

**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, Senior Finance Business Partner		
Presented By	Neil Cross - Chief Finance Officer		
Subject	<b>Budget Review - May 2023</b>		
Type of Report:	Information		

**SUMMARY**

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

# Executive Summary



## Results for the period to May 2023

- The month shows a Surplus position of £594k, which is £59k better than the monthly Budget position.

### Pay Explanations

The Gold book pay award went through Wholetime pay in the month, this has bought the YTD position back in line with the 2% overspend relating to the pay award for 2022-23.

On Call had high Turnout costs in the month with a few shouts lasting multiple hours.

Support staff (Green Book) is showing an underspend driven largely by vacancies within the Protection team, which are being actively recruited into. There are also vacancies within the HR, Fleet and Station Group Management departments.

The Grey book pay award was confirmed for 2022-23 at 7% and a further award for 2023-24 at 5% will be implemented from July 2023. The Budget for 2023-24 had already been agreed and published before this decision had been made, therefore the Budget included in Grey book pay award for P1-P3 is set at 5%.

The Green book pay award for 2023-24 has not been confirmed and therefore the Budget does not currently include any pay award for this financial year.

### Non Pay explanations

There are underspends showing in Premises and Equipment for Utilities, these are due to timing of costs coming through. The overspend in Other Costs and Services is due to a one off charge from HMIC for prior year interest charges.

The additional income showing in Operational Income is from the interest from investments, further detail can be seen on the Cashflow report.

- The YTD position shows a Deficit of £777k, which is £298k better than the expected Budget position.

### Pay Explanations

Employee costs are in line, the overspends in Wholetime and On Call offset against the underspends showing in Support pay costs.

### Non Pay explanations

There are underspends showing in Premises and Equipment for property maintenance and utilities, this will be due to timing for seasonal trends. Ill health pension costs were higher due to additional pressures and injury payments incurred.

## 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 £18.0m to £17.9m 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 Programme Management Board and Strategic Fleet Sub-Group. The budget for 2023-24 is £6.0m.

### Other

There were no property sales in the month.



## Summary Income and Expenditure Statement to 31st May 2023

Period	Actual £'000s	Budget £'000s	Actuals £'000s	Variance %	YTD Actual £'000s	YTD Budget £'000s	Actuals £'000s	Variance %	Description	FY Budget	FY Forecast / Outturn	Outturn £'000s	Variance %
	3,172	3,043	(130)	(4%)	6,214	6,085	(129)	(2%)	WholeTime Firefighters	37,990	38,800	810	2%
	728	676	(53)	(8%)	1,415	1,354	(61)	(4%)	On-Call Firefighters	8,579	8,723	144	2%
	154	157	3	2%	294	313	19	6%	Control	1,957	2,295	338	15%
	1,367	1,405	38	3%	3,122	3,210	89	3%	Support Staff	18,270	18,376	105	1%
	<b>5,421</b>	<b>5,280</b>	<b>(142)</b>	<b>(3%)</b>	<b>11,044</b>	<b>10,963</b>	<b>(82)</b>	<b>(1%)</b>	<b>Total Employment Costs</b>	<b>66,797</b>	<b>68,194</b>	<b>1,397</b>	<b>2%</b>
	127	158	31	20%	251	306	56	18%	Support Costs	1,924	1,924	-	-
	874	966	91	9%	1,654	1,947	292	15%	Premises & Equipment	11,834	11,834	-	-
	293	264	(30)	(11%)	494	560	65	12%	Other Costs & Services	3,294	3,294	-	-
	190	172	(18)	(10%)	644	467	(177)	(38%)	Ill health pension costs	2,184	2,284	100	4%
	454	466	12	3%	907	933	25	3%	Financing Items	5,597	5,597	-	-
	<b>1,939</b>	<b>2,026</b>	<b>87</b>	<b>4%</b>	<b>3,951</b>	<b>4,213</b>	<b>262</b>	<b>6%</b>	<b>Total Other Costs</b>	<b>24,834</b>	<b>24,934</b>	<b>100</b>	<b>0%</b>
	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>									
	<b>7,360</b>	<b>7,306</b>	<b>(54)</b>	<b>(1%)</b>	<b>14,995</b>	<b>15,175</b>	<b>180</b>	<b>1%</b>	<b>Gross Expenditure</b>	<b>91,631</b>	<b>93,128</b>	<b>1,497</b>	<b>2%</b>
	(191)	(134)	57	(43%)	(351)	(267)	84	(31%)	Operational Income	(1,602)	(1,602)	0	(0%)
	<b>7,169</b>	<b>7,172</b>	<b>3</b>	<b>0%</b>	<b>14,645</b>	<b>14,908</b>	<b>264</b>	<b>2%</b>	<b>Net Expenditure before Funding</b>	<b>90,028</b>	<b>91,526</b>	<b>1,498</b>	<b>2%</b>
	(710)	(695)	15	(2%)	(1,420)	(1,391)	30	(2%)	Government Grants	(8,343)	(8,343)	0	(0%)
	(806)	(806)	(0)	0%	(1,612)	(1,612)	(0)	0%	Revenue Support Grant	(9,671)	(9,671)	(0)	0%
	(1,489)	(1,489)	-	-	(2,813)	(2,950)	(137)	5%	National Non-Domestic Rates	(17,137)	(17,655)	(518)	3%
	(18)	(18)	-	-	(31)	(31)	-	-	NNDR (surplus)/deficit	-	-	-	-
	(36)	0	36	-	(173)	0	173	-	Council Tax Collection Account	(53,267)	(53,225)	42	(0%)
	(4,566)	(4,565)	1	(0%)	(7,585)	(7,584)	1	(0%)	Council Tax Precept	-	-	-	-
	<b>(7,625)</b>	<b>(7,573)</b>	<b>51</b>	<b>(1%)</b>	<b>(13,633)</b>	<b>(13,566)</b>	<b>66</b>	<b>(0%)</b>	<b>Total Funding</b>	<b>(88,418)</b>	<b>(88,894)</b>	<b>(476)</b>	<b>1%</b>
	<b>(455)</b>	<b>(401)</b>	<b>54</b>		<b>1,012</b>	<b>1,342</b>	<b>330</b>	<b>25%</b>	<b>Funding Gap / (Surplus)</b>	<b>1,611</b>	<b>2,632</b>	<b>1,021</b>	<b>39%</b>
	0	0	-	-	0	0	-	-	Cont'ns to/(from) General Bals	-	-	-	-
	(139)	(134)	5	(4%)	(235)	(267)	(33)	-	Cont'ns to/(from) Earmarked Reserves	(1,610)	(1,610)	(0)	-
	<b>(139)</b>	<b>(134)</b>	<b>5</b>	<b>(4%)</b>	<b>(235)</b>	<b>(267)</b>	<b>(33)</b>	<b>-</b>	<b>Total Contribution to/(from) Reserves</b>	<b>(1,610)</b>	<b>(1,610)</b>	<b>(0)</b>	<b>-</b>
	<b>(594)</b>	<b>(535)</b>	<b>59</b>		<b>777</b>	<b>1,074</b>	<b>298</b>		<b>Net Gap / (Surplus)</b>	<b>1</b>	<b>1,022</b>	<b>1,021</b>	



## YTD Summary Income and Expenditure Statement to 31st May 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 %
5,918	6,025		108 WholeTime Firefighters	6,064	5	145	6,214	6,003	7	75	6,085	(129)	(2%)	(61)	(1%)
1,347	1,187	(160)	On-Call Firefighters	1,415	-	-	1,415	1,354	-	-	1,354	(61)	(4%)	(61)	(4%)
273	262	(11)	Control	294	-	-	294	313	-	-	313	19	6%	19	6%
2,866	2,991		125 Support Staff	3,114	8	-	3,122	3,198	12	-	3,210	89	3%	85	3%
<b>10,403</b>	<b>10,465</b>	<b>62</b>	<b>Total Employment Costs</b>	<b>10,886</b>	<b>13</b>	<b>145</b>	<b>11,044</b>	<b>10,869</b>	<b>18</b>	<b>75</b>	<b>10,963</b>	<b>(82)</b>	<b>(1%)</b>	<b>(17)</b>	<b>(0%)</b>
446	317	(129)	Support Costs	241	-	10	251	240	-	67	306	56	18%	(1)	(0%)
1,490	1,660	170	Premises & Equipment	1,619	3	32	1,654	1,855	-	92	1,947	292	15%	235	12%
489	566	77	Other Costs & Services	462	-	32	494	543	-	17	560	65	12%	81	14%
445	467	23	Ill health pension costs	644	-	-	644	467	-	-	467	(177)	(38%)	(177)	(38%)
951	983	32	Financing Items	907	-	-	907	933	-	-	933	25	3%	25	3%
<b>3,820</b>	<b>3,992</b>	<b>172</b>	<b>Total Other Costs</b>	<b>3,874</b>	<b>3</b>	<b>74</b>	<b>3,951</b>	<b>4,038</b>	<b>-</b>	<b>175</b>	<b>4,213</b>	<b>262</b>	<b>6%</b>	<b>164</b>	<b>4%</b>
<b>14,223</b>	<b>14,457</b>	<b>234</b>	<b>Gross Expenditure</b>	<b>14,760</b>	<b>16</b>	<b>219</b>	<b>14,995</b>	<b>14,907</b>	<b>18</b>	<b>250</b>	<b>15,175</b>	<b>180</b>	<b>1%</b>	<b>147</b>	<b>1%</b>
<b>(272)</b>	<b>(236)</b>	<b>36</b>	<b>Operational Income</b>	<b>(351)</b>	<b>-</b>	<b>-</b>	<b>(351)</b>	<b>(267)</b>	<b>-</b>	<b>-</b>	<b>(267)</b>	<b>84</b>	<b>(31%)</b>	<b>84</b>	<b>(31%)</b>
<b>13,951</b>	<b>14,222</b>	<b>270</b>	<b>Net Expenditure before Funding</b>	<b>14,410</b>	<b>16</b>	<b>219</b>	<b>14,645</b>	<b>14,640</b>	<b>18</b>	<b>250</b>	<b>14,908</b>	<b>264</b>	<b>2%</b>	<b>230</b>	<b>2%</b>
			<b>Funding</b>												
(1,210)	(1,258)	(48)	Government Grants	(1,420)	-	-	(1,420)	(1,391)	-	-	(1,391)	30	(2%)	30	(2%)
(3,442)	(3,459)	(17)	Revenue Support Grant	(1,612)	-	-	(1,612)	(1,612)	-	-	(1,612)	(0)	0%	(0)	0%
(2,671)	(2,671)	-	National Non-Domestic Rates	(2,813)	-	-	(2,813)	(2,950)	-	-	(2,950)	(137)	5%	(137)	5%
(2)	-	2	NNDR (surplus)/deficit	(31)	-	-	(31)	(31)	-	-	(31)	-	-	-	-
(111)	-	111	Council Tax Collection Account	(173)	-	-	(173)	-	-	-	-	173	-	173	-
(7,047)	(7,047)	0	Council Tax Precept	(7,585)	-	-	(7,585)	(7,584)	-	-	(7,584)	1	(0%)	1	(0%)
<b>(14,482)</b>	<b>(14,435)</b>	<b>47</b>	<b>Total Funding</b>	<b>(13,633)</b>	<b>-</b>	<b>-</b>	<b>(13,633)</b>	<b>(13,566)</b>	<b>-</b>	<b>-</b>	<b>(13,566)</b>	<b>66</b>	<b>(0%)</b>	<b>66</b>	<b>(0%)</b>
<b>(531)</b>	<b>(213)</b>	<b>318</b>	<b>Funding Gap / (Surplus)</b>	<b>777</b>	<b>16</b>	<b>219</b>	<b>1,012</b>	<b>1,074</b>	<b>18</b>	<b>250</b>	<b>1,342</b>	<b>330</b>	<b>25%</b>	<b>297</b>	<b>22%</b>
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
(567)	(577)	(10)	Cont'ns to/(from) Earmarked Reserves	0	(16)	(219)	(235)	-	(18)	(249)	(267)	(33)	-	(0)	0%
<b>(567)</b>	<b>(577)</b>	<b>(10)</b>	<b>Total Contribution to/(from) Reserves</b>	<b>0</b>	<b>(16)</b>	<b>(219)</b>	<b>(235)</b>	<b>-</b>	<b>(18)</b>	<b>(249)</b>	<b>(267)</b>	<b>(33)</b>	<b>-</b>	<b>(0)</b>	<b>0%</b>
<b>(1,098)</b>	<b>(790)</b>	<b>307</b>	<b>Net Gap / (Surplus)</b>	<b>777</b>	<b>0</b>	<b>-</b>	<b>777</b>	<b>1,074</b>	<b>-</b>	<b>1</b>	<b>1,074</b>	<b>298</b>	<b>-</b>	<b>297</b>	<b>22%</b>

## Period Summary Income and Expenditure Statement to 31st May 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 %
3,004	2,993	(11)	Wholetime Firefighters	3,099	2	71	3,172	3,002	3	38	3,043	(130)	(4%)	(97)	(3%)
680	582	(98)	On-Call Firefighters	728	-	-	728	676	-	-	676	(53)	(8%)	(53)	(8%)
145	129	(16)	Control	154	-	-	154	157	-	-	157	3	2%	3	2%
1,283	1,319	36	Support Staff	1,360	7	-	1,367	1,399	6	-	1,405	38	3%	39	3%
<b>5,111</b>	<b>5,022</b>	<b>(89)</b>	<b>Total Employment Costs</b>	<b>5,341</b>	<b>9</b>	<b>71</b>	<b>5,421</b>	<b>5,233</b>	<b>9</b>	<b>38</b>	<b>5,280</b>	<b>(142)</b>	<b>(3%)</b>	<b>(108)</b>	<b>(2%)</b>
244	158	(86)	Support Costs	121	-	7	127	125	-	33	158	31	20%	5	3%
702	830	128	Premises & Equipment	858	-	16	874	920	-	46	966	91	9%	61	6%
230	289	59	Other Costs & Services	261	-	32	293	255	-	8	264	(30)	(11%)	(6)	(2%)
172	172	(0)	Ill health pension costs	190	-	-	190	172	-	-	172	(18)	(10%)	(18)	(10%)
473	491	18	Financing Items	454	-	-	454	466	-	-	466	12	3%	12	3%
<b>1,821</b>	<b>1,940</b>	<b>119</b>	<b>Total Other Costs</b>	<b>1,884</b>	<b>-</b>	<b>55</b>	<b>1,939</b>	<b>1,938</b>	<b>-</b>	<b>88</b>	<b>2,026</b>	<b>87</b>	<b>4%</b>	<b>55</b>	<b>3%</b>
<b>6,932</b>	<b>6,962</b>	<b>30</b>	<b>Gross Expenditure</b>	<b>7,225</b>	<b>9</b>	<b>126</b>	<b>7,360</b>	<b>7,172</b>	<b>9</b>	<b>125</b>	<b>7,306</b>	<b>(54)</b>	<b>(1%)</b>	<b>(53)</b>	<b>(1%)</b>
(153)	(118)	35	Operational income	(191)	-	-	(191)	(134)	-	-	(134)	57	(43%)	57	(43%)
<b>6,779</b>	<b>6,844</b>	<b>65</b>	<b>Net Expenditure</b>	<b>7,034</b>	<b>9</b>	<b>126</b>	<b>7,169</b>	<b>7,038</b>	<b>9</b>	<b>125</b>	<b>7,172</b>	<b>3</b>	<b>0%</b>	<b>4</b>	<b>0%</b>
			<b>Funding</b>												
(579)	(629)	(50)	Government Grants	(710)	-	-	(710)	(695)	-	-	(695)	15	(2%)	15	(2%)
(515)	(532)	(17)	Revenue Support Grant	(806)	-	-	(806)	(806)	-	-	(806)	(0)	0%	(0)	0%
(1,405)	(1,405)	-	National Non-Domestic Rates	(1,489)	-	-	(1,489)	(1,489)	-	-	(1,489)	-	-	-	-
(1)	-	1	NNDR (surplus)/deficit	(18)	-	-	(18)	(18)	-	-	(18)	-	-	-	-
(61)	-	61	Council Tax Collection Account	(36)	-	-	(36)	-	-	-	-	36	-	36	-
(4,238)	(4,238)	-	Council Tax Precept	(4,566)	-	-	(4,566)	(4,565)	-	-	(4,565)	1	(0%)	1	(0%)
<b>(6,799)</b>	<b>(6,804)</b>	<b>(5)</b>	<b>Total Funding</b>	<b>(7,625)</b>	<b>-</b>	<b>-</b>	<b>(7,625)</b>	<b>(7,573)</b>	<b>-</b>	<b>-</b>	<b>(7,573)</b>	<b>51</b>	<b>(1%)</b>	<b>51</b>	<b>(1%)</b>
<b>(20)</b>	<b>40</b>	<b>61</b>	<b>Funding Gap / (Surplus)</b>	<b>(591)</b>	<b>9</b>	<b>126</b>	<b>(455)</b>	<b>(535)</b>	<b>9</b>	<b>125</b>	<b>(401)</b>	<b>54</b>		<b>55</b>	
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-	-	-
(126)	(137)	(11)	Cont'ns to/(from) Earmarked Reserves	-	(9)	(126)	(139)	-	(9)	(125)	(134)	5	(4%)	-	-
<b>(126)</b>	<b>(137)</b>	<b>(11)</b>	<b>Total Contribution to/(from) Reserves</b>	<b>-</b>	<b>(9)</b>	<b>(126)</b>	<b>(139)</b>	<b>-</b>	<b>(9)</b>	<b>(125)</b>	<b>(134)</b>	<b>5</b>	<b>(4%)</b>	<b>-</b>	<b>-</b>
<b>(147)</b>	<b>(96)</b>	<b>50</b>	<b>Net Gap / (Surplus)</b>	<b>(591)</b>	<b>-</b>	<b>-</b>	<b>(594)</b>	<b>(535)</b>	<b>-</b>	<b>0</b>	<b>(535)</b>	<b>59</b>		<b>55</b>	

# Operational Income



Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Cycle to Work Scheme	(4,292)	(5,834)	(1,542)	26%	(70,004)	
Childcare Vouchers	(2,460)	(5,000)	(2,540)	51%	(60,000)	
Sales of Vehicles	0	0	0	0%	0	
Canteen Income	(15,695)	(13,000)	2,695	(21%)	(156,000)	
Sale of Vehicle Spares	(10,101)	(15,000)	(4,899)	33%	(180,000)	
Aerial Sites	(22,500)	(19,166)	3,334	(17%)	(229,996)	
Solar Panel Income	(109)	(10,000)	(9,891)	99%	(120,000)	
Hydrant Tests	(2,416)	(15,000)	(12,584)	84%	(180,000)	
Lease Cars - Employee Contributions	(737)	(1,000)	(263)	26%	(12,000)	
General Sales	(7,034)	0	7,034	0%	0	
Service Charges	(70)	(76)	(6)	7%	(906)	
Secondments	(76,205)	(30,500)	45,704	(150%)	(366,004)	
Community Safety General	(13,054)	(13,054)	0	0%	(156,648)	
Labour Credit	(3,406)	(15,000)	(11,594)	77%	(180,000)	
Section 13/16	(1,899)	(10,000)	(8,101)	81%	(120,000)	
Provision of Hire Vehicles & Equipment	(2,090)	0	2,090	0%	0	
Interest Received Short Term Investments	(107,293)	(25,000)	82,293	(329%)	(300,000)	
Events Income	(1,318)	(19,184)	(17,866)	93%	(230,204)	
Community Safety Youth Work	(3,300)	0	3,300	0%	0	
Shared Services Income	(41,289)	(41,668)	(379)	1%	(500,016)	
Other Miscellaneous Income	(35,561)	(28,577)	6,984	(24%)		
<b>Total Operational Income</b>	<b>(350,827)</b>	<b>(267,059)</b>	<b>83,769</b>	<b>(31%)</b>	<b>(2,861,778)</b>	

## Specific Government Grants Income

Specific Government Grants	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
<b>Specific Government Grants</b>						
Addn Pens Grant Accr	(586,091)	(586,091)	(0)	0%	(3,516,545)	Central Govt. Grant for Pensions - increase in Employers contribution £102k higher from prior year release
DCLG BRR 2022-23	(483,348)	(483,348)	(0)	0%	(2,900,088)	Business Rate relief reclassified as part of Section 31 grant from funding, additional leisure and hospitality relief
USAR Grant 2022-23	(142,905)	(142,760)	145	(0%)	(856,560)	
Firelink Grant 2022-23	(61,121)	(63,409)	(2,288)	4%	(380,453)	Communications Network (Firelink) grant and New Risk Mosaic programme funding.
Services Grant (One off investments) 2022-23	(106,666)	(106,667)	(1)	0%	(640,000)	Grant of circa £688k to fund one off investments, the funding is being released as costs are incurred.
Protection Uplift Grant release	(40,143)	(8,234)	31,909	(388%)	(49,404)	PU Grant (Grenfell Grant) released against ringfenced spend, Budget based only on expected staff cost.
MTA		0	0	0%	0	MTA is part of new dimensions S31 grant and will be released against costs
Other Grant Income		0	0		0	Home Office grant in relation to internal Audit costs (Redmond review grant offset monthly against audit fees).
<b>Subtotal-Govt Grants</b>	<b>(1,420,273)</b>	<b>(1,390,508)</b>	<b>29,765</b>	<b>2%</b>	<b>(8,343,049)</b>	

## Balance Sheet - 31st May 2023



Essex County  
Fire & Rescue Service

	Restated**		Restated**	Variance Month £000's	Variance YTD £000's
	31st May 2023 £000's	30th Apr 2023 £000's	31st Mar 2023 £000's		
<b>Property, plant &amp; equipment</b>					
Land and buildings	129,586	129,586	129,586	-	-
* Vehicles, plant & equipment	10,602	10,602	10,602	-	-
Assets under construction	2,396	2,080	1,599	316	797
<b>Long term assets</b>	<b>142,584</b>	<b>142,269</b>	<b>141,787</b>	<b>315</b>	<b>796</b>
Inventories	433	462	445	(29)	(12)
Short term debtors	11,153	11,659	13,068	(506)	(1,916)
Cash and cash equivalents	17,912	18,013	18,602	(101)	(690)
Assets held for sale	-	-	350	-	(350)
<b>Current assets</b>	<b>29,498</b>	<b>30,134</b>	<b>32,465</b>	<b>(637)</b>	<b>(2,967)</b>
* Short term borrowings	-	-	(249)	-	249
Short term creditors	(8,243)	(9,258)	(11,447)	1,014	3,204
Grants received in advance	(2,898)	(3,010)	(1,303)	113	(1,595)
<b>Current liabilities</b>	<b>(11,141)</b>	<b>(12,268)</b>	<b>(13,001)</b>	<b>1,127</b>	<b>1,859</b>
Long term borrowing	(23,500)	(23,500)	(23,500)	-	-
Provisions	(786)	(786)	(786)	-	-
* Pension liability - LGPS	9,887	9,887	9,887	-	-
Pension liability - FPS	(580,729)	(580,729)	(580,729)	-	-
<b>Long term liabilities</b>	<b>(595,128)</b>	<b>(595,128)</b>	<b>(595,128)</b>	<b>-</b>	<b>-</b>
<b>NET LIABILITIES</b>	<b>(434,188)</b>	<b>(434,993)</b>	<b>(433,876)</b>	<b>805</b>	<b>(312)</b>
<b>Usable reserves</b>					
General fund	3,105	2,511	3,882	594	(777)
Earmarked general fund reserves	6,867	7,006	7,102	(139)	(235)
Capital receipts reserve	16,091	16,091	15,741	-	350
<b>Usable reserves</b>	<b>26,063</b>	<b>25,608</b>	<b>26,725</b>	<b>455</b>	<b>(662)</b>
<b>Unusable reserves</b>					
Revaluation reserve	43,644	43,644	43,840	-	(196)
Capital adjustment account	66,744	66,394	66,198	350	546
* Holiday pay account	(1,353)	(1,353)	(1,353)	-	-
* Collection fund adjustment account	1,557	1,557	1,557	-	-
Pension reserve	(570,842)	(570,842)	(570,842)	-	-
<b>Unusable reserves</b>	<b>(460,251)</b>	<b>(460,601)</b>	<b>(460,601)</b>	<b>350</b>	<b>350</b>
<b>TOTAL RESERVES</b>	<b>(434,188)</b>	<b>(434,993)</b>	<b>(433,876)</b>	<b>805</b>	<b>(312)</b>

\* Balances adjusted at year end only.

### Key Movements

#### Fixed Assets:

- Increase in Assets under construction of £316k in the month, for further detail, see the Capital Expenditure report.
- There is a reclassification from prepayments in April due to year end entries relating to the Control Project, increasing the YTD variance.

#### Current Assets:

- Decrease in short term debtors due to movements in working capital and the pension fund.
- £0.1m decrease in cash and cash equivalents as cash outflows exceeded inflows for the month, as seen in the cashflow on page 8.

#### Current Liabilities

- No short term borrowings, as the next loan payment is due in 2025.
- Short term creditors have reduced by £1.0m due to a reduction in the purchase ledger, accruals and other creditors.
- Grants received in advance have decreased by £0.1m due to grants released to income in the month.

#### Long-term Liabilities:

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

#### Reserves:

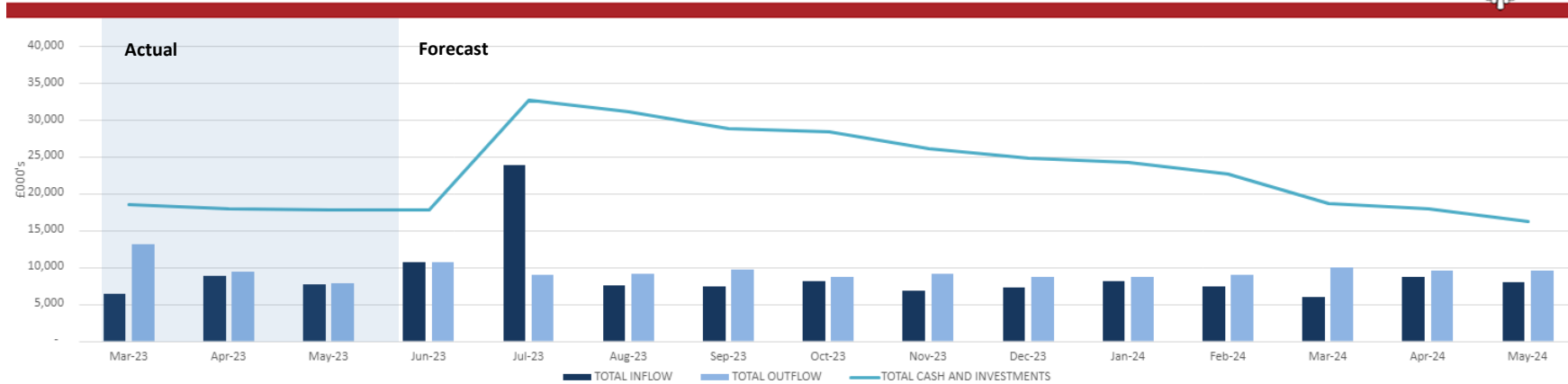
Movements in Usable Reserves:

- 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

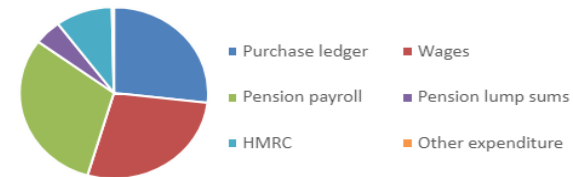
Total cash and investments at the end of May was £17.9m, down from £18.0m in April. Key inflows and outflows for the month are summarised below:

- Cash inflows include precepts of £5.2m and grants of £2.3m.
- Cash outflows include purchase ledger payments of £2.3m, which is within the expected range. There was no pension payroll in May due to bank holidays, we will expect two payments to come through in June, this lead to lower cash outflows than expected in May.
- The Authority holds investments of £13m, including £6m of fixed term investments in UK government gilts and bank deposits. The remaining investments are in money market funds. A new treasury call account investment was placed with Lloyds in the month, providing a high return of 4.40% while offering same day access to funds.
- The Service complied with the Treasury Management Strategy this month.

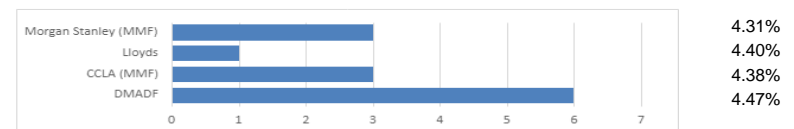
## TREASURY MANAGEMENT INDICATORS

	Actual	Explanation of Indicators
<b>Credit risk indicator</b>	AAA	The average credit rating of investments must be A or greater.
<b>Liquidity risk indicator</b>	£18m	The target cash available within 3 months is £8.5m.
<b>Monthly interest rate movement</b>	(0.03%)	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	0%	
24 months and within 5 years	9%	
5 years and within 10 years	64%	
10 years and within 15 years	28%	
15 years and above	0%	

## EXPENDITURE ANALYSIS



## INVESTMENTS





Essex County Fire & Rescue Service - Capital Expenditure as at 31st May 2023



Capital	Budget 2023/24 £'000	Previous Forecast £'000	Adjustment to Forecast £'000	Current Forecast £'000	Actual Spend £'000
New Premises					
Service Workshops - New	500	500	-	500	-
Existing Premises					
Asset Protection	1,150	1,180	(30)	1,150	-
Asset Improvement Works Training Facilities Improvement	774	774	40	814	6
Wethersfield replacement	500	500	-	500	
Asset Improvement Works - Shoeburyness	-	330	-	330	153
<b>Total Property</b>	<b>2,924</b>	<b>3,284</b>	<b>10</b>	<b>3,294</b>	<b>159</b>
<b>Equipment</b>	<b>939</b>	<b>1,076</b>	<b>298</b>	<b>1,374</b>	<b>139</b>
<b>Information Technology</b>					
Projects	1,413	2,556	(484)	2,072	24
<b>Total Information Technology</b>	<b>1,413</b>	<b>2,556</b>	<b>(484)</b>	<b>2,072</b>	<b>24</b>
<b>Vehicles</b>					
New Appliances	-	5	-	5	-
Other Vehicles	720	1,721	(260)	1,461	-
<b>Total Vehicles</b>	<b>720</b>	<b>1,726</b>	<b>(260)</b>	<b>1,466</b>	<b>-</b>
<b>Total Capital Expenditure</b>	<b>5,996</b>	<b>8,642</b>	<b>(436)</b>	<b>8,206</b>	<b>322</b>

# Essex County Fire & Rescue Service - Capital Expenditure as at 31st May 2023



\* To be agreed at asset board

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

	Asset Life	Budget 2023/24 £	Forecast - Prior	Adjustment to Forecast £	Current Forecast 2023/24 £	Actual Spend £	Spend Brought Forward £
<b>B113 - Vehicles</b>							
Appliances (Pumping)	15	-	4,834	-	4,834	-	228,606
Off Road Vehicles	6	120,000	-	-	-	-	-
Officers Cars (Principal Officers)	3	80,000	40,000	-	40,000	-	-
Specialist rescue vehicle	6	100,000	100,000	-	100,000	-	-
Light Vans	6	160,000	435,000	-	435,000	-	-
Hose layer Replacement	12	260,000	260,000	(260,000)	-	-	-
Provided Cars	6	-	886,100	-	886,100	-	-
<b>Total B113 - Vehicles</b>		<b>720,000</b>	<b>1,725,934</b>	<b>(260,000)</b>	<b>1,465,934</b>	<b>-</b>	<b>228,606</b>
<b>B116 - Operational Equipment</b>							
Fitness equipment	8	19,000	156,000	-	156,000	-	-
Hose Reel Branch/Main Line Branch	10	-	-	132,548	132,548	132,548	-
Defibrillators	8	120,000	120,000	(120,000)	-	-	-
Thermal Imaging Cameras - training	10	-	-	45,000	45,000	-	-
Thermal Imaging Cameras	10	650,000	650,000	-	650,000	-	-
Air mats	8	150,000	150,000	(150,000)	-	-	-
BA Contamination Machine	8	-	-	80,000	80,000	-	-
Heatwave Costs:							
Ice makers and water kegs	10	-	-	14,500	14,500	6,502	-
Hoses	10	-	-	158,760	158,760	-	-
Fog spikes	10	-	-	70,000	70,000	-	-
Radios and repeaters	10	-	-	67,000	67,000	-	-
<b>Total B116 - Operational Equipment</b>		<b>939,000</b>	<b>1,076,000</b>	<b>297,808</b>	<b>1,373,808</b>	<b>139,050</b>	<b>-</b>
<b>B114 - ICT Equipment</b>							
<i>Digital &amp; Data Strategy</i>							
DEVICES	3	225,000	225,000	166,000	391,000	18,900	-
NETWORK	3	-	236,000	-	236,000	5,307	56,195
<i>Other Projects</i>							
Station End Equipment	3	450,000	450,000	(450,000)	-	-	-
Control Project	7	738,450	1,445,030	-	1,445,030	-	475,037
Station Laptops	3	-	200,000	(200,000)	-	-	-
<b>Total B114 - ICT Equipment</b>		<b>1,413,450</b>	<b>2,556,030</b>	<b>(484,000)</b>	<b>2,072,030</b>	<b>24,207</b>	<b>531,231</b>

# Essex County Fire & Rescue Service - Capital Expenditure as at 31st May 2023



\* To be agreed at asset board

	Asset Life £	Budget 2023/24 £	Forecast - Prior	Adjustment to Forecast £	Current Forecast 2023/24 £	Actual Spend £	Spend Brought Forward £
<b>B112 - Land &amp; Building</b>							
Lexden Workshops Relocation	20	500,000	500,000	-	500,000	-	-
<b>Total B112 - Land &amp; Building</b>		<b>500,000</b>	<b>500,000</b>	<b>-</b>	<b>500,000</b>	<b>-</b>	<b>-</b>
<b>B117 - Asset Improvements</b>							
Asset Improvement Works - Shoeburyness	20	-	330,000	-	330,000	153,474	1,314,061
Wethersfield Replacement	20	500,000	500,000	-	500,000	-	-
<b>Asset Protection Works - Training Facilities:</b>							
Phase 3 - Harlow, Safron Waldon and Clacton	20	502,000	502,000	-	502,000	-	-
Phase 3 (E) - Clacton	20	232,000	232,000	-	232,000	-	-
Consultancy Support	20	40,000	40,000	40,000	80,000	5,560	-
<b>Total B117 - Asset Improvement</b>		<b>1,274,000</b>	<b>1,604,000</b>	<b>40,000</b>	<b>1,644,000</b>	<b>159,034</b>	<b>1,314,061</b>
<b>B118 - Asset Protection</b>							
<b>Confirmed Projects for 2023/24</b>							
Basildon boilers/controls	20	140,000	140,000	-	140,000	-	-
Grays heater/controls	20	80,000	120,000	-	120,000	-	-
Braintree Refurb	20	50,000	40,000	(40,000)	-	-	-
Southend SDP boilers/heater	20	60,000	60,000	-	60,000	-	-
Ocat	20	150,000	150,000	-	150,000	-	-
SWF windows	20	150,000	150,000	-	150,000	-	-
AB Floors - Stansted	20	60,000	60,000	-	60,000	-	-
<b>Wholtime Station Modernisation</b>							
Orsett Station and FRA	20	600,000	600,000	-	600,000	-	-
Provision for limited capacity		(140,000)	(140,000)	10,000	(130,000)	-	-
<b>B118 - Asset Protection</b>		<b>1,150,000</b>	<b>1,180,000</b>	<b>(30,000)</b>	<b>1,150,000</b>	<b>-</b>	<b>-</b>
<b>TOTAL FORECAST 2023-24</b>		<b>5,996,450</b>	<b>8,641,964</b>	<b>(436,192)</b>	<b>8,205,772</b>	<b>322,291</b>	<b>2,073,898</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 and External Audit Recommendations Outturn movement from Budget	
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 Overdue		
			High	Medium	High	Medium	High	Medium	High	Medium			
2022/23	22/23 FM Code and Overtime	Chief Finance Officer	1	1	-	-	1	1	-	-	N/A		
2022/23	22/23 Cyber	Director of Corporate Services	1	3	-	-	1	3	-	-	N/A		
2022/23	22/23 Follow-Up	Director of Corporate Services	-	6	-	2	-	4	-	2	4 Months		
2022/23	22/23 Emergency Response Driving	Director of People Services	-	3	-	1	-	2	-	2	8 Months		
2021/22	21/22 Follow up	Chief Finance Officer	-	2	-	1	-	1	-	1	11 Months		
<b>THIS UPDATE</b>			2	15	-	5	2	11	-	5			
			17		5		13		5				
			Percentage complete				29%		Percentage overdue				38%
<b>LAST UPDATE</b>			2	15	-	3	2	12	-	6			
			17		3		14		6				
			Percentage complete				18%		Percentage overdue				43%

### External Audit Update

The Draft Unaudited Financial Statements were approved and published by the deadline of 31st May - This was a huge achievement for the Finance team and we would like to thank everyone involved in this process.

We are waiting for confirmation of the external audit commencement date by Grant Thornton - This is expected to be at the end of June/ start of July.

### Internal Audit Update

The final audit of the 2022/23 audit plan is being finalised, along with Efficiency Savings. This audit is focusing on how the Service tracks benefits and efficiencies - we are agreeing the final report with the auditors.

Two actions were closed this month and there are five overdue recommendations. Further detail will be provided to the continuous improvement board and Audit committee. 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.

## Outturn movement from Full Year Budget including Reserves



Description	2023-24 FY Budget £'000	YTD Actuals	2023-24 Expected FY Outturn position £'000	Movement from Budget to Outturn £'000	Variance of movement %	Expected monthly position based on Actual trends	Outturn position based on Actual trends	Variance of movement to projected outturn	Variance of movement to projected outturn %
Wholetime Firefighters	37,990	6,214	38,800	(810)	(2%)	3,107	37,284	1,516	4%
On-Call Firefighters	8,579	1,415	8,723	(144)	(2%)	707	8,488	235	3%
Control	1,957	294	2,295	(338)	(17%)	147	1,764	531	23%
Support Staff	18,270	3,122	18,376	(105)	(1%)	1,561	18,729	(354)	(2%)
<b>Total Employment Costs</b>	<b>66,797</b>	<b>11,044</b>	<b>68,194</b>	<b>(1,397)</b>	<b>(2%)</b>	<b>5,522</b>	<b>66,266</b>	<b>1,928</b>	<b>3%</b>
<b>Other Service Expenditure</b>									
Support Costs	1,924	251	1,924	-	-	125	1,505	419	22%
Premises & Equipment	11,834	1,654	11,834	-	-	827	9,925	1,909	16%
Other Costs & Services	3,294	494	3,294	-	-	247	2,967	327	10%
Ill Health Pension costs	2,184	644	2,284	(100)	(5%)	322	3,865	(1,581)	(69%)
Financing Items	5,597	907	5,597	-	-	454	5,444	153	3%
<b>Total Other Costs</b>	<b>24,834</b>	<b>3,951</b>	<b>24,934</b>	<b>(100)</b>	<b>(0%)</b>	<b>1,976</b>	<b>23,707</b>	<b>1,227</b>	<b>5%</b>
<b>Gross Operating Expenditure</b>	<b>91,631</b>	<b>14,995</b>	<b>93,128</b>	<b>(1,497)</b>	<b>(2%)</b>	<b>7,498</b>	<b>89,973</b>	<b>3,155</b>	<b>3%</b>
Operational income	(1,602)	(351)	(1,602)	-	-	(175)	(2,105)	503	(31%)
<b>Net Expenditure</b>	<b>90,029</b>	<b>14,645</b>	<b>91,526</b>	<b>(1,497)</b>	<b>(2%)</b>	<b>7,322</b>	<b>87,868</b>	<b>3,658</b>	<b>4%</b>
<b>Funding</b>									
Government Grants Income	(8,343)	(1,420)	(8,343)	-	-	(710)	(8,522)	179	(2%)
Revenue Support Grant	(9,671)	(1,612)	(9,671)	-	-	(806)	(9,670)	(1)	0%
National Non-Domestic Rates	(17,137)	(2,813)	(17,655)	518	(3%)	(1,407)	(16,879)	(776)	4%
Council Tax Collection Account		(173)		-	-	(86)	(1,037)	1,037	-
Council Tax Precepts	(53,267)	(7,585)	(53,225)	(42)	0%	(3,792)	(45,507)	(7,718)	15%
Council Tax Collection Impact		(31)		-	-	(15)	(183)	183	-
Cont'n's to/(from) Earmarked Reserves	(1,610)	(235)	(1,610)	-	-	(117)	(1,409)	(201)	12%
<b>Total Funding</b>	<b>(90,028)</b>	<b>(13,868)</b>	<b>(90,504)</b>	<b>476</b>	<b>(1%)</b>	<b>(6,934)</b>	<b>(83,207)</b>	<b>(7,297)</b>	<b>8%</b>
<b>Funding Gap/ (Surplus)</b>	<b>1</b>	<b>777</b>	<b>1,022</b>	<b>(1,021)</b>		<b>388</b>	<b>4,661</b>	<b>(3,639)</b>	<b>(356%)</b>

## Movement from Budgeted position to Outturn

