

## EAST SUSSEX FIRE AND RESCUE SERVICE

**Meeting:** Fire Authority

**Date:** 7 September 2023

**Title of Report:** Revenue and Capital Budget 2023/24 and Capital Programme 2023/24 to 2027/28 Monitoring at Month 4 (end July).

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

**Lead Officer:** Alison Avery, Finance Manager

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**Background Papers:** Fire Authority Service Planning processes for 2023/24 and beyond – Revenue Budget 2023/24 and Capital Asset Strategy 2023/24 to 2027/28

Revenue and Capital Budget 2022/23 and Capital Programme 2022/23 to 2026/27 – Provisional Outturn

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**Appendices:**

1. Revenue Budget 2023/24 Objective
2. Savings Programme 2023/24
3. Grants and Spending Plans 2023/24
4. Capital Programme 2023/24 to 2027/28
5. Estates & Engineering Capital Budgets 2023/24
6. Reserves 2023/24
7. ITG Strategy 2023/24

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### Implications (please tick ✓ and attach to report)

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

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**PURPOSE OF REPORT** To report on the findings of the Month 4 monitoring undertaken on the Revenue and Capital Budget 2023/24 and Capital Programme 2023/24 to 2027/28.

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**EXECUTIVE SUMMARY** This is the second report to Members for the 2023/24 financial year and highlights the findings from the Month 4 monitoring undertaken on the Revenue Budget 2023/24 and 5 year Capital Programme 2023/24 to 2027/28, approved by the Authority in February 2023.

A net revenue overspend to the sum of £193,000 has been identified, as summarised in Appendix 1. This is due to the following pressures:

- Wholetime overtime within Groups (£652,000)
- On-call within Groups (£232,000)
- Wholetime pay within Groups (£215,000)
- Green book pay award (150,000)
- CRM savings (£104,000)
- Payroll posts due to budget error (£98,000)
- Firelink contract uplift (£79,000)
- Unfunded pensions (£76,000)
- Procurement savings (£66,000)

These are offset by:

- Treasury Management income (£500,000)
- Corporate contingency (£479,000)
- IT project delays (£178,000)
- Additional funding (£159,000)
- CRM & Airbus licences (£81,000)
- Communications vacancies (£61,000)

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

Safer Communities are forecasting an overspend of £1.093m. The Service must maintain a significant focus on delivering the plan to reduce this pressure to ensure it does not impact the 2024/25 revenue budget.

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

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 2023/24 Capital Budget and five year Capital Strategy of £28,280,000 was approved by the Fire Authority on 9 February 2023. The Capital Strategy has been

increased to £28,793,000 to include slippage of £975,000 and allocation of spend in advance of £462,000 from 2022/23.

The current year Capital Budget was approved by the Fire Authority at £8,421,000 and updated to £8,934,000 (Property £5,665,000 and Fleet and Equipment £3,279,000) including slippage of £975,000 brought forward from 2022/23, allocation of spend in advance of £462,000 from 2022/23.

Officers have reviewed the capital plans for 2023/24 and report slippage on delivery of projects to the value of £2,387,000 (26.7%) and spend in advance of £172,000. In addition underspend of £102,000 is expected against capital schemes. Detailed information is contained within section 8. The Estates and Engineering Capital Projects 2021/22 are detailed in Appendix 4.

A further review of the capital programme is underway to assess the deliverability of the current programme.

The position on reserves shows an opening balance of £14,460,00. The forecast net drawdown from reserves is £7,277,000, a reduction of £16,000 compared to the planned drawdown of £7,293,000. This results in an estimated closing balance of £7,183,000, as detailed in section 9 and summarised in Appendix 5. 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 £20,680,000 due to the Bank of England's increase in base rate. Interest receivable is projected at £650,000, resulting in a surplus of £500,000 when compared to the budget. Interest payments on fixed rate loans of £9,817,000 are unaffected.

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**RECOMMENDATION**

Fire Authority is recommended to note:

- (i) the risks to Revenue Budget and the projected overspend,
  - (ii) the risks to the Capital Programme,
  - (iii) the ITG strategy position
  - (iv) the reduced net forecast drawdown from reserves,
  - (v) the grants available and spending plans,
  - (vi) the monitoring of savings taken in 2023/24; and
  - (vii) the current year investments and borrowing
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# 1 **INTRODUCTION**

1.1 The Original Revenue Budget 2023/24 and Capital Strategy 2023/24 to 2027/28 was approved at the meeting of the Fire Authority on 9 February 2023.

1.2 This is the second report to Members for the 2023/24 financial year and highlights the findings from Month 4 (end July) monitoring undertaken on the Revenue and Capital Budget 2023/24 and Capital Programme 2023/24 to 2027/28. 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 CFA (Month 4)</b>	<b>Last P&amp;R (Month 2)*</b>	<b>Movement</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Revenue (see section 2)	193	371	(178)
Capital in year (see section 7)	(2,318)	(1,519)	(799)

1.3 The Revenue Budget approved by the Fire Authority in February 2023 was a net expenditure requirement of £40,057,000.

1.4 A net revenue overspend to the sum of £193,000 has been identified at Month 4 (end July) and is reflected in the Revenue Budget 2023/24 objective summary at Appendix 1 and detailed in section 2.

1.5 The savings requirement 2023/24 is £1,295,000. The current position shows we have delivered or are on course to deliver £1,230,000 (95%) of savings. There are two savings at risk, which also relate to prior year savings, as detailed in section 5.

1.6 The grants available total £4.0m, including grants brought forward from previous years, as summarised in Appendix 3 and detailed in section 5.

1.7 The five year Capital Strategy 2023/24 to 2027/28 was approved by the Fire Authority in February 2023 at £28,280,000. The Capital Strategy has been increased to £28,793,000 to include slippage of £975,000 and allocation of spend in advance of £462,000 from 2022/23. The 5 year Capital Programme is projected to underspend by £102,000 as summarised in Appendix 4 and detailed in section 8.

1.8 The Capital Budget for 2023/24 was approved by the Fire Authority at £8,421,000 and updated to £8,934,000 including slippage of £975,000 brought forward from 2022/23, allocation of spend in advance of £462,000 from 2022/23.

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 £193,000. This is summarised across divisions in Appendix 1 and detailed explanations are provided below.

2.2 Within the revenue forecast is an amount of £150,000 for the green book pay award sitting outside of the directorate areas.

This pressure relates to a forecast pay award of 6% in comparison to the budgeted amount of 4%.

2.3 **People Services:** Expected overspend of £177,000, as follows:

2.3.1 **HR:** Expected underspend of £27,000 (previous forecast to budget). The underspend can be attributed to staff vacancies (£35,000), NHS prescriptions (£3,000), training (£3,000) and consultants fees (£4,000) offset by pressures due to maternity leave cover (£5,000), finders fees (£7,000) and interview expenses in relation to the Direct Entrant post (£2,000).

2.3.2 **AD Admin Support:** Expected underspend of £25,000 (previous forecast 35,000 underspend). The underspend relates to a vacancy, with the movement since P2 relating to the length of the vacancy.

2.3.3 **Service Training Centre and Workforce Development:** An overspend of £118,000 is expected (previous forecast £73,000 underspend). The overspend can be attributed to pressures in instructor overtime (£90,000), on-call training overtime (£64,000), agency costs for admin cover (£4,000), equipment (£3,000) and catering (£2,000), offset by an underspend due to vacancies (£40,000).

The movement since P2 can be attributed to Instructor overtime (£90,000), on-call training overtime (£24,000), offset by a reduction in the pay forecast of £101,000. In addition the £175,000 budget for Firefighter recruitment, which will not be utilised this year has been transferred to contingency. The movement is significant because a full forecast was not undertaken at P2 due to Finance capacity at that time.

2.3.4 **Payroll:** An overspend of £84,000 is expected (previous forecast £98,000 overspend). The pressure is caused by an error in the budget for Pensions posts (£98,000) and finders fees (£11,000), offset by underspends relating to vacancies across 2 roles (£25,000).

The P2 forecast only reported the budget error and the other variances are the reason for the movement.

2.3.5 **Occupational Health:** Expected overspend of £27,000 (previous forecast to budget). The overspend relates to medical fees with an increased usage this year.

2.4 **Resources/Treasurer:** Expected underspend of £125,000, as follows:

2.4.1 **AD Resources/Treasurer :** An overspend of £2,000 is expected in relation to pay as budgets include a 1% vacancy factor.

2.4.2 **Estates:** An underspend of £11,000 is expected (previously forecast £120,000 underspend). Underspend of £11,000 relates to a part time vacancy within the department as an individual has reduced their working hours. It is expected a pressure of £24,000 in relation to the additional environmental cleaning contract will be covered by underspends elsewhere within the department.

The movement since P2 can be attributed to the individual reducing their working hours. The previous forecast related to an underspend on utilities, this budget has now been transferred to contingency.

2.4.3 **ITG:** Currently expecting an underspend of £113,000 (previous forecast £5,000 underspend). The underspend relates to project delays in Paging & Alerting, Health & Safety Management system and EDRMS (£92,000), delay in the rollout of MLL WAN services (£86,000) and a reduction in CRM and Airbus licences (£81,000). These are offset by pressures for Firelink charges, where inflation of 13.5% has been applied (£79,000), additional Webex licences (£18,000), additional SIM cards for portable devices, caused by CRM tablets and increased mobile working (£18,000), assumed reduction in printing not realised (£10,000), staff vacancy factor not realised (£5,000) and other pressures across the department (£16,000).

The increase in underspend of £108,000 since P2 can be attributed to additional project delays (£36,000), reduction in CRM and Airbus licences (£81,000), offset by additional pressures across the department (£9,000).

2.4.4 **Procurement:** An overspend of £3,000 is expected (previously forecast £50,000 overspend). A pressure of £ £44,000 relates to the PPE where there has been an inflationary increase of 14.3%. This is offset by underspends of £15,000 against the consultancy budget and £32,000 relating to staff pay with a part-year vacancy and the impact of pay being lower than budgeted.

The movement since P2 can be attributed to a reduction for PPE (£25,000), Consultancy (£15,000), staffing due to vacancies and pay rates (£13,000), offset by pressure relating to back dated pay rises (£45,000).

2.5 **Planning & Improvement:** A forecast underspend of £64,000 is expected as follows:

2.5.1 **Communications:** An underspend of £60,000 is expected (previously forecast £93,000 underspend). Underspend of £61,000 relates to vacancies within the team, offset by pressure of £1,000 across a number of categories.

The additional costs of £33,000 can be attributed to staffing (£25,000) due to cover required for parental leave and support required in the run up to the annual awards ceremony and two additional licences (£8,000).

2.5.2 **Cost of Democracy:** An underspend of £4,000 is expected (previously forecast £3,000 underspend). An overspend of £4,000 on staffing offset by underspends on members allowances (£5,000) and travelling (£2,000).

2.6 **Safer Communities:** An overspend of £1,093,000 is expected with the variance detailed below.

Significant focus needs to be maintained on the Safer Communities action plan to reduce the forecast pressure for 2023/24 and to ensure that the position doesn't impact on the 2024/25 budget. These actions include:

- Fixed term contracts being reviewed by workforce planning to ensure they are only used when absolutely necessary and considered in conjunction with overtime risks of not doing so to minimise the pressure
- Performance measures need to be reported to ensure highly effective monitoring and approval of requests for overtime
- Overtime is closely monitored through the year, managers should be sighted on overtime dashboard reporting
- Review outstanding CRM savings to identify amount deliverable
- The annual leave, sickness and light duties policies are reviewed
- Occupational health contract is reviewed to ensure the process is conducive to ensuring staff return to work at the earliest opportunity

Finance are attending Group meetings on a monthly basis and are working with Station Managers to support their financial understanding and provide more detailed analysis of their station expenditure.

2.6.1 **AD Safer Communities:** An overspend of £104,000 is expected (as per P2 forecast). This pressure relates savings as detailed in Section 5.

2.6.2 **Safer Communities Contingency:** There is currently an underspend reported of £40,000 (as per P2 forecast). This underspend relates to the on-call budget held as a contingency outside of the Groups.

It is recommended this budget is moved to the Groups in 2023/24 to offset the pressure in on-call due to the unbudgeted pay awards.

2.6.3 **Groups:** The Groups are reporting an overspend of £1,098,000 (previous forecast overspend £963,000).

The forecast for the Groups includes the IRMP changes, although there are a number of moves still in progress. Finance and HR are working closely to ensure changes are reflected within the forecast. It is expected OP&P will recruit a further 2 Crew Managers into the Flexible Resource Pool, however

these are not currently forecast within OP&P as it is anticipated they may be sourced from Safer Communities.

Whilst the grey book pay award increases have been allocated to the budget for wholetime staff and funded from the corporate contingency, no allocation has been made for on-call within the 2023/24 budget, which totals £178,000. Whilst re-profiled last financial year, the on-call budget does not appear to be current activity and spend patterns across the stations and further work is required to re-allocate these budgets.

It is unclear how the new crewing model will affect the reliance on overtime. The current forecast is based on the old model and is extrapolated based on the overtime profile from 2022/23. The overtime budget has not been increased to take into account the grey book pay award.

In July 2023 there were a total of 15 individuals on light duties, 18 individuals on long term sick and a total of 14 FTCs.

**West:** An overspend of £636,000 is expected. Overspend of £162,000 relates to wholetime pay, with an average over-establishment of 5 during the year. Additionally £278,000 overspend is due to overtime with a further £179,000 relating to on-call spend.

**Central:** An overspend of £229,000 is expected. Overspend of £25,000 relates to wholetime pay, with an average over-establishment of 0.5 during the year. Additionally £234,000 overspend is due to overtime and this is offset by an underspend of £37,000 relating to on-call spend.

**East:** An overspend of £258,000 is expected. Overspend of £28,000 relates to wholetime pay, with an average over-establishment of 1 during the year. Additionally £140,000 overspend is due to overtime with a further £90,000 relating to on-call spend.

- 2.6.4 **Prevention:** An underspend of £24,000 is expected (previous forecast £50,000 underspend). An underspend of £62,000 relates to vacancies within the department. These are offset by an overspend of £18,000 relating to Cadets, £10,000 overtime for Home Safety Visits and £5,000 for Soloprotect service charge which supports lone working. There are a number of other variances within the department.

The movement since P2 can be attributed to an increase for staff (£7,000), with the extension of an FTC, along with the increases for Home Safety Visits and Soloprotect. The overspend for cadets has reduced by £1,500.

- 2.7 **Operational Support & Resilience:** A forecast underspend of £6,000 is expected as follows:

- 2.7.1 **AD OSR:** An overspend of £6,000 is expected (previous forecast £7,000 overspend). The overspend can be attributed to FBU overtime for which there is no budget.



2.7.2 **Engineering:** An overspend of £31,000 is expected (previous forecast £24,000 overspend). Overspend of £16,000 relates to the current staffing structure, with a further £15,000 overspend across a number of categories. The Engineering team are working to bring their spend within budget.

There has been an increase of £7,000 since the P2 report. The forecast for fuel has increased by £29,000 with fuel prices increasing over the last two months, this is offset by other movements.

2.7.3 **Ops P&P:** An underspend of £68,000 is expected (previous forecast £33,000 underspend). Underspend of £83,000 relates to vacancies within the team largely due to two vacant FRP posts, offset by pressures in relation to hydrants (£11,000) and water rescue (£3,000).

It is expected OP&P will recruit a further 2 Crew Managers into the Flexible Resource Pool, however these are not currently forecast as it is anticipated they may be sourced from Safer Communities.

The forecast for hydrants is based on the year to date spend, however the current commitments total £232,000 and there is a risk that if work is completed more quickly than anticipated then this would have an adverse impact on the forecast position. The position is being reviewed with the Hydrants team on a bi-monthly basis.

2.7.4 **Control Room:** An overspend of £25,000 is expected (previous forecast £25,000 overspend). This is based on the latest forecast received from Surrey, with the overspend largely relating to the grey book pay award, which was agreed at higher rate than the Service had budgeted for. A further update is expected from Surrey before the P6 report.

2.8 **CFO:** An overspend of £37,000 is expected (previous forecast £32,000 overspend). Overspend of £43,000 relates pay and is mainly due to the gold book pay award backdated to 1 January 2022. Additionally underspend of £6,000 is expected across a number of non-pay budgets.

The movement since P2 can be attributed to pay award forecasting.

2.9 **Treasury Management:** This budget is reporting an underspend of £571,000 (previous forecast £450,000 underspend). The interest receivable for cash investments is expected to overachieve by £500,000 due to rising interest rates, with a further underspend of £70,000 relating to interest payable to reflect current borrowing plans, primarily due to the scale of slippage in the Capital Programme.

The movement since P2 can be attributed to an additional £50,000 for interest receivable as interest rates continue to rise and £70,000 reduction in interest payable.

2.10 **Non-Delegated Costs:** An overspend of £142,000 is expected (previous forecast £117,000 overspend). £76,000 overspend is due to unfunded

pension costs, with £66,000 attributable to Procurement savings which have yet to be allocated across service budgets.

The movement since P2 can be attributed to unfunded pensions costs.

- 2.11 **Corporate Contingency:** A contingency budget of £479,000 is currently supporting the underspend position. An overview of the contingency budget is included at section 7.
- 2.12 **Financing:** Current information indicates that the Service will receive additional funding of £159,000 (previous forecast was an under-achievement of £41,000).

Based on forecasts from Local Government Futures it is expected an additional £74,000 will be received for Business Rates, with a further £86,000 received in relation to council tax surpluses.

### **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 2025/26 onwards. 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 2024 will be £111,000, with £105,000 committed in 2023/24 as funding for Pensions posts.
- 3.2 **Pay Award 2023/24:** The budget provided for 4% pay awards across gold, grey and green book staff.
  - 3.2.1 Gold book pay awards backdated to January 2022 are included within the reported forecast position.
  - 3.2.2 Grey book staff have been awarded 7% from 1 July 2022 and 5% from 1 July 2023, which is included within the forecast position.
  - 3.2.3 Green book staff have been offered £1,925, this offer has been rejected. The forecast position includes a pay award of 6%, although this is not a confirmed position.
- 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 Estates Team is currently carrying out a review of the remaining capital programme as part of the MTFP savings review. A report will be made to SLT in September, but we are seeing significant inflationary pressures across all projects, especially on larger schemes such as Preston Circus.

3.4 **Inflationary Contract Increases:** In addition to utilities and fuel additional budget provision was allocated for maintenance and term contracts (£70,000), legal services (£4,000) and catering (£6,000). A standard 2% inflationary budget increase was included for all non-pay totalling £181,000. This there is a risk pressures will arise across non pay spend budgets that cannot be absorbed. This position will continue to be monitored with input from Procurement.

3.5 **Royal Albion Hotel Fire:** The full costs in relation to the fire at the Royal Albion hotel in Brighton are not yet included within the forecast as claims will only become apparent following August payroll.

#### 4 **MANAGING REVENUE BUDGET PRESSURES**

4.1 As risks crystallise the resulting pressures will be included within the revenue budget forecast. A number of areas require further analysis to identify further pressures or opportunities.

4.2 SLT have agreed the following controls are put in place for 2023/24:

- Workforce Planning Group will be used as a mechanism to:
  - Approve recruitment to all vacancies
  - Approve the use of agency staff
  - Have oversight of overtime spend (with a particular focus on Safer Communities & Training)
  - Review and agree forecasts for operational (grey book) strength.
- Management of discretionary spend to be a key focus, with Finance Business Partners working with budget managers to review opportunities to manage underspends on non-pay spend in 2023/24 with particular focus on areas such as training, estates maintenance and equipment (IT and Engineering).

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

#### 5 **SAVINGS PROGRAMME 2023/24**

5.1 Appendix 2 summarises the net savings requirement 2023/24 of £1,295,000. 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 £1,230,000 (95%) of savings.

Procurement savings of £81,000 (£15,000 2023/24 and £66,000 prior year) are at risk and further work is required to understand if these can be delivered.

A pressure of £104,000 within Safer Communities (£50,000 2023/24 and £54,000 prior year) relating to CRM will be removed as part of budget setting for 2024/25. The CRM project resulted in a reduction in 4 posts, however these budget reductions were not allocated correctly against CRM at the time. There will be a further review through Tranche 3 to identify any further efficiencies.

## **6 GRANTS 2023/24**

- 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 £3.982m, as summarised in Appendix 3.

- 6.2 The latest grants are detailed below:

6.2.1 **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 2023/24. A spend plan has been developed to utilise this grant and it is expected £98,000 will be drawn down from the £125,645 brought forward from 2022/23.

6.2.2 **Accreditation & RPL Grant Funding:** £22,737 is carried forward from 2022/23 for the purposes of accrediting fire protection officers and fire safety engineers. It is anticipated this grant will be utilised over the next two years.

6.2.3 **Fire Fighter Pension Scheme:** this is used towards the shortfall in employer's pension contributions.

6.2.4 **New Dimensions:** £47,667 is carried forward from 2022/23 and additional £27,430 grant relates to 2023/24. A spending plan has been developed and it is expected £54,231 will be spent this year, with the balance of £20,866 carried forward to 2024/25.

6.2.5 **Responding to New Risks:** £31,355 is carried forward from 2022/23, and additional £6,500 grant relates to 2023/24. A spending plan has been developed and it is expected £37,111 will be spent this year, with the balance of £744 carried forward to 2024/25.

## **7**      **CONTINGENCY 2023/24**

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 2023, the Fire Authority agreed a contingency of £533,000 for the 2023/24 financial year. This included the general 2% inflation provision of £181,000 which has not been allocated out to relevant non pay spend budgets.

7.2      A total of £390,000 was allocated from the contingency to cover the wholetime pay award.

An additional £336,000 has been transferred to contingency in respect of budget allocations which are no longer required in 2023/24.

The contingency budget currently has a balance of £479,000 and this is supporting the overspend position.

	<b>£'000</b>
<b>Opening Balance 1 April 2023</b>	<b>533</b>
Allocation to cover grey book pay award for wholetime	(390)
Transfer of utilities budget - over-provision of inflation	120
Transfer of wholetime recruitment - budget not required 23/24	175
Transfer of MTFP consultation - budget not required 23/24	41
<b>Amount Remaining end July</b>	<b>479</b>

## **8**      **CAPITAL PROGRAMME COMMENTARY**

8.1      The original 2023/24 Capital Budget and five year Capital Strategy of £28,280,000 was approved by the Fire Authority on 9 February 2023. The Capital Strategy has been increased to £28,793,000 to include slippage of £975,000 and allocation of spend in advance of £462,000 from 2022/23.

8.2      The Capital Programme is funded by: Capital Receipts Reserve £520,000, Capital Programme Reserves £13,895,000, Internal Borrowing of £555,000 and New Borrowing £13,721,000 as shown in the table below. Overall, the revised 5 year Capital Programme is forecasted to come in £102,000 underspent.

	2023/24	2024/25	2025/26	2026/27	2027/28	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Estates	4,680	2,849	4,347	3,151	1,090	16,117
Fleet & Equipment	3,741	2,529	1,741	1,928	2,224	12,163
Original Approved Programme	8,421	5,378	6,088	5,079	3,314	28,280
Slippage from 2022/23	975					975
Spend in Advance from 2022/23	(462)					(462)
Slippage to 2024/25	(2,387)	2,387				0
Spend in Advance from 2024/25	172	(172)				0
Underspend	(102)					(102)
<b>Updated Capital Programme</b>	<b>6,617</b>	<b>7,593</b>	<b>6,088</b>	<b>5,079</b>	<b>3,314</b>	<b>28,691</b>
Funded by:						
Capital Receipts Reserve	520	0	0	0	0	520
Capital Programme Reserve	4,895	1,500	2,000	2,500	3,000	13,895
Internal Borrowing	555					555
New Borrowing / Need to Borrow	647	6,093	4,088	2,579	314	13,721
<b>Updated Capital Programme</b>	<b>6,617</b>	<b>7,593</b>	<b>6,088</b>	<b>5,079</b>	<b>3,314</b>	<b>28,691</b>

8.3 **Capital Funding** – 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 2023/24** was approved by the Fire Authority at £8,421,000 and updated to £8,934,000 (Property £5,655,000 and Fleet and Equipment £3,279,000) including slippage of £975,000 brought forward from 2022/23 and allocation of spend in advance of £462,000 from 2022/23.

8.5 A review of the 2023/24 capital budget by officers has identified slippage to the value of £2,387,000 (26.7%) and spend in advance of £172,000. There is additional underspend of £102,000 expected, as summarised in Appendix 4.

A further review of the capital programme is underway to assess the deliverability of the current programme based on capacity of the internal teams and external contractor appointments. It is anticipated there will be further slippage of programmes and this will reduce the need for borrowing, whilst interest rates are high.

8.5.1 The Estates / Property underspend is £2,236,000, of which £2,283,000 is slippage due to the reprioritisation and reprofiling of works and £47,000 relates to spend in advance. Work has been delayed in relation to Preston Circus, the four MPTH, Security, Sustainability, Training Towers, Bay Doors, Floors and IT Building works.

The slippage has increased by £737,000 since P2, including £400,000 on Preston Circus, £274,000 on Bay Doors, Floors & IT works, £55,000 on Security and £59,000 on Sustainability.

8.5.2 The Fleet underspend is £81,000. There is slippage of £102,000 largely relating to a decision to pause the purchase of pool cars whilst a review is undertaken, with a further £35,000 relating to IRMP equipment. Spend in advance of £125,000 relates to the water carrier, where budget was previously slipped to 2024/25 during budget setting. Underspend of £102,000 relates to five vehicle purchases and equipment.

The forecast spend has reduced by £62,000 since P2, which can be attributed to slippage for both IRMP equipment projects (£70,000), offset by an additional spend on an ancillary vehicle.

## 9 **IT STRATEGY 2023/24**

9.1 A review of the 2023/24 IT Strategy forecasts indicates a total of £2.403m will be drawn down from the reserve this year, against an original plan of £5.268m. The main slippages relate to Process Digitisation (£530,000), ESN (£1.425m), Health & Safety system (£123,000), Pagers and Alerters (£428,000) and Telephony (£270,000). The full breakdown can be seen in Appendix 7.

## 10 **RESERVES 2023/24**

10.1 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).

10.2 The opening balance of reserves at 1 April 2023 is £14.460m.

10.3 The forecast net drawdown from reserves totals £7,200,000 compared to the original planned net drawdown of £7,293,000. This is a net reduction in drawdown of £93,000 resulting in an estimated balance at 31 March 2024 of £7,260,000 as summarised in the table below and detailed over individual reserves in Appendix 5.

	Balance at 1 April 2023	Original Planned Net Transfers	Forecast Net Transfers	Net change	Balance at 31 March 2024
	£'000	£'000	£'000	£'000	£'000
Earmarked Reserves	12,384	(7,086)	(6,999)	87	5,385
General Fund	1,556	319	319	0	1,875
<b>Total Revenue Reserves</b>	<b>13,940</b>	<b>(6,767)</b>	<b>(6,680)</b>	<b>87</b>	<b>7,260</b>
Total Capital Reserves	520	(526)	(520)	6	0
<b>Total Usable Reserves</b>	<b>14,460</b>	<b>(7,293)</b>	<b>(7,200)</b>	<b>93</b>	<b>7,260</b>

10.4 Work continues with budget managers to confirm the planned use of revenue and capital reserves in 2023/24.

10.5 The main reasons for the overall net reduction in forecast drawdown of £16,000 are as follows:

## Earmarked Reserves – Decrease of £87,000

- £192,000 – changes to drawdown from Business Rates Pool Reserve based on P4 budget monitoring forecast for Protection spend and changes to contribution for 2022/23
- (£75,000) – increased drawdown from Mobilising reserve
- £86,000 – Additional transfer into the Improvement & Efficiency Reserve
- £11,000 – reduced drawdown from the Capital Programme Reserve
- £57,000 – reduced drawdown from the Carry Forward Reserve
- (£6,000) – increased drawdown from cadets reserve
- £6,000 – reduced drawdown in respect of grant balances carried forward
- (£184,000) – increased drawdown from the ITG strategy reserve

## Capital Reserves – Decrease £6,000

- £6,000 – due to balance of Capital Receipts Reserve being lower than anticipated when the budget was set and additional capital receipts received during 2023/24.

## 11 BORROWING AND INVESTMENT

11.1 As at end July, the Authority held cash balances of £20,680,000 which were invested in accordance with the Treasury Management Strategy, as follows:

Counterparty	Duration	Amount	Interest Rate
		£m	%
Aberdeen Cash Money Market Fund	Overnight Access	3.000	4.96
Deutsche Cash Money Market Fund	Overnight Access	3.000	4.92
Aviva Cash Money Market Fund	Overnight Access	3.000	4.96
Federated Cash Money Market Fund	Overnight Access	0.680	4.91
Barclays	95 Day Notice	4.000	5.05
Goldman Sachs	Fixed to 06/12/23	2.000	5.23
Standard Chartered ESG	Fixed to 10/08/23	1.000	4.27
Standard Chartered ESG	Fixed to 05/01/24	1.000	5.81
Natwest	Fixed to 02/08/23	2.000	2.61
Natwest	Fixed to 03/05/24	1.000	4.82
<b>Total Investments</b>		<b>20.680</b>	

11.2 The Bank of England base rate rose to 5.0% in June from 4.5% in the previous month. We are continuing to see an impact as Banks increase their rates on investments, resulting in higher levels of interest receivable. Latest modelling indicates the income of around £650,000 can be achieved, £500,000 above the budgeted level of £150,000.



- 11.3 The current forecast of a reduction in reserves of £7.277m 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.
- 11.4 The Authority has borrowing totalling £9,817,000 and there is no impact on the interest payable, as these are subject to fixed interest rate deals.
- 11.5 Based on the current forecast position it is expected additional borrowing of £647,000 will be required to fund the capital programme. Borrowing would incur ongoing revenue costs for MRP (at 4%) and interest (PWLB rate 5.10%). To minimise the impact short term borrowing will be considered initially as interest rates should be lower.

## Revenue Budget 2023/24 – Objective Summary

	Original Budget	Revised Budget	Projected Outturn	Variance	Variance	Variance Month 2 Reported to P&R	Variance From Last Reported
	£'000	£'000	£'000	£'000	%	£'000	£'000
People Services	4,200	4,038	4,214	176	4.4	(10)	186
Resources/Treasurer	9,093	8,974	8,848	(126)	(1.4)	(78)	(47)
Planning and Improvement	1,555	1,472	1,408	(64)	(4.4)	(97)	33
<b>Total Deputy Chief Fire Officer</b>	<b>14,847</b>	<b>14,483</b>	<b>14,470</b>	<b>(13)</b>	<b>(1)</b>	<b>(185)</b>	<b>172</b>
Safer Communities	22,862	23,309	24,402	1,093	4.7	937	155
Operational Support	4,942	4,915	4,909	(6)	(0.1)	23	(29)
<b>Total Assistant Chief Fire Officer</b>	<b>27,805</b>	<b>28,224</b>	<b>29,311</b>	<b>1,087</b>	<b>5</b>	<b>960</b>	<b>126</b>
CFO Staff	844	844	881	37	4.4	32	5
Treasury Management	755	755	185	(571)	(75.6)	(450)	(121)
Non Delegated costs	(1,052)	(1,053)	(910)	142	(13.5)	117	27
Corporate Contingency	533	479	0	(479)	(100.0)	(143)	(336)
Transfer from Reserves	(636)	(262)	(262)	0	0.0	0	0
Transfer to Reserves	1,961	1,587	1,587	0	0.0	0	0
<b>Total Corporate</b>	<b>2,405</b>	<b>2,350</b>	<b>1,479</b>	<b>(871)</b>	<b>(185)</b>	<b>(444)</b>	<b>(426)</b>
Green book pay award	0	0	150	150	0.0	0	150
<b>Total Net Expenditure</b>	<b>45,057</b>	<b>45,057</b>	<b>45,410</b>	<b>353</b>	<b>(182)</b>	<b>329</b>	<b>(128)</b>
Financed By:							
RSG	(3,662)	(3,662)	(3,661)	1	(0)	0	0
Council Tax	(31,093)	(31,093)	(31,093)	0	0	0	0
Business Rates	(7,776)	(7,776)	(7,827)	(51)	1	150	(201)
Service Grant Allocation	(408)	(408)	(408)	(0)	0	0	(0)
Covid-19 Local Tax Support Grant	(56)	(56)	(56)	0	0	0	0
S31 Grants	(2,063)	(2,063)	(2,086)	(23)	1	(23)	(0)
Collection Fund Surplus/Deficit	0	0	(86)	(86)	0	(86)	0
<b>Total Financing</b>	<b>(45,057)</b>	<b>(45,057)</b>	<b>(45,217)</b>	<b>(159)</b>	<b>0</b>	<b>41</b>	<b>(201)</b>
<b>Total Over / (Under) Spend</b>	<b>0</b>	<b>0</b>	<b>193</b>	<b>193</b>	<b>0</b>	<b>371</b>	<b>(329)</b>

Savings Programme 2023/24

Description	Savings 23/24	Projection 22/23	At Risk	R.A.G Rating
	£'000	£'000	£'000	Select Status
Reduce contingency - one year only - reversal	48	48		
IT Projects to be reprofiled - reversal	33	33		
Procurement savings	(25)	(10)	(15)	
Insurance - installation of CCTV on fleet	(15)	(15)		
Telent contract savings	3	3		
CRM Benefits realisation	(50)		(50)	
IRMP savings	(49)	(49)		
Finance Business Partner	(60)	(60)		
Finance Support Services Contract	(35)	(35)		
Insurance - removal of PA cover	(23)	(23)		
EIRS	(27)	(27)		
Trustmarque 0365 EA Agreement	(20)	(20)		
Astrium	(8)	(8)		
BT	(22)	(22)		
ITG Training	(3)	(3)		
SEE Phase 4	(30)	(30)		
Finance and Improvement	(30)	(30)		
Additional Rates Savings	(106)	(106)		
Licences	(4)	(4)		
Consultant Fees	(20)	(20)		
E-recruitment	(4)	(4)		
Firewatch Benefits realisation	25	25		
HR travel and licences	(9)	(9)		
NHS recharges	(4)	(4)		
VDU eye tests	(2)	(2)		
Occupational health psychology	(8)	(8)		
Occupational health medical fees	(10)	(10)		
Officers subsistence	(1)	(1)		
EDI training	(10)	(10)		
Car allowance	(4)	(4)		
External training	(160)	(160)		
Engineering Fitting Out	(30)	(30)		
Engineering Heavy Rescue Equipment	(52)	(52)		
Control IT SLA	(199)	(199)		
Budget Error - CRM	(54)	(54)		
Additional Availability Allowance	(20)	(20)		
NI reduction	(230)	(230)		
Support Staff Pay Vacancy Factor	(80)	(80)		
<b>Total Net Savings</b>	<b>(1,295)</b>	<b>(1,230)</b>	<b>(65)</b>	

Grants and Spending Plans 2023/24

Grants Requiring Claims	Lead AD	*Grant Brought Forward 1 April 2022	Grant 2023/24	Total Available Grant	Claim Quarter 1	Claim Quarter 2	Claim Quarter 3	Claim Quarter 4	Balance Remaining
		£	£	£	£	£	£	£	£
ESMCP - LTR Regional	Hannah Scott-Youldon	59,725	-	59,725	No claims will be made during 2023/24				59,725
**ESMCP - Infrastructure	Hannah Scott-Youldon	1,425,000	-	1,425,000	No claims expected during 2023/24				1,425,000
Accreditation & RPL Funding	Matt Lloyd	22,737	-	22,737	-	-	-	-	22,737
Surge Protection Grant Funding - Protection Uplift	Matt Lloyd	125,645	358,079	483,724					483,724
		<b>1,939,347</b>		<b>1,991,186</b>	-	-	-	-	<b>1,991,186</b>
Grants - No Claims Requirement	Lead AD	Balance Remaining	Grant 2023/24	Total Available Grant	Comments				Balance Remaining
		£		£					
COVID - 19	Duncan Savage	71,656	-	71,656	Available to spend on Efficiency & Productivity				71,656
Firelink	Duncan Savage	0	143,420	143,420	Used to fund Airwave costs in 2023/24				143,420
New Dimensions	Hannah Scott-Youldon	47,667	27,430	75,097	Plan to spend £54,231 in 2023/24				20,866
Pensions Grant	Duncan Savage	0	1,734,984	1,734,984	Used in 2023/24				1,734,984
Responding to New Risks	Hannah Scott-Youldon	31,355	6,500	37,855	Plan to spend £37,111 in 2023/24				744
<b>Total</b>		<b>1,083,975</b>	<b>1,083,975</b>	<b>1,991,356</b>					<b>1,900,014</b>
<b>Overall Total Grants</b>		<b>3,023,322</b>	<b>1,083,975</b>	<b>3,982,542</b>					<b>3,891,200</b>
Notes:									
* the grants brought forward are held in earmarked reserves (Appendix 7)									

## Capital Programme 2023/24 to 2027/28

Capital Programme Expenditure 2022-23 to 2027-28	Total Budget	Total Previous Years	2023/24	2024/25	2025/26	2026/27	2027/28	Remaining Spend	Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Property</b>									
<b>Shared Investment Schemes</b>									
Integrated Transport Project	800					800		800	-
Roedean Betterment	25		25					25	-
Bohemia Road Betterment	95		95					95	-
Fort Road - RIBA Stages 1-2	99	21	78					78	-
Preston Circus	3,287	394	1,243	1,650				2,893	-
<b>Total Shared Investment Schemes</b>	<b>4,306</b>	<b>415</b>	<b>1,441</b>	<b>1,650</b>	<b>-</b>	<b>800</b>	<b>-</b>	<b>3,891</b>	<b>-</b>
<b>Strategic Schemes</b>									
- 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	525	521	4					4	-
Roedean	482	53	429					429	-
Eastbourne	587	97	490					490	-
Bohemia Road	524	46	478					478	-
Security	386	95	291					291	-
Sustainability	171	22	119	30				149	-
MPTH	399	399						-	-
Eastbourne MPTH	259	26	233					233	-
Training Centre MPTH	308	34	274					274	-
Hove MPTH	278	24	254					254	-
Bohemia Road MPTH	257	26	231					231	-
Live Fire Training	4,000	49	34	437	2,500	980		3,951	-
<b>Total Strategic Schemes</b>	<b>8,732</b>	<b>1,906</b>	<b>2,879</b>	<b>467</b>	<b>2,500</b>	<b>980</b>	<b>-</b>	<b>6,826</b>	<b>-</b>
General Schemes	830	830						-	-
Phase 1 General Costs	36	30	6					6	-
Seaford CIL	296	3	12	281				293	-
Seaford CIL partner Contribution	(133)			(133)				(133)	-
Barcombe CIL	392	4	14	374				388	-
Barcombe CIL Partner Contribution	(156)			(156)				(156)	-
The Ridge	408			20	388			408	-
Hailsham	184	19	8	10	147			165	-
Rye	532	12	36	17	467			520	-
Battle	163	1			56	106		162	-
Herstmonceux	279					50	229	279	-
Bexhill	460					200	260	460	-
Heathfield	280	9	9	19	243			271	-
Uckfield	495	8			100	387		487	-
Lewes	577	6			241	330		571	-
Pevensey	181					30	151	181	-
Forest Row	197					30	167	197	-
Mayfield	203					30	173	203	-
Broad Oak	30						30	30	-
Burwash	30						30	30	-
Wadhurst	50						50	50	-
Seaford HVP Alterations	94	94						-	-
<b>Total General Schemes</b>	<b>5,428</b>	<b>1,016</b>	<b>85</b>	<b>432</b>	<b>1,642</b>	<b>1,163</b>	<b>1,090</b>	<b>4,412</b>	<b>-</b>
Bay Doors, Floors, IT	1,515	7	795	300	205	208		1,508	-
Training Towers	279	1	278					278	-
Temperature Control in Sleeping Pods	195	18	177					177	-
<b>Total Property</b>	<b>20,455</b>	<b>3,363</b>	<b>5,655</b>	<b>2,849</b>	<b>4,347</b>	<b>3,151</b>	<b>1,090</b>	<b>17,092</b>	<b>-</b>
Vehicle Cameras	150		150					150	-
Grant Funds	(117)		(117)					(117)	-
Breathing Apparatus	1,000					500	500	1,000	-
Aerials	2,228	908	1,320					1,320	-
Aerial Rescue Pump	22	22						-	-
Fire Appliances	8,636	4,158	562	904	887	932	1,122	4,407	(71)
Ancillary Vehicles	2,831	774	799	1,037	153		77	2,066	9
Cars	2,262	861	102	286	531	261	215	1,395	(6)
Vans	2,358	1,018	323	302	170	235	310	1,340	-
Equipment	70		35					35	(35)
Rounding Adj	2		2					2	-
<b>Total Fleet and Equipment</b>	<b>16,228</b>	<b>7,741</b>	<b>3,176</b>	<b>2,529</b>	<b>1,741</b>	<b>1,928</b>	<b>2,224</b>	<b>11,598</b>	<b>(103)</b>
<b>Total Expenditure</b>	<b>36,683</b>	<b>11,104</b>	<b>8,831</b>	<b>5,378</b>	<b>6,088</b>	<b>5,079</b>	<b>3,314</b>	<b>28,690</b>	<b>(103)</b>

Capital Programme 2023/24

Estates Capital Programme Expenditure 2023/24

Project	Total Budget	Forecast	Variance	Variance	Underspend/ Overspend	Spend in Advance	Slippage	P2 Variance	Movement
	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 %	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 £'000
Roedean Betterment	25	25	-						
Bohemia Road Betterment	95	60	(35)				(35)		(35)
Fort Road - RIBA Stages 1-2	78	123	45	58%		45		21	24
Preston Circus	1,243	645	(598)	-48%			(598)	(198)	(400)
<b>Total Shared Investment Schemes</b>	<b>1,441</b>	<b>853</b>	<b>(588)</b>		-	45	<b>(633)</b>	<b>(177)</b>	<b>(411)</b>
Replacement Fuel Tanks (incl. Partner contribution)	42	42	-						
Design Guide:									
Hove	4	-	(4)	-100%			(4)	(19)	15
Roedean	429	429	-	0%				1	(1)
Eastbourne	490	490	-						-
Bohemia Road	478	478	-	0%		-		1	(1)
Security	291	236	(55)				(55)		(55)
Sustainability	119	60	(59)				(59)		(59)
MPTH:									-
Eastbourne MPTH	233	13	(220)	-94%			(220)	(233)	13
Training Centre MPTH	274	19	(255)	-93%			(255)	(274)	19
Hove MPTH	254	20	(234)	-92%			(234)	(254)	20
Bohemia Road MPTH	231	23	(208)	-90%			(208)	(231)	23
Live Fire Training	34	34	-						-
<b>Total Strategic Schemes</b>	<b>2,879</b>	<b>1,844</b>	<b>(1,035)</b>		-	-	<b>(1,035)</b>	<b>(1,009)</b>	<b>(26)</b>
Phase 1 General Costs	6	6	-	0%			-	(6)	6
Seaford CIL (Incl. Partner contribution)	12	-	(12)	-100%			(12)		(12)
Barcombe CIL (Incl. Partner contribution)	14	-	(14)	-100%			(14)		(14)
Hailsham	8	-	(8)	-100%			(8)		(8)
Rye	36	38	2	6%		2			2
Heathfield	9	9	-	0%					-
<b>Total General Schemes</b>	<b>85</b>	<b>53</b>	<b>(32)</b>	<b>(0)</b>	-	2	<b>(34)</b>	<b>(6)</b>	<b>(26)</b>
Total Bay Door, Floor, IT Building Works	795	492	(303)	-38%			(303)	(29)	(274)
Total Training Towers	278	-	(278)	-100%			(278)	(278)	-
Total Temperature Control for Sleeping Pods	177	177	-						
<b>Total</b>	<b>5,655</b>	<b>3,419</b>	<b>(2,236)</b>	<b>-40%</b>	-	47	<b>(2,283)</b>	<b>(1,499)</b>	<b>(737)</b>

Fleet Capital Programme Expenditure 2023/24

Project	Total Budget	Forecast	Variance	Variance	Underspend/ Overspend	Spend in Advance	Slippage	P2 Variance	Movement
	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 %	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 £'000
GX13ECD	525	525	-						
GX08JPF	795	795	-						
<b>Total Aerials</b>	<b>1,320</b>	<b>1,320</b>	<b>-</b>		<b>-</b>				
GX09HJA	222	204	(18)	-8%	(18)			(18)	-
GX09HJC	222	204	(18)	-8%	(18)			(18)	-
GX57EUL	189	154	(35)	-19%	(35)			(35)	-
<b>Total Fire Appliances</b>	<b>633</b>	<b>563</b>	<b>(71)</b>		<b>(71)</b>			<b>(71)</b>	<b>-</b>
MX08SXS	321	321	-						
TRA14	4	4	-	0%		125		125	0
TRA6	43	43	-						
TRA7	43	43	-						
GX57 EUV	-	125	125						
GX56 NWR	157	157	-	0%					
GX56 NWS	157	157	-						
GX03 AXM	-	9	9		9			-	9
OU04 VNW	65	65	-						
<b>Total Ancillary Vehicles</b>	<b>790</b>	<b>924</b>	<b>134</b>		<b>9</b>	<b>125</b>	<b>-</b>	<b>125</b>	<b>9</b>
GX15JL	85	85	-						
GU16LSC	33	33	-						
GX17EBM	33	33	-						
GX68DHA	37	37	-						
Fire Investigation - NEW!	70	70	-						
Hazmat - NEW!	65	65	-						
<b>Total Vans</b>	<b>323</b>	<b>323</b>	<b>-</b>		<b>-</b>				
GV18 ABF	41	35	(6)	-14%	(6)			(6)	-
GX66JVU	14	-	(14)	-100%			(14)	(14)	-
GX66JVV	14	-	(14)	-100%			(14)	(14)	-
GX66JVW	13	-	(13)	-100%			(13)	(13)	-
GX66JVY	13	-	(13)	-100%			(13)	(13)	-
GX66JVZ	13	-	(13)	-100%			(13)	(13)	-
<b>Total Cars</b>	<b>108</b>	<b>35</b>	<b>(73)</b>		<b>(6)</b>		<b>(67)</b>	<b>(73)</b>	<b>-</b>
Equipment	35	-	(35)		(35)				(35)
CCTV Cameras	150	150	-						
ITF grant for CCTV cameras	(117)	(117)	-						
Equipment (Operational IRMP)	35	-	(35)				(35)		(35)
<b>Total Special Projects</b>	<b>103</b>	<b>33</b>	<b>(70)</b>		<b>(35)</b>		<b>(35)</b>		<b>(70)</b>
Rounding Adjustment	2	-	(2)				(2)	(1)	(1)
<b>Total</b>	<b>3,279</b>	<b>3,259</b>	<b>(82)</b>	<b>-2%</b>	<b>(103)</b>	<b>125</b>	<b>(104)</b>	<b>(20)</b>	<b>(62)</b>

Total	Total Budget	Forecast	Variance	Variance	Underspend/ Overspend	Spend in Advance	Slippage	P2 Variance	Movement
	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 %	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 £'000
<b>Total</b>	<b>8,934</b>	<b>6,678</b>	<b>(2,318)</b>	<b>-26%</b>	<b>(103)</b>	<b>172</b>	<b>(2,387)</b>	<b>(1,519)</b>	<b>(799)</b>

Reserves 2023/24

Description	Opening Balance	2023/24	2023/24	2023/24	2023/24	2023/24	2023/24	2023/24	Projected Closing Balance	Lead AD
	01/04/2023	Original Planned Transfers In	Original Planned Transfers Out	Original Planned Transfers Net	Forecast Transfers In	Forecast Transfers Out	Forecast Transfers Net	Net Change	as at 31 March 2024	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Earmarked Reserves</b>										
Business Rate Pool Reserve*	1,093	0	(200)	(200)	(8)	0	(8)	192	1,085	Duncan Savage
Business Rates Retention Pilot - financial stability	80	0	(80)	(80)	0	(80)	(80)	0	0	Duncan Savage
Capital Programme Reserve	3,895	1000	(4,906)	(3,906)	1000	(4,895)	(3,895)	11	0	Duncan Savage
Covid-19	71	0	0	0	0	0	0	0	71	Duncan Savage
ESMCP ESFRS readiness	1,425	0	0	0	0	0	0	0	1,425	Hannah Scott-Youlton
ESMCP Regional Programme	60	0	0	0	0	0	0	0	60	Hannah Scott-Youlton
Improvement & Efficiency	521	0	(214)	(214)	83	(211)	(128)	86	393	Duncan Savage
Insurance	249	0	0	0	0	0	0	0	249	Duncan Savage
ITG Strategy	3,509	592	(2,199)	(1,607)	592	(2,383)	(1,791)	(184)	1,718	Duncan Savage
Mobilising Strategy	75	0	0	0	0	(75)	(75)	(75)	0	Duncan Savage
People Strategy	312	0	(130)	(130)	0	(130)	(130)	0	182	Julie King
Sprinklers	440	0	(440)	(440)	0	(440)	(440)	0	0	Hannah Scott-Youlton
BRR - Protection Uplift - Accreditation & RPL	23	0	(12)	(12)	0	(12)	(12)	0	11	Matt Lloyd
BRR - Protection Uplift - Protection	126	0	(96)	(96)	0	(98)	(98)	(2)	28	Matt Lloyd
Business Rate Tax Income Guarantee Scheme (75%)	16	0	(16)	(16)	0	(16)	(16)	0	0	Duncan Savage
Council Tax Income Guarantee Scheme (75%)	41	0	(42)	(42)	0	(42)	(42)	0	-1	Duncan Savage
New Dimensions Grant	48	0	(32)	(32)	0	(27)	(27)	5	21	Hannah Scott-Youlton
Pensions Administration	216	0	(105)	(105)	0	(105)	(105)	0	111	Julie King
Responding to New Risks	31	0	(33)	(33)	0	(30)	(30)	3	1	Hannah Scott-Youlton
Carry Forwards	147	0	(173)	(173)	0	(116)	(116)	57	31	Duncan Savage
Cadets	6	0	0	0	0	(6)	(6)	(6)	0	Matt Lloyd
<b>Total Earmarked Reserves</b>	<b>12,384</b>	<b>1,592</b>	<b>(8,678)</b>	<b>(7,086)</b>	<b>1,667</b>	<b>(8,666)</b>	<b>(6,999)</b>	<b>87</b>	<b>5,385</b>	
General Fund	1,556	319	0	319	0	319	319	0	1,875	Duncan Savage
<b>Total Revenue Reserves</b>	<b>13,940</b>	<b>1,911</b>	<b>(8,678)</b>	<b>(6,767)</b>	<b>1,667</b>	<b>(8,347)</b>	<b>(6,680)</b>	<b>87</b>	<b>7,260</b>	
Capital Receipts Reserve	520	0	(526)	(526)	56	(576)	(520)	6	0	Duncan Savage
<b>Total Capital Reserves</b>	<b>520</b>	<b>0</b>	<b>(526)</b>	<b>(526)</b>	<b>56</b>	<b>(576)</b>	<b>(520)</b>	<b>6</b>	<b>0</b>	
<b>Total Usable Reserves</b>	<b>14,460</b>	<b>1,911</b>	<b>(9,204)</b>	<b>(7,293)</b>	<b>1,723</b>	<b>(8,923)</b>	<b>(7,200)</b>	<b>93</b>	<b>7,260</b>	

\*The balance of the Business Rates Pool is largely made up of accruals. Cash will only be released once all councils accounts have been audited and some of these remain outstanding for the last two years



## ITG Strategy

Project	Total Budget	Forecast	Variance	Variance
	2023/24 £'000	2023/24 £'000	2023/24 £'000	2023/24 %
CRM	296	296	0	
EDRMS	592	62	(530)	-90%
ESN (ESMCP)	1425	0	(1,425)	-100%
Finance System Improvement / Replacement	272	272	0	
FireWatch Retained Pay Integration	55	0	(55)	-100%
Fleet & Asset Replacement System	111	111	0	
GDPR File Cleanse	46	46	0	
iLearn & FireWatch Integration	35	35	0	
Increase Flexible working capabilities	25	25	0	
Information Security	75	75	0	
Integrated Health & Safety System	123	0	(123)	-100%
One to many video STC Cisco Room Kit	15	15	0	
Pagers and Alerters	434	6	(428)	-99%
Performance Management System (Phase 2,3,4)	9	9	0	
BI Mobilising Reporting (P21)	3	3	0	
BI Mobilising Reporting system Phase 2 (inphase)	20	20	0	
PSN Compliance	134	100	(34)	-25%
<b>Total Business Projects</b>	<b>3670</b>	<b>1075</b>	<b>(2,595)</b>	<b>-71%</b>
IP Telephony Strategy	350	80	(270)	-77%
IT outsource re-tender	117	117	0	
Laptop Lifting	250	250	0	
Lewes HQ Network Lifting	30	30	0	
Migrate Lifeboat to Sharepoint Online	65	65	0	
MS Roadmap	244	244	0	
Mobile Phone and Device Strategy / replacement	60	60	0	
Upgrade TomTom Bridge	100	100	0	
WAN strategy	382	382	0	
Total IT Projects	1598	1328	(270)	-17%
<b>Total Projects Budget</b>	<b>5268</b>	<b>2403</b>	<b>(2,865)</b>	<b>-54%</b>