

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:	Callum Melville, Assistant Finance Business Partner		
Presented By	Neil Cross - Chief Finance Officer		
Subject	Budget Review - November 2023		
Type of Report:	Information		

SUMMARY

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

Executive Summary



Results for the period to November 2023

Forecast:

The projected position of the outturn is currently showing a deficit of £538k, this is a movement of £57k from the last outturn position. The monthly movements are included in the calculation of the projected outturn position which explains the majority of movement in the outturn. An increased expectation in the operational income due to come through for the year based on our income generated through interest on investments has been included in this months forecast. The projected costs for On Call have been in line with the yearly trend.

There has been national agreement regarding the Green Book pay award on the 1st of November which is inline with previously submitted forecasts. This award is back dated to 1st April and will be processed in the December pay run and the budget will be phased from December to March to match the agreement.

YTD position:

The YTD position shows a deficit position of £395k. This is a £1million adverse variance as compared to budget. The overspend on employment costs have been partially offset by additional unbudgeted operational income and funding.

Pay Explanations

The Grey Book pay award for 23-24 was agreed during the 22-23 discussions which means that we have a pay pressure of 3%.

On Call activity costs always relate to the prior months activity. Turnout continues to be high YTD and is £431k over Budget with Standby cover also being £269k overspent compared to Budget due to ensuring the service is in line with the response model.

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

Non Pay explanations

Other costs and Services is showing an overspend of £482k (£369k of this overspend is in consultancy, £14k in Recruitment). Ill health pension costs were higher due to additional pressures and injury payments incurred.

The Month Position:

Shows a deficit position of £7k, which is £55k worse than the monthly Budget position, this is due to:

£138k overspend in On Call costs

£73k overspend in Support staff costs (£10k overtime for the Operational Training department, £40k overspend on Casual and temp costs due to under establishment in teams).

£2k overspend in Premises and Equipment costs.

These are offset by £190k additional operational income (£119k of interest on investment income).

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 £30.9m to £29.9m in the month.

The Authority holds investments of £26.0m, down from £26.5m last month, including £16.0m 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 £6.2m.

Other

There were no property sales in the month.

The external audit for 2022/23 commenced at the start of October and will continue into November as the audit file is reviewed by management.

The internal audit for Culture and Behaviours completed in September, discussions are ongoing with RSM to agree the final report before the December Audit Committee.



Summary Income and Expenditure Statement to 30th November 2023

Period	Actual	Period	Budget Vs		YTD Actual	YTD Budget	Budget Vs		Description	FY Forecast /	FY Budget	Budget Vs	
£'000s	£'000s	Actuals	Variance	%	£'000s	£'000s	Actuals	Variance		Outturn		Outturn	Variance
		£'000s	%				£'000s	%				£'000s	%
3,217	3,206	(11)	(0%)		25,661	25,160	(501)	(2%)	WholeTime Firefighters	38,775	37,991	(784)	(2%)
866	728	(138)	(19%)		6,605	5,694	(911)	(16%)	On-Call Firefighters	9,797	8,579	(1,218)	(12%)
168	165	(3)	(2%)		1,217	1,296	79	6%	Control	1,907	1,957	50	3%
1,478	1,405	(73)	(5%)		11,866	11,640	(226)	(2%)	Support Staff	18,650	18,270	(380)	(2%)
5,729	5,505	(225)	(4%)		45,349	43,790	(1,558)	(4%)	Total Employment Costs	69,129	66,797	(2,332)	(3%)
212	159	(53)	(33%)		1,418	1,267	(151)	(12%)	Support Costs	2,268	1,924	(344)	(15%)
1,002	1,001	(2)	(0%)		8,007	7,931	(75)	(1%)	Premises & Equipment	11,738	11,834	97	1%
362	264	(98)	(37%)		2,689	2,207	(482)	(22%)	Other Costs & Services	3,816	3,294	(522)	(14%)
201	172	(29)	(17%)		1,782	1,497	(285)	(19%)	Ill health pension costs	2,508	2,184	(324)	(13%)
426	466	40	9%		3,598	3,731	133	4%	Financing Items	5,464	5,597	133	2%
2,203	2,061	(142)	(7%)		17,493	16,634	(860)	(5%)	Total Other Costs	25,793	24,834	(959)	(4%)
7,932	7,566	(367)	(5%)		62,842	60,424	(2,418)	(4%)	Gross Expenditure	94,922	91,631	(3,291)	(3%)
(323)	(134)	190	142%		(2,113)	(1,068)	1,045	98%	Operational Income	(3,250)	(1,602)	1,648	51%
7,609	7,432	(177)	(2%)		60,729	59,356	(1,374)	(2%)	Net Expenditure before Funding	91,672	90,029	(1,643)	(2%)
(751)	(695)	56	8%		(5,745)	(5,562)	182	3%	Funding				
(806)	(806)	-	-		(6,447)	(6,447)	-	-	Government Grants	(9,031)	(8,343)	688	8%
(1,409)	(1,388)	21	1%		(11,271)	(11,286)	(15)	(0%)	- Revenue Support Grant	(9,670)	(9,671)	-	-
(17)	(18)	(0)	(3%)		(139)	(138)	1	1%	National Non-Domestic Rates	(17,137)	(17,137)	-	-
(43)	-	43	-		(346)	-	346	-	NNDR (surplus)/deficit	-	-	-	-
(4,433)	(4,439)	(6)	(0%)		(35,467)	(35,512)	(44)	(0%)	- Council Tax Collection Account	(500)	-	500	100%
(7,460)	(7,346)	114	2%		(59,414)	(58,944)	470	1%	Council Tax Precept	(53,201)	(53,267)	(66)	(0%)
149	86	(63)	(74%)		1,315	411	(904)	(220%)	Total Funding	(89,539)	(88,418)	1,121	1%
(142)	(134)	8	6%		(921)	(1,070)	(149)	(14%)	Funding Gap / (Surplus)	2,133	1,611	(522)	(24%)
(142)	(134)	8	6%		(921)	(1,070)	(149)	(14%)	- Cont'ns to/(from) General Bals	-	-	-	-
7	(48)	(55)	(115%)		395	(659)	(1,053)	(160%)	Cont'ns to/(from) Earmarked Reserves	(1,595)	(1,610)	(15)	(1%)
									Total Contribution to/(from) Reserves	(1,595)	(1,610)	(15)	(1%)
									Net Gap / (Surplus)	538	1	(537)	(100%)

YTD Summary Income and Expenditure Statement to 30th November 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 %
23,508	23,830	321	WholeTime Firefighters	25,364	297	25,661	24,833	327	25,160	(501)	(2%)	(531)	(2%)
6,173	4,749	(1,423)	On-Call Firefighters	6,605	-	6,605	5,694	-	5,694	(911)	(16%)	(911)	(16%)
1,112	1,049	(63)	Control	1,217	-	1,217	1,296	-	1,296	79	6%	79	6%
10,634	11,091	457	Support Staff	11,797	69	11,866	11,594	47	11,640	(226)	(2%)	(203)	(2%)
41,427	40,719	(708)	Total Employment Costs	44,984	365	45,349	43,417	373	43,790	(1,558)	(4%)	(1,566)	(4%)
1,446	1,267	(179)	Support Costs	1,367	51	1,418	1,000	267	1,267	(151)	(12%)	(367)	(37%)
6,980	6,688	(292)	Premises & Equipment	7,708	299	8,007	7,568	364	7,931	(75)	(1%)	(140)	(2%)
2,361	2,289	(72)	Other Costs & Services	2,516	173	2,689	2,140	67	2,207	(482)	(22%)	(375)	(18%)
1,476	1,497	22	Ill health pension costs	1,782	-	1,782	1,497	-	1,497	(285)	(19%)	(285)	(19%)
3,809	3,932	123	Financing Items	3,598	-	3,598	3,731	-	3,731	133	4%	133	4%
16,072	15,673	(399)	Total Other Costs	16,971	522	17,493	15,937	697	16,634	(860)	(5%)	(1,034)	(6%)
57,499	56,392	(1,107)	Gross Expenditure	61,955	888	62,842	59,354	1,070	60,424	(2,418)	(4%)	(2,601)	(4%)
(1,211)	(944)	267	Operational Income	(2,113)	-	(2,113)	(1,068)	-	(1,068)	1,045	(98%)	1,045	(98%)
56,288	55,448	(840)	Net Expenditure before Funding	59,842	888	60,729	58,285	1,070	59,356	(1,374)	(2%)	(1,556)	(3%)
			Funding										
(4,940)	(5,033)	(92)	Government Grants	(5,745)	-	(5,745)	(5,562)	-	(5,562)	182	3%	182	3%
(6,651)	(6,651)	0	Revenue Support Grant	(6,447)	-	(6,447)	(6,447)	-	(6,447)	-	-	-	-
(10,731)	(10,731)	-	National Non-Domestic Rates	(11,271)	-	(11,271)	(11,286)	-	(11,286)	(15)	(0%)	(15)	(0%)
(13)	-	13	NNDR (surplus)/deficit	(139)	-	(139)	(138)	-	(138)	1	1%	1	1%
(531)	-	531	Council Tax Collection Account	(346)	-	(346)	-	-	-	346	100%	346	100%
(32,817)	(32,817)	0	Council Tax Precept	(35,467)	-	(35,467)	(35,512)	-	(35,512)	(44)	(0%)	(44)	(0%)
(55,684)	(55,232)	452	Total Funding	(59,414)	-	(59,414)	(58,944)	-	(58,944)	470	1%	470	1%
604	216	(388)	Funding Gap / (Surplus)	428	888	1,315	(659)	1,070	411	(904)	(220%)	(1,086)	(264%)
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-
(1,472)	(1,393)	79	Cont'ns to/(from) Earmarked Reserves	(10)	(911)	(921)	-	(936)	(1,070)	(149)	(14%)	10	-
(1,472)	(1,393)	79	Total Contribution to/(from) Reserves	(10)	(911)	(921)	-	(936)	(1,070)	(149)	-	10	-
(868)	(1,177)	(308)	Net Gap / (Surplus)	418	(23)	395	(659)	134	(659)	(1,053)	(160%)	(1,076)	(163%)

Period Summary Income and Expenditure Statement to 30th November 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 %
2,839	2,926	87	Wholetime Firefighters	3,180	37	3,217	3,166	41	3,206	(11)	(0%)	(15)	(0%)
726	594	(132)	On-Call Firefighters	866	-	866	728	-	728	(138)	(19%)	(138)	(19%)
137	131	(6)	Control	168	-	168	165	-	165	(3)	(2%)	(3)	(2%)
1,310	1,337	26	Support Staff	1,411	67	1,478	1,399	6	1,405	(73)	(5%)	(11)	(1%)
5,013	4,988	(25)	Total Employment Costs	5,625	104	5,729	5,458	47	5,505	(225)	(4%)	(167)	(3%)
227	158	(68)	Support Costs	212	-	212	125	33	159	(53)	(33%)	(86)	(69%)
930	855	(76)	Premises & Equipment	978	24	1,002	955	46	1,001	(2)	(0%)	(23)	(2%)
280	287	8	Other Costs & Services	362	-	362	255	8	264	(98)	(37%)	(107)	(42%)
181	172	(9)	Ill health pension costs	201	-	201	172	-	172	(29)	(17%)	(29)	(17%)
478	491	14	Financing Items	426	-	426	466	-	466	40	9%	40	9%
2,095	1,964	(132)	Total Other Costs	2,179	24	2,203	1,973	88	2,061	(142)	(7%)	(205)	(10%)
7,108	6,952	(157)	Gross Expenditure	7,804	129	7,932	7,432	134	7,566	(367)	(5%)	(372)	(5%)
(189)	(118)	71	Operational income	(323)	-	(323)	(134)	-	(134)	190	142%	190	142%
6,919	6,834	(86)	Net Expenditure	7,481	129	7,609	7,298	134	7,432	(177)	(2%)	(183)	(3%)
			Funding										
(644)	(629)	15	Government Grants	(751)	-	(751)	(695)	-	(695)	56	8%	56	8%
(532)	(532)	0	Revenue Support Grant	(806)	-	(806)	(806)	-	(806)	-	-	-	-
(1,287)	(1,304)	(18)	National Non-Domestic Rates	(1,409)	-	(1,409)	(1,388)	-	(1,388)	21	1%	21	1%
(1)	-	1	NNDR (surplus)/deficit	(17)	-	(17)	(18)	-	(18)	(1)	(6%)	(1)	(6%)
(69)	-	69	Council Tax Collection Account	(43)	-	(43)	-	-	-	43	100%	43	100%
(4,238)	(4,238)	-	Council Tax Precept	(4,433)	-	(4,433)	(4,439)	-	(4,439)	(6)	(0%)	(6)	(0%)
(6,771)	(6,703)	68	Total Funding	(7,460)	-	(7,460)	(7,346)	-	(7,346)	113	(2%)	113	2%
148	130	(18)	Funding Gap / (Surplus)	21	129	149	(48)	134	86	(64)	(74%)	(69)	144%
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-
(167)	(121)	46	Cont'ns to/(from) Earmarked Reserves	-	(132)	(142)	-	(134)	(134)	8	6%	-	-
(167)	(121)	46	Total Contribution to/(from) Reserves	-	(132)	(142)	-	(134)	(134)	8	6%	-	-
(19)	10	29	Net Gap / (Surplus)	21	(3)	7	(48)	0	(48)	(56)	(116%)	(69)	(144%)

Operational Income



Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Cycle to Work Scheme	(12,074)	(23,334)	(11,260)	(48%)	(35,001)	
Childcare Vouchers	(8,709)	(20,000)	(11,291)	(56%)	(30,000)	
Sales of Vehicles	(44,826)	-	44,826	100%	-	
Canteen Income	(79,413)	(52,000)	27,413	53%	(78,000)	
Sale of Vehicle Spares	(61,763)	(60,000)	1,763	3%	(90,000)	
Aerial Sites	(88,329)	(76,666)	11,662	15%	(114,999)	
Solar Panel Income	(45,394)	(40,000)	5,394	13%	(60,000)	
Hydrant Tests	(71,079)	(60,000)	11,079	18%	(90,000)	
Lease Cars - Employee Contributions	(3,095)	(4,000)	(905)	(23%)	(6,000)	
General Sales	(7,206)	-	7,206	100%	-	
Service Charges	(278)	(301)	(23)	(8%)	(451)	
Secondments	(228,716)	(122,002)	106,714	87%	(183,003)	1 x National Resilience, 3 x NFCC
Community Safety General	(52,216)	(52,216)	0	100%	(78,324)	
Labour Credit	(48,161)	(60,000)	(11,839)	(20%)	(90,000)	
Section 13/16	(16,805)	(40,000)	(23,195)	(58%)	(60,000)	
Provision of Hire Vehicles & Equipment	(15,505)	-	15,505	100%	-	
Interest Received Short Term Investments	(788,205)	(100,000)	688,205	688%	(150,000)	
Events Income	(1,621)	-	1,621	100%	-	
Community Safety Youth Work	(13,475)	(76,734)	(63,259)	(82%)	(115,101)	The Budget was re-aligned in P7 as it related to DoFE and Cadet generated income
Shared Services Income	(243,253)	(166,672)	76,581	46%	(250,008)	
Other Miscellaneous Income	(282,766)	(114,307)	168,458	147%	(171,461)	£53k USAR Jersey Reimbursement, £42k SERP Income, £50k Insurance Income
Total Operational Income	(2,112,887)	(1,068,232)	1,044,655	(98%)	(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	(2,344,363)	(2,344,363)	-	-	(3,516,545)	Central Govt. Grant for Pensions - increase in Employers contribution £102k higher from prior year release
DCLG BRR 2022-23	(1,933,392)	(1,933,392)	-	-	(2,900,088)	Business Rate relief reclassified as part of Section 31 grant from funding, additional leisure and hospitality relief
USAR Grant 2022-23	(571,620)	(571,040)	580	0%	(856,560)	
Firelink Grant 2022-23	(244,484)	(253,635)	(9,151)	(4%)	(380,453)	Communications Network (Firelink) grant and New Risk Mosaic programme funding.
Services Grant (One off investments) 2022-23	(426,664)	(426,667)	(3)	(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	(224,003)	(32,936)	191,067	580%	(49,404)	PU Grant (Grenfell Grant) released against ringfenced spend, Budget based only on expected staff cost.
MTA	-	-	-	-	-	MTA is part of new dimensions S31 grant and will be released against costs
Other Grant Income	-	-	-	-	-	Home Office grant in relation to internal Audit costs (Redmond review grant offset monthly against audit fees).
Subtotal-Govt Grants	(5,744,526)	(5,562,033)	182,493	3%	(8,343,049)	

Balance Sheet - 30th November 2023

	30th Nov 2023 £000's	31st Oct 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	10,603	10,603	10,602	-	-
Assets under construction	4,433	4,388	1,599	45	2,834
Long term assets	144,622	144,577	141,787	45	2,834
Inventories	230	195	445	35	(215)
Short term debtors	7,146	6,804	13,068	352	(5,912)
Cash and cash equivalents	29,918	30,918	18,602	(1,000)	11,316
Assets held for sale	-	-	350	-	(350)
Current assets	37,294	37,916	32,465	(613)	4,838
* Short term borrowings	-	-	(249)	-	249
Short term creditors	(8,852)	(8,498)	(11,447)	(330)	2,619
Grants received in advance	(10,288)	(11,468)	(1,303)	1,181	(8,985)
Current liabilities	(19,140)	(19,966)	(12,999)	851	(6,115)
Long term borrowing	(23,500)	(23,500)	(23,500)	-	-
Provisions	(814)	(786)	(786)	(28)	-
* Pension liability - LGPS	9,887	9,887	9,887	-	-
Pension liability - FPS	(580,729)	(580,729)	(580,729)	-	-
Long term liabilities	(595,156)	(595,128)	(595,128)	(28)	-
NET LIABILITIES	(432,381)	(432,601)	(433,876)	254	1,529
Usable reserves					
General fund	3,532	3,503	3,882	63	(316)
Earmarked general fund reserves	6,181	6,323	7,102	(142)	(921)
Capital receipts reserve	16,090	16,090	15,741	-	349
Usable reserves	25,803	25,917	26,725	(79)	(888)
Unusable reserves					
Revaluation reserve	43,674	43,674	43,840	-	(166)
Capital adjustment account	68,780	68,447	66,198	333	2,583
* 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)	-	-
Unusable reserves	(458,184)	(458,518)	(460,601)	333	2,417
TOTAL RESERVES	(432,381)	(432,601)	(433,876)	254	1,529

* Balances adjusted at year end only.

Key Movements

Fixed Assets:

- Increase in Assets under construction of £45k 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 movements in working capital
- £1.0m decrease in cash and cash equivalents, 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 increased by £0.3m due to movements in working capital.
- Grants received in advance have reduced by £1.1m 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:

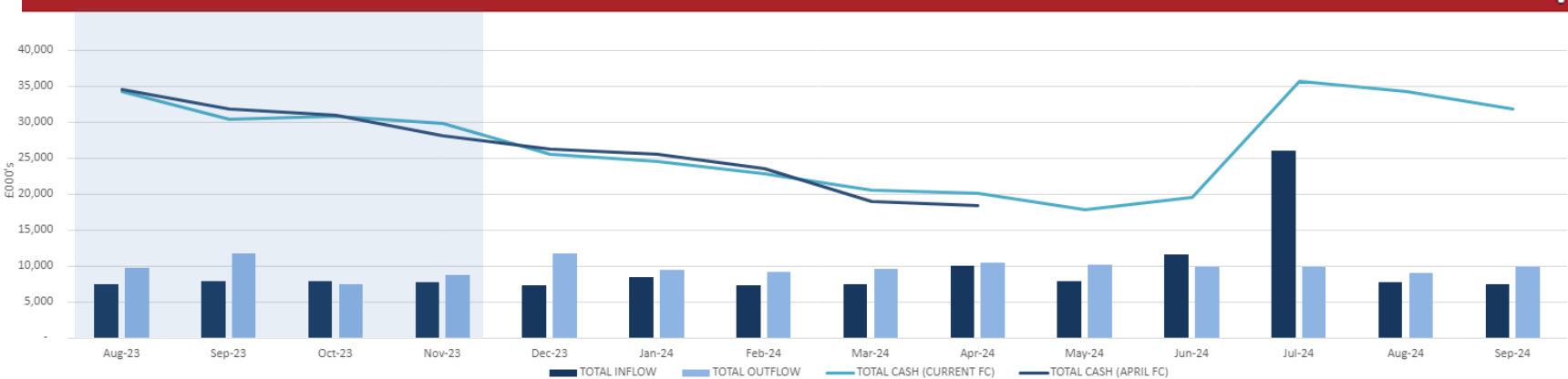
- The movements in General and Earmarked Reserves tie back to the summary Income & Expenditure statement on page 3.

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

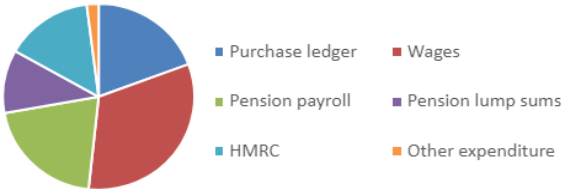
Total cash and investments at the end of November was £29.9m, down from £30.9m in October. Key inflows and outflows for the month are summarised below:

- 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 £1.8m, which is within the expected range.
- The Authority holds investments of £26m, down from £26.5m last month, including £16m of fixed term investments in UK government gilts. The remaining investments are in money market funds and a Lloyds call account to maintain liquidity.

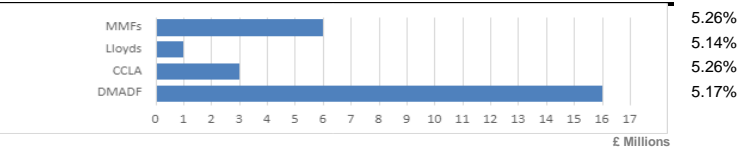
TREASURY MANAGEMENT INDICATORS

	Actual	Explanation of Indicators
Credit risk indicator	AAA	The average credit rating of investments must be A or greater.
Liquidity risk indicator	£29.9m	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 November 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	1,000	-	1,000	70
Asset Improvement Works Training Facilities Improvement	774	820	(176)	645	221
Wethersfield replacement	500	0	-	-	-
Asset Improvement Works - Shoeburyness	-	330	-	330	275
Total Property	2,924	2,150	(176)	1,975	566
Equipment	939	1,344	-	1,344	381
Information Technology					
Projects	1,413	2,072	-	2,072	606
Total Information Technology	1,413	2,072	-	2,072	606
Vehicles					
New Appliances	-	5	-	5	-
Other Vehicles	720	818	-	818	806
Total Vehicles	720	823	-	823	806
Total Capital Expenditure	5,996	6,389	(176)	6,213	2,359

Essex County Fire & Rescue Service - Capital Expenditure as at 30th November 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	36,982	-
Hose layer Replacement	260,000	-	-	-	-	-
Provided Cars	-	736,836	-	736,836	736,836	-
Total B113 - Vehicles	720,000	822,671	-	822,671	806,076	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	276,940	-
NETWORK	-	236,000	-	236,000	227,041	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	606,370	531,231

Essex County Fire & Rescue Service - Capital Expenditure as at 30th November 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	275,346	1,297,544
Wethersfield Replacement	500,000	-	-	-	-	-
Asset Protection Works - Training Facilities:						
Phase 3 - Harlow, Saffron 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	496,232	1,314,061
B118 - Asset Protection						
Confirmed Projects for 2023/24						
Basildon boilers/controls	140,000	160,000	-	160,000	-	-
Grays heater/controls	80,000	105,000	-	105,000	-	-
Braintree refurb	50,000	-	-	-	-	-
Southend SDP boilers/heater	60,000	40,839	-	40,839	-	-
OCAAT	150,000	-	-	-	-	-
SWF windows	150,000	-	-	-	-	-
AB Floors - Stansted	60,000	20,000	-	20,000	-	-
EV Charging Points - KP	-	25,328	-	25,328	25,328	-
Control room refurbishment	-	37,891	-	37,891	34,651	-
Mini Refurbishment Project: Wivenhoe OC Station	-	27,905	-	27,905	4,635	-
KP Oxy-Reduct Unit	-	30,000	-	30,000	-	-
Harlow Command: BA Training Room for Equipment Cleaning	-	37,981	-	37,981	-	-
Grays FS - Welfare area, lecture room and AC works	-	36,000	-	36,000	-	-
Braintree water heater replacement	-	-	-	-	-	-
Wholtime Station Modernisation						
Orsett Station and FRA	600,000	550,000	-	550,000	-	-
Provision for limited capacity	(140,000)	(75,803)	-	(75,803)	-	-
Prior year retentions and small works	-	4,859	-	4,859	5,472	-
B118 - Asset Protection	1,150,000	1,000,000	-	1,000,000	70,086	-
TOTAL FORECAST 2023-24	5,996,450	6,388,947	-	6,213,105	2,359,416	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 Movement from Budget Position to 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 Overdue
			High	Medium	High	Medium	High	Medium	High	Medium	
23/24	23/24 On-call Payments/Processes	Chief Finance Officer	1	2	1	-	-	2	-	-	2 Months
23/24	23/24 Post Grenfell Tower and Manchester Arena	Director of Operations	-	2	-	1	-	1	-	1	2 Months
22/23	22/23 Efficiency and Cost Saving	Chief Finance Officer	-	1	-	-	-	1	-	1	5 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	-	-	8 Months
22/23	22/23 Follow-Up	Various	-	6	-	3	-	3	-	3	11 Months
22/23	22/23 Emergency Response Driving	Director of People Services	-	3	-	2	-	1	-	1	15 Months
21/22	21/22 Follow up	Various	-	2	-	2	-	-	-	-	18 Months
22/23	22/23 Control Room	Director of Corporate Services	-	2	-	2	-	-	-	-	N/A
23/24	ECC Information Governance	Director of Corporate Services	5	12	-	2	5	10	-	-	N/A
			8	34	2	13	6	27	21	6	
THIS UPDATE			42		15		27		6		
			Percentage complete		36%		Percentage overdue		22%		
			8	32	1	7	7	25	-	6	
LAST UPDATE			40		8		32		6		
			Percentage complete		24%		Percentage overdue		19%		

External Audit Update

The external audit for 2022/23 commenced at the start of October and will continue into November as the audit file is reviewed by management.

The Finance team have received samples for the main risk areas being fixed asset and pension valuations, however the majority of this information is provided by third parties, but our professional valuers.

Internal Audit Update

The Culture and Behaviours audit completed in September, discussion are ongoing with RSM to agree the final report before the December Audit Committee.

The 'Finance System Implementation' audit has started - we have responded to initial queries and interviews are underway with management. A follow up review is due to start in December - we have started to engage with action owners to provide evidence.

4 actions were complete this period, please contact Austin Page for any queries on the internal audit programme.

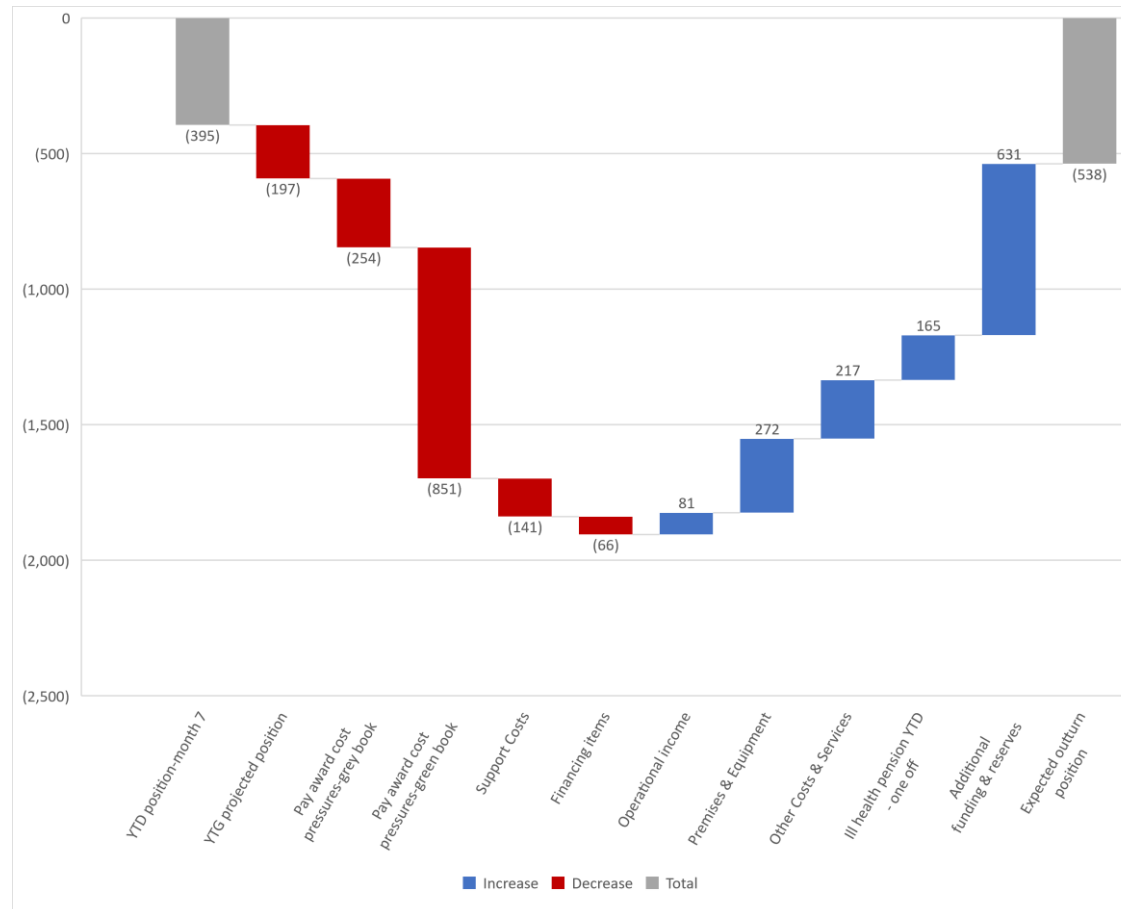
Outturn movement from Full Year Budget including Reserves



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	37,991	25,661	38,775	(784)	(2%)	3,208	38,491	284	1%
On-Call Firefighters	8,579	6,605	9,797	(1,218)	(14%)	826	9,907	(110)	(1%)
Control	1,957	1,217	1,907	50	3%	152	1,826	81	4%
Support Staff	18,270	11,866	18,650	(380)	(2%)	1,483	17,799	851	5%
Total Employment Costs	66,797	45,349	69,129	(2,332)	(3%)	5,669	68,023	1,106	2%
Other Service Expenditure									
Support Costs	1,924	1,418	2,268	(344)	(18%)	177	2,127	141	6%
Premises & Equipment	11,834	8,007	11,738	97	1%	1,001	12,010	(272)	(2%)
Other Costs & Services	3,294	2,689	3,816	(522)	(16%)	336	4,033	(217)	(6%)
Ill Health Pension costs	2,184	1,782	2,508	(324)	(15%)	223	2,673	(165)	(7%)
Financing Items	5,597	3,598	5,464	133	2%	450	5,398	66	1%
Total Other Costs	24,834	17,493	25,793	(959)	(4%)	2,187	26,240	(447)	(2%)
Gross Operating Expenditure	91,631	62,842	94,922	(3,291)	(4%)	7,855	94,263	658	1%
Operational income	(1,602)	(2,113)	(3,250)	1,648	103%	(264)	(3,169)	(81)	(2%)
Net Expenditure	90,029	60,729	91,672	(1,643)	(2%)	7,591	91,094	578	1%
Funding									
Government Grants Income	(8,343)	(5,745)	(9,031)	688	8%	(718)	(8,617)	(414)	(5%)
Revenue Support Grant	(9,671)	(6,447)	(9,670)	-	-	(806)	(9,670)	-	-
National Non-Domestic Rates	(17,137)	(11,271)	(17,137)	-	-	(1,409)	(16,907)	(231)	(1%)
NNDR (surplus)/deficit	-	(139)	-	-	-	(17)	(208)	208	100%
Council Tax Collection Account	-	(346)	(500)	500	100%	(43)	(518)	18	4%
Council Tax Precepts	(53,267)	(35,467)	(53,201)	(66)	(0%)	(4,433)	(53,201)	-	-
Council Tax Collection Impact	-	-	-	-	-	-	-	-	-
Cont'ns to/(from) General Reserves	-	-	-	-	-	-	-	-	-
Cont'ns to/(from) Earmarked Reserves	(1,610)	(921)	(1,595)	(15)	-	(115)	(1,381)	(214)	(13%)
Total Funding	(90,028)	(60,335)	(91,133)	1,106	(1%)	(7,542)	(90,502)	(631)	1%
Funding Gap/ (Surplus)	1	395	538	(537)	-	49	592	(54)	(10%)



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 from December, once reflecting in the pay figures.

Support costs include an expectation of Training costs to come back in line with Budget, this is just timing.

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.

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.

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.

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.

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

Movement from Budgeted position to Outturn

