

# Policy & Resources Panel

29 April 2021



## Membership:

Councillors: Peltzer Dunn (Chairman), Evans, Galley, Tutt, Pragnell, Powell and Sheppard
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You are requested to attend this meeting to be held Via Webex:

<https://esfrs.webex.com/esfrs/j.php?MTID=eb817dd1f911eca11aba02b5756d4fedd>  
(password g3Bref6paZ3) at 11.30 am

## Quorum: 3

<b>Contact:</b> Ellie Simpkin, Democratic Services Officer 01323 462085 democraticservices@esfrs.org
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# Agenda

## 22. Declarations of Interest

In relation to matters on the agenda, seek declarations of interest from Members, in accordance with the provisions of the Fire Authority's Code of Conduct for Members.

## 23. Apologies for Absence/Substitutions

## 24. Notification of items which the Chairman considers urgent and proposes to take at the end of the agenda/Chairman's business items

Any Members wishing to raise urgent items are asked, wherever possible, to notify the Chairman before the start of the meeting. In so doing, they must state the special circumstances which they consider justify the matter being considered urgently.

## 25. Minutes of the last Policy & Resources Panel meeting held on 21 January 2021 5 - 12

## 26. Callover

The Chairman will call the item numbers of the remaining items on the open agenda. Each item which is called by any Member shall be

reserved for debate. The Chairman will then ask the Panel to adopt without debate the recommendations and resolutions contained in the relevant reports for those items which have not been called.

**27. Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 11** **13 - 44**

Report of the Assistant Director Resources/Treasurer

**ABRAHAM GEBRE-GHIORGHIS**  
**Monitoring Officer**  
**East Sussex Fire Authority**  
**c/o Brighton & Hove City Council**

Date of Publication: 21 April 2021

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## **POLICY & RESOURCES PANEL**

**Minutes of the meeting of the POLICY & RESOURCES PANEL held via Webex at 11.30 am on Thursday, 21 January 2021.**

Present: Councillors Peltzer Dunn (Chairman), Evans, Galley, Tutt, Pragnell, Sheppard and West (In place of Powell)

Also present: D Whittaker (Chief Fire Officer), M O'Brien (Deputy Chief Fire Officer), M Matthews (Acting Assistant Chief Fire Officer), N Cusack (Assistant Director Operational Support & Resilience), L Ridley (Assistant Director Planning & Improvement), D Savage (Assistant Director Resources/Treasurer), H Scott-Youlton (Assistant Director People Services), P Jassal (Finance Manager), Woodley (Deputy Monitoring Officer) and A Blanshard (Senior Democratic Services Officer)

### **15       Declarations of Interest**

It was noted that, in relation to matters on the agenda, no participating Member had any interest to declare under the Fire Authority's Code of Conduct for Members.

### **16       Apologies for Absence/Substitutions**

Apologies had been received from Councillor Powell. Councillor West was attending as her substitute.

### **17       Notification of items which the Chairman considers urgent and proposes to take at the end of the agenda/Chairman's business items**

There were none.

### **18       Minutes of the last Policy & Resources meeting held on 12 November 2020**

**RESOLVED:** That the minutes of the meeting of the Policy & Resources Panel held on 12 November 2020 be approved as a correct record and signed by the Chairman.

### **19       Callover**

Members reserved the following items for debate:

20.   Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 8
21.   Fire Authority Service Planning Processes for 2021/22 and Beyond - Revenue Budget 2021/22 and Capital Asset Strategy 2021/22 to 2025/26

## **Unconfirmed minutes – to be confirmed at the next meeting of the Policy & Resources Panel**

### **20 Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 8**

The Panel received a report from the Assistant Director Resources/Treasurer (ADR/T) on the findings of the month 8 monitoring undertaken on the Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25.

The ADR/T introduced the report, highlighting that a net Revenue underspend of £496,000 had been identified. This was a favourable variation of £601,000 from the position presented in the last report to the Panel and was largely a result of underspend across the budget including the impact of Covid-19 in areas such as fuel, travel and subsistence, Member expenses and training. In-year pressures had been managed through the use of contingency and underspend. Ongoing pressures had been identified and fed into the 2021/22 budget setting process. With regard to the Capital Programme, there had been a significant level of slippage primarily due to Covid-19 but also as projects had been paused pending the outcome of the Integrated Risk Management Plan (IRMP) and challenges which had arisen in partner dependent projects. Full details of both the Revenue and Capital budget monitoring were set out in the report.

The ADR/T explained that additional spend incurred as a result of the pandemic was currently forecast to be covered by government grants totalling £770k, savings made in areas such as travel and subsistence and a bid to the government income loss scheme. However, the Service was now beginning to see the impact of the second peak and there was a risk that spend against Covid-19 would exceed the grants and savings. The Authority continued to monitor the situation and provide government returns on the spend impacts.

The Panel asked about carbon reduction and sustainability policy development and whether the budget underspend could be utilised to make progress in this area, especially given the opportunity that continued remote working may present in terms of both financial and environmental benefits. The Chief Fire Officer (CFO) commented that sustainability was due to be discussed at next Members' seminar and that provision had been made in the Capital Programme for renewables. Work was also being undertaken to develop a responsible procurement policy and in fleet and engineering opportunities in terms of electric vehicles and emission reduction were being explored. Additional resources had been secured via the University of Brighton to assist in establishing the Service's carbon footprint and the key opportunities to impact on this.

Members queried whether the current grant allocations were sufficient. The ADR/T responded that the government had extended the pensions grant and committed to baselining it into the funding settlement as part of the next Comprehensive Spending Review which was welcomed, however, this did not cover all potential pension risks. Sector-wide one-off grant funding to cover the initial impact of the Building Safety Review had been received but further budgetary pressures were expected as a result of forthcoming building safety

## **Unconfirmed minutes – to be confirmed at the next meeting of the Policy & Resources Panel**

legislation requirements for which there had been no further grant or baseline funding. Representations were being made to Government on these matters.

The Panel asked for a further explanation of the forecast loss of Treasury Management income as set out in paragraph 2.9 of the report. The ADR/T explained that as the Bank of England base interest rate had been reduced, the return from investments had been less than expected. Although the loss of income could not be included in the income loss grant scheme, the figures were being reported to the NFCC (National Fire Chiefs Council) and Home Office.

The Panel noted that the Service continued to monitor and report spend against the government Covid grants on a monthly basis. Funding had been received in tranches 1 and 2 but nothing in subsequent grant allocation rounds. It was now reaching the point whereby the grant funds had been spent or committed to future spend and any additional costs would have an impact on the Revenue budget. Areas which may result in additional expenditure included the provision of lateral flow testing and vaccinations as fire service staff were not classified as key workers under the current vaccination plans. The ADR/T added that there were mechanisms by which a bid could be made to the Home Office for additional funds but not before spend had reached £77k over the grant funding allocation.

Members asked for a further explanation of the Section 31 grant. The ADR/T explained that there were two aspects to the grant in relation to Business Rates - compensation for the loss of income due to the government decision to reduce the impact of the normal inflation increase and the capping of the multiplier and compensation for loss of Business Rate income due to the additional relief given to businesses to mitigate against the impact of the pandemic. The ADR/T added the additional Section 31 grant (about that budgeted for 2020/21) would be moved to reserves and released in 2021/22 to off-set anticipated reduction in collection income. This approach was consistent with local authorities.

The Panel congratulated officers on the successful bid for Community Infrastructure Levy funding for enhancements to Barcombe and Seaford stations.

**RESOLVED:** That Panel noted:

- (i) the risks to Revenue Budget and the projected underspend;
- (ii) the risks to the Capital Programme and the projected in year underspends;
- (iii) the reduced net forecast drawdown from reserves;
- (iv) the monitoring of savings taken in 2020/21 including those savings at risk, and

## **Unconfirmed minutes – to be confirmed at the next meeting of the Policy & Resources Panel**

- (v) the current year investments and borrowing;
- (vi) the transfer to contingency of £10,000 saving relating to Member expenses and conferences, due to Covid-19;
- (vii) the disposal of the ARP based at Eastbourne as agreed in the IRMP.

### **21 Fire Authority Service Planning processes for 2021/22 and beyond - Revenue Budget 2021/22 and Capital Asset Strategy 2021/22 to 2025/26**

The Panel received a report from the ADR/T which presented the Fire Authority's draft Revenue Budget for 2021/22, the Capital Strategy 2021/22 – 2025/26 and the Medium Term Finance Plan (MTFP) for 2021/22 – 2025/26 for initial consideration prior to its formal consideration by the Fire Authority at its meeting on 11 February 2021. The draft budget proposals were subject to the finalisation of the local government finance settlement grant and Council Tax and Business Rate figures from the billing authorities.

The ADR/T explained that the report set out a base case for a 1.99% increase in Council Tax rates as well as a 0% increase alternative. He highlighted that a decision to freeze Council Tax for 1 year would impact permanently on the level of Council tax income that the Fire Authority could raise. A 0% increase would result in a reduction in annual income of £0.551 million in 2021/22 rising to £0.617 million per year by 2025/26 and additional savings would need to be identified in order to balance the budget. The total loss of income over the 5 year period of the MTFP would be just over £2.9 million. It was recognised that the public had been impacted as result of the pandemic, however, questions on Council Tax increases were asked as part of the IRMP public consultation and 80% of respondents supported an increase in council tax to fund fire and rescue services. Apart from Wealden District Council, other local authorities in the area were planning on taking the maximum basic Council Tax increase. The ADR/T added that there was significant uncertainty surrounding the budget beyond 2021/2 and a number of pressures had been identified in what was a challenging Star Chamber budget setting process. Further information on the risks were set out in paragraph 4.9 of the report.

The ADR/T highlighted some key budget proposals including investment in new People Strategy, the revenue impact of the IT Strategy, the extension of the interim control service until the end of September 2021, the need to progress regular wholtime firefighter recruitment and training and the top up of general balances to a 5% policy minimum. It was noted that savings of £0.5m had been identified for 2021/22 which included IRMP savings. The ADR/T added that the Authority faced a range of risks and significant financial uncertainty over the forthcoming years with a further Comprehensive Spending Review expected in 2021/22 and a review of the Business rate and funding formula. The MFTP set out a best case scenario based on settlement

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funding assessment (a combination of income from core grant and business rates) remaining the same in cash terms and a worst case scenario where it reduced by 5% each year. Under these scenarios the Authority would need to plan for further savings of up to £2.7m by 2025/26. Key assumptions made as part of the MTFP were set out in paragraph 4.2 of the report.

There would be a continued focus on efficiency in the areas of estates and transport, shared services and operational collaboration and investment in IT (CRM and Firewatch) and a planned reduction in overall reserves from £18 million to £3 million as Capital investment continued. From 2022/23 it would be necessary to start borrowing to continue to invest and there were plans to borrow in the region of £10 million over the 5 year period of the current Medium Term Financial Plan. The ADR/T confirmed that he was broadly satisfied that the proposed Revenue and Capital budget was based on robust and transparent estimates.

The Panel questioned whether it was right to ask the public for additional funding given the financial pressure that many would be feeling as a result of the pandemic and whether the budget had been 'over modelled' given it allowed for future pay increases when it was likely that there would be a public pay freeze and if there was some flexibility in the budget with regards to income from Business Rates. However, the Panel also recognised that a 1.99% Council Tax increase was relatively minor in terms of the impact on individual households and that not implementing the increase would cause a long term budgetary impact for the Service. The Panel was minded to not make a specific recommendation but that both a 1.99% and a 0% Council Tax increase budget options should be presented in the report to the Fire Authority so that all information was available to make a decision on the matter.

With regards to the points raised by the Panel on the validity and strength of the modelling, the CFO advised against suggesting reducing the budget for pay increases as decisions on pay agreements were not within the remit of the Fire Authority but were decided nationally. She added that the income from Business Rates was relatively small and reminded Members of the lack of additional funding for the implementation of the new fire safety legislation requirements which had not been included in the budget estimates. The recommendation to increase general balance reserves to 5% was to allow some flexibility to deal with risks associated with the pandemic and new regulation obligations.

The ADR/T clarified that the budget did not include any income from the Business Rates pool. The original income projection for the Pool for the Authority for 2020/21 was £400k, however, at the end of quarter 2 this had reduced to £200k. Actually income from the pool would not be received until after the billing authorities accounts for 2020/21 had been audited and closed. The ADR/T advised caution on over reliance on the Business Rates pool income. Although it may provide some additional flexibility, there was also specific criteria on what Business Rates pool income could be spent on. ADRT added that in order to present 0% increase budget option to the Fire

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Authority it would be necessary to identify savings in order to achieve a balanced budget and asked the Panel for direction.

Members acknowledged that not increasing the Council Tax would affect the baseline budget for a number of years and would be at odds with the lobbying of government for additional council tax flexibility. There was concern that if the 0% increase was not presented it would be put forward as a late proposal and the Fire Authority would not have access to the full information and consequences of the decision. The CFO commented that in terms of savings which would need to be made in order to achieve a 0% increase budget, these would need to include the IRMP proposals that the Authority chose not to vote for as these had already been risk assessed and costed as well as other cost cutting measures.

Councillor Pragnell moved an amendment to recommendation 2 to change the wording from 'consider whether' to 'instructs officers'. This was seconded by Councillor Peltzer Dunn.

The Panel voted in favour of the amended recommendations, as set out below, 6 -1 (with Councillor Evans voting against).

**RESOLVED:** That the Panel:

1. Noted that:
  - a) the one year settlement as set out in the Local Government Finance Settlement was only provisional at this stage and may be subject to change;
  - b) the proposed increase in council tax of 1.99% was based on the threshold in the Provisional LGFS;
  - c) the East Sussex Business Rate Pool, of which the Authority was a member, had been approved as part of the LGFS, and that any income would be transferred into the Business Rates Pool Reserve; and
  - d) the final council tax and business rate bases and the collection fund positions were still awaited and that final budget proposals may change once this information was received.
2. Instructs officers to model an alternative council tax increase of 0% for 2021/22, how the current budget proposals can be reduced by £0.551m to compensate for the loss of income and include this as an option in the budget proposals for the Fire Authority.

The meeting concluded at 12.45 pm

Signed

**Unconfirmed minutes – to be confirmed at the next meeting of the Policy & Resources Panel**

Chairman

Dated this

day of

2021

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## EAST SUSSEX FIRE AND RESCUE SERVICE

**Meeting** Policy and Resources Panel

**Date** 29 April 2021

**Title of Report** Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 11 (end February).

**By** Duncan Savage, Assistant Director Resources/Treasurer

**Lead Officer** Parmjeet Jassal, Interim Finance Manager

**Background Papers** High Level Review of Revenue Budget 2020/21 and Capital Programme 2020/21 to 2024/25

Fire Authority Service Planning processes for 2021/22 and beyond – Revenue Budget 2021/22 and Capital Asset Strategy 2021/22 to 2025/26

Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 8 (end November)

**Appendices** Appendix 1: Revenue Budget 2020/21 Objective  
 Appendix 2: Savings Programme 2020/21 to 2024/25  
 Appendix 3: Capital Programme 2020/21 to 2024/25  
 Appendix 4: Capital Budget 2020/21  
 Appendix 5: Engineering Capital Budget 2020/21  
 Appendix 6: Reserves 2020/21

### Implications

<b>CORPORATE RISK</b>		<b>LEGAL</b>	
<b>ENVIRONMENTAL</b>		<b>POLICY</b>	
<b>EQUALITY IMPACT</b>		<b>POLITICAL</b>	
<b>FINANCIAL</b>	✓	<b>OTHER (please specify)</b>	
<b>HEALTH &amp; SAFETY</b>		<b>CORE BRIEF</b>	
<b>HUMAN RESOURCES</b>			

**PURPOSE OF REPORT** To report on the findings of the Month 11 monitoring undertaken on the Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25.

**EXECUTIVE SUMMARY** This is the fifth report to Members for the 2020/21 financial year and highlights the findings from the Month 11 monitoring

undertaken on the Revenue Budget 2020/21 and 5 year Capital Programme, approved by the Authority in February 2020 and the revised Capital Budget approved February 2021.

A net Revenue underspend to the sum of £290,000 has been identified as summarised in Appendix 1. This is an adverse variation of £206,000 from the position identified in the last report to Policy and Resources Panel on 21 January 2021 of £496,000 underspend. This primarily reflects the Authority's decision to use £496,000 of the underspend to fund additional investment in the CRM project which has now been transferred into the IT Strategy Reserve (along with the transfer of £450,000 from other reserves). This has been offset in part by the identification of additional underspends and the successful bid for £129,000 of additional Covid-19 grant funding. Most in-year pressures have been dealt with either through the use of contingency or service underspends. Ongoing pressure impacts were considered alongside other priorities, and where relevant, built into the budget 2021/22+ and approved by CFA in February 2021.

Performance against the Savings Programme is summarised in Appendix 2 and detailed in section 4.

Revenue and Capital programme risks are detailed in section 3, focusing specifically on areas that could result in significant additional pressures in future financial years. These include the continuing impact of Covid-19 on both the Business Rate and Council Tax Collection Funds, pressures in Resources relating to Finance, Pensions and IT projects.

The overall 5 year Capital Programme 2020/21 to 2024/25 was revised to £22,647,000, at the meeting of the Combined Fire Authority held on 11 February 2021. This is forecasted to come in on budget as detailed in Appendix 3. The Capital Programme will be updated in light of the actual outturn 2020/21 and outstanding adjustments relating to IRMP.

The current year Capital Budget was also revised by CFA to £2,295,000. A review of Capital projects has resulted in forecasted expenditure of £2,032,000 resulting in a net variation of £263,000 of which £338,000 is slippage and a net £76,000 in year overspend mainly on Estates design guide schemes (this will be contained within the agreed 5 year capital programme). Detailed information is contained within section 7 and summarised in Appendix 4. The Fleet and Equipment Capital Projects 2020/21 are detailed in Appendix 5.

The updated position on reserves shows an opening balance of £23,233,000 including an adjustment of £48,000 to fund

the provisional outturn 2019/20. The forecast net drawdown is £3,380,000 a reduction of £8,751,000 compared to the planned net drawdown of £12,131,000. This results in an estimated closing balance of £19,853,000 as detailed in section 8 and summarised in Appendix 6. Work is in progress to finalise the drawdown of reserves for the 2020/21 year including on Revenue and Capital projects.

There is a reduction in the interest receivable on the Authority's cash investments of £22,600,000 due to the Bank of England lowering its' base rates to invigorate the economy due to the impact of Covid-19. However, Interest receivable on the Authority's cash investments on £22,600,000 is confirmed at £107,000, resulting in a surplus of £32,000 when compared to the budget. This is lower than in previous years as a result of the Bank of England lowering its' base rates to invigorate the economy due to the impact of Covid-19. Interest payments on fixed rate loans of £10,773,000 are unaffected. One loan of £75,000 will mature this year for which repayment arrangements are in hand, as detailed in Section 9.

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**RECOMMENDATION**

The Policy and Resources Panel is recommended to note:

- (i) the risks to Revenue Budget and the projected underspend;
- (ii) the risks to the Capital Programme and the projected in year slippage and overspend;
- (iii) the reduced net forecast drawdown from reserves;
- (iv) the monitoring of savings taken in 2020/21 including those savings at risk, and
- (v) the current year investments and borrowing; and
- (vi) that following the Authority's decision to allocate additional funding of £1,094,000 to CRM project, £946,000 (£496,000 underspend, £450,000 reserves) is reflected in this report.

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**1 INTRODUCTION**

- 1.1 The Original Revenue Budget 2020/21 and Capital Strategy 2020/21 to 2024/25 was approved at the meeting of the Fire Authority on 13 February 2020. Revisions have taken place, as approved at subsequent Fire Authority meetings including at the latest one held on 11 February 2021.

- 1.2 This is the fifth report to Members for the 2020/21 financial year, and highlights the findings from Month 11 monitoring undertaken on the Revenue and the Revised Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25. It should be noted the review is based on currently available information and the result may change as new information emerges during the year.

	<b>This P&amp;R Period 11)</b>	<b>Last P&amp;R (Period 8)</b>	<b>Movement</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Revenue (see section 2)	(290)	(496)	206
Capital in year (see section 7)	(263)	(3,687)	*3,424

\*following revision of capital budget 2020/21 approved by CFA February 2021

- 1.3 The Revenue Budget, approved by the Fire Authority in February was a net expenditure requirement of £39,737,000. This has increased by £1,309,000 to £41,046,000 taking into account the recently notified business rates deficits by the Districts and Boroughs (lower than previously estimated by LG futures at £1,415,000). These will be compensated for by additional Section 31 grant for Business Rate Reliefs, bringing the total surplus to £1,309,000, which will be transferred to the S31 Business Rate Retention Relief reserve to finance related Collection Fund Deficits in 2021/22.
- 1.4 A net revenue underspend to the sum of £290,000 has been identified. This is an adverse variation of £206,000 to that previously reported (£496,000 underspend). The net underspend is reflected in the Revenue Budget 2020/21 objective summary at Appendix 1 and detailed in section 2 below.
- 1.5 The savings requirement 2020/21 is £426,000 and indications are that £361,000 savings are on course to be successfully delivered. The £65,000 savings at risk have been fully funded from contingency in the current year and ongoing impacts are included within the budget setting process 2021/22, as detailed in Appendix 2 and section 4 below.
- 1.6 The five year Capital Strategy 2020/21 to 2024/25 was approved by the Fire Authority in February 2020 at £24,045,000 and revised to £24,492,000 including slippage of £447,000 brought forward from 2019/20 by Policy and Resources Panel at its meeting on 23 July 2020. A change in source of funding to the sum of £452,000 from revenue to capital receipts in 2020/21 was also approved. At its meeting held on 11 February 2021, the 5 year capital programme was revised by the Fire Authority to £22,647,000. The revised 5 year Capital Programme is projected to come within budget as detailed in Section 7 and summarised in Appendix 3. The Capital Programme will be updated in light of the actual outturn 2020/21 and outstanding adjustments relating to IRMP.
- 1.7 The Capital Budget for 2020/21 was also revised, by the Fire Authority, to £2,295,000 and expenditure is forecasted to come in at £2,032,000 resulting in a net variation of £263,000 (slippage £338,000, overspend £76,000) on budget as detailed within Section 7 and summarised in Appendices 4 and 5.

1.8 A number of Revenue Budget and Capital Programme risks are set out in Section 3 which will be monitored throughout the year. The updated position on Contingency, Reserves, Borrowing and Investments is provided at Sections 6, 8 and 9 respectively.

## **2 REVENUE BUDGET COMMENTARY**

2.1 The Revenue Budget is projected to underspend by a net £290,000 (previously reported £496,000 underspend). This is an adverse variation of £206,000 from the forecasted underspend reported to Policy and Resources Panel on 21 January 2021. This net underspend is summarised across divisions in Appendix 1 and detailed explanations are provided below.

2.2 **People Services:** People Services are projecting an overall net underspend of £210,000 (previously £102,000 underspend) as detailed below:

2.2.1 **Human Resources** – the manager is projecting an underspend of £70,000 (previously £30,000) underspend on staffing (£44,000), training (£11,000) and G.P. referrals. Fire Authority at its' meeting on 3 September approved the IRMP which requires a HR post for 6 months at a cost of £25,000 and is funded from contingency. An allocation of £50,000 from contingency was made for training (McCrudden) which will span two financial years and therefore, a carry forward of £11,000 will be requested at year-end. Temporary funded roles to support our Covid 19 response and P21 are also in place.

2.2.2 **Health and Safety** – the manager is projecting an underspend of £40,000 underspend (previously balanced budget). The pressures relating to flu vaccinations of up to £6,000 and £23,500 for the Health and Safety business partner role for the rest of this financial year are funded from contingency as approved by November SLT, albeit both appear likely to underspend given low level of claims received for re-imburement for the former and a delay in the appointment of the latter. The gym refurbishment was unable to take place due to Covid-19 and therefore will result in an underspend of £10,000 on the equipment budget.

2.2.3 **Training** – projected underspend of £100,000 (previously £72,000 underspend) – Emergency Management Team (EMT) has now agreed the Covid 19 Training Recovery Plan and this forecasts a saving of £72,000 during the current financial year. This is lower than had previously been reported through the NFCC / HO Cost Tracker (approx. £33,000 per month) but reflects a detailed analysis of training delayed by Covid 19 that can be rescheduled and delivered by 31 March 2021. Income for commercial training is expected to recover to some degree during the second half of the year as delivery has been successfully transferred to on line methods. Two successful bids were made against the Government's Income Loss Compensation Scheme for the period April – November. Whilst this will not cover all of the income lost, any net loss should not be material. A review of commitments has identified savings of £28,000 including on the catering contract.

2.3 **Resources/Treasurer:** There is a projected underspend of net £242,000 (previously reported as £114,000 underspend) as follows:-

2.3.1 **Treasurer:** An underspend of £15,000 (previously balanced) is projected on legal services provided by Brighton and Hove. The savings at risk £15,000 and the budget calculation error of £24,000 were funded from contingency and the ongoing impact included in the budget setting process.

2.3.2 **ITG:** The I.T. Manager is projecting an underspend of £147,000 (previously £33,000) as detailed in the table below.

	Month 11	Month 8	Variation
	£'000	£'000	£'000
Delay in Corporate Wifi rollout	(33)	(30)	(3)
IT strategy (Multitone and bluelight XDMsoftware)	10	10	0
Credit from Trustmarque (enterprise agreement)	(15)	(15)	0
Consultancy	0	2	(2)
CRM licences delay in going live	(72)	0	(72)
ESFC IT Health Check delayed until next year	(33)	0	(33)
BT ceasing	(7)	0	(7)
Additional Adobe licences	3	0	3
<b>TOTAL</b>	<b>(147)</b>	<b>(33)</b>	<b>(114)</b>

At its' meeting on 3 September, the Fire Authority approved the ITG Strategy which had a funding shortfall of £110,000 in 2020/21 based on estimates provided in June. After careful review of the ITG strategy revenue budget and negotiations with suppliers, ITG can report this is now reduced to £10,000 (Multitone £6k and bluelight XDM software of £4,000). The ITG Manager has also reported savings related to Trustmarque £15,000 due to Microsoft software licence cost coming in less than originally quoted, a 7 month delay in the rollout of Corporate wifi resulting in savings of around £33,000, CRM licences £72,000 savings due to the delayed roll-out and a planned delay in IT health check £33,000.

2.3.3 **Estates:** The Estates manager continues to report an underspend of £85,000. A review of the Estates budget to identify options to deliver in year savings and to mitigate pressures elsewhere across the budget has been concluded and identified net savings in the region of £85,000. This is due to delays in the maintenance programme and identification and deletion of obsolete commitments have led to projected underspends of around £300,000 offset by overspends on utilities £67,000, cleaning £48,000 and Consultants/Hired and Contracted services of £100,000. Further work is ongoing to review existing commitments which may increase this underspend.

2.3.4 **Procurement:** The Procurement manager continues to project an underspend of £41,000. This is due to the consultancy budget (£19,000) not required this year and staffing vacancies (£22,000). SLT has agreed the use of these savings to support a revised structure in 2021/22 onwards.

2.3.5 **Finance:** The Finance Manager continues to forecast a net pressure of £46,000. This pressure has arisen from the need to provide interim cover for

the Finance Manager role which exceeds the budgeted cost for that role whilst recruitment to the permanent role is progressed. Additional agency resource has also been appointed to provide management accounting capacity in the team until year end to address increased workloads resulting from grant monitoring, an extended external audit, the need to provide additional support for projects and sickness absence cover. This is being funded from a vacant post. An underspend of £7,000 will arise on internal audit charges due to less audit days being delivered and charged for than budgeted which will be requested for carry-forward to finance delayed audits in 2021/22.

- 2.3.5.1 **Insurance Renewal:** The renewal for insurance cover for 2020-21 provided by Fire & Rescue Indemnity Company (FRIC) is concluded which resulted in insurance costs being increased by 4.66% overall causing budget pressures of £28,000 in 2020/21 and £40,000 in 2021/22. The in-year pressure is funded through contingency whilst 2021/22 pressure has been included within the budget setting process. The increase in costs reflects primarily market conditions and the impact of current global economic uncertainty on liability cover.
- 2.3.5.2 **External Audit Fees:** Our external auditors Ernst & Young (E&Y) have confirmed a fee variation of c£5,000 for additional work during the audit of the 2019/20 accounts (subject to PSAA approval) which is approved to be funded through contingency. They have also advised of a significant proposed fee variation of around £30,000 for 2020/21 which again is subject to approval by Public Sector Audit Appointments Ltd (PSAA), the body who must approve any fee variation. The future year's impact has been included in the MTFP. There is currently no provision for this pressure in the current year's budget and it remains a risk.
- 2.4 **Planning and Improvement:** The overall position is an underspend £86,000 (previously underspend of £43,000).
  - 2.4.1 **Communications** – an underspend of £41,000 (previously £29,000) is projected and comprised of: communications staffing budget (£11,000), Hire of rooms, (£10,000) Adverts, printing and publicity (£20,000).
  - 2.4.2 **Project Management Office** – an underspend of £10,000 is projected on employees (previously balanced budget). Work has concluded on the PMO budget which identified an error of net £32,000, including a contribution from reserve, compared to the structure agreed by SLT November 2019. SLT in November 2020, approved the funding of the £32,000 shortfall from contingency in 2020/21 and future year's shortfall is built into the MTFP. In addition a recharge to the CRM Project budget for the use of Business Analyst resource has also been agreed.
  - 2.4.3 **Democracy** – an underspend of £35,000 is projected (previously underspend £14,000) and relates to vacancies of £18,000 and staff car allowances and subscriptions £17,000. The underspend of £10,000 on Member travel and conferences was transferred to contingency, as approved by December SLT.
- 2.5 **Safer Communities** – the overall projection is an underspend of £143,000 (previously £195,000 underspend).

- 2.5.1 Work has been concluded to identify the ongoing impact of posts that may not be properly reflected in the budget. It is confirmed that the funding of the SM green book post was put in on a temporary basis for 2019/20 only for which in-year mitigations are required. Finance will include this post in the MTFP refresh for future years. Other issues regarding unfunded posts have now been resolved following the approval of the Community Safety restructure and have been reflected in the budget for 2021/22.
- 2.5.2 The work to establish the current financial position taking account of budgeting at competent versus development posts, use of overtime and fixed term contracts to provide front line cover has been concluded. The Service has around £269,000 surplus budget due to all posts being budgeted at competent levels which is being utilised to finance the shortfall on employer's pension contributions of circa. £160,000 and income shortfall of £30,000 (dry-riser testing income). It should be noted that the best case scenario is being reported in terms of savings which could change in the coming months due to recruitment of green book protection posts, on call pay which can vary considerably each month and financing the training requirement associated with Aerial Ladder Platform (ALP).
- 2.5.3 When presenting the net underspend of £143,000 over Areas, this shows that there are relatively small overspends in each of East and Central areas, as summarised in the table below. This is mainly due to fixed term contracts covering whole time staff absences and an increase in retained operational hours. These are being mitigated, partly through reduced overtime in the Areas and with the majority of savings generated in Business Safety due to issues with recruitment in whole-time and support staff. The variation between months 8 and 11 is a decrease in underspend of £52,000, mainly relating to salaries of individuals moving to Safer Communities from Training within People Services and the rest on purchase of equipment and extension to agency contract.

	Budget	Projected Outturn	Month 11 Variation	Month 8 Variation	Variation
	£'000	£'000	£'000	£'000	£'000
AD Safer Communities	151	163	12	(22)	34
East	5,435	5,452	17	13	4
West	7,818	7,740	(78)	47	(125)
Central	5,355	5,461	106	24	82
Business Safety	1,666	1,354	(312)	(345)	33
Community Safety	839	951	112	88	24
<b>Total Safer Communities</b>	<b>21,264</b>	<b>21,121</b>	<b>(143)</b>	<b>(195)</b>	<b>52</b>

2.6 **Operational Support & Resilience** – the Operational Support & Resilience budget is projecting a net budget underspend of £126,000 (previously £54,000) underspend as follows:

2.6.1 **ADOSR** – £10,000 savings on salaries including pension.

- 2.6.2 **Operational Policy & Planning** – the Operational Support budget continues to project a budget underspend of £79,000. This comprises of a pressure on whole-time salaries of £19,000, underspend of £100,000 due to delays to specialist training, underspend on hydrants £10,000, offset by a projected overspend on Support salaries of £12,000 due to being over establishment.
- 2.6.3 **East Sussex Fire Control** – this is projecting an underspend of £37,000 (previously overspend £35,000) mainly due to premises costs being lower than anticipated.
- 2.7 **Engineering** – the Engineering budget continues to be on course for a balanced budget.
- 2.7.1 A number of pressures totalling £80,000 were identified as follows: an overspend on employees of £32,000 where Engineering Services Technician posts are found to be budgeted at JF3.5 but paid at JF5.3, an overspend on non-pay of £28,000 and a projected income shortfall of £20,000.
- 2.7.2 A review of all commitments against the repairs and maintenance budget has been concluded by Service Managers. This identified and cancelled obsolete commitments to the sum of around £100,000. Service Managers continue to review all parts of the budget including investigating known and new pressures that have come to light and take appropriate actions so that the overspend in 2019/20 is not repeated and will offset the pressures identified above.
- 2.7.3 The underspend on Fuel of £20,000 due to the Covid-19 situation resulting in reduced mileage and the BP free fuel offer has been transferred to contingency as approved by October SLT. Any further underspends on fuel (currently estimated at £27,000) may be transferred to contingency at year-end.
- 2.8 **CFO** – a total shortfall of £50,000 (previously pressure of £13,000) is forecasted due to an overlap on the interim ACFO appointment and payments relating to unused annual leave £12,000, resolution of a taxation issue as agreed by Principal Officer Appointments Panel £25,000 and £13,000 on the CFOA subscription. The ongoing shortfall on CFOA subscription has been addressed through budget setting for 2021/22.
- 2.9 **Treasury Management** – this income budget is likely to overachieve by £32,000 (previously £25,000). Interest rates on investments have reduced considerably following the reduction in the Bank of England base rate. Although the interest received will be considerably reduced compared to previous years, it is forecast to meet the £75,000 interest budget and deliver additional income of £32,000. We are currently reporting a forecast loss of Treasury Management income of circa. £135,133 on the NFCC / HO Cost Tracker, however, given the grant is currently fully committed it is unlikely that we will gain any additional flexibility as a result.
- 2.10 **Non Delegated Costs** – an overspend of £24,000 continues to be projected. This is due to miscellaneous income that will not be collected (£5k) and overspends on injury pension (£15k) and LGPS pension (£4k). These are not controllable costs and have been dealt with as part of budget setting 2021/22.

SLT agreed to the funding of scheme sanction charges (£11,000) through contingency.

- 2.11 **Corporate Contingency** – this budget is intended to provide some flexibility for SLT to manage in-year budget pressures and was set at £454,000 for 2020/21 and has increased by £100,000 following approvals by SLT. The total amount available in 2020/21 has increased to £544,000, funding pressures identified during the year of £532,000 leaving £22,000 remaining in contingency, as detailed in section 6. Further underspends on fuel and travel and subsistence maybe transferred here at year-end.
- 2.12 **Covid-19** – expenditure was previously projected to be fully funded by the grant allocation. However, due to new costs resulting from the second wave, it is anticipated that an additional £130,000 expenditure will be incurred on top of the Covid-19 grant. The Home Office opened a second round of bidding for additional grant funding, however Fire Authorities were required to carry the burden of 0.2% of their net revenue budget above their existing grant allocation which is £77,000 for East Sussex. The Home Office has awarded the full amount bid for, having reconsidered and waived the 0.2% requirement explained above. The full pressure of £130,000 and grant awarded of £129,000 is included in the forecast outturn.
- 2.13 **Transfer to and from Reserves** – there is a net forecast reduction in drawdown from reserves of £8,751,000 (capital and revenue) mainly due to a delay in capital projects and the consequent reduction in the use of capital receipts as well as the transfer of £496,000 to ITG earmarked reserve to finance updated requirements on CRM. The Districts and Boroughs have confirmed level of S31 grant to be transferred into reserves at £1,309,000 which is £106,000 lower than previously forecast by LG Futures to be transferred to Reserves to finance anticipated losses of £1.309m in 2021/22 in relation to Covid-19 (refer to detailed commentary in section 8).

### **3 REVENUE BUDGET AND CAPITAL PROGRAMME RISKS**

- 3.1 **Covid 19** – the immediate financial impact of Covid 19 has been funded by grant from Government. There have been delays to capital projects and Covid 19 will continue to impact on the Authority's finances through 2020/21 and more markedly into 2021/22 where impact on both the Business Rate and Council Tax Collection Funds will be felt.
- 3.2 **ESFC / P21** – the Authority has made provision in its revenue budget to support the running of the interim ESFC service through 2020/21 and to fund investment in the transitional new tripartite service in September 2021. Work to consolidate the financial baseline for P21, the funding within the SCC and Mobilising Strategy Reserve is completed and resulted in a reduced drawdown from reserve. The interim service is projected to be £37,000 underspent due to revised premises charges being lower than anticipated in 2020/21. Funding from the P21 Project contingency has been utilised in order to address one off revenue pressures on the ESFC budget in 2021/22.
- 3.3 **Pension Costs** – there is continued reliance on one-off grant to fund increased contributions for FPS as well as the uncertainty on the cost and funding of the

remedy from the Sargent case (initial estimate of historic liability approx. £5m, ongoing costs £0.9m p.a.). For the latter it is now understood that the cost will impact through the next quadrennial scheme valuation i.e. from 2023/24 onwards.

- 3.4 **CRM Project** – the development of the new CRM Home Safety Visit (HSV) and Business Safety (BS) systems will see the removal of inefficient paper driven processes and the implementation of electronic data capture automating the flow of information. At its meeting in February 2021 the Authority approved additional funding of £1.094m to support the delivery of the project from the revenue underspend (£0.496m) with the balance coming from other existing reserves. £0.946m of this funding has now been transferred to the IT Strategy Reserve. The balance will be transferred once there is greater certainty on Business Rate Pool income for 2020/21.
- 3.5 **Firewatch Phase 2 Project** – this project has slipped from its original timeline and incurred additional cost, however the latest forecasts indicate that it will be delivered within budget. The project plan and budget is currently being re-baselined and will be confirmed at the March Project Board.
- 3.6 These risks will continue to be monitored in the new financial year 2021/22 and should they materialise, the Authority will need to determine how the financial impact is to be managed. The Authority has a number of options open to it to manage budget pressures: Identification of additional savings or managed underspends, use of the Corporate Contingency and/or use of General Balances.

#### **4 SAVINGS PROGRAMME 2020/21**

- 4.1 Appendix 2 summarises the savings requirement 2020/21 of £426,000. Early indications are that £361,000 savings are course to be successfully delivered, whilst £65,000 savings are at risk. These have all been funded through contingency in 2020/21 and future year's impacts have been built into the 2021/22+ budget setting.
- (iii) Management restructure - £5,000 (ongoing) is at risk due to the outcome of the Principal Officer Appointment Panel review of senior officer terms and conditions. This is funded from contingency;
  - (ii) Personal Protective Equipment - £20,000 (ongoing) is at risk due to the continuing use of FTCs and assistant instructors at STC and is funded from contingency.
  - (iii) FPS Admin to WYPF - £10,000 is at risk due to an incorrect amount being included in the contract and is funded from contingency.
  - (iv) Maritime Savings - £30,000 (one-off) due to the pay protection period for Maritime Allowance at Newhaven is likely to extend to the end of the financial year. This is funded from contingency.

4.2 Through the NFCC / HO Covid 19 monitoring we are tracking three areas of spend where Covid 19 is resulting in underspends as follows based on the period April – February 2021:

- Training = £72,000 – as set out in the agreed Training Recovery Plan
- Specialist Training = £100,000 as reported by Ops P&P
- Fuel = £20,000 for the first 6 months has been transferred into contingency
- Travel & Subsistence = £35,000 which has been transferred to contingency.
- Member Expenses & Conferences = £10,000 which has been transferred to contingency

## **5 GRANTS AND FEES & CHARGES INCOME COMPENSATION SCHEME**

5.1 The Government has awarded the following grants for use on specific purposes and your officers will ensure these are delivered in accordance with grant conditions:

5.2 **Covid-19** – This is to alleviate an increase in expenditure and shortfall in income relating to Covid-19. £137,000 was allocated toward the end of 2019/20 and almost all (£136,000) has been brought forward in an earmarked reserve. The allocation for 2020/21 is £633,000.

The end of February cost tracker return forecasts the following:

- Additional costs = £0.900m (exceeding the grant by £0.130m). Recent correspondence from the Home Office has confirmed the award of £0.129m towards these additional costs.
- Lost income = £0.234m (of which £0.135m is lost investment income but this is not a budget pressure rather an opportunity cost – the balance of £0.099m is partially mitigated by Income Loss Compensation Scheme of £0.030m – the net impact is reflected in the forecast outturn for the affected budgets)
- Savings = £0.263m (part of which has been clawed back into the contingency to fund other pressures and the balance remains as part of the overall revenue underspend)
- Bids for Covid 19 grant and Income loss Compensation totalling £0.052m were submitted and £0.030m secured.

5.3 **Surge Protection Grant Funding** – the allocation for this Service of £510,000 is specifically to deal with inspections for high rise buildings and other high risk buildings. The grant conditions have been received, including the deadline of December 2021 by which the high rise element of the grant must be spent. A project group has been set up, and, a delivery plan drawn up to ensure full use of the grant. The grant has been received in full, with the fourth quarter's grant return covering September to December 2020 submitted to the Home Office in January 2021.

5.4 **Grenfell Infrastructure Fund** – the allocation of £67,944 is to help support FRS to put in place a local Grenfell Inquiry recommendations co-ordination

function which will help co-ordinate local activity and support the national work led by the NFCC; drive progress on local improvements and ensure funding for smoke-hoods and other technical investments. The grant has been received in full, with the first grant return covering September to December 2020 submitted to the Home Office in January 2021.

5.5 **Fire Fighter Pension Scheme** – the allocation of £1,734,984 is used towards the shortfall in employer’s pension contributions.

5.6 **Government Income Compensation Scheme for Fees and Charges** – the Government has launched a compensation scheme which provides for net budgeted fees and charges income loss due to the impact of Covid19 in accordance with the scheme principles. There is a 5% deductible on budget and 75% of income loss thereafter is compensated. A submission (Round 1) made to the Home Office for the income loss on commercial training (£18,000) and dry riser testing (£3,300) income covering the period April to July 2020 has been successful and resulted in the receipt of £12,788 compensation. The submission made in December (Round 2) to claim fees and charges income losses sustained August to November has secured further resources of £17,352.

## 6 **CONTINGENCY 2020/21**

6.1 The Fire Authority maintains a contingency in order to assist it in managing one-off unforeseen pressures and making investments within the financial year. At its’ meeting held in February 2020, the Fire Authority agreed a contingency of £454,000 for the 2020/21 financial year.

6.2 The contingency increased by £100,000 during the financial year, as approved by SLT and brings the total amount available in 2020/21 to £554,000. This is following the transfer of £35,000 underspend on travel and subsistence, £35,000 provided for the inspection which is now delayed until the next financial year, £20,000 underspend on fuel covering April to September and £10,000 underspend on Member expenses and conferences due to Covid-19. Commitments approved to date total £532,000 leaving a remaining balance of £22,000 as detailed in the table.

		£'000
<b>Opening Balance 1 April 2020</b>	<b>AD</b>	<b>454</b>
Travel & Subsistence Underspend approved by SLT on 20 August	All	35
Inspection Budget no longer required approved by SLT on 17 September	LR	35
Fuel savings April to September approved by SLT on 15 October	MM	20
Members Expenses and Conferences Underspend approved by SLT on 17 December	LR	10
<b>Total Available</b>		<b>554</b>
Maritime saving at risk	MM	30
Pension manager extension	HSY	45
Training and Assurance Secondment	HSY	60
GM ORR extension	LR	47
Swift Water Rescue	MM	10
New Workwear	DS	60
IRMP consultation	LR	30
Leadership & Behavioural framework	HSY	50
10 Internal Audit days (Approved SLT / S&A April 2020)	DS	4
NFCC VFM Framework (Approved SLT June 2020)		6
Scheme Sanction Charges	All	11
Senior Management saving at risk	DS	5
PPE saving at risk	DS	20
WYPF saving at risk	DS	10
Budget calculation error	DS	24
IRMP - HR Post x 6 months	HSY	25
Flu vaccinations	HSY	6
Health and Safety temporary business partner	HSY	24
Fire & Rescue Indemnity Company (FRIC) Insurance Renewal 2020-21	DS	28
External audit fee increase 2020-21	DS	5
PMO budget calculation error	LR	32
<b>Total Commitments</b>		<b>532</b>
<b>Amount Remaining end February 2021</b>		<b>22</b>

**Extensions to secondments:** £152,000 for Pension Manager, Training and Assurance SM and GM ORR.

**Swift Water Rescue:** £10k one-off this risk crystallised during 2019/20 following the resolution of a challenge by the FBU regarding Additional Availability Allowances and majority of costs (for historic liabilities) were accrued for in 2019/20. A small pressure of £10,000 will also impact in 2020/21.

**New Workwear:** £60,000 one-off – relating to the roll out of new workwear using a new national contract.

**IRMP consultation:** £48,000 one-off – as agreed by Fire Authority, of which £18,000 is additional cost arising from Covid 19 and will be funded from the Covid 19 grant. The remainder £30,000 is funded from Corporate Contingency.

**Leadership and Behavioural Framework:** £50,000 one-off for training and communications as part of roll out agreed by SLT.

**Scheme Sanction Charges:** WYPF our new FPS administrator has identified that scheme sanction charges have in the past been incorrectly charged to some FPS members upon retirement. The Service is in the process of refunding these charges at a cost to the revenue budget of £11,000.

**Budget Calculation Error:** an ongoing budget error of £24,000 has been identified within the Resources Division and it is corrected using contingency. Future years will be picked up as part of the budget setting process.

**IRMP:** The IRMP was approved by the Fire Authority at its' meeting held on 3 September. This included a HR post for a period of 6 months at a cost of £25,000 which is funded from contingency.

**Savings at Risk:** £65,000 savings are unable to be secured in this financial year and are funded through contingency as detailed in section 4 above.

## **7 CAPITAL PROGRAMME COMMENTARY**

7.1 The original 2020/21 Capital Budget and five year Capital Strategy of £24,045,000 was approved by the Fire Authority in February 2020. The Fire Authority on 11 February 2021 approved the original 2021/22 Capital Budget and five year Capital Strategy, and in doing so, revised the 2020/21 Capital Budget and five year Capital Strategy 2020/21 to 2024/25 to the level of £22,647,000.

7.2 The revised Capital Programme is funded by: Capital Receipts £8,163,000, Revenue Reserves £4,295,000, Planned Revenue contributions £1,356,000, Internal Borrowing £384,000 and New Borrowing £8,160,000 as shown in the table below. Overall, the revised 5 year Capital Programme is forecasted to come in on budget, as summarised in Appendix 3.

	2020/21	2021/22	2022/23	2023/24	2024/25	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Revised Programme CFA 11 February 2021</b>	<b>2,295</b>	<b>6,105</b>	<b>7,682</b>	<b>3,673</b>	<b>2,892</b>	<b>22,647</b>
Funded by:						
Capital Receipts Reserve	1,939	5,991	233	0	0	8,163
Capital Programme Reserve	0	0	3,209	500	500	4,209
Revenue Contributions to Capital	0	0	452	452	452	1,356
BR Pilot Economic Reserve		86	0			86
CIL	0	0	289	0	0	289
MRP / Internal Borrowing	356	28	0	0	0	384
New Borrowing / Need to Borrow	0	0	3,499	2,721	1,940	8,160
<b>Updated Capital Programme</b>	<b>2,295</b>	<b>6,105</b>	<b>7,682</b>	<b>3,673</b>	<b>2,892</b>	<b>22,647</b>

7.3 A recent review of the Capital Programme has found that all IRMP related capital approvals are incorporated apart from the purchase of 4 pool cars at a total value of £72,000 and purchase of new equipment £70,000. The budget holder has advised that the planned purchases of 2 pool cars and equipment in 2020/21 will not take place until future years. Therefore, it is proposed the outstanding IRMP capital budget be included in the Capital Programme as per the revised plans at year-end, and appropriate member approval secured, as shown in the table below.

	2020-21	2021-22	2022-23	2023-24	Total
	£'000	£'000	£'000	£'000	£'000
Purchase of pool cars - original	36	36	0	0	72
Purchas of equipment - original	35	0	0	35	70
Purchase of pool cars - revised	0	36	36	0	72
Purchas of equipment - revised	0	35	0	35	70

7.4 **Capital Funding** – the sale of the old Fort Road site in Newhaven to Lewes District Council for £525,000 is proceeding with a deposit received and the balance due subject to planning next year. The disposal of the ARP currently based at Eastbourne has been progressed in line with the IRMP decision. The sale will realise a capital receipt of £120,000 and is expected before the end of the financial year. The ARP will be replaced at Eastbourne by an additional pumping appliance and the ALP formerly based at Hastings (which will be replaced by a new vehicle in February 2021). The Service has also been successful in its bid for Community Infrastructure Levy (CIL) funding from Lewes District Council. £289,000 has been awarded which will part fund the planned enhancements at Barcombe and Seaford Fire Stations, reducing the need for future borrowing.

7.5 The revised Capital Budget for 2020/21 was approved by CFA on 11 February 2021 at £2,295,000 (Estates £624,000, Fleet £1,671,000). Following a detailed review of projects, an overall variation of £263,000 is forecasted (Estates £150,000, Fleet & Equipment £113,000) of which £338,000 will be requested to slip into 2021/22 and the remainder is a net overspend of £76,000 as summarised in Appendix 4.

7.5.1 **Estates / Property** – a review of commitments has identified a net variation of £150,000 of which £260,000 is slippage and £110,000 overspend on design guide schemes. This in-year overspend will be contained within the agreed 5 year Capital Programme.

7.5.2 **Fleet and Equipment** – this is projected to have a £113,000 variation, of which £78,000 and underspend of £34,000 as summarised below and detailed in Appendices 4 and 5. Work is underway to review the forecast outturn for the RPE Project after it was identified that it may overspend its revised (reduced) budget.

	Slippage	(Underspend) / Overspend	Total
	£'000	£'000	£'000
<b>Estates</b>	(260)	110	(150)
<b>Fleet</b>	(78)	(34)	(113)
<b>Total</b>	(338)	76	(263)

The overspend 2020/21 on Estates will be contained within the overall 5 year capital programme

7.5.3 Given we are almost at the end of the financial year, it is proposed that any revisions and updates to the Capital Programme are actioned once the actual

outturn 2020-21 position is known and approval sought in the Outturn 2020/21 report to CFA.

## 8 RESERVES 2020/21

- 8.1 The Fire Authority maintains Reserves in order to assist it in managing its specific spending plans across the financial year (Earmarked Reserves), making provisions for the financial risks it faces (General Fund Reserves) and making investments (Capital Receipts Reserve).
- 8.2 The opening balance at 1 April is £23,233,000 including a contribution from general fund reserve of £48,000 to finance the provisional net overspend 2019/20 as approved by Policy and Resources Panel on 23 July 2020.
- 8.3 Forecast net transfers from reserves total £3,380,000 compared to planned net drawdown of £12,131,000. This is a net reduction in drawdown of £8,751,000 resulting in an estimated balance at 31 March 2021 of £19,853,000, as summarised in the table below and detailed over individual reserves in Appendix 6.
- 8.4 The net changes are explained in section 8.5 below. Work continues with budget managers to confirm the actual use of revenue and capital reserves in 2020/21. The joint working between P21, ITG and Finance has identified a reduced requirement on reserves this year in relation to the P21 project. The exact figure will be reflected in the Outturn report once final queries are concluded.

		Planned Net Transfers	Forecast Net Transfers	Net change	Month 11
	Balance @ 1 April 2020	2020/21	2020/21		Balance @ 31 March 2021
	£'000	£'000	£'000	£'000	£'000
Earmarked Reserves	13,808	(6,584)	(1,522)	5,062	12,286
General Fund	1,869	(7)	(54)	(47)	1,815
<b>Total Revenue Reserves</b>	<b>15,677</b>	<b>(6,591)</b>	<b>(1,576)</b>	<b>5,015</b>	<b>14,101</b>
Total Capital Reserves	7,556	(5,540)	(1,804)	3,736	5,752
<b>Total Usable Reserves</b>	<b>23,233</b>	<b>(12,131)</b>	<b>(3,380)</b>	<b>8,751</b>	<b>19,853</b>

- 8.5 The main reasons for the overall net reduction in forecast drawdown from reserves of £8,751,000 are as follows:-

### 8.5.1 Earmarked Reserves Decrease of £5,062,000

- **£1,788,000** - no drawdown requirements in 2020/21 on ESMCP ESFRS Readiness £1,425,000, BRR Pilot Economic Development £70,000 and

Sprinklers of £293,000 due to delays in delivery of the projects we are match funding.

- **£161,000** - reduced drawdown on the IT Strategy reserve due to project delays and re-profiling of projects linked to P21.
- **(£136,000)** - full use of the Covid-19 tranche 1 grant funding 2019/20, brought forward as a reserve of £136,000 into 2020/21, towards eligible expenditure.
- **(£235,000)** - an increased drawdown on Improvement & Efficiency reserve to finance in-year priorities / projects.
- **£1,309,000** - transfer of the recently notified level of business rates deficits from Districts and Boroughs and compensating Section 31 grant to the Business Rate Relief (BRR) financial stability reserve to finance shortfalls in 2021/22 arising from Covid-19 (previously £1.415m).
- **£496,000** – revenue transfer to ITG reserve to finance revised requirements on CRM as approved by CFA on 11 February 2021. Transfers to ITG reserve from Improvement and Efficiency (£300,000) and Business Rates Pool (£150,000) earmarked reserves are also reflected in Appendix 6.
- **£1,629,000** – reduced drawdown on mobilising strategy reserve in 2020/21 following re-profiling of P21 transition costs.
- **£50,000** – reduced drawdown on Business Rates Pool Reserve due to AFA reduction manager no longer required.

#### 8.5.2 General Fund Reserve Increase of **(£47,000)**

- **(£47,000)** - This is due to the pay award which was allowed for in the 2020/21 budget at 2% increase but the Green Book pay award was confirmed at 2.75%. The 0.75% (£47,000) budgeted deficit is fully funded by general fund reserve in 2020/21 and future years will be built into the budget requirement.

#### 8.5.3 Capital Reserves Decrease of £3,736,000

- **£3,601,000** - the reduction in capital reserves requirement arising from the updates to the capital programme and slippage of capital schemes into future years (refer to capital section 7 above).
- **£52,500** - 10% of the capital receipt from the sale of Fort Road (£525,000) has been received and the balance is expected in 2021/22 once planning is approved and will also be transferred to CR reserve once received.
- **£120,000** – expected capital receipt from the sale of ARP currently based in Eastbourne.

## 9 BORROWING AND INVESTMENT

9.1 As at end February, the Authority held cash balances of £22,600,000 which are invested in accordance with the Treasury Management Strategy, as follows.

Counterparty	Duration	Amount (£m)	Rate (%)
Aberdeen MMF	Overnight	4.00	0.01
Aviva MMF	Overnight	4.00	0.01
Barclays	95 day notice	4.00	0.29
Deutsche	Overnight	0.35	0.01
Goldman Sachs	95 day notice	4.00	0.18
Local Authority – Dudley	Fixed deposit to 25 <sup>th</sup> Oct 2021	2.25	1.25
Santander	95 day notice	4.00	0.4
<b>Total</b>		<b>22.60</b>	

9.2 Work is in progress to confirm the actual level of drawdown from reserves for the year. The Authority's budget anticipated a reduction from £19,800,000 to £7,500,000 and this will mean the need to liquidate investments during the year. As noted in Section 8 above the forecast year end position is expected to be £17,678,000. Finance continues to work with the ESCC Treasury Management team to improve cash-flow monitoring. Notice has been given on the Lloyds / HBOSS 175 day notice account.

9.3 The Bank of England reduced the base interest rate from 0.75% to 0.10% to invigorate the economy due to the impact of Covid-19. We have seen the impact of this as Banks and other institutions have reduced the rates on investments, resulting in lower interest receivable. Latest modelling indicates the income of £107,000 can be achieved, £32,000 above the budgeted level of £75,000. If interest rates had stayed at their prevailing rates, we would have seen additional income of approximately £135,000, similar to that realised in the last two financial years, to use towards managing current pressures.

9.4 The Authority has debts totalling £10,773,000 and there is no impact on the interest payable, as these are subject to fixed interest rate deals. £75,000 of the debt will mature at the end of the current financial year for which repayment arrangements are in hand.

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## Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 11 (end February)

### Revenue Budget 2020/21 – Objective Summary

	Original Budget	Revised Budget	Projected Outturn	Month 11 Variance	Variance	Variance Month 8 Reported to P&R	Variance From Last Reported
	£'000	£'000	£'000	£'000	%	£'000	
Peoples Services	3,641	3,836	3,626	(210)	(5.5)	(102)	(108)
Resources/Treasurer	7,506	7,683	7,441	(242)	(3.1)	(114)	(128)
Planning and Improvement	1,275	1,334	1,248	(86)	(6.4)	(43)	(43)
<b>Total Deputy Chief Fire Officer</b>	<b>12,422</b>	<b>12,853</b>	<b>12,315</b>	<b>(538)</b>	<b>(4.2)</b>	<b>(259)</b>	<b>(279)</b>
Safer Communities	21,017	21,224	21,081	(143)	(0.7)	(195)	52
Operational Support	4,298	4,281	4,155	(126)	(2.9)	(54)	(72)
<b>Total Assistant Chief Fire Officer</b>	<b>25,315</b>	<b>25,505</b>	<b>25,236</b>	<b>(269)</b>	<b>(1.1)</b>	<b>(249)</b>	<b>(20)</b>
CFO Staff	705	729	779	50	6.9	13	37
Treasury Management	839	839	807	(32)	(3.8)	(25)	(7)
Non Delegated costs	(1,058)	(1,162)	(1,138)	24	2.1	24	0
Corporate Contingency	454	22	0	(22)	(100.0)	0	(22)
Covid-19	0	0	1	1	0.0	0	1
Transfer from Reserves	(627)	(736)	(736)	0	0.0	0	0
Transfer to Reserves	1,687	2,996	3,492	496	16.6	0	496
<b>Total Corporate</b>	<b>2,000</b>	<b>2,688</b>	<b>3,205</b>	<b>517</b>	<b>19.2</b>	<b>12</b>	<b>505</b>
<b>Total Net Expenditure</b>	<b>39,737</b>	<b>41,046</b>	<b>40,756</b>	<b>(290)</b>	<b>(0.7)</b>	<b>(496)</b>	<b>206</b>
Financed By:				0			
RSG	(3,208)	(3,208)	(3,208)	0	0.0	0	0
Council Tax	(27,931)	(27,931)	(27,931)	0	0.0	0	0
Business Rates	(7,714)	(7,714)	(7,714)	0	0.0	0	0
S31 Grants	(799)	(2,108)	(2,108)	0	0.0	0	0
Collection Fund Surplus/Deficit	(85)	(85)	(85)	0	0.0	0	0
<b>Total Financing</b>	<b>(39,737)</b>	<b>(41,046)</b>	<b>(41,046)</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>
<b>Total Over / (Under) Spend</b>	<b>0</b>	<b>0</b>	<b>(290)</b>	<b>(290)</b>	<b>(0.0)</b>	<b>(496)</b>	<b>206</b>

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**Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25  
Monitoring at Month 11 (end February)**

**Savings Programme 2020/21**

		2020/21	2020/21	2020/21
		Savings	Projection	At Risk
Description	Responsible Officer	£,000	£,000	£,000
Management Restructure	Corporate	(5)	0	5
Engineering - cutting equipment purchased early (1 year only)	RF	(60)	(60)	0
PPE & Workwear	DS	(91)	(71)	20
Fire Brigade Union (FBU) post	MM	(20)	(20)	0
Going digital on CFA agendas implementation of Modern.Gov	LR	(3)	(3)	0
Reduction in administration costs in Safer Communities	MM	(25)	(25)	0
Use of BR Pooling to support service delivery	DS/MM	(50)	(50)	0
Estates Strategy revenue maintenance savings.	DS	(20)	(20)	0
Business Rates overstated pressure.	DS	(67)	(67)	0
FPS administration moving to West Yorkshire Pension Fund	DS	(24)	(14)	10
Webex savings from each directorate.	Corporate	(12)	(12)	0
Primary Authority income target	MM	(19)	(19)	0
Maritime	RF	(30)	0	30
		<b>(426)</b>	<b>(361)</b>	<b>65</b>

\*Savings at risk £65,000 fully funded through contingency.

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## Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 11 (end February)

### Revised Capital Programme 2020/21 to 2024/25

Capital Programme Expenditure	CFA 11 Feb 2021 Revised Budget 2020/21	2021/22	2022/23	2023/24	2024/25	Total Budget 2020/21 to 2024/25	Projected Spend 2020/21 to 2024/25	Variance 2020/21 to 2024/25
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Property</b>								
<b>Shared Investment Schemes</b>								
Integrated Transport Project	20	180	800			1,000	1,000	-
- Partner contribution								
<b>Integrated Transport Project net cost</b>	<b>20</b>	<b>180</b>	<b>800</b>	-	-	<b>1,000</b>	<b>1,000</b>	-
<b>One Public Estate</b>								
- Heathfield	16		34			50	50	-
- Partner contribution						-	-	
<b>- Heathfield net cost</b>	<b>16</b>	<b>-</b>	<b>34</b>	-	-	<b>50</b>	<b>50</b>	-
- Lewes				246		246	246	-
- Partner contribution						-	-	
<b>- Lewes net cost</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>246</b>	-	<b>246</b>	<b>246</b>	-
- Preston Circus	85	750	2,224			3,059	3,059	-
- Partner contribution						-	-	
<b>- Preston Circus net cost</b>	<b>85</b>	<b>750</b>	<b>2,224</b>	-	-	<b>3,059</b>	<b>3,059</b>	-
- Uckfield	6			94		100	100	-
- Partner contribution						-	-	
<b>- Uckfield net cost</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>94</b>	-	<b>100</b>	<b>100</b>	-
<b>Total Shared Investment Schemes</b>	<b>127</b>	<b>930</b>	<b>3,058</b>	<b>340</b>	-	<b>4,455</b>	<b>4,455</b>	-
<b>Strategic Schemes</b>								
- Replacement Fuel Tanks	220	193				413	413	-
- Partner contribution	(215)					(215)	(215)	
<b>- Replacement fuel tanks net cost</b>	<b>5</b>	<b>193</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>198</b>	<b>198</b>	-
Design Guide Schemes	120	1,335	1,015	874	1,008	4,352	4,352	-
STC Live Fire Training	25	200	1,115			1,340	1,340	-
Sustainability	31	100	75	50		256	256	-
Security	65	20	50	40	20	195	195	-
<b>Total Strategic Schemes</b>	<b>246</b>	<b>1,848</b>	<b>2,255</b>	<b>964</b>	<b>1,028</b>	<b>6,341</b>	<b>6,341</b>	-
<b>General Schemes</b>	<b>251</b>	<b>227</b>	<b>100</b>	<b>100</b>	<b>75</b>	<b>753</b>	<b>753</b>	-
<b>Total Property</b>	<b>624</b>	<b>3,005</b>	<b>5,413</b>	<b>1,404</b>	<b>1,103</b>	<b>11,549</b>	<b>11,549</b>	-
<b>Information Management</b>								
- Sussex Control Centre	37					37	37	-
- Grant funds	(37)					(37)	(37)	
<b>Sussex Control Centre net cost</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	-
<b>Fleet and Equipment</b>								
- Vehicle cameras		118				118	118	-
- Grants funds		(118)				(118)	(118)	
<b>- Vehicle cameras net cost</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	-
- RPE Project	32					32	32	-
- grant funds						-	-	
- Telemetry		70				70	70	-
<b>Special Projects</b>	<b>32</b>	<b>70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>102</b>	<b>102</b>	-
Aerial Rescue Ladder	190		743	758		1,691	1,691	-
Fire Appliances	830	1,461	891	877	861	4,920	4,920	-
Ancillary Vehicles	191	1,149	381	391	368	2,480	2,480	-
Cars	175	316	254	64	272	1,081	1,081	-
Vans	253	104		179	288	824	824	-
<b>Total Fleet and Equipment</b>	<b>1,671</b>	<b>3,100</b>	<b>2,269</b>	<b>2,269</b>	<b>1,789</b>	<b>11,098</b>	<b>11,098</b>	-
<b>Total Expenditure</b>	<b>2,295</b>	<b>6,105</b>	<b>7,682</b>	<b>3,673</b>	<b>2,892</b>	<b>22,647</b>	<b>22,647</b>	-

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## Revenue and Capital Revised Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 11 (end February)

### Revised Capital Budget 2020/21

Capital Programme Expenditure	CFA 11 Feb, Revised Budget 2020/21 £'000	Projected 2020/21 spend £'000	Variance Month 11 2020/21 £'000	Variance reported Month 10 2020/21 £'000	Variance 2020/21 %
<b>Property</b>					
<b>Shared Investment Schemes</b>					
Integrated Transport Project	20	10	(10)	0	(50.00)
- Partner contribution					
<b>Integrated Transport Project net cost</b>	<b>20</b>	<b>10</b>	<b>(10)</b>	<b>0</b>	<b>(50.00)</b>
<b>One Public Estate</b>					
- Heathfield	16	7	(9)	0	(43.75)
- Partner contribution					
<b>- Heathfield net cost</b>	<b>16</b>	<b>7</b>	<b>(9)</b>	<b>0</b>	<b>(0.44)</b>
- Lewes	0	0	0	0	0
- Partner contribution					
<b>- Lewes net cost</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
- Preston Circus	85	0	(85)	0	0
- Partner contribution					
<b>- Preston Circus net cost</b>	<b>85</b>	<b>0</b>	<b>(85)</b>	<b>0</b>	<b>0.00</b>
- Uckfield	6	6	0	0	(100.00)
- Partner contribution					
<b>- Uckfield net cost</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>(100.00)</b>
<b>Total Shared Investment Schemes</b>	<b>127</b>	<b>23</b>	<b>(104)</b>	<b>0</b>	<b>(18.11)</b>
<b>Strategic Schemes</b>					
- Replacement Fuel Tanks	220	98	(122)	0	(44.55)
- Partner contribution	(215)	(98)	117	0	(45.58)
<b>- Replacement fuel tanks net cost</b>	<b>5</b>	<b>0</b>	<b>(5)</b>	<b>0</b>	<b>0.00</b>
Design Guide Schemes	120	230	110	0	191.67
BA Chambers works	0	0	0	0	0
STC Live Fire Training	25	0	(25)	0	0
Sustainability	31	0	(31)	0	0
Security	65	61	(4)	0	(93.85)
<b>Total Strategic Schemes</b>	<b>246</b>	<b>291</b>	<b>45</b>	<b>0</b>	<b>118.29</b>
<b>General Schemes</b>	<b>251</b>	<b>160</b>	<b>(91)</b>	<b>0</b>	<b>(63.75)</b>
<b>Total Property</b>	<b>624</b>	<b>474</b>	<b>(150)</b>	<b>0</b>	<b>(75.96)</b>
<b>Information Management</b>					
- Sussex Control Centre	37	37	0	0	(100.00)
- Grant funds	(37)	(37)	0	0	(100.00)
<b>Sussex Control Centre net cost</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fleet and Equipment</b>					
- Vehicle cameras	0	0	0	0	0
- Grants funds	0	0	0	0	0
<b>- Vehicle cameras net cost</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
- RPE Project	32	8	(24)	0	(25.00)
- grant funds			0		
<b>- BA &amp; Ancillary Equipment Net cost</b>	<b>32</b>	<b>8</b>	<b>(24)</b>	<b>0</b>	<b>(25.00)</b>
Aerial Rescue Ladder	190	183	(7)	0	(96.32)
Fire Appliances	830	807	(23)	0	(97.23)
Ancillary Vehicles	191	169	(22)	0	(88.48)
Cars	175	171	(4)	0	(97.71)
Vans	253	220	(33)	0	(86.96)
<b>Total Fleet and Equipment</b>	<b>1,671</b>	<b>1,558</b>	<b>(113)</b>	<b>0</b>	<b>(93.24)</b>
<b>Total Expenditure</b>	<b>2,295</b>	<b>2,032</b>	<b>(263)</b>	<b>0</b>	<b>(88.54)</b>

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## Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 11 (end February)

### Engineering Revised Capital Budget 2020/21

	Total Revised Budget 2020/21 as per FA Feb 2021	Total Projected Spend 2020/21	Total Variation 2020/21	Underspend	Slippage
	£	£	£	£	£
<b>Aerial Appliances</b>					
Aerial Ladder Platform GX04BMY STN 76	190,000	183,000	(7,000)	(7,000)	0
<b>Fire Appliances</b>					
Appliances 19/20 GX55AAE	280,000	269,000	(11,000)	0	(11,000)
Appliances 19/20 Concept 12t	0	0	0	0	0
Appliances 19/20 GX05ABZ	280,000	268,000	(12,000)	0	(12,000)
Appliances 20/21 GX56NWP	90,000	90,000	0	0	0
Appliances 20/21 GX57EUK	90,000	90,000	0	0	0
Appliances 20/21 GX57EUR	90,000	90,000	0	0	0
<b>Ancillary Vehicles</b>					
Replacing Honda GU16 LVJ	0	0	0	0	0
Animal Rescue GX51 UBM	0	0	0	0	0
Replacing Land Rover GX03 AXM	0	0	0	0	0
Wildfire Vehicle 2019/20 GX53AZU	2,000	0	(2,000)	0	(2,000)
Wildfire Vehicle GX53 AZV	0	0	0	0	0
Wildfire Vehicle GX02AZO	63,000	70,100	7,100	7,100	0
Wildfire Vehicle GX53 AZW	0	0	0	0	0
Replacing Y87 GNJ GP Truck STN 84	117,000	95,800	(21,200)	(21,200)	0
Replacing foam special (OSU) OU04 VNW STN 87	1,000	1,000	0	0	0
POD 001	0	0	0	0	0
Boat SWR	8,000	1,700	(6,300)	0	(6,300)
SWR Boat Trailer	0	0	0	0	0
TRA 11 decon	0	0	0	0	0
TRA 8 Road safety	0	0	0	0	0
<b>Cars</b>					
Cars 19/20- GX66JKY CFO	30,500	28,575	(1,925)	(1,925)	0
Cars 19/20 -GX66JOU ACFO	30,500	28,575	(1,925)	(1,925)	0
Cars 20/21 - GV63 HUH response car	28,500	28,500	0	0	0
Cars 20/21 - GV63 HUA response car	28,500	28,500	0	0	0
Cars 20/21 - GX13 FNL	0	0	0	0	0
Cars 20/21 - GX13 FNH	0	0	0	0	0
Cars 20/21 - GX13 FNF	0	0	0	0	0
Cars 20/21 - GX13 FNG	0	0	0	0	0
Cars 20/21 - GU63 NNZ	0	0	0	0	0
Cars 20/21 - NEW (Response Car)	28,500	28,500	0	0	0
Cars 20/21 - NEW (Response Car)	28,500	28,500	0	0	0
<b>Vans</b>					
Replacing Movano GX60 PUV	6,500	6,500	0	0	0
Replacing Movano GX60 PUY	6,500	6,500	0	0	0
Replacing Vivaro GX60 PTZ	0	0	0	0	0
Replacing Vivaro GX60 PVJ	0	0	0	0	0
Replacing Corsa GX11 HAA	0	0	0	0	0
Vans 20/21 - GX13 FNO BA Van	0	0	0	0	0
Vans 20/21 - GX15 JJK SSO van	37,700	31,200	(6,500)	0	(6,500)
Vans 20/21 - GX13 FNN	13,900	13,300	(600)	(600)	0
Vans 20/21 - GX13 FNM	13,900	13,300	(600)	(600)	0
Vans 20/21 - GX63 RHO	0	0	0	0	0
Vans 20/21 - RDS - GX13 FNK	17,500	17,200	(300)	(300)	0
Vans 20/21 - RDS - GX13 FNU	17,500	17,200	(300)	(300)	0
Vans 20/21 - RDS - GX13 FNE	17,500	17,200	(300)	(300)	0
Vans 20/21 - RDS - GU63 NOF	17,500	17,200	(300)	(300)	0
Vans 20/21 - Station Van (76 Shift)	17,500	16,100	(1,400)	(1,400)	0
Vans 20/21 - Station Van (90 Shift)	17,500	16,100	(1,400)	(1,400)	0
Vans 20/21 - Station Van (91 Shift)	17,500	16,100	(1,400)	(1,400)	0
Vans 20/21 - Station Van (92 Shift)	17,500	16,100	(1,400)	(1,400)	0
Vans 20/21 - Station Van (93 Shift)	17,500	16,100	(1,400)	(1,400)	0
Vans 20/21 - Station Van (? Shift)	17,000	0	(17,000)	0	(17,000)
<b>Special Projects</b>					
Vehicle Cameras	0	0	0	0	0
Grant	0	0	0	0	0
RPE project	32,000	8,500	(23,500)	0	(23,500)
<b>Total Fleet and Equipment</b>	<b>1,671,000</b>	<b>1,558,350</b>	<b>(112,650)</b>	<b>(34,350)</b>	<b>(78,300)</b>

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## Revenue and Capital Budget 2020/21 and Capital Programme 2020/21 to 2024/25 Monitoring at Month 11 (end February)

### Reserves 2020/21

Description	2020/21	2020/21	2020/21	2020/21	2020/21	2020/21	2020/21		Projected Closing Balance
	Opening Balance 01/04/20 £'000	Original Planned Transfers In £'000	Original Planned Transfers Out £'000	Original Planned Transfers Net £'000	Forecast Transfers In £'000	Forecast Transfers Out £'000	Forecast Transfers Net £'000	Net Change £'000	at Month 11 Closing Balance £'000
<b>Earmarked Reserves</b>									
Improvement & Efficiency	471	500	(90)	410	500	(625)	(125)	(535)	346
Sprinklers	640	0	(293)	(293)	0	0	0	293	640
Insurance	249	0	0	0	0	0	0	0	249
ESMCP ESFRS Readiness	1,425	0	(1,425)	(1,425)	0	0	0	1,425	1,425
ESMCP Regional Programme	566	0	(259)	(259)	0	(259)	(259)	0	307
Responding to New Risks	18	0	0	0	0	0	0	0	18
ITG Strategy	3,351	549	(2,032)	(1,483)	1,495	(1,871)	(376)	1,107	2,975
People Strategy	40	0	0	0	0	0	0	0	40
Mobilising Strategy	4,175	0	(3,329)	(3,329)	0	(1,700)	(1,700)	1,629	2,475
Business Rates Retention Pilot, financial stability	587	0	(480)	(480)	0	(480)	(480)	0	107
Business Rates Retention Pilot, economic development	86	0	(70)	(70)	0	0	0	70	86
Business Rates Pool Reserve	355	0	(155)	(155)	0	(255)	(255)	(100)	100
S31 Business Rate Retention Reliefs	0	0	0	0	1,309	0	1,309	1,309	1,309
Covid-19	136	0	0	0	0	0	(136)	(136)	0
Carry Forwards	0	0	0	0	0	0	0	0	0
Capital Programme Reserve	1,709	500	0	500	500	0	500	0	2,209
<b>Total Earmarked Reserves</b>	<b>13,808</b>	<b>1,549</b>	<b>(8,133)</b>	<b>(6,584)</b>	<b>3,804</b>	<b>(5,190)</b>	<b>(1,522)</b>	<b>5,062</b>	<b>12,286</b>
<b>General Fund</b>	<b>1,869</b>	<b>138</b>	<b>(145)</b>	<b>(7)</b>	<b>138</b>	<b>(192)</b>	<b>(54)</b>	<b>(47)</b>	<b>1,815</b>
<b>Total Revenue Reserves</b>	<b>15,677</b>	<b>1,687</b>	<b>(8,278)</b>	<b>(6,591)</b>	<b>3,942</b>	<b>(5,382)</b>	<b>(1,576)</b>	<b>5,015</b>	<b>14,101</b>
Capital Receipts Reserve	7,518	0	(5,540)	(5,540)	173	(1,939)	(1,766)	3,774	5,752
Capital Grants Unapplied	38	0	0	0	0	(38)	(38)	(38)	0
<b>Total Capital Reserves</b>	<b>7,556</b>	<b>0</b>	<b>(5,540)</b>	<b>(5,540)</b>	<b>173</b>	<b>(1,977)</b>	<b>(1,804)</b>	<b>3,736</b>	<b>5,752</b>
<b>Total Usable Reserves</b>	<b>23,233</b>	<b>1,687</b>	<b>(13,818)</b>	<b>(12,131)</b>	<b>4,115</b>	<b>(7,359)</b>	<b>(3,380)</b>	<b>8,751</b>	<b>19,853</b>

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