

**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, Finance Manager		
Presented By	Neil Cross - Chief Finance Officer		
Subject	<b>Budget Review - October 2023</b>		
Type of Report:	Information		

**SUMMARY**

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

## Executive Summary



### Results for the period to October 2023

#### Forecast:

The projected position of the outturn is currently showing a deficit of £595k, this is a movement of £95k 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 employee costs were kept in line as we expect the control system to help with efficiencies within the costs coming through.

#### YTD position:

Showing a deficit position of £380k, which is £991k 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 Green Book pay award for 2023-24 has been finalised and should be reflecting in the Budget once the actuals are processed by the payroll team. 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 YTD overspend is driven by higher overtime costs coming in at £963k, of which £527k relates to ASW activity to cover vacancies across stations. This is contributing towards the £490k variance in Wholetime pay to Budget.

On Call activity costs always relate to the prior months activity. Turnout continues to be high YTD and is £379k over Budget with Standby cover also being £231k overspent compared to Budget.

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 £382k (£261k of this overspend is in consultancy, £69k in community safety and £54k of prior year HMRC interest payments).

Ill health pension costs were higher due to additional pressures and injury payments incurred.

The Budget for Events Income has been re-aligned to Community Safety Youth Work, due to the generation of Operational income coming from DofE and Cadet streams.

### **The Month Position:**

Shows a surplus position of £81k, which is £27k better than the monthly Budget position, this is due to:

£164k overspend in On Call costs

£66k overspend in Support staff costs (£22k overtime for the Operational Training department, £40k overspend on Casual and temp costs due to under establishment in teams).

£129k overspend in Premises and Equipment costs (£35k petrol & diesel costs, £56k in ICT contracts and £32k in vehicle spare costs).

These are offset by £237k additional operational income (£121k of interest on investment income and £53k of re-imbursed USAR expenses from the Jersey incident).

### **Balance Sheet Statement and Cashflow Forecast**

The Balance Sheet report on page 7 shows the key monthly rather than year to date movements.

Cash and cash equivalents increased from £30.4m to £30.9m in the month.

The Authority holds investments of £26.5m, down from £29.0m last month, including £21.0m 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 £6.5m.

### **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 31st October 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 %
3,228	3,206	(22)	(1%)	22,444	21,953	(490)	(2%)	WholeTime Firefighters	38,764	37,991	(773)	(2%)
876	713	(164)	(23%)	5,739	4,966	(773)	(16%)	On-Call Firefighters	9,797	8,579	(1,218)	(12%)
144	165	21	13%	1,049	1,131	82	7%	Control	1,904	1,957	53	3%
1,472	1,405	(66)	(5%)	10,388	10,235	(153)	(1%)	Support Staff	18,576	18,270	(306)	(2%)
<b>5,720</b>	<b>5,489</b>	<b>(231)</b>	<b>(4%)</b>	<b>39,619</b>	<b>38,286</b>	<b>(1,334)</b>	<b>(3%)</b>	<b>Total Employment Costs</b>	<b>69,042</b>	<b>66,797</b>	<b>(2,244)</b>	<b>(3%)</b>
147	163	16	10%	1,203	1,108	(95)	(9%)	Support Costs	2,263	1,924	(339)	(15%)
1,124	995	(129)	(13%)	7,001	6,931	(71)	(1%)	Premises & Equipment	11,742	11,834	92	1%
243	296	53	18%	2,325	1,943	(382)	(20%)	Other Costs & Services	3,750	3,294	(456)	(12%)
187	172	(15)	(9%)	1,581	1,326	(255)	(19%)	Ill health pension costs	2,508	2,184	(324)	(13%)
437	466	29	6%	3,172	3,265	93	3%	Financing Items	5,504	5,597	93	2%
<b>2,139</b>	<b>2,093</b>	<b>(46)</b>	<b>(2%)</b>	<b>15,283</b>	<b>14,573</b>	<b>(710)</b>	<b>(5%)</b>	<b>Total Other Costs</b>	<b>25,767</b>	<b>24,834</b>	<b>(934)</b>	<b>(4%)</b>
<b>7,859</b>	<b>7,582</b>	<b>(277)</b>	<b>(4%)</b>	<b>54,902</b>	<b>52,858</b>	<b>(2,044)</b>	<b>(4%)</b>	<b>Gross Expenditure</b>	<b>94,809</b>	<b>91,631</b>	<b>(3,178)</b>	<b>(3%)</b>
(370)	(134)	237	(177%)	(1,790)	(935)	855	(91%)	Operational Income	(3,070)	(1,602)	1,468	48%
<b>7,489</b>	<b>7,448</b>	<b>(41)</b>	<b>(1%)</b>	<b>53,112</b>	<b>51,924</b>	<b>(1,189)</b>	<b>(2%)</b>	<b>Net Expenditure before Funding</b>	<b>91,739</b>	<b>90,029</b>	<b>(1,710)</b>	<b>(2%)</b>
(734)	(695)	39	(6%)	(4,993)	(4,867)	126	(3%)	<b>Funding</b>				
(806)	(806)	(0)	0%	(5,641)	(5,641)	(0)	0%	Government Grants	(9,032)	(8,343)	689	8%
(1,409)	(1,411)	(2)	0%	(9,862)	(9,898)	(35)	0%	Revenue Support Grant	(9,670)	(9,671)	(0)	(0%)
(17)	(18)	(1)	4%	(122)	(120)	2	(1%)	National Non-Domestic Rates	(17,137)	(17,137)	0	0%
(43)	0	43	-	(302)	0	302	-	NNDR (surplus)/deficit	0	0	-	-
(4,433)	(4,439)	(6)	0%	(31,034)	(31,073)	(39)	0%	- Council Tax Collection Account	(500)	0	500	100%
<b>(7,443)</b>	<b>(7,369)</b>	<b>74</b>	<b>(1%)</b>	<b>(51,954)</b>	<b>(51,598)</b>	<b>356</b>	<b>(1%)</b>	Council Tax Precept	(53,201)	(53,267)	(66)	(0%)
								<b>Total Funding</b>	<b>(89,540)</b>	<b>(88,418)</b>	<b>1,122</b>	<b>1%</b>
<b>46</b>	<b>79</b>	<b>33</b>		<b>1,159</b>	<b>325</b>	<b>(833)</b>	<b>(256%)</b>	<b>Funding Gap / (Surplus)</b>	<b>2,199</b>	<b>1,611</b>	<b>(588)</b>	<b>(27%)</b>
-	-	-	-	-	-	-	-	- Cont'ns to/(from) General Bals	-	-	-	-
(127)	(134)	(6)	5%	(779)	(936)	(158)	-	- Cont'ns to/(from) Earmarked Reserves	(1,604)	(1,610)	(6)	(0%)
(127)	(134)	(6)	5%	(779)	(936)	(158)	-	<b>Total Contribution to/(from) Reserves</b>	<b>(1,604)</b>	<b>(1,610)</b>	<b>(6)</b>	<b>(0%)</b>
<b>(81)</b>	<b>(54)</b>	<b>27</b>		<b>380</b>	<b>(611)</b>	<b>(991)</b>		<b>Net Gap / (Surplus)</b>	<b>595</b>	<b>1</b>	<b>(595)</b>	<b>(100%)</b>

## YTD Summary Income and Expenditure Statement to 31st October 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	22,184	259	22,444	21,668	286	21,953	(490)	(2%)	(517)	(2%)
4,659	3,562	(1,097)	On-Call Firefighters	5,739	-	5,739	4,966	-	4,966	(773)	(16%)	(773)	(16%)
831	792	(39)	Control	1,049	-	1,049	1,131	-	1,131	82	7%	82	7%
7,991	8,464	474	Support Staff	10,319	69	10,388	10,194	41	10,235	(153)	(1%)	(125)	(1%)
<b>31,266</b>	<b>30,910</b>	<b>(356)</b>	<b>Total Employment Costs</b>	<b>39,291</b>	<b>328</b>	<b>39,619</b>	<b>37,959</b>	<b>327</b>	<b>38,286</b>	<b>(1,334)</b>	<b>(3%)</b>	<b>(1,332)</b>	<b>(3%)</b>
1,091	950	(140)	Support Costs	1,152	51	1,203	875	233	1,108	(95)	(9%)	(278)	(25%)
5,218	4,979	(239)	Premises & Equipment	6,768	233	7,001	6,613	318	6,931	(71)	(1%)	(155)	(2%)
1,767	1,705	(62)	Other Costs & Services	2,165	160	2,325	1,885	58	1,943	(382)	(20%)	(280)	(14%)
1,126	1,154	28	Ill health pension costs	1,581	-	1,581	1,326	-	1,326	(255)	(19%)	(255)	(19%)
2,852	2,949	97	Financing Items	3,172	-	3,172	3,265	-	3,265	93	3%	93	3%
<b>12,054</b>	<b>11,737</b>	<b>(317)</b>	<b>Total Other Costs</b>	<b>14,839</b>	<b>444</b>	<b>15,283</b>	<b>13,963</b>	<b>610</b>	<b>14,573</b>	<b>(710)</b>	<b>(5%)</b>	<b>(876)</b>	<b>(6%)</b>
<b>43,320</b>	<b>42,648</b>	<b>(673)</b>	<b>Gross Expenditure</b>	<b>54,130</b>	<b>772</b>	<b>54,902</b>	<b>51,922</b>	<b>936</b>	<b>52,858</b>	<b>(2,044)</b>	<b>(4%)</b>	<b>(2,208)</b>	<b>(4%)</b>
<b>(829)</b>	<b>(708)</b>	<b>121</b>	<b>Operational Income</b>	<b>(1,790)</b>	<b>-</b>	<b>(1,790)</b>	<b>(935)</b>	<b>-</b>	<b>(935)</b>	<b>855</b>	<b>(91%)</b>	<b>855</b>	<b>(91%)</b>
<b>42,492</b>	<b>41,940</b>	<b>(552)</b>	<b>Net Expenditure before Funding</b>	<b>52,340</b>	<b>772</b>	<b>53,112</b>	<b>50,987</b>	<b>936</b>	<b>51,924</b>	<b>(1,189)</b>	<b>(2%)</b>	<b>(1,353)</b>	<b>(3%)</b>
			<b>Funding</b>										
(3,680)	(3,774)	(94)	Government Grants	(4,993)	-	(4,993)	(4,867)	-	(4,867)	126	(3%)	126	(3%)
(5,570)	(5,587)	(17)	Revenue Support Grant	(5,641)	-	(5,641)	(5,641)	-	(5,641)	(0)	0%	(0)	0%
(8,090)	(8,090)	-	National Non-Domestic Rates	(9,862)	-	(9,862)	(9,898)	-	(9,898)	(35)	0%	(35)	0%
(11)	-	11	NNDR (surplus)/deficit	(122)	-	(122)	(120)	-	(120)	2	-	2	-
(387)	-	387	Council Tax Collection Account	(302)	-	(302)	-	-	-	302	-	302	-
(23,997)	(23,997)	0	Council Tax Precept	(31,034)	-	(31,034)	(31,073)	-	(31,073)	(39)	0%	(39)	0%
<b>(41,735)</b>	<b>(41,448)</b>	<b>286</b>	<b>Total Funding</b>	<b>(51,954)</b>	<b>-</b>	<b>(51,954)</b>	<b>(51,598)</b>	<b>-</b>	<b>(51,598)</b>	<b>356</b>	<b>(1%)</b>	<b>356</b>	<b>(1%)</b>
<b>757</b>	<b>491</b>	<b>(266)</b>	<b>Funding Gap / (Surplus)</b>	<b>386</b>	<b>772</b>	<b>1,159</b>	<b>(611)</b>	<b>936</b>	<b>325</b>	<b>(833)</b>	<b>(256%)</b>	<b>(997)</b>	<b>(306%)</b>
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-
(1,155)	(1,151)	4	Cont'ns to/(from) Earmarked Reserves	(7)	(772)	(779)	-	(936)	(936)	(158)	-	7	(1%)
<b>(1,155)</b>	<b>(1,151)</b>	<b>4</b>	<b>Total Contribution to/(from) Reserves</b>	<b>(7)</b>	<b>(772)</b>	<b>(779)</b>	<b>-</b>	<b>(936)</b>	<b>(936)</b>	<b>(158)</b>	<b>-</b>	<b>7</b>	<b>(1%)</b>
<b>(398)</b>	<b>(660)</b>	<b>(261)</b>	<b>Net Gap / (Surplus)</b>	<b>380</b>	<b>0</b>	<b>380</b>	<b>(611)</b>	<b>0</b>	<b>(611)</b>	<b>(991)</b>	<b>-</b>	<b>(990)</b>	<b>-</b>

# Period Summary Income and Expenditure Statement to 31st October 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 %
2,883	2,811	(72)	Wholetime Firefighters	3,191	37	3,228	3,166	41	3,206	(22)	(1%)	(26)	(1%)
788	594	(194)	On-Call Firefighters	876	-	876	713	-	713	(164)	(23%)	(164)	(23%)
145	126	(19)	Control	144	-	144	165	-	165	21	13%	21	13%
1,333	1,290	(43)	Support Staff	1,404	67	1,472	1,399	6	1,405	(66)	(5%)	(5)	(0%)
<b>5,148</b>	<b>4,821</b>	<b>(327)</b>	<b>Total Employment Costs</b>	<b>5,616</b>	<b>104</b>	<b>5,720</b>	<b>5,443</b>	<b>47</b>	<b>5,489</b>	<b>(231)</b>	<b>(4%)</b>	<b>(173)</b>	<b>(3%)</b>
129	158	30	Support Costs	147	-	147	130	33	163	16	10%	(17)	(11%)
832	855	23	Premises & Equipment	1,099	25	1,124	950	46	995	(129)	(13%)	(150)	(15%)
314	296	(18)	Other Costs & Services	243	-	243	288	8	296	53	18%	44	15%
169	172	3	Ill health pension costs	187	-	187	172	-	172	(15)	(9%)	(15)	(9%)
479	491	12	Financing Items	437	-	437	466	-	466	29	6%	29	6%
<b>1,923</b>	<b>1,972</b>	<b>49</b>	<b>Total Other Costs</b>	<b>2,114</b>	<b>25</b>	<b>2,139</b>	<b>2,005</b>	<b>88</b>	<b>2,093</b>	<b>(46)</b>	<b>(2%)</b>	<b>(109)</b>	<b>(5%)</b>
<b>7,070</b>	<b>6,793</b>	<b>(278)</b>	<b>Gross Expenditure</b>	<b>7,730</b>	<b>129</b>	<b>7,859</b>	<b>7,448</b>	<b>134</b>	<b>7,582</b>	<b>(277)</b>	<b>(4%)</b>	<b>(283)</b>	<b>(4%)</b>
(194)	(118)	76	Operational income	(370)	-	(370)	(134)	-	(134)	237	(177%)	237	(177%)
<b>6,877</b>	<b>6,675</b>	<b>(202)</b>	<b>Net Expenditure</b>	<b>7,360</b>	<b>129</b>	<b>7,489</b>	<b>7,314</b>	<b>134</b>	<b>7,448</b>	<b>(41)</b>	<b>(1%)</b>	<b>(46)</b>	<b>(1%)</b>
			<b>Funding</b>										
(616)	(629)	(14)	Government Grants	(734)	-	(734)	(695)	-	(695)	39	(6%)	39	(6%)
(549)	(532)	17	Revenue Support Grant	(806)	-	(806)	(806)	-	(806)	(0)	0%	(0)	0%
(1,355)	(1,337)	18	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)	(1)		(1)	4%
(75)	-	75	Council Tax Collection Account	(43)	-	(43)	-	-	-	43	-	43	0%
(4,583)	(4,583)	-	Council Tax Precept	(4,433)	-	(4,433)	(4,439)	-	(4,439)	(6)	0%	(6)	0%
<b>(7,179)</b>	<b>(7,080)</b>	<b>98</b>	<b>Total Funding</b>	<b>(7,443)</b>	<b>-</b>	<b>(7,443)</b>	<b>(7,369)</b>	<b>-</b>	<b>(7,369)</b>	<b>74</b>	<b>(1%)</b>	<b>74</b>	<b>(1%)</b>
<b>(302)</b>	<b>(406)</b>	<b>(104)</b>	<b>Funding Gap / (Surplus)</b>	<b>(83)</b>	<b>129</b>	<b>46</b>	<b>(55)</b>	<b>134</b>	<b>79</b>	<b>33</b>		<b>28</b>	
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-
(149)	(121)	29	Cont'ns to/(from) Earmarked Reserves	-	(127)	(127)	-	(134)	(134)	(6)	5%	-	-
<b>(149)</b>	<b>(121)</b>	<b>29</b>	<b>Total Contribution to/(from) Reserves</b>	<b>-</b>	<b>(127)</b>	<b>(127)</b>	<b>-</b>	<b>(134)</b>	<b>(134)</b>	<b>(6)</b>	<b>5%</b>	<b>-</b>	<b>-</b>
<b>(451)</b>	<b>(527)</b>	<b>(76)</b>	<b>Net Gap / (Surplus)</b>	<b>(83)</b>	<b>2</b>	<b>(81)</b>	<b>(55)</b>	<b>0</b>	<b>(54)</b>	<b>27</b>		<b>28</b>	

# Operational Income



Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Cycle to Work Scheme	(11,184)	(20,417)	(9,233)	(45%)	(35,001)	
Childcare Vouchers	(7,921)	(17,500)	(9,579)	(55%)	(30,000)	
Sales of Vehicles	(33,896)	0	33,896	0%	0	
Canteen Income	(70,696)	(45,500)	25,196	55%	(78,000)	
Sale of Vehicle Spares	(56,786)	(52,500)	4,286	8%	(90,000)	
Aerial Sites	(77,079)	(67,083)	9,996	15%	(114,999)	
Solar Panel Income	(34,543)	(35,000)	(457)	(1%)	(60,000)	
Hydrant Tests	(40,094)	(52,500)	(12,406)	(24%)	(90,000)	
Lease Cars - Employee Contributions	(2,794)	(3,500)	(706)	(20%)	(6,000)	
General Sales	(7,206)	0	7,206	0%	0	
Service Charges	(244)	(263)	(19)	(7%)	(451)	
Secondments	(201,743)	(106,752)	94,991	89%	(183,003)	1 x National Resilience, 3 x NFCC
Community Safety General	(45,689)	(45,689)	0	0%	(78,324)	
Labour Credit	(44,086)	(52,500)	(8,414)	(16%)	(90,000)	
Section 13/16	(34,088)	(35,000)	(912)	(3%)	(60,000)	
Provision of Hire Vehicles & Equipment	(13,237)	0	13,237	0%	0	
Interest Received Short Term Investments	(668,355)	(87,500)	580,855	664%	(150,000)	
Events Income	(1,621)	0	1,621	0%	0	
Community Safety Youth Work	(9,475)	(67,142)	(57,667)	(86%)	(115,101)	The Budget was re-aligned in P7 as it related to DoF&E and Cadet generated income
Shared Services Income	(167,753)	(145,838)	21,915	15%	(250,008)	
Other Miscellaneous Income	(261,365)	(100,019)	161,346	161%	(171,461)	£53k USAR Jersey Reimbursement, £42k SERP Income, £50k Insurance Income
<b>Total Operational Income</b>	<b>(1,789,853)</b>	<b>(934,703)</b>	<b>855,150</b>	<b>(91%)</b>	<b>(1,602,348)</b>	

## Specific Government Grants Income

Specific Government Grants	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Addn Pens Grant Accr	(2,051,318)	(2,051,318)	(0)	0%	(3,516,545)	Central Govt. Grant for Pensions - increase in Employers contribution £102k higher from prior year release
DCLG BRR 2022-23	(1,691,718)	(1,691,718)	(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	(500,167)	(499,660)	507	(0%)	(856,560)	
Firelink Grant 2022-23	(213,924)	(221,931)	(8,007)	4%	(380,453)	Communications Network (Firelink) grant and New Risk Mosaic programme funding.
Services Grant (One off investments) 2022-23	(373,331)	(373,333)	(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	(162,699)	(28,819)	133,880	(465%)	(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).
<b>Subtotal-Govt Grants</b>	<b>(4,993,157)</b>	<b>(4,866,779)</b>	<b>126,378</b>	<b>3%</b>	<b>(8,343,049)</b>	

## Balance Sheet - 31st October 2023

	31st Oct 2023 £000's	30th Sep 2023 £000's	31st Mar 2023 £000's	Variance Month £000's	Variance YTD £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	4,388	4,260	1,599	128	2,790
<b>Long term assets</b>	<b>144,576</b>	<b>144,448</b>	<b>141,787</b>	<b>128</b>	<b>2,790</b>
Inventories	195	177	445	17	(250)
Short term debtors	6,804	8,657	13,068	(1,854)	(6,265)
Cash and cash equivalents	30,918	30,412	18,602	506	12,316
Assets held for sale	-	-	350	-	(350)
<b>Current assets</b>	<b>37,916</b>	<b>39,246</b>	<b>32,465</b>	<b>(1,330)</b>	<b>5,451</b>
* Short term borrowings	-	-	(249)	-	249
Short term creditors	(8,498)	(8,617)	(11,447)	118	2,949
Grants received in advance	(11,468)	(12,834)	(1,303)	1,365	(10,165)
<b>Current liabilities</b>	<b>(19,967)</b>	<b>(21,450)</b>	<b>(12,999)</b>	<b>1,484</b>	<b>(6,966)</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>(432,601)</b>	<b>(432,884)</b>	<b>(433,876)</b>	<b>283</b>	<b>1,275</b>
<b>Usable reserves</b>					
General fund	3,503	3,426	3,882	77	(379)
Earmarked general fund reserves	6,323	6,451	7,102	(127)	(779)
Capital receipts reserve	16,090	16,090	15,741	-	349
<b>Usable reserves</b>	<b>25,916</b>	<b>25,967</b>	<b>26,725</b>	<b>(50)</b>	<b>(809)</b>
<b>Unusable reserves</b>					
Revaluation reserve	43,674	43,674	43,840	-	(166)
Capital adjustment account	68,447	68,114	66,198	333	2,249
* 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>(458,518)</b>	<b>(458,851)</b>	<b>(460,601)</b>	<b>333</b>	<b>2,083</b>
<b>TOTAL RESERVES</b>	<b>(432,601)</b>	<b>(432,884)</b>	<b>(433,876)</b>	<b>283</b>	<b>1,275</b>

\* Balances adjusted at year end only.

### Key Movements

#### Fixed Assets:

- Increase in Assets under construction of £128k 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 the pension fund surplus.
- £0.5m increase in cash and cash equivalents, as seen in the cashflow on page 8. This is due to no pension payroll payment in October due to the timing of payments at month end.

#### Current Liabilities

- No short term borrowings, as the next loan payment is due in 2025.
- Short term creditors have reduced by £0.1m due to movements in working capital.
- Grants received in advance have reduced by £1.4m 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.

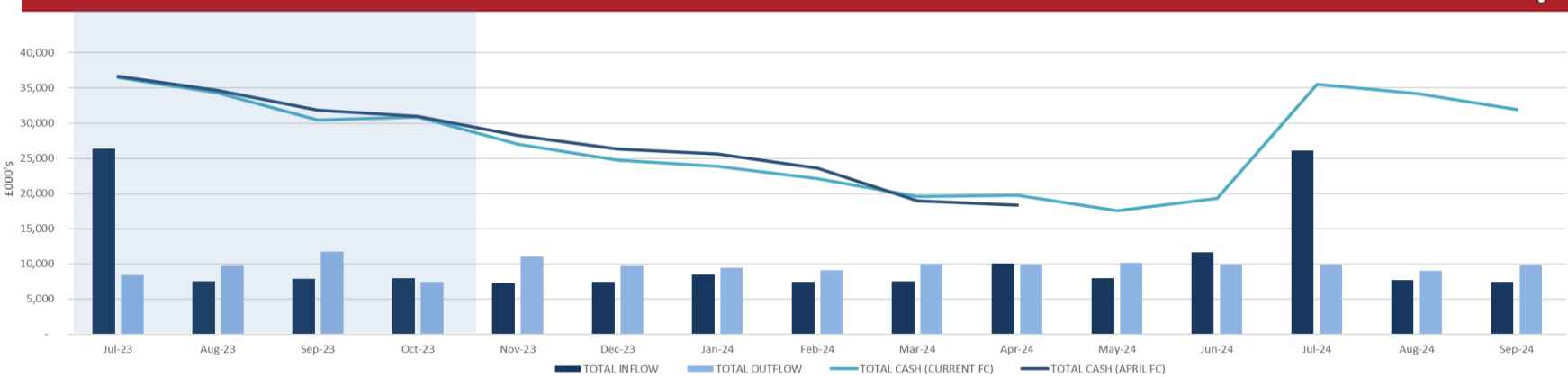
##### Movements in Unusable Reserves:

- 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

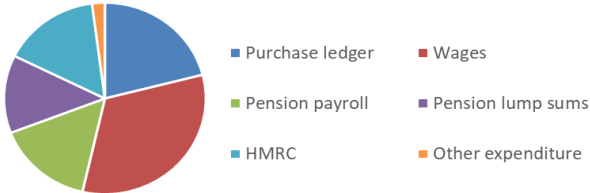
Total cash and investments at the end of October was £30.9m, up from £30.4m in September. Key inflows and outflows for the month are summarised below:

- Cash inflows include precepts of £5.5m 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. Lump sum payments are high at £0.9m due to the retirement of staff.
- The Authority holds investments of £26.5m, down from £29m last month, including £21m 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.

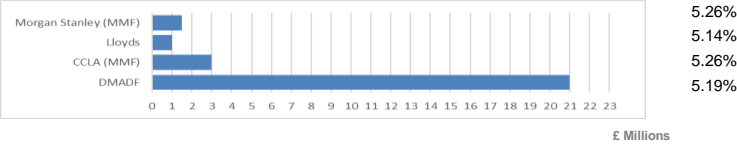
### TREASURY MANAGEMENT INDICATORS

	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>	£30.9m	The target cash available within 3 months is £8.5m.
<b>Monthly interest rate movement</b>	0.01%	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 October 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	31
Asset Improvement Works Training Facilities Improvement	774	820	-	820	256
Wethersfield replacement	500	0	-	-	-
Asset Improvement Works - Shoeburyness	-	330	-	330	260
<b>Total Property</b>	<b>2,924</b>	<b>2,250</b>	<b>-</b>	<b>2,250</b>	<b>546</b>
<b>Equipment</b>	<b>939</b>	<b>1,344</b>	<b>-</b>	<b>1,344</b>	<b>381</b>
<b>Information Technology</b>					
Projects	1,413	2,072	-	2,072	582
<b>Total Information Technology</b>	<b>1,413</b>	<b>2,072</b>	<b>-</b>	<b>2,072</b>	<b>582</b>
<b>Vehicles</b>					
New Appliances	-	5	-	5	-
Other Vehicles	720	818	-	818	806
<b>Total Vehicles</b>	<b>720</b>	<b>823</b>	<b>-</b>	<b>823</b>	<b>806</b>
<b>Total Capital Expenditure</b>	<b>5,996</b>	<b>6,489</b>	<b>-</b>	<b>6,489</b>	<b>2,315</b>

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



	Budget 2023/24 £	Forecast - Prior	Adjustment to Budget	Current Forecast 2023/24 £	Actual Spend £	Spend Brought Forward £
<b>B113 - Vehicles</b>						
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	-
<b>Total B113 - Vehicles</b>	<b>720,000</b>	<b>822,671</b>	<b>-</b>	<b>822,671</b>	<b>806,076</b>	<b>228,606</b>
<b>B116 - Operational Equipment</b>						
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	-	-
<b>Heatwave Costs:</b>						
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	-
<b>Total B116 - Operational Equipment</b>	<b>939,000</b>	<b>1,343,808</b>	<b>-</b>	<b>1,343,808</b>	<b>380,653</b>	<b>-</b>
<b>B114 - ICT Equipment</b>						
<b>Digital &amp; Data Strategy</b>						
DEVICES	225,000	391,000	-	391,000	258,430	-
NETWORK	-	236,000	-	236,000	221,002	56,195
<b>Other Projects</b>						
Station End Equipment	450,000	-	-	-	-	-
Control Project	738,450	1,445,030	-	1,445,030	102,388	475,037
<b>Total B114 - ICT Equipment</b>	<b>1,413,450</b>	<b>2,072,030</b>	<b>-</b>	<b>2,072,030</b>	<b>581,821</b>	<b>531,231</b>

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



	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	500,000		-	-	-	-
<b>Total B112 - Land &amp; Building</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>B117 - Asset Improvements</b>						
Asset Improvement Works - Shoeburyness	-	330,000	-	330,000	259,656	1,297,544
Wethersfield Replacement	500,000	-	-	-	-	-
Control Room Refurb	-	-	-	-	34,651	-
<b>Asset Protection Works - Training Facilities:</b>						
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	-
<b>Total B117 - Asset Improvement</b>	<b>1,274,000</b>	<b>1,150,438</b>	<b>-</b>	<b>1,150,438</b>	<b>515,194</b>	<b>1,314,061</b>
<b>B118 - Asset Protection</b>						
<b>Confirmed Projects for 2023/24</b>						
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	-	-
OCAT	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	-	-
<b>Wholtime Station Modernisation</b>						
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	5,478	-
<b>B118 - Asset Protection</b>	<b>1,150,000</b>	<b>1,099,859</b>	<b>-</b>	<b>1,099,859</b>	<b>30,806</b>	<b>-</b>
<b>TOTAL FORECAST 2023-24</b>	<b>5,996,450</b>	<b>6,638,069</b>	<b>-</b>	<b>6,488,806</b>	<b>2,314,548</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 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	1	-	1 Months
23/24	23/24 Post Grenfell Tower and Manchester Arena	Director of Operations	-	2	-	1	-	1	-	-	1 Months
22/23	22/23 Efficiency and Cost Saving	Chief Finance Officer	-	1	-	-	-	1	-	1	4 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	-	-	7 Months
22/23	22/23 Follow-Up	Various	-	6	-	3	-	3	-	3	10 Months
22/23	22/23 Emergency Response Driving	Director of People Services	-	3	-	2	-	1	-	1	14 Months
21/22	21/22 Follow up	Various	-	2	-	2	-	-	-	-	17 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
<b>THIS UPDATE</b>			<b>8</b>	<b>34</b>	<b>1</b>	<b>13</b>	<b>7</b>	<b>21</b>	<b>1</b>	<b>5</b>	
			42		14		28		6		
			Percentage complete			33%		Percentage overdue			21%
<b>LAST UPDATE</b>			<b>8</b>	<b>32</b>	<b>1</b>	<b>7</b>	<b>7</b>	<b>25</b>	<b>-</b>	<b>6</b>	
			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

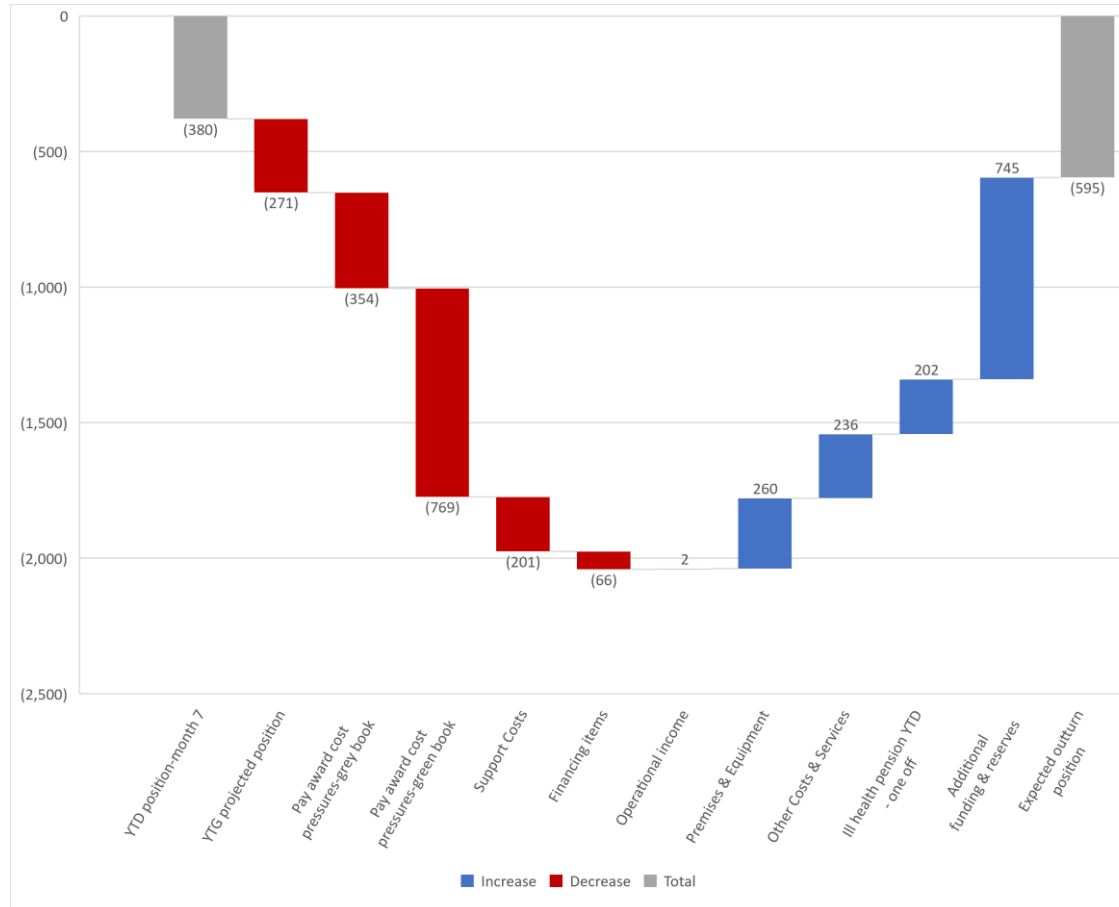


Description	2023-24 FY Budget £'000	YTD Actuals	2023-24 Expected FY Outturn position £'000	Movement from Budget to Outturn £'000	Variance of movement %	Expected monthly position based on Actual trends	Outturn position based on Actual trends	Variance of movement to projected outturn	Variance of movement to projected outturn %
Wholetime Firefighters	37,991	22,444	38,764	(773)	(2%)	3,206	38,475	289	1%
On-Call Firefighters	8,579	5,739	9,797	(1,218)	(14%)	820	9,838	(41)	(0%)
Control	1,957	1,049	1,904	53	3%	150	1,799	105	6%
Support Staff	18,270	10,388	18,576	(306)	(2%)	1,484	17,808	769	4%
<b>Total Employment Costs</b>	<b>66,797</b>	<b>39,619</b>	<b>69,042</b>	<b>(2,244)</b>	<b>(3%)</b>	<b>5,660</b>	<b>67,919</b>	<b>1,122</b>	<b>2%</b>
<b>Other Service Expenditure</b>									
Support Costs	1,924	1,203	2,263	(339)	(18%)	172	2,062	201	9%
Premises & Equipment	11,834	7,001	11,742	92	1%	1,000	12,003	(260)	(2%)
Other Costs & Services	3,294	2,325	3,750	(456)	(14%)	332	3,986	(236)	(6%)
Ill Health Pension costs	2,184	1,581	2,508	(324)	(15%)	226	2,710	(202)	(8%)
Financing Items	5,597	3,172	5,504	93	2%	453	5,438	66	1%
<b>Total Other Costs</b>	<b>24,834</b>	<b>15,283</b>	<b>25,767</b>	<b>(934)</b>	<b>(4%)</b>	<b>2,183</b>	<b>26,199</b>	<b>(432)</b>	<b>(2%)</b>
<b>Gross Operating Expenditure</b>	<b>91,631</b>	<b>54,902</b>	<b>94,809</b>	<b>(3,178)</b>	<b>(3%)</b>	<b>7,843</b>	<b>94,118</b>	<b>691</b>	<b>1%</b>
Operational income	(1,602)	(1,790)	(3,070)	1,468	(92%)	(256)	(3,068)	(2)	0%
<b>Net Expenditure</b>	<b>90,029</b>	<b>53,112</b>	<b>91,739</b>	<b>(1,710)</b>	<b>(2%)</b>	<b>7,587</b>	<b>91,050</b>	<b>689</b>	<b>1%</b>
<b>Funding</b>									
Government Grants Income	(8,343)	(4,993)	(9,032)	689	(8%)	(713)	(8,560)	(472)	5%
Revenue Support Grant	(9,671)	(5,641)	(9,670)	(0)	0%	(806)	(9,670)	(0)	0%
National Non-Domestic Rates	(17,137)	(9,862)	(17,137)	0	(0%)	(1,409)	(16,907)	(231)	1%
NNDR (surplus)/deficit		(122)		-	-	(17)	(208)	208	-
Council Tax Collection Account		(302)	(500)	500	-	(43)	(518)	18	(4%)
Council Tax Precepts	(53,267)	(31,034)	(53,201)	(66)	-	(4,433)	(53,201)		(0%)
Council Tax Collection Impact				-	-				-
Cont'ns to/(from) General Reserves				(1,610)	-				-
Cont'ns to/(from) Earmarked Reserves	(1,610)	(779)	(1,604)	1,604	-	(111)	(1,335)	(269)	17%
<b>Total Funding</b>	<b>(90,028)</b>	<b>(52,733)</b>	<b>(91,144)</b>	<b>1,116</b>	<b>(1%)</b>	<b>(7,533)</b>	<b>(90,399)</b>	<b>(745)</b>	<b>1%</b>
<b>Funding Gap/ (Surplus)</b>	<b>1</b>	<b>380</b>	<b>595</b>	<b>(595)</b>	<b>-</b>	<b>54</b>	<b>651</b>	<b>(56)</b>	<b>(9%)</b>





## 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

