



Agenda item B1

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

To: Kent and Essex Inshore Fisheries and Conservation Authority
28 January 2025.

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 December 2024. Appendix 1 includes the actual expenditure to 31 December 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 £28,359. 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 December 2024. The expected outturn remains similar to the last report in November 2024 where we were reporting on underspend of just over £26k. This underspend is mostly attributable to the Coastal Health Project income from AIFCA.

Forecast Revenue Outturn 2024-25

1.1 The forecast Revenue Outturn for the year is an underspend of £28,359

- Engine repairs for Tamesis, were reported in November costing around £7k with an expected overspend forecast of £1.1k – however, due to reductions in the minor repairs bill for the other vessels, this is now forecasting at budget.

- 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 and Tamesis being out of water for part of the year has reduced this pressure from just under £7k to £2.5k.
- The overspend relating to the internet and firewall improvements at Brightlingsea and Ramsgate has increased from £6.4k to £7.8k
- Income from AIFCA for Coastal Health Project work has increased to £38.1k, this is still due and brings the forecast budget into credit by £34.4k.
- 2024/25 grant of £50k received from DEFRA in December 2024.

1.2 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 bracketed figure in red 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 - forecast reduced since September due to pension changes	2,756.00	
	Uniform costs for new staff members (offset by FMP Grant)	945.00	
	Additional staff travel for conferences	1,371.00	
Premises	Replacement glazing Ramsgate	2,377.00	
	Replacement blinds Brightlingsea		
	minor underspend in energy costs and rental and service charges	(975.00)	
Vessels	Additional 16,000l of fuel for Nerissa to complete Manila clam trials, offset by underspends on fuel for Tamesis and Vigilant	2,533.00	
	Lower insurance premiums than budgeted	(2,300.00)	
	Harbour dues and other costs - minor overspend	612.00	

Vehicles	Cost of new vehicle purchase and other associated costs - increased due to the arrival of the new Toyota Corolla vans, this variance is slightly less than the vehicle purchase costs to be transferred to Reserve as there is an underspend on the line	52,694.00	
	Transfer to Renewals Reserve - Capitalisation of costs for new vehicles purchase	(54,354.00)	
	Fuel and Oil - minor overspend	789.00	
Supplies and Services	Internet and firewall upgrade at Brightlingsea	7,808.00	
	Additional costs for mobile phones for new staff (offset by FMP grant)	672.00	
	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	
Support Charges	Internal and External Audit: Internal audit sent a late payment request for a visit from last financial year	731.00	
Other Costs	Hire of Rooms: overspend relating to costs for T24 meetings	2,335.00	
	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 FMP grant £1.4k due to late invoicing from the Copy shop (minimum size stickers) £0.1k advertising costs	15,543.00	
	Research Funds - Income from AIFCA's for Coastal Health Project Work		(34,406.00)
	Training Programme: training for 3 new staff members (partially offset by DEFRA grant)	3,811.00	

	Cockle Surveys - Additional costs for movement of quad bikes, trailers and containers from Rugwood Farm to Brightlingsea	11,628.00	
	Unbudgeted costs for vessel monitoring and in water monitoring systems		
	Receipt of additional income from Cockle permits		(20,399.00)
Reserve Drawdown	Forecast of amount needed for the new vessel build	(47,030.00)	
FMP	forecast for expenditure against the FMP grant	131,863.00	
Contributions and grants	DEFRA grant for new vessel build £300k		(300,000.00)
	Receipt of 2024/25 grant from DEFRA -£147k		(147,000.00)
Minor Variances	Minor variance across all budget lines	212.00	
Sub Totals		473,446.00	(501,805.00)
Overall Variance			(28,359.00)

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 Toyota Corolla's have been received to replace the VW Caddy's, the purchase price is £44,974 inc VAT and expected part-ex value was £15,000 so the total costs is £29,974. 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 IFCA's 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.

Reserves	
Balance held from NLTO post	-33,862
Revenue reserve	-838,702
Useable capital receipts	-81,047
Renewals Reserve	-757,363

DEFRA 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 £28,359. This underspend is indicative at the present time and is likely to change throughout the year.

4. Contact Details:

Report Author: Su Martin
Name and job title KEIFCA Financial Advisor
Telephone number 03000 412165
Email address: su.martin@kent.gov.uk