

ESSEX POLICE, FIRE AND CRIME COMMISSIONER
FIRE & RESCUE AUTHORITY
Essex County Fire & Rescue Service



Meeting	Fire & Rescue - Performance and Resources Board	Agenda Item	
Meeting Date		Report Number	
Report Author:	Beth Blackburn, Finance Manager		
Presented By	Neil Cross - Chief Finance Officer		
Subject	Budget Review - September 2023		
Type of Report:	Information		

SUMMARY

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

Executive Summary



Results for the period to September 2023

YTD position:

Showing a deficit position of £457k, which is £1million worse than the expected Budget position. The overspend on employment costs has been partially offset by additional unbudgeted operational income and funding.

Pay Explanations

The Grey Book pay award for the current financial year (2023-24) was processed in the August 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. Both Grey Book and Green Book pay awards have been included in the projected Outturn position which is showing a cost pressure of £2.2m

The Gold Book pay award for 2022-23 went through Wholetime pay in May, in addition to this Public Holiday Payments went through in June. The YTD overspend is driven by higher overtime costs of £813k, of which £436k relates to ASW activity to cover vacancies across stations.

On Call activity costs always relate to the prior months activity. September shows a £180k overspend to budget and this is driven by a large fire at a car storage facility which lasted multiple days.

Support staff (Green Book) is showing an overspend driven largely by September figures which had higher agency temp costs to cover under establishment in the service.

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.

The Month Position:

Shows a deficit position of £56k, which is £142k worse than the monthly Budget position, this is due to:

A £180k overspend in the On Call costs in the month.

Electricity was £70k over budget which is caused by season trend moving towards the winter months.

An additional £123k of income from interest on investments.

Balance Sheet Statement and Cashflow Forecast

The Balance Sheet report on page 7 shows the key monthly rather than year to date movements. There has been a significant swing of £4million in cash and cash equivalents due to having 2 pension payroll payments in the month. Also, a further £2m movement can be seen in Grants received in advance due to grants being released to income and adjustments to precept accruals.

Cash and cash equivalents decreased from £34.4m to £30.4m in the month, mainly due to significant cash outflows for retirement payments.

The Authority holds investments of £29m, down from £30.5m last month, including £22m of fixed term investments in UK government gilts, these investments have provided additional interest income for the Service, alongside rising interest rates.

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 forecast for 2023-24 is £6.5m.

Continuous engagement is being carried out with stakeholders through governance boards such as the Environment and Assets Programme Board.

Other

There were no property sales in the month.

Budget templates have been consolidated and are being scrutinised by SLT during early October.

Summary Income and Expenditure Statement to 30th September 2023



Period Actual £'000s	Period Budget £'000s	Budget Vs Actuals £'000s	Variance %	YTD Actual £'000s	YTD Budget £'000s	Budget Vs Actuals £'000s	Variance %	Description	FY Forecast / Outturn	FY Budget	Budget Vs Outturn £'000s	Variance %
3,328	3,206	(122)	(4%)	19,215	18,747	(469)	(2%)	WholeTime Firefighters	38,739	37,991	(749)	(2%)
935	755	(180)	(24%)	4,862	4,254	(609)	(14%)	On-Call Firefighters	9,797	8,579	(1,218)	(12%)
156	165	9	5%	905	966	60	6%	Control	1,926	1,957	31	2%
1,467	1,405	(62)	(4%)	8,916	8,830	(86)	(1%)	Support Staff	18,516	18,270	(246)	(1%)
5,886	5,532	(354)	(6%)	33,899	32,796	(1,103)	(3%)	Total Employment Costs	68,979	66,797	(2,182)	(3%)
133	159	26	16%	1,054	945	(109)	(12%)	Support Costs	2,211	1,924	(287)	(13%)
1,009	957	(51)	(5%)	5,876	5,935	60	1%	Premises & Equipment	11,553	11,834	281	2%
289	264	(26)	(10%)	2,081	1,647	(434)	(26%)	Other Costs & Services	3,708	3,294	(414)	(11%)
187	172	(15)	(9%)	1,394	1,154	(240)	(21%)	Ill health pension costs	2,508	2,184	(324)	(13%)
459	466	8	2%	2,735	2,799	64	2%	Financing Items	5,534	5,597	64	1%
2,076	2,018	(59)	(3%)	13,140	12,480	(660)	(5%)	Total Other Costs	25,513	24,834	(679)	(3%)
7,963	7,550	(413)	(5%)	47,039	45,277	(1,763)	(4%)	Gross Expenditure	94,492	91,631	(2,861)	(3%)
(342)	(134)	208	(156%)	(1,420)	(801)	619	(77%)	Operational Income	(2,850)	(1,602)	1,247	(44%)
7,621	7,416	(205)	(3%)	45,620	44,475	(1,144)	(3%)	Net Expenditure before Funding	91,642	90,029	(1,613)	(2%)
								Funding				
(727)	(695)	31	(5%)	(4,259)	(4,172)	88	(2%)	Government Grants	(9,024)	(8,343)	681	(8%)
(806)	(806)	(0)	0%	(4,835)	(4,835)	(0)	0%	Revenue Support Grant	(9,670)	(9,671)	(0)	0%
(1,409)	(1,411)	(2)	0%	(8,453)	(8,487)	(33)	0%	National Non-Domestic Rates	(17,137)	(17,137)	0	(0%)
(17)	(18)	(0)	3%	(104)	(102)	2	(2%)	NNDR (surplus)/deficit	0	0	-	0%
(43)	0	43	-	(259)	0	259	-	- Council Tax Collection Account	(500)	0	500	(100%)
(4,433)	(4,439)	(6)	0%	(26,600)	(26,634)	(33)	0%	Council Tax Precept	(53,201)	(53,267)	(66)	0%
(7,435)	(7,369)	67	(1%)	(44,511)	(44,229)	282	(1%)	Total Funding	(89,532)	(88,418)	1,115	(1%)
185	47	(138)		1,108	246	(862)	(350%)	Funding Gap / (Surplus)	2,110	1,611	(499)	(24%)
-	-	-	-	-	-	-	-	- Cont'ns to/(from) General Bals	-	-	-	-
(130)	(134)	(4)	3%	(651)	(802)	(151)	-	- Cont'ns to/(from) Earmarked Reserves	(1,610)	(1,610)	-	-
(130)	(134)	(4)	3%	(651)	(802)	(151)	-	Total Contribution to/(from) Reserves	(1,610)	(1,610)	-	-
56	(86)	(142)		457	(556)	(1,013)		Net Gap / (Surplus)	500	1	(499)	-

YTD Summary Income and Expenditure Statement to 30th September 2023



Prior Year YTD Actuals £'000s	Prior year YTD Budget £'000s	Prior Year Variance (Actuals Vs Budget)	Description	Core YTD Actual £'000s	Earmarked Projects £'000s	YTD Actual £'000s	Core YTD Budget £'000s	Earmarked Projects £'000s	YTD Budget £'000s	Budget Vs Actuals £'000s	Variance %	Core Budget Vs Core Actuals £'000s	Variance %
17,786	18,092	306	WholeTime Firefighters	18,993	222	19,215	18,502	245	18,747	(469)	(2%)	(491)	(3%)
4,659	3,562	(1,097)	On-Call Firefighters	4,862	-	4,862	4,254	-	4,254	(609)	(14%)	(609)	(14%)
831	792	(39)	Control	905	-	905	966	-	966	60	6%	60	6%
7,991	8,464	474	Support Staff	8,862	54	8,916	8,795	35	8,830	(86)	(1%)	(67)	(1%)
31,266	30,910	(356)	Total Employment Costs	33,622	277	33,899	32,516	280	32,796	(1,103)	(3%)	(1,106)	(3%)
1,091	950	(140)	Support Costs	1,043	11	1,054	745	200	945	(109)	(12%)	(298)	(32%)
5,218	4,979	(239)	Premises & Equipment	5,671	205	5,876	5,663	272	5,935	60	1%	(8)	(0%)
1,767	1,705	(62)	Other Costs & Services	1,925	157	2,081	1,597	50	1,647	(434)	(26%)	(328)	(20%)
1,126	1,154	28	Ill health pension costs	1,394	-	1,394	1,154	-	1,154	(240)	(21%)	(240)	(21%)
2,852	2,949	97	Financing Items	2,735	-	2,735	2,799	-	2,799	64	2%	64	2%
12,054	11,737	(317)	Total Other Costs	12,768	372	13,140	11,958	522	12,480	(660)	(5%)	(810)	(6%)
43,320	42,648	(673)	Gross Expenditure	46,390	649	47,039	44,475	802	45,277	(1,763)	(4%)	(1,916)	(4%)
(829)	(708)	121	Operational Income	(1,420)	-	(1,420)	(801)	-	(801)	619	(77%)	619	(77%)
42,492	41,940	(552)	Net Expenditure before Funding	44,970	649	45,620	43,673	802	44,475	(1,144)	(3%)	(1,297)	(3%)
			Funding										
(3,680)	(3,774)	(94)	Government Grants	(4,259)	-	(4,259)	(4,172)	-	(4,172)	88	(2%)	88	(2%)
(5,570)	(5,587)	(17)	Revenue Support Grant	(4,835)	-	(4,835)	(4,835)	-	(4,835)	(0)	0%	(0)	0%
(8,090)	(8,090)	-	National Non-Domestic Rates	(8,453)	-	(8,453)	(8,487)	-	(8,487)	(33)	0%	(33)	0%
(11)	-	11	NNDR (surplus)/deficit	(104)	-	(104)	(102)	-	(102)	2		2	
(387)	-	387	Council Tax Collection Account	(259)	-	(259)	-	-	-	259	-	259	-
(23,997)	(23,997)	0	Council Tax Precept	(26,600)	-	(26,600)	(26,634)	-	(26,634)	(33)	0%	(33)	0%
(41,735)	(41,448)	286	Total Funding	(44,511)	-	(44,511)	(44,229)	-	(44,229)	282	(1%)	282	(1%)
757	491	(266)	Funding Gap / (Surplus)	459	649	1,108	(556)	802	246	(862)	(350%)	(1,015)	(413%)
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-
(1,155)	(1,151)	4	Cont'ns to/(from) Earmarked Reserves	(0)	(651)	(651)	-	(802)	(802)	(151)	-	0	(0%)
(1,155)	(1,151)	4	Total Contribution to/(from) Reserves	(0)	(651)	(651)	-	(802)	(802)	(151)	-	0	(0%)
(398)	(660)	(261)	Net Gap / (Surplus)	459	(2)	457	(556)	(0)	(556)	(1,013)	-	(1,015)	-

Period Summary Income and Expenditure Statement to 30th September 2023



Prior Year Period Actuals £'000s	Prior year Period Budget £'000s	Prior Year Variance (Actuals Vs Budget)	Description	Core Period Actual £'000s	Earmarked Projects £'000s	Period Actual £'000s	Core Budget £'000s	Earmarked Projects £'000s	Period Budget £'000s	Budget Vs Actuals £'000s	Variance %	Core Budget Vs Core Actuals £'000s	Variance %
3,032	3,023	(9)	Wholetime Firefighters	3,291	37	3,328	3,166	41	3,206	(122)	(4%)	(126)	(4%)
937	594	(343)	On-Call Firefighters	935	-	935	755	-	755	(180)	(24%)	(180)	(24%)
140	134	(7)	Control	156	-	156	165	-	165	9	5%	9	5%
1,303	1,398	95	Support Staff	1,430	37	1,467	1,399	6	1,405	(62)	(4%)	(31)	(2%)
5,412	5,148	(264)	Total Employment Costs	5,813	74	5,886	5,485	47	5,532	(354)	(6%)	(327)	(6%)
181	158	(22)	Support Costs	133	(1)	133	125	33	159	26	16%	(8)	(5%)
971	830	(141)	Premises & Equipment	984	25	1,009	911	46	957	(51)	(5%)	(73)	(8%)
319	280	(39)	Other Costs & Services	289	-	289	255	8	264	(26)	(10%)	(34)	(13%)
170	172	2	Ill health pension costs	187	-	187	172	-	172	(15)	(9%)	(15)	(9%)
476	491	16	Financing Items	459	-	459	466	-	466	8	2%	8	2%
2,117	1,931	(186)	Total Other Costs	2,053	24	2,076	1,930	88	2,018	(59)	(3%)	(122)	(6%)
7,529	7,079	(449)	Gross Expenditure	7,865	98	7,963	7,416	134	7,550	(413)	(5%)	(450)	(6%)
(155)	(118)	37	Operational income	(342)	-	(342)	(134)	-	(134)	208	(156%)	208	(156%)
7,374	6,961	(413)	Net Expenditure	7,523	98	7,621	7,282	134	7,416	(205)	(3%)	(241)	(3%)
			Funding										
(573)	(629)	(56)	Government Grants	(727)	-	(727)	(695)	-	(695)	31	(5%)	31	(5%)
(532)	(532)	0	Revenue Support Grant	(806)	-	(806)	(806)	-	(806)	(0)	0%	(0)	0%
(1,304)	(1,304)	-	National Non-Domestic Rates	(1,409)	-	(1,409)	(1,411)	-	(1,411)	(2)	0%	(2)	0%
(1)	-	1	NNDR (surplus)/deficit	(17)	-	(17)	(18)	-	(18)	(0)	-	(0)	3%
(69)	-	69	Council Tax Collection Account	(43)	-	(43)	-	-	-	43	-	43	0%
(4,238)	(4,238)	-	Council Tax Precept	(4,433)	-	(4,433)	(4,439)	-	(4,439)	(6)	0%	(6)	0%
(6,718)	(6,703)	14	Total Funding	(7,435)	-	(7,435)	(7,369)	-	(7,369)	67	(1%)	67	(1%)
656	258	(398)	Funding Gap / (Surplus)	88	98	185	(87)	134	47	(138)		(175)	
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-
(145)	(161)	(16)	Cont'ns to/(from) Earmarked Reserves	-	(103)	(130)	-	(134)	(134)	(4)	3%	-	-
(145)	(161)	(16)	Total Contribution to/(from) Reserves	-	(103)	(130)	-	(134)	(134)	(4)	3%	-	-
511	97	(414)	Net Gap / (Surplus)	88	(5)	56	(87)	0	(86)	(142)		(175)	

Operational Income



Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Cycle to Work Scheme	(10,295)	(17,500)	(7,205)	41%	(35,001)	
Childcare Vouchers	(6,891)	(15,000)	(8,109)	54%	(30,000)	
Sales of Vehicles	(16,596)	0	16,596	0%	0	
Canteen Income	(56,973)	(39,000)	17,973	(46%)	(78,000)	
Sale of Vehicle Spares	(47,418)	(45,000)	2,418	(5%)	(90,000)	
Aerial Sites	(65,829)	(57,500)	8,329	(14%)	(114,999)	
Solar Panel Income	(32,734)	(30,000)	2,734	(9%)	(60,000)	
Hydrant Tests	(28,544)	(45,000)	(16,456)	37%	(90,000)	
Lease Cars - Employee Contributions	(2,546)	(3,000)	(454)	15%	(6,000)	
General Sales	(7,206)	0	7,206	0%	0	
Service Charges	(209)	(226)	(16)	7%	(451)	
Secondments	(167,561)	(91,502)	76,060	(83%)	(183,003)	
Community Safety General	(39,162)	(39,162)	0	0%	(78,324)	
Labour Credit	(33,607)	(45,000)	(11,393)	25%	(90,000)	
Section 13/16	(23,132)	(30,000)	(6,868)	23%	(60,000)	
Provision of Hire Vehicles & Equipment	(11,551)	0	11,551	0%	0	
Interest Received Short Term Investments	(536,496)	(75,000)	461,496	(615%)	(150,000)	
Events Income	(1,621)	(57,550)	(55,929)	97%	(115,101)	
Community Safety Youth Work	(9,475)	0	9,475	0%	0	
Shared Services Income	(141,841)	(125,004)	16,837	(13%)	(250,008)	
Other Miscellaneous Income	(180,033)	(85,731)	94,302	(110%)	(171,461)	
Total Operational Income	(1,419,719)	(801,174)	618,545	(77%)	(1,602,348)	

Specific Government Grants Income

Specific Government Grants	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Specific Government Grants						
Addn Pens Grant Accr	(1,758,272)	(1,758,272)	(0)	0%	(3,516,545)	Central Govt. Grant for Pensions - increase in Employers contribution £102k higher from prior year release
DCLG BRR 2022-23	(1,450,044)	(1,450,044)	(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	(428,715)	(428,280)	435	(0%)	(856,560)	
Firelink Grant 2022-23	(183,363)	(190,226)	(6,863)	4%	(380,453)	Communications Network (Firelink) grant and New Risk Mosaic programme funding.
Services Grant (One off investments) 2022-23	(319,998)	(320,000)	(2)	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	(118,810)	(24,702)	94,108	(381%)	(49,404)	PU Grant (Grenfell Grant) released against ringfenced spend, Budget based only on expected staff cost.
MTA	0	0	0	0%	0	MTA is part of new dimensions S31 grant and will be released against costs
Other Grant Income	0	0	0		0	Home Office grant in relation to internal Audit costs (Redmond review grant offset monthly against audit fees).
Subtotal-Govt Grants	(4,259,203)	(4,171,525)	87,678	2%	(8,343,049)	

Balance Sheet - 30th September 2023



Essex County
Fire & Rescue Service

	30th Sep 2023 £000's	31st Aug 2023 £000's	31st Mar 2023 £000's	Variance Month £000's	Variance YTD £000's
Property, plant & equipment					
Land and buildings	129,586	129,586	129,586	-	-
* Vehicles, plant & equipment	10,602	10,602	10,602	-	-
Assets under construction	4,260	4,133	1,599	127	2,661
Long term assets	144,448	144,320	141,787	127	2,661
Inventories	177	400	445	(222)	(268)
Short term debtors	8,657	7,082	13,068	1,575	(4,411)
Cash and cash equivalents	30,412	34,303	18,602	(3,891)	11,810
Assets held for sale	-	-	350	-	(350)
Current assets	39,246	41,784	32,465	(2,538)	6,781
* Short term borrowings	-	-	(249)	-	249
Short term creditors	(8,617)	(9,143)	(11,447)	527	2,831
Grants received in advance	(12,834)	(14,641)	(1,303)	1,808	(11,530)
Current liabilities	(21,450)	(23,784)	(13,001)	2,334	(8,450)
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)	-	-
Long term liabilities	(595,128)	(595,128)	(595,128)	-	-
NET LIABILITIES	(432,884)	(432,808)	(433,876)	(77)	992
Usable reserves					
General fund	3,426	3,723	3,882	(297)	(456)
Earmarked general fund reserves	6,451	6,581	7,102	(130)	(651)
Capital receipts reserve	16,090	16,090	15,741	-	349
Usable reserves	25,967	26,393	26,725	(427)	(758)
Unusable reserves					
Revaluation reserve	43,674	43,674	43,840	-	(166)
Capital adjustment account	68,114	67,764	66,198	350	1,916
* 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)	-	(0)
Unusable reserves	(458,851)	(459,201)	(460,601)	350	1,750
TOTAL RESERVES	(432,884)	(432,808)	(433,876)	(77)	991

* Balances adjusted at year end only.

Key Movements

Fixed Assets:

- Increase in Assets under construction of £127k 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:

- Increase in short term debtors due to accrued income for precepts.
- £4.0m decrease in cash and cash equivalents, as seen in the cashflow on page 8. This is due to two pension payroll payments in the month.

Current Liabilities

- No short term borrowings, as the next loan payment is due in 2025.
- Short term creditors have reduced by £0.5m due to movements in working capital.
- Grants received in advance have reduced by £1.8m as grants are released to income, and adjustments are made to precept accruals.

Long-term Liabilities:

- No movement in long-term liabilities - the next repayment will be in 2025.

Reserves:

Movements in Usable Reserves:

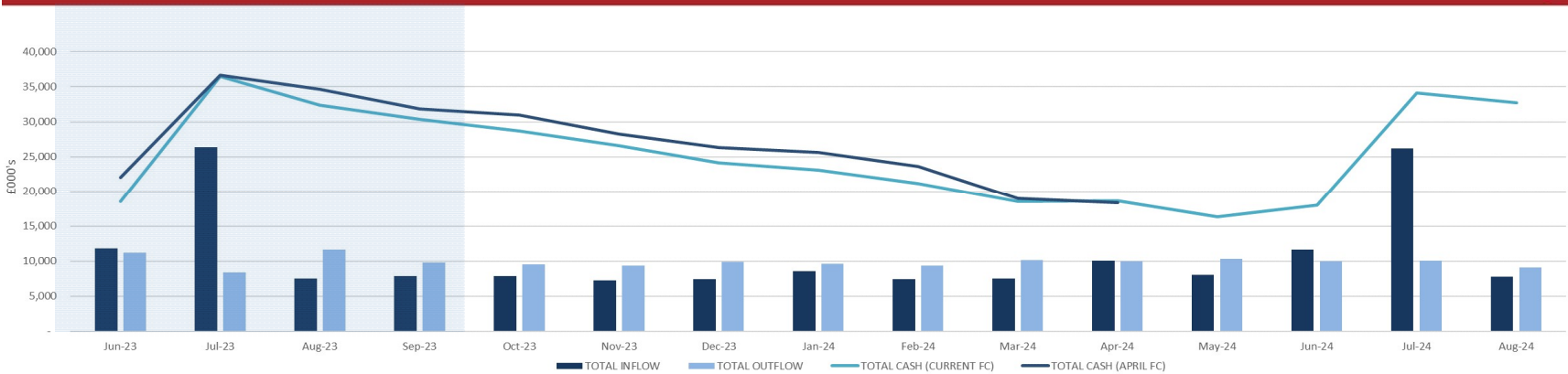
- The movements in General and Earmarked Reserves tie back to the summary Income & Expenditure statement on page 3.

Movements in Unusable Reserves:

- The movement in the Revaluation Reserve is a result of disposal accounting entries posted for day crewed house sales.

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

Cashflow Forecast



COMMENTARY

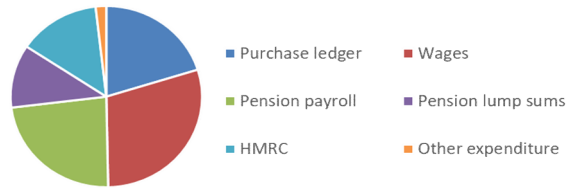
Total cash and investments at the end of September was £30.4m, down from £34.4m in August. Key inflows and outflows for the month are summarised below:

- Cash inflows include precepts of £5.2m and grants of £1.8m. This is in line with expectation.
- Cash outflows include purchase ledger payments of £2.0m, which is within the expected range. Lump sum payments are high at £1.0m due to the retirement of senior staff.
- The Authority holds investments of £29m, down from £30.5m last month, including £22m of fixed term investments in UK government gilts. The remaining investments are in money market funds and a Lloyds call account to maintain liquidity.
- The Service complied with the Treasury Management Strategy this month.
- There is a forecast drop in cash in September against the April forecast. This is due to higher than expected pension payroll and lump sums compared to the April forecast. Pension expenditure is reimbursed by the Home Office in July, therefore this will not impact the long term cashflow of the Service.

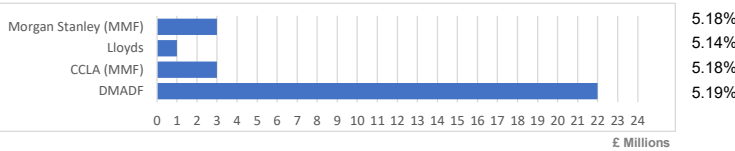
TREASURY MANAGEMENT INDICATORS

	Actual	Explanation of Indicators
Credit risk indicator	AAA	The average credit rating of investments must be A or greater.
Liquidity risk indicator	£30.4m	The target cash available within 3 months is £8.5m.
Monthly interest rate movement	0.02%	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:		
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 30th September 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	-	-	-	-
Existing Premises					
Asset Protection	1,150	1,100	-	1,100	30
Asset Improvement Works Training Facilities Improvement	774	820	-	820	221
Wethersfield replacement	500	0	-	-	-
Asset Improvement Works - Shoeburyness	-	330	-	330	260
Total Property	2,924	2,250	-	2,250	511
Equipment	939	1,344	-	1,344	381
Information Technology					
Projects	1,413	2,072	-	2,072	490
Total Information Technology	1,413	2,072	-	2,072	490
Vehicles					
New Appliances	-	5	-	5	-
Other Vehicles	720	967	(149)	818	805
Total Vehicles	720	972	(149)	823	805
Total Capital Expenditure	5,996	6,638	(149)	6,489	2,186

Essex County Fire & Rescue Service - Capital Expenditure as at 30th September 2023



	Budget 2023/24 £	Forecast - Prior	Adjustment to Budget	Current Forecast 2023/24 £	Actual Spend £	Spend Brought Forward £
B113 - Vehicles						
Appliances (Pumping)	-	4,834	-	4,834	-	228,606
Off Road Vehicles	120,000	-	-	-	-	-
Officers Cars (Principal Officers)	80,000	40,000	-	40,000	32,258	-
Specialist rescue vehicle	100,000	-	-	-	-	-
Light Vans	160,000	41,000	-	41,000	35,415	-
Hose layer Replacement	260,000	-	-	-	-	-
Provided Cars	-	886,100	(149,264)	736,836	736,836	-
Total B113 - Vehicles	720,000	971,934	(149,264)	822,671	804,509	228,606
B116 - Operational Equipment						
Fitness equipment	19,000	156,000	-	156,000	155,948	-
Hose Reel Branch/Main Line Branch	-	132,548	-	132,548	132,548	-
Defibrillators	120,000	-	-	-	-	-
Thermal Imaging Cameras - training	-	45,000	-	45,000	-	-
Thermal Imaging Cameras	650,000	650,000	-	650,000	-	-
Air mats	150,000	-	-	-	-	-
BA Contamination Machine	-	50,000	-	50,000	-	-
Heatwave Costs:						
Ice makers and water kegs	-	14,500	-	14,500	6,502	-
Hoses	-	158,760	-	158,760	30,368	-
Fog spikes	-	70,000	-	70,000	-	-
Radios and repeaters	-	67,000	-	67,000	55,286	-
Total B116 - Operational Equipment	939,000	1,343,808	-	1,343,808	380,653	-
B114 - ICT Equipment						
Digital & Data Strategy						
DEVICES	225,000	391,000	-	391,000	234,007	-
NETWORK	-	236,000	-	236,000	153,870	56,195
Other Projects						
Station End Equipment	450,000	-	-	-	-	-
Control Project	738,450	1,445,030	-	1,445,030	102,388	475,037
Total B114 - ICT Equipment	1,413,450	2,072,030	-	2,072,030	490,265	531,231

Essex County Fire & Rescue Service - Capital Expenditure as at 30th September 2023



	Budget 2023/24 £	Forecast - Prior	Adjustment to Forecast £	Current Forecast 2023/24 £	Actual Spend £	Spend Brought Forward £
B112 - Land & Building						
Lexden Workshops Relocation	500,000		-	-	-	-
Total B112 - Land & Building	500,000	-	-	-	-	-
B117 - Asset Improvements						
Asset Improvement Works - Shoeburyness	-	330,000	-	330,000	259,656	1,297,544
Wethersfield Replacement	500,000	-	-	-	-	-
Asset Protection Works - Training Facilities:						
Phase 3 - Harlow, Safron Waldon and Clacton	502,000	502,000	-	502,000	-	-
Phase 3 (E) - Clacton	232,000	234,000	-	234,000	210,888	16,517
Consultancy Support	40,000	80,000	-	80,000	5,560	-
Prior year retentions and small works	-	4,438	-	4,438	4,438	-
Total B117 - Asset Improvement	1,274,000	1,150,438	-	1,150,438	480,542	1,314,061
B118 - Asset Protection						
Confirmed Projects for 2023/24						
Basildon boilers/controls	140,000	140,000	-	140,000	-	-
Grays heater/controls	80,000	120,000	-	120,000	-	-
Braintree refurb	50,000	-	-	-	-	-
Southend SDP boilers/heater	60,000	60,000	-	60,000	-	-
OCAAT	150,000	150,000	-	150,000	-	-
SWF windows	150,000	-	-	-	-	-
AB Floors - Stansted	60,000	20,000	-	20,000	-	-
EV Charging Points - KP	-	30,000	-	30,000	25,328	-
Control room refurbishment	-	25,000	-	25,000	-	-
Wholetime Station Modernisation						
Orsett Station and FRA	600,000	550,000	-	550,000	-	-
Provision for limited capacity	(140,000)	-	-	-	-	-
Prior year retentions and small works	-	4,859	-	4,859	4,859	-
B118 - Asset Protection	1,150,000	1,099,859	-	1,099,859	30,187	-
TOTAL FORECAST 2023-24	5,996,450	6,638,069	(149,264)	6,488,806	2,186,156	2,073,898



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 Outturn movement from Budget Movement of YTD projected position to Expected Outturn 2022-23 pay explanations for movements 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		
23/24	23/24 On-call Payments/Processes	Chief Finance Officer	1	2	-	-	1	2	-	-	0 Months	
23/24	23/24 Post Grenfell Tower and Manchester Arena	Director of Operations	-	2	-	-	-	2	-	-	0 Months	
22/23	22/23 Efficiency and Cost Saving	Chief Finance Officer	-	1	-	-	-	1	-	1	3 Months	
22/23	22/23 FM Code and Overtime	Chief Finance Officer	1	1	1	1	-	-	-	-	N/A	
22/23	22/23 Cyber Essentials	Director of Corporate Services	1	3	-	-	1	3	-	-	6 Months	
22/23	22/23 Follow-Up	Various	-	6	-	2	-	4	-	4	9 Months	
22/23	22/23 Emergency Response Driving	Director of People Services	-	3	-	2	-	1	-	1	13 Months	
21/22	21/22 Follow up	Various	-	2	-	2	-	-	-	-	16 Months	
23/24	ECC Information Governance	Director of Corporate Services	5	12	-	-	5	12	-	-	N/A	
THIS UPDATE			8	32	1	7	7	25	-	6		
			40		8		32		6			
			Percentage complete				20%		Percentage overdue		19%	
LAST UPDATE			2	16	1	6	1	10	-	7		
			18		7		11		7			
			Percentage complete				39%		Percentage overdue		64%	

External Audit Update

The external auditors has started the 2022/23 year end audit. The Finance team have started to receive samples with the main risk areas being fixed asset and pension valuations.

Internal Audit Update

The Culture and Behaviours audit completed in September, and we are agreeing the final report with RSM.

We have started to engage with RSM on the 'Finance System Implementation' audit, which is due to start in October.

One action was completed in the month from the 21/22 Follow up.

Actions have been added from the following audits:

- Essex County Council Information Governance audit - deadlines are currently being agreed with sponsors.
- 23/24 On-call Payments Process
- 23/24 Post Grenfell Tower and Manchester Arena.

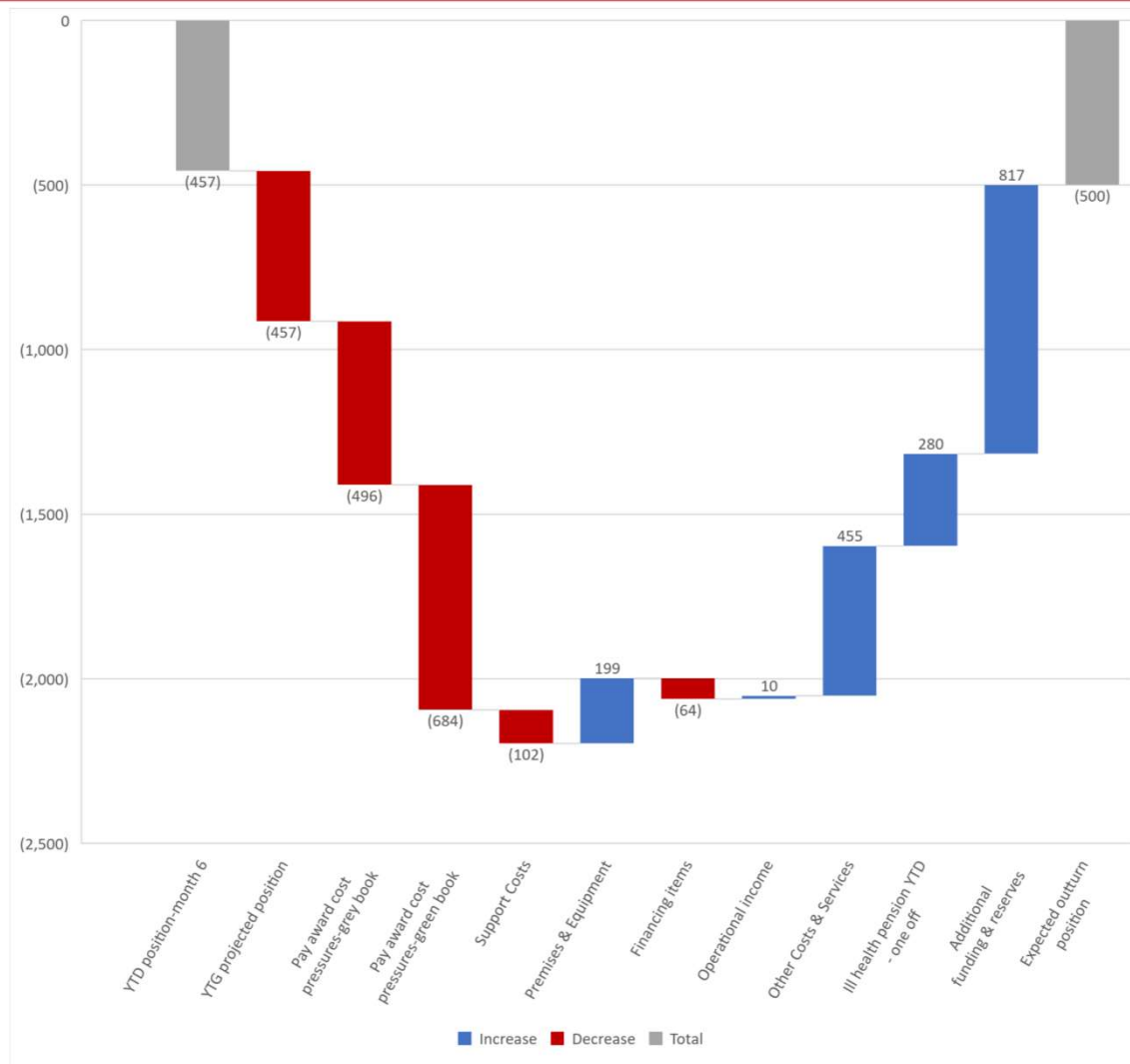
Outturn movement from Full Year Budget including Reserves



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	19,215	38,739	(749)	(2%)	3,203	38,431	308	1%
On-Call Firefighters	8,579	4,862	9,797	(1,218)	(14%)	810	9,724	73	1%
Control	1,957	905	1,926	31	2%	151	1,811	116	6%
Support Staff	18,270	8,916	18,516	(246)	(1%)	1,486	17,833	684	4%
Total Employment Costs	66,797	33,899	68,979	(2,182)	(3%)	5,650	67,799	1,180	2%
Other Service Expenditure									
Support Costs	1,924	1,054	2,211	(287)	(15%)	176	2,109	102	5%
Premises & Equipment	11,834	5,876	11,553	281	2%	979	11,752	(199)	(2%)
Other Costs & Services	3,294	2,081	3,708	(414)	(13%)	347	4,163	(455)	(12%)
Ill Health Pension costs	2,184	1,394	2,508	(324)	(15%)	232	2,787	(280)	(11%)
Financing Items	5,597	2,735	5,534	64	1%	456	5,470	64	1%
Total Other Costs	24,834	13,140	25,513	(679)	(3%)	2,190	26,280	(768)	(3%)
Gross Operating Expenditure	91,631	47,039	94,492	(2,861)	(3%)	7,840	94,079	413	0%
Operational income	(1,602)	(1,420)	(2,850)	1,248	(78%)	(237)	(2,839)	(10)	0%
Net Expenditure	90,029	45,620	91,642	(1,613)	(2%)	7,603	91,240	402	0%
Funding									
Government Grants Income	(8,343)	(4,259)	(9,024)	681	(8%)	(710)	(8,518)	(505)	6%
Revenue Support Grant	(9,671)	(4,835)	(9,670)	(1)	0%	(806)	(9,670)	(0)	0%
National Non-Domestic Rates	(17,137)	(8,453)	(17,137)	0	(0%)	(1,409)	(16,907)	(231)	1%
NNDR (surplus)/deficit	-	(104)	-	-	-	(17)	(208)	208	-
Council Tax Collection Account	-	(259)	(500)	500	-	(43)	(518)	18	(4%)
Council Tax Precepts	(53,267)	(26,600)	(53,201)	(66)	-	(4,433)	(53,201)	-	(0%)
Council Tax Collection Impact	-	-	-	-	-	-	-	-	-
Cont'ns to/(from) General Reserves	-	-	-	-	-	-	-	-	-
Cont'ns to/(from) Earmarked Reserves	(1,610)	(651)	(1,610)	-	-	(109)	(1,303)	(307)	19%
Total Funding	(90,028)	(45,163)	(91,142)	1,114	(1%)	(7,527)	(90,325)	(817)	1%
Funding Gap/ (Surplus)	1	457	500	(499)	-	76	914	(415)	(83%)



Movement from YTD projected position to expected Outturn



Key comments on movements

The projected position has been calculated based on the YTD actuals, there are a few one off costs which will need to be excluded from this waterfall along with any pay award costs that haven't been captured to date.

Additional agreed pay pressure for 2023-24 agreed for Grey book to be included from July onwards.

Additional pay pressure for 2023-24 agreed for Green book to be included once agreed.

Ill health costs are one off costs which came through at the start of the financial year but won't be re-occurring on a monthly basis at this amount.

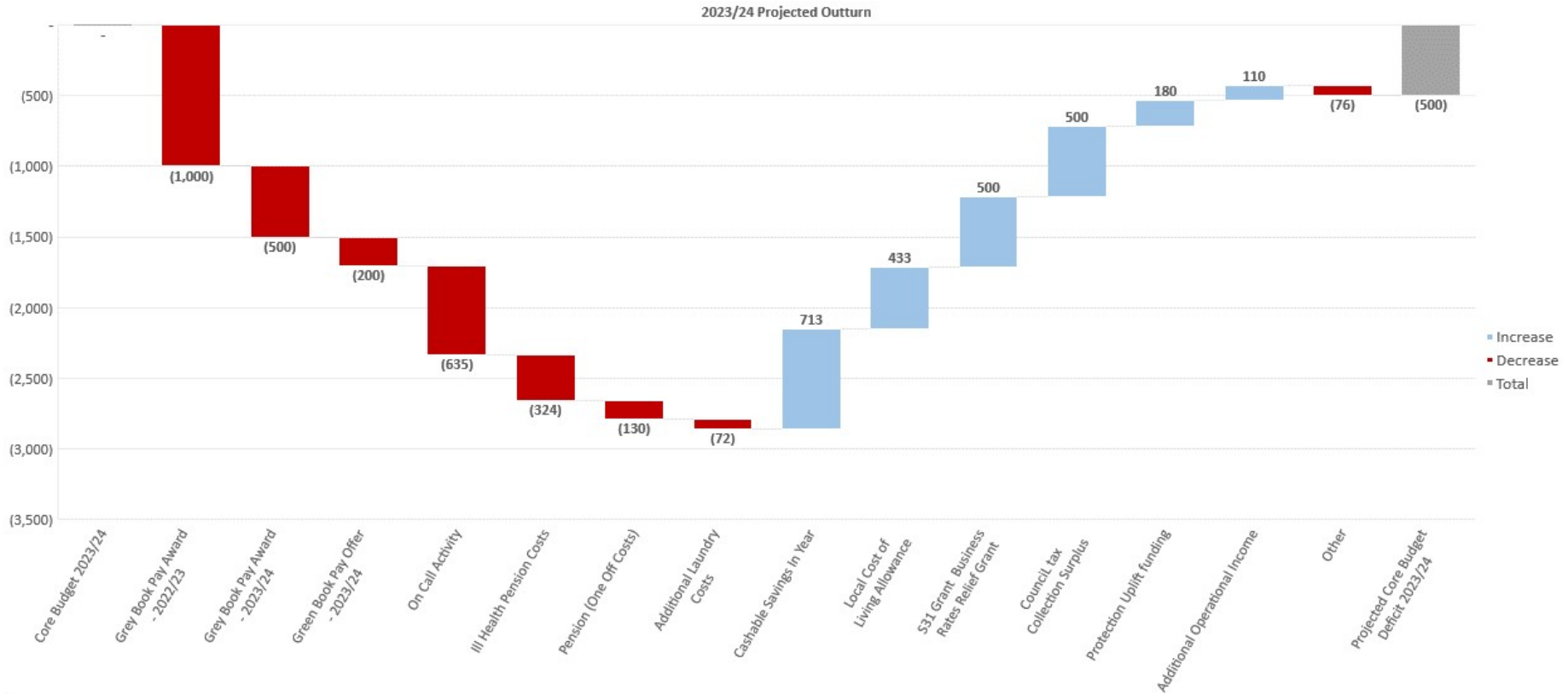
Premises & Equipment costs are lower due to timing of costs coming through, there will be £100k savings from lower utilities costs and savings in the cleaning tender.

Operational income is likely to be higher based on higher interest rates from the short term investments, there is still uncertainty around interest rates projections.

Financing items includes costs for the training facilities which haven't come through yet, these are offset by Earmarked Reserves and are included in the EMR strategy paper.

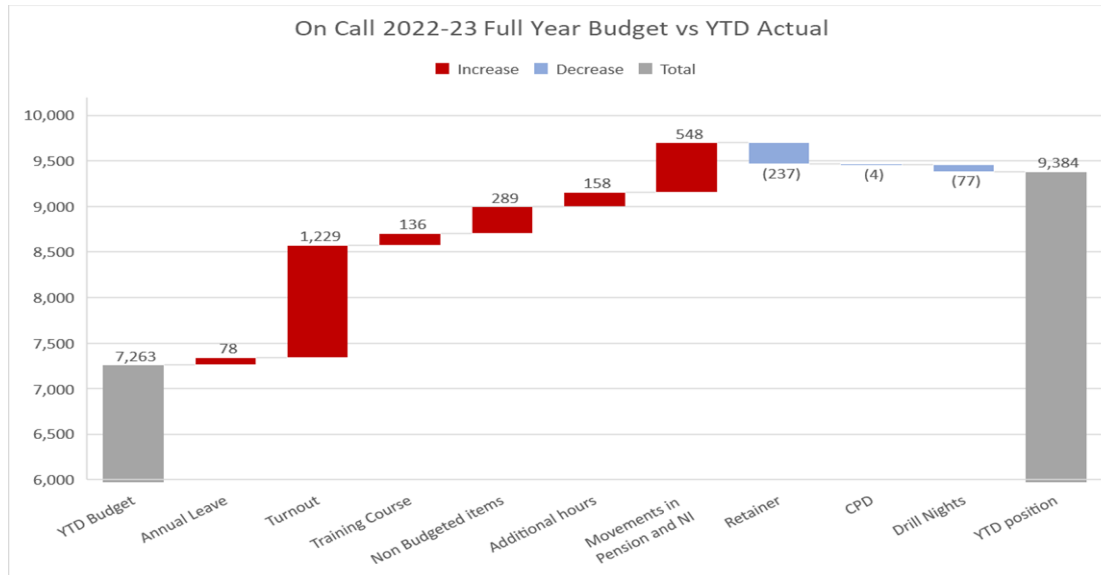
Additional Funding and Reserves includes £500k in BRR funding and £500k from council tax collections.

Movement from Budgeted position to Outturn





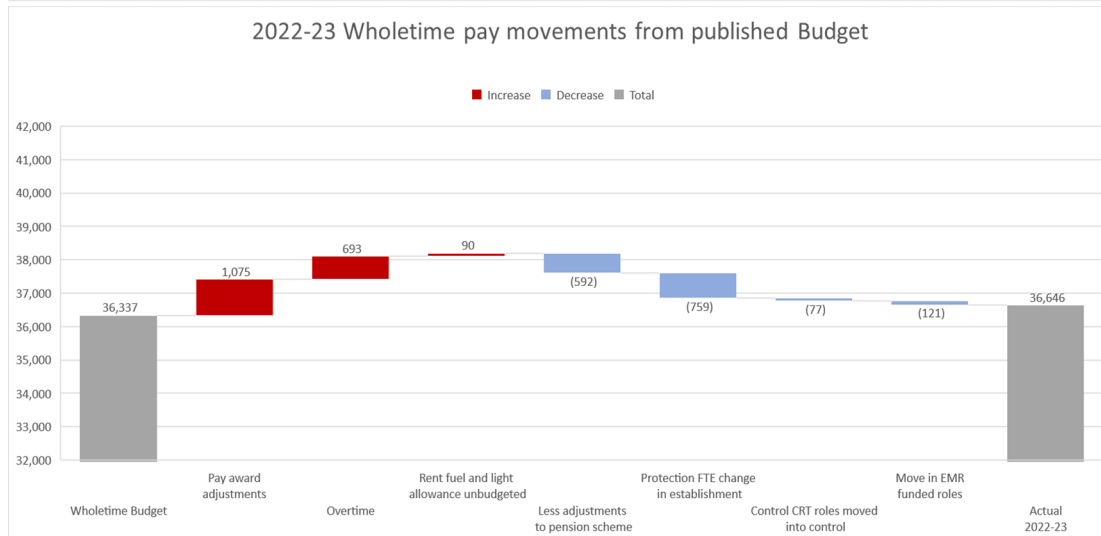
Movement from Budgeted position to final 2022-23 position



Non Budgeted items include costs such as Medical payments, On Call sickness, Trainer support hours and acting up.

Turnout includes £464k of costs for the Heatwave activity.

The impact of the additional pay award payment was £180k, this is included within



The under establishment in the Protection team offsets between the Support and Wholtime structure.