

**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:	Callum Melville, Assistant Finance Business Partner		
Presented By	Neil Cross - Chief Finance Officer		
Subject	<b>Budget Review - January 2024</b>		
Type of Report:	Information		

**SUMMARY**

This paper reports on expenditure against budget as at January 2024 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 January 2024

# Executive Summary



## Results for the period to January 2024

### Forecast:

The projected position of the outturn is currently showing a deficit of £78k, this is a movement of £94k 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 kept in line with the yearly trend.

### YTD position:

The YTD position shows a deficit position of £693k. This is £669k 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. We have incurred additional turnout costs of £452k as well as Standby costs of £341k which are to ensure the service is in line with the response model.

Support staff (Green Book) is showing an overspend of £337k. This variance includes the back dated pay award which was processed in December's pay which is offset by the rephased budget and we had previously reported in the outturn.

### Non Pay explanations

Other costs and Services is showing an overspend of £542k (£409k of this overspend is in consultancy with elements being funded from Earmarked Reserves).

Ill health pension costs were higher due to an inflationary increase as well as unplanned injury payments occurring during the year.

### **The Month Position:**

Shows a surplus position of £586k, which is £605k better than the monthly Budget position, this is due to:

£84k overspend in On Call costs

£91k overspend in Wholetime Pay.

£66k underspend in Support costs.

£55k underspend in Other Costs and Services.

These are offset by £1.1million of additional BRR income which has been phased across the final 3 months of the year. (£367k a month)

£220k credit from a stock adjustment

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

The Balance Sheet report on page 8 shows the key monthly rather than year to date movements.

Cash and cash equivalents decreased from £26.8m to £25.9m in the month.

The Authority holds investments of £26m, which is £0.5m more than last month, including £13m of fixed term investments in UK government gilts. The remaining investments are in money market funds, CCLA and a Lloyds call account to maintain liquidity.

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 31st January 2024

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	%
3,298	3,206	(91)	(3%)		32,267	31,573	(694)	(2%)	WholeTime Firefighters	38,862	37,991	(872)	(2%)
825	741	(84)	(11%)		8,243	7,148	(1,095)	(15%)	On-Call Firefighters	9,893	8,579	(1,313)	(13%)
168	165	(3)	(2%)		1,549	1,627	77	5%	Control	1,885	1,957	72	4%
1,525	1,477	(48)	(3%)		15,653	15,316	(337)	(2%)	Support Staff	18,703	18,270	(432)	(2%)
<b>5,816</b>	<b>5,590</b>	<b>(226)</b>	<b>(4%)</b>		<b>57,712</b>	<b>55,663</b>	<b>(2,049)</b>	<b>(4%)</b>	<b>Total Employment Costs</b>	<b>69,343</b>	<b>66,797</b>	<b>(2,546)</b>	<b>(4%)</b>
97	163	66	41%		1,705	1,588	(117)	(7%)	Support Costs	2,040	1,924	(116)	(6%)
985	988	3	0%		9,879	9,874	(5)	(0%)	Premises & Equipment	11,801	11,834	33	0%
244	299	55	19%		3,312	2,770	(542)	(20%)	Other Costs & Services	3,969	3,294	(675)	(17%)
189	172	(17)	(10%)		2,173	1,841	(333)	(18%)	Ill health pension costs	2,536	2,184	(352)	(14%)
436	466	31	7%		4,463	4,664	201	4%	Financing Items	5,303	5,597	294	6%
<b>1,949</b>	<b>2,088</b>	<b>139</b>	<b>7%</b>		<b>21,532</b>	<b>20,737</b>	<b>(795)</b>	<b>(4%)</b>	<b>Total Other Costs</b>	<b>25,650</b>	<b>24,834</b>	<b>(816)</b>	<b>(3%)</b>
<b>7,765</b>	<b>7,678</b>	<b>(87)</b>	<b>(1%)</b>		<b>79,244</b>	<b>76,400</b>	<b>(2,843)</b>	<b>(4%)</b>	<b>Gross Expenditure</b>	<b>94,992</b>	<b>91,631</b>	<b>(3,362)</b>	<b>(4%)</b>
(346)	(134)	213	159%		(2,760)	(1,335)	1,425	107%	Operational Income	(3,235)	(1,602)	1,633	50%
<b>7,419</b>	<b>7,544</b>	<b>126</b>	<b>2%</b>		<b>76,483</b>	<b>75,065</b>	<b>(1,418)</b>	<b>(2%)</b>	<b>Net Expenditure before Funding</b>	<b>91,757</b>	<b>90,029</b>	<b>(1,729)</b>	<b>(2%)</b>
(1,099)	(695)	403	58%		(7,588)	(6,953)	635	9%	<b>Funding</b>				
(806)	(806)	-	-		(8,058)	(8,059)	-	-	Government Grants	(9,819)	(8,343)	1,476	15%
(1,409)	(1,411)	(2)	(0%)		(14,089)	(14,107)	(18)	(0%)	- Revenue Support Grant	(9,670)	(9,671)	(1)	(0%)
(17)	(18)	(0)	(3%)		(174)	(174)	0	0%	National Non-Domestic Rates	(17,115)	(17,137)	(22)	(0%)
(43)	-	43	-		(432)	0	432	100%	NNDR (surplus)/deficit	-	-	-	-
(4,433)	(4,461)	(28)	(1%)		(44,334)	(44,412)	(78)	(0%)	- Council Tax Collection Account	(500)	-	500	100%
<b>(7,807)</b>	<b>(7,391)</b>	<b>417</b>	<b>6%</b>		<b>(74,674)</b>	<b>(73,704)</b>	<b>971</b>	<b>1%</b>	Council Tax Precept	(53,201)	(53,267)	(66)	(0%)
<b>(389)</b>	<b>154</b>	<b>542</b>	<b>353%</b>		<b>1,809</b>	<b>1,361</b>	<b>(448)</b>	<b>(33%)</b>	<b>Total Funding</b>	<b>(90,305)</b>	<b>(88,418)</b>	<b>1,887</b>	<b>2%</b>
(197)	(134)	63	47%		(1,116)	(1,337)	(222)	(17%)	Funding Gap / (Surplus)	1,452	1,611	159	11%
(197)	(134)	63	47%		(1,116)	(1,337)	(222)	(17%)	- Cont'n's to/(from) General Bals	-	-	-	-
(586)	20	605	(3055%)		693	23	(669)	2851%	Cont'n's to/(from) Earmarked Reserves	(1,375)	(1,610)	(235)	(17%)
									<b>Total Contribution to/(from) Reserves</b>	<b>(1,375)</b>	<b>(1,610)</b>	<b>(235)</b>	<b>(17%)</b>
									<b>Net Gap / (Surplus)</b>	<b>78</b>	<b>1</b>	<b>(77)</b>	<b>(99%)</b>

## YTD Summary Income and Expenditure Statement to 31st January 2024



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 %
29,265	29,751	487	WholeTime Firefighters	31,896	371	32,267	31,164	408	31,573	(694)	(2%)	(732)	(2%)
7,626	5,936	(1,690)	On-Call Firefighters	8,243	-	8,243	7,148	-	7,148	(1,095)	(15%)	(1,095)	(15%)
1,389	1,311	(78)	Control	1,549	-	1,549	1,627	-	1,627	77	5%	77	5%
14,084	14,009	(74)	Support Staff	15,584	69	15,653	15,258	58	15,316	(337)	(2%)	(326)	(2%)
<b>52,363</b>	<b>51,008</b>	<b>(1,355)</b>	<b>Total Employment Costs</b>	<b>57,272</b>	<b>439</b>	<b>57,712</b>	<b>55,196</b>	<b>467</b>	<b>55,663</b>	<b>(2,049)</b>	<b>(4%)</b>	<b>(2,076)</b>	<b>(4%)</b>
1,759	1,584	(175)	Support Costs	1,654	51	1,705	1,255	333	1,588	(117)	(7%)	(399)	(32%)
8,905	8,397	(508)	Premises & Equipment	9,556	323	9,879	9,419	455	9,874	(5)	(0%)	(137)	(1%)
3,159	2,861	(297)	Other Costs & Services	3,131	180	3,312	2,686	83	2,770	(542)	(20%)	(445)	(17%)
1,819	1,841	21	Ill health pension costs	2,173	-	2,173	1,841	-	1,841	(333)	(18%)	(333)	(18%)
4,643	4,915	271	Financing Items	4,463	-	4,463	4,664	-	4,664	201	4%	201	4%
<b>20,286</b>	<b>19,598</b>	<b>(688)</b>	<b>Total Other Costs</b>	<b>20,978</b>	<b>554</b>	<b>21,532</b>	<b>19,865</b>	<b>872</b>	<b>20,737</b>	<b>(795)</b>	<b>(4%)</b>	<b>(1,113)</b>	<b>(6%)</b>
<b>72,649</b>	<b>70,606</b>	<b>(2,043)</b>	<b>Gross Expenditure</b>	<b>78,250</b>	<b>993</b>	<b>79,244</b>	<b>75,061</b>	<b>1,339</b>	<b>76,400</b>	<b>(2,843)</b>	<b>(4%)</b>	<b>(3,189)</b>	<b>(4%)</b>
<b>(1,680)</b>	<b>(1,179)</b>	<b>500</b>	<b>Operational Income</b>	<b>(2,760)</b>	<b>-</b>	<b>(2,760)</b>	<b>(1,335)</b>	<b>-</b>	<b>(1,335)</b>	<b>1,425</b>	<b>(107%)</b>	<b>1,425</b>	<b>(107%)</b>
<b>70,969</b>	<b>69,427</b>	<b>(1,543)</b>	<b>Net Expenditure before Funding</b>	<b>75,490</b>	<b>993</b>	<b>76,483</b>	<b>73,726</b>	<b>1,339</b>	<b>75,065</b>	<b>(1,418)</b>	<b>(2%)</b>	<b>(1,764)</b>	<b>(2%)</b>
			<b>Funding</b>										
(6,064)	(6,291)	(227)	Government Grants	(7,588)	-	(7,588)	(6,953)	-	(6,953)	635	9%	635	9%
(7,715)	(7,715)	0	Revenue Support Grant	(8,058)	-	(8,058)	(8,059)	-	(8,059)	-	-	-	-
(13,340)	(13,340)	-	National Non-Domestic Rates	(14,089)	-	(14,089)	(14,107)	-	(14,107)	(18)	(0%)	(18)	(0%)
(16)	-	16	NNDR (surplus)/deficit	(174)	-	(174)	(174)	-	(174)	0	0%	0	0%
(674)	-	674	Council Tax Collection Account	(432)	-	(432)	-	-	-	432	100%	432	100%
(41,292)	(41,292)	0	Council Tax Precept	(44,334)	-	(44,334)	(44,412)	-	(44,412)	(78)	(0%)	(78)	(0%)
<b>(69,100)</b>	<b>(68,639)</b>	<b>462</b>	<b>Total Funding</b>	<b>(74,674)</b>	<b>-</b>	<b>(74,674)</b>	<b>(73,704)</b>	<b>-</b>	<b>(73,704)</b>	<b>971</b>	<b>1%</b>	<b>971</b>	<b>1%</b>
<b>1,869</b>	<b>788</b>	<b>(1,081)</b>	<b>Funding Gap / (Surplus)</b>	<b>816</b>	<b>993</b>	<b>1,809</b>	<b>22</b>	<b>1,339</b>	<b>1,361</b>	<b>(448)</b>	<b>(33%)</b>	<b>(793)</b>	<b>(58%)</b>
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-
(1,702)	(1,634)	67	Cont'ns to/(from) Earmarked Reserves	(74)	(1,042)	(1,116)	-	(1,337)	(1,337)	(222)	(17%)	74	-
<b>(1,702)</b>	<b>(1,634)</b>	<b>67</b>	<b>Total Contribution to/(from) Reserves</b>	<b>(74)</b>	<b>(1,042)</b>	<b>(1,116)</b>	<b>-</b>	<b>(1,337)</b>	<b>(1,337)</b>	<b>(222)</b>	<b>-</b>	<b>74</b>	<b>-</b>
<b>167</b>	<b>(846)</b>	<b>(1,014)</b>	<b>Net Gap / (Surplus)</b>	<b>742</b>	<b>(49)</b>	<b>693</b>	<b>22</b>	<b>1</b>	<b>23</b>	<b>(669)</b>	<b>2851%</b>	<b>(719)</b>	<b>3242%</b>

# Period Summary Income and Expenditure Statement to 31st January 2024



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 %
2,920	2,995	75	Wholetime Firefighters	3,261	37	3,298	3,166	41	3,206	(91)	(3%)	(95)	(3%)
723	594	(129)	On-Call Firefighters	825	-	825	741	-	741	(84)	(11%)	(84)	(11%)
140	131	(9)	Control	168	-	168	165	-	165	(3)	(2%)	(3)	(2%)
1,400	1,361	(39)	Support Staff	1,458	67	1,525	1,471	6	1,477	(48)	(3%)	14	1%
<b>5,183</b>	<b>5,081</b>	<b>(102)</b>	<b>Total Employment Costs</b>	<b>5,711</b>	<b>104</b>	<b>5,816</b>	<b>5,543</b>	<b>47</b>	<b>5,590</b>	<b>(226)</b>	<b>(4%)</b>	<b>(168)</b>	<b>(3%)</b>
190	158	(32)	Support Costs	97	-	97	130	33	163	66	41%	33	25%
994	855	(139)	Premises & Equipment	960	25	985	942	46	988	3	0%	(18)	(2%)
482	293	(189)	Other Costs & Services	244	-	244	291	8	299	55	19%	47	16%
173	172	(1)	Ill health pension costs	189	-	189	172	-	172	(17)	(10%)	(17)	(10%)
417	491	74	Financing Items	436	-	436	466	-	466	31	7%	31	7%
<b>2,255</b>	<b>1,969</b>	<b>(286)</b>	<b>Total Other Costs</b>	<b>1,925</b>	<b>25</b>	<b>1,949</b>	<b>2,001</b>	<b>88</b>	<b>2,088</b>	<b>139</b>	<b>7%</b>	<b>76</b>	<b>4%</b>
<b>7,438</b>	<b>7,051</b>	<b>(388)</b>	<b>Gross Expenditure</b>	<b>7,636</b>	<b>129</b>	<b>7,765</b>	<b>7,544</b>	<b>134</b>	<b>7,678</b>	<b>(87)</b>	<b>(1%)</b>	<b>(92)</b>	<b>(1%)</b>
(276)	(118)	159	Operational income	(346)	-	(346)	(134)	-	(134)	213	159%	213	159%
<b>7,162</b>	<b>6,933</b>	<b>(229)</b>	<b>Net Expenditure</b>	<b>7,290</b>	<b>129</b>	<b>7,419</b>	<b>7,410</b>	<b>134</b>	<b>7,544</b>	<b>126</b>	<b>2%</b>	<b>121</b>	<b>2%</b>
			<b>Funding</b>										
(602)	(629)	(27)	Government Grants	(1,099)	-	(1,099)	(695)	-	(695)	403	58%	403	58%
(532)	(532)	-	Revenue Support Grant	(806)	-	(806)	(806)	-	(806)	-	-	-	-
(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)	(1)	(6%)	(1)	(6%)
(73)	-	73	Council Tax Collection Account	(43)	-	(43)	-	-	-	43	100%	43	100%
(4,238)	(4,238)	-	Council Tax Precept	(4,433)	-	(4,433)	(4,461)	-	(4,461)	(28)	(1%)	(28)	(1%)
<b>(6,751)</b>	<b>(6,703)</b>	<b>47</b>	<b>Total Funding</b>	<b>(7,807)</b>	<b>-</b>	<b>(7,807)</b>	<b>(7,391)</b>	<b>-</b>	<b>(7,391)</b>	<b>416</b>	<b>(6%)</b>	<b>416</b>	<b>6%</b>
<b>411</b>	<b>229</b>	<b>(182)</b>	<b>Funding Gap / (Surplus)</b>	<b>(518)</b>	<b>129</b>	<b>(389)</b>	<b>19</b>	<b>134</b>	<b>154</b>	<b>542</b>	<b>353%</b>	<b>537</b>	<b>2768%</b>
-	-	-	Cont'ns to/(from) General Bals	-	-	-	-	-	-	-	-	-	-
(137)	(121)	16	Cont'ns to/(from) Earmarked Reserves	-	(120)	(197)	-	(134)	(134)	63	47%	-	-
<b>(137)</b>	<b>(121)</b>	<b>16</b>	<b>Total Contribution to/(from) Reserves</b>	<b>-</b>	<b>(120)</b>	<b>(197)</b>	<b>-</b>	<b>(134)</b>	<b>(134)</b>	<b>63</b>	<b>47%</b>	<b>-</b>	<b>-</b>
<b>275</b>	<b>109</b>	<b>(166)</b>	<b>Net Gap / (Surplus)</b>	<b>(518)</b>	<b>9</b>	<b>(586)</b>	<b>19</b>	<b>0</b>	<b>20</b>	<b>605</b>	<b>(3052%)</b>	<b>537</b>	<b>(2768%)</b>

# Operational Income



Operational Income	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Cycle to Work Scheme	(14,044)	(29,167)	(15,123)	(52%)	(35,000)	
Childcare Vouchers	(10,284)	(25,000)	(14,716)	(59%)	(30,000)	
Sales of Vehicles	(62,899)	0	62,899	100%	0	
Canteen Income	(92,859)	(65,000)	27,859	43%	(78,000)	
Sale of Vehicle Spares	(66,541)	(75,000)	(8,459)	(11%)	(90,000)	
Aerial Sites	(116,923)	(95,833)	21,090	22%	(115,000)	
Solar Panel Income	(62,997)	(50,000)	12,997	26%	(60,000)	
Hydrant Tests	(89,623)	(75,000)	14,623	19%	(90,000)	
Lease Cars - Employee Contributions	(4,091)	(5,000)	(909)	(18%)	(6,000)	
General Sales	(7,206)	0	7,206	100%	0	
Service Charges	(833)	(376)	457	122%	(451)	
Secondments	(279,396)	(152,503)	126,894	83%	(183,004)	1 x National Resilience, 3 x NFCC
Community Safety General	(65,270)	(65,270)	0	100%	(78,324)	
Labour Credit	(56,535)	(75,000)	(18,465)	(25%)	(90,000)	
Section 13/16	(35,146)	(50,000)	(14,854)	(30%)	(60,000)	
Provision of Hire Vehicles & Equipment	(16,463)	0	16,463	100%	0	
Interest Received Short Term Investments	(1,012,257)	(125,000)	887,257	710%	(150,000)	
Events Income	(1,621)	0	1,621	100%	0	
Community Safety Youth Work	(35,475)	(95,917)	(60,442)	(63%)	(115,100)	The Budget was re-aligned in P7 as it related to DofE and Cadet generated income
Shared Services Income	(341,824)	(208,340)	133,484	64%	(250,008)	
Other Miscellaneous Income	(387,941)	(142,884)	245,057	172%	(171,461)	£53k USAR Jersey Reimbursement, £42k SERP Income, £100k insurance reimbursement
<b>Total Operational Income</b>	<b>(2,760,227)</b>	<b>(1,335,290)</b>	<b>1,424,937</b>	<b>(107%)</b>	<b>(1,602,347)</b>	

## Specific Government Grants Income

Specific Government Grants	YTD Actual £	YTD Budget £	Variance YTD £	Variance YTD %	Current Full Year Budget £	Comments
Pensions Top Up Grant	(2,930,454)	(2,930,454)	-	-	(3,516,545)	Central Govt. Grant for Pensions - increase in Employers contribution £102k higher from prior year release
Business Rates Relief Support	(2,783,787)	(2,416,740)	367,047	(0)	(2,900,088)	Business Rate relief reclassified as part of Section 31 grant from funding, additional leisure and hospitality relief
USAR Grant	(714,525)	(713,800)	725	0%	(856,560)	
Firelink Grant	(305,605)	(317,044)	(11,438)	(4%)	(380,453)	Communications Network (Firelink) grant and New Risk Mosaic programme funding.
Services Grant (One off investments)	(556,733)	(533,333)	23,400	4%	(640,000)	Grant of circa £688k to fund one off investments, the funding is being released as costs are incurred.
Protection Uplift Grant	(296,412)	(41,170)	255,242	620%	(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).
<b>Subtotal-Govt Grants</b>	<b>(7,587,516)</b>	<b>(6,952,541)</b>	<b>634,975</b>	<b>9%</b>	<b>(8,343,049)</b>	

## Balance Sheet - 31st January 2024



	31st Jan 2024 £000's	31st Dec 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	10,603	10,603	10,602	-	1
Assets under construction	5,138	5,014	1,599	124	3,539
<b>Long term assets</b>	<b>145,327</b>	<b>145,203</b>	<b>141,787</b>	<b>124</b>	<b>3,540</b>
Inventories	431	206	445	225	(14)
Short term debtors	7,578	8,815	13,068	(1,237)	(5,490)
Cash and cash equivalents	25,849	26,778	18,602	(929)	7,247
Assets held for sale	-	-	350	-	(350)
<b>Current assets</b>	<b>33,858</b>	<b>35,799</b>	<b>32,465</b>	<b>(1,941)</b>	<b>1,393</b>
* Short term borrowings	-	-	(249)	-	249
Short term creditors	(10,014)	(8,891)	(11,447)	(1,123)	1,433
Grants received in advance	(6,278)	(9,913)	(1,303)	3,635	(4,975)
<b>Current liabilities</b>	<b>(16,292)</b>	<b>(18,804)</b>	<b>(12,999)</b>	<b>2,512</b>	<b>(3,293)</b>
Long term borrowing	(23,500)	(23,500)	(23,500)	-	-
Provisions	(803)	(814)	(786)	11	(17)
* Pension liability - LGPS	9,887	9,887	9,887	-	-
Pension liability - FPS	(580,729)	(580,729)	(580,729)	-	-
<b>Long term liabilities</b>	<b>(595,145)</b>	<b>(595,156)</b>	<b>(595,128)</b>	<b>11</b>	<b>(17)</b>
<b>NET LIABILITIES</b>	<b>(432,252)</b>	<b>(432,958)</b>	<b>(433,875)</b>	<b>706</b>	<b>1,623</b>
<b>Usable reserves</b>					
General fund	3,190	2,619	3,882	571	(692)
Earmarked general fund reserves	5,987	6,183	7,102	(196)	(1,115)
Capital receipts reserve	16,090	16,090	15,741	-	349
<b>Usable reserves</b>	<b>25,267</b>	<b>24,892</b>	<b>26,725</b>	<b>375</b>	<b>(1,458)</b>
<b>Unusable reserves</b>					
Revaluation reserve	43,674	43,674	43,840	-	(166)
Capital adjustment account	69,447	69,114	66,198	333	3,249
* 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>(457,517)</b>	<b>(457,850)</b>	<b>(460,600)</b>	<b>333</b>	<b>3,083</b>
<b>TOTAL RESERVES</b>	<b>(432,250)</b>	<b>(432,958)</b>	<b>(433,875)</b>	<b>708</b>	<b>1,625</b>

\* Balances adjusted at year end only.

### Key Movements

#### Fixed Assets:

- Increase in Assets under construction of £124k in the month, for further detail, see the Capital Expenditure report.
- There is a reclassification from prepayments in April due to year end entries relating to the Control Project, increasing the YTD variance.

#### Current Assets:

- Decrease in short term debtors due to movements in working capital
- £0.929m 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 £1.105m due to movements in working capital.
- Grants received in advance have reduced by £3.580m 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.

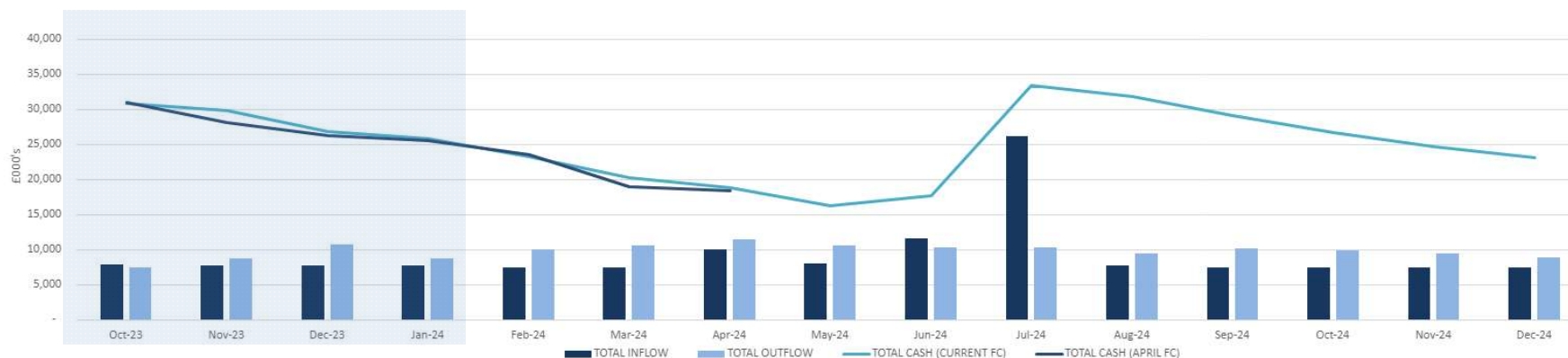
##### Movements in Unusable Reserves:

- 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

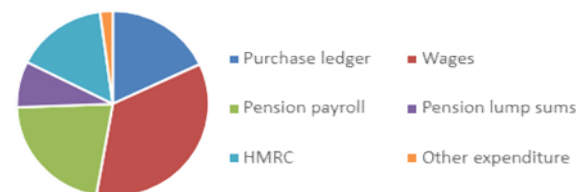
Total cash and investments at the end of January was £25.9m, down from £26.8m in December. Key inflows and outflows for the month are summarised below:

- Cash inflows include precepts of £5.2m and grants of £2.1m. This is in line with expectation.
- Cash outflows include purchase ledger payments of £2.6m, which is slightly higher than normal due to payment of the annual insurance renewal.
- There was not a pension payroll payment this month, as the payment fell at the start of February.
- The Authority holds investments of £26m, which is £0.5m more than last month, including £13m of fixed term investments in UK government gilts. The remaining investments are in money market funds, CCLA and a Lloyds call account to maintain liquidity.

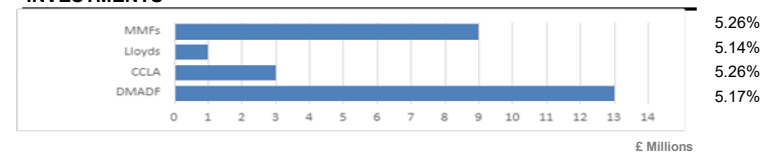
## TREASURY MANAGEMENT INDICATORS

	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>	£25.9m	The target cash available within 3 months is £8.5m.
<b>Monthly interest rate movement</b>	0.04%	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





Capital	Budget 2023/24 £'000	Previous Forecast £'000	Adjustment to Forecast £'000	Current Forecast £'000	Actual Spend £'000	Committed Spend £'000	
New Premises							
Service Workshops - New	500	-	-	-	-	-	
Existing Premises							
Asset Protection	1,150	1,000	-	1,000	230	667	
Asset Improvement Works Training Facilities Improvement	774	645	(645)	-	221	10	Cost to fall in 2024/25
Wethersfield replacement	500	-	-	-	-	-	
Asset Improvement Works - Shoeburyness	-	330	-	330	275	160	
<b>Total Property</b>	<b>2,924</b>	<b>1,975</b>	<b>(645)</b>	<b>1,330</b>	<b>726</b>	<b>837</b>	
<b>Equipment</b>	<b>939</b>	<b>1,344</b>	<b>(815)</b>	<b>529</b>	<b>381</b>	<b>11</b>	Cost to fall in 2024/25
<b>Information Technology</b>							
Projects	1,413	2,072	-	2,072	1151	841	
<b>Total Information Technology</b>	<b>1,413</b>	<b>2,072</b>	<b>-</b>	<b>2,072</b>	<b>1151</b>	<b>841</b>	
<b>Vehicles</b>							
New Appliances	-	5	-	5	-	3,674	
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>3,674</b>	
<b>Total Capital Expenditure</b>	<b>5,996</b>	<b>6,213</b>	<b>(1,460)</b>	<b>4,754</b>	<b>3,065</b>	<b>5,363</b>	

# Essex County Fire & Rescue Service - Capital Expenditure as at 31st January 2024



	Budget 2023/24 £	Forecast - Prior	Adjustment to Forecast £	Current Forecast 2023/24 £	Actual Spend £	Spend Brought Forward £	Committed Orders
<b>B113 - Vehicles</b>							
Appliances (Pumping)	-	4,834	-	4,834	-	228,606	3,673,812
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>3,673,812</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	-	-	4,662
<b>Heatwave Costs:</b>							
Ice makers and water kegs	-	14,500	-	14,500	6,502	-	-
Hoses	-	158,760	(120,000)	38,760	30,368	-	-
Fog spikes	-	70,000	-	70,000	-	-	-
Radios and repeaters	-	67,000	-	67,000	55,286	-	6,045
<b>Total B116 - Operational Equipment</b>	<b>939,000</b>	<b>1,343,808</b>	<b>(815,000)</b>	<b>528,808</b>	<b>380,653</b>	<b>-</b>	<b>10,707</b>
<b>B114 - ICT Equipment</b>							
<b>Digital &amp; Data Strategy</b>							
DEVICES	225,000	391,000	-	391,000	310,031	-	-
NETWORK	-	236,000	-	236,000	236,843	56,195	11,109
<b>Other Projects</b>							
Station End Equipment	450,000	-	-	-	-	-	-
Control Project	738,450	1,445,030	-	1,445,030	604,512	475,037	830,163
<b>Total B114 - ICT Equipment</b>	<b>1,413,450</b>	<b>2,072,030</b>	<b>-</b>	<b>2,072,030</b>	<b>1,151,386</b>	<b>531,231</b>	<b>841,272</b>

# Essex County Fire & Rescue Service - Capital Expenditure as at 31st January 2024



	Budget 2023/24 £	Forecast - Prior	Adjustment to Forecast £	Current Forecast 2023/24 £	Actual Spend £	Spend Brought Forward £	Committed Orders
<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>-</b>
<b>B117 - Asset Improvements</b>							
Asset Improvement Works - Shoeburyness	-	330,000	-	330,000	275,346	1,297,544	159,857
Wethersfield Replacement	500,000	-	-	-	-	-	-
<b>Asset Protection Works - Training Facilities:</b>							
Phase 3 - Harlow, Safron Waldon and Clacton	502,000	326,158	(326,158)	-	-	-	4,088
Phase 3 (E) - Clacton	232,000	234,000	(234,000)	-	210,888	16,517	5,873
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>974,596</b>	<b>(644,596)</b>	<b>330,000</b>	<b>496,232</b>	<b>1,314,061</b>	<b>169,818</b>

# Essex County Fire & Rescue Service - Capital Expenditure as at 31st January 2024



	Budget 2023/24 £	Forecast - Prior	Adjustment to Forecast £	Current Forecast 2023/24 £	Actual Spend £	Spend Brought Forward £	Committed Orders
<b>B118 - Asset Protection</b>							
<b>Confirmed Projects for 2023/24</b>							
Basildon boilers/controls	140,000	160,000	-	160,000	5,253	-	50,290
Grays heater/controls	80,000	105,000	-	105,000	-	-	-
Braintree refurb	50,000	-	-	-	-	-	-
Southend SDP boilers/heater	60,000	40,839	-	40,839	-	-	40,839
Ocat	150,000	-	-	-	-	-	-
SWF windows	150,000	-	-	-	-	-	-
AB Floors - Stansted	60,000	20,000	-	20,000	-	-	22,329
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	-	-	18,603
Grays FS - Welfare area, lecture room and AC works	-	36,000	-	36,000	-	-	-
Braintree water heater replacement	-	-	25,651	25,651	-	-	25,651
Fire Alarm Installations	-	-	12,650	12,650	4,751	-	7,899
Bay Door Replacements	-	-	22,173	22,173	17,372	-	4,996
<b>Wholetime Station Modernisation</b>							
Orsett Station and FRA	600,000	550,000	-	550,000	130,650	-	496,706
Provision for limited capacity	(140,000)	(75,803)	(31,087)	(106,890)	-	-	-
Prior year retentions and small works	-	4,859	613	5,472	7,595	-	-
<b>B118 - Asset Protection</b>	<b>1,150,000</b>	<b>1,000,000</b>	<b>-</b>	<b>1,000,000</b>	<b>230,242</b>	<b>-</b>	<b>667,313</b>
<b>TOTAL FORECAST 2023-24</b>	<b>5,996,450</b>	<b>6,213,105</b>	<b>(1,459,596)</b>	<b>4,753,509</b>	<b>3,064,589</b>	<b>2,073,898</b>	<b>5,362,924</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: 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: <a href="mailto:neil.cross@essex-fire.gov.uk">neil.cross@essex-fire.gov.uk</a>



# Appendices

## Outturn movement from Full Year Budget including Reserves

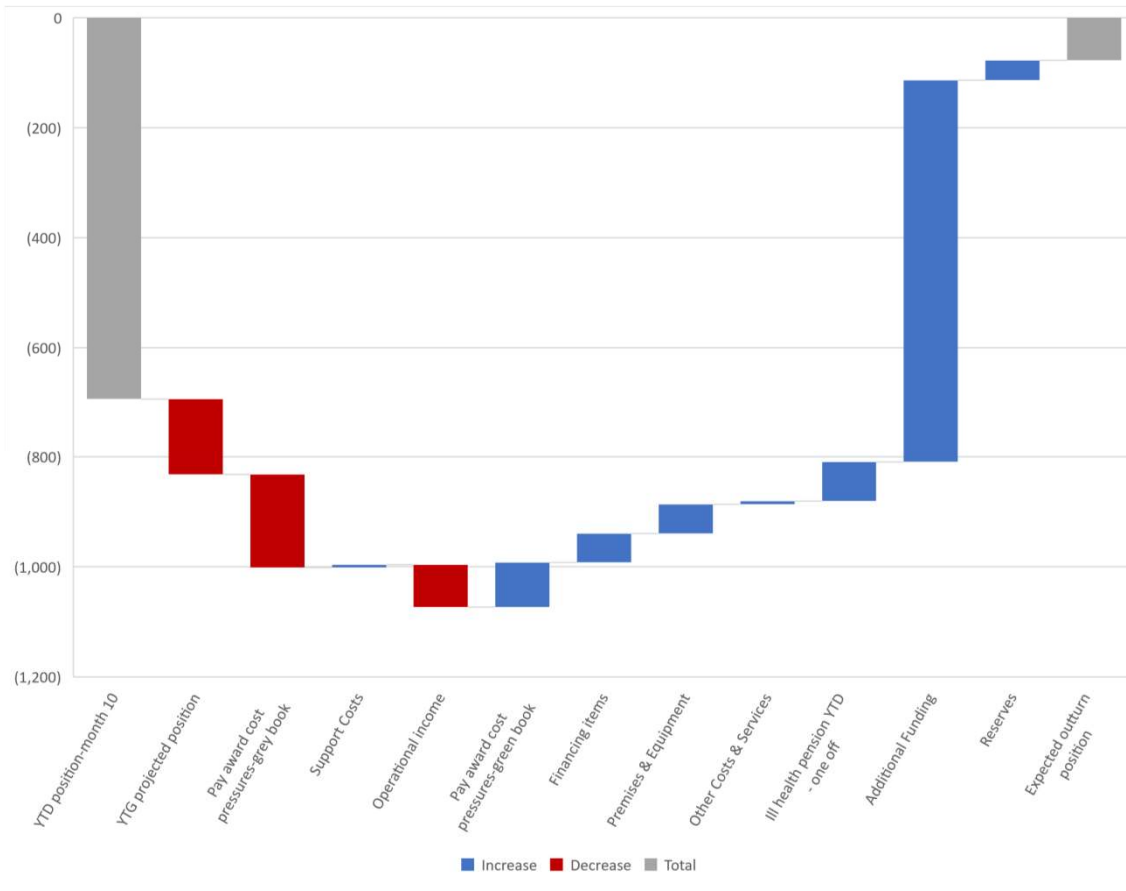


Description	2023-24 FY Budget £'000	YTD Actuals	2023-24 Expected FY Outturn position £'000	Movement from Budget to Outturn £'000	Variance of movement %	Expected monthly position based on Actual trends	Outturn position based on Actual trends	Variance of movement to projected outturn	Variance of movement to projected outturn %
Wholetime Firefighters	37,991	32,267	38,862	(872)	(2%)	3,227	38,720	142	0%
On-Call Firefighters	8,579	8,243	9,893	(1,313)	(15%)	824	9,891	1	0%
Control	1,957	1,549	1,885	72	4%	155	1,859	26	1%
Support Staff	18,270	15,653	18,703	(432)	(2%)	1,565	18,783	(81)	(0%)
<b>Total Employment Costs</b>	<b>66,797</b>	<b>57,712</b>	<b>69,343</b>	<b>(2,546)</b>	<b>(4%)</b>	<b>5,771</b>	<b>69,254</b>	<b>89</b>	<b>0%</b>
<b>Other Service Expenditure</b>									
Support Costs	1,924	1,705	2,040	(116)	(6%)	170	2,046	(6)	(0%)
Premises & Equipment	11,834	9,879	11,801	33	0%	988	11,855	(53)	(0%)
Other Costs & Services	3,294	3,312	3,969	(675)	(20%)	331	3,974	(5)	(0%)
Ill Health Pension costs	2,184	2,173	2,536	(352)	(16%)	217	2,608	(72)	(3%)
Financing Items	5,597	4,463	5,303	294	5%	446	5,356	(53)	(1%)
<b>Total Other Costs</b>	<b>24,834</b>	<b>21,532</b>	<b>25,650</b>	<b>(816)</b>	<b>(3%)</b>	<b>2,153</b>	<b>25,838</b>	<b>(189)</b>	<b>(1%)</b>
<b>Gross Operating Expenditure</b>	<b>91,631</b>	<b>79,244</b>	<b>94,992</b>	<b>(3,362)</b>	<b>(4%)</b>	<b>7,924</b>	<b>95,092</b>	<b>(100)</b>	<b>(0%)</b>
Operational income	(1,602)	(2,760)	(3,235)	1,633	102%	(276)	(3,312)	77	2%
<b>Net Expenditure</b>	<b>90,029</b>	<b>76,483</b>	<b>91,757</b>	<b>(1,729)</b>	<b>(2%)</b>	<b>7,648</b>	<b>91,780</b>	<b>(23)</b>	<b>(0%)</b>
<b>Funding</b>									
Government Grants Income	(8,343)	(7,588)	(9,819)	1,476	18%	(759)	(9,105)	(714)	(7%)
Revenue Support Grant	(9,671)	(8,058)	(9,670)	(1)	(0%)	(806)	(9,670)	-	-
National Non-Domestic Rates	(17,137)	(14,089)	(17,115)	(22)	(0%)	(1,409)	(16,907)	(209)	(1%)
NNDR (surplus)/deficit	-	(174)	-	-	-	(17)	(208)	208	100%
Council Tax Collection Account	-	(432)	(500)	500	100%	(43)	(518)	18	4%
Council Tax Precepts	(53,267)	(44,334)	(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)	(1,116)	(1,375)	(235)	-	(112)	(1,339)	(36)	(3%)
<b>Total Funding</b>	<b>(90,028)</b>	<b>(75,790)</b>	<b>(91,680)</b>	<b>1,652</b>	<b>(2%)</b>	<b>(7,579)</b>	<b>(90,948)</b>	<b>(732)</b>	<b>1%</b>
<b>Funding Gap/ (Surplus)</b>	<b>1</b>	<b>693</b>	<b>78</b>	<b>(77)</b>	<b>-</b>	<b>69</b>	<b>832</b>	<b>(755)</b>	<b>(973%)</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

