

<b>DATE: 22 February 2024</b>	<b>ITEM:</b>
<b>SEC Joint Committee Meeting</b>	
<b>SEC Financial Report</b>	
<b>Report of:</b> Elizabeth Helm, Senior Finance Business Partner, Southend-on-Sea City Council	
<b>Programme Implementation Director:</b> N/A	
<b>Accountable Programme SRO:</b> N/A	
<b>This report is public</b>	

## **Executive Summary**

This report summarises the latest forecast financial position for the various programmes within SEC.

### **1. Recommendation**

#### **1.1 That the Joint Committee note the content of the report**

### **2. Introduction and Background**

- 2.1 The budget for SEC is set at the start of the financial year and adjusted throughout the year as plans are changed and updated. Provisional budgets for future years are also compiled to aid longer term financial planning.
- 2.2 Southend-on-Sea City Council maintain a separate accounting structure for ASELA and produce financial monitoring reports which are shared with Programme Implementation Directors, ASELA Chief Executives and Finance leads.
- 2.3 Financial and operational monitoring is enabled through the routine highlight reporting mechanism undertaken by each Programme Implementation Director, supported by a Finance lead, and which are also reported on this agenda.
- 2.4 Financial implications detailed in highlight reports are monitored against the budget set at the start of the financial year. Changes to a programme budget may occur when additional external funding is confirmed which enables increased programme spend or when unavoidable costs have been incurred.

### 3. Forecast

- 3.1 The current forecast for 2023/24 is a £360,000 surplus, which will bring the reserve to £392,000 as per the table below.
- 3.2 Spend forecast for 2024/25 has been populated in the table below and will continue to be updated.

Income and Expenditure Summary	2023/24 Actuals £000's	2023/24 Forecast £000's	2024/25 Forecast £000's
<b>Income</b>			
Partnership Investment (SEC authorities)	(420)	(420)	(420)
Other partners			
Homes England	(166)	(166)	0
Digital - National Highways	(155)	(532)	(320)
Digital - SELEP Getting Building Fund	(742)	(742)	0
<b>Total Income</b>	<b>(1,483)</b>	<b>(1,860)</b>	<b>(740)</b>
<b>Programme Expenditure</b>			
South Essex Advanced Technical Skills (SEATS)	32	33	0
Full Fibre Digital	908	1,284	320
Infrastructure and Housing	166	178	24
Operating and Other Costs	0	5	100
<b>Total Expenditure</b>	<b>1,107</b>	<b>1,500</b>	<b>444</b>
<b>In year (surplus) / deficit</b>	<b>(376)</b>	<b>(360)</b>	<b>(296)</b>

SEC Reserve	2023/24 £000's	2024/25 £000's
Balance brought forward	(32)	(392)
Net in year (surplus) / deficit	(360)	(296)
Balance carried forward	(392)	(688)

### 3.3 South Essex Advanced Technical Skills (SEATS)

Work has been completed on setting up the operating company, with the final bill being processed. No further costs are anticipated.

### **3.4 Full Fire Digital**

The Internet of Things (IOT) works are now anticipated to be completed at the start of 2024/25 and discussions have been had with National Highways to push the funding back into the new financial year. This results in a reduction in the forecast spend this year to £1.284M this year on the Local Full Fibre Network, which has been funded from the SELEP GBF and National Highways.

### **3.5 Infrastructure and Housing**

The grant funding from Homes England has been fully claimed in line with the grant agreement.

Subject to approval to the earlier item, the forecast includes a commitment for £54,000 over 6 months to provide interim programme support over the next 6 months.

### **3.6 Operating and other costs**

The forecast includes a small element of ad hoc costs, including supporting updates to the website (under £1,000) and the previously agreed £100,000 for the consultancy work.

#### **Report Author:**

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