

EAST SUSSEX FIRE AND RESCUE SERVICE

Meeting	Policy & Resources Panel
Date	19 January 2023
Title of Report	Revenue and Capital Budget 2022/23 and Capital Programme 2022/23 to 2026/27 Monitoring at Month 8 (end November).
By	Duncan Savage, Assistant Director Resources/Treasurer
Lead Officer	Alison Avery, Finance Manager

Background Papers	Fire Authority Service Planning processes for 2022/23 and beyond – Revenue Budget 2022/23 and Capital Asset Strategy 2022/23 to 2026/27 Revenue and Capital Budget 2021/22 and Capital Programme 2021/22 to 2025/26 – Provisional Outturn
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Appendices	Appendix 1: Revenue Budget 2022/23 Objective Appendix 2: Savings Programme 2022/23 Appendix 3: Grants and Spending Plans 2022/23 Appendix 4: Capital Programme 2022/23 to 2026/27 Appendix 5: Estates Capital Budget 2022/23 Appendix 6: Engineering Capital Budget 2022/23 Appendix 7: Reserves 2022/23 Appendix 8: Staff Pay Award Pressure 2022/23
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Implications (please tick ✓ and attach to report)

Any implications affecting this report should be noted within the final paragraphs of the report

CORPORATE RISK		LEGAL	
ENVIRONMENTAL		POLICY	
FINANCIAL	✓	POLITICAL	
HEALTH & SAFETY		OTHER (please specify)	
HUMAN RESOURCES		CORE BRIEF	

PURPOSE OF REPORT	To report on the findings of the Month 8 monitoring undertaken on the Revenue and Capital Budget 2022/23 and Capital Programme 2022/23 to 2026/27.
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EXECUTIVE SUMMARY	This is the fifth report to Policy & Resources Panel for the 2022/23 financial year and highlights the findings from the
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Month 8 monitoring undertaken on the Revenue Budget 2022/23 and 5 year Capital Programme 2022/23 to 2026/27, approved by the Authority in February 2022.

A net revenue overspend to the sum of £208,000 has been identified, as summarised in Appendix 1. This is due to the following pressures:

- Wholetime overtime and on-call training within Training (£328,000)
- Utilities due to inflationary pressures (£193,000)
- Fuel due to inflationary pressures (£148,000)
- Wholetime and overtime within Safer Communities (£1,186,000)
- Unachievable savings (£120,000)

These are offset by:

- On-call pay (£160,000)
- Rates reductions (£152,000)
- PMO vacancies (£99,000)
- Treasury Management interest receivable (£348,000)
- Additional funding (£399,000)
- Protection underspend (£232,000)
- Contingency (£250,000)

There are a number of other small variances which contribute to the overspend.

The forecast has reduced by £45,000 since P6, this can be attributable to:

- The backdated support staff pay award (£270,000)
- Additional equipment purchased in Engineering (£118,000)

Offset by:

- increase in Treasury Management interest receivable (£88,000)
- review of staffing and income for external services in Training (£62,000)
- Release of contingency to offset overspend (£250,000)

There are potential pressures not included within the current forecast. These include additional pay awards for grey and gold book staff and inflationary pressures on non-pay spend above the 2% budgeted. It is expected these may be in the region of £500,000 to £600,000. This is a reduction from the

position at P6 as latest indications are that non-pay inflation will be lower than originally anticipated.

Further work is required to review the forecast and management action is required in reviewing staffing and overtime forecasts.

SLT agreed additional measures to control its spending at its July meeting and these are set out in detail in section 4.

Performance against the Savings Programme is summarised in Appendix 2 and detailed in section 5.

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.

The original 2022/23 Capital Budget and five year Capital Strategy of £25,181,000 was approved by the Fire Authority on 10 February 2022. The Capital Strategy has been increased to £27,927,000 to include slippage of £933,000 and allocation of spend in advance of £203,000 from 2021/22 and additional budgets for Estates to cover temperature control in sleeping pods and general schemes at £2,016,000.

The current year Capital Budget was approved by the Fire Authority at £7,250,000 and updated to £8,705,000 (Property £4,395,000 and Fleet and Equipment £4,310,000) including slippage of £933,000 brought forward from 2021/22, allocation of spend in advance of £199,000 from 2021/22 and an additional £721,000 for Estates to cover temperature control in sleeping pods and general schemes.

Officers have reviewed the capital plans for 2022/23 and report slippage on delivery of projects to the value of £4,416,000 (50.7%). In addition underspend of £355,000 is expected against capital schemes. Detailed information is contained within section 8. The Estates and Engineering Capital Projects 2021/22 are detailed in Appendices 5 and 6.

The position on reserves shows an opening balance of £19,161,00. The forecast net drawdown from reserves is £6,121,000, a reduction of £5,659,000 compared to the planned drawdown of £11,780,000. This results in an estimated closing balance of £13,040,000, as detailed in section 9 and summarised in Appendix 7. This would reduce further if reserves are used to cover the inflation related risks

described elsewhere in this report. 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 an increase in the interest receivable on the Authority's cash investments of £20,400,000 due to the Bank of England's increase in base rate. Interest receivable is projected at £348,000, resulting in a surplus of £328,000 when compared to the budget. Interest payments on fixed rate loans of £10,298,000 are unaffected.

RECOMMENDATION

The Panel is recommended to note:

- (i) the risks to Revenue Budget and the projected overspend,
- (ii) the risks to the Capital Programme,
- (iii) the reduced net forecast drawdown from reserves,
- (iv) the grants available and spending plans,
- (v) the monitoring of savings taken in 2022/23; and
- (vi) the current year investments and borrowing.

1. INTRODUCTION

1.1 The Original Revenue Budget 2022/23 and Capital Strategy 2022/23 to 2026/27 was approved at the meeting of the Fire Authority on 10 February 2022.

1.2 This is the fifth report to Policy & Resources Panel for the 2022/23 financial year and highlights the findings from Month 8 (end November) monitoring undertaken on the Revenue and Capital Budget 2022/23 and Capital Programme 2022/23 to 2026/27. It should be noted the review is based on currently available information and the result may change as new information emerges during the year.

	(Month 8) £'000	(Month 6) £'000	Movement £'000
Revenue (see section 2)	208	253	(45)
Capital in year (see section 7)	(4,751)	(3,312)	(1,439)

1.3 The Revenue Budget approved by the Fire Authority in February 2022 was a net expenditure requirement of £41,766,000

1.4 A net revenue overspend to the sum of £208,000 has been identified at Month 8 (end November) and is reflected in the Revenue Budget 2022/23 objective summary at Appendix 1 and detailed in section 2.

- 1.5 The savings requirement 2022/23 is £778,000. The current position shows we have delivered or are on course to deliver £465,000 (60%) of savings. There are a number of savings at risk as detailed in Section 5.
- 1.6 The grants available total £4.2m, including grants brought forward from previous years. The quarter 2 grant claims have been submitted, as summarised in Appendix 3 and detailed in section 5.
- 1.7 The five year Capital Strategy 2022/23 to 2026/27 was approved by the Fire Authority in February 2022 at £25,181,000. The 5 year Capital Programme is projected to underspend by £356,000 as detailed in section 8.
- 1.8 The Capital Budget for 2022/23 was approved by the Fire Authority at £7,250,000 and updated to £8,705,000 including slippage of £933,000 brought forward from 2021/22, allocation of spend in advance of £199,000 from 2021/22 and an additional £721,000 for Estates.
- 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 £208,000. This is an increase of £218,000 from the position of £253,000 overspend reported at P6. This is summarised across divisions in Appendix 1 and detailed explanations are provided below.
- 2.1.1 The support staff pay award of £1,925 per FTE was agreed and was paid in November's pay and the impact is included within this forecast.
- The total pressure is £270,000 as detailed in Appendix 8.
- 2.2 **People Services:** The expected overspend is £327,000 as detailed below.
- 2.2.1 **AD People Services:** Expected underspend of £4,000 (previously reported £10,000 underspend). The underspend is due to post holder being on development rate for part of the year, with the movement from P6 attributable to backdating of competent rate pay.
- 2.2.2 **HR:** Expected overspend of £82,000 (previously reported £14,000 overspend). There is an overspend of £47,000 on staffing due to maternity and sickness cover as well as the backdated staff pay award, £32,000 relates additional occupational health collaboration charges, including for 2021/22, £25,000 in relation to unachievable Firewatch savings and £9,000 recruitment costs relating to Pension posts. These are offset by underspends of £31,000, across a number of areas, including transport, relocation and NHS costs.

There has been a delay in recruiting to the Pensions Administrator post and as such £32,000 has been transferred to the Pensions Admin reserve to fund this post into 2023/24.

A total of £85,000 has been transferred to the People Strategy reserve, relating to delayed drawdowns for Mentoring system (£15,000), Training Suite for EDI (£20,000), Korn Ferry review of salary structure (£30,000), HR Intelligence (£10,000) and HR Operating models (£10,000).

Additionally £20,000 is being drawn down from the People Strategy reserve for Staff survey (£10,000) and Grievance training (£10,000).

The movement since P6 can be attributed to the backdated staff pay award at £24,000, additional costs relating to cover for long term absence £3,000, occupational health collaboration costs at £32,000, additional case work at £4,000 and a number of other small movements.

2.2.3 **Health & Safety:** An overspend of £48,000 is expected (previously forecast to £38,000 overspend). This relates to a temporary Station Manager post within the team and increased staff costs, offset by underspends on transport and subscriptions.

The intention was to fund the Station Manager post from an underspend within Occupational Health, but this has not been possible due to increased pressures against their budget.

2.2.4 **Service Training Centre:** An overspend of £213,000 is expected (previously reported £300,000 overspend). The overspend is driven by pay and overtime at £328,000 to deliver essential training, including on-call training. This is offset by an underspend of £109,000 on external training and additional income for training provided to external services of £36,000.

There have been a number of unplanned and unbudgeted training requirements, such as L2 officers training and ship alongside. Ship alongside will be incorporated into the structural firefighting course reducing the pressure in future years.

During Covid courses had to run with a reduced number of delegates increasing the overall number of courses required, this has had a knock-on consequence into 2022/23 causing a pressure of £25,000. This pressure will not be incurred once the courses have caught up. This pressure has been covered by a transfer of £25,000 from the Covid reserve.

The movement since P6 can be attributed to staff costs following a review of established posts, with additional income from training provided to other services, the allocation from the Covid reserve and the impact of the backdated staff pay award.

2.2.5 **Workforce Development:** An underspend of £13,000 is expected (previously forecast £1,000 overspend). The underspend can be attributable to Learning Pool subscription paid in 21/22 at £22,000, offset by pressures caused by

unachievable training course income (£5,000) and instructors on zero hours contracts (£1,000).

The movement since P6 can be attributed to the Learning Pool subscription, offset by the backdated pay award of £2,800 and the extension of an agency staff member at £4,000.

2.3 **Resources/Treasurer:** Expected underspend of £84,000, as follows:

2.3.1 **AD Resources/Treasurer :** An overspend of £3,000 (previously reported £1,000 overspend) is expected relating to National Insurance, due to the allocations used at budget setting. The movement since P6 relates to the backdated staff pay award.

2.3.2 **Estates:** An overspend of £9,000 is expected (previously reporting £39,000 overspend). This can be attributed to the backdated staff pay award.

There is a pressure of £193,000 relating to utilities due to inflationary pressures and an underspend on rates due to revaluation of properties at £152,000. The net pressure is being mitigated by a reduction in spend on maintenance budgets.

Within the position above it has been assumed £326,000 (the net Business Rates rebate) will be transferred to the capital programme reserve to support potential pressures on Estates capital scheme costs.

The movement since P6 can be attributed to a reduction of £39,000 on maintenance offset by the backdated staff pay award.

2.3.3 **ITG:** Currently expecting an underspend of £65,000 (previously reported £62,000 underspend). This can largely be attributed to delay in project spend for Pagers & Alerters, Finance Improvement, Station End 4 and EDRMS at £135,000, offset by the pressure caused by the reduction of £71,000 in Firelink grant.

Since P6 the increase relating to the backdated pay award is offset by a reduction in grant funding from ESMCP for pay costs.

2.3.4 **Finance:** An underspend of £52,000 is expected (previously reporting £55,000 underspend). The underspend can be attributed to an overprovision for audit fees of £24,000 and underspend of £30,000 relating to one-off costs for the Finance Improvement Plan.

The movement from P6 can largely be attributed to the backdated staff pay award at £9,000, offset by a reduction of £11,000 in relation to insurance.

2.3.5 **Procurement:** A forecast overspend of £29,000 (previously £20,000 overspend) is attributable to workwear and uniform as we have had to change supplier which is offset by a vacancy within the team and a small underspend of £3,000 on travelling expenses. The movement since P6 is mainly

attributable to the backdated staff pay award, with an additional £1,000 relating to subscriptions.

2.3.6 **Fire Authority Legal Services:** A small underspend of £5,000 expected as previously reported.

2.4 **Planning and Improvement:** A forecast underspend of £102,000 is expected as follows:

2.4.1 **Communications:** Expected to be on budget (previously £12,000 underspend). The pressure from the backdated staff pay award offsets the previous underspend expected due to vacancies within the department.

2.4.2 **Performance:** An overspend of £12,000 is expected (previously £2,000 overspend) relating to pay costs, due to the allocation of budget for increments and on-costs during budget setting. The movement since P6 can be attributed to the backdated staff pay award.

2.4.3 **PMO:** An underspend of £99,000 is expected (previously reported £101,00 underspend) due to vacancies within the department, offset by agency staff spend. The movement since P6 relates to the backdated staff pay award.

2.4.4 **Cost of Democracy:** An underspend of £15,000 (previously £10,000 underspend) is expected due to a vacancy within the department, mileage payments and members allowances. The movement since P6 can be attributed to reduction in subscriptions and members allowances, offset by the backdated staff pay award.

2.5 **Safer Communities:** An overspend of £959,000 is expected (previously forecast £907,000 overspend). The details are below.

2.5.1 **AD Safer Communities:** An underspend of £42,000 is expected (previously £42,000 underspend) with the majority of the underspend relating to the £40,000 on-call budget allocated outside of the Groups, which is held as contingency.

2.5.2 **Flexible Crewing Pool:** There is currently an underspend reported of £348,000. The budget was allocated for the Flexible Crewing Pool based on the Pool commencing on 01 June 2022. 2 posts have been recruited to commence in January 2023, but currently the forecast is showing an underspend of the full amount as the budget currently offsets overspend within the Groups. At P10 monitoring the budget will be transferred to OSR and it is expected the pressure reported in the Groups will reduce. The budget for 10% allowances for the Crewing Pool was not included within the budget and this results in a full year pressure of £34,000.

2.5.3 **Groups:** The Groups are reporting an overspend of £1,445,000 (previously reported £1,305,000 overspend). This overspend can largely be attributed to wholetime pay and overtime.

The wholetime pay overspend is £1,171,000.

Included within this overspend is a pressure of £575,000 caused by IRMP savings that had been expected to be delivered in 2021/22 and 2022/23. This pressure is caused as posts are yet to be removed / reinvested within the business. The pay pressure within the Groups is partly offset by the underspend of £348,000 for the Flexible Crewing Pool.

Additionally the groups have been over establishment during the year, with some of the 22 new recruits remaining supernumerary and the ongoing use of fixed term contracts to cover long term sickness, suspensions and individuals on light duties. The below table shows the number of additional posts in line with financial reporting.

Month	June	July	Sept	Nov	Feb	Mar
Over-establishment	29	22	16	16	16	16

Individuals on light duties are costing £47,000 a month.

The position will continue to be reviewed with the AD Safer Communities over the remainder of the year with a workshop planned for January. The forecast will be updated accordingly so we may see a further downward trend in the forecast.

The overtime overspend is £363,000. 80% of the overtime paid to date can be attributed to crewing shortages (49%), firecalls (19%) and outposts (12%). The overtime forecast is based on extrapolation of the overtime to date.

An additional pressure of £30,000 relates to income from Dry Riser Testing, which is not being delivered.

These pressures are offset by underspends on on-call staff at £120,000 due to being under-establishment and support staff at £16,000.

Overtime and wholtime pay have increased due to an additional bank holiday in September. The backdated support staff pay award resulted in a pressure of £13,000.

2.5.6 **Protection:** An underspend of £232,000 is expected (previously forecast £186,000 overspend). The underspend relates to pay costs with a number of vacancies across grey and green book posts within the team.

There have been a number of payroll miscodings impacting Protection, which has impacted forecasting and is a reason for the movement since P6. There was a pressure of £42,000 as a result of the backdated support staff pay award.

2.5.7 **Prevention:** An overspend of £148,000 is expected (previously £177,000 overspend). There is a pressure of £89,000 relating to CRM savings relating to 2021/22 and 2022/23 not deliverable in year, £41,000 for the running costs

of the Cadet scheme and £28,000 for Child Safety income due to a budget setting error. These are offset by underspend of £8,000 across a number of areas.

The forecast has reduced as funding has been applied and non-pay budgets have been reviewed with no additional spend expected in some areas over the remainder of the year.

2.6 **Operational Support & Resilience:** A forecast overspend of £169,000 is expected as follows:

2.6.1 **AD OSR:** An overspend of £4,000 is expected (previously £1,000 overspend). The movement since P6 can be attributed to FBU overtime, for which no budget is provided.

2.6.2 **Engineering:** An overspend of £107,000 is expected (previously reporting £140,000 underspend). Currently there are pressures of £148,000 on fuel based on year to date actuals/purchasing trends and £73,000 on vehicle maintenance are offset by underspends of £60,000 on equipment as the equipment budget is based on an old replacement programme, £46,000 additional income for vehicle sales and £8,000 on travelling expenses.

The movement since P6 can be attributed to the backdated staff pay award (£26,000), fuel (£50,000) as the previous assumptions have been revisited in light of up-to-date information, BA washing machine feasibility study (£15,000), income reallocated to capital receipts (£20,000), Otter pumps (£23,000), Foam making equipment (£25,000), additional equipment not previously committed (£70,000) and other small movements.

The Engineering team are currently working with outdated equipment budgets and are working on revising these. The forecast includes equipment that has been committed, however due to supply chain issues there is the possibility that items may not be received before 31 March 2023 and this will continue to be reviewed.

2.6.3 **Ops P&P:** An underspend of £20,000 is expected (previously reported £25,000 underspend). There is underspend of £64,000 on wholetime staff, due to part year vacancies, with an underspend of £9,000 on overtime, although it is possible this is miscoded elsewhere in the service. This is offset by overspend on hydrant repairs at £12,000, shared 4F BA Project Manager at £13,000 and support staff at £17,000 due to the support staff pay award.

The significant movements since P6 are increases of £17,000 due to backdated staff pay award and £13,000 for share of BA project management resource, offset by reductions of £16,000 relating to wholetime and £22,000 relating to hydrant repairs, following a thorough review of current commitments.

2.6.4 **Control Room:** An overspend of £1,000 is expected (previously reporting £1,000 overspend). An underspend of £103,000 expected for JFC based on

the latest information provided by Surrey, with additional one off spend of £104,000 expected for upgrades and decommissioning at Haywards Heath.

The forecast does not include our share for a GM post, which is included within the budget, but is yet to be agreed.

It is likely that the JFC recharge will increase due to pay rises, maternity leave and increased overtime due to increased activity seen as a result of the summer heat waves. Surrey has indicated the pay offer of 5% would result in an additional charge of £17,000.

- 2.7 **CFO:** An underspend of £19,000 is expected (previously £35,000 underspend) due to part time appointments covering full time support roles and a number of underspends on non-pay costs for travelling, accommodation and subsistence.

The movement since P6 can be attributed to backdated pay rises for support staff and incremental pay rises for Principal Officers.

- 2.8 **Treasury Management:** This income budget is expected to overachieve by £348,000 (previously reported £260,000), with the amount receivable dependent on the amount available to invest and the interest rates available. Changes to the capital programme, through additional budget allocation and significant slippage will impact on the level of borrowing required and therefore interest payable. It is possible that this interest receivable could increase further during the year as interest rates continue to rise.

- 2.9 **Non Delegated Costs:** An overspend of £34,000 is expected (previously £42,000 overspend). The overspend largely relates to Procurement savings of £50,000, which need to be allocated across the service, £8,000 for costs incurred in relation to Industrial Action, offset by an underspend of £27,000 on pension related costs based on year-to-date charges and known ill health retirements.

- 2.10 **Corporate Contingency:** SLT has agreed that the budget of £250,000 will be used to reduce the forecast overspend.

- 2.11 **Financing:** Current information indicates that the Service will receive additional funding of £399,000.

- 2.11.1 When the budget paper was presented to the Fire Authority in February the exact position regarding business rates income was unknown. Updated information from Local Government Futures based on billing authorities NNDR1 forms indicate additional income of £412,000.

- 2.11.2 An additional £27,000 will be received from Council Tax and Business Rates Covid-19 Tax Income Guarantee following confirmation of the final amounts in the last financial year.

- 2.11.3 The additional income is offset by a pressure of £40,000 in Council Tax as an incorrect tax base was provided by one billing authority during the budget setting process.

3. REVENUE BUDGET AND CAPITAL PROGRAMME RISKS

- 3.1 **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 2024/25 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. The Government has also confirmed that it will not fund non scheme costs including unauthorised tax charges and scheme sanction charges in the current tax year. A Pension Administration reserve is held to fund costs resulting from remedy implementation. It is expected the balance of this reserve as at 31 March 2023 will be £210,000, of this total £32,000 relates to funding for the Pensions Administrator post as there has been a delay to recruiting to this post during 2022/23. A total of £160,800 has been committed against this reserve in 2023/24.
- 3.2 **Pay Award 2022/23:** The budget provided for 2% pay awards across gold and grey book staff and this is the amount included within the current forecast position. However, with high inflation rates, there is pressure from representative bodies for significantly higher pay awards.
- 3.2.2 Grey book staff have been offered and voted to reject a pay rise of 5%. Based on the current pay forecast for grey book staff this would create an additional pressure of £410,000 in 2022/23, resulting in a full year effect pressure of £550,000.
- 3.3 **Worldwide Supply Chain Issues:** The impact of worldwide supply chain disruption is impacting construction projects across the nation. The dwindling supplies along with increased costs and long delivery times being experienced by the construction industry are impacting on the Capital Programme. Thus far the Estates team has worked with stakeholders to bring tender costs back within budget through value engineering where possible on those projects which the Authority committed to following the phase 1 review of the Estates Capital Programme, but this approach may not be sustainable. There are two potential impacts, firstly increases in the cost of projects and secondly slippage of projects and spend into future years (which could in itself lead to additional increased costs). The Phase 2 review which is considering all projects at Day Crewed and On Call stations will need to assess the impact of increased costs and affordability.
- 3.4 **Utilities and Fuel Inflationary Increases:** There have been considerable inflationary rises in utilities and fuel costs, which have been exacerbated by the ongoing conflict in Ukraine. An additional pressure of £85,000 over and above the standard 2% inflationary factor was included in the budget for 2022/23. The forecast for utilities and fuel are both reporting forecast

overspends and these budgets will continue be monitored closely with Estates and Engineering colleagues throughout the year.

3.5 **Inflationary Contract Increases:** In addition to utilities and fuel additional budget provision was allocated for timber (£40,575) and catering (£13,000). A standard 2% inflationary budget increase was included for all non-pay totalling £227,000. Work is ongoing with Procurement to understand the financial impact of inflation on contracts. No significant inflationary pressures within 2022-23 have been indicated during budget monitoring meetings with budget holders beyond those already noted elsewhere in this report. This position will continue to be monitored with input from Procurement.

4. MANAGING REVENUE BUDGET PRESSURES

4.1 As risks have crystalised the resulting pressures have been included in the revenue budget forecast. As noted earlier in the report our assessment of remaining risks total £400,000 - £500,000 comprising mainly the grey / gold book pay offers.

4.2 There may be opportunities to support some of this pressure from reserves. SLT have agreed to review recruitment to vacancies, however SLT need to consider whether further controls are implemented on spend.

4.3 SLT agreed the following actions at its July meeting:

- Vacancy Management would be reviewed immediately and started to be put in place in the coming months. Workforce Planning Group would be used as mechanism to:
 - approve recruitment to all vacancies
 - approve the use of agency staff
 - have oversight of overtime spend (with particular focus on Safer Communities and Training)
 - review and agree forecasts for operational (grey book) strength.
- Management of discretionary spend would also be a key focus and SLT agreed that as part of the P4 budget monitoring:
 - all budget managers would review with their Finance Business Partner opportunities to manage underspends on non-pay spend in 2022/23 with a particular focus on areas such as training, estates maintenance and equipment (IT and Engineering)
 -

the finance team would review corporate opportunities to manage generic spend e.g. agency staff, conferences, catering, accommodation / venue hire, printing etc

5. SAVINGS PROGRAMME 2022/23

5.1 Appendix 2 summarises the net savings requirement 2022/23 of £778,000. Work is in ongoing with Service managers to identify and report actual delivery of savings compared to budgeted savings.

5.2 Current projections show we have delivered or are on course to deliver £465,000 (60%) of savings.

The following savings are currently rated as red and causing a pressure in the revenue budget:

- £25,000 Firewatch– due to duplication in budget
- £40,000 Education Team – although plans to deliver this saving in 23/24 have been presented to SLT
- £55,000 CRM
- £130,000 IRMP

In addition, the following savings are currently amber rated:

- £63,000 Telent contract savings – dependent on IT projects

6. **GRANTS 2022/23**

6.1 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. The amount available is £4.2m, as summarised in Appendix 3. Quarter 1 & 2 grant returns have been submitted.

6.2 The latest grants are detailed below:

6.2.1 **Covid-19:** – £95,855 has been carried forward from 2021/22. The current position is that any Covid related costs are being funded from the revenue budget. The Home Office have confirmed any outstanding balance of the 2021/22 Covid Grant can be utilised on Efficiency or Productivity. It is proposed to transfer £25,000 from this reserve to cover additional training costs incurred in 2022/23.

6.2.2 **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. A further allocation of £358,079 has been awarded for 2022/23. A spend plan has been developed to utilise this grant and the £227,808 brought forward from 2021/22. The expected balance remaining as at 31 March 2023 is £53,000.

6.2.3 **Grenfell Infrastructure Fund:** £4,509 is carried forward from 2021/22 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. This balance will be utilised in full during 2022/23.

- 6.2.4 **Accreditation & RPL Grant Funding:** £22,737 is carried forward from 2021/22 for the purposes of accrediting fire protection officers and fire safety engineers. It is anticipated this grant will be utilised over the next three years.
- 6.2.5 **Fire Fighter Pension Scheme:** this is used towards the shortfall in employer's pension contributions and £1.7m was received in June 2022.
- 6.2.6 **New Dimensions:** £31,739 is carried forward from 2021/22 and additional £27,430 grant relates to 2022/23. A spending plan needs to be developed to utilise this grant funding.
- 6.2.7 **Responding to New Risks:** £32,520 is carried forward from 2021/22, with the 2022/23 grant confirmed as £6,500. A spending plan needs to be developed to utilise this grant funding.

7. CONTINGENCY 2022/23

- 7.1 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 2022, the Fire Authority agreed a contingency of £298,000 for the 2022/23 financial year. None of the contingency has currently been allocated. If that position remains then it would reduce the forecast outturn accordingly. At this stage it is recommended that the contingency is held to help fund the pay and non-pay inflation risks set out elsewhere in this report.
- 7.2 SLT have agreed to release £48,000 to fund costs associated with Industrial Action and utilise the remainder of the budget at £250,000 to reduce the forecast overspend.

8. CAPITAL PROGRAMME COMMENTARY

- 8.1 The original 2022/23 Capital Budget and five year Capital Strategy of £25,181,000 was approved by the Fire Authority on 10 February 2022. The Capital Strategy has been increased to £27,927,000 to include slippage of £933,000 and allocation of spend in advance of £203,000 from 2021/22 and additional budgets for Estates to cover temperature control in sleeping pods and general schemes at £2,016,000.
- 8.2 The Capital Programme is funded by: Capital Receipts Reserve £4,672,000, Capital Programme Reserves £9,905,000, Community Infrastructure Levy (CIL) £289,000, and New Borrowing £12,730,000 as shown in the table below. Overall, the revised 5 year Capital Programme is forecasted to come in underspent by £356,000, as summarised in Appendix 4.

	2022/23	2023/24	2024/25	2025/26	2026/27	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Estates	3,729	3,719	2,878	2,779	1,873	14,978
Fleet & Equipment	3,521	2,105	1,763	1,599	1,215	10,203
Original Approved Programme	7,250	5,824	4,641	4,378	3,088	25,181
Slippage from 2021/22	933	0	0	0	0	933
Spend in Advance from 2021/22	(199)	0	0	0	0	(199)
Additional Estates	721	513	369	205	208	2,016
Underspend	(335)	0	0	0	0	(335)
Slippage into 2023/23	(4,416)	4,416	0	0	0	0
Updated Capital Programme	3,954	10,753	5,010	4,583	3,296	27,596
Funded by:						
Capital Receipts Reserve	3,954	718	0	0	0	4,672
Capital Programme Reserve	0	4,906	1,333	1,666	2,000	9,905
CIL	0	0	289	0	0	289
New Borrowing / Need to Borrow	0	5,129	3,388	2,917	1,296	12,730
Updated Capital Programme	3,954	10,753	5,010	4,583	3,296	27,596

- 8.3 **Capital Funding** – the sale of the old Fort Rd site in Newhaven to Lewes District Council proceeding with a 10% deposit received in 2020/21. The outstanding balance is expected during 2022/23 and will be £75,000 lower than the original offer due to issues within planning permission. 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.
- 8.4 The **Capital Budget 2022/23** was approved by the Fire Authority at £7,250,000 and updated to £8,705,000 (Property £4,395,000 and Fleet and Equipment £4,310,000) including slippage of £933,000 brought forward from 2021/22, allocation of spend in advance of £199,000 from 2021/22 and an additional £721,000 for Estates to cover temperature control in sleeping pods and general schemes omitted from the original budget.
- 8.5 A review of the 2022/23 capital budget by officers has identified slippage to the value of £4,416,000 (50.7%). Estates are expecting slippage of £2,433,000, with Fleet and Equipment expecting slippage of £1,983,000. There is additional underspend of £355,000 expected, as summarised in Appendix 6. Since P6 the slippage has increased by £1,257,000, with additional underspend of £204,000.
- 8.5.1 The Estates / Property underspend is £2,427,000, of which £2,433,000 is slippage due to the reprioritisation and reprofiling of works. It is expected Hove, will be completed during this year. Significant work at Preston Circus, Roedean, Eastbourne, Eastbourne MPTH and Hove MPTH is now re-phased to 2023/24. Additional work on roof repairs, bay doors, floors and training towers is aligned to other work at the stations, with some delays due to the

availability of Estates and contractor resources. There is a small overspend of £6,000 relating to works at Seaford to house the High Volume Pump. The movement since P6 of an increase in slippage of £449,000 is due to the reprofiling of projects, Bohemia Road, Eastbourne MPTH and Hove MPTH.

8.5.2 The Fleet underspend is £2,345,000. Of this £1,983,000 relates to slippage due to the global supply chain issues, lead times have increased by 45% for HGV chassis and doubled for light vehicles in comparison to pre-pandemic. Underspend of £361,000 is expected in relation to a number of vehicle purchases.

The slippage has increased by £808,000 since P6 following a review of anticipated delivery dates and an additional underspend £208,000 is expected.

9 RESERVES 2022/23

9.1 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).

9.2 The opening balance at 1 April is £19,161,000.

9.3 The forecast net drawdown from reserves totals £6,121,000 compared to the original planned net drawdown of £11,780,000. This is a net reduction in drawdown of £5,659,000 resulting in an estimated balance at 31 March 2023 of £13,040,000 as summarised in the table below and detailed over individual reserves in Appendix 7.

	Balance at 1 April 2022 £'000	Original Planned Net Transfers 2021/22 £'000	Forecast Net Transfers 2021/22 £'000	Net change 2021/22 £'000	Month 8 Balance at 31 March 2023 £'000
Earmarked Reserves	12,993	(7,763)	(2,133)	5,630	10,860
General Fund	1,913	0	0	0	1,913
Total Revenue Reserves	14,906	(7,763)	(2,133)	5,630	12,773
Total Capital Reserves	4,255	(4,017)	(3,988)	29	267
Total Usable Reserves	19,161	(11,780)	(6,121)	5,659	13,040

9.4 Work continues with budget managers to confirm the planned use of revenue and capital reserves in 2022/23.

9.5 The main reasons for the overall net reduction in forecast drawdown of £5,702,000 are as follows:

Earmarked Reserves – Decrease of £5,630,000

- £555,000 – changes to Business Rates Pool Reserve following latest confirmed position from the pool for 2021/22 & 2022/23 and reduction in funding to support Protection in 2022/23
- (£5,000) – increased drawdown from Business Rates Retention Pilot – financial stability due to error in expected drawdown at budget setting
- £839,000 – reduced drawdown from the ITG Strategy Reserve
- £388,000 – reduced drawdown from Mobilising Strategy Reserve due to balance of reserve being lower than anticipated
- £3,535,000 – reduced drawdown from the Capital Programme Reserve
- (£44,000) – increased drawdown from the Improvement & Efficiency Reserve
- £229,000 – reduced drawdown from the People Strategy Reserve and underspend of £154,000 on firefighter recruitment returned to reserve
- £77,000 – reduced drawdown from the Carry Forward Reserve
- £167,000 – reduced drawdown from the Pensions Admin Reserve
- (£5,000) – increased drawdown from cadets reserve
- (£106,000) – increased drawdown in respect of grant balances carried forward

Capital Reserves – Increase £267,000

£267,000 – due to balance of Capital Receipts Reserve being higher than anticipated when the budget was set, additional capital receipts received for vehicle sales and slippage of capital programme.

10. BORROWING AND INVESTMENT

10.1 As at end November, the Authority held cash balances of £20,400,000 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	3.00
DB Money Market Fund	Overnight Access	2.400	2.90
Barclays	95 Day Notice	4.000	3.05
Standard Chartered ESG	Fixed to 05/01/23	2.000	3.45
Standard Chartered ESG	Fixed to 10/02/23	1.000	3.36
Standard Chartered ESG	Fixed to 05/04/23	1.000	4.06
Goldman Sachs	Fixed to 06/02/23	2.000	2.33
Natwest	Fixed to 25/04/23	2.000	2.46
Natwest	Fixed to 02/08/23	2.000	2.61
Total Investments		20.400	

- 10.2 The Bank of England base rate has increased to 3%, a rise of 0.75% since the P6 report. It is expected this rate will rise to 3.5% in December. We are seeing an impact as Banks increase their rates on investments, resulting in higher levels of interest receivable. Latest modelling indicates the income of around £368,000 can be achieved, £348,000 above the budgeted level of £20,000. The interest income budget has been reduced to reflect the planned reduction in funds available for short term investment and the previous reduction in interest rates during Covid-19.
- 10.3 The current forecast of a reduction in reserves of £5.702m means 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
- 10.4 The Authority has borrowing totalling £10,298,000 and there is no impact on the interest payable, as these are subject to fixed interest rate deals.

Revenue Budget 2022/23 – Objective Summary

	Original Budget	Revised Budget	Projected Outturn	Month Variance	Variance	Variance Month 6 Reported to SLT	Variance From Last Reported
	£'000	£'000	£'000	£'000	%	£'000	£'000
Peoples Services	4,337	4,337	4,664	327	7.5	344	(17)
Resources/Treasurer	8,180	8,193	8,109	(84)	(1.0)	(62)	(22)
Planning and Improvement	1,248	1,248	1,146	(102)	(8.2)	(121)	19
Total Deputy Chief Fire Officer	13,766	13,778	13,919	141	(2)	160	(20)
Safer Communities	21,939	21,750	22,709	959	4.4	907	50
Operational Support	4,566	4,543	4,634	92	2.0	(163)	255
Total Assistant Chief Fire Officer	26,505	26,293	27,343	1,050	6	744	305
CFO Staff	805	853	834	(19)	(2.2)	(35)	16
Treasury Management	870	870	522	(348)	(40.0)	(260)	(88)
Non Delegated costs	(1,108)	(1,108)	(1,074)	34	(3.1)	42	(8)
Corporate Contingency	298	250	0	(250)	(100.0)	0	(250)
Covid-19	0	0	0	0	0.0	0	(0)
Transfer from Reserves	(462)	(262)	(262)	0	0.0	0	0
Transfer to Reserves	1,092	1,092	1,092	0	0.0	0	0
Total Corporate	1,495	1,695	1,112	(583)	(145)	(253)	(331)
Total Net Expenditure	41,766	41,766	42,373	607	1.5	652	(45)
Financed By:							
RSG	(3,325)	(3,325)	(3,325)	0	0	0	0
Council Tax	(29,288)	(29,288)	(29,248)	40	(0)	40	0
Business Rates	(7,764)	(7,764)	(7,494)	270	(3)	270	0
Service Grant Allocation	(535)	(535)	(535)	0	0	0	0
Covid-19 Local Tax Support Grant	(29)	(29)	(56)	(27)	93	(27)	0
S31 Grants	(1,125)	(1,125)	(1,440)	(315)	28	(315)	0
S31 Grants BRR Relief	0	0	0	0	0	0	0
Transfer from Reserves	(836)	(836)	(906)	(70)	8	(70)	0
Collection Fund Surplus/Deficit	1,136	1,136	839	(297)	(26)	(297)	0
Total Financing	(41,766)	(41,766)	(42,165)	(399)	1	(399)	0
Total Over / (Under) Spend	0	0	208	208	0	253	(45)

Savings Programme 2021/22

Division	Team	Responsible Officer	Business Area Lead Name	Description	Savings 22/23	Projection 22/23	At Risk	R.A.G Rating
					£'000	£'000	£'000	Select Status
RT	Estates	Duncan Savage		Estates Strategy revenue maintenance savings.	(45)	(45)		Delivered
All	All	All		Travel & subsistence	16	16		Delivered
OSR	Engineering	Hannah Scott-Youldon		Fuel	15	15		Delivered
PS	HR	Jules King		Firewatch Project	(25)		(25)	Not
PS	Training	Jules King		STC Catering contract savings	(6)	(6)		Delivered
RT	ITG	Duncan Savage		IT Strategy - delay some projects from 21/22 to 22/23	100	100		Delivered
RT	Procurement	Duncan Savage		Category Strategy Savings	(25)	(25)		Delivered
SC	All ops	Matt Lloyd		IRMP Savings	(130)		(130)	Not
PS	Training	Jules King		Catering contract	(6)	(6)		Delivered
PS	Training	Jules King		Deep cleaning contract	(2)	(2)		Delivered
PS	Training	Jules King		First Aid training	(9)	(9)		Delivered
PS	Training	Jules King		IOSH training	(3)	(3)		Delivered
PS	Training	Jules King		CMI leadership	(2)	(2)		Delivered
OSR	Engineering	Hannah Scott-Youldon		C-trak extension	(5)	(5)		Delivered
OSR	AD	Hannah Scott-Youldon		Equipment	(8)	(8)		Delivered
OSR	Ops P&P	Hannah Scott-Youldon		External Training	(1)	(1)		Delivered
OSR	Ops P&P	Hannah Scott-Youldon		Equipment	(1)	(1)		Delivered
OSR	Ops P&P	Hannah Scott-Youldon		Hydrants Repairs	(2)	(2)		Delivered
OSR	Ops P&P	Hannah Scott-Youldon		Subscription (Services)	(4)	(4)		Delivered
SC	Groups	Matt Lloyd		RDSO Post	(50)	(50)		Delivered
SC	Community Safety	Matt Lloyd		Education Team	(40)		(40)	Not
SC	All	Matt Lloyd		Advert & Publicity	(43)	(43)		Delivered
P&I	PMO	Liz Ridley		Consolidation of Project Management capacity	(25)	(25)		Delivered
P&I	Comms	Liz Ridley		External Printing	(10)	(10)		Delivered
P&I	Comms	Liz Ridley		Stationery	(1)	(1)		Delivered
P&I	Comms	Liz Ridley		Postage	(4)	(4)		Delivered
P&I	P&I	Liz Ridley		Advert & Publicity	(1)	(1)		Delivered
P&I	P&I	Liz Ridley		Car Allowances	(1)	(1)		Delivered
P&I	P&I	Liz Ridley		Consultants Fees	(10)	(10)		Delivered
P&I	P&I	Liz Ridley		Officer Subsistence	(1)	(1)		Delivered
P&I	Dem Services	Liz Ridley		Subscriptions	(1)	(1)		Delivered
P&I	Dem Services	Liz Ridley		Member conferences	(1)	(1)		Delivered
RT	Finance	Duncan Savage		Non pay budgets	(10)	(10)		Delivered
RT	Procurement	Duncan Savage		Accommodation & conference fees	(2)	(2)		Delivered
RT	ITG	Duncan Savage		Password Management	(15)	(15)		Delivered
RT	ITG	Duncan Savage		CAM Management	(3)	(3)		Delivered
RT	ITG	Duncan Savage		Talent Contract	(63)		(63)	Part Delivered
Central	Contingency	Duncan Savage		Reduce contingency (one year only)	(48)	(48)		Delivered
RT	ITG	Duncan Savage		Control - IT	(218)	(218)		Delivered
RT	ITG	Duncan Savage		IT Strategy - delay some projects from 22/23 to 23/24	(33)	(33)		Delivered
SC	Prevention	Matt Lloyd		CRM	(55)		(55)	Not
				Total Net Savings	(778)	(465)	(313)	

Appendix 3

Grants and Spending Plans 2022/23

Grants Requiring Claims	Lead AD	*Grant Brought Forward 1 April 2022	Grant 2022/23	Total Available Grant	Claim Quarter 1	Claim Quarter 2	Claim Quarter 3	Claim Quarter 4	Balance Remaining
		£	£	£	£	£	£	£	£
ESMCP - LTR Regional	Hannah Scott-Youldon	163,439	-	163,439	20,618	7,740			135,081
**ESMCP - Infrastructure	Hannah Scott-Youldon	1,425,000	-	1,425,000	-	-			1,425,000
Accreditation & RPL Funding	Matt Lloyd	22,737	-	22,737	-	-			22,737
Grenfell Infrastructure Fund	Hannah Scott-Youldon	4,509	-	4,509	-				4,509
Surge Protection Grant Funding - Protection Uplift	Matt Lloyd	227,808	358,079	585,887	70,290	72,385			443,212
		1,939,347	358,079	2,201,571	90,908	80,125	-	-	2,030,538
Grants - No Claims Requirement	Lead AD	Balance Remaining	Grant 2022/23	Total Available Grant	Comments				Balance Remaining
		£	£	£					
COVID - 19	Duncan Savage	95,855	-	95,855	Available to spend on Efficiency & Productivity				95,855
Firelink	Duncan Savage	0	191,227	191,227	Planned to use on ITG Strategy Projects in 2022/23				0
New Dimensions	Hannah Scott-Youldon	31,739	27,430	59,169	Spending plan being developed				59,169
Pensions Grant	Duncan Savage	0	1,734,984	1,734,984	Planned to use in 2022/23				0
Responding to New Risks	Hannah Scott-Youldon	32,520	6,500	39,020	Spending plan being developed				39,020
Total		1,083,975	1,960,141	2,024,400					
Overall Total Grants		3,023,322	2,318,220	4,225,971					2,030,538
Notes:									
* the grants brought forward are held in earmarked reserves (Appendix 7)									

Capital Programme 2022/23 to 2025/26

Capital Programme Expenditure 2022-23 to 2026-27	Total Budget	Total Previous Years	2022/23	2023/24	2024/25	2025/26	2026/27	Remaining Spend	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Property									
Shared Investment Schemes									
Integrated Transport Project	1,000		200				800	1,000	-
Preston Circus	3,287	122	1,340	1,825				3,165	-
Total Shared Investment Schemes	4,287	122	1,540	1,825	-	-	800	4,165	-
Strategic Schemes									
- Replacement Fuel Tanks	492	450	42					42	-
- Partner contribution	(292)	(292)							-
- Replacement fuel tanks net cost	200	158	42	-	-	-	-	42	-
Design Guide	356	356							-
Hove	491	64	427					427	-
Rodean	493	45	448					448	-
Eastbourne	550	74	276	200				476	-
Bohemia Road	485	28	93	364				457	-
Security	386	67	219	100				319	-
Sustainability	171	21	40	80	30			150	-
MPTH	399	399							-
Eastbourne MPTH	259	7	252					252	-
Training Centre MPTH	308	7	1	300				301	-
Hove MPTH	278	7	271					271	-
Bohemia Road MPTH	258	8		250				250	-
Live Fire Training	4,000	48	(28)	500	2,500	980		3,952	-
Total Strategic Schemes	8,634	1,289	2,041	1,794	2,530	980	-	7,345	-
End July									
General Schemes	830	830							-
Seabrd CIL	296	3	7	5	281			293	-
Seabrd CIL partner Contribution	(133)				(133)			-	133
Barcombe CIL	392	4	1	95	292			388	-
Barcombe CIL Partner Contribution	(156)				(156)			-	156
The Ridge	508				20	488		508	-
Hailsham	184	19	(9)		10	164		165	-
Rye	532	3	2		15	512		529	-
Battle	163	1	4			52	106	162	-
Herstmonceux	50						50	50	-
Bexhill	200						200	200	-
Heathfield	280	9	9		19	243		271	-
Uckfield	494	8				99	387	486	-
Lewes	577	6	1			240	330	571	-
Seabrd HVP Alterations	85	7	84					84	6
Total General Schemes	4,302	890	99	100	348	1,798	1,073	3,418	6
Bay Doors, Floors, IT	1,535		355	398	369	205	208	1,535	-
Training Towers	279		279					279	-
Temperature Control in Sleeping Pods	201		87	114				201	-
Total Property	19,238	2,301	4,401	4,231	3,247	2,983	2,081	16,943	6
Vehicle Cameras	118		118					118	-
Grant Funds	(118)		(118)					(118)	-
Telemetry	70		70					70	-
Aerials	2,026	690	560	593				1,153	(183)
Aerial Rescue Pump	22	22							-
Fire Appliances	7,335	2,564	1,312	850	835	819	862	4,678	(93)
Ancillary Vehicles	2,750	473	1,343	391	368	112		2,214	(63)
Cars	1,937	501	395	40	272	506	206	1,419	(17)
Vans	1,935	920	232	179	288	162	148	1,009	(6)
Equipment	70		35	35				70	-
Total Fleet and Equipment	16,228	5,170	3,947	2,088	1,763	1,599	1,216	10,613	(362)
Total Expenditure	35,466	7,471	8,348	6,319	5,010	4,582	3,297	27,556	(356)

Estates Capital Budget 2022/23

Estates Capital Programme Expenditure 2022/23							
	Total Budget	Year Forecast	Variance	Under spend	Slippage		
Project	2022/23	2022/23	2022/23	2022/23	2023/24	PG Variance	
	£'000	£'000	£'000			2022/23	
						2022/23	
						£'000	
						Movement	
						2022/23	
						£'000	
Shared Investment Schemes							
Integrated Transport Project	200	200	-				
Preston Circus	1,340	453	(887)		(887)	(1,062)	175
Total Shared Investment Schemes	1,540	653	(887)		(887)	(1,062)	175
Strategic Schemes							
Replacement Fuel Tanks (Incl. Partner contribution)	42	7	(35)		(35)	(35)	-
Design Guide:							
Hove	427	427	-			7	(7)
Roedean	448	21	(427)		(427)	(427)	-
Eastbourne	276	45	(231)		(231)	(237)	6
Bohemia Road	93	40	(53)		(53)	157	(210)
Security	219	98	(121)		(121)	-	(121)
Sustainability	40	40	-			-	-
MPTH:							
Eastbourne MPTH	252	29	(223)		(223)	-	(223)
Training Centre MPTH	1	35	34		34	31	3
Hove MPTH	271	34	(237)		(237)	-	(237)
Bohemia Road MPTH	-	39	39		39	39	-
Live Fire Training	(28)	15	43		43	15	28
Total Strategic Schemes	2,041	830	(1,211)		(1,211)	(450)	(761)
General Schemes							
Seaford CIL (Incl. Partner contributions)	7	7	-			-	-
Barcombe CIL (Incl. Partner contributions)	1	9	8		8	8	-
Hailsham	(9)	8	17		17	8	9
Rye	2	45	43		43	(2)	45
Battle	4	-	(4)		(4)	(4)	-
Seaford HVP Alterations	78	84	6	6		2	4
Heathfield	9	9	-			-	-
Lewes	1	1	-			-	-
Total General Schemes	93	163	70	6	64	12	58
Total Bay Door, Floor, IT Building works	355	110	(245)		(245)	(345)	100
Total Training Tows	279	133	(146)		(146)	(131)	(15)
Total Temperature Control for Sleeping Pods	87	79	(8)		(8)	(8)	-
	4,395	1,968	(2,427)	6	(2,433)	(1,984)	(443)

Engineering Capital Budget

Engineering Capital Programme Expenditure 2022/23							
	Total Budget	Year Forecast	Variance	Underspend	Slippage		
Project	2022/23	2022/23	2022/23	2022/23	2023/24	P4 Variance	
	£'000	£'000	£'000			2022/23	
						2022/23	
						£'000	
						Movement	
						2022/23	
						£'000	
Aerials							
GX04 BMY	743	218	(525)	(183)	(342)	(183)	(342)
Total Aerials	743	218	(525)	(183)	(342)	(183)	(342)
Fire Appliances							
GX57 EUY	297	280	(17)	(17)	-	(17)	-
GX57 EUZ	297	280	(17)	(17)	-	(17)	-
GX57 EUU	297	280	(17)	(17)	-	(17)	-
GX57 EUN	171	157	(14)	(14)	-	(16)	2
GX57 EUP	171	157	(14)	(14)	-	(16)	2
GX57 EUT	171	157	(14)	(14)	-	(16)	2
Total Fire Appliances	1,405	1,312	(93)	(93)	-	(98)	5
Ancillary Vehicles							
GX51 UBM	145	109	(36)	(36)	-	(29)	(7)
GX57 EUV	353	-	(353)	-	(353)	(353)	-
GU16 LVJ	12	-	(12)	(12)	-	(12)	-
GX56 NWR	253	-	(253)	-	(253)	-	(253)
GX56 NWS	253	-	(253)	-	(253)	-	(253)
GX03 AXM	103	-	(103)	-	(103)	(103)	-
GX53 AZU	103	-	(103)	-	(103)	(101)	(2)
GX53 AZV	103	-	(103)	-	(103)	(103)	-
OU04 VNW	65	-	(65)	-	(65)	(65)	-
TR15	15	-	(15)	(15)	-	(15)	-
Total Ancillary Vehicles	1,406	109	(1,296)	(63)	(1,233)	(782)	(515)
Cars							
GU16 LUJ	12	12	-	-	-	-	-
GU16 LUL	12	12	-	-	-	-	-
SKODA KODIAQ	-	1	1	1	-	-	1
GU16 LUO	30	-	(30)	(2)	(28)	(2)	(28)
GU16 LUP	30	-	(30)	(2)	(28)	(2)	(28)
GU16 LUT	30	-	(30)	(2)	(28)	(2)	(28)
GU16 LVC	30	-	(30)	(2)	(28)	(2)	(28)
GU16 LVD	30	-	(30)	(2)	(28)	(2)	(28)
GU16 LVE	30	-	(30)	(2)	(28)	(2)	(28)
GV18 ABF	41	35	(6)	(6)	-	(6)	-
GX64 DXE	12	12	-	-	-	-	-
GX64 DXF	12	12	-	-	-	-	-
GX64 DXG	12	12	-	-	-	-	-
GX64 DXH	12	12	-	-	-	-	-
GX65 JTZ	12	12	-	-	-	-	-
GX65 JUA	12	12	-	-	-	-	-
GX65 JUC	12	12	-	-	-	-	-
GX65 JUE	12	12	-	-	-	-	-
Pool Cars						(2)	2
Pool Car 1	18	18	-	-	-	-	-
Pool Car 2	18	18	-	-	-	-	-
Pool Car 3	18	18	-	-	-	-	-
Pool Car 4	18	18	-	-	-	-	-
Total Cars	412	228	(185)	(17)	(168)	(20)	(165)
Vans							
GU16 LVH	42	38	(4)	(4)	-	(4)	-
Replace Stolen Van	17	18	1	1	-	1	0
GX64 DXZ	15	14	(1)	(1)	-	(1)	-
GX64 DYA	15	14	(1)	(1)	-	(1)	-
GX64 DYB	15	14	(1)	(1)	-	(1)	-
Fire Investigation Van	70	-	(70)	-	(70)	(70)	-
Hazmat Van	65	-	(65)	-	(65)	(65)	-
	239	98	(141)	(6)	(135)	(141)	0
Special Projects							
Vehicle Cameras	118	118	-	-	-	-	-
Vehicle Camera Grant Funding	(118)	(118)	-	-	-	-	-
Telemetry	70	-	(70)	-	(70)	(70)	-
Equipment (Operational IRMP)	35	-	(35)	-	(35)	(35)	-
Total Special Projects	105	-	(105)	-	(105)	(105)	-
Total	4,310	1,965	(2,345)	(361)	(1,983)	(1,328)	(1,017)

Appendix 7

Reserves 2022/23

Description	Opening Balance	2022/23	2022/23	2022/23	2022/23	2022/23	2022/23	2022/23	Projected Closing Balance	Lead AD
	01/04/2022	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 8	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Earmarked Reserves										
Business Rate Pool Reserve*	829	0	(200)	(200)	398	(43)	355	555	1,184	Duncan Savage
Business Rates Retention Pilot - financial stability	112	0	(27)	(27)	0	(32)	(32)	(5)	80	Duncan Savage
Capital Programme Reserve	3,080	500	(3,209)	(2,709)	826	0	826	3,535	3,906	Duncan Savage
Covid-19	96	0	(64)	(64)	0	0	0	64	96	Duncan Savage
ESMCP ESFRS readiness	1,425	0	(30)	(30)	0	0	0	30	1,425	Hannah Scott-Youlton
ESMCP Regional Programme	163	0	(83)	(83)	0	(52)	(52)	31	111	Hannah Scott-Youlton
Improvement & Efficiency	809	0	(279)	(279)	0	(323)	(323)	(44)	486	Duncan Savage
Insurance	249	0	0	0	0	0	0	0	249	Duncan Savage
ITG Strategy	3,774	592	(3,188)	(2,596)	592	(2,349)	(1,757)	839	2,017	Duncan Savage
Mobilising Strategy	37	0	(425)	(425)	0	(37)	(37)	388	0	Duncan Savage
People Strategy	70	0	(15)	(15)	234	(20)	214	229	284	Julie King
Sprinklers	640	0	(200)	(200)	0	(200)	(200)	0	440	Hannah Scott-Youlton
BRR - Protection Uplift - Accreditation & RPL	23	0	0	0	0	0	0	0	23	Matt Lloyd
BRR - Protection Uplift - Grenfell / Infrastructure	5	0	0	0	0	(5)	(5)	(5)	0	Hannah Scott-Youlton
BRR - Protection Uplift - Protection	228	0	(46)	(46)	0	(175)	(175)	(129)	53	Matt Lloyd
Business Rate Tax Income Guarantee Scheme (75%)	31	0	0	0	0	(15)	(15)	(15)	16	Duncan Savage
Council Tax Income Guarantee Scheme (75%)	83	0	(29)	(29)	0	(41)	(41)	(12)	42	Duncan Savage
New Dimensions Grant	32	0	0	0	0	0	0	0	32	Hannah Scott-Youlton
Pensions Administration	190	0	(147)	(147)	32	(12)	20	167	210	Julie King
Responding to New Risks	33	0	0	0	0	0	0	0	33	Hannah Scott-Youlton
S31 Business Rate Retention Reliefs	906	0	(836)	(836)	0	(906)	(906)	(70)	0	Duncan Savage
Carry Forwards	173	0	(77)	(77)	0	0	0	77	173	Duncan Savage
Cadets	5	0	0	0	0	(5)	(5)	(5)	0	Matt Lloyd
Total Earmarked Reserves	12,883	1,092	(8,866)	(7,783)	2,082	(4,216)	(2,133)	6,830	10,880	
General Fund	1,913	0	0	0	0	0	0	0	1,913	Duncan Savage
Total Revenue Reserves	14,808	1,092	(8,866)	(7,783)	2,082	(4,216)	(2,133)	6,830	12,773	
Capital Receipts Reserve	4,255	0	(4,017)	(4,017)	417	(4,406)	(3,988)	28	267	Duncan Savage
Total Capital Reserves	4,255	0	(4,017)	(4,017)	417	(4,406)	(3,988)	28	267	
Total Usable Reserves	19,161	1,092	(12,872)	(11,780)	2,499	(8,620)	(6,121)	6,858	13,040	

Staff Pay Award Pressure 2022/23

Department	£
HR	34,037
Health & Safety	7,510
Service Training Centre	20,636
Workforce Development	2,800
AD R/T	820
Estates	8,262
ITG	9,718
Finance	9,522
Procurement	7,402
Communications	12,772
Performance Management	9,944
Programme Management	1,144
Democracy	1,809
IRMP	1553
Groups	12,963
Protection	41,836
Prevention	38,535
Engineering	25,965
Ops Planning and Policy	16,079
CFO	6,445
	269,752