



Agenda item B1

From: Su Martin, **Financial Advisor, KEIFCA**

To: Kent and Essex Inshore Fisheries and Conservation Authority  
26 November 2024.

Subject: Revenue Budget Monitoring Report 2024-25

Classification: **Unrestricted**

**Summary:** This report gives the estimated financial outturn position for the Authority based on data at the end of October 2024. Appendix 1 includes the actual expenditure to 31 October 2024 and the revenue outturn forecast for the year with the variance to the budget.

**Recommendation(s):**

1. The Authority is asked to review and approve the forecast underspend for the year of £26,114. This underspend is indicative at the present time and is likely to change throughout the year.

## 1. Introduction

This report shows the likely outturn based upon data at the end of October 2024.

Forecast Revenue Outturn 2024-25

- 1.1 The forecast Revenue Outturn for the year is an underspend of £26,114

Known budget pressures since the last report in September 2024:

- Engine repairs for Tamesis, expected to be around £7k giving an overspend forecast of £1.1k
- Forecast of additional 16,000 litres of fuel needed for Nerissa for the manila clam trials for the year, while offset by fuel underspends for the other vessels, the budget pressure is forecast at just under £7k
- Forecast of £347k for the new vessel build, this is likely to be adjusted during the year as some of the build costs may carry over into 2025/26.

These are offset by a grant from DEFRA and a drawdown from Reserves, so will have a net nil impact on the budget.

Known savings since the last report:

- Additional income from permits stands at £20.1k more than budgeted.
- Income from AIFCA for Coastal Health Project work has increased to £38.1k

1.2 £300k has been received from DEFRA to part fund the new vessel build.

1.3 The main variances of spend or income against budget are shown in the table below and can be seen in detail in Appendix 1 (a negative figure indicates underspend or income received).

Budget Heading	Reason(s) for Variation	Variance from Budget Amount £	Income or generated revenue Amount £
Staffing	Additional cost relating to new staff member	6,821.00	
	Uniform costs for new staff members (offset by FMP/MPA/Marine Planning Grant)	945.00	
	Additional staff travel for conferences	792.00	
Premises	Replacement glazing Ramsgate Replacement blinds Brightlingsea	2,297.00	
Vessels	Engine Repairs for Tamesis, forecast around £7k creating overspend	1,100.00	
	Additional 16,000l of fuel for Nerissa to complete Manila clam trials, offset by underspends on fuel for Tamesis and Vigilant	6,931.00	
	Lower insurance premiums than budgeted	- 2,300.00	
Vehicles	Cost of new vehicle purchase and other associated costs	22,035.00	
	Transfer to Renewals Reserve - Capitalisation of costs for new vehicle purchase	- 22,035.00	
Supplies and Services	Internet and firewall upgrade at Brightlingsea	6,440.00	
	Additional costs for mobile phones for new staff (offset by FMP/MPA/Marine Planning grant)	1,420.00	

	Mobile phones - increase to costs from BT	600.00	
	Costs for the new vessel build : £123k actuals and £224k forecast. This is offset by drawdown from Reserves of £47k and DEFRA grant £300k	347,030.00	
Other Costs	Lower than budgeted costs for advertising byelaws	- 7,605.00	
Survey and Project Costs	Communications and technology - contribution to Fish Local £18.5k offset by £13.5k contribution from DEFRA FMP/MPA/Marine Planning grant	13,950.00	
	Research Funds - Income from AIFCA's for Coastal Health Project Work		- 38,100.00
	Cockle Surveys - Additional costs for movement of quad bikes, trailers and containers from Rugwood Farm to Brightlingsea Unbudgeted costs for vessel monitoring and inwater monitoring systems	10,900.00	
	Receipt of additional income from Cockle permits		- 20,130.00
Reserve Drawdown	Forecast of amount needed for the new vessel build	- 47,030.00	
FMP	forecast for expenditure against the FMP grant	82,400.00	
Contributions and grants	DEFRA grant for new vessel build £300k		- 300,000.00
	Receipt of 2024/25 grant from DEFRA for FMP/MPA/Marine Planning and Manila clam trial -£97k		- 97,000.00
Minor Variances	Minor variance across all budget lines	4,425.00	
Sub Totals		429,116.00	- 455,230.00
Overall Variance			- 26,114.00

## 2. **Assets & Reserves:**

2.1 Vehicles: The replacement Toyota Hi-Lux that was ordered in 2023/24 for delivery in 2024 has been received at a cost of £33,127+vat to replace the existing vehicle. The total charge including part-ex was £23,627 which will be capitalised. In addition, two vans have been ordered to replace the VW Caddy's in 2024/25, the purchase price is £42,611 and the expected part-ex value to be around £19,500 so the expected total costs will be around £26,711. These costs will also be capitalised.

2.2 The balances in Reserves are shown in the table below, as at October 2024. The balance of funds remaining from the NLTO post is £33.9k. The Association of IFCAs has asked that it remains held by the IFCA for the present time. The replacement vessel reserve has been re-opened to hold the DEFRA grant for the new RIB.

<b>Reserves</b>	
Balance held from NLTO post	-33,862
Revenue reserve	-838,702
Useable capital receipts	-81,047
Renewals Reserve	-757,363
DEFRA FMP/MPA/Marine Planning Grant	-239,863
Financial Administrative Penalty Reserve	-22,246
Reserve for Replacement Vessel	-300,000

**3. Recommendation:**

3.1 The Authority is asked to review and approve the forecast underspend for the year of £26,114. This underspend is indicative at the present time and is likely to change throughout the year.

**4. Contact Details:**

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