

## EAST SUSSEX FIRE AND RESCUE SERVICE

<b>Meeting</b>	Policy and Resources Panel
<b>Date</b>	22 July 2021
<b>Title of Report</b>	Revenue and Capital Budget 2021/22 and Capital Programme 2021/22 to 2025/26 Monitoring at Month 2 (end May).
<b>By</b>	Duncan Savage – Assistant Director Resources/Treasurer
<b>Lead Officer</b>	Parmjeet Jassal – Interim Finance Manager

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<b>Background Papers</b>	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 – Provisional Outturn
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<b>Appendices</b>	Appendix 1: Revenue Budget 2021/22 Objective Appendix 2: Savings Programme 2021/22 Appendix 3: Grants and Spending Plans 2021/22 Appendix 4: Capital Programme 2021/22 to 2025/26 Appendix 5: Capital Budget 2021/22 Appendix 6: Engineering Capital Budget 2021/22 Appendix 7: Reserves 2021/22
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### 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>			

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<b>PURPOSE OF REPORT</b>	To report on the findings of the Month 2 monitoring undertaken on the Revenue and Capital Budget 2021/22 and Capital Programme 2021/22 to 2025/26.
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<b>EXECUTIVE SUMMARY</b>	This is the first report to Members for the 2021/22 financial year and highlights the findings from the Month 2 monitoring undertaken on the Revenue Budget 2021/22 and 5 year
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Capital Programme 2021/22 to 2025/26, approved by the Authority in February 2021.

A net revenue overspend to the sum of £126,000 has been identified at this early point in the new financial year, as summarised in Appendix 1. This is mainly because of the identification of savings in Resources / Treasurer offset by a forecast overspend on ill health retirements and over budgeting on S31 business rates retention. Most in-year pressures will be dealt with either through the use of contingency, use of reserves or service underspends.

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

Performance against grants and spending plans is summarised in Appendix 3 and detailed in section 5.

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

The original 2021/22 Capital Budget and five year Capital Strategy of £23,294,000 was approved by the Fire Authority on 11 February 2021. This increased to £23,658,000 including slippage brought forward from 2020/21 of £364,000 (subject to formal approval by this Panel of the Provisional Outturn Report for 2020/21). This is forecasted to come in on budget as detailed in Appendix 4. The Capital Programme will be updated in light of outstanding adjustments relating to IRMP once approved by this Panel.

The current year Capital Budget was approved by the Fire Authority at £6,105,000 and revised to £6,469,000 including slippage of £364,000 brought forward from 2020/21. At this early point in the financial year, no variation to the capital budget is identified. Detailed information is contained within section 7 and summarised in Appendix 5. The Fleet and Equipment Capital Projects 2021/22 are detailed in Appendix 6.

The position on reserves shows an opening balance of £22,961,000 including the provisional net revenue underspend 2020/21 brought forward of £386,000. The forecast net drawdown from reserves is £12,584,000, an increase in drawdown of £2,612,000 compared to the planned drawdown of £9,972,000. This results in an estimated closing balance of £10,377,000, as detailed in section 8 and

summarised in Appendix 7. Work is ongoing to review likely drawdown of reserves (including grants brought forward) for the rest of the current year on both Revenue and Capital projects.

There is a reduction in the interest receivable on the Authority's cash investments of £24,393,000 due to the Bank of England lowering its' base rates to invigorate the economy due to the impact of Covid-19. However, interest receivable is projected at £47,000, resulting in a surplus of £7,000 when compared to the budget. Interest payments on fixed rate loans of £10,698,000 are unaffected. Two loans totalling £400,000 are maturing on the 30th September 2021 for which payment arrangements are in hand, as detailed in section 9.

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## **RECOMMENDATION**

### **Policy & Resources Panel is recommended to note:**

- (i) the risks to Revenue Budget and the projected overspend,
- (ii) the risks to the Capital Programme,
- (iii) the increased net forecast drawdown from reserves,
- (iv) the grants available and spending plans,
- (v) the monitoring of savings taken in 2021/22; and
- (vi) the current year investments and borrowing

### **Policy and Resources Panel is recommended to approve:**

- (vii) that should pay awards be agreed nationally for staff that the in-year pressure is funded from General Fund Balances; and
- (viii) the IRMP related budget (pool cars and equipment) is built into the Capital Programme.

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## **1. INTRODUCTION**

- 1.1 The Original Revenue Budget 2021/22 and Capital Strategy 2021/22 to 2025/26 was approved at the meeting of the Fire Authority on 11 February 2021.
- 1.2 This is the first report to Members for the 2021/22 financial year, and highlights the findings from Month 2 (end May) monitoring undertaken on the Revenue and Capital Budget 2021/22 and Capital Programme 2021/22 to 2025/26. 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 (Month 2)</b>	<b>Last P&amp;R (n/a)</b>	<b>Movement</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Revenue (see section 2)	126	-	-
Capital in year (see section 7)	-	-	-

- 1.3 The Revenue Budget, approved by the Fire Authority in February 2021 was a net expenditure requirement of £40,704,000.
- 1.4 A net revenue overspend to the sum of £126,000 has been identified at Month 2 (end May) which is reflected in the Revenue Budget 2021/22 objective summary at Appendix 1 and detailed in section 2.
- 1.5 The savings requirement 2021/22 is £504,000 and work is in progress to identify actual delivery compared to budgeted savings, as detailed in Appendix 2 and section 4.
- 1.6 The grants available total £6.3m, including grants brought forward from previous years, of which spending plans total £4.6m for the current year, as summarised in Appendix 3 and detailed in section 5.
- 1.7 The five year Capital Strategy 2021/22 to 2025/26 was approved by the Fire Authority in February 2021 at £23,294,000 and updated to £23,654,000 including slippage of £364,000 brought forward from 2020/21. The revised 5 year Capital Programme is projected to come within budget as detailed in section 7 and summarised in Appendix 3. Formal Member approval is being sought to update the Capital Programme in light of the actual outturn 2020/21 (provisional outturn 2020/21 report elsewhere on your agenda) and outstanding adjustments relating to IRMP.
- 1.8 The Capital Budget for 2021/22 was approved by the Fire Authority at £6,105,000 and updated to £6,469,000 including slippage of £364,000 brought forward from 2020/21. Expenditure is forecasted to come in on budget as detailed within section 7 and summarised in Appendices 4 and 5.
- 1.9 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 overspend by a net £126,000 which is summarised across divisions in Appendix 1 and detailed explanations are provided below.
- 2.2 **Resources/Treasurer:** There is an overall projected underspend of net £46,000 as follows:-
- 2.2.1 **ITG:** The I.T. Manager is projecting an underspend of £46,000 following a comprehensive review of the ITG revenue budget compared to known commitments.

- 2.3 **Treasury Management:** This income budget is projected to overachieve by £7,000. Interest rates on investments have reduced significantly 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 £40,000 interest budget (reduced from £75,000 in 2020/21) and deliver additional income of £7,000.
- 2.4 **Non Delegated Costs:** An overspend of £43,000 is projected due to previously approved ill health retirements (IHRs) where costs are spread over three financial years. These are not controllable costs and it is likely the pressure will increase during the year once IHRs in the pipeline are confirmed.
- 2.5 **Corporate Contingency:** This budget is intended to provide some flexibility for SLT to manage in-year budget pressures and was set at £341,000 for 2021/22. Approved pressures total £86,000 resulting in £255,000 remaining in contingency, as detailed in section 6.
- 2.6 **Transfer to and from Reserves:** There is no forecasted variation to the net transfer to reserves of £964,000.
- 2.7 **Financing:** A pressure is identified of £136,000 due to the Section 31 business rates retention grant being budgeted at a higher rate than confirmed recently by the Home Office. We will be reviewing the way we forecast S31 BR grant income in future and it is proposed to resolve the immediate issue by reducing the planned contribution to the Improvement and Efficiency reserve, however we will await to completion of work on the BR / CT Income Compensation Grants before seeking approval for this approach (see paragraph 3.2 below).

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

- 3.1 **Covid 19:** The immediate financial impacts of Covid 19 in 2019/20 and 2020/21 have been funded (whole or in-part) by grant from Government. These included increased expenditure on PPE, staffing, shortfalls in fees and charges income and delays to capital projects resulting in significant revision to the Capital Programme. Covid 19 will continue to impact on the Authority's finances during 2021/22 where impact on both the Business Rate and Council Tax Collection Funds will be felt. There is currently £170,000 Covid grant held in reserve which is anticipated to be utilised in the current year.
- 3.2 There is also a risk the amounts payable under the Government's compensation schemes for council tax and business rates income are lower than budgeted figures and will need to be revised as a result, both for current and future years. The compensation scheme guidance came out late and not all information from the Districts and Boroughs was received in time for budget setting. Grant letters received recently from CLG indicate significant reductions in compensation for council tax reduction (£85,000 compared to £147,000 budgeted in total over 3 years) and compensation for business rates (£4,000 compared to £93,000 budgeted in total over 3 years). We are investigating the causes for these reductions with the Districts and Boroughs and will advise Members in due course. The source of funding identified to cover in-year reductions (£49k) is the Business Rates Retention Pilot - financial stability reserve whilst future years will be dealt with as part of the MTFP.

- 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. The Authority will be directly liable for the cost of any Injury to Feelings claims and any additional administrative costs of implementing the remedy.
- 3.4 **Pay Award 2021/22:** Negotiations are ongoing between unions and pay awarding bodies and it appears likely that the FBU will accept a pay-award of 1.5% for grey book staff. The outcome of pay-award negotiations for green book staff is awaited but this could also be agreed at around 1.5%. There was no allowance made for an increase in all pay conditions in the budget following the Government's call for a pay freeze which causes an ongoing funding issue of around £440,000 which will need to be resolved as part of the MTFP 2022/23+ process. Options for funding the immediate pressures of £356,000 (adjusted for grey book pay award effective from 1 July) in the current financial year include identifying additional savings to those already included in the budget of £504,000 or use of general fund reserves. Increasing savings targets at short notice may cause adverse impacts on service delivery, and therefore, the use of general fund balances is recommended. However, these will need replenishing in the MTFP process to return to the policy minimum of 5% of the net revenue budget.
- 3.5 **Potential Capital Project Delays:** The impact of Brexit, Covid-19 and the Suez blockage are holding up construction projects across the nation. The dwindling supplies along with increased costs and long delivery times being experienced by the construction industry could impact on the Capital Programme. The Estates team are working to understand the potential financial impact and it is likely that this will become evidence as we move planned projects through procurement to delivery during the year.
- 3.6 **IRMP:** As the IRMP implementation plans are developed, it is possible that additional revenue and capital implications may be identified, and changes to implementation timelines may also affect delivery of savings. Work is in progress to refresh the IRMP financials, approved by CFA in September 2020, taking into account factors such items not previously in scope but now required and differences in timing in implementation.

#### **4. SAVINGS PROGRAMME 2021/22**

- 4.1 Appendix 2 summarises the net savings requirement 2021/22 of £504,000. Work is in progress with Service managers to identify and report actual delivery of savings compared to budgeted savings. This will be captured in a savings tracker including RAG rating and reported to Members at future meetings.

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

- 5.1 The Government has awarded grants for use on specific purposes and your officers will ensure these are delivered in accordance with grant conditions. These include grants awarded in year, brought forward from previous years where their spending plans fall over more than financial year and others that require development of spending plans, as summarised in Appendix 3. The amount available is £6.3m

compared to agreed spending plans of £4.6m in 2021/22. Regular monitoring of performance on grants will be reported to Members.

The latest grants are detailed below:

- 5.2 **Covid-19:** This is to alleviate an increase in expenditure and shortfall in income relating to Covid-19. £170,000 has been brought forward in a grants reserve.
- 5.3 **Surge Protection Grant Funding:** This 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 further allocation of £421,366 has recently been awarded. A project group has been set up, and, delivery plans drawn up to ensure full use of the grant (£653,149 in 2021/22). The Service's plan for increasing capacity within its Protection function will require funding beyond that available through the Grant available. SLT has already approved the use of £0.2m from the Business Rate Pool Reserve. A further £0.1m is forecast to be required and options for funding this are being explored.
- 5.4 **Grenfell Infrastructure Fund:** £46,607 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.
- 5.5 **Fire Fighter Pension Scheme:** This is used towards the shortfall in employer's pension contributions and details of allocation 2021/22 (estimated at £1.7m) are awaited.
- 5.6 **Government Income Compensation Scheme for Fees and Charges:** In 2020/21, the Government launched a compensation scheme which provided for net budgeted fees and charges income loss due to the impact of Covid19 in accordance with the scheme principles. Information on whether this will continue in 2021/22 is being awaited.

## 6. **CONTINGENCY 2021/22**

- 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 2021, the Fire Authority agreed a contingency of £341,000 for the 2021/22 financial year.
- 6.2 Pressures totalling £86,000 are approved to be funded through contingency, resulting in a remaining balance of £255,000, as detailed in the table below.

		£'000
<b>Opening Balance 1 April 2021</b>	<b>Lead</b>	<b>341</b>
P21 Change control part year impact	MO'B	23
Extension of Pension Adviser to 31/12/2021	HSY	61
Pensions awareness training	HSY	2
<b>Total Commitments</b>		<b>86</b>
<b>Amount Remaining end May 2021</b>		<b>255</b>

## 7. CAPITAL PROGRAMME COMMENTARY

- 7.1 The original 2021/22 Capital Budget and five year Capital Strategy of £23,294,000 was approved by the Fire Authority on 11 February 2021. This will increase to £23,658,000 including slippage brought forward from 2020/21 of £364,000 (once approved by Members elsewhere on the agenda today).
- 7.2 The Capital Programme is funded by: Capital Receipts Reserve £6,588,000, Capital Programme Reserves £4,709,000, Revenue Contributions to Capital £1,808,000, BR Pilot Economic Reserve £86,000, Community Infrastructure Levy (CIL) £289,000, Internal Borrowing £28,000 and New Borrowing £10,150,000 as shown in the table below. Overall, the revised 5 year Capital Programme is forecasted to come in on budget, as summarised in Appendix 4.

	2021/22	2022/23	2023/24	2024/25	2025/26	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Fleet and Equipment	3,100	2,269	2,269	1,789	1,659	11,086
Estates	3,005	5,413	1,404	1,103	1,283	12,208
Original Approved Programme	6,105	7,682	3,673	2,892	2,942	23,294
Slippage from 2020/21	364	0	0	0	0	364
<b>Updated Capital Programme</b>	<b>6,469</b>	<b>7,682</b>	<b>3,673</b>	<b>2,892</b>	<b>2,942</b>	<b>23,658</b>
Funded by:						
Capital Receipts Reserve	6,355	233	0	0	0	6,588
Capital Programme Reserve	0	3,209	500	500	500	4,709
Revenue Contributions to Capital	0	452	452	452	452	1,808
BR Pilot Economic Reserve	86	0	0	0	0	86
CIL	0	289		0	0	289
MRP / Internal Borrowing	28	0	0	0	0	28
New Borrowing / Need to Borrow	0	3,499	2,721	1,940	1,990	10,150
<b>Updated Capital Programme</b>	<b>6,469</b>	<b>7,682</b>	<b>3,673</b>	<b>2,892</b>	<b>2,942</b>	<b>23,658</b>

A recent review of the Capital Programme has found that all IRMP related capital approvals are incorporated apart from the purchase of 4 cars for the Flexible Crewing Pool 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 recommended the outstanding IRMP capital budget (£142,000) be included in the Capital Programme as per the revised plans, as shown in the table below. This will be financed through a combination of the use of capital receipts and increased borrowing requirement.

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

- 7.3 **Capital Funding** – the sale of the old Fort Rd site in Newhaven to Lewes District Council for £525,000 is proceeding with a 10% deposit received in 2020/21 and the balance due subject to planning this year. 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.

The **Capital Budget 2021/22** was approved by the Fire Authority at £6,105,000 and revised to £6,469,000 including slippage of £364,000 brought forward from 2020/21. Expenditure is forecasted to come in on budget as summarised in Appendices 5 and 6.

## 8. **RESERVES 2021/22**

- 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 £22,961,000 including the provisional net underspend 2020/21 of £386,000 brought forward in an earmarked reserve.
- 8.3 The forecast net drawdown from reserves totals £12,584,000 compared to the original planned net drawdown of £9,972,000. This is a net increase in drawdown of £2,612,000 resulting in an estimated balance at 31 March 2022 of £10,377,000, as summarised in the table below and detailed over individual reserves in Appendix 7.
- 8.4 The net changes are explained in section 8.5 below. Work continues with budget managers to confirm the planned use of revenue and capital reserves in 2021/22.
- 8.5 The main reasons for the overall net increase in forecast drawdown from reserves of (£2,612,000) are as follows:-
- 8.5.1 **Earmarked Reserves - Increase of (£2,248,000)**
- (£675,000) – use of grant funding brought forward on eligible expenditure according to grant spending plans (Covid-19, Protection, Council Tax and Business Rates Guarantee Scheme, New Dimensions etc.)

- (£299,000) - increased commitments on the Improvement and Efficiency Reserve including £136,000 to finance over budgeting S31 business rates retention.
- (£1,601,000) - re-profiling of projects linked to P21 funded from the mobilising strategy reserve
- (£386,000) - use of provisional net underspend 2020/21 brought forward in Carry Forward reserve on in-year priorities
- £713,000 – delayed drawdown to future years on ESMCP readiness reserve

### Capital Reserves – Increase of (£364,000)

- (£364,000) – due to the slippage in capital schemes brought forward from 2020/21 for completion in 2021/22 (refer to capital section 7 above).

## 9. BORROWING AND INVESTMENT

9.1 As at end May, the Authority held cash balances of £24,393,000 which are invested in accordance with the Treasury Management Strategy, as follows.

Counterparty	Duration	Amount	Interest Rate
		£m	%
Aberdeen Cash Money Market Fund	Overnight Access	4.000	0.01
Avia Cash Money Market Fund	Overnight Access	0.143	0.01
Barclays	95 Day Notice	4.000	0.29
Deutsche	Overnight Access	4.000	0.01
Goldman Sachs	95 Day Notice	4.000	0.18
LA Deposit (Dudley MBC)	Fixed to 25/10/21	2.250	1.25
Natwest	35 Day Notice	2.000	0.10
Santander	95 Day Notice	4.000	0.40
<b>Total Investments</b>		<b>24.393</b>	

9.2 Further work is in progress to confirm the forecast level of drawdown from reserves during the year. The current forecast of a reduction in reserves of £12.498m mean that the Service will need to monitor its liquidity and cashflow closely during the year and this may involve giving notice on some of its existing investments. Finance continues to work with the ESCC Treasury Management team to improve cash-flow monitoring.

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 are seeing an impact as Banks reduce their rates on investments, resulting in lower interest receivable. Latest modelling indicates the income of around £47,000 can be achieved, £7,000 above the budgeted level of £40,000. The interest income budget was reduced from £75,000 to £40,000 for 2021/22 to reflect the planned reduction in funds available for short term investment and the reduction in interest rates.

9.4 The Authority has debts totalling £10,698,000 and there is no impact on the interest payable, as these are subject to fixed interest rate deals. Two loans totalling £400,000 are maturing on the 30th September 2021 for which repayment arrangements are in hand.

## Revenue Budget 2021/22 – Objective Summary

	Original Budget	Revised Budget	Projected Outturn	Month 2 Variance	Variance
	£'000	£'000	£'000	£'000	%
Peoples Services	3,875	3,813	3,813	0	0.0
Resources/Treasurer	7,855	7,853	7,807	(46)	(0.6)
Planning and Improvement	1,222	1,222	1,222	0	0.0
<b>Total Deputy Chief Fire Officer</b>	<b>12,952</b>	<b>12,887</b>	<b>12,841</b>	<b>(46)</b>	<b>(0.4)</b>
Safer Communities	21,462	21,462	21,462	0	0.0
Operational Support	4,677	4,741	4,741	0	0.0
<b>Total Assistant Chief Fire Officer</b>	<b>26,139</b>	<b>26,203</b>	<b>26,203</b>	<b>0</b>	<b>0.0</b>
CFO Staff	781	781	781	0	0.0
Treasury Management	875	875	868	(7)	(0.8)
Non Delegated costs	(1,348)	(1,348)	(1,305)	43	3.2
Corporate Contingency	341	341	341	0	0.0
Transfer from Reserves	(597)	(597)	(597)	0	0.0
Transfer to Reserves	1,561	1,561	1,561	0	0.0
<b>Total Corporate</b>	<b>1,613</b>	<b>1,613</b>	<b>1,649</b>	<b>36</b>	<b>2.4</b>
<b>Total Net Expenditure</b>	<b>40,704</b>	<b>40,704</b>	<b>40,694</b>	<b>(10)</b>	<b>(0.0)</b>
Financed By:					
RSG	(3,226)	(3,226)	(3,226)	0	0.0
Council Tax	(28,303)	(28,303)	(28,303)	0	0.0
Business Rates	(7,801)	(7,801)	(7,801)	0	0.0
Covid-19 Local Tax Support Grant	(474)	(474)	(474)	0	0.0
S31 Grants	(833)	(833)	(697)	136	16.3
Collection Fund Surplus/Deficit	(67)	(67)	(67)	0	0.0
<b>Total Financing</b>	<b>(40,704)</b>	<b>(40,704)</b>	<b>(40,568)</b>	<b>136</b>	<b>16.3</b>
<b>Total Over / (Under) Spend</b>	<b>0</b>	<b>(0)</b>	<b>126</b>	<b>126</b>	<b>0.31</b>

## Savings Programme 2021/22

Responsible Officer	Business Area Lead Name	Description	Savings 21/22 £'000
All	All	Travel & subsistence (one year only)	(16)
All	All	Stationery contract savings	(10)
Duncan Savage	Nicky Boruch	Estates Strategy revenue maintenance savings.	(40)
Duncan Savage	Nicky Boruch	Cessation of HQ shuttlebus service	(18)
Duncan Savage	Duncan Savage	Reduce Corporate Contingency (one year only)	(106)
Duncan Savage	Ken Pearce	IT Strategy - delay some projects from 21/22 to 22/23 (one year only)	(100)
Duncan Savage	Claire George / All	Category Strategy Savings	(25)
Hannah Scott-Youldon	Chris Baker	STC Catering contract savings	(4)
Hannah Scott-Youldon	Chris Baker	Abatement cost savings	(5)
Julie King	George O'Reilly	Abatement cost savings	(5)
Julie King	David Kemp	Community Safety - Adaptations contract income target (net of contract costs)	(15)
Julie King	David Kemp	Community Safety Restructure	(79)
Julie King	David Kemp	Reduction in administration costs in Safer Communities	(25)
Mark Matthews	Fleur Wilks	Savings arising from the Implementation of IRMP 2020-2025 including operational policy and practice	(146)
Nigel Cusack	Matt Elder	Abatement cost savings	(5)
Nigel Cusack		Fuel (one year only)	(15)
		<b>Total Gross Savings</b>	<b>(614)</b>
Duncan Savage		Use of BR Pooling to support service delivery (fall-out of 2020/21 saving -one year only)	50
Nigel Cusack		Engineering - cutting equipment purchased early (fall out of 2020-21 saving - 1 year only)	60
		<b>Total Net Savings</b>	<b>(504)</b>

## Grants and Spending Plans 2021/22

Grants Requiring Claims	Lead AD	*Grant Brought Forward 1 April 2021	Grant 2021/22	Total Available Grant	Spending Plan 2021/22	Claim Quarter 1	Claim Quarter 2	Claim Quarter 3	Claim Quarter 4	Balance Remaining
		£	£	£	£	£	£	£	£	£
Accreditation Grant Funding	Julie King	22,737	-	22,737	22,737	-	-	-	-	-
COVID - 19	Duncan Savage	170,032	-	170,032	170,032	-	-	-	-	-
ESMCP - Regional	Nigel Cusack	309,000	-	309,000	260,000	-	-	-	-	49,000
**ESMCP - Infrastructure	Nigel Cusack	1,425,000	-	1,425,000	-	-	-	-	-	1,425,000
Grenfell Infrastructure Fund	Nigel Cusack	46,607	-	46,607	46,607	-	-	-	-	-
Surge Protection Grant Funding - Protection Uplift	Julie King	277,957	421,366	699,323	653,149	-	-	-	-	46,174
Surge Protection Grant Funding -BRR	Julie King	76,773	-	76,773	76,773	-	-	-	-	-
<b>Total</b>		<b>2,328,105</b>	<b>421,366</b>	<b>2,749,472</b>	<b>1,229,298</b>	-	-	-	-	<b>1,520,174</b>
Grants - No Claims Requirement	Lead AD	*Grant Brought Forward 1 April 2021	Grant 2021/22	Total Available Grant	Spending Plan 2021/22	Comments				Balance Remaining
		£	£	£	£					£
BR losses 75% grant	Duncan Savage	93,000	-	93,000	31,000	Planned to use over 3 years 2021/22 to 2023/24				62,000
CT losses 75% grant	Duncan Savage	147,000	-	147,000	49,000	Planned to use over 3 years 2021/22 to 2023/24				98,000
Section 31 Business Rates Retention	Duncan Savage	1,309,000	-	1,309,000	1,309,000	Planned to use in 2021/22				-
Firelink	Duncan Savage	-	262,301	262,301	262,301	Planned to use on ITG Strategy Projects in 2021/22				-
New Dimensions	Nigel Cusack	26,000	27,430	53,430	-	Spending plan being developed				53,430
Pensions Grant	Duncan Savage	-	1,700,000	1,700,000	1,700,000	Planned to use in 2021/22				-
Responding to New Risks	Nigel Cusack	24,000	-	24,000	-	Spending plan being developed				24,000
<b>Total</b>		<b>1,599,000</b>	<b>1,989,731</b>	<b>3,588,731</b>	<b>3,351,301</b>					<b>237,430</b>
<b>Overall Total Grants</b>		<b>3,927,105</b>	<b>2,411,097</b>	<b>6,338,203</b>	<b>4,580,599</b>					<b>1,757,604</b>
* the grants brought forward are held in earmarked reserves (Appendix 7)										
** planned to spend 2022/23 and 2023/24										
*** 2021/22 grants will be added as announced by Government										

## Capital Programme 2021/22 to 2025/26

Capital Programme Expenditure 2021-22 to 2025-26									
	Total Budget £'000	Total Previous Year's Spend £'000	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Remaining Spend £'000	Variance £'000
<b>Property</b>									
<b>Shared Investment Schemes</b>									
Integrated Transport Project	1,000	0	200	800	0	0	0	1,000	0
- Partner contribution	0								
<b>Integrated Transport Project net cost</b>	<b>1,000</b>	<b>0</b>	<b>200</b>	<b>800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>0</b>
<b>One Public Estate</b>									
- Heathfield	50	8	8	34	0	0	0	42	0
- Partner contribution	0								
<b>- Heathfield net cost</b>	<b>50</b>	<b>8</b>	<b>8</b>	<b>34</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42</b>	<b>0</b>
- Lewes	251	5	0	0	246	0	0	246	0
- Partner contribution	0	0						0	0
<b>- Lewes net cost</b>	<b>251</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>246</b>	<b>0</b>	<b>0</b>	<b>246</b>	<b>0</b>
- Preston Circus	3,138	87	827	2,224	0	0	0	3,051	0
- Partner contribution	0	0						0	0
<b>- Preston Circus net cost</b>	<b>3,138</b>	<b>87</b>	<b>827</b>	<b>2,224</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,051</b>	<b>0</b>
- Uckfield	101	7	0	0	94	0	0	94	0
- Partner contribution	0	0						0	0
<b>- Uckfield net cost</b>	<b>101</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>94</b>	<b>0</b>	<b>0</b>	<b>94</b>	<b>0</b>
<b>Total Shared Investment Schemes</b>	<b>4,540</b>	<b>107</b>	<b>1,035</b>	<b>3,058</b>	<b>340</b>	<b>0</b>	<b>0</b>	<b>4,433</b>	<b>0</b>
<b>Strategic Schemes</b>									
- Replacement Fuel Tanks	492	332	160	0	0	0	0	160	0
- Partner contribution	(292)	(292)	0	0	0	0	0	0	0
<b>- Replacement fuel tanks net cost</b>	<b>200</b>	<b>40</b>	<b>160</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>160</b>	<b>0</b>
Design Guide Schemes	5,605	355	1160	1015	874	1008	1193	5,250	0
BA Chambers works	399	399	0	0	0	0	0	0	0
STC live fire Training	1,340	0	225	1115	0	0	0	1,340	0
Sustainability	277	21	131	75	50	0	0	256	0
Security	215	60	25	50	40	20	20	155	0
<b>Total Strategic Schemes</b>	<b>8,036</b>	<b>875</b>	<b>1,701</b>	<b>2,255</b>	<b>964</b>	<b>1,028</b>	<b>1,213</b>	<b>7,161</b>	<b>0</b>
<b>General Schemes</b>	<b>1,498</b>	<b>826</b>	<b>327</b>	<b>100</b>	<b>100</b>	<b>75</b>	<b>70</b>	<b>672</b>	<b>0</b>
<b>Total Property</b>	<b>14,074</b>	<b>1,808</b>	<b>3,063</b>	<b>5,413</b>	<b>1,404</b>	<b>1,103</b>	<b>1,283</b>	<b>12,266</b>	<b>0</b>
<b>Information Management</b>									
- Sussex Control Centre	1,643	1,643	0	0	0	0	0	0	0
- Grant funds	(1,643)	(1,643)	0	0	0	0	0	0	0
<b>Sussex Control Centre net cost</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fleet and Equipment</b>									
- Vehicle cameras	118	0	118	0	0	0	0	118	0
- Grants funds	(118)	0	(118)	0	0	0	0	(118)	0
<b>- Vehicle cameras net cost</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
RPE Project	1,128	1,128	0	0	0	0	0	0	0
- grant funds	(10)	(10)	0	0	0	0	0	0	0
Telemetry	70	0	70					70	0
<b>Special Projects</b>	<b>1,188</b>	<b>1,118</b>	<b>70</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70</b>	<b>0</b>
Aerials	2,201	695	5	743	758	0	0	1,506	0
Aerial Rescue Pump	22	22	0	0	0	0	0	0	0
Fire Appliances	6,591	1,377	1,740	891	877	861	845	5,214	0
Ancillary Vehicles	2,915	480	1,149	381	391	368	146	2,435	0
Cars	1,693	281	316	254	64	272	506	1,412	0
Vans	1,670	915	126	0	179	288	162	755	0
<b>Total Fleet and Equipment</b>	<b>16,280</b>	<b>4,888</b>	<b>3,406</b>	<b>2,269</b>	<b>2,269</b>	<b>1,789</b>	<b>1,659</b>	<b>11,392</b>	<b>0</b>
<b>Total Property</b>	<b>14,074</b>	<b>1,808</b>	<b>3,063</b>	<b>5,413</b>	<b>1,404</b>	<b>1,103</b>	<b>1,283</b>	<b>12,266</b>	<b>0</b>
<b>Total Expenditure</b>	<b>30,354</b>	<b>6,696</b>	<b>6,469</b>	<b>7,682</b>	<b>3,673</b>	<b>2,892</b>	<b>2,942</b>	<b>23,658</b>	<b>0</b>

## Capital Budget 2021/22

Capital Programme Expenditure	CFA 11 Feb,Budget 2021/22	Agreed slippage from 2020/21	Total Budget 2021/22	Projected spend 2021/22	Variance	Variance
	£'000	£'000	£'000	£'000	£'000	%
<b>Property</b>						
<b>Shared Investment Schemes</b>						
Integrated Transport Project	180	20	200	200	0	0.0
- Partner contribution						
<b>Integrated Transport Project net cost</b>	<b>180</b>	<b>20</b>	<b>200</b>	<b>200</b>	<b>0</b>	<b>0.0</b>
<b>One Public Estate</b>						
- Heathfield		8	8	8	0	0.0
- Partner contribution						
<b>- Heathfield net cost</b>	<b>0</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>0</b>	<b>0.0</b>
- Preston Circus	750	77	827	827	0	0.0
- Partner contribution						
<b>- Preston Circus net cost</b>	<b>750</b>	<b>77</b>	<b>827</b>	<b>827</b>	<b>0</b>	<b>0.0</b>
<b>Total Shared Investment Schemes</b>	<b>930</b>	<b>105</b>	<b>1,035</b>	<b>1,035</b>	<b>0</b>	<b>0.0</b>
<b>Strategic Schemes</b>						
- Replacement Fuel Tanks	193	27	160	160	0	0.0
- Partner contribution	0	(60)	0	0	0	0.0
<b>- Replacement fuel tanks net cost</b>	<b>193</b>	<b>(33)</b>	<b>160</b>	<b>160</b>	<b>0</b>	<b>0.0</b>
Design Guide Schemes	1,335	(175)	1,160	1,160	0	0.0
STC Live Fire Training	200	25	225	225	0	0.0
Sustainability	100	31	131	131	0	0.0
Security	20	5	25	25	0	0.0
<b>Total Strategic Schemes</b>	<b>1,848</b>	<b>(147)</b>	<b>1,701</b>	<b>1,701</b>	<b>0</b>	<b>0.0</b>
<b>General Schemes</b>	<b>227</b>	<b>100</b>	<b>327</b>	<b>327</b>	<b>0</b>	<b>0.0</b>
<b>Total Property</b>	<b>3,005</b>	<b>58</b>	<b>3,063</b>	<b>3,063</b>	<b>0</b>	<b>0.0</b>
<b>Telemetry</b>						
- Telemetry	70		70	70	0	0.0
<b>Special Projects</b>	<b>70</b>	<b>0</b>	<b>70</b>	<b>70</b>	<b>0</b>	
Aerial Rescue Ladder		5	5	5	0	0.0
Fire Appliances	1,461	279	1,740	1,740	0	0.0
Ancillary Vehicles	1,149		1,149	1,149	0	0.0
Cars	316		316	316	0	0.0
Vans	104	22	126	126	0	0.0
<b>Total Fleet and Equipment</b>	<b>3,100</b>	<b>306</b>	<b>3,406</b>	<b>3,406</b>	<b>0</b>	<b>0.0</b>
<b>Total Expenditure</b>	<b>6,105</b>	<b>364</b>	<b>6,469</b>	<b>6,469</b>	<b>0</b>	<b>0.0</b>



## Engineering Capital Budget 2021/22

	CFA 11 Feb, Budget 2021/22	Agreed slippage from 2020/21	Total Budget 2021/22	Projected spend 2021/22	Variance	Variance
	£	£	£	£	£	%
<b>Aerial Appliances</b>						
Aerial Ladder Platform GX04BMY STN 76	0	5,000	5,000	5,000	0	0.0
<b>Fire Appliances</b>						
Appliances 19/20 GX05ABZ	0	9,000	9,000	9,000	0	0.0
Replace GX56NWP	195,800	90,000	285,800	285,800	0	0.0
Replace GX57EUK	195,700	90,000	285,700	285,700	0	0.0
Replace GX57EUR	195,600	90,000	285,600	285,600	0	0.0
Replace GX57EUN	291,300		291,300	291,300	0	0.0
Replace GX57EUP	291,300		291,300	291,300	0	0.0
Replace GX57EUT	291,300		291,300	291,300	0	0.0
<b>Ancillary Vehicles</b>						
Animal Rescue GX51 UBM	145,000		145,000	145,000	0	0.0
Replacing Land Rover GX03 AXM	100,000		100,000	100,000	0	0.0
Wildfire Vehicle 2019/20 GX53AZU	98,000		98,000	98,000	0	0.0
Wildfire Vehicle GX53 AZV	100,000		100,000	100,000	0	0.0
Replacing foam special (OSU) OU04 VNW	200,000		200,000	200,000	0	0.0
Replace GX56NWR	253,000		253,000	253,000	0	0.0
Replace GX56NWS	253,000		253,000	253,000	0	0.0
<b>Cars</b>						
GV18ABF	40,500		40,500	40,500	0	0.0
GX15JUY	28,700		28,700	28,700	0	0.0
GX15JVA	28,700		28,700	28,700	0	0.0
GX15JVC	28,700		28,700	28,700	0	0.0
GX15JVD	28,600		28,600	28,600	0	0.0
GX15JVE	28,600		28,600	28,600	0	0.0
GX15JVF	28,600		28,600	28,600	0	0.0
GX15JVG	28,600		28,600	28,600	0	0.0
GX15JVH	28,600		28,600	28,600	0	0.0
GX64DXE	11,600		11,600	11,600	0	0.0
GX64DXF	11,600		11,600	11,600	0	0.0
GX64DXG	11,600		11,600	11,600	0	0.0
GX64DXH	11,600		11,600	11,600	0	0.0
<b>Vans</b>						
Vans 20/21 - GX15 JJK SSO van	0	5,000	5,000	5,000	0	0.0
Vans 20/21 - Station Van (76 Shift)	0	17,000	17,000	17,000	0	0.0
GX64DXZ	14,900		14,900	14,900	0	0.0
GX64DYA	14,900		14,900	14,900	0	0.0
GX64DYB	14,900		14,900	14,900	0	0.0
GU16LVH	41,600		41,600	41,600	0	0.0
New Station Van 6	17,700		17,700	17,700	0	0.0
Telemetry	70,000		70,000	70,000	0	0.0
<b>Total Fleet and Equipment</b>	<b>3,100,000</b>	<b>306,000</b>	<b>3,406,000</b>	<b>3,406,000</b>	<b>0</b>	<b>0.0</b>

## Reserves 2021/22

Description	Opening Balance	2021/22		2021/22		2021/22		2021/22		Projected Closing Balance	Lead AD
	01/04/2021	Original Planned Transfers In	Original Planned Transfers Out	Original Planned Transfers Net	Forecast Transfers In	Forecast Transfers Out	Forecast Transfers Net	Net Change	at Month 2		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Earmarked Reserves</b>											
Business Rate Pool Reserve	319	0	(50)	(50)	0	(50)	(50)	0	269	Duncan Savage	
Business Rates Retention Pilot - economic development	86	0	(86)	(86)	0	(86)	(86)	0	0	Duncan Savage	
Business Rates Retention Pilot - financial stability	112	0	0	0	0	0	0	0	112	Duncan Savage	
Capital Programme Reserve	2,209	500	0	500	500	0	500	0	2,709	Duncan Savage	
Covid-19	170	0	0	0	0	(170)	(170)	(170)	0	Duncan Savage	
ESMCP ESFRS readiness	1,425	0	(713)	(713)	0	0	0	713	1,425	Nigel Cusack	
ESMCP Regional Programme	309	0	(307)	(307)	0	(260)	(260)	47	49	Nigel Cusack	
Improvement & Efficiency	546	286	(300)	(14)	286	(599)	(313)	(299)	233	Duncan Savage / All	
Insurance	249	0	0	0	0	0	0	0	249	Duncan Savage	
ITG Strategy	4,137	565	(2,016)	(1,451)	565	(2,016)	(1,451)	0	2,686	Duncan Savage	
Mobilising Strategy	2,425	0	(646)	(646)	0	(2,447)	(2,447)	(1,601)	-22	Nigel Cusack	
People Strategy	40	0	(40)	(40)	0	(40)	(40)	0	0	Hannah Scott-Youlton	
Sprinklers	640	0	(347)	(347)	0	(347)	(347)	0	293	Nigel Cusack	
BRR - Protection Uplift - Accreditation & RPL	23	0	0	0	0	(23)	(23)	(23)	0	Julie King	
BRR - Protection Uplift - Building Risk Review	77	0	0	0	0	(77)	(77)	(77)	0	Julie King	
BRR - Protection Uplift - Genfell / Infrastructure	47	0	0	0	0	(47)	(47)	(47)	0	Nigel Cusack	
BRR - Protection Uplift - Protection	278	0	0	0	0	(278)	(278)	(278)	0	Julie King	
Business Rate Tax Income Guarantee Scheme (75%)	4	0	0	0	0	(1)	(1)	(1)	3	Duncan Savage	
Council Tax Income Guarantee Scheme (75%)	85	0	0	0	0	(28)	(28)	(28)	57	Duncan Savage	
New Dimensions Grant	26	0	0	0	0	(26)	(26)	(26)	0	Nigel Cusack	
Pensions Administration	47	0	0	0	0	(47)	(47)	(47)	0	Hannah Scott-Youlton	
Responding to New Risks	24	0	0	0	0	(24)	(24)	(24)	0	Nigel Cusack	
S31 Business Rate Retention Reliefs	1,309	0	(1,309)	(1,309)	0	(1,309)	(1,309)	0	0	Duncan Savage	
Carry Forwards	386	0	0	0	0	(386)	(386)	(386)	0	Duncan Savage / All	
<b>Total Earmarked Reserves</b>	<b>14,973</b>	<b>1,351</b>	<b>(6,014)</b>	<b>(4,663)</b>	<b>1,351</b>	<b>(8,262)</b>	<b>(6,911)</b>	<b>(2,248)</b>	<b>8,062</b>		
<b>General Fund</b>	<b>1,960</b>	<b>210</b>	<b>0</b>	<b>210</b>	<b>210</b>	<b>0</b>	<b>210</b>	<b>0</b>	<b>2,170</b>	Duncan Savage / All	
<b>Total Revenue Reserves</b>	<b>16,933</b>	<b>1,561</b>	<b>(6,014)</b>	<b>(4,453)</b>	<b>1,561</b>	<b>(8,262)</b>	<b>(6,701)</b>	<b>(2,248)</b>	<b>10,232</b>		
Capital Receipts Reserve	6,028	472	(5,991)	(5,519)	472	(6,355)	(5,883)	(364)	145	Duncan Savage / All	
<b>Total Capital Reserves</b>	<b>6,028</b>	<b>472</b>	<b>(5,991)</b>	<b>(5,519)</b>	<b>472</b>	<b>(6,355)</b>	<b>(5,883)</b>	<b>(364)</b>	<b>145</b>		
<b>Total Usable Reserves</b>	<b>22,961</b>	<b>2,033</b>	<b>(12,005)</b>	<b>(9,972)</b>	<b>2,033</b>	<b>(14,617)</b>	<b>(12,584)</b>	<b>(2,612)</b>	<b>10,377</b>		