



Agenda item B1

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

To: Kent and Essex Inshore Fisheries and Conservation Authority  
17 September 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 August 2024. Appendix 1 includes the actual expenditure to 31 August 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 £5,712. 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 August 2024. For the most part, the expenditure is close to the budget that was set for 2024/25 overall, although there are some elements of over and underspend.

Forecast Revenue Outturn 2024-25

- 1.1 The forecast Revenue Outturn for the year is an underspend of £5,712

Known budget pressures:

- Increased staffing cost for an additional member of staff on a 6 month contract
- Premises costs including replacement glazing at Ramsgate, replacement blinds at Brightlingsea plus additional charges to upgrade the internet and firewall at Brightlingsea.

- Closure of Rugwood Farm has led to increased costs for movement of the quad bikes, trailers and the storage containers to the yard at Brightlingsea. There is also further costs incurred for rental space at Brightlingsea.
- Vessel monitoring System and Inwater Monitoring System were approved for purchase after budget setting.

Known savings:

- Increase in income from cockle licences and additional income from permits stands at £19.75k more than budgeted.
- Income from AIFCA for Coastal Health Project work
- Advertising costs for byelaws are significantly less than budgeted
- Lower than anticipated charges for vessel insurance as 2023/24 rates have been maintained for 2024/25

- 1.2 It is expected that the KCC interest payments will exceed the budget of 24k income, although rates are expected to fall through the year, so it is not expected to be at the same level as 2023/24.
- 1.3 The legal budget for 2024/25 was set to 50k as a contingency for judicial review, there may be significant underspend if this does not occur.
- 1.4 97k was received in grant funding from DEFRA for the Fisheries Management Plans
- 1.5 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).

| <b>Budget Heading</b> | <b>Reason(s) for Variation</b>   | <b>Amount (variation from budget)<br/>£</b> | <b>Amount (generated revenue &amp; proceeds)<br/>£</b> |
|-----------------------|--|---|--|
| Staffing              | Additional cost relating to new staff member                           | 13,581                                      |  |
|                       | Uniform costs for new staff members (offset by FMP Grant)              | 942   |  |
| Premises              | Replacement glazing Ramsgate<br>Replacement blinds Brightlingsea       | 2,297                                       |  |
| Vessel Insurance      | Premiums are lower than budgeted                                       | -2,300                                      |  |
| Supplies and Services | Internet and firewall upgrade at Brightlingsea                         | 5,937                                       |  |
|                       | Additional costs for mobile phones for new staff (offset by FMP grant) | 1,190                                       |  |

|                               |   |                |                 |
|-------------------------------|---|----------------|-----------------|
| Other Costs                   | Lower than budgeted costs for advertising byelaws                 | -7605          |                 |
| Vehicles                      | Cost of new vehicle purchase and other associated costs           | 24,295         |                 |
|                               | Capitalisation of costs for new vehicle purchase                  | -23,627        |                 |
| Cockle Licence Fees & permits | Income for cockle licences exceeds budget                         |                | -19,749         |
| Research Funds                | AIFCA funding for Coastal Health Project work                     |                | -8,222          |
| Cockle Surveys                | Quad bikes, trailers and storage containers move to Brightlingsea | 3,637          |                 |
|                               | Vessel Monitoring System and Inwater Monitoring System            | 9,300          |                 |
| Minor Variances               | Minor Variances   | 2,020          |                 |
| DEFRA FMP Grant               | Receipt of 2024/25 grant from DEFRA for FMP's                     |                | -97,000         |
| DEFRA FMP grant expenditure   | Forecast expenditure against the FMP grant                        | 89,592         |                 |
| Subtotal                      |   | <b>119,259</b> | <b>-124,971</b> |
| Total Variance                |   | <b>-5,712</b>  |                 |

## 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 August 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.

| <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 Grant                          | -142,863 |
| Financial Administrative Penalty Reserve | -22,246  |

### **3. Recommendation:**

3.1 The Authority is asked to review and approve the forecast underspend for the year of £5,712. This underspend is indicative at the present time and is likely to change throughout the year.

### **4. Contact Details:**

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