTE under on Operational staff.
- Change in Pension scheme.
- Offset underspends with unbudgeted YTD ASW.

On Call Firefighters:

- Data shows that £349k of On Call costs related to Heatwave shouts.
- Higher On Call activity with turnout and training activity..

Control:

- £45k of the Overspend relates to additional overtime and increased resource in the team.

Support staff:

- Secondary contracts within Support staff is tracking 253k underspent YTD.
- £101k is from recharging partnership forums.

Non Pay

YTD Core non pay costs include £116k overspend in Non pay costs (Support cost overspends relate to unbudgeted mileage, overspend of fuel costs in Property and Equipment, offset by savings in MRP)

Funding

The overspends are offset by the council tax pooling amount coming through funding.

Government Grants includes the Service Grant which contains funding that covered the 1.25% increase in NI, the increase in NI is due to end on 6th November. The other element of the Service Grant is un-ringfenced and has been allocated to one off investments. The Budget for this has been flat phased whereas the Grant actuals are offset against the costs when they come in which explains the underspend, this is due to timing.

Operational income in the month is higher due to £72k coming through interest recieved.

The expenditure allocated against Earmarked Reserves has been realigned and is in line with the Decision sheets, this has no net impact on the I&E.

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 £30.0m to £31.0m in the month.
- The Cashflow Forecast on page 8 shows the forecast cash position of the Authority for the next twelve months.
- Due to the payroll processing timetable, there were two pension payments in September, this reduced the movement in October.

Capital

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

Other

There were no property sales in the month.

YTD Summary Income and Expenditure Statement to 31st October 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 %
20,689	20,969	279	Wholetime Firefighters	20,076	-	593	20,669	20,387	-	517	20,903	234	1%	311	1%
4,283	4,023	(260)	On Call Firefighters	5,445	2	-	5,446	4,156	-	-	4,156	(1,291)	(31%)	(1,289)	(31%)
915	914	(1)	Control	975	-	-	975	918	-	-	918	(57)	(6%)	(57)	(6%)
9,191	8,674	(517)	Support Staff	8,805	-	417	9,222	9,174	-	580	9,754	532	5%	369	4%
35,079	34,580	(500)	Total Employment Costs	35,300	2	1,010	36,312	34,634	-	1,097	35,731	(581)	(2%)	(666)	(2%)
1,334	1,251	(83)	Support Costs	1,053	1	164	1,218	934	-	175	1,109	(109)	(10%)	(119)	(11%)
5,871	5,847	(24)	Premises & Equipment	6,043	5	-	6,048	5,833	-	-	5,833	(215)	(4%)	(210)	(4%)
1,827	1,916	89	Other Costs & Services	1,967	30	85	2,081	2,001	-	-	2,001	(80)	(4%)	35	2%
1,240	1,292	52	Ill health pension costs	1,295	-	-	1,295	1,326	-	-	1,326	30	2%	30	2%
3,247	3,257	10	Financing Items	3,331	-	-	3,331	3,440	-	-	3,440	109	3%	109	3%
13,518	13,563	45	Total Other Costs	13,689	36	248	13,974	13,534	-	175	13,709	(264)	(2%)	(155)	(1%)
-	-	-	Investment in productivity improvement	-	-	-	-	-	-	-	-	-	-	-	-
48,597	48,143	(455)	Gross Expenditure	48,989	38	1,258	50,286	48,168	-	1,272	49,440	(846)	(2%)	(821)	(2%)
(855)	(569)	286	Operational income	(1,022)	(1)	1	(1,022)	(826)	-	-	(826)	197	(24%)	196	(24%)
47,743	47,574	(169)	Net Expenditure before Funding	47,967	37	1,259	49,264	47,343	-	1,272	48,615	(649)	(1%)	(625)	(1%)
			Funding												
(4,178)	(3,726)	452	Government Grants	(4,295)	(1)	-	(4,296)	(4,404)	-	-	(4,404)	(108)	2%	(109)	2%
(5,941)	(5,938)	4	Revenue Support Grant	(6,119)	-	-	(6,119)	(6,119)	-	-	(6,119)	0	(0%)	0	(0%)
(9,794)	(9,796)	(2)	National Non-Domestic Rates	(9,445)	-	-	(9,445)	(9,427)	-	-	(9,427)	18	(0%)	18	(0%)
(45)	(86)	(41)	Council Tax Collection Account	(462)	-	-	(462)	-	-	-	-	462	-	462	-
(27,783)	(27,631)	153	Council Tax Precept	(28,580)	-	-	(28,580)	(28,580)	-	-	(28,580)	0	(0%)	0	(0%)
7	(21)	(28)	Council Tax Collection Impact	(12)	-	-	(12)	-	-	-	-	12	-	12	-
(47,734)	(47,196)	538	Total Funding	(48,912)	(1)	-	(48,913)	(48,529)	-	-	(48,529)	384	(1%)	383	(1%)
9	378	369	Funding Gap / (Surplus)	(945)	36	1,259	351	(1,186)	-	1,272	86	(265)	(310%)	(242)	(283%)
(52)	-	52	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
(1,268)	(324)	943	Cont'ns to/(from) Earmarked Reserves	0	(38)	(1,266)	(1,305)	-	-	(1,272)	(1,272)	33	-	(0)	0%
(1,320)	(324)	995	Total Contribution to/(from) Reserves	0	(38)	(1,266)	(1,305)	-	-	(1,272)	(1,272)	33	-	(0)	0%
(1,311)	54	1,365	Net Gap / (Surplus)	(945)	(2)	(7)	(954)	(1,186)	-	-	(1,186)	(232)	-	(242)	-

Period Summary Income and Expenditure Statement to 31st October 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 %
2,993	2,814	(179)	Wholetime Firefighters	2,901	-	(18)	2,883	2,742	-	69	2,811	(72)	(3%)	(159)	(6%)
666	590	(75)	On Call Firefighters	786	2	-	788	594	-	-	594	(194)	(33%)	(192)	(32%)
130	131	1	Control	145	-	-	145	126	-	-	126	(19)	(15%)	(19)	(15%)
1,287	1,240	(47)	Support Staff	1,264	-	35	1,299	1,263	-	27	1,290	(9)	(1%)	(1)	(0%)
5,076	4,775	(301)	Total Employment Costs	5,095	2	17	5,114	4,725	-	96	4,821	(293)	(6%)	(371)	(8%)
280	179	(102)	Support Costs	1	-	128	128	133	-	25	158	30	19%	133	84%
754	835	81	Premises & Equipment	831	-	-	831	855	-	-	855	24	3%	24	3%
285	283	(2)	Other Costs & Services	311	-	3	314	296	-	-	296	(18)	(6%)	(15)	(5%)
176	177	1	Ill health pension costs	169	-	-	169	172	-	-	172	3	2%	3	2%
464	465	1	Financing Items	479	-	-	479	491	-	-	491	12	3%	12	3%
1,959	1,940	(20)	Total Other Costs	1,790	-	131	1,921	1,947	-	25	1,972	51	3%	157	8%
-	-	-	Investment in productivity improvement	-	-	-	-	-	-	-	-	-	-	-	-
7,035	6,714	(321)	Gross Expenditure	6,886	2	148	7,035	6,672	-	121	6,793	(242)	(4%)	(214)	(3%)
(139)	(81)	58	Operational income	(193)	-	(0)	(194)	(118)	-	-	(118)	76	(64%)	76	(64%)
6,896	6,633	(263)	Net Expenditure	6,692	2	147	6,841	6,554	-	121	6,675	(167)	(2%)	(138)	(2%)
			Funding												
(581)	(532)	48	Government Grants	(616)	-	-	(616)	(629)	-	-	(629)	(14)	2%	(14)	2%
(516)	(516)	(0)	Revenue Support Grant	(549)	-	-	(549)	(532)	-	-	(532)	17	(3%)	17	(3%)
(1,406)	(1,406)	-	National Non-Domestic Rates	(1,355)	-	-	(1,355)	(1,337)	-	-	(1,337)	18	(1%)	18	(1%)
(11)	(11)	-	Council Tax Collection Account	(75)	-	-	(75)	-	-	-	-	75	-	75	-
(4,491)	(4,491)	-	Council Tax Precept	(4,583)	-	-	(4,583)	(4,583)	-	-	(4,583)	-	-	-	-
20	(3)	(23)	Council Tax Collection Impact	(1)	-	-	(1)	-	-	-	-	1	-	1	-
(6,984)	(6,959)	25	Total Funding	(7,179)	-	-	(7,179)	(7,080)	-	-	(7,080)	98	(1%)	98	(1%)
(88)	(326)	(238)	Funding Gap / (Surplus)	(486)	2	147	(337)	(527)	-	121	(406)	(69)		(40)	
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
(140)	(140)	(0)	Cont'ns to/(from) Earmarked Reserves	-	(2)	(148)	(149)	-	-	(121)	(121)	29	(24%)	-	-
(140)	(140)	(0)	Total Contribution to/(from) Reserves	-	(2)	(148)	(149)	-	-	(121)	(121)	29	(24%)	-	-
(229)	(466)	(238)	Net Gap / (Surplus)	(486)	-	(0)	(487)	(527)	-	-	(527)	(40)		(40)	

Balance Sheet - 31st October 2022

	31st Oct 2022 £000's	30th Sep 2022 £000's	31st Mar 2022 £000's	Variance Month £000's	Variance YTD £000's
Property, plant & equipment					
Land and buildings	126,527	126,527	126,527	-	-
* Vehicles, plant & equipment	10,089	10,089	10,089	-	-
Assets under construction	5,047	4,357	1,985	690	3,063
Long term investments	-	-	-	-	-
Long term assets	141,664	140,974	138,601	690	3,063
Inventories	535	519	424	16	111
Short term debtors	5,019	4,714	8,746	305	(3,727)
Cash and cash equivalents	29,135	29,977	20,473	(842)	8,662
Assets held for sale	-	-	1,445	-	(1,445)
Current assets	34,689	35,210	31,089	(520)	3,600
* Short term borrowings	(1,000)	(1,000)	(1,250)	-	250
Short term creditors	(8,766)	(9,974)	(7,557)	1,208	(1,209)
Grants received in advance	(5,189)	(4,029)	(1,233)	(1,160)	(3,956)
Current liabilities	(14,955)	(15,003)	(10,040)	48	(4,915)
Long term borrowing	(23,500)	(23,500)	(23,500)	-	-
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
Long term liabilities	(926,849)	(926,849)	(926,947)	-	98
NET LIABILITIES	(765,451)	(765,669)	(767,297)	218	1,846
Usable reserves					
General fund	5,018	4,800	4,341	218	677
Earmarked general fund reserves	9,880	9,880	11,035	-	(1,155)
Capital receipts reserve	14,598	14,598	13,153	-	1,445
Usable reserves	29,496	29,277	28,529	218	967
Unusable reserves					
Revaluation reserve	40,499	40,499	41,336	-	(837)
Capital adjustment account	68,590	68,590	66,978	-	1,612
* 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
Unusable reserves	(794,946)	(794,946)	(795,826)	-	880
TOTAL RESERVES	(765,450)	(765,669)	(767,297)	218	1,846

* Balances adjusted at year end only.

Key Movements

Fixed Assets:

- Increase in Assets under construction of £690k for the month.
- Significant expenditure in the month included work on phases 1 and 2 of the Training Project as well as the delivery of Shoeburyness.

Current Assets:

- Increase of £255k in short term debtors due to movements in working capital.
- £842k reduction in cash and cash equivalents as cash outflows exceeded inflows for the month, as seen in the cashflow on page 8. There was no pension payroll payment in October.
- No properties were sold in October.

Current Liabilities

- Short term creditors have reduced by £1.2m due to movements in the firefighters pension fund.
- Grants received in advance have increased by £1.1m due to grants received in the period that relate to future periods.

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 movement in the revaluation reserve in the month.

- The movement in the Capital Adjustment Account reflect adjustments for MRP in the month offset by disposal movements.



Operational Income

Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Cycle to Work Scheme	(17,738)	(17,507)	231	(1%)	(30,012)	
Childcare Vouchers	(12,119)	(35,000)	(22,881)	65%	(60,000)	
Canteen Income	(49,697)	(37,331)	12,366	(33%)	(63,996)	
Sale of Vehicle Spares	(47,353)	(14,581)	32,772	(225%)	(24,996)	
Aerial Sites	(74,069)	(75,831)	(1,762)	2%	(129,996)	
Solar Panel Income	(28,839)	(37,919)	(9,080)	24%	(65,004)	
Hydrant Tests	(43,590)	(46,669)	(3,079)	7%	(80,004)	
Lease Cars - Employee Contributions	(5,107)	(3,500)	1,607	(46%)	(6,000)	
Service Charges	(270)	(350)	(80)	23%	(600)	
Secondments	(156,041)	(96,082)	59,959	(62%)	(164,712)	
Community Safety General	(48,409)	(45,689)	2,720	(6%)	(78,324)	
Labour Credit	(74,763)	(32,081)	42,682	(133%)	(54,996)	
Section 13/16	(25,207)	(35,000)	(9,793)	28%	(60,000)	
Provision of Hire Vehicles & Equipment	(3,559)	0	3,559	0%	0	
Interest Received Short Term Investments	(120,804)	(5,831)	114,973	(1972%)	(9,996)	
Community Safety Youth Work	(31,622)	0	31,622	0%	0	
Shared Services Income	(188,245)	(175,007)	13,238	(8%)	(300,012)	
Other Miscellaneous Income	(76,564)	(100,044)	(23,480)	23%	(171,504)	
Total Operational Income	(1,022,126)	(825,564)	196,563	(24%)	(1,415,252)	

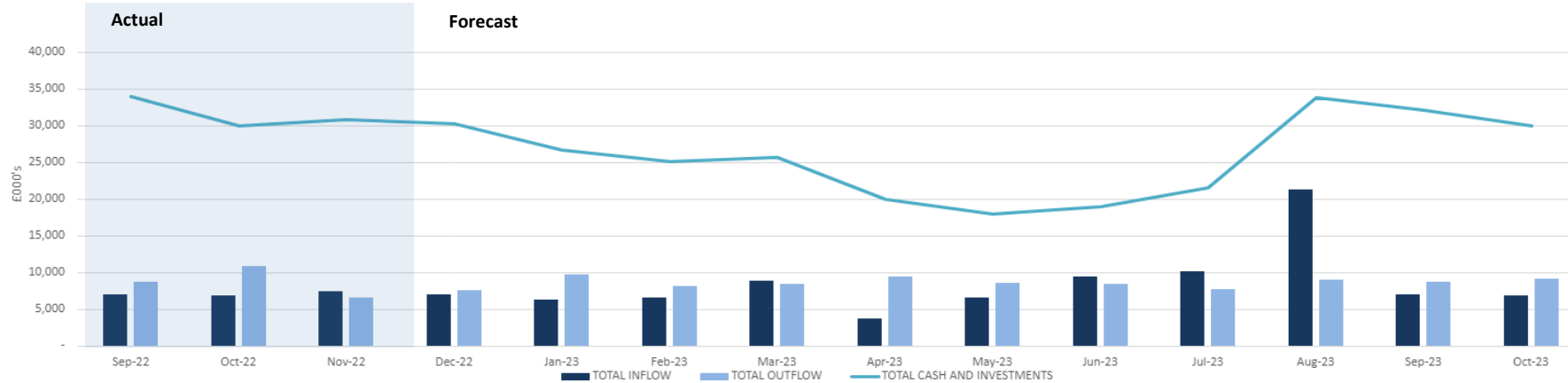
Specific Government Grants Income

Specific Government Grants	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Addn Pens Grant Accr	(2,051,318)	(2,051,315)	3	(0%)	(3,516,545)	Central Govt. Grant for Pensions - increase in Employers contribution
DCLG BRR 2022-23	(819,203)	(819,203)	0	0%	(1,404,348)	Business Rate relief
USAR Grant 2022-23	(499,878)	(499,660)	218	(0%)	(856,560)	
Firelink Grant 2022-23	(359,919)	(363,699)	(3,780)	1%	(617,000)	Communications Network (Firelink) grant and New Risk Mosaic programme funding.
Services Grant (employers NI 1.25%) 2022-23	(244,989)	(271,831)	(26,842)	10%	(466,000)	Circa £500k to offset NI increase 1.25%, actuals are coming in around £35k rather than £39k budgeted
Services Grant (One off investments) 2022-23	(271,742)	(401,331)	(129,589)	32%	(688,000)	Grant of circa £688k to fund one off investments, the funding is being released as costs are incurred.
Grenfell Grant release	(37,036)	0	37,036	0%	0	Grenfell grant released against ringfenced spend.
Other Grant Income	(11,756)	0	11,756		0	Home Office grant in relation to internal Audit costs (Redmond review grant offset monthly against audit fees).
Subtotal-Govt Grants	(4,295,842)	(4,407,039)	(111,197)	(3%)	(7,548,453)	

Cashflow Forecast



FORECAST CASH INFLOWS AND OUTFLOWS



COMMENTARY

Total cash and investments at the end of October was £31.0m, up from £30.0m in September. Key inflows and outflows for the month are summarised below:

- Cash inflows include precepts of £5.4m and grants of £1.9m. These receipts are in line with expectation.
- Cash outflows include purchase ledger payments of £1.5m, which is within the expected range of £1-2m.
- There was one pension payroll payment in the month due to there being two in September. This totaled £0.02m.
- Investments stayed at £13m, this is due to our £15m investment in UK government maturing on 31st October.
- The remaining investments are in money market funds. These are highly liquid investments, and can be drawn down on the same-day. This gives the Authority flexibility to invest over longer periods in the DMO to obtain more favourable rates. Only £3m can be invested in each money market fund under the Treasury Mangement Strategy. We are looking to utilise shorter term investments to be able to take advantage of the rising interest rates.
- There were no day crewed housing sales in October.

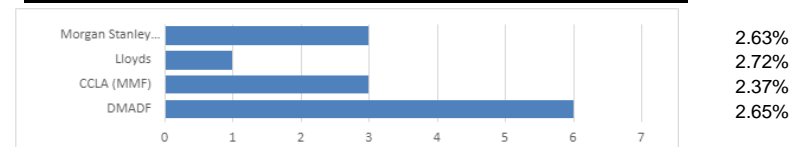
TREASURY MANAGEMENT INDICATORS

	Actual	Explanation of Indicators
Credit risk indicator	AAA	The average credit rating of investments must be A or greater.
Liquidity risk indicator	£31m	The target cash available within 3 months is £8.5m.
Monthly interest rate movement	0.88%	Change in average interest rate received.
Price risk indicator	£nil	The limit on the amount that can be invested beyond 12 months.
Refinancing rate indicator:		
<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%	

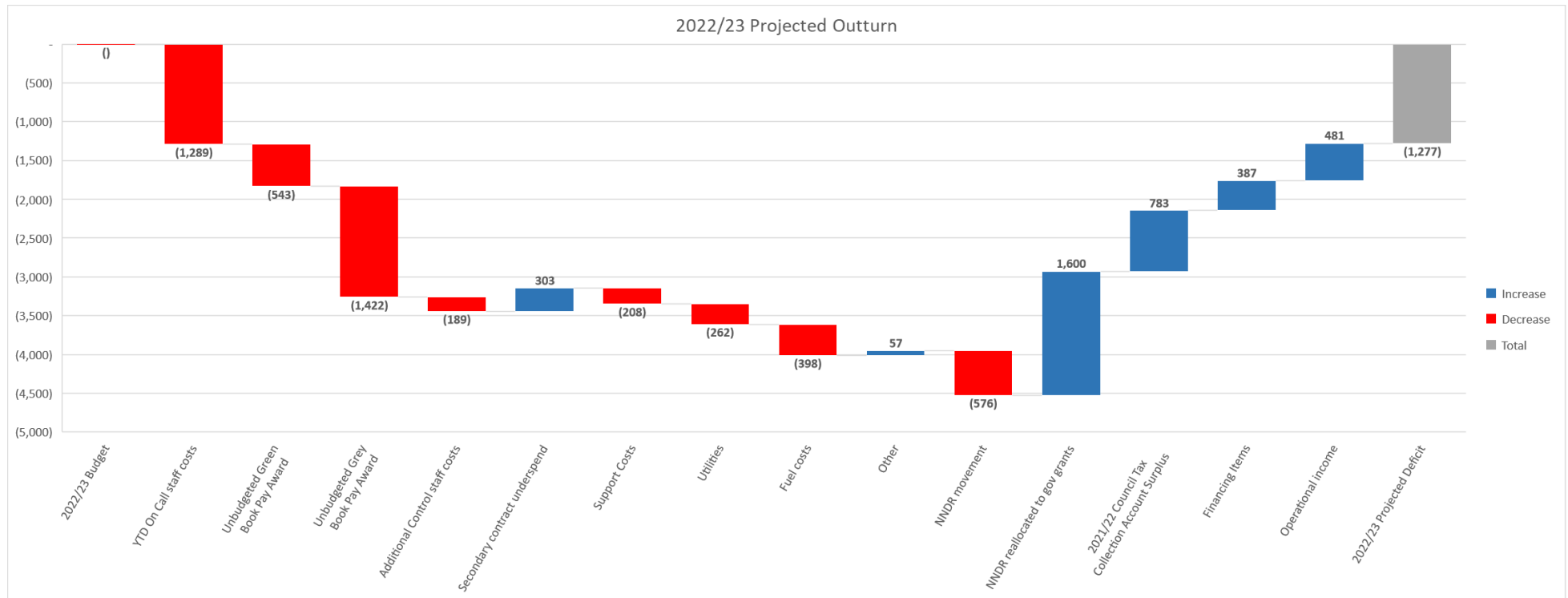
EXPENDITURE ANALYSIS



INVESTMENTS



Movement in Forecast compared to Original Budget (Excludes any reserve funded movements)



Key core movements:

- 4 additional FTE included in the forecast with the costs being offset from the additional funding coming through for the council tax collection account.
- Additional unbudgeted pay award has been built into the outturn subject to latest offers.
- Council Tax collection funding of £782k has been confirmed.
- Support costs include higher YTD settlement and training costs and the forecast higher mileage trends.
- Utility costs due to increase from October 2022 (45% increase in Electricity and 110% increase in Gas costs).
- Fuel includes YTD overspends based on quantity increasing along with increasing prices. A further overspend in Fuel costs of £170k in the year is also
- NNDR reallocated to Government Grants.
- A lower MRP (capital charge) has been factored into the financing items.
- Additional income in vehicle servicing due to increased activity has been included in the Operational income.

Essex County Fire & Rescue Service - Capital Expenditure as at 31st October 2022



Capital	Budget 2022/23	Forecast - Prior month	Adjustment to Forecast	Forecast - Current Month	Actual Spend
New Premises					
Service Workshops - New	-	-	-	-	-
Existing Premises					
Asset Protection	1,300	1,300	12	1,103	390
Asset Improvement Works Training Facilities Improvement	1,246	1,470	382	1,852	560
Asset Improvement Works - Shoeburyness	1,224	1,362	(25)	1,337	386
Total Property	3,771	4,132	369	4,292	1,335
Equipment	320	290	36	454	30
Information Technology					
Projects	3,792	3,792	(1,188)	2,043	117
Total Information Technology	3,792	3,792	(1,188)	2,043	117
Vehicles					
New Appliances	941	941	-	941	821
Other Vehicles	264	175	13	187	69
Total Vehicles	1,205	1,116	13	1,128	890
Total Capital Expenditure	9,087	9,329	(771)	7,917	2,372

Essex County Fire & Rescue Service - Capital Expenditure as at 31st October 2022



* To be agreed at asset board

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

	Asset Life	Budget 2022/23	Forecast - Prior Month	Adjustment to Forecast	Forecast - Current Month	Actual Spend	Spend Brought Forward	Committed Orders
B113 - Vehicles								
Appliances (Pumping)	15	941,135	941,135	-	941,135	873,766	1,388,865	67,369
ICU Internals	6	-	-	-	-	-	-	-
Light Vehicles	6	79,647	90,000	-	90,000	58,095	-	30,620
Off Road Vehicles	6	-	-	-	-	-	-	-
Officers Cars (Principal Officers)	4	80,000	80,000	-	80,000	-	-	38,433
Specialist rescue vehicle	6	100,000	-	-	-	-	-	-
Light Vans	6	-	-	-	-	10,652	-	-
Ramps	12	-	-	-	-	-	-	-
Ladders	12	4,500	4,500	12,500	17,000	-	-	-
Total B113 - Vehicles		1,205,282	1,115,635	12,500	1,128,135	942,513	1,388,865	136,422
B116 - Operational Equipment								
Hose Reel Branch/Main Line Branch	10	160,000	180,000	-	180,000	2,265	-	-
BA Contamination machine	10	80,000	80,000	-	80,000	-	-	-
Foam replacement	8	-	80,000	-	80,000	-	-	-
Method entry equipment	8	30,000	30,000	-	30,000	-	-	-
Smoke blocking curtains	8	30,000	28,140	-	28,140	28,140	-	-
Fog spikes (temperature reduction equipment)	8	20,000	20,000	-	20,000	-	-	-
Tyre Inflation Units	8	-	-	12,000	12,000	-	-	-
Fitness Equipment		-	-	24,000	24,000	-	-	-
Total B116 - Operational Equipment		320,000	290,000	36,000	454,140	30,405	-	-
B114 - ICT Equipment								
<i>Digital & Data Strategy</i>								
DEVICES	3	216,667	216,667	-	216,667	110,158	-	-
NETWORK	3	1,160,000	600,000	-	600,000	19,753	-	164,599
VOICE	3	47,197	47,197	-	47,197	39,686	-	5,139
Civica API - to be reviewed		-	-	-	-	8,332	-	-
<i>Other Projects</i>								
Station End Equipment	3	450,000	450,000	(450,000)	-	-	-	-
Control Project	7	1,917,732	1,917,732	(738,450)	1,179,282	461,531	-	1,398,099
Total B114 - ICT Equipment		3,791,596	3,791,596	(1,188,450)	2,043,146	639,460	-	1,567,836

Essex County Fire & Rescue Service - Capital Expenditure as at 31st October 2022



* To be agreed at asset board

	Asset Life	Budget 2022/23	Forecast - Prior Month	Adjustment to Forecast	Forecast - Current Month	Actual Spend	Spend Brought Forward	Committed Orders
B112 - Land & Building								
Lexden Workshops Relocation	20	-	-	-	-	-	-	-
Total B112 - Land & Building		-	-	-	-	-	-	-
B117 - Asset Improvements								
Asset Improvement Works - Shoeburyness	20	1,224,478	1,362,000	(25,000)	1,337,000	439,811	290,522	821,427
Asset Protection Works - Training Facilities:								
Phase 1 - Chelmsford, Greys, Southend, SWF	20	681,416	681,000	11,000	692,000	663,415	130,162	93,738
Phase 2 - Braintree, Brentwood	20	280,256	233,000	123,000	356,000	-	-	138,472
Phase 3 - Harlow, Safron Waldon and Clacton	20	284,365	486,000	16,000	502,000	-	-	-
Phase 3 (E) - Clacton		-	-	232,000	232,000	-	-	-
Witham Working at Height	20	-	70,000	-	70,000	-	-	-
Total B117 - Asset Improvement		2,470,515	2,832,000	357,000	3,189,000	1,103,227	420,684	1,053,638
B118 - Asset Protection								
Confirmed Projects for 2022/23								
Dunmow Yard	20	166,000	147,000	-	147,000	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	27,236	-	55,737
Baddow boilers	20	90,000	97,000	-	97,000	67,008	-	30,177
BA Compressor Installation works - Clacton	20	50,000	65,000	12,000	77,000	53,997	-	10,832
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	20	117,600	214,000	-	214,000	102,020	52,618	111,596
Other Projects Including Planning Stage								
Great Baddow Roof	20	-	150,000	-	150,000	-	-	-
Witham TC offices	20	7,000	-	-	-	-	116,932	-
Witham TC boiler	20	80,000	-	-	-	-	-	-
Epping part refurbishment	20	60,000	-	-	-	-	-	-
Orsett Fra (50%)	20	240,000	-	-	-	-	-	-
Retentions and small works	20	-	-	-	-	9,050	5,828	5,135
Chelmsford TC boilers	20	24,500	-	-	-	-	-	-
Projects to be confirmed by Property Services	20	369,900	-	-	-	-	-	-
B118 - Asset Protection		1,300,000	1,300,000	12,000	1,103,000	450,494	175,378	218,794
TOTAL FORECAST 2022-23		9,087,393	9,329,231	(770,950)	7,917,421	2,372,302	1,984,927	3,753,239



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: Internal and External Audit Recommendations Expected Outturn	
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 and External Audit update



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	22 Months			
2021/22	Follow-up 2022	Chief Finance Officer	-	2	-	1	-	1	-	1	6 Months			
2022/23	Emergency Response Driving	Assistant Chief Executive - People Values and Culture	-	3	-	1	-	2	-	2	3 Months			
THIS UPDATE			2	12	2	8	-	4	-	4				
			14		10		4		4					
			Percentage complete				71%				Percentage overdue		100%	
LAST UPDATE			2	12	2	8	-	4	-	4				
			14		10		4		4					
			Percentage complete				71%				Percentage overdue		100%	

External Audit Update

The completion of the audit is contingent on the audit of Essex Pension Fund. The report was initially expected for October, but this has since been delayed and is due to be finalised mid November. The publication deadline of final audited accounts is the 30th November, therefore it is expected that our statutory deadline will be met.

Looking forward to the current year end, the draft accounts deadline is 31st May 2023, brought forward from July. The Finance Team will need to carefully plan for this shortened timeframe, and is liaising with other departments to ensure all stakeholders are sighted, given the additional pressure this will create.

Internal Audit Update

The Follow-up, Control Project and Cybersecurity audits are currently underway with RSM, with November deadlines:

- The Follow-up audit provides assurance on completed recommendations.
- The Control Project audit is reviewing the implementation of the new Control System.
- The Cybersecurity audit is reviewing the Service's cybersecurity controls.

No actions were completed this month, leaving a total of 4 outstanding.

There are 4 overdue recommendations. 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.

2022-23 Outturn Projection



Description	BAU Budget £'000s	COVID Budget £'000s	Earmarked Projects Budget £'000s	2022-23 FY Budget £'000	BAU Forecast £'000s	COVID Forecast £'000s	Earmarked Projects Forecast £'000s	Q2 Forecast £'000	Movement from Budget to Q2 £'000	Variance %	BAU Forecast movement	Variance %
Wholetime Firefighters	35,767	-	571	36,337	36,351	-	863	37,214	(876)	(2%)	(584)	(2%)
On-Call Firefighters	7,263	-	-	7,263	9,413	-	-	9,413	(2,150)	(30%)	(2,150)	(30%)
Control	1,604	-	-	1,604	1,777	-	-	1,777	(172)	(11%)	(172)	(11%)
Support Staff	15,977	-	755	16,732	15,965	-	664	16,628	104	1%	12	0%
Inter Department Cross Charges	-	-	-	-	-	-	-	-	-	-	-	-
Total Employment Costs	60,611	-	1,326	61,937	63,506	-	1,526	65,032	(3,095)	(5%)	(2,894)	(5%)
Other Service Expenditure												
Support Costs	1,604	-	300	1,904	1,812	1	300	2,113	(209)	(11%)	(208)	(13%)
Premises & Equipment	10,106	-	100	10,206	10,705	5	100	10,810	(603)	(6%)	(598)	(6%)
Other Costs & Services	3,175	-	250	3,425	3,452	30	99	3,581	(157)	(5%)	(277)	(9%)
Ill Health Pension costs	2,184	-	-	2,184	2,170	-	-	2,170	14	1%	14	1%
Financing Items	5,897	-	-	5,897	5,511	-	-	5,511	387	7%	387	7%
Productivity improvement investment	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Costs	22,967	-	650	23,617	23,649	36	499	24,185	(568)	(2%)	(682)	(3%)
Gross Operating Expenditure	83,578	-	1,976	85,554	87,155	36	2,025	89,217	(3,663)	(4%)	(3,577)	(4%)
Operational income	(1,415)	-	-	(1,415)	(1,896)	(1)	-	(1,897)	482	(34%)	481	(34%)
Net Expenditure	82,163	-	1,976	84,138	85,259	35	2,025	87,320	(3,181)	(4%)	(3,096)	(4%)
Funding												
Government Grants Income	(7,549)	-	-	(7,549)	(9,149)	-	-	(9,149)	1,600	(21%)	1,600	(21%)
Revenue Support Grant	(8,780)	-	-	(8,780)	(8,780)	-	-	(8,780)	()	0%	0	(0%)
National Non-Domestic Rates	(16,519)	-	-	(16,519)	(15,943)	-	-	(15,943)	(576)	3%	(576)	3%
Council Tax Collection Account	-	-	-	-	(783)	-	-	(783)	783	-	783	-
Council Tax Precepts	(49,315)	-	-	(49,315)	(49,315)	-	-	(49,315)	()	0%	0	(0%)
NNDR surplus/deficit	-	-	-	-	(12)	-	-	(12)	12	-	12	-
Cont'ns to/(from) Earmarked Reserves	0	-	(1,976)	(1,976)	-	(36)	(2,026)	(2,063)	87	(4%)	-	-
Total Funding	(82,162)	-	(1,976)	(84,139)	(83,982)	(36)	(2,026)	(86,044)	1,906	(2%)	1,819	(2%)
Funding Gap/ (Surplus)	-	-	(1)	()	1,277	(1)	(0)	1,275	(1,275)	-	(1,277)	-