

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 - February 2023		
Type of Report:	Information		

SUMMARY

This paper reports on expenditure against budget as at February 2023 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 2023

Executive Summary



Results for the period to February 2023

The YTD position shows a deficit of £294k, this is £1.1m worse than the Budgeted BAU position. The main reason for this variance is due to the overspend on On Call costs, £1.13m of these costs are due to Turnout costs. The Heatwave related activity for On Call amounted to £464k.

In the month, there was a deficit of £318k, the variance to Core Budget is £249k which is driven by:
£112k underspend on Support costs, £330k overspend in premises and equipment costs (inc. £319k for utilities charges), £194k in other cost and services and offsetting with operational income which is £134k higher than Budget.

YTD Pay explanations

Wholetime Firefighters:

YTD we are £701k under BAU Budget:

- 11.0FTE under on Operational staff.
- Change in Pension scheme.
- Offset underspends with unbudgeted YTD ASW.

On Call Firefighters:

- Data shows that £464k of On Call costs related to Heatwave shouts.
- Higher On Call activity due to turnout and training activity

Control:

- 80k of the Overspend relates to additional overtime and increased resource in the team.

Support staff:

- Secondary contracts within Support staff is tracking 262k underspent YTD.
- £178k is from recharging partnership forums.
- The Green book pay award is now reflecting in the YTD actuals. The Budget cost was at 2% whereas the actual costs were agreed at £1.9k for the full year.

Non Pay

YTD Core non pay costs include £521k 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 ended 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 is £634k higher YTD, £384k of this is from interest received on short term investments, detail of these are included on the Cashflow Forecast. £168k of income coming from the fleet work on vehicles.

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 decreased from £27.2m to £25.3m in the month, this was due to Project cost outflows.

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 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.

The Outturn position includes the latest pay offer of 7% for Grey book employees, the amount covers the backdate to July, this is due to come through in the March Actuals. An Additional £138k has been included after confirmation of accumulated Business Rate Surplus for 2022-23.



YTD Summary Income and Expenditure Statement to 28th February 2023

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 %
23,643	23,882	239	WholeTime Firefighters	31,218	-	900	32,117	31,919	-	793	32,712	595	2%	701	2%
4,941	4,613	(328)	On-Call Firefighters	8,290	-	-	8,290	6,530	-	-	6,530	(1,760)	(27%)	(1,760)	(27%)
1,045	1,045	(1)	Control	1,523	-	-	1,523	1,442	-	-	1,442	(80)	(6%)	(80)	(6%)
10,419	9,914	(505)	Support Staff	14,811	10	486	15,307	14,684	-	687	15,371	64	0%	(127)	(1%)
40,048	39,454	(594)	Total Employment Costs	55,841	10	1,385	57,237	54,575	-	1,480	56,055	(1,181)	(2%)	(1,266)	(2%)
1,524	1,430	(94)	Support Costs	1,523	1	350	1,874	1,467	-	275	1,742	(132)	(8%)	(56)	(3%)
6,668	6,683	15	Premises & Equipment	10,026	29	129	10,184	9,252	-	-	9,252	(932)	(10%)	(774)	(8%)
2,189	2,191	2	Other Costs & Services	3,548	30	50	3,628	3,149	-	-	3,149	(479)	(15%)	(399)	(13%)
1,407	1,469	63	Ill health pension costs	1,998	-	-	1,998	2,012	-	-	2,012	14	1%	14	1%
3,683	3,722	39	Financing Items	5,059	-	-	5,059	5,406	-	-	5,406	347	6%	347	6%
15,470	15,495	24	Total Other Costs	22,153	60	529	22,742	21,286	-	275	21,561	(1,181)	(5%)	(867)	(4%)
-	-	-	Investment in productivity improvement	-	-	-	-	-	-	-	-	-	-	-	-
55,519	54,949	(570)	Gross Expenditure	77,994	71	1,914	79,979	75,861	-	1,755	77,616	(2,362)	(3%)	(2,133)	(3%)
(1,000)	(650)	350	Operational Income	(1,931)	-	-	(1,931)	(1,297)	-	-	(1,297)	634	(49%)	634	(49%)
54,519	54,299	(220)	Net Expenditure before Funding	76,062	71	1,914	78,047	74,564	-	1,755	76,319	(1,728)	(2%)	(1,499)	(2%)
(4,758)	(4,258)	501	Government Grants	(6,686)	(1)	-	(6,687)	(6,920)	-	-	(6,920)	(233)	3%	(234)	3%
(6,458)	(6,454)	4	Revenue Support Grant	(8,247)	-	-	(8,247)	(8,247)	-	-	(8,247)	0	(0%)	0	(0%)
(11,525)	(11,166)	359	National Non-Domestic Rates	(14,645)	-	-	(14,645)	(14,645)	-	-	(14,645)	-	-	-	-
(50)	(91)	(41)	Council Tax Collection Account	(749)	-	-	(749)	-	-	-	-	749	-	749	-
(31,944)	(31,791)	153	Council Tax Precept	(45,511)	-	-	(45,511)	(45,530)	-	-	(45,530)	(19)	0%	(19)	0%
6	(24)	(30)	Council Tax Collection Impact	71	-	-	71	-	-	-	-	(71)	-	(71)	-
(54,728)	(53,784)	945	Total Funding	(75,767)	(1)	-	(75,768)	(75,342)	-	-	(75,342)	427	(1%)	426	(1%)
(209)	515	725	Funding Gap / (Surplus)	295	70	1,914	2,279	(778)	-	1,755	977	(1,302)	(133%)	(1,073)	(110%)
(24)	-	24	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
(1,371)	(368)	1,003	Cont'ns to/(from) Earmarked Reserves	-	(71)	(1,914)	(1,984.90)	-	-	(1,755)	(1,755)	230	-	-	-
(1,395)	(368)	1,027	Total Contribution to/(from) Reserves	-	(71)	(1,914)	(1,985)	-	-	(1,755)	(1,755)	230	-	-	-
(1,605)	147	1,752	Net Gap / (Surplus)	295	(1)	0	294	(778)	-	-	(778)	(1,072)	-	(1,073)	-



Period Summary Income and Expenditure Statement to 28th February 2023

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 %
2,954	2,814	(140)	Wholetime Firefighters	2,777	-	75	2,853	2,892	-	69	2,961	108	4%	114	4%
658	590	(67)	On-Call Firefighters	664	-	-	664	594	-	-	594	(70)	(12%)	(70)	(12%)
130	131	1	Control	133	-	-	133	131	-	-	131	(2)	(2%)	(2)	(2%)
1,228	1,240	12	Support Staff	1,389	1	12	1,401	1,335	-	27	1,361	(40)	(3%)	(54)	(4%)
4,969	4,775	(194)	Total Employment Costs	4,963	1	87	5,051	4,951	-	96	5,047	(5)	(0%)	(12)	(0%)
190	179	(12)	Support Costs	21	-	99	121	133	-	25	158	38	24%	112	71%
797	835	38	Premises & Equipment	1,185	8	80	1,272	855	-	-	855	(417)	(49%)	(330)	(39%)
362	275	(87)	Other Costs & Services	482	-	-	482	287	-	-	287	(194)	(68%)	(194)	(68%)
167	177	10	Ill health pension costs	170	-	-	170	172	-	-	172	1	1%	1	1%
436	465	29	Financing Items	416	-	-	416	491	-	-	491	75	15%	75	15%
1,952	1,932	(21)	Total Other Costs	2,274	8	179	2,461	1,939	-	25	1,964	(498)	(25%)	(336)	(17%)
-	-	-	Investment in productivity improvement	-	-	-	-	-	-	-	-	-	-	-	-
6,921	6,706	(215)	Gross Expenditure	7,237	8	267	7,513	6,890	-	121	7,010	(502)	(7%)	(348)	(5%)
(145)	(81)	64	Operational income	(252)	-	-	(252)	(118)	-	-	(118)	134	(113%)	134	(113%)
6,776	6,625	(151)	Net Expenditure	6,986	8	267	7,261	6,772	-	121	6,892	(368)	(5%)	(214)	(3%)
			Funding												
(581)	(532)	48	Government Grants	(623)	-	-	(623)	(629)	-	-	(629)	(6)	1%	(6)	1%
(516)	(516)	-	Revenue Support Grant	(532)	-	-	(532)	(532)	-	-	(532)	-	-	-	-
(1,731)	(1,370)	361	National Non-Domestic Rates	(1,304)	-	-	(1,304)	(1,304)	-	-	(1,304)	-	-	-	-
(5)	(5)	-	Council Tax Collection Account	(76)	-	-	(76)	-	-	-	-	76	-	76	-
(4,160)	(4,160)	-	Council Tax Precept	(4,219)	-	-	(4,219)	(4,238)	-	-	(4,238)	(19)	0%	(19)	0%
(1)	(3)	(2)	Council Tax Collection Impact	87	-	-	87	-	-	-	-	(87)	-	(87)	-
(6,994)	(6,587)	407	Total Funding	(6,668)	-	-	(6,668)	(6,703)	-	-	(6,703)	(35)	1%	(35)	1%
(218)	38	256	Funding Gap / (Surplus)	318	8	267	593	68	-	121	189	(404)	-	(249)	-
28	-	(28)	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
(103)	(44)	60	Cont'ns to/(from) Earmarked Reserves	-	(8)	(267)	(275)	-	-	(121)	(121)	154	(128%)	-	-
(76)	(44)	32	Total Contribution to/(from) Reserves	-	(8)	(267)	(275)	-	-	(121)	(121)	154	(128%)	-	-
(294)	(6)	288	Net Gap / (Surplus)	318	-	-	318	68	-	-	68	(249)	-	(249)	-

Operational Income

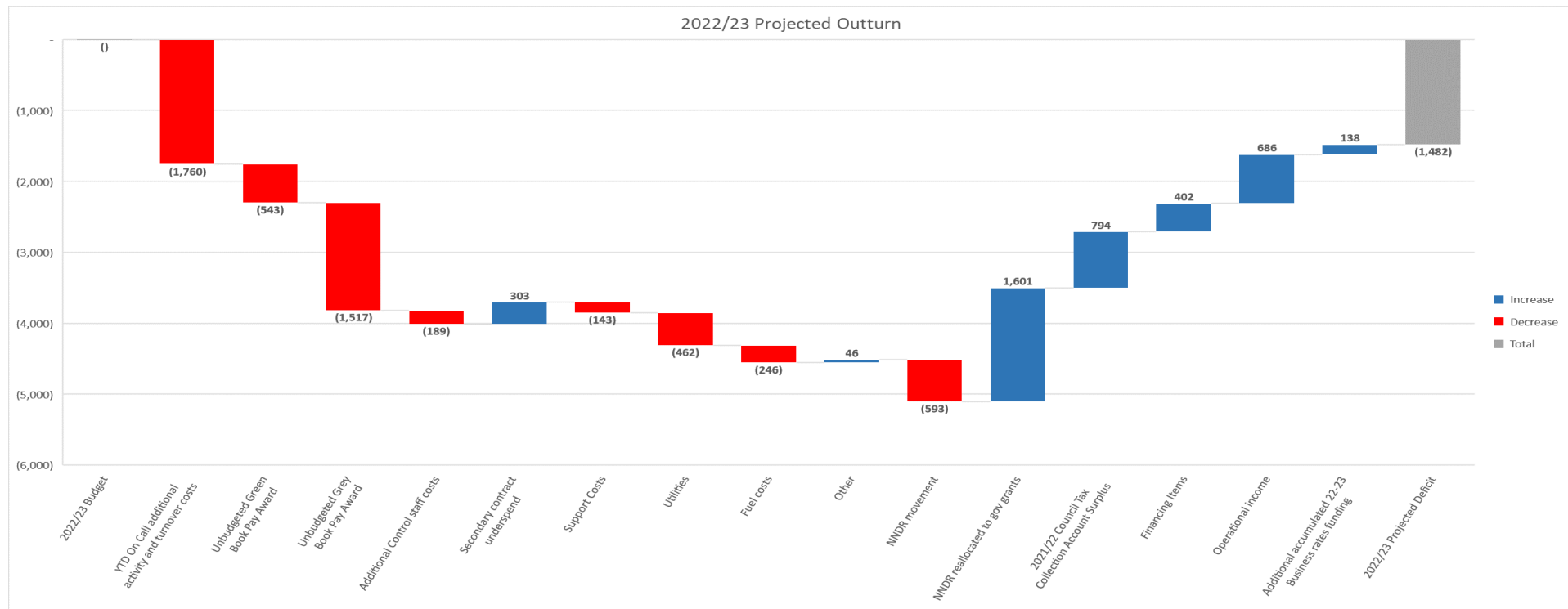


Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Cycle to Work Scheme	(26,339)	(27,511)	(1,172)	4%	(30,012)	
Childcare Vouchers	(9,685)	(55,000)	(45,315)	82%	(60,000)	
Sales of Vehicles	110	0	(110)	0%	0	
Canteen Income	(93,976)	(58,663)	35,313	(60%)	(63,996)	
Sale of Vehicle Spares	(78,260)	(22,913)	55,347	(242%)	(24,996)	
Aerial Sites	(116,393)	(119,163)	(2,770)	2%	(129,996)	
Solar Panel Income	(45,239)	(59,587)	(14,348)	24%	(65,004)	
Hydrant Tests	(97,590)	(73,337)	24,253	(33%)	(80,004)	
Lease Cars - Employee Contributions	(7,154)	(5,500)	1,654	(30%)	(6,000)	
General Sales	(11,052)	0	11,052	0%	0	
Service Charges	(895)	(550)	345	(63%)	(600)	
Secondments	(247,042)	(150,986)	96,056	(64%)	(164,712)	
Community Safety General	(68,282)	(71,797)	(3,515)	5%	(78,324)	
Labour Credit	(98,976)	(50,413)	48,563	(96%)	(54,996)	
Section 13/16	(165,074)	(55,000)	110,074	(200%)	(60,000)	
Provision of Hire Vehicles & Equipment	(5,718)	0	5,718	0%	0	
Interest Received Short Term Investments	(393,237)	(9,163)	384,074	(4192%)	(9,996)	
Events Income	(7,530)	(105,508)	(97,978)	93%	(115,100)	
Community Safety Youth Work	(40,687)	0	40,687	0%	0	
Shared Services Income	(263,215)	(275,011)	(11,796)	4%	(300,012)	
Other Miscellaneous Income	(155,113)	(157,212)	(2,099)	1%	(171,504)	
Total Operational Income	(1,931,347)	(1,297,314)	634,033	(49%)	(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	(3,325,708)	(3,223,495)	102,213	(3%)	(3,516,545)	Central Govt. Grant for Pensions - increase in Employers contribution £102k higher from prior year release
DCLG BRR 2022-23	(1,287,319)	(1,287,319)	0	0%	(1,404,348)	Business Rate relief
USAR Grant 2022-23	(785,398)	(785,180)	218	(0%)	(856,560)	
Firelink Grant 2022-23	(451,810)	(571,527)	(119,717)	21%	(617,000)	Communications Network (Firelink) grant and New Risk Mosaic programme funding.
Services Grant (employers NI 1.25%) 2022-23	(440,979)	(427,163)	13,816	(3%)	(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	(239,934)	(626,172)	(386,238)	62%	(688,000)	Grant of circa £688k to fund one off investments, the funding is being released as costs are incurred.
Grenfell Grant release	(124,729)	0	124,729	0%	0	Grenfell grant released against ringfenced spend.
Other Grant Income	(30,986)	(998)	29,988	0%	0	Home Office grant in relation to internal Audit costs (Redmond review grant offset monthly against audit fees).
Subtotal-Govt Grants	(6,686,863)	(6,919,858)	(232,995)	(3%)	(7,548,453)	

Movement in Outturn 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 of 7% for Grey Book and £1,925 for Green Book employees.
- 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 expected.
- NNDR reallocated to Government Grants. Additional funding from NNDR.
- 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 along with income from interest received.
- Additional Funding of £138k from accumulated 2023-23 Business Rate Surplus.

Balance Sheet - 28th February 2023

	28th Feb 2023 £000's	31st Jan 2023 £000's	31st Mar 2022 £000's	Variance Month £000's	Variance YTD £000's
Property, plant & equipment					
Land and buildings	125,530	125,530	126,527	-	(997)
* Vehicles, plant & equipment	10,089	10,089	10,089	-	-
Assets under construction	6,402	5,958	1,985	444	4,417
Long term investments	-	-	-	-	-
Long term assets	142,021	141,577	138,601	444	3,420
Inventories	573	594	424	(22)	148
Short term debtors	6,890	5,884	8,746	1,006	(1,857)
Cash and cash equivalents	25,345	27,219	20,473	(1,875)	4,872
Assets held for sale	-	-	1,445	-	(1,445)
Current assets	32,807	33,698	31,089	(891)	1,718
* Short term borrowings	(1,000)	(1,000)	(1,250)	-	250
Short term creditors	(9,087)	(8,740)	(7,557)	(346)	(1,530)
Grants received in advance	(3,388)	(3,881)	(1,233)	493	(2,154)
Current liabilities	(13,474)	(13,621)	(10,040)	147	(3,434)
Long term borrowing	(23,500)	(23,500)	(23,500)	-	-
Provisions	(979)	(979)	(994)	-	15
* Pension liability - LGPS	(30,253)	(30,253)	(30,253)	-	-
Pension liability - FPS	(872,096)	(872,096)	(872,200)	-	104
Long term liabilities	(926,828)	(926,828)	(926,947)	-	119
NET LIABILITIES	(765,474)	(765,174)	(767,297)	(300)	1,823
Usable reserves					
General fund	4,045	4,362	4,341	(318)	(296)
Earmarked general fund reserves	9,058	9,333	11,035	(275)	(1,977)
Capital receipts reserve	15,697	15,714	13,153	(17)	2,544
Usable reserves	28,800	29,410	28,529	(610)	271
Unusable reserves					
Revaluation reserve	39,940	39,940	41,336	-	(1,397)
Capital adjustment account	69,823	69,513	66,978	310	2,845
* 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	(794,273)	(794,583)	(795,826)	310	1,553
TOTAL RESERVES	(765,473)	(765,099)	(767,297)	(374)	1,824

* Balances adjusted at year end only.

Key Movements

Fixed Assets:

- Increase in Assets under construction of £444k 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 in short term debtors due to movements in the pension fund, and fluctuations in working capital.
- £1.9m decrease in cash and cash equivalents as cash outflows exceeded inflows for the month, as seen in the cashflow on page 8.

Current Liabilities

- Short term creditors have increased by £346k due to increases in purchase ledger and monthly accruals.
- Grants received in advance have reduced by £493k as grants are released to income.

Long-term Liabilities:

- No movement in long-term liabilities in the month.

Reserves:

Movements in Usable Reserves:

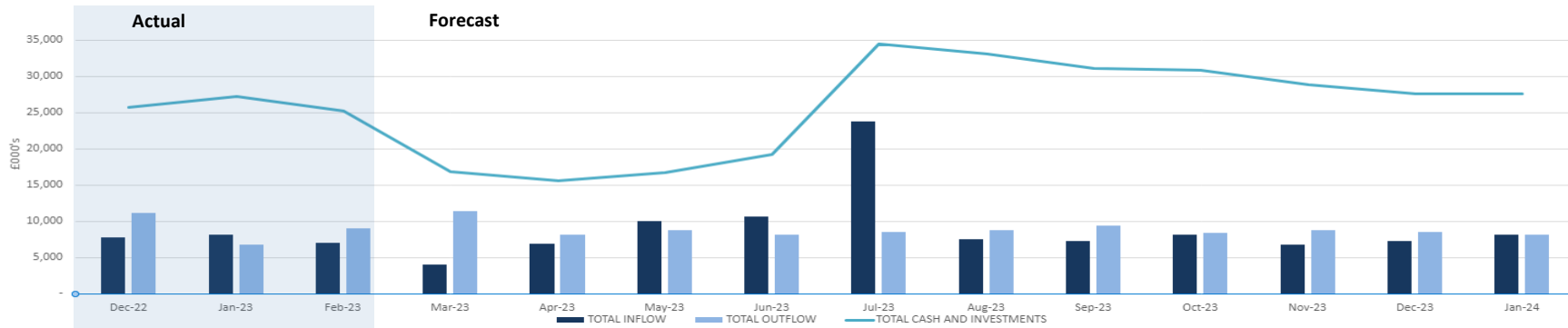
- The movements in General and Earmarked Reserves tie back to the summary Income & Expenditure statement on page 3.

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.

Cashflow Forecast



COMMENTARY

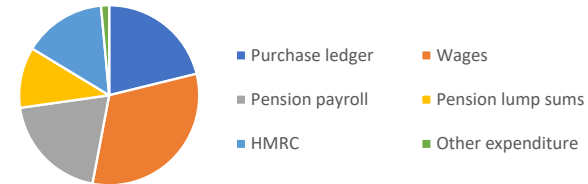
Total cash and investments at the end of February was £25.3m, down from £27.2m in January. Key inflows and outflows for the month are summarised below:

- Cash inflows include precepts of £4.7m and grants of £1.8m.
- Cash outflows include purchase ledger payments of £2.1m, which is in line with the expected range of £1-2m.
- The Authority holds investments of £22m, including £16m of fixed term investments in UK government gilts and bank deposits. The remaining investments are in money market funds.
- The Service complied with the Treasury Management Strategy this month.
- There were no day crewed housing sales in the month.

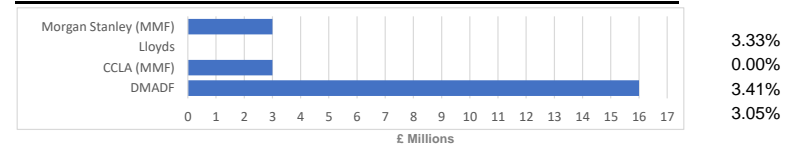
TREASURY MANAGEMENT INDICATORS

	Actual	Explanation of Indicators
Credit risk indicator	AAA	The average credit rating of investments must be A or greater.
Liquidity risk indicator	£25m	The target cash available within 3 months is £8.5m.
Monthly interest rate movement	0.04%	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



Essex County Fire & Rescue Service - Capital Expenditure as at 28th February 2023



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	1,002	(197)	805	647
Asset Improvement Works Training Facilities Improvement	1,246	1,805	(734)	1,071	945
Asset Improvement Works - Shoeburyness	1,224	1,337	(134)	1,203	782
Total Property	3,771	4,144	(1,065)	3,079	2,374
Equipment	320	344	(104)	240	30
Information Technology					
Projects	3,792	2,043	(450)	1,593	902
Total Information Technology	3,792	2,043	(450)	1,593	902
Vehicles					
New Appliances	941	941	-	941	931
Other Vehicles	264	147	-	147	174
Total Vehicles	1,205	1,088	-	1,088	1,105
Total Capital Expenditure	9,087	7,619	(1,618)	6,001	4,412

Essex County Fire & Rescue Service - Capital Expenditure as at 28th February 2023



* To be agreed at asset board

** Provision for limited capacity 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	931,032	1,388,865	10,103
Light Vehicles	6	79,647	90,000	-	90,000	86,845	-	-
Officers Cars (Principal Officers)	4	80,000	40,000	-	40,000	76,866	-	30,620
Light Vans	6	-	-	-	-	10,652	-	-
Ladders	12	4,500	17,000	-	17,000	-	-	16,370
Total B113 - Vehicles		1,205,282	1,088,135	-	1,088,135	1,105,395	1,388,865	57,094
B116 - Operational Equipment								
Hose Reel Branch/Main Line Branch	10	160,000	180,000	-	180,000	2,265	-	183,223
BA Contamination machine	10	80,000	-	-	-	-	-	-
Foam replacement	8	-	80,000	(80,000)	-	-	-	-
Method entry equipment	8	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	344,140	(104,000)	240,140	30,405	-	183,223
B114 - ICT Equipment								
Digital & Data Strategy								
DEVICES	3	216,667	216,667	-	216,667	158,775	-	-
NETWORK	3	1,160,000	600,000	-	600,000	235,077	-	263,817
VOICE	3	47,197	47,197	(22,342)	24,855	24,855	-	-
Civica API - to be reviewed		-	-	-	-	8,332	-	-
Other Projects								
Station End Equipment	3	450,000	-	-	-	-	-	-
Control Project	7	1,917,732	1,179,282	(427,327)	751,955	475,037	-	1,384,593
Total B114 - ICT Equipment		3,791,596	2,043,146	(449,669)	1,593,477	902,075	-	1,648,410

Essex County Fire & Rescue Service - Capital Expenditure as at 28th February 2023



* 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
Total B112 - Land & Building		-	-	-	-	-	-	-
B117 - Asset Improvements								
Asset Improvement Works - Shoeburyness	20	1,224,478	1,337,000	(133,700)	1,203,300	782,249	290,522	472,833
Asset Protection Works - Training Facilities:								
Phase 1 - Chelmsford, Greys, Southend, SWF	20	681,416	692,000	-	692,000	635,252	-	78,844
Phase 2 - Braintree, Brentwood	20	280,256	356,000	-	356,000	309,360	-	44
Phase 3 - Harlow, Safron Waldon and Clacton	20	284,365	502,000	(502,000)	-	-	-	-
Phase 3 (E) - Clacton		-	232,000	(232,000)	-	-	-	-
Consultancy Support		-	-	-	-	-	112,848	-
Witham Working at Height	20	-	23,000	-	23,000	-	-	67,630
Total B117 - Asset Improvement		2,470,515	3,142,000	(867,700)	2,274,300	1,726,861	403,370	619,351
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	86,078	-	26,112
Baddow boilers	20	90,000	97,000	-	97,000	86,821	-	-
BA Compressor Installation works - Clacton	20	50,000	77,000	-	77,000	53,997	17,314	10,832
STC Boiler	20	-	58,000	-	58,000	56,064	-	4,374
Harlow Bay Floors	20	-	100,000	(100,000)	-	-	-	-
Rochford Windows	20	-	-	-	-	-	-	-
AB floors (Coggeshall, Hawkwell,	20	117,600	214,000	-	214,000	208,561	52,618	6,415
Other Projects Including Planning Stage								
Great Baddow Roof	20	-	150,000	(37,085)	112,915	-	-	112,915
Witham TC offices	20	7,000	-	-	-	-	116,930	-
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	5,830	8,049
Chelmsford TC boilers	20	24,500	-	-	-	-	-	-
Projects to be confirmed by Property Services	20	369,900	-	-	-	-	-	-
B118 - Asset Protection		1,300,000	1,002,000	(197,085)	804,915	647,187	192,692	174,014
TOTAL FORECAST 2022-23		9,087,393	7,619,421	(1,618,454)	6,000,967	4,411,924	1,984,927	2,682,093



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	
2021/22	Follow up 21/22	Various action owners	-	2	-	1	-	1	-	1	9 Months
2022/23	Emergency Response Driving	Assistant Chief Executive - People Values and Culture	-	3	-	1	-	2	-	2	5 Months
2022/23	Follow up 22/23	Various action owners	-	6	-	-	-	6	-	-	0 Months
2022/23	Cybersecurity	Head of ICT	1	3	-	-	1	3	-	-	0 Months
THIS UPDATE			-	14	-	2	1	12	-	3	
			15		2		13		3		
			Percentage complete				13%		Percentage overdue		23%
LAST UPDATE			-	11	-	2	-	9	-	3	
			11		2		9		3		
			Percentage complete				18%		Percentage overdue		33%

External Audit Update

Planning for the 2022/23 year end has started, with the Governance Statement drafted with input from the Service Leadership Team.

The draft accounts deadline is 31st May 2023, brought forward from July. There is an emergency consultation on this deadline, which means it is subject to change. The Finance team are working hard to meet the May deadline. 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 Cybersecurity audit report has been received - this was a non-assurance engagement meaning no opinion was given, however 1 high, 3 medium and 3 low actions were raised. The following audits are underway, with fieldwork complete:

- CIPFA Financial Management Code and Additional Shift Work
- Efficiency Savings
- Change Management

No actions were closed this month and there are 3 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	2022-23 FY Outturn £'000	Movement from Budget to Outturn £'000	Variance %	BAU Forecast movement	Variance %
Wholetime Firefighters	35,767	-	571	36,337	36,079	-	831	36,910	(572)	(2%)	(312)	(1%)
On-Call Firefighters	7,263	-	-	7,263	9,454	10	-	9,465	(2,201)	(30%)	(2,191)	(30%)
Control	1,604	-	-	1,604	1,774	-	-	1,774	(169)	(11%)	(169)	(11%)
Support Staff	15,977	-	755	16,732	16,041	-	593	16,634	98	1%	(64)	(0%)
Total Employment Costs	60,611	-	1,326	61,937	63,348	10	1,423	64,782	(2,845)	(5%)	(2,737)	(5%)
Other Service Expenditure												
Support Costs	1,604	-	300	1,904	1,748	1	300	2,049	(145)	(8%)	(143)	(9%)
Premises & Equipment	10,106	-	100	10,206	11,085	29	229	11,344	(1,137)	(11%)	(979)	(10%)
Other Costs & Services	3,175	-	250	3,425	3,754	30	142	3,926	(502)	(15%)	(580)	(18%)
Ill Health Pension costs	2,184	-	-	2,184	2,165	-	-	2,165	19	1%	19	1%
Financing Items	5,897	-	-	5,897	5,495	-	-	5,495	402	7%	402	7%
Productivity improvement investment	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Costs	22,967	-	650	23,617	24,247	60	671	24,979	(1,362)	(6%)	(1,281)	(6%)
Gross Operating Expenditure	83,578	-	1,976	85,554	87,596	71	2,095	89,761	(4,208)	(5%)	(4,018)	(5%)
Operational income	(1,415)	-	-	(1,415)	(2,101)	(1)	-	(2,103)	687	(49%)	686	(48%)
Net Expenditure	82,163	-	1,976	84,138	85,494	70	2,095	87,659	(3,520)	(4%)	(3,331)	(4%)
Funding												
Government Grants Income	(7,549)	-	-	(7,549)	(9,287)	-	-	(9,287)	1,739	(23%)	1,739	(23%)
Revenue Support Grant	(8,780)	-	-	(8,780)	(8,780)	-	-	(8,780)	-	(0%)	0	(0%)
National Non-Domestic Rates	(16,519)	-	-	(16,519)	(15,926)	-	-	(15,926)	(593)	4%	(593)	4%
Council Tax Collection Account	-	-	-	-	(794)	-	-	(794)	794	-	794	-
Council Tax Precepts	(49,315)	-	-	(49,315)	(49,296)	-	-	(49,296)	(19)	0%	(19)	0%
Council Tax Collection Impact	-	-	-	-	71	-	-	71	(71)	-	(71)	-
Cont'ns to/(from) Earmarked Reserves	0	-	(1,976)	(1,976)	-	(71)	(2,095)	(2,165)	189	(10%)	0	0
Total Funding	(82,162)	-	(1,976)	(84,139)	(84,012)	(71)	(2,095)	(86,177)	2,038	(2%)	1,850	(2%)
Funding Gap/ (Surplus)	-	-	(1)	(1)	1,482	0	0	1,481	(1,482)		(1,482)	