



LONDON FIRE BRIGADE

LFC – 0000

Completed by Governance
Team

Provisional Outturn Position

Report to:

Commissioner's Board
Fire and Resilience Board
Audit Committee
Investment & Finance Board

Date:

17 May 2023
23 May 2023
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Report by:

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For decision

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PART ONE

Non-confidential facts and advice to the decision-maker

Executive Summary

This report presents the London Fire Commissioner's (LFC) provisional outturn as at the end of March 2023 and provides information on financial performance against revenue and capital budgets.

Recommended decision(s)

1. Notes the provisional outturn as at the end of March 2023 (Quarter 4).
2. Agrees the reserve movements set out in the revenue reserve summary.

For the London Fire Commissioner

1. Agrees the reserve movements set out in the revenue reserve summary.
2. Agrees the transfer of Protection Uplift unspent grant of £1,664k into the earmarked reserve

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Introduction and Background

1. This report presents the provisional outturn position as at the end of March 2023 (Qtr.4).
2. All departments review their actual income and expenditure on a monthly/quarterly basis and provide an updated forecasted outturn position and explanation of variances, against all their budgets. These returns then form the basis of reporting to the Investment and Finance Board and from there on to the Commissioner's Board.
3. A few areas are still under review and work is still ongoing to finalise figures.

Mayor's Budget for 2023/24

4. The Mayor of London published his Budget Guidance for 2023/24 on 29 July 2022, which set out provisional funding levels for the LFC over a three-year period from 2023/24 to 2025/26. The LFC provided a Budget Submission to the Mayor addressing the requirements set out in the Guidance by the deadline of 25 November 2022. The Mayor's final draft budget was approved without amendment by the London Assembly on 23 February 2023 which included increased funding totals for the LFC of £444.3m in 2023/24, £461.5m in 2024/25 and £478.9m in 2025/26.

Statement of Accounts 2021/22

5. The Draft Statement of Accounts was approved by the Chief Finance Officer (Director of Corporate Services) on 31 May 2022 and passed for external audit and public inspection. The updated Draft Statement of Accounts was published by 30 November 2022, together with a statement from the external auditors that the audit was not yet complete. Work is now ongoing to complete the final audited Statement of Accounts in the coming weeks.

Statement of Accounts 2022/23

6. The Draft Statement of Accounts is being prepared alongside this outturn report, and further changes may be necessary as the position is finalised. The Accounts will then be approved by the Chief Finance Officer (Director of Corporate Services) and then passed for external audit and public inspection.

Revenue

7. The provisional revenue outturn variance position at the end of March 2023 is for an overspend of £683k, which is 0.1 per cent of the net revenue budget.
8. The overspend is a decrease of £3,121k since last reported at the end of December (LFC-23-016). There has been significant action taken to address the level of pre-arranged overtime (PAO), and this has been a major factor in the reduction of the overspending. The position has also developed on inflationary pressures and the financial impact has been managed within existing budgets to a greater extent than previously expected, therefore reducing the draw necessary from reserves set aside to manage this. The overall movement is made up of a combination of the following decreases which total £17,917k:
 - £3,008k on Operational Staff due to a reduction in the forecast spend on PAO reflecting the positive impact of implementing actions to reduce PAO.
 - Premises includes £2,846k on Property Rates; a revaluation exercise on business rates was undertaken with local authorities, to agree the profile of refunds/credits and rate liabilities due. A £2,000k provision had been held in 2021/22 in view of the uncertainty around this exercise. This provision is no longer required and was released in 2022/23 as LFB have realised the forecast saving. Additionally, £305k of

credits and refunds have been received in 2022/23. The combination of the above has largely driven the material variance in property rates re: outturn vs Q3 Forecast. There are further movements within Premises of £4,378k which include (BM) Building Maintenance (£1,412k) and the impact of transitioning to new suppliers throughout the Q3 into Q4 period. £280k of this was also attributable to the need to reprogramme decorative works to support the Privacy for All project. Energy costs (£1,080k) due to a revision to the previous estimate on utilities inflation and Cleaning & Domestic supplies (£1,348k) where budget has now been raised to fund this from the Covid reserve

- £3,270k on additional income, mainly due to secondment income (£1,911k) that is offset by staff spend, an improvement to the previously forecast under recovery on commercial property rental income (£768k) and additional interest receivable (£490k), due to higher interest rates and increased cash balances.
- £2,293k on Supplies and Services mainly due to spend on operational equipment now expected to be incurred in the coming financial year relating to one-off equipment costs for (MTA) Marauding Terrorist Attack (£417k); additional (£687k) underspend within (TSS) Technical and Support Service still under review, of which £140k has been requested to be earmarked for next FY 2023/24 due to Dry suits procurement delay; (PS) Professional Services (£548k) due to the delay in the implementation of finance system and (£381k) reduction in spend on clothing & laundry.
- £889k on employee related budget. This includes a revision to the previously forecast overspend on professional development (£680k) due to revised estimates of spend on training courses, (£447k) spend on medicals and driver training related spend being partially offset by £247k

reduction in underspend on agreed compensation based on the current position with known number of cases.

- £600k decrease in the forecast spend on FRS and Control staff due to vacancies, net of agency costs. At the end of March there were 196 vacancies across all departments, with 124 agency staff mitigating the impact of this.
- £633k reduction in third party expenditure following a revised cost to the LFC's pensions administrator (LPPA), for work required on the Firefighter Pensions remedy as part of Immediate Detriment.

Of these above reductions, at least £2,018k, (MTA £417k, PS £548k, TSS £140k, LPPA £633k, BM Decorative work £280k) are known to be relating to slippage and are part of planned/requested earmarked reserves for 2023/24, The £17,917k reductions are offset by the following increases of £14,795k resulting in a net reduction of £3,121k, since last reported at the end of Qtr.3:

- £13,890k reduction in the planned use of reserves. Largely, as identified above, a result of underspends or delays in expenditure which will now be incurred in 2023/24. This reflects an update to the previously forecast draw on reserves, with a marked change in the planned use of the Budget Flexibility reserve (BFR) requirement. BFR had been anticipated for pay and non-pay inflation to a much larger extent than materialised.
- £828k on Specific Grants, mainly due to Protection Uplift Grant (£1,664k) to be transferred into earmarked reserves, offset by additional property grant income.
- With £77k other small adjustments in Firefighter Pensions (Injury and Ill health) and Transport.

9. The overspend of £683k could have been considerably more, but for mitigating actions to address the overspending position including:

- In year saving relating to planned revenue transfer to capital programme that will no longer be required of £2,559k; the outturn underspend on capital eliminated the need to provide this additional revenue funding;
- £1,083k relating to a saving from the Government's national insurance changes;
- As part of the ongoing review of approved growth for 2022/23, the learning and professional development budgets have been reviewed and revised, with £1,012k offered as an in-year saving. This will not impact future year training commitments.
- £2,444k on interest receivable with higher interest rates and increased cash balances.

Capital

10. The original budget for the 2022/23 capital programme was £44,996k, as per the Capital Strategy approved as part of the 2022/23 Budget report (LFC-0679). The budget was increased to £47,476k following the capital outturn position for 2021/22 reported as part of the Outturn Financial Position report (LFC-0713).
11. The LFC approved a revised capital budget for 2022/23 of £29,192k, including the reprofiling of £18,284k to reflect project slippage, at the end of September (LFC- 0764).
12. The capital outturn variance position as at the end of March 2023 is for an underspend of £11,908k (compared to £11,364k at Q3) against the revised budget of £29,192k.. This has meant that no additional external borrowing was required by the LFC in 2022/23.

London Fire Commissioner Financial Position

London Fire Commissioner Revenue Summary					
LFC Revenue (£000s)	Budget	Outturn at 31 March 2023	Outturn Variance at 31 March 2023 - (under)/Over	Forecast Outturn Variance at 31 December 2022 - (under)/Over	Movement between variance figures
Operational staff	282,257	302,698	20,441	23,449	(3,008)
Other staff	73,012	70,736	(2,277)	(1,676)	(600)
Employee related	27,323	26,693	(630)	258	(889)
Firefighter Pensions - Injury and Ill Health	21,772	21,532	(240)	(254)	14
Premises	47,343	39,905	(7,437)	(213)	(7,224)
Transport	17,342	18,457	1,115	1,052	63
Supplies and services	31,968	31,460	(508)	1,785	(2,293)
Third party	1,694	1,299	(395)	238	(633)
Capital financing	9,624	9,733	109	0	109
Contingency	3,883	0	(3,883)	(3,775)	(109)
Income	(48,019)	(54,582)	(6,563)	(3,293)	(3,270)
Net revenue expenditure	468,198	467,931	(267)	17,572	(17,839)
Use of reserves	(7,601)	(7,601)	0	(13,890)	13,890
Financing Requirement	460,597	460,330	(267)	3,682	(3,949)
Financed by:					
Specific grants	(38,797)	(37,847)	950	122	828
GLA funding	(421,800)	(421,800)	0	0	0
Net Financial Position	(0)	683	683	3,804	(3,121)

Reasons for the Revenue Position

The revenue outturn position at the end of March 2023 is for an overspend of £683k, which is 0.1 per cent of the net revenue budget. The main reasons for the overspend position are explained in more detail below.

Operational Staff

The overspend on operational staff is £20,441k (including implementation of pay awards), a reduction of £3,008k since last reported at the end of Qtr.3 (LFC-23-016) due to a decrease in spend on pre-arranged overtime (PAO) reflecting the positive impact of implementing initial actions to reduce PAO in Q4. For 2023/24 the full annual impact of the actions, including the Priority Crewing Guide (PCG), is expected to reduce significantly unbudgeted pressures on overtimes. However, there are still potential risks in delivering to the overtime budget if there is a requirement to operate outside of the PCG due to exceptional operational risk (such as heatwave, on high alert or one-off events).

As previously reported, the forecast overspend on operational overtime is in part due to exceptional operational activities in this financial year. These include prearranged overtime schedules to cover the state funeral of Her Majesty, Queen Elizabeth II alongside the additional Bank Holiday and summer heatwave. The average vacancies at the end of March were (228) compared to the budgeted position of 296.

Other staff

FRS staff budgets are underspend by £2,277k due to vacancies, a movement of £939k (£600k when Control staff are included), since last reported at the end of Qtr.3 (LFC- 23-016). This is after the impact of the vacancy margin of £1.3m for the year. At the end of March there were 196 FRS vacancies across all departments, with 124 agency staff mitigating the impact of this.

Employee related

Employee related budgets are underspend by £630k, a decrease of £889k since last reported at the end of Qtr.3. This includes a revision to the previously forecast overspend on professional development (£680k) due to revised estimates of spend on training courses, (£447k) spend on medicals and driver training related spend and partially offset by £247k reduction in underspend on agreed compensation based on current position with known number of cases.

Firefighter Pension Scheme

The Firefighter Pension Scheme budget is underspend by £240k, a slight movement of £14k since last reported at the end of Qtr.3. As previously reported at the end of September (LFC-0764), there is a forecast underspend of £312k on injury pensions with a reduction in overall injury pensioner numbers offset by an additional £72k on pension sanction charges.

Premises

There is underspend of £7,437k on Premises. The underspend is mainly on property rates (£3,844k) due to the profile of refunds/credits achieved throughout the year – work is still ongoing to clarify any issues still outstanding for 2022/23; building maintenance (£1,137k) due to new contracts being issued on 1 February 2022 with lower than anticipated works being completed by the old supplier and work by the new supplier not being completed in time for the 2022/23 financial year, energy costs (-£161k) due to a revision to the previous estimate on inflation and a small (£8k) on cleaning and domestic supplies.

Transport

As previously reported at the end of December Qtr.3, there is an overspend on transport of £1,115k due to an increased cost of accident and modification repairs £584k partly offset by third party insurance

claims (£255k), vehicle and equipment contract due to abatements £133k, vehicle passthroughs £234k and on travel £325k.

Supplies and services

There is an underspend on Supplies and Services of £508k, a reduction in spend of £2,293k reported at the end of Qtr.3 due to spend on operational equipment now expected to be incurred in the coming financial year relating to one-off equipment costs for Marauding Terrorist Attack (£417k); additional (£687k) underspend within Technical and Service still under review; professional services (£548k) due to the delay in the implementation of finance system and (£381k) reduction in spend on clothing & laundry.

Third party

There is an underspend of £395k on Third Party, a decrease of £633k reduction in third party expenditure following a revised costs to the LFC's pensions administrator (LPPA), for work required on the Firefighter Pensions remedy as part of Immediate Detriment.

Contingency

As previously reported at the end of September £3,883k underspend was expected on the Contingency based on forecast requirements and in-year saving offered as part of the ongoing review of approved growth for 2022/23.

There is a movement of £108k since last reported at the end of Qtr.3 due to staff savings actioned under delegated authorities

Income

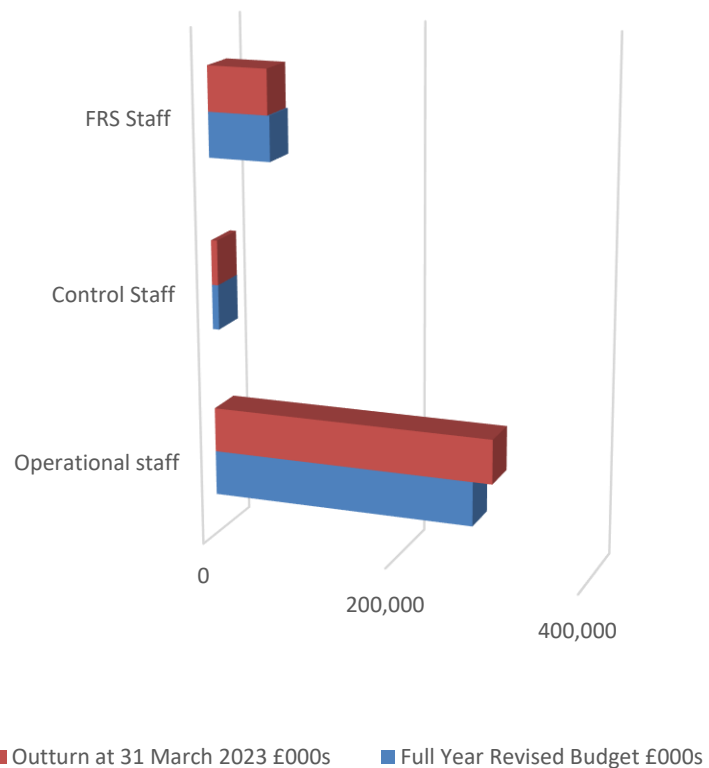
There is an over recovery of £6,563k on income. This is an increase of £3,270k on Q3 Forecast, due to secondment income (£1,911k) that is offset by staff spend, a revised update on previously forecast under recovery on property rental income (£768k), additional interest receivable, due to higher interest rates and increased cash balances (£490k).

As previously reported, the rest of the increase is due to £2,444k mainly relating to interest receivable with higher interest rates and increased cash balances.

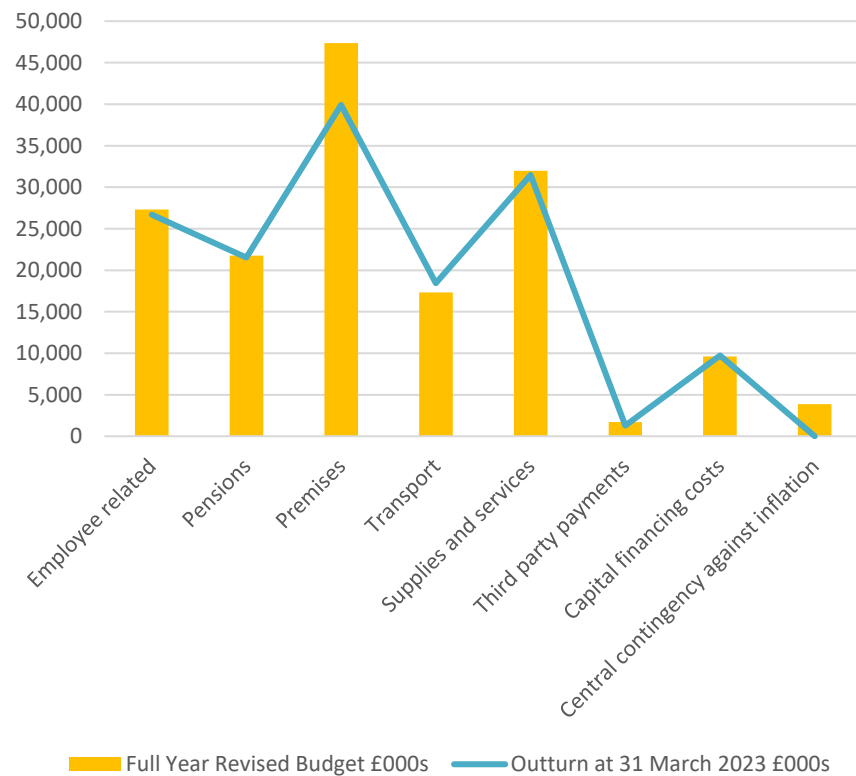
Specific grants

£950k on Specific grant is mainly due to Protection Uplift unspent grant £1,664k transferred into earmarked reserve offset by additional property grant income.

Annual Budget vs Outturn - Staff (£000s)



Annual Budget vs Outturn - Non-staff (£000s)



London Fire Commissioner Capital Summary

London Fire Commissioner Capital Summary						
LFC Capital (£000s)	Full Year Revised Budget (Q4 Profile)	Outturn at 31st March 23	Variance on Outturn 31st March 23	Forecast Outturn at 31 December 22	Variance on Outturn vs Outturn 31st Dec 22	Comments
ICT	4,647	790	-3,857	808	18	£18k is proposed to be re-profiled to 2023/24 due to project delays including procurement delays.
Property	9,664	10,513	849	10,024	-489	The (£489k) variance is due to Privacy for all (Gender neutral facilities) - (£285k), Southall retender exercise delayed start date for project to April 23. Harrow project completion date slipped to May 23. (£140k) Biggin Hill FS - Extension, a slight delay in the works was experienced. The structural engineer suggested more propping was required which resulted in a revised completion for the works in April 23. Minor Improvement Programme (£122k). Edmonton window project was reprogrammed to 2023/24 due to a delay in the planning application process. Security Improvements at Stns (£91k) delays have occurred in IT Security team supply and approving the IT security elements within the contract specification. The above was offset against Plumstead Fire Station Redevelopment £501k Project ahead of schedule, reprofiled to reflect actual spend and rewiring of property at various fire stations £110k, Erith and Eltham electrical rewire projects were both fully completed ahead of schedule
Fleet and Equipment	6,681	5,981	-700	6,846	865	The reduction in spend of £865k vs Q3 Forecast, is due to combination of reduced spend on the (CSU) Command Support Unit Project. 5 vehicles receipted instead of the forecast 9, the removal of the (HLU) Hose Layer Unit contingency payment and the reduction in spend on the Officer Pool Car spend whereby 29 cars were receipted as opposed to the 50 forecast, between the period of December 22 and March 2023.
Operational Policy	8,200	0	-8,200	150	150	The forecast spend of £150k for Respiratory Protective Equipment and Radio Equipment will be re-profiled until July 23 when the project is scheduled to commence, due to the current global supply chain issues.
Total Capital Expenditure	29,192	17,284	-11,908	17,828	544	

New Reserve Requests

The below table sets out the requests for new earmarked reserves as received from departments. These requests will need to be seen in context of the overall outturn position, and the position on the General Reserve, which has a target minimum reserve balance of 3.5 % of net revenue expenditure. These requests are to provide support to establish a reserve for additional funding in 2023/24. Further work will be required to prepare a business case and these potentially will require consideration as part of the budget process for 2024/25. Any spend against each of these areas will be considered for approval individually in line with governance processes.

Ref	Department	Amount (£)	Reasons for request
1	Youth Services	83,122	The use of reserves has been earmarked to support training and development.
2	Property and TSS	140,000	The replacement of 200 Dry Suits with a non-integral boot and the conversion of 160 Dry Suits from integral boot to latex sock.
3	London Resilience Group	32,432	A mass fatalities grant is paid from the Home Office in two tranches totalling £32,432. The grant is paid to be used by the London Resilience Forum.
4	People Services	13,000	Against changes of the online grievance system.
5	People Services	100,000	Review of the FRS and Control Pay and Reward system.
6	Counselling and Trauma Service	7,061	Order already placed on POMS for the new CORE system.
7	Communications	26,925	People services – transferred over from 21/22 people survey to be spent on Station Gardens – £20,000.
8	Operational Policy and Assurance	250,000	To fund stowage modifications of the complete brigade fleet in 2023/2024 to safely accommodate new BA, telemetry and radio repeater equipment.
9	Property & TSS	14,600	A contract with Institute of Workplace and Facilities Management (IWFM) to deliver bespoke training specific to meet the needs of the Property & TSS Dept which is not provided within the Babcock contract since November 2022.
10	Prevention and Protection	1,341,742	Request to earmark underspend within Directorate of Prevention and Protection for the payment of a market rate supplement to skilled qualified staff working in Protection (with specific accredited technical qualifications – minimum Fire Safety Level 4 Diploma) for a trial three-year period to support service delivery, career progression and retention.
11	Finance	15,000	Request to carry forward one-off funding for finance staff training agreed as part of the 2022/23 Budget report. This has not been utilised in 2022/23.
	Total	2,023,882	

2022/23 Approved Savings and Investments

2022/23 Approved Savings - The approved budget savings incorporated in the 2022/23 budget report was £4,149k.			
Directorate	Saving in 2022/23 £'000		
Operational Delivery	567	The saving includes restructuring within Fire Safety and deletion of posts offered as savings in 2022/23 and reduction in Control and Mobilising overtime budgets. Budget reduction has been contained within Fire Safety and Control and Mobilising.	
Corporate Services	2,938	<p>£1,088k saving is now fully implemented and Airwatch has been decommissioned.</p> <p>£1,400k Property income remains a challenge in the current climate and is unlikely to be fully achieved in this financial year. A shortfall of (£650k) specifically on Property income receipts is envisaged. This is due to some leases that are unlikely to be renewed. Reason for this is directly linked to change in demand within the Commercial rental market (post Covid impact). This income pressure was noted within Qtr.2 budget forecast.</p> <p>£452k saving within Technical and Commercial mainly relates to reduction in modifications, protective equipment, telemetry maintenance budgets and one-off insurance saving offered as a result of reviewing previous expenditure and are on target to be fully achieved in 2022/23</p>	
Directorate of People	36	This saving relates to recruitment advertising budget.	
Transformation	608	Saving is related to the restructuring of the Transformation Directorate, including the removal of the Grenfell Investigation Team.	
Total	4,149		

2022/23 Approved Investments - The approved budget investments incorporated in the 2022/23 budget report was £11,766k

Directorate	Investment in 2022/23 £'000		
Operational Delivery	1,925	Growth includes £1,035k relating to one-off equipment costs to support the Marauding Terrorist Attack (MTA) project and staff costs. £607k has now been committed and staff posts established.	
Corporate Services	6,321	<p>Investment across the four departments is on track except for £2,559k deferred revenue contribution towards 2022/23 capital investment incorporated in the forecast outturn</p> <p>General Counsel – £1,393k investment to manage legal cost increases associated with compensations and Grenfell cases.</p> <p>Finance service - £3,025k of which £2,559k was for a revenue contribution towards capital investment which has now been reviewed and offered as a saving. The remaining £525k was for a review of the Finance Department structure which was agreed on the 6 October 2022. The saving from the delay in implementation is offset by the cost of interim/agency staff.</p> <p>ICT – £1,228k systems investment are on-going.</p> <p>Property service £675k fully committed to support energy cost rise.</p>	
Directorate of People	1,632	Implementation of growth strategy is delayed due to the delay in permanent recruitment, particularly into the People Partner roles. However, underspend is being used for temporary cover as well as training and development.	
Transformation	1,488	Investment is related to the restructuring of the Transformation Directorate, including the removal of the Grenfell Investigation Team. The funding for the restructure has been approved and recruitment is currently taking place. Vacancies are expected to be filled over the Qtr.3 and Qtr.4 periods.	
Communications	400	This is mainly for the Director of Communications position and the Fundraising and Partnership team.	
Total	11,766		

Directorate of Preparedness and Response

LFC Revenue (£000s)	Budget	Outturn at 31 March 2023	Outturn Variance (under)/Over	Forecast Outturn Variance at 31 December 2022	Movement between variance figures
Operational staff	263,955	283,234	19,279	23,502	(4,223)
Other staff	11,333	12,875	1,542	406	1,136
Employee related	5	9	4	12	(8)
Pensions	0	0	0	0	0
Premises	140	32	(108)	(56)	(52)
Transport	2,010	2,603	592	543	50
Supplies and services	3,100	2,951	(149)	417	(566)
Third party	0	0	0	0	0
Capital financing	0	0	0	0	0
Contingency	(79)	0	79	58	22
Income	(1,441)	(1,654)	(213)	(103)	(110)
Net revenue expenditure	279,023	300,051	21,028	24,778	(3,750)
Use of reserves	(222)	(222)	0	(4,200)	4,200
Financing Requirement	278,801	299,829	21,028	20,578	450
Financed by:					
Specific grants	(139)	(210)	(71)	(471)	400
GLA funding	0	0	0	0	0
Net Financial Position	278,662	299,618	20,957	20,107	849

The Directorate of Preparedness and Response is responsible for how the Brigade relates to the people we serve (business-to-customer relationships) and responding for driving and delivering transformational change, improving culture, and delivering against the Brigade's corporate objectives in their functions. The directorate incorporates all Fire Stations, Control and Mobilising, Operational Resilience, London Resilience and Central Operations.

Key variance

Operational Staff

The overspend on operational staff is £19,279k, a movement of £4,223k since last reported at the end of Qtr.3 (LFC-23-016) due to reserve draw to meet pay inflation and due to decrease in spend on pre-arranged overtime (PAO) reflecting the positive impact of implementing actions to reduce PAO.

As previously reported, the forecast overspend on operational overtime was in part due to exceptional operational activities in this financial year. These include prearranged overtime schedules to cover the state funeral of Her Majesty, Queen Elizabeth II alongside the additional Bank Holiday and summer heatwave. The average vacancies at the end of March were 285 compared to budgeted of 296.

Transport

There is an overspend of £592k on transport as activity levels return to pre-pandemic levels particularly in relation to home safety visits, alongside the volatility in fuel prices.

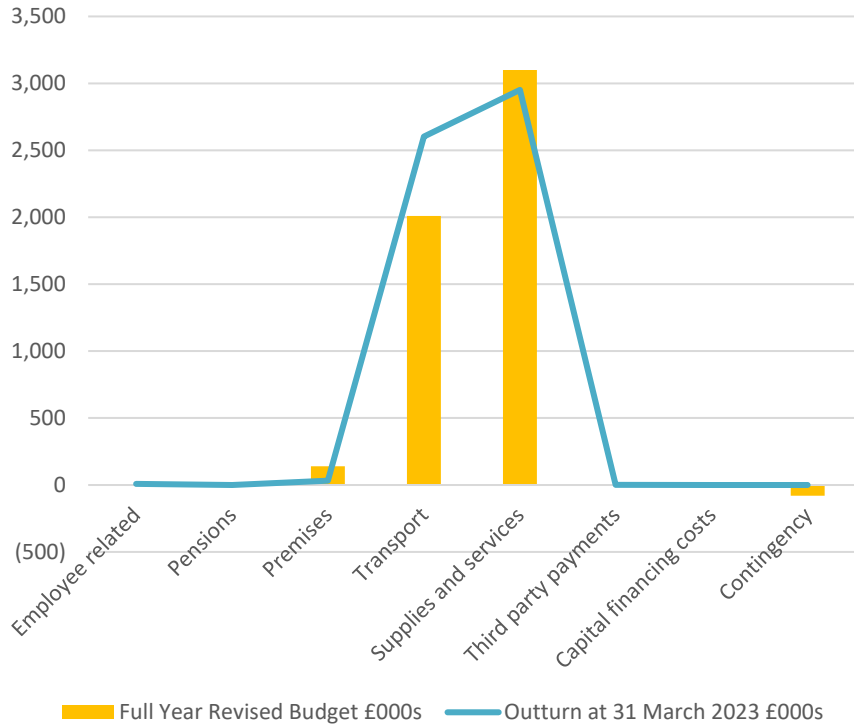
Supplies and services

There is a decrease of £149k on Supplies mainly due to spend on operational equipment now expected to be incurred in the coming financial year relating to one-off equipment costs for Marauding Terrorist Attack (£417k).

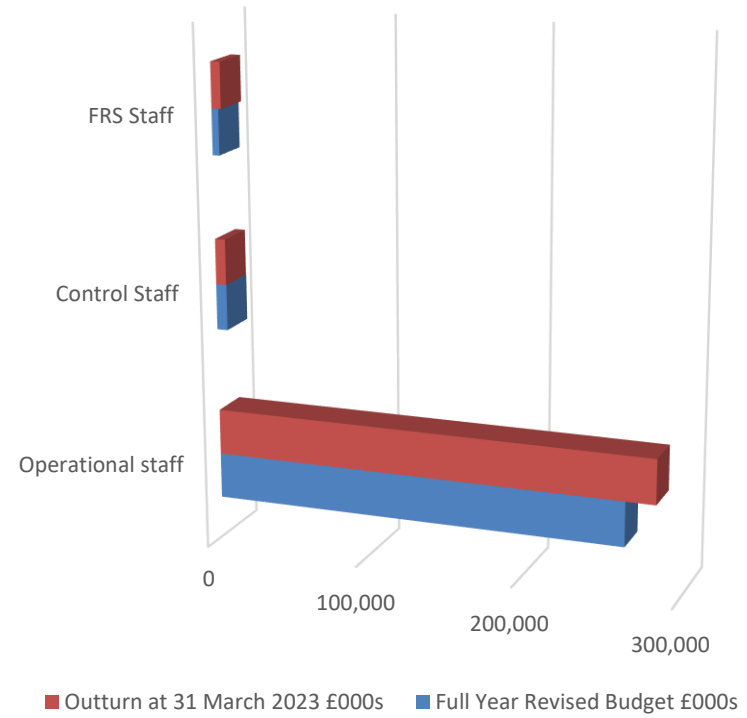
Specific grant income

There is an additional grant of £71k from Operational Resilience for support to fire and rescue authorities in England towards expenditure incurred and grant income expected for Marauding Terrorist Attack (MTA) capability.

Annual Budget vs Outturn - Non-staff (£000s)



Annual Budget vs Outturn Staff (£000s)



Directorate of Prevention, Protection and Policy

LFC Revenue (£000s)	Budget	Outturn at 31 March 2023	Outturn Variance (under)/Over	Forecast Outturn Variance at 31 December 2022	Movement between variance figures
Operational staff	11,696	10,915	(781)	(1,005)	223
Other staff	18,249	15,255	(2,994)	(2,710)	(284)
Employee related	219	280	61	1	60
Pensions	0	0	0	0	0
Premises	0	0	0	0	0
Transport	231	273	42	(30)	73
Supplies and services	974	719	(256)	(70)	(186)
Third party	53	60	7	0	7
Capital financing	0	0	0	0	0
Contingency	94	0	(94)	(73)	(21)
Income	(821)	(728)	93	331	(239)
Net revenue expenditure	30,696	26,773	(3,923)	(3,555)	(367)
Use of reserves	1,359	1,359	0	31	(31)
Financing Requirement	32,055	28,132	(3,923)	(3,524)	(398)
Financed by:					
Specific grants	(4,265)	(3,201)	1,064	(601)	1,664
GLA funding	0	0	0	0	0
Net Financial Position	27,790	24,931	(2,859)	(4,125)	1,266

The Directorate of Prevention, Protection and Policy is responsible for how the Brigade relates to other businesses and agencies (business-to-business) and responding for driving and delivering transformational change, improving culture, and delivering against the Brigade's corporate objectives in their functions. The directorate incorporates Operational Policy and Assurance and Prevention and Protection (Regulatory and Community).

Key variance

Other staff

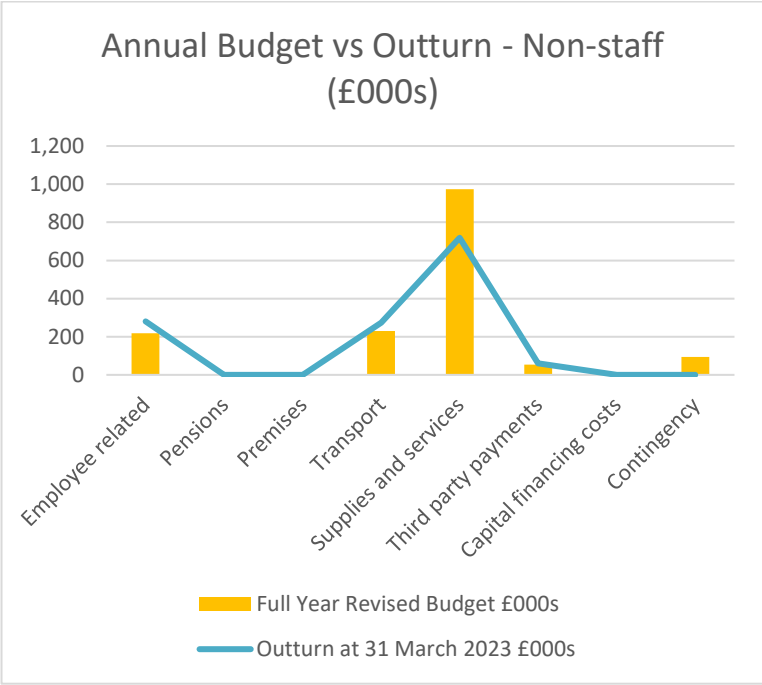
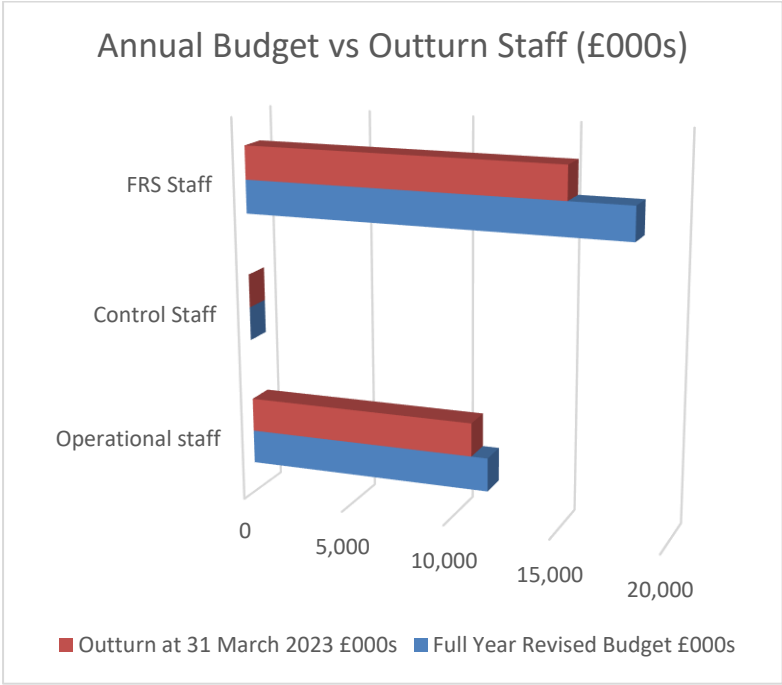
The FRS staff budgets underspend by £2,994k. This is mainly due underspends within Fire Safety Delivery. At the end of March 2023, there were 37 FRS vacancies, and with 17 agency staff to help mitigate the impact of this.

Income

Income under recovery is mainly due to reduction in sponsorship income following the end of the LIFE project.

Specific grant income

As previously reported at the end of Qtr.2, there is an over recovery on specific grants, and this relates to Protection Board Uplift grant offsetting spend.



Directorate of Corporate Services

LFC Revenue (£000s)	Budget	Outturn at 31 March 2023	Outturn Variance (under)/Over	Forecast Outturn Variance at 31 December 2022	Movement between variance figures
Operational staff	329	353	24	63	(39)
Other staff	26,853	26,364	(489)	999	(1,488)
Employee related	5,128	5,064	(63)	(72)	9
Firefighter Pensions - Injury and Ill Health	21,772	21,532	(240)	(254)	14
Premises	47,181	39,845	(7,335)	(157)	(7,178)
Transport	15,027	15,282	255	353	(98)
Supplies	27,105	26,521	(584)	1,127	(1,711)
Third party	1,482	1,168	(314)	369	(684)
Capital financing	9,624	9,733	109	0	109
Contingency	2,690	0	(2,690)	(2,651)	(39)
Income	(42,989)	(48,412)	(5,423)	(3,607)	(1,816)
Net revenue expenditure	114,202	97,451	(16,751)	(3,830)	(12,921)
Use of reserves	(6,848)	(6,848)	0	(7,848)	7,848
Financing Requirement	107,353	90,603	(16,751)	(11,678)	(5,073)
Financed by:					
Specific grants	(34,393)	(34,435)	(42)	76	(119)
GLA funding	0	0	0	0	0
Net Financial Position	72,960	56,168	(16,793)	(11,601)	(5,191)

The Corporate Services Directorate exists to support the LFC's Mission by providing coordinated enabling services and advice in the areas of Finance, Information and Communications Technology, General Counsel, Procurement & Commercial, Property Services and Technical & Service Support.

Key variance

Other staff

The £489k underspend is a £1,488k reduction from the Qtr. 3 position. This reflected a central forecast for the cost of staff pay awards that has now been incurred and offset by spend in each Directorate.

Employee Related

The underspend of £63k recognise reduced forecast spend on agreed compensation, based on current position with known number of cases.

Pensions – Injury and Ill health

As previously reported at the end of December (LFC-23-016), there is a net underspend of £240k, a reduction of £775k on injury pensions, offset by both Ill Health Top Up FF Pensions £463k and £72k pension sanction charges.

Premises

There is an underspend of £7,335k on Premises, a reduction of £7,178k since December (LFC-23-016). The underspend seen in Premises comprises largely of property rates £3,844k, attributed to the re-evaluation exercise review on profile of refunds, credits and rate liabilities due with each LA. As well as Premises Capitalised Costs of £2,559k, that was no longer required due to the outturn underspend.

Transport

There is an overspend of £255k on Transport related activities and a reduction of £98k since last reported at the end of Qtr.3. This is due to vehicle repairs, and performance and abatement charges, partly offset by in year savings arising from third party insurance claims.

Supplies and Services

The Supplies and Services section is reporting a £584k underspend. This represents a £1,711k reduction from Qtr. 3. This movement is due to £1,054k reduced spend by the ICT department on Professional Services. A 584k overall underspend on Operational Equipment also adds to the reduction.

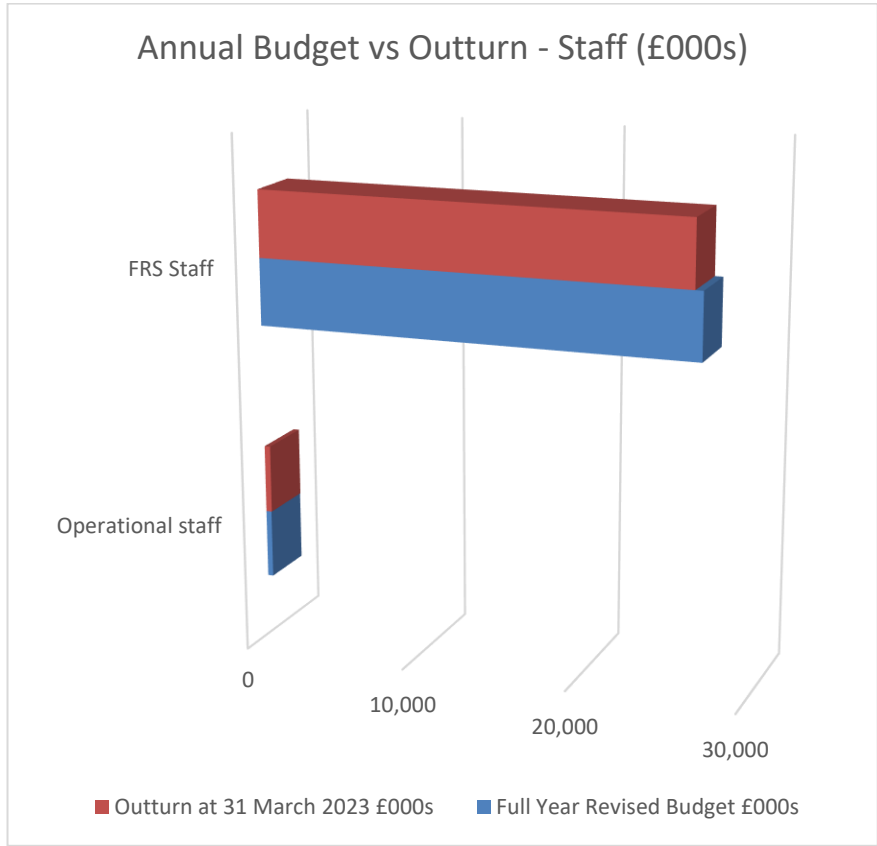
Contingency

As previously reported at Qtr.3, there is an underspend on Contingency. The Qtr. 4 figure is £2,690k, which is £39k lower than at the end of December.

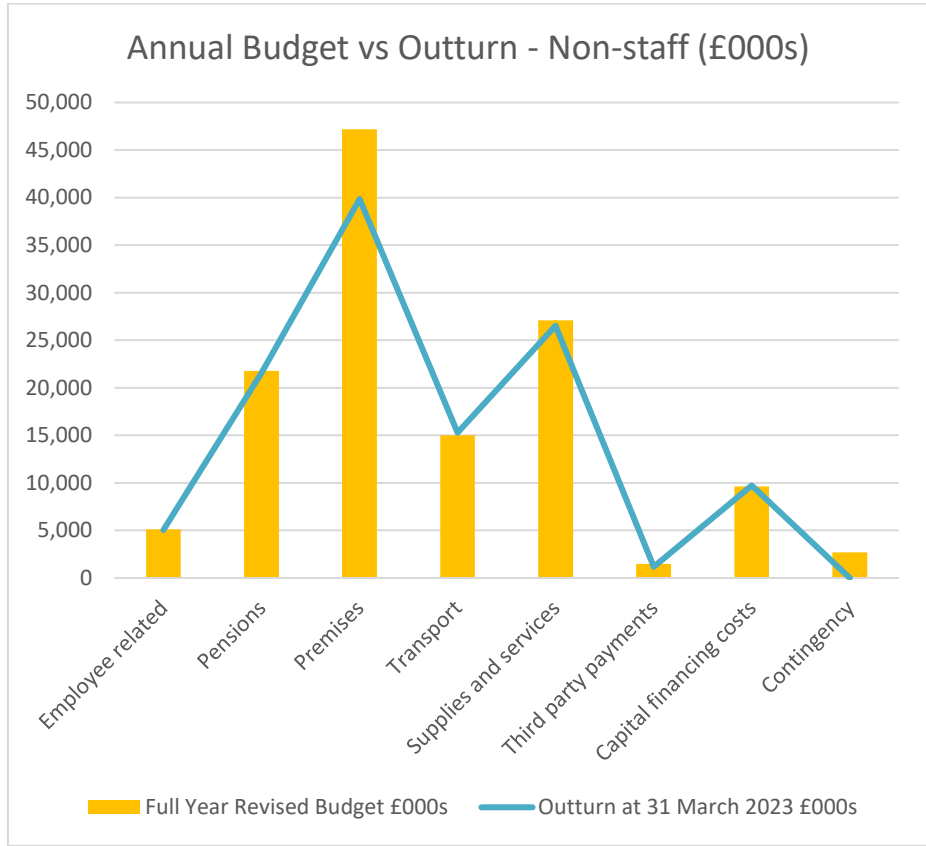
Income

There is an additional income of £1,816k on Q3 Forecast, mainly relating to interest receivable due to the higher interest rates on cash balances.

Annual Budget vs Outturn - Staff (£000s)



Annual Budget vs Outturn - Non-staff (£000s)



Directorate of People

The Directorate of People oversee every aspect of the people who work with the Brigade; how we develop and the wellbeing of everyone in the workplace. The directorate incorporates the following departments: People Services, Training and Professional Development, Health & Safety.

Key variances

Operational Staff

Compared to the previously reported overspend at the end of December (LFC-23-016), there is a £875k increase, mainly due to Secondments to Babcock and to other bodies (£821k), and Training costs (£170k). this is offset by income.

Other Staff

Other staff has an overspend of £676k due to Secondments, this is offset by an income

Employee related

There is a £645k underspend on Employee related costs, the previously reported overspend on professional development did not materialise, hence a movement of £963k since last reported in December.

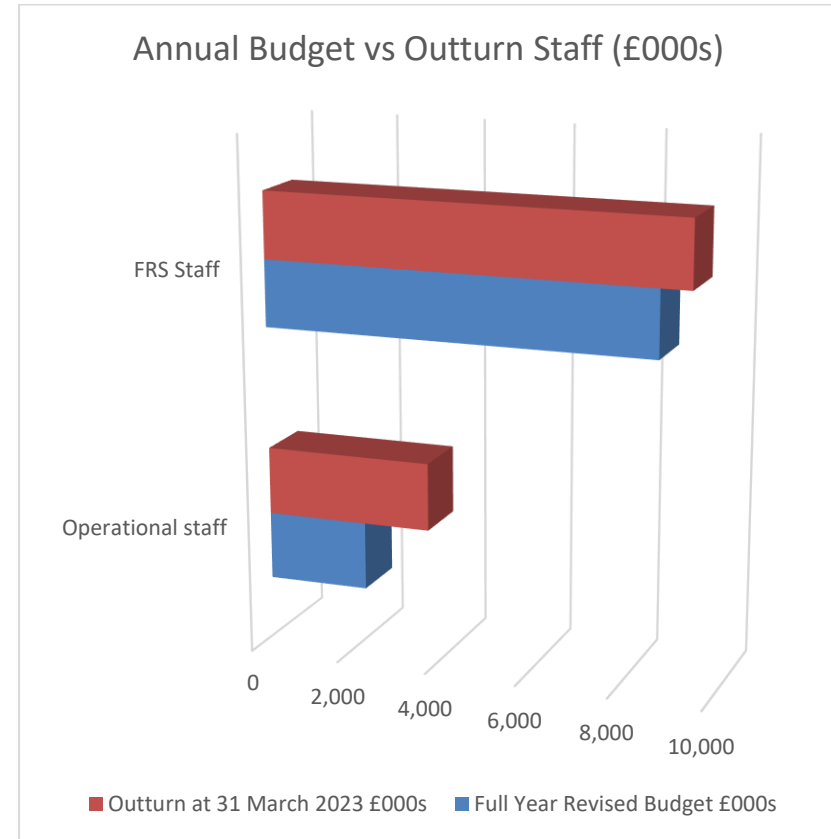
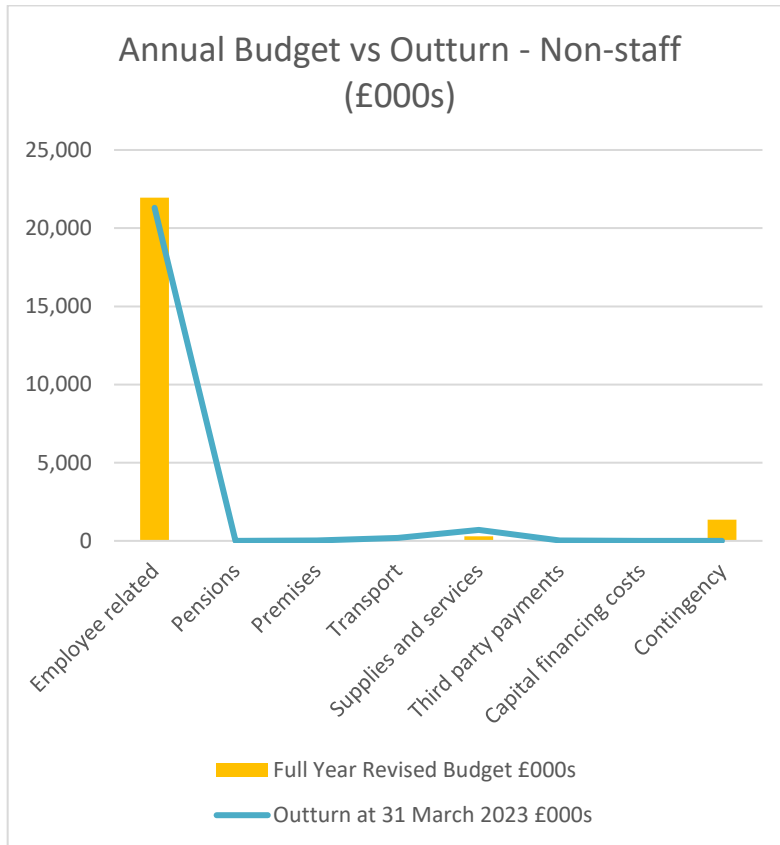
Transport

The £137k overspend on transport is mainly due to additional training cost required to cover the 3Dual Pump Ladders training slots within Training Operations Department and additional overspend for accommodation booking (£50k) due to event reservation for Trainee Firefighter ceremonies.

LFC Revenue (£000s)	Budget	Outturn at 31 March 2023	Outturn Variance (under)/Over	Forecast Outturn Variance at 31 December 2022	Movement between variance figures
Operational staff	4,549	6,058	1,508	633	875
Other staff	8,668	9,343	676	33	643
Employee related	21,947	21,303	(645)	318	(963)
Pensions	0	0	0	0	0
Premises	22	23	1	0	1
Transport	50	187	137	187	(50)
Supplies	286	704	418	114	304
Third party	0	19	19	19	(0)
Capital financing	0	0	0	0	0
Contingency	1,359	0	(1,359)	(1,289)	(70)
Income	(564)	(2,431)	(1,867)	86	(1,953)
Net revenue expenditure	36,317	35,206	(1,111)	102	(1,213)
Use of reserves	(1,229)	(1,229)	0	(1,000)	1,000
Financing Requirement	35,088	33,977	(1,111)	(898)	(213)
Net Financial Position	35,088	33,977	(1,111)	(898)	(213)

Contingency

As part of the ongoing review of approved growth for 2022/23, the learning and professional development budgets have been reviewed and offered as in-year saving (£1,359k).



Directorate of Transformation

LFC Revenue (£000s)	Budget	Outturn at 31 March 2023	Outturn Variance (under)/ Over	Forecast Outturn Variance at 31 December 2022	Movement between variance figures
Operational staff	864	789	(76)	45	(120)
Other staff	4,515	3,428	(1,087)	(709)	(378)
Employee related	0	17	17	0	17
Pensions	0	0	0	0	0
Premises	0	3	3	0	3
Transport	15	29	13	0	13
Supplies	180	222	42	0	42
Third party	0	52	52	0	52
Capital financing	0	0	0	0	0
Contingency	(156)	0	156	156	0
Income	(2,188)	(1,343)	845	0	845
Net revenue expenditure	3,231	3,197	(34)	(509)	475
Use of reserves	(546)	(546)	0	(758)	758
Financing Requirement	2,686	2,651	(34)	(1,267)	1,233
Financed by:					
Specific grants	0	0	0	1,117	(1,117)
Net Financial Position	2,686	2,651	(34)	(150)	116

The Directorate of Transformation was created in 2020 and directly responds to Grenfell Tower Investigation and HMICFRS Inspection (2019) recommendations. The Directorate's objective is to manage the transformation process as the London Fire Brigade adapts in a more agile and rapid way. It includes key strategic areas such as Portfolio, Programme, Project, and Business Change; Risk Management; Assurance; Business Continuity; Strategic Planning; and Performance.

Key variances

Operational Staff

The underspend of £120k compared to Qtr. 3 is due to underspend in the Central Programme Office as a result the move to National Fire Chiefs Council (NFCC) by the end of March 2023.

Other Staff

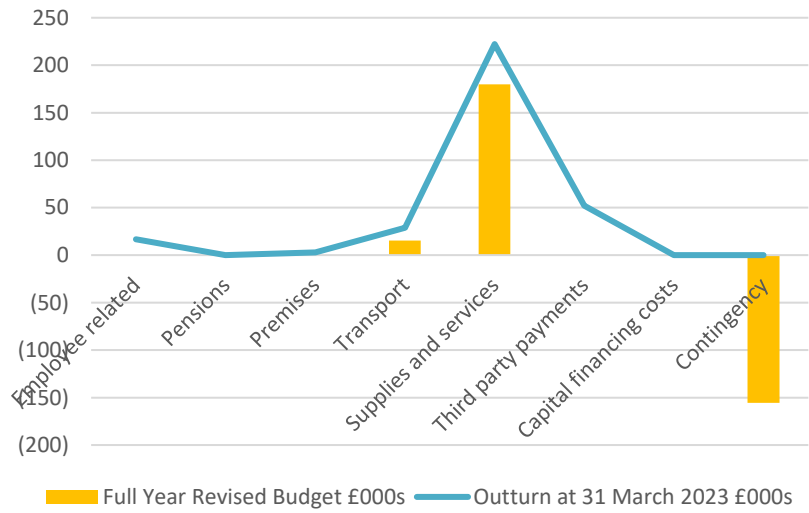
The underspend of £378k compared to Qtr. 3 is due to underspend in the Central Programme Office as above.

The reduction on specific grants is due to an adjustment to move the income to the Customer Income line. It was also adjusted to the reduced income as part of the move to National Fire Chiefs Council (NFCC) by the end of March 2023.

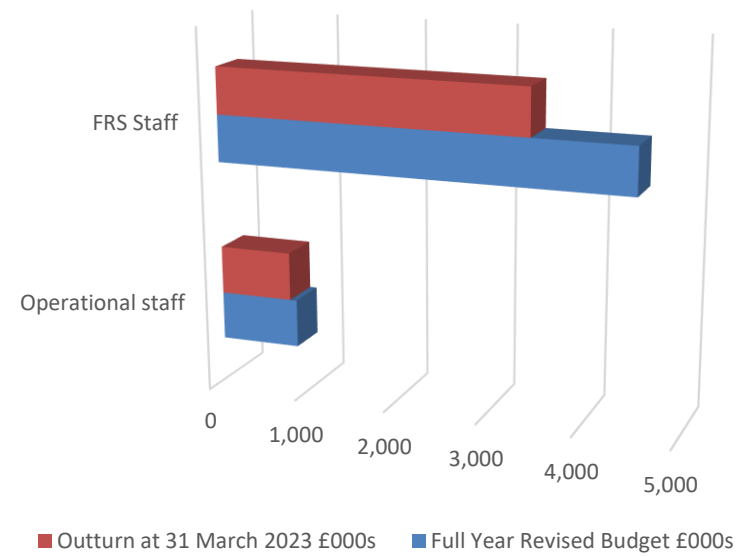
The Strategy and Risk departmental spend was in line with their budget.

The Grenfell Investigation Team was fully funded from the Grenfell Investigation Fund and are expected to finalise work by July 2023.

Annual Budget vs Outturn - Non-staff (£000s)



Annual Budget vs Outturn - Staff (£000s)



Directorate of Communications

LFC Revenue (£000s)	Budget	Outturn at 31 March 2023	Outturn Variance (under)/Over	Forecast Outturn Variance at 31 December 2022	Movement between variance figures
Operational staff	0	23	23	0	23
Other staff	2,301	2,374	72	257	(185)
Employee related	0	17	17	0	17
Pensions	0	0	0	0	0
Premises	0	2	2	0	2
Transport	1	73	72	0	72
Supplies	309	225	(84)	67	(151)
Third party	158	0	(158)	(150)	(8)
Capital financing	0	0	0	0	0
Contingency	0	0	0	0	0
Income	(17)	(14)	3	0	3
Net revenue expenditure	2,753	2,701	(52)	173	(226)
Use of reserves	(66)	(66)	0	(164)	164
Financing Requirement	2,687	2,635	(52)	9	(61)
Net Financial Position	2,687	2,635	(52)	9	(61)

The Directorate of Communications oversee Brand & Events; Media, Digital & Internal Communications; and Stakeholder and Community Engagement for the London Fire Commissioner.

Key variances

Other Staff

As previously reported, the £257k forecast overspend has reduced by £185k, due to planned recruitment not materialising as expected. This has resulted in a £72k overspend overall vs Budget.

Supplies and services

The movement of £151k since last reported in Q3, is due to less than expected spend on Advertising, Catering and Office Supplies. And the previously expected overspend did not materialise.

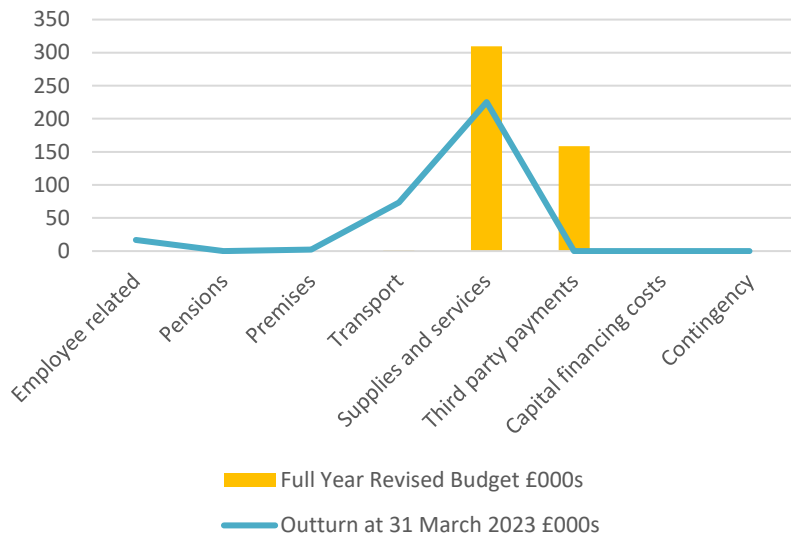
Third Party

The Qtr. 3 forecasted underspend of 150k, vs Budget, has slightly increased to £158k.

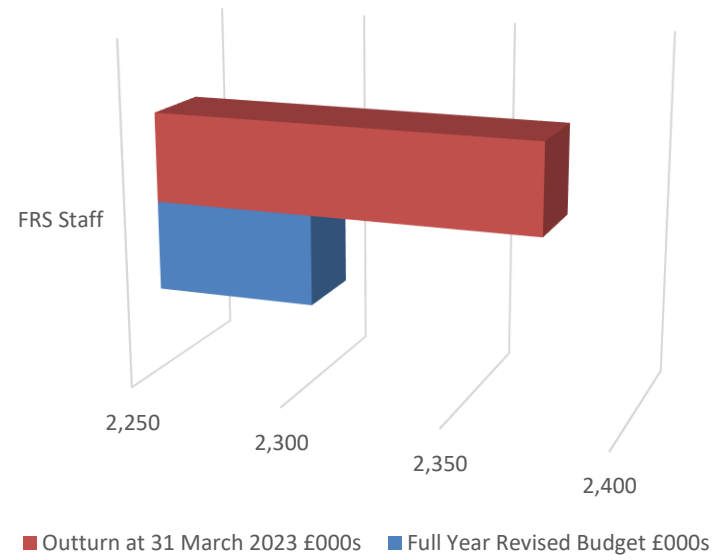
Use of Reserves

The forecasted use of reserve was not required due to the overall underspend position of the directorate.

Annual Budget vs Outturn - Non-staff (£000s)



Annual Budget vs Outturn - Staff (£000s)



Revenue Reserve Summary

The year-end end balance at March 2023 on reserves, is £79,444k. A movement of £12,984k lower than the £92,428k balance at March 2022. Movement was due to: Budget Flexibility Reserve (BFR) £5,764k, and Earmarked reserves £8,401k, There was movement of £4,284k on general reserve to earmarked reserves and the £1,862k Covid reserve balance was returned into the General Reserve.

General reserves

The balance on the general reserve at March 2023 is £17,325k, which is 3.7 per cent of the net revenue expenditure. This is £3,103k lower than the £20,428k balance at March 2022. Movement includes an approved transfer of £4,284k from general reserve to earmarked reserves,

Budget Flexibility reserves (BFR)

The year-end balance at March 2023 on BFR is £24,769k. This is £5,764k lower than the £30,532k balance at March 2022. Below are the draw on BFR: £1,200k approved for additional training spend; £4,564k for operational, Control and FRS pay award

The main reason for the draw on the BFR being less in Q4 compared to Q3 (but not against budget) was due to a reduced requirement against pay and non-pay inflation than was anticipated in forecast, as a result of the overall improved position on the revenue position in Q4.

Earmarked reserves

The balance at March 2023 on earmarked reserves is £37,350k. This is net £4,117k lower than the £41,467k balance at March 2022.

The main reason for being below budget is due to additional grant funds received in year, and slippage in spend.

The £4,284k approved transfer from the general reserve to meet: £1,100k requirement on operational equipment relating to one-off equipment costs to support the Marauding terrorist Attack (MTA) project; £1,000k due to forecast additional costs on Immediate Detriment for work required on the Firefighter Pensions remedy; £600k for the procurement of finance and payroll system; £430k for the Grenfell team closing to conclude Grenfell SAI work, Fire fighter study and GTI Module 8 support; £302k legal costs of RPE Challenge/Re-procurement and ICT; £350k for the leadership reserve; £300k to fund the establishment of staff project costs and other miscellaneous items totalling £202k relating to deferred one-off items of spend.

£8,401k draw on earmarked reserves include £4,700k on Capital Expenditure reserve and £3,092k from Covid reserve. A net -£1,577k, in Fire Safety reserve, due to Protection Uplift Grant received in-year of £1,664k transferred from Specific Grants, offset partially by spend in year, and -£177k in ICT Development reserve, re. finance and payroll systems underspend is applied back to the reserve due to project delays in-year. See the below table for the complete breakdown.

Reserve Description	Opening Balance at 01/04/22 £000s	Approved transfer from General Reserve	Net Reserve Movements £000s	Closing Balance at 31/03/23 £000s	Budgeted Closing Balance FY 22/23 (from the 22/23 Final Budget report) £000s
Capital Expenditure Reserve	11,745		(4,700)	7,045	7,045
Central Programme Office	328			328	328
Compensation	1,000		(75)	925	600
Covid-19	3,092		(3,092)	0	0
Emergency Medical Response	294			294	294
Emergency Services Mobile Communication Programme	1,013		(125)	888	0
Fire Safety and Youth Engagement	6,612		1,577	8,189	4,900
Grenfell Infrastructure Reserve	749	430	(676)	503	0
Hydrants	247		(127)	120	120
ICT Development Reserve	1,586	900	177	2,663	200
In Year Savings Reserve	3,600			3,600	2,000
LFB Museum Project	197		(17)	179	179
LFC Control Centre	729			729	729
London Resilience	771			771	771
Community Risk Management Plan	2,644		(71)	2,573	2,300
Organisational Reviews	150			150	150
Pension Earmarked Reserve	845	1,000	(281)	1,564	400
Sustainability	179		(8)	170	179
Transformation Delivery Plan	3,281		(266)	3,015	3,000
Vehicle & Equipment Reserve	2,407		(193)	2,215	1,100
Leadership reserve	0	350		350	0
Marauding Terrorist Attack (MTA) project	0	1,219	(222)	997	0
Communication Reserve	0	83		83	0
Legal reserve	0	302	(302)	0	0
Additional Resilience Req.	0			0	302
Recruitment/ Outreach	0			0	300
Earmarked reserves total	41,467	4,283	(8,401)	37,350	24,897
Budget Flexibility	30,532		(5,764)	24,769	29,300
General	20,428	(4,284)	1,180	17,325	16,900
Total	92,428	0	(12,984)	79,444	71,097

Original vs Revised Budget

The approved budget was updated to reflect the reworking of staff costs based on actual staffing pay, including for inflation, grant allocations and use of reserves incorporated as part of the quarterly reporting.

	Original budget	Full Year Revised Budget	Movement between variance figures	Comments
	£000s	£000s	£000s	
Operational staff	284,800	284,386	(414)	Movement of pay inflation from staff to contingency
Other staff	66,400	69,949	3,549	Allocations to reflect actual staffing position and additional grant income to meet staff costs.
Employee related	25,700	27,092	1,392	Additional training contract expenditure agreed in 2022/23 Budget Report
Pensions	21,800	21,772	(28)	reflect 2022/23 staff related saving.
Premises	42,400	46,304	3,904	Revenue contributions to capital agreed in 2022/23 Budget Report
Transport	17,700	17,320	(380)	reflect 2022/23 savings and efficiencies
Supplies and services	32,500	31,449	(1,051)	reflect 2022/23 savings and efficiencies
Third party payments	1,300	1,413	113	reflect changes in 2022/23 budget.
Capital financing costs	12,200	9,624	(2,576)	Reduction in Capital Financing Costs agreed in 2022/23 Budget Report
Central contingency against inflation	0	(265)	(265)	Movement of pay inflation from staff to contingency

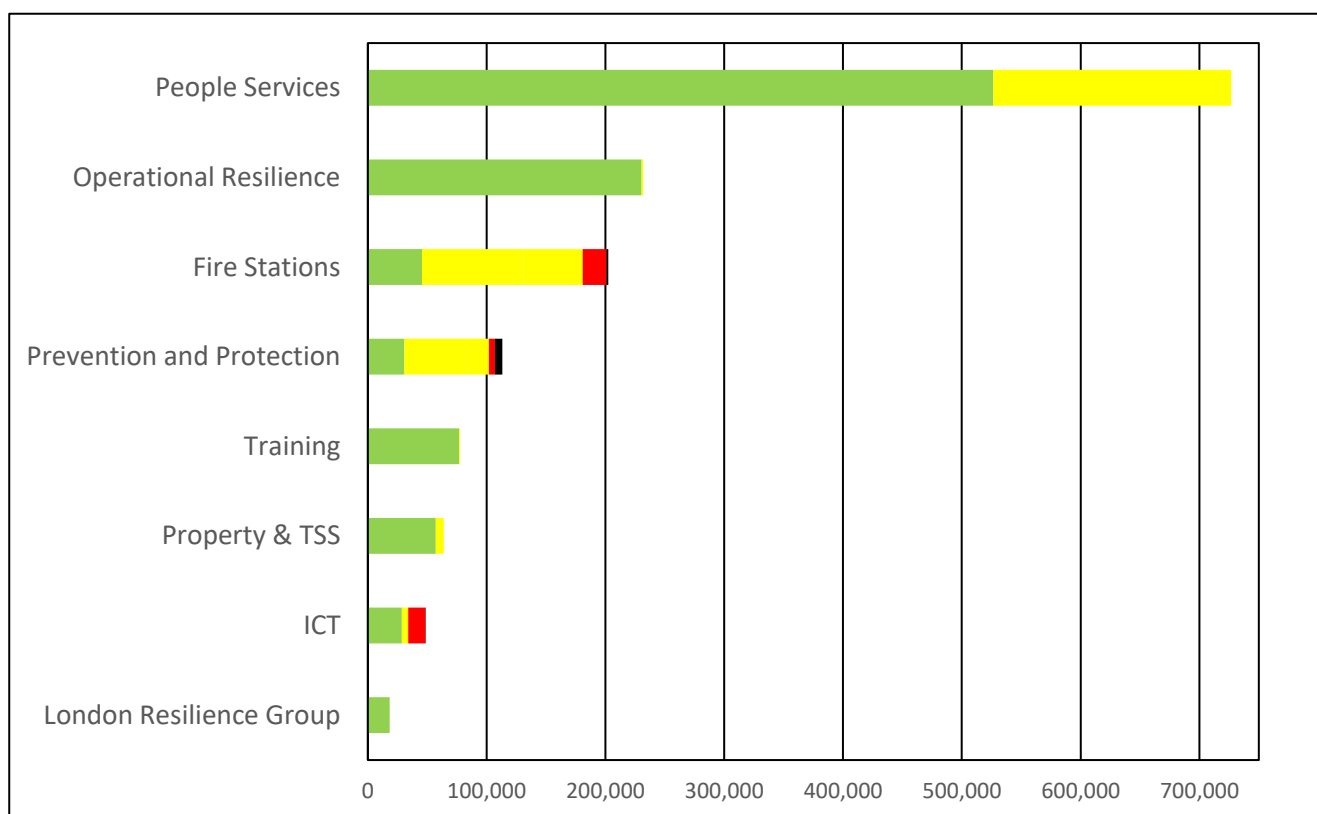
	Original budget	Full Year Revised Budget	Movement between variance figures	Comments
	£000s	£000s	£000s	
Total revenue expenditure	504,800	509,043	4,243	
Other income	(44,600)	(45,880)	(1,280)	Additional income from insurers agreed in 2022/23 Budget Report
Net revenue expenditure	460,200	463,163	2,963	
Use of General Reserves	0	(4,284)	(4,284)	Approved new reserves as part of year end closing
Use of earmarked reserves	(1,900)	2,241	4,141	Additional training contract and other draw on earmarked reserve agreed in 2022/23 Budget Report
Financing Requirement	458,300	461,121	2,821	
Financed by:				
Specific grants	(36,500)	(39,321)	(2,821)	Additional grant income to meet staff costs.
GLA funding	(421,800)	(421,800)	0	
Net Financial Position	0	0	0	

Key Performance Indicators

Debt Analysis

The balance of outstanding debt at the end of **March 2023** is £1,502k, with £487k (32% of the total outstanding) over 30 days old

The data presented below shows this debt broken down by department, with debt under 30 days shown as green, 30 days to 12 months old debt shown as yellow, 1 year to 6 years old debt shown as red and over 6 years old debt shown as black.



The table below provides further analysis and shows the top 5 departments from the above table with the highest outstanding debt at the end of **March 2023**, and the age of that debt.

Amount Outstanding (£)	30 days to 6 months old	6 months to 1 year old	1 year to 6 years old	Over 6 years old	Grand Total
Row Labels					
People Services	200,291				200,291
Fire Stations	85,176	50,131	19,848	1,719	156,875
Prevention and Protection	52,757	18,258	5,245	6,097	82,357
ICT	3,421	2,170	14,370	300	20,261
Communications		11,000	2,882		13,882

People Services

These debts relate to the brigade secondment services provided to National Fire Chiefs Council (NFCC). Several invoices were issued at the end of August, September and October. The balance has fallen by nearly £255k from the previous month. The debt has been chased by the People Services team and payment is expected.

Fire Stations

This debt relates to shut in lift (SiL) invoices. Finance credit control recorded a significant increase in debt collection in recent months. Since February there was a decrease in debt of £35k compared to January with further reduction of £40k in March, lowering total of debt from £186k to £146k. April to May recorded debt decrease of £2k. Summer increases of SiL incidents resulted in higher volume of invoices and impacted the total debts figure of £13k higher in June with additional £3k increase in July and further £9k in August. September recorded a reduction of £11k. October recorded £27k increase in debts and there was no change in November. December recorded a reduction of £29k and a further £7k for the balance as at the end of January, this increasing by £12k during the month of February. For the month of March, the debt increased by £8k raising the balance to £156k.

Prevention and Protection

These debts relate to the brigade services provided in terms of environmental search. The additional invoices increased debt in comparison to July by additional £5k. The total debt had been addressed by Finance team in August and this led to a reduction of £58k in outstanding debts for September and a further reduction of £7k for October. December recorded an increase of 20k which was partially offset by a 13k reduction within January and an increase of 7k for February. There was a further increase for March with the outstanding debt rising from £53,023 to £82,357.

ICT

This department re-appeared on the top 5 debtors list for February and the balance has remained same for March. the bulk of the outstanding invoices are over 1 year and 6 months, relating to fire reports. This has been brought to the attention of the team so the relevant actions can be carried out.

Communications

This department has also re-appeared on the top 5 debtors list and the debt relates to an old invoice dated over 1 year and 6 months. The Communications team have been notified and will be chasing for this outstanding item.

Risk to the Financial Position

Likelihood	5				Inflation	Operational Budget Volatility
	4			Replacement Vehicles and Equipment	Pay Awards	Pensions Remedy
	3		Capital Rephasing, ESN, Command Support System, Systems Development, Water Hydrants, Capital Rephasing, HGV Driver Shortage	Telecommunications Income, Cost of Borrowing	Capital Receipts	
	2		TDP, Legal Cost, Contractor Default, Third Party Collaboration, Debt Charges	Capital Programme - Covid 19	MFB Act Income, Fire Station Refurbishment	
	1					
			1	2	3	4
		Impact				

Risk	Likelihood	Impact
Operational Budget Volatility	5	5
Pensions Remedy	4	5
Pay Awards	4	4
Inflation	5	4
Capital Rephasing	3	2
Emergency Services Network	3	2
Command Support System	3	2
Transformation Delivery Plan	2	2
Systems Development	3	2
Water Hydrants	3	2
Telecommunications Income	3	3
MFB Act Income	2	4

Risk	Likelihood	Impact
Legal Costs	2	2
Capital Programme, contractor default	2	2
Capital Programme, re-phasing	3	2
Third party collaboration	2	2
Debt Charges	2	2
Property Disposal	3	4
Fire Stations Refurbishment	2	4
Replacement Vehicles and Equipment	4	3
Capital Programme - Covid 19	2	3
Financial Markets, Cost of borrowing	3	3
HGV Driver Shortage	3	2

Scheme of Governance - Budget Virements - Financial Regulation 9:

“(b) With the agreement of the Director of Corporate Services, a Head of Service may transfer up to £50,000 from a budget head within that department’s approved budget to a budget head within another department’s approved budget, but if those budget heads are in different Directorates the agreement of the appropriate Director or Commissioner is also required.

(c) With the agreement of the Director of Corporate Services, Directors may transfer up to £150,000 from a budget head within that department’s approved budget to a budget head within another department’s approved budget.

(e) The Director of Corporate Services shall report all transfers under (b) and (c) to the Commissioner as part of the quarterly Financial Position reports.”

Delegated Authority

Reference	Department from	Department to	Description	Date
DA830	Fire Safety Delivery	FSR Building Safety Programme team	Various posts to be funded by MCHLG grant & NFCC income	01/04/2022
DA833	Health and Safety	Health and Safety	-2 x FRS F, + 2 x FRS G	01/04/2022
DA834	Finance	Finance -Payroll	-1 x FRS B	01/04/2022
DA835	Finance	Budget	- 1 x FRS D, + 1 x FRS E	01/04/2022
DA838	People Service	Training & Professional Development	Transfer 1 x FRS C Talent Management Team Coordinator	01/04/2022
DA841	General Counsel	General Counsel	-1 x FRS F, +1 x FRS E	01/04/2022
DA842	Training and Professional Development	Training Performance	+0.4 FRS G	01/04/2022
DA843	Training and Professional Development	Training Performance	-1 Stn Officer +1x Stn Commander	01/04/2022
DA844	Training and Professional Development	Training Performance	-0.85xFRS D, 1xFRS D	01/04/2022
DA846	Communications	Internal Comms	-FRS C, +1FRS E	01/04/2022
DA857	OPERATIONAL DELIVERY AND ASSURANCE	LONDON RESILIENCE GROUP	-1 x TMG C, +1 x TMG B	01/04/2022

Reference	Department from	Department to	Description	Date
DA859	Information and Communications Technology	Business Intelligence	The attached DA relates to temporary posts that are due to be made permanent in 2023/24 under this year's budget report and are currently funded until 31/03/2023. The DA has been raised to bring forward making permanent for 2022/23	01/04/2022
DA860	Communications	Communication	-1 x FRS D + 1 x FRS C	01/04/2022
DA836	Fire Safety	Fire Safety - Petroleum	-0.7 FRS C + 0.5 FRS D	11/04/2022
DA808	Strategy & Risk	Strategy & Risk	+ 1 x FRS F, DA782 extension until 31/12/22 - to be funded from the transformation reserve	01/05/2022
DA845	People Services	Counselling and Trauma Services,	+0.2 FRS E	01/05/2022
DA856	Fire Safety	Community Fire Safety	- 1 x Sub O, -1 x LFF, +2 x FRS D	23/05/2022
DA852	Fire Safety	High Risk Premises	2 x Sub O and 3 x FRS D Post move to D08	24/05/2022
DA839	People Services	Cultural Change	- 1 x SUB O, +1 x FRS D	01/06/2022
DA840	ICT	ICT	+1 x FRS F	01/06/2022
DA849	Property	Property	Restructuring	01/06/2022
DA850	Fire Safety	Building Design Consultation Hub	-1 x FRS C, +0.81 x FRS D	15/06/2022
DA853	Procurement	Procurement	Upgrade 3 x FRS B/C to C - Admin & Purchasing Assist	01/07/2022
DA855	Fire Safety (Prevention & Protection)	Fire Safety Delivery	minor restructure move Stn C from D09 to D02	27/07/2022
DA858	Communication	Public Affairs and Stakeholder and Community Engagement	+1 x FRS F role in Public Affairs, Upgrade of existing FRS C role to FRS D to be funded from BFR.	01/08/2022
DA864	Communication	Public Affairs and Stakeholder and Community Engagement	Upgrade of existing FRS C role to FRS D to better reflect the requirements or the role and provide a more attractive role offer in a competitive jobs market	01/08/2022
DA864	Communications	Communications - Public Affairs Officer	-1 x FRS C + 1 x FRS D	01/08/2022
DA861	Health & Safety	Health & Safety	+ 1 x FRS F, -1 x FRS C & -1 x FRS D	01/09/2022

Reference	Department from	Department to	Description	Date
DA862	Transformation	Transformation	Transformation restructure	30/11/2022
DA862	Transformation	Transformation	Transformation restructure funded from revenue budget growth, and transformation reserves. LFC Report number – LFC-0709x	30/11/2022
DA865	Prevention & Protection	Admin Support	+ 1 FRS C, - 1.4 FRS B - temp till 30/11/2023	01/12/2022
DA865	Prevention & Protection	Admin Support	-1.4 x FRS B + 1 x FRS C	01/12/2022
DA863	Transformation	Transformation	Extension of 1 x FRS F Temporary post to 31/12/2023	01/01/2023
DA863	Communications	Communications	Transformation Comms Manager extension of post	01/01/2023
DA866	Finance	Budget	2 x FRS G	01/01/2023
DA868	Training Performance Team	Learning and Professional Development	+1 x FRS E, and 1xFRS C	03/01/2023
DA866	Prevention & Protection	Fire Investigation	-2 x Stn O, + 2 x FRS D temp till 31/12/2023	01/02/2023
DA869	Prevention & Protection	Policy & Strategy Group (formerly CS Policy & Projects)	+1xFRS E, -0.6 x FRS E	01/02/2023
DA870	Prevention and Protection	Central Teams/Fire Investigation	-1 x Stn O, + 1 x FRS D temp till 31/12/2024	01/02/2023
DA877	Prevention and Protection	Fire Investigation	-2 x STN O, +2 x FRS D	01/02/2023
DA874	Prevention and Protection	Fire Investigation	-2 x STN O, +2 x STN O	01/03/2023
DA875	Transformation	Grenfell Investigation Team (GIT)	disestablishment of GIT posts	01/03/2023

Establishment change

Reference	Department from	Department to	Description	Date
ECV041	Transformation Directorate		Internal Restructure	01/04/2022
ECV042	Fire Safety	Fire Safety	minor restructure	19/05/2022
ECV043	Operational Policy & Assurance	Operational Policy & Assurance	minor restructure move from P93 to P95	01/04/2022

Reference	Department from	Department to	Description	Date
ECV044	Property	Property	Transfer of post 330104 Z26 Programme & Project Manager – ULEF from Z26 to E17.	01/08/2022
ECV045	Fire Safety	Fire Safety	-1 x Stn O, from D06 to M29 and -1 x Sub O from M29 to D06.	23/08/2022
ECV046	People Services	People Services	minor restructure and posts move	01/07/2022
ECV047	Fire Safety	Fire Safety	1 x Sub O & 1 x FRS C move from M22 to D23.	01/09/2022
ECV048	People Services	People Services	0.98 x FRS E & 1 x FRS D move from P09 to P44	01/09/2022
ECV050	Prevention & Protection	Prevention & Protection	-1 x FRS D from D06 to D09	03/11/2022
ECV051	Property Department	Technical Support Service	-1 x FRS from Z32 To Z23	03/11/2022
ECV052	Prevention & Protection	Fire Safety Delivery	move vacant posts from Fire Safety Delivery Team to Building Design and Consultation Hub within Fire Engineering Group	01/02/2023
ECV053	Prevention & Protection	Fire Safety	1 X FRS C, FRS D and Sub O move	01/01/2023

Non-staffing Virements

Reference	Department from	Department to	Description	Date	Amount trans'd
V125	Property	Property	Corrections to several items in budget loading.	31/05/2022	1,549,583.85
V126	Property	Property	Permanent Transfer of budget from Rents to new subjective Service Charges	21/06/2022	£76,126.00
V127	Property	Property	Permanent Transfer 4943 Consultants budget to 1661 Training	21/06/2022	£38,284.00
V128	Property	Property	A permanent budget is required to fund Property spend on Hire of Facilities in relation to the Fire Museum storage. This is to be funded from an underspending budget within Property, Estates Professional Services Reactive.	24/08/2022	£27,000.00

Reference	Department from	Department to	Description	Date	Amount trans'd
V129	Prevention & Protection	Prevention & Protection	Life budget transferred to Youth Cadets	01/09/2022	£19,100
V130	Prevention & Protection	Prevention & Protection	FSD Permanent Transfer of budget from old areas (NW,NE,SW,SE) to new North, South cost centres	07/09/2022	£31,663
V132	Prevention & Protection	Prevention & Protection	minor budget reallocation	09/11/2022	£2,110.00
V133	Prevention & Protection	Prevention & Protection	Budget reallocation for cadets	28/11/2022	100641
V134	Prevention & Protection	Prevention & Protection	Budget reallocation M22	29/11/2022	850

Finance comments

1. This report is presented by the Assistant Director, Finance and there are no further comments.

Workforce comments

2. No staff-side consultations have been undertaken on this report.

Legal comments

3. This report is submitted in accordance with Part 6 (Financial Regulations) of the London Fire Commissioner's Scheme of Governance that sets out detailed rules covering financial planning, monitoring, control, systems and procedures and insurance.
4. Specifically, this report fulfils the obligations of section 8 (f) of the Financial Regulations which stipulates, inter alia, that following consultation with the relevant Heads of Service, budget monitoring reports will be presented to the relevant Board regularly
5. The London Fire Commissioner's Scheme of Governance reserves the following decisions to the London Fire Commissioner personally:
 - Approve the budget.
 - To agree all matters that have a significant impact on the organisation or service delivery, as determined by a Director
6. Consequently, the decisions in this report fall to the London Fire Commissioner to make.

Sustainability implications

7. There are no direct sustainable implications arising from this report.

Equalities implications

8. The London Fire Commissioner and decision takers are required to have due regard to the Public Sector Equality Duty (s149 of the Equality Act 2010) when exercising our functions and taking decisions.
9. It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
10. The protected characteristics are Age, Disability, Gender reassignment, Pregnancy, and maternity, Marriage, and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), Race (ethnic or national origins, colour, or nationality), Religion or belief (including lack of belief), Sex, and Sexual orientation.
11. The Public Sector Equality Duty requires us, in the exercise of all LFC functions (i.e., everything the LFC does), to have due regard to the need to:
 - a) Eliminate discrimination, harassment and victimisation and other prohibited conduct.
 - b) Advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.

- c) Foster good relations between people who share a relevant protected characteristic and persons who do not share it.
12. Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic;
 - b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
 - c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
13. The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
14. Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to—
- (a) tackle prejudice, and
 - (b) promote understanding.
15. Consultation with the Inclusion Team has taken place with regard to this financial position. The outcomes have been considered when coming to the conclusions in this report. There are no direct equality impacts arising from this statement of financial position, however an equality impact assessment was undertaken on the 2021/22 budget proposals.

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – YES/NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer

David O’Sullivan has drafted this report and confirms the following:

Assistant Director/Head of Service

Adrian Bloomfield has reviewed the documentation and is satisfied for it to be referred to Board for consideration.

Advice

The Finance and Legal teams have commented on this proposal;

Thomas Davies Legal Advisor, on behalf of General Counsel (Head of Law and Monitoring Officer)

Adrian Bloomfield Financial Advisor, on behalf of the Chief Finance Officer