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| <b>REPORT REFERENCE NO.</b>                 | <b>RC/22/6</b>  |
| <b>MEETING</b>                              | <b>RESOURCES COMMITTEE</b>  |
| <b>DATE OF MEETING</b>                      | <b>8 FEBRUARY 2022</b>  |
| <b>SUBJECT OF REPORT</b>                    | <b>FINANCIAL PERFORMANCE REPORT 2021-22 – QUARTER 3</b>   |
| <b>LEAD OFFICER</b>                         | <b>Director of Finance, People and Estates (Treasurer)</b>  |
| <b>RECOMMENDATIONS</b>                      | <p><i>(a) That the budget transfers shown in Table 3 of report RC/22/2 be recommended for approval by the Authority;</i></p> <p><i>(b) That the monitoring position in relation to projected spending against the 2021-22 revenue and capital budgets be noted; and</i></p> <p><i>(c) That the performance against the 2021-22 financial targets be noted.</i></p>  |
| <b>EXECUTIVE SUMMARY</b>                    | <p>This report provides the Committee with the third quarter performance against agreed financial targets for the current financial year. In particular, it provides a forecast of spending against the 2021-22 revenue budget with explanations of the major variations. At this stage in the financial year it is forecast that spending will be £0.107m more than budget, an overspend of 0.15% of total budget.</p> |
| <b>RESOURCE IMPLICATIONS</b>                | As indicated in the report.   |
| <b>EQUALITY RISKS AND BENEFITS ANALYSIS</b> | An initial assessment has not identified any equality issues emanating from this report.  |
| <b>APPENDICES</b>                           | <p>A. Summary of Prudential Indicators 2021-22.</p> <p>B. Reserves position by Reserve</p> <p>C. Reserve position by Expense Code</p>   |
| <b>BACKGROUND PAPERS</b>                    | None.   |

## 1. **INTRODUCTION**

1.1. This report provides the second quarterly financial monitoring report for the current financial year, based upon the position as at the end of December 2021. As well as providing projections of spending against the 2021-22 revenue and capital budget, the report also includes forecast performance against other financial performance indicators, including the prudential and treasury management indicators. At this stage of the financial year, no recommendations are made as to the use of any surplus.

1.2. Table 1 below provides a summary of performance against the key financial targets.

**TABLE 1 –PERFORMANCE AGAINST KEY FINANCIAL TARGETS 2021-22**

|                        | Key Target  | Target   | Forecast Outturn |                  | Forecast Variance |                    |
|------------------------|---|----------|------------------|------------------|-------------------|--------------------|
|                        |   |          | Quarter 3        | Previous Quarter | Quarter 3 %       | Previous Quarter % |
| <b>Revenue Targets</b> |   |          |                  |                  |                   |                    |
| 1                      | Spending within agreed revenue budget                     | £74.222m | £74.330m         | £73.709m         | 0.15%             | 0.04%              |
| 2                      | General Reserve Balance as %age of total budget (minimum) | 5.00%    | 7.10%            | 6.88%            | (2.10)bp*         | (1.88)bp           |
| <b>Capital Targets</b> |   |          |                  |                  |                   |                    |
| 3                      | Spending within agreed capital budget                     | £12.693m | £7.227m          | £7.835m          | (43.06%)          | (38.27%)           |
| 4                      | External Borrowing within Prudential Indicator limit      | £25.961m | £24.758m         | £24.758m         | (7.23%)           | (7.23%)            |
| 5                      | Debt Ratio (debt charges over total revenue budget)       | 5.00%    | 4.30%            | 4.30%            | (0.70)bp*         | (0.70)bp*          |

\*bp = base points

1.3. The remainder of the report is split into the three sections of:

- **SECTION A** – Revenue Budget 2021-22.
- **SECTION B** – Capital Budget and Prudential Indicators 2021-22.
- **SECTION C** – Other Financial Indicators.

1.4. Each of these sections provides a more detailed analysis of performance, including commentary relating to the major variances.

## 2. SECTION A - REVENUE BUDGET 2021-22

2.1. Table 2 below provides a summary of the forecast spending against all agreed subjective budget heads, e.g. employee costs, transport costs etc. This table indicates that spending by the year end will be £74.330m, representing a slight overspend of £0.107m equivalent to 0.15% of the total budget.

**TABLE 2 – REVENUE MONITORING STATEMENT 2021-22**

| DEVON & SOMERSET FIRE AND RESCUE AUTHORITY<br>Revenue Budget Monitoring Report 2021/22 |  |                         |                              |                              |                            |  |
|--|--|-------------------------|------------------------------|------------------------------|----------------------------|--|
| Line No  |  | 2021/22 Budget<br>£'000 | Year To Date Budget<br>£'000 | Spending to Month 9<br>£'000 | Projected Outturn<br>£'000 | Projected Variance over/<br>(under)<br>£'000 |
|  | <b>SPENDING</b>                                |                         |                              |                              |                            |  |
|  | <b>EMPLOYEE COSTS</b>                          |                         |                              |                              |                            |  |
| 1  | Service Delivery Staff                         | 52,159                  | 39,219                       | 39,715                       | 52,516                     | 357  |
| 3  | Professional and technical support staff       | 11,193                  | 8,395                        | 8,690                        | 11,424                     | 231  |
| 4  | Training investment                            | 854                     | 640                          | 483                          | 737                        | (116)  |
| 5  | Fire Service Pension costs                     | 2,352                   | 1,764                        | 1,809                        | 2,384                      | 32   |
|  |  | <b>66,558</b>           | <b>50,018</b>                | <b>50,696</b>                | <b>67,061</b>              | <b>503</b>                                   |
|  | <b>PREMISES RELATED COSTS</b>                  |                         |                              |                              |                            |  |
| 6  | Repair and maintenance                         | 1,010                   | 758                          | 912                          | 1,009                      | (1)  |
| 7  | Energy costs                                   | 578                     | 434                          | 266                          | 630                        | 52   |
| 8  | Cleaning costs                                 | 499                     | 374                          | 489                          | 518                        | 19   |
| 9  | Rent and rates                                 | 1,921                   | 1,441                        | 1,867                        | 1,928                      | 7  |
|  |  | <b>4,009</b>            | <b>3,007</b>                 | <b>3,534</b>                 | <b>4,086</b>               | <b>77</b>                                    |
|  | <b>TRANSPORT RELATED COSTS</b>                 |                         |                              |                              |                            |  |
| 10   | Repair and maintenance                         | 708                     | 531                          | 402                          | 603                        | (105)  |
| 11   | Running costs and insurances                   | 1,257                   | 943                          | 1,266                        | 1,265                      | 8  |
| 12   | Travel and subsistence                         | 1,402                   | 1,052                        | 1,217                        | 1,372                      | (31)   |
|  |  | <b>3,368</b>            | <b>2,526</b>                 | <b>2,884</b>                 | <b>3,240</b>               | <b>(128)</b>                                 |
|  | <b>SUPPLIES AND SERVICES</b>                   |                         |                              |                              |                            |  |
| 13   | Equipment and furniture                        | 3,642                   | 2,732                        | 2,748                        | 3,918                      | 275  |
| 14   | Hydrants-installation and maintenance          | 131                     | 98                           | 53                           | 119                        | (12)   |
| 15   | Communications Equipment                       | 2,403                   | 1,802                        | 1,899                        | 2,141                      | (263)  |
| 16   | Protective Clothing                            | 521                     | 391                          | 373                          | 564                        | 43   |
| 17   | External Fees and Services                     | 139                     | 104                          | 74                           | 112                        | (27)   |
| 18   | Partnerships & regional collaborative projects | 320                     | 240                          | 162                          | 297                        | (23)   |
| 19   | Catering                                       | 66                      | 50                           | 54                           | 85                         | 19   |
|  |  | <b>7,223</b>            | <b>5,417</b>                 | <b>5,362</b>                 | <b>7,236</b>               | <b>13</b>                                    |
|  | <b>ESTABLISHMENT COSTS</b>                     |                         |                              |                              |                            |  |
| 20   | Printing, stationery and office expenses       | 265                     | 199                          | 185                          | 262                        | (3)  |
| 21   | Advertising including Community Safety         | 34                      | 25                           | 43                           | 47                         | 13   |
| 22   | Insurances                                     | 434                     | 325                          | 665                          | 455                        | 22   |
|  |  | <b>732</b>              | <b>549</b>                   | <b>894</b>                   | <b>765</b>                 | <b>32</b>                                    |
|  | <b>PAYMENTS TO OTHER AUTHORITIES</b>           |                         |                              |                              |                            |  |
| 23   | Support service contracts                      | 733                     | 550                          | 646                          | 885                        | 152  |
|  |  | <b>733</b>              | <b>550</b>                   | -                            | <b>885</b>                 | <b>152</b>                                   |
|  | <b>CAPITAL FINANCING COSTS</b>                 |                         |                              |                              |                            |  |
| 24   | Loan Charges & Lease rentals                   | 3,474                   | 2,606                        | 639                          | 3,472                      | (2)  |
| 25   | Revenue Contribution to Capital Spending       | 2,037                   | 1,528                        | -                            | 2,037                      | -  |
|  |  | <b>5,511</b>            | <b>4,133</b>                 | <b>639</b>                   | <b>5,509</b>               | <b>(2)</b>                                   |
| 26   | <b>TOTAL SPENDING</b>                          | <b>88,134</b>           | <b>66,201</b>                | <b>64,332</b>                | <b>88,781</b>              | <b>647</b>                                   |
|  | <b>INCOME</b>                                  |                         |                              |                              |                            |  |
| 29   | Treasury management income                     | (100)                   | (75)                         | (34)                         | (80)                       | 20   |
| 30   | Grants and reimbursements                      | (9,151)                 | (6,863)                      | (4,644)                      | (9,252)                    | (101)  |
| 31   | Other income                                   | (912)                   | (684)                        | (838)                        | (1,371)                    | (459)  |
| 33   | <b>TOTAL INCOME</b>                            | <b>(10,163)</b>         | <b>(7,622)</b>               | <b>(5,515)</b>               | <b>(10,703)</b>            | <b>(540)</b>                                 |
| 34   | <b>NET SPENDING</b>                            | <b>77,971</b>           | <b>58,578</b>                | <b>58,817</b>                | <b>78,078</b>              | <b>107</b>                                   |
|  | <b>TRANSFERS TO EARMARKED RESERVES</b>         |                         |                              |                              |                            |  |
| 35   | Transfer to/(from) Earmarked Reserves          | (3,749)                 | (2,812)                      | -                            | (3,748)                    | -  |
|  |  | <b>(3,749)</b>          | <b>(2,812)</b>               | -                            | <b>(3,748)</b>             | -  |
|  | <b>NET SPENDING</b>                            | <b>74,222</b>           | <b>55,767</b>                | -                            | <b>74,330</b>              | <b>107</b>                                   |

- 2.2. These forecasts are based upon the spending position at the end of December 2021, historical trends, and information from budget managers on known commitments. It should be noted that whilst every effort is made for projections to be as accurate as possible, some budget lines are susceptible to volatility in spending patterns during the year e.g. retained pay costs which are linked to activity levels, and it is inevitable therefore that final spending figures for the financial year will differ than those projected in this report.
- 2.3. Explanations of the more significant variations from budget (over £0.050m variance) are explained below.

### **3. NARRATIVE ON VARIANCES AGAINST BUDGET**

#### **Service Delivery Staff**

- 3.1. Is forecasted to overspend by £0.357m. The good news is the wholetime recruitment is progressing well with the second recruits' course of the year underway. However, the pay award of 1.5% was unbudgeted in 2021/22 which has resulted in additional costs of £0.592m. Covid support to the Ambulance Service has also incurred expenditure of £0.280m. This is reclaimed from them (see row 31).

#### **Professional and Technical Support Staff.**

- 3.2. Is forecast to overspend by £0.231m. A slight overspend within the Academy (Driving Instructor) of £0.046m, increased costs within Academy Management of £0.079m and the fact the vacancy margin set at £0.328m won't full be achieved has impacted on this line.

#### **Training Investment**

- 3.3. Is forecast to underspend by £0.116m. Covid has restricted the number of courses available for the first part of the year. Therefore, the Academy are reviewing the priority of the courses (in terms of availability) which has resulted in a predicted under spend. Examples being; Wildfire at £0.045m, Fire Investigation at £0.037m and a further £0.020M saving from delays in courses for the talent pool.

#### **Energy Costs**

- 3.4. Is forecast to overspend by £0.052m. The increase in wholesale costs for electricity have pushed this line to a predicted overspend position.

#### **Repair and Maintenance**

- 3.5. Is forecast to underspend by £0.105m. £0.076m of this relates for blue light fit-out that for vehicles that can no longer be delivered in this financial year.

#### **Equipment and Furniture**

- 3.6. Is forecast to overspend by £0.275m. An increase in timber costs associated with the wood used at the Academy is anticipating to overspend by £0.091m. Added to this, the equipment required to kit-out the new Medium Rescue Pumps which were delayed in 2020/21 has resulted in an anticipated overspend of £0.153m. The balance made up of numerous small variances.

### **Communications Equipment**

- 3.7. Is forecast to underspend by £0.263m. There was budget in this year to purchase a Dynamic Coverage Tool, this is no longer required for 2021/22 resulting in a saving of £0.050m. Mobile telephones costs are forecast to save £0.040m against budget and the radio network costs are looking to underspend by £0.043m. Delays in the replacement of the LAN Edge has resulted in a further amount of £0.110m that cannot be spent in 2021/22.

### **Support Service Contracts**

- 3.8. Is forecast to overspend by £0.152m. Greater demand of the Occupational Health Service is forecast to result in an overspend of £0.150m in year.

### **Grants and Reimbursements**

- 3.9. Is forecast to over-recover by £0.101m. An additional grant has been received of £0.171m relating to the Protection Uplift grant which was not budgeted for hence the over-recovery. This has been off-set by multiple minor variations against other cost codes.

### **Other income**

- 3.10. This is s forecast to overcover by £0.459m. The continued support to South West Ambulance Service Trust (SWAST) has created additional income that was unbudgeted - the current forecast is for £0.283m for the year. Coupled with this, USAR are expected to deliver an additional £0.034m of income related to training they provide. Procurement are also forecasting to generate an additional £0.060m of income from the use of their call-off contracts. A further £0.064m is from recharging the Network Partnership for a shared resource supplied by the Service.
- 3.11. The following request is recommended to be approved by this committee. This is to fund the additional costs associated with Pay for Availability which has been more widely accepted than the Service anticipated this time in 2020-21. For ease, this virement is already reflected within Table 2 above.

**TABLE 3 – BUDGET TRANSFERS**

| Line Ref | Description  | Debit<br>£m | Credit<br>£m |
|----------|--|-------------|--------------|
|          | <i>To fund Pay for Availability due to a quicker take-up than was originally considered.</i> |             |              |
| 1        | Increase Service Delivery staff  | 0.390       |              |
| 36       | Reduce Earmarked Reserve set up to help fund future year costs                               |             | (0.390)      |
|          |  | 0.390       | (0.390)      |

## **4. RESERVES AND PROVISIONS**

- 4.1. As well as the funds available to the Authority by setting an annual budget, the Authority also holds reserve and provision balances.

## Reserves

4.2. There two types of Reserves held by the Authority:

*Earmarked Reserves* – these reserves are held to fund a **specific** purpose and can only be used to fund spending associated with that specific purpose. Should it transpire that not all of the agreed funds are required, and the amount is greater than the delegated limited allocated to the Treasurer, then the agreement of the Authority would be sought to decide how any remaining balance is to be utilised.

*General Reserve* – usage from this Reserve is **non-specific** and is held to fund any unforeseen spending that had not been included in the base budget e.g. excessive operational activity resulting in significant retained pay costs.

## Provisions

4.3. In addition to reserves, the Authority may also hold provisions which can be defined as:

Provisions – a Provision is held to provide funding for a liability or loss that is known with some certainty will occur in the future, but the timing and amount is less certain.

4.4. A summary of predicted balances on Reserves and Provisions is shown in Table 4 below. Further analysis of the Reserves can be found in Appendices B and C.

**TABLE 4 – FORECAST RESERVES AND PROVISION BALANCES**

| RESERVES AND PROVISIONS                              |                             |                                |                                |                             |   |  |
|--|-----------------------------|--------------------------------|--------------------------------|-----------------------------|---|--|
|  | Balance as                  |                                |                                |                             | Proposed                                |  |
|  | at 1 April<br>2021<br>£'000 | Approved<br>Transfers<br>£'000 | Proposed<br>Transfers<br>£'000 | Spending so<br>far<br>£'000 | Forecast<br>Outturn<br>2021-22<br>£'000 | Balance as at<br>31 March<br>2022<br>£'000 |
| <b>RESERVES</b>                                      |                             |                                |                                |                             |   |  |
| <b>Earmarked reserves</b>                            |                             |                                |                                |                             |   |  |
| Grants unapplied from previous years                 | (4,526)                     | 14                             | -                              | 415                         | 3,749                                   | (777)                                      |
| Invest to Improve                                    | (3,897)                     | 100                            | -                              | 1,066                       | 1,960                                   | (1,937)                                    |
| Budget Smoothing Reserve                             | (1,818)                     | -                              | -                              | -                           | -                                       | (1,818)                                    |
| Direct Funding to Capital                            | (23,270)                    | (100)                          | -                              | (10)                        | 5,766                                   | (17,504)                                   |
| Projects, risks, & budget carry forwards             | -                           | -                              | -                              | -                           | -                                       | -  |
| PFI Equalisation                                     | (150)                       | -                              | -                              | -                           | -                                       | (150)                                      |
| Emergency Services Mobile Communications Programme   | (1,347)                     | -                              | -                              | 28                          | 45                                      | (1,301)                                    |
| Mobile Data Terminals Replacement                    | (266)                       | -                              | -                              | 90                          | 115                                     | (151)                                      |
| Pension Liability reserve                            | (1,231)                     | -                              | -                              | -                           | 200                                     | (1,031)                                    |
| Budget Carry Forwards                                | (3,459)                     | (14)                           | -                              | 369                         | 1,766                                   | (1,693)                                    |
| Environmental Strategy                               | (308)                       | -                              | -                              | 40                          | 40                                      | (268)                                      |
| MTA Action Plan                                      | (200)                       | -                              | -                              | 46                          | 92                                      | (108)                                      |
| <b>Total earmarked reserves</b>                      | <b>(40,471)</b>             | <b>(14)</b>                    | <b>-</b>                       | <b>2,043</b>                | <b>13,732</b>                           | <b>(26,739)</b>                            |
| <b>General reserve</b>                               |                             |                                |                                |                             |   |  |
| General Fund (non Earmarked) Balance                 | (5,282)                     | -                              | -                              | -                           | -                                       | (5,282)                                    |
| Percentage of general reserve compared to net budget |                             |                                |                                |                             |   | 7.1%                                       |
| <b>TOTAL RESERVE BALANCES</b>                        | <b>(45,753)</b>             | <b>(14)</b>                    | <b>-</b>                       | <b>2,043</b>                | <b>13,732</b>                           | <b>(32,021)</b>                            |
| <b>PROVISIONS</b>                                    |                             |                                |                                |                             |   |  |
| Doubtful Debt  | (655)                       | -                              | -                              | -                           | -                                       | (655)                                      |
| Fire fighters pension schemes                        | (659)                       | -                              | -                              | -                           | -                                       | (659)                                      |

5. **SECTION B – CAPITAL PROGRAMME AND PRUDENTIAL INDICATORS 2021-22**

***Monitoring of Capital Spending in 2021-22***

5.1 Table 5 below provides a summary of anticipated expenditure for this financial year and demonstrates the funding requirements.

5.2 At the end of Quarter 3, the Service is forecasting to underspend by £5.416m. In the Estates department, £3.786m identified to refurbish Camels Head Fire Station has been delayed to ensure more intrusive structural work is completed to understand the potential risks regarding the concrete frame. Approvals permitting, we are currently hopeful to be on-site late summer 2022. Delays have also been encountered at Bridgwater, roofs at both one of the Academy sites and Torquay and works at Bere Alston and Paignton make up the difference.

5.3 Delays in evaluating the type of vehicle required to replace both the aerial ladder platforms and 4X4 medium rescue pumps and extended chassis build times has delayed the order of the chassis' that were planned to be delivered in this year. These will be ordered as soon as the procurement process is complete with a planned delivery commencing in Quarter 3 of 2022/23.

**TABLE 5 – FORECAST CAPITAL EXPENDITURE 2021-22**

| <b>Capital Programme 2021/22</b>       |                           |                             |                         |                               |  |
|--|---------------------------|-----------------------------|-------------------------|-------------------------------|--|
|  | <b>2021/22<br/>£000</b>   | <b>2021/22<br/>£000</b>     | <b>2021/22<br/>£000</b> | <b>2021/22<br/>£000</b>       | <b>2021/22<br/>£000</b>                |
| <b>PROJECT</b>                         | <b>Revised<br/>Budget</b> | <b>Forecast<br/>Outturn</b> | <b>Actuals</b>          | <b>Timing<br/>Differences</b> | <b>Re-<br/>scheduling/<br/>Savings</b> |
| <b>Estate Development</b>              |                           |                             |                         |                               |  |
| Site re/new build                      | 2,207                     | 2,289                       | 1,254                   | 0                             | 82                                     |
| Improvements & structural maintenance  | 5,762                     | 1,366                       | 707                     | (4,286)                       | (110)                                  |
| <b>Estates Sub Total</b>               | <b>7,969</b>              | <b>3,655</b>                | <b>1,961</b>            | <b>(4,286)</b>                | <b>(28)</b>                            |
| <b>Fleet &amp; Equipment</b>           |                           |                             |                         |                               |  |
| Appliance replacement                  | 6,403                     | 5,923                       | 4,321                   | (480)                         | 0                                      |
| Specialist Operational Vehicles        | 480                       | 90                          | 90                      | (400)                         | 10                                     |
| ICT Department                         | 409                       | 159                         | 0                       | (250)                         | 0                                      |
| Water Rescue Boats                     | 32                        | 0                           | 0                       | 0                             | (32)                                   |
| <b>Fleet &amp; Equipment Sub Total</b> | <b>7,324</b>              | <b>6,172</b>                | <b>4,411</b>            | <b>(1,130)</b>                | <b>(22)</b>                            |
| Estates Optimism bias                  | (1,400)                   | 0                           | 0                       |                               | 0                                      |
| Fleet Optimism bias                    | (1,200)                   | 0                           | 0                       |                               | 0                                      |
| <b>Optimism bias Sub Total</b>         | <b>(2,600)</b>            | <b>0</b>                    | <b>0</b>                | <b>0</b>                      | <b>0</b>                               |
| <b>Overall Capital Totals</b>          | <b>12,693</b>             | <b>9,827</b>                | <b>6,372</b>            | <b>(5,416)</b>                | <b>(50)</b>                            |
| <b>Programme funding</b>               |                           |                             |                         |                               |  |
| Earmarked Reserves:                    | 8,632                     | 3,166                       | 0                       | (5,416)                       | (50)                                   |
| Revenue funds:                         | 2,037                     | 2,037                       | 0                       | 0                             | 0                                      |
| Borrowing - internal                   | 2,024                     | 2,024                       | 0                       | 0                             | 0                                      |
| <b>Total Funding</b>                   | <b>12,693</b>             | <b>7,227</b>                | <b>0</b>                | <b>(5,416)</b>                | <b>(50)</b>                            |

### ***Prudential Indicators (including Treasury Management)***

- 5.4 Total external borrowing with the Public Works Loan Board (PWLB) as at 31 December 2021 stands at £24.804m and is forecast to reduce to £24.758m as at 31 March 2022. This level of borrowing is well within the Authorised Limit for external debt of £27.244m (the absolute maximum the Authority has agreed as affordable). No new external borrowing is planned in this financial year.
- 5.5 Investment returns in the quarter yielded an average return of 0.15% which outperforms the LIBID 3 Month return (industry benchmark) by 0.20%. It is forecast that investment returns from short-term deposits will under achieve the budgeted figure by £0.015m at 31 March 2022.
- 5.6 Appendix A of this report provides a summary of performance against all of the agreed Prudential Indicators for 2021-22, which illustrates that there is no anticipated breach of any of these indicators.

## **6. SECTION C - OTHER FINANCIAL PERFORMANCE INDICATORS**

### ***Aged Debt Analysis***

- 6.1. Total debtor invoices outstanding as at Quarter 3 were £0.680m table 6 below provides a summary of all debt outstanding as at 31 December 2021.
- 6.2. Of this figure an amount of £0.735m was due from debtors relating to invoices that are more than 85 days old, equating to 58.9% of the total debt outstanding.

**TABLE 6 – OUTSTANDING DEBT AT END OF QUARTER**

|  | <b>Total Value £</b> | <b>%</b>       |
|--|----------------------|----------------|
| Current (allowed 28 days in which to pay invoice)    | 428,861              | 39.0%          |
| 29-56 days   | 40,700               | 4.0%           |
| 57-84 days   | 1,121                | 0.0%           |
| Over 85 days   | 638,612              | 57.0%          |
| <b>Total Debt Outstanding as at 31 December 2021</b> | <b>1,109,308</b>     | <b>100.00%</b> |

- 6.3. Table 7 below provides further analysis of those debts in excess of 85 days old.

**TABLE 7 – DEBTS OUTSTANDING FOR MORE THAN 85 DAYS**

|             | <b>No</b> | <b>Total Value</b> | <b>Action Taken</b>  |
|-------------|-----------|--------------------|--|
| Red One Ltd | 51        | £624,603           | A repayment plan for 2021-22 has been agreed with the subsidiary company and is reviewed each quarter. |



|         |    |         |   |
|---------|----|---------|---|
| Various | 13 | £14,023 | Invoices with small debtors are being chased using standard procedures and pursued with our debt recovery office where appropriate. |
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**SHAYNE SCOTT**

**Director of Finance, People and Estates (Treasurer)**

**APPENDIX A TO REPORT RC/22/6**

**PRUDENTIAL INDICATORS 2021-22**

| <b>Prudential Indicators and Treasury Management Indicators</b>   |   | <b>Forecast Outturn<br/>£m</b>                 | <b>Target<br/>£m</b>                    | <b>Variance<br/>(favourable)<br/>/adverse<br/>£m</b> |
|---|---|--|---|--|
| Capital Expenditure   |   | <b>9.827</b>                                   | <b>12.693</b>                           | <b>(5.416)</b>                                       |
| External Borrowing vs Capital Financing Requirement (CFR) - Total |   | <b>25.961</b>                                  | <b>25.961</b>                           | <b>£0.000</b>  |
| - Borrowing   |   | 24.758   | 24.758                                  |  |
| - Other long term liabilities                                     |   | 0.907  | 0.907                                   |  |
| External borrowing vs Authorised limit for external debt - Total  |   | <b>25.665</b>                                  | <b>25.665</b>                           | <b>(0.01)</b>  |
| - Borrowing   |   | 24.758   | 26.189                                  |  |
| - Other long term liabilities                                     |   | 0.907  | 1.056                                   |  |
| Debt Ratio (debt charges as a %age of total revenue budget)       |   | <b>4.30%</b>                                   | <b>5.00%</b>                            | <b>(0.70)bp</b>                                      |
| Cost of Borrowing – Total   |   | <b>1.054</b>                                   | <b>1.054</b>                            | <b>(0.000)</b>                                       |
| - Interest on existing debt as at 31-3-21                         |   | 1.054  | 1.054                                   |  |
| - Interest on proposed new debt in 2021-22                        |   | 0.000  | 0.000                                   |  |
| Investment Income – full year                                     |   | <b>0.085</b>                                   | <b>0.100</b>                            | <b>0.015</b>   |
|   |   | <b>Actual (31<br/>December<br/>2021)<br/>%</b> | <b>Target for<br/>quarter<br/>%</b>     | <b>Variance<br/>(favourable)<br/>/adverse</b>        |
| Investment Return   |   | <b>0.15%</b>                                   | <b>(0.05%)</b>                          | <b>(0.20)bp</b>                                      |
| <b>Prudential Indicators and Treasury Management Indicators</b>   | <b>Forecast (31<br/>March 2022)<br/>%</b> | <b>Target<br/>Upper limit<br/>%</b>            | <b>Target<br/>Lower<br/>limit<br/>%</b> | <b>Variance<br/>(favourable)<br/>/adverse<br/>%</b>  |
| Limit of fixed interest rates based on net debt                   | 100.00%                                   | 100.00%  | 70.00%                                  | <b>0.00%</b>   |
| Limit of variable interest rates based on net debt                | 0.00%                                     | 30.00%   | 0.00%                                   | <b>(30.00%)</b>                                      |
| Maturity structure of borrowing limits                            |   |  |   |  |
| Under 12 months   | 0.38%                                     | 30.00%   | 2.00%                                   | <b>(29.63%)</b>                                      |
| 12 months to 2 years  | 1.98%                                     | 30.00%   | 2.00%                                   | <b>(28.06%)</b>                                      |
| 2 years to 5 years  | 12.65%                                    | 50.00%   | 13.00%                                  | <b>(45.89%)</b>                                      |
| 5 years to 10 years   | 3.45%                                     | 75.00%   | 3.00%                                   | <b>(61.57%)</b>                                      |
| 10 years and above  | <b>79.55%</b>                             | <b>100.00%</b>                                 | <b>80.00%</b>                           | <b>(22.17%)</b>                                      |
| - 10 years to 20 years  | 14.93%                                    |  |   |  |
| - 20 years to 30 years  | 20.12%                                    |  |   |  |
| - 30 years to 40 years  | 44.50%                                    |  |   |  |
| - 40 years to 50 years  | 0.00%                                     |  |   |  |

APPENDIX B TO REPORT RC/22/6

**RESERVES DETAIL 2021/22 BY RESERVE**

| <b>DSFRS Reserves in detail</b> | <b>Budget</b> | <b>Committed spend</b> | <b>Forecast spend</b> | <b>Balance remaining</b> |
|---------------------------------|---------------|------------------------|-----------------------|--------------------------|
|                                 | <i>£'000</i>  | <i>£'000</i>           | <i>£'000</i>          | <i>£'000</i>             |
| 4 x 4 Replacement               | 68            | 10                     | 21                    | 47                       |
| Asset Management & Tracking     | 191           | 4                      | 182                   | 9                        |
| Attribute Based Response        | 33            | -                      | 32                    | 0                        |
| Audit Assurance EMR             | 100           | 4                      | 33                    | 67                       |
| Budget Smoothing Reserve        | 1,831         | -                      | -                     | 1,831                    |
| Building Risk Rev Grant c/f     | 11            | 11                     | 11                    | -                        |
| Capital Support from 2011/12    | 23,370        | -                      | 5,766                 | 17,604                   |
| CLG USAR Grant                  | 90            | 23                     | 23                    | 67                       |
| Communication                   | 20            | 19                     | 19                    | 1                        |
| Covid 19 Grant Carry Forward    | 275           | 275                    | 275                   | -                        |
| CRMP 2021                       | 48            | 41                     | 41                    | 8                        |
| CT Irrecoverable Deficits       | 733           | -                      | 244                   | 489                      |
| Digital Trans Strategy          | 1,394         | 839                    | 969                   | 425                      |
| Dignity At Work - HMICFRS       | 196           | -                      | -                     | 196                      |
| Environmental Strategy          | 308           | 40                     | 40                    | 268                      |
| ESMCP (reserve funding)         | 736           | 28                     | 45                    | 690                      |
| ESMCP Home Office Grant         | 611           | -                      | -                     | 611                      |
| Estate Conditional Survey       | 120           | -                      | -                     | 120                      |
| Grenfell Infrastructure grant   | 103           | 0                      | 76                    | 27                       |
| Haz Mat Det and ID Equip        | 117           | 100                    | 100                   | 17                       |
| Health and Safety Resource      | 100           | 11                     | 13                    | 87                       |
| HR Additional Resources         | 87            | 30                     | 30                    | 57                       |
| ICT Managed Switch Replacement  | 85            | -                      | -                     | 85                       |
| Information Governance FTC      | 46            | 2                      | 13                    | 33                       |
| Invest to Improve Reserve       | 1,269         | 11                     | 285                   | 984                      |
| Learn 2 Live                    | 58            | 3                      | 8                     | 50                       |
| Livery and Blue Light fit out   | 60            | 45                     | 45                    | 15                       |
| Management of Risk Information  | 76            | 50                     | 76                    | -                        |
| MDT Replacement                 | 266           | 90                     | 115                   | 151                      |
| MTA Action Plan                 | 200           | 46                     | 92                    | 108                      |
| NNDR Additional Reliefs         | 2,846         | -                      | 2,846                 | -                        |
| Office 365 Project              | 212           | 101                    | 212                   | -                        |
| P4A Future Years Funding        | 1,442         | -                      | 902                   | 540                      |
| Pay for availability            | 84            | 0                      | 84                    | -                        |
| Pensions Admin Grant c/f        | 118           | 5                      | 5                     | 113                      |
| Pensions Reserve                | 1,231         | -                      | 200                   | 1,031                    |
| People and Development          | 23            | 23                     | 23                    | -                        |
| Performance Info System         | 230           | -                      | -                     | 230                      |
| Personal Misting Systems        | 101           | -                      | 6                     | 95                       |
| PFI equalisation reserve        | 150           | -                      | -                     | 150                      |
| Prev Accred grant c/f           | 21            | 10                     | 12                    | 9                        |
| Prevention - Joint working Int  | 50            | -                      | 10                    | 40                       |
| Preview Community Risk Team     | 49            | 32                     | 43                    | 6                        |
| Protection uplift grant c/f     | 257           | 91                     | 257                   | -                        |
| Bequest Axminster Gym Equip     | -             | (10)                   | -                     | -                        |
| Risk Dependant Availability     | 4             | -                      | 4                     | 1                        |
| Roving Vehicles                 | 81            | 2                      | 2                     | 80                       |
| Selective Alerting              | 22            | 6                      | 22                    | -                        |
| Service Delivery Op Model       | 15            | -                      | -                     | 15                       |
| SRT and WAH Equipment           | 85            | 64                     | 78                    | 7                        |
| Station Mobilising Equipment    | 380           | -                      | 380                   | -                        |
| Surestart/Action for Children   | 14            | -                      | -                     | 14                       |
| Temp accom for capital project  | 157           | 21                     | 30                    | 128                      |
| Topsham Relocation              | 60            | 1                      | 11                    | 50                       |
| Vehicle Telematics              | 190           | -                      | 4                     | 187                      |
| Website Comp and Comms Strat    | 45            | 17                     | 31                    | 14                       |
| WT Duty System                  | 2             | -                      | -                     | 2                        |
|                                 | <b>40,471</b> | <b>2,043</b>           | <b>13,732</b>         | <b>26,739</b>            |

APPENDIX C TO REPORT RC/22/6

**RESERVES DETAIL 2021/22 BY EXPENSE CODE**

| <b>DSFRS Reserves in detail</b> | <b>Committed spend</b> | <b>Forecast spend</b> |
|---------------------------------|------------------------|-----------------------|
|                                 | <i>£'000</i>           | <i>£'000</i>          |
| Fire Protection Training Exter  | 10                     | 12                    |
| Academy Other Training          | -                      | 17                    |
| External Trainer Hire           | 11                     | 18                    |
| Acquisition Courses             | 2                      | 2                     |
| Principal Officers Salary       | 182                    | 210                   |
| Principal Officer Salary NI     | 22                     | 25                    |
| Principal Officer Salary Super  | 49                     | 57                    |
| Retained Retainers Old          | -                      | 11                    |
| Retained Overtime Old           | -                      | 4                     |
| Retained Pre-Arranged O/T Old   | 11                     | 11                    |
| Retained NI Old                 | -                      | 1                     |
| Admin/Manage Salary             | 145                    | 209                   |
| Admin/Manage Overtime           | -                      | 9                     |
| Agency Staff Surveyors          | 29                     | 29                    |
| Agency Staff Admin              | 751                    | 853                   |
| Admin/Manage Removal Expenses   | 1                      | 1                     |
| Admin/Manage Stand-by Pmnts     | 2                      | 2                     |
| Admin/Manage Salary NI          | 14                     | 19                    |
| Admin/Manage Salary Superan     | 22                     | 32                    |
| Unforseen Other Contractor      | 2                      | 2                     |
| Refuse Collection loc. sourced  | -                      | 1                     |
| Cleaning Contrct Main Contract  | 40                     | 40                    |
| Rents - Non Building            | 5                      | 5                     |
| Room Hire                       | -                      | -                     |
| Rents - Building/Station        | 21                     | 25                    |
| Blue Light Fit-out and removal  | 45                     | 45                    |
| Fuel (Petrol Etc)               | -                      | -                     |
| Hired Transport                 | 9                      | 9                     |
| Casual Miles                    | -                      | -                     |
| Subsistence                     | -                      | -                     |
| Catering/Refreshments           | -                      | 2                     |
| Hotel Booking                   | 6                      | 6                     |
| Standard Equipment              | 93                     | 5,249                 |
| Standard Equipment Other        | 5                      | 5                     |
| ICT Desktop Service             | 33                     | 229                   |
| ICT Application Services (Oth)  | 117                    | 217                   |
| ICT Infrastructure Service      | 26                     | 120                   |
| ICT Mobile Data Terminal Servi  | 90                     | 115                   |
| BA Set Maintenance              | 1                      | 1                     |
| Operational Equipment           | 19                     | 22                    |
| Specialist Rescue Equipment     | 1                      | 1                     |
| Water Safety                    | 64                     | 64                    |
| Radiation/gas monitoring        | 99                     | 99                    |
| First Aid                       | 7                      | 7                     |
| ICT Mobs Service Equipment      | 6                      | 21                    |
| ICT Mobile Telephony Service    | -                      | 4                     |
| External Prof Support/Advice    | 81                     | 113                   |
| Partnerships                    | 1                      | 1                     |
| Corporate Membership/Subscript  | -                      | 10                    |
| Consultation Fees               | 22                     | 22                    |
| Recruitment Advertising         | 4                      | 4                     |
| Personnel Services              | 5                      | 5                     |
| Capital Exp from Rev Account    | -                      | 5,766                 |
| Other Miscellaneous Income      | (10)                   | -                     |