



Agenda item B1

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

To: Kent and Essex Inshore Fisheries and Conservation Authority
25 November 2025

Subject: Revenue Budget Monitoring Report 2025-26

Classification: **Unrestricted**

Summary: This report gives the estimated financial outturn position for the Authority based on data at the end of October 2025. Appendix 1 includes the actual expenditure to 31 October 2025 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 overspend for the year of £36,890. This overspend 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 2025. There have been some pressures to the budget since reporting in June and these are outlined in the table in 1.4 and in Appendix 1.

- 1.1 The forecast Revenue Outturn for the year is an overspend of £36,890. The variances are summarised below and in detail in Appendix 1.
- 1.2 Legal fees relating to the T24 Regulatory Order are likely to be finalised at around 70k which is significantly less than the 156k which was ring-fenced in the general reserve in 2024/25 for this purpose.
- 1.3 Costs for upgrading Nerissa and Tamesis for Workboat Code 3 which is covered in detail in agenda item B5 is now being forecast at around 65k for Nerissa and somewhere between 30-50k for Tamesis. All costs that arise from this work will be drawn down from the Renewal Reserve.
- 1.4 Reasons for variance

Budget Heading	Reason(s) for Variation	Amount (variation from budget) £	Amount (generated revenue & proceeds) £
Staffing	Increase in NI contributions and NJC pay award finalised after budget setting. 1.1k of recruitment advertising costs will be refunded from the FMP grant	10,511	
Premises	Rental increases for Brightlingsea office of 3.3k IT costs relating to the new server, software and equipment added variance of 6.3k after costs that can be capitalised are forecast Minor variances of (0.3) under budget for insurance	12,916	
Vessels	Saving in Insurance Premiums being lower than budgeted as well as a later start date on insurance for Nemo Major repairs on an oil leak for Tamesis Harbour Fees – reduction of expenditure as Nemo is delayed	(5,394)	
Research	Cockles: Vessel Monitoring System costs are greater than originally budgeted. The overspend is offset by 7k from the FMP grant Whelks: ICES Whelk Conference (this will be offset from the FMP grant) PHD costs of 40k will be offset by the FMP grant. Other costs relate to the TAG conference, this takes the line to an 8.5k overspend	63,239	
Administration	Savings in external audit costs Increase in Subscription fees – AIFCA and SeaFlux SMS workboat code 3 and the Axon radio System Advertising costs for Variation Order	14,373	
Communications	Contribution to Fish Local which will be offset by the FMP Grant	13,529	
Income	Cockles – higher than forecast income from Permits and Licences		(10,668)
Minor Variances	Minor variances	721	
FMP Grant	Forecast offset from the FMP Grant	(62,337)	
Subtotal		47,558	(10,668)
Total Variance		36,890	

2. Reserves:

Reserves	
Balance held from NLTO post for AIFCA training	-35,208.44
Revenue reserve	-1,176,194.36
Useable capital receipts	-118,046.67
Renewals Reserve	-748,436.14
DEFRA FMP Grant	-106,127.93
Financial Administrative Penalty Reserve	-22,996

3. Financial System changes

KCC replaced its finance systems in mid-August 2025. As is often the case with a full system upgrade, there have been some issues that were not anticipated or identified during testing and some of these have impacted our ability to use the system. Despite the issues, it has been possible to monitor and track revenue expenditure in the interim to be able to produce this report. It is hoped that by the next Authority meeting, all systems will be fully working.

4. Recommendation:

The Authority is asked to review and approve the forecast overspend for the year of £36,890. This overspend is indicative at the present time and is likely to change throughout the year.

5. Contact Details:

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