



Agenda item B3

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

To: Kent and Essex Inshore Fisheries and Conservation Authority  
22 November 2022.

Subject: Revenue Budget Monitoring Report 2022-23.

Classification: **Unrestricted**

**Summary:** This report gives the estimated financial outturn position for the Authority based on data at the end of October 2022. Appendix 1 includes the actual expenditure to 31 October 2022 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 £55,573. 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 2022. For the most part, the expenditure is within the current planned budget, although there are some variations which has led to a forecast underspend. More detail is given in the section below and in appendix 1.

## **2. Revenue Outturn 2022-23**

2.1 The forecast Revenue Outturn for the year is an underspend of £55,573. The underspend is predominantly due to a decrease in the salary forecast. This is due to the vacancy for the Scientific Officer being carried for the full financial year. In addition, resignations of a Fisheries Officer and First Mate have also contributed to a significant reduction in the forecast.

Income has been received from ZSL for three days hire of Tamesis for £7,170. A payment of £10,000 from Natural England as a contribution to the survey work being undertaken as well as increases in cockle licences have also contributed to the forecast underspend. Also, there is an unplanned £10,483 underspend on the legal budget due to costs received in respect of a Court case held in March plus a reduced forecast for any further legal fees for this year.

The rising fuel costs started after budget setting for last year and this has led to a significant overspend for the vessels at £17,602.

2.2 The main variances of spend against budget are detailed in the table below and can be seen in detail in Appendix 1.

<b>Budget Heading</b>	<b>Reason(s) for Variation</b>	<b>Amount (variation from budget) £</b>	<b>Amount (generated revenue &amp; proceeds) £</b>
Salaries	Scientific Officer post has been forecast as vacant for the whole year. Additionally, there are part year vacancies for the Fisheries Officer post and First Mate post.	-50,761	
Protective Clothing & Uniforms	Reduced requirement for PPE and reduced need to replace uniforms	-1,090	
Travel & Subsistence	Reduction in anticipated travel claims due to many training courses remaining online	-2,368	
Premises costs	Some small increases in costs for cleaning as well as some additional premises costs from the fire safety review	+1,367	
Equipment Repair and maintenance	Repairs to oil leak and anti-fouling replacement for Nerissa are forecast at 3.5k although these may be incurred in the next financial year. The overspend is reduced by due to only one service due for Vigilant now this year.	+2,300	
Vessels – diesel and oil	Increases in fuel costs	+17,602	
Other Vessel Costs	Reduced insurance and Harbour Dues	-1,600	
Vehicle Costs	Increased fuel costs and repairs to cracked windscreens	+952	

<b>Budget Heading</b>	<b>Reason(s) for Variation</b>	<b>Amount (variation from budget) £</b>	<b>Amount (generated revenue &amp; proceeds) £</b>
Equipment (digital)	Cyber security upgrades to implement two factor login identification, upgrade to the email archiving system and 2 x laptop replacement	+1,976	
Fire Risk assessments & NCSS Database	2 x fire risk assessments plus costs for the NCSS Access database	+1,015	
Income - Hire of Vessels	Hire of Tamesis for three days by ZSL		-7,170
Legal Fees	Costs received in respect of a Court case held in March. Reduced forecast in legal fees likely to be required to be paid within this financial year.	-4,613	-5,870
Room Hire, Members travel allowance and other Admin costs	Reductions in room hire as September meeting did not go ahead, reduced forecast for Members travel allowances	-2,112	
Social Media Licences	Juicer social media monthly costs and 3 x Zoom licences	+1,248	
Training	Quad bike and Sea Survival licence renewal	+2,867	
Cockle Surveys	Easter Tide Cockle Surveys (Accommodation and staff training)	+1,846	
Licenses and Fees	Natural England contribution		-10,000
Cockle Licence Fees	Increase in cockle licence fees		-2,240
Minor Variances across budget		+828	
<b>Sub-Total</b>		<b>-30,543</b>	<b>-25,280</b>
<b>Total</b>		<b>-£55,823</b>	

2.3 The Authority have begun the budget setting process for 2023-24 and are considering the challenges that face them in the coming year. The most important being inflation which is close to its highest level in a decade and the effect this has on running costs and the sustained high cost of fuel. It is important not to compromise the efficient day-to-day running of the Authority over the coming years.

2.4 Members will be aware that DEFRA have awarded the Authority £50,000 for the 2022/23 Fisheries Management Plan; this has been received in November 2022. This grant is ring-fenced so does not impact on the revenue outturn forecast.

### **3. Recommendation:**

3.1 The Authority is asked to review and approve the forecast underspend for the year of £55,823. This underspend is indicative at the present time and is likely to change throughout the year.

### **4. Contact Details**

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